



Sen. Chris Lauzen

Filed: 10/26/2005

09400HB0466sam001

LRB094 05807 MKM 50002 a

1 AMENDMENT TO HOUSE BILL 466

2 AMENDMENT NO. _____. Amend House Bill 466 by replacing the
3 title with the following:

4 "AN ACT concerning energy, which may be referred to as the
5 Illinois Home Energy Relief Act."; and

6 by replacing everything after the enacting clause with the
7 following:

8 "Section 5. The State Finance Act is amended by changing
9 Sections 6z-18 and 6z-20 as follows:

10 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

11 Sec. 6z-18. A portion of the money paid into the Local
12 Government Tax Fund from sales of food for human consumption
13 which is to be consumed off the premises where it is sold
14 (other than alcoholic beverages, soft drinks and food which has
15 been prepared for immediate consumption) and prescription and
16 nonprescription medicines, drugs, medical appliances and
17 insulin, urine testing materials, syringes and needles used by
18 diabetics, which occurred in municipalities, shall be
19 distributed to each municipality based upon the sales which
20 occurred in that municipality. The remainder shall be
21 distributed to each county based upon the sales which occurred
22 in the unincorporated area of that county.

23 A portion of the money paid into the Local Government Tax

1 Fund from the 6.25% general use tax rate on the selling price
2 of tangible personal property which is purchased outside
3 Illinois at retail from a retailer and which is titled or
4 registered by any agency of this State's government shall be
5 distributed to municipalities as provided in this paragraph.
6 Each municipality shall receive the amount attributable to
7 sales for which Illinois addresses for titling or registration
8 purposes are given as being in such municipality. The remainder
9 of the money paid into the Local Government Tax Fund from such
10 sales shall be distributed to counties. Each county shall
11 receive the amount attributable to sales for which Illinois
12 addresses for titling or registration purposes are given as
13 being located in the unincorporated area of such county.

14 A portion of the money paid into the Local Government Tax
15 Fund from the 6.25% general rate (and, beginning July 1, 2000
16 and through December 31, 2000, the 1.25% rate on motor fuel and
17 gasohol and, beginning on December 1, 2005 and through March
18 31, 2006, the 1.25% rate on propane and home heating oil sold
19 to residential customers) on sales subject to taxation under
20 the Retailers' Occupation Tax Act and the Service Occupation
21 Tax Act, which occurred in municipalities, shall be distributed
22 to each municipality, based upon the sales which occurred in
23 that municipality. The remainder shall be distributed to each
24 county, based upon the sales which occurred in the
25 unincorporated area of such county.

26 For the purpose of determining allocation to the local
27 government unit, a retail sale by a producer of coal or other
28 mineral mined in Illinois is a sale at retail at the place
29 where the coal or other mineral mined in Illinois is extracted
30 from the earth. This paragraph does not apply to coal or other
31 mineral when it is delivered or shipped by the seller to the
32 purchaser at a point outside Illinois so that the sale is
33 exempt under the United States Constitution as a sale in
34 interstate or foreign commerce.

1 Whenever the Department determines that a refund of money
2 paid into the Local Government Tax Fund should be made to a
3 claimant instead of issuing a credit memorandum, the Department
4 shall notify the State Comptroller, who shall cause the order
5 to be drawn for the amount specified, and to the person named,
6 in such notification from the Department. Such refund shall be
7 paid by the State Treasurer out of the Local Government Tax
8 Fund.

9 On or before the 25th day of each calendar month, the
10 Department shall prepare and certify to the Comptroller the
11 disbursement of stated sums of money to named municipalities
12 and counties, the municipalities and counties to be those
13 entitled to distribution of taxes or penalties paid to the
14 Department during the second preceding calendar month. The
15 amount to be paid to each municipality or county shall be the
16 amount (not including credit memoranda) collected during the
17 second preceding calendar month by the Department and paid into
18 the Local Government Tax Fund, plus an amount the Department
19 determines is necessary to offset any amounts which were
20 erroneously paid to a different taxing body, and not including
21 an amount equal to the amount of refunds made during the second
22 preceding calendar month by the Department, and not including
23 any amount which the Department determines is necessary to
24 offset any amounts which are payable to a different taxing body
25 but were erroneously paid to the municipality or county. Within
26 10 days after receipt, by the Comptroller, of the disbursement
27 certification to the municipalities and counties, provided for
28 in this Section to be given to the Comptroller by the
29 Department, the Comptroller shall cause the orders to be drawn
30 for the respective amounts in accordance with the directions
31 contained in such certification.

32 When certifying the amount of monthly disbursement to a
33 municipality or county under this Section, the Department shall
34 increase or decrease that amount by an amount necessary to

1 offset any misallocation of previous disbursements. The offset
2 amount shall be the amount erroneously disbursed within the 6
3 months preceding the time a misallocation is discovered.

4 The provisions directing the distributions from the
5 special fund in the State Treasury provided for in this Section
6 shall constitute an irrevocable and continuing appropriation
7 of all amounts as provided herein. The State Treasurer and
8 State Comptroller are hereby authorized to make distributions
9 as provided in this Section.

10 In construing any development, redevelopment, annexation,
11 preannexation or other lawful agreement in effect prior to
12 September 1, 1990, which describes or refers to receipts from a
13 county or municipal retailers' occupation tax, use tax or
14 service occupation tax which now cannot be imposed, such
15 description or reference shall be deemed to include the
16 replacement revenue for such abolished taxes, distributed from
17 the Local Government Tax Fund.

18 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99; 91-872,
19 eff. 7-1-00.)

20 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

21 Sec. 6z-20. Of the money received from the 6.25% general
22 rate (and, beginning July 1, 2000 and through December 31,
23 2000, the 1.25% rate on motor fuel and gasohol and, beginning
24 on December 1, 2005 and through March 31, 2006, the 1.25% rate
25 on propane and home heating oil sold to residential customers)
26 on sales subject to taxation under the Retailers' Occupation
27 Tax Act and Service Occupation Tax Act and paid into the County
28 and Mass Transit District Fund, distribution to the Regional
29 Transportation Authority tax fund, created pursuant to Section
30 4.03 of the Regional Transportation Authority Act, for deposit
31 therein shall be made based upon the retail sales occurring in
32 a county having more than 3,000,000 inhabitants. The remainder
33 shall be distributed to each county having 3,000,000 or fewer

1 inhabitants based upon the retail sales occurring in each such
2 county.

3 For the purpose of determining allocation to the local
4 government unit, a retail sale by a producer of coal or other
5 mineral mined in Illinois is a sale at retail at the place
6 where the coal or other mineral mined in Illinois is extracted
7 from the earth. This paragraph does not apply to coal or other
8 mineral when it is delivered or shipped by the seller to the
9 purchaser at a point outside Illinois so that the sale is
10 exempt under the United States Constitution as a sale in
11 interstate or foreign commerce.

12 Of the money received from the 6.25% general use tax rate
13 on tangible personal property which is purchased outside
14 Illinois at retail from a retailer and which is titled or
15 registered by any agency of this State's government and paid
16 into the County and Mass Transit District Fund, the amount for
17 which Illinois addresses for titling or registration purposes
18 are given as being in each county having more than 3,000,000
19 inhabitants shall be distributed into the Regional
20 Transportation Authority tax fund, created pursuant to Section
21 4.03 of the Regional Transportation Authority Act. The
22 remainder of the money paid from such sales shall be
23 distributed to each county based on sales for which Illinois
24 addresses for titling or registration purposes are given as
25 being located in the county. Any money paid into the Regional
26 Transportation Authority Occupation and Use Tax Replacement
27 Fund from the County and Mass Transit District Fund prior to
28 January 14, 1991, which has not been paid to the Authority
29 prior to that date, shall be transferred to the Regional
30 Transportation Authority tax fund.

31 Whenever the Department determines that a refund of money
32 paid into the County and Mass Transit District Fund should be
33 made to a claimant instead of issuing a credit memorandum, the
34 Department shall notify the State Comptroller, who shall cause

1 the order to be drawn for the amount specified, and to the
2 person named, in such notification from the Department. Such
3 refund shall be paid by the State Treasurer out of the County
4 and Mass Transit District Fund.

5 On or before the 25th day of each calendar month, the
6 Department shall prepare and certify to the Comptroller the
7 disbursement of stated sums of money to the Regional
8 Transportation Authority and to named counties, the counties to
9 be those entitled to distribution, as hereinabove provided, of
10 taxes or penalties paid to the Department during the second
11 preceding calendar month. The amount to be paid to the Regional
12 Transportation Authority and each county having 3,000,000 or
13 fewer inhabitants shall be the amount (not including credit
14 memoranda) collected during the second preceding calendar
15 month by the Department and paid into the County and Mass
16 Transit District Fund, plus an amount the Department determines
17 is necessary to offset any amounts which were erroneously paid
18 to a different taxing body, and not including an amount equal
19 to the amount of refunds made during the second preceding
20 calendar month by the Department, and not including any amount
21 which the Department determines is necessary to offset any
22 amounts which were payable to a different taxing body but were
23 erroneously paid to the Regional Transportation Authority or
24 county. Within 10 days after receipt, by the Comptroller, of
25 the disbursement certification to the Regional Transportation
26 Authority and counties, provided for in this Section to be
27 given to the Comptroller by the Department, the Comptroller
28 shall cause the orders to be drawn for the respective amounts
29 in accordance with the directions contained in such
30 certification.

31 When certifying the amount of a monthly disbursement to the
32 Regional Transportation Authority or to a county under this
33 Section, the Department shall increase or decrease that amount
34 by an amount necessary to offset any misallocation of previous

1 disbursements. The offset amount shall be the amount
2 erroneously disbursed within the 6 months preceding the time a
3 misallocation is discovered.

4 The provisions directing the distributions from the
5 special fund in the State Treasury provided for in this Section
6 and from the Regional Transportation Authority tax fund created
7 by Section 4.03 of the Regional Transportation Authority Act
8 shall constitute an irrevocable and continuing appropriation
9 of all amounts as provided herein. The State Treasurer and
10 State Comptroller are hereby authorized to make distributions
11 as provided in this Section.

12 In construing any development, redevelopment, annexation,
13 preannexation or other lawful agreement in effect prior to
14 September 1, 1990, which describes or refers to receipts from a
15 county or municipal retailers' occupation tax, use tax or
16 service occupation tax which now cannot be imposed, such
17 description or reference shall be deemed to include the
18 replacement revenue for such abolished taxes, distributed from
19 the County and Mass Transit District Fund or Local Government
20 Distributive Fund, as the case may be.

21 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

22 Section 10. The Use Tax Act is amended by adding Section
23 3-3 and by changing Sections 3-10 and 9 as follows:

24 (35 ILCS 105/3-3 new)

25 Sec. 3-3. Tax holiday; energy-efficient products.

26 (a) No tax is imposed under this Act upon the privilege of
27 using, in this State, energy-efficient products for
28 residential use if those products are purchased during the
29 tax-holiday period, which begins at 12:01 a.m. on December 1,
30 2005 and ends at 11:59 p.m. on March 31, 2006.

31 For the purposes of this Section, "energy-efficient
32 products" means products that are entitled to and carry the

1 Energy Star label under the Energy Star program administered by
2 the federal government, such as windows, insulation, roof
3 products, residential lamps and lights, transformers, heating
4 and cooling equipment, clothes washers, dehumidifiers,
5 dishwashers, refrigerators, freezers, room air conditioners,
6 ceiling fans, programmable thermostats, ventilating fans, and
7 compact fluorescent bulbs.

8 (b) Any discount, coupon, or other credit offered either by
9 the retailer or by a vendor of the retailer to reduce the final
10 price to the customer shall be taken into account in
11 determining the selling price of the item for purposes of this
12 tax holiday. For purposes of this Section, a "purchase" occurs
13 during the tax holiday if the buyer places an order and pays
14 the purchase price by cash or credit during the tax holiday
15 period regardless of whether the delivery of the item occurs
16 after the tax holiday period.

17 (c) Each unit of local government that imposes a use tax
18 may, by resolution or ordinance, declare a tax holiday with
19 respect to its tax for the same items, during the same periods,
20 and under the same conditions and is encouraged to do so.

21 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

22 Sec. 3-10. Rate of tax. Unless otherwise provided in this
23 Section, the tax imposed by this Act is at the rate of 6.25% of
24 either the selling price or the fair market value, if any, of
25 the tangible personal property. In all cases where property
26 functionally used or consumed is the same as the property that
27 was purchased at retail, then the tax is imposed on the selling
28 price of the property. In all cases where property functionally
29 used or consumed is a by-product or waste product that has been
30 refined, manufactured, or produced from property purchased at
31 retail, then the tax is imposed on the lower of the fair market
32 value, if any, of the specific property so used in this State
33 or on the selling price of the property purchased at retail.

1 For purposes of this Section "fair market value" means the
2 price at which property would change hands between a willing
3 buyer and a willing seller, neither being under any compulsion
4 to buy or sell and both having reasonable knowledge of the
5 relevant facts. The fair market value shall be established by
6 Illinois sales by the taxpayer of the same property as that
7 functionally used or consumed, or if there are no such sales by
8 the taxpayer, then comparable sales or purchases of property of
9 like kind and character in Illinois.

10 Beginning on December 1, 2005 and through March 31, 2006,
11 with respect to propane and home heating oil sold to
12 residential customers, the tax is imposed at the rate of 1.25%.

13 Beginning on July 1, 2000 and through December 31, 2000,
14 with respect to motor fuel, as defined in Section 1.1 of the
15 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
16 the Use Tax Act, the tax is imposed at the rate of 1.25%.

17 With respect to gasohol, the tax imposed by this Act
18 applies to (i) 70% of the proceeds of sales made on or after
19 January 1, 1990, and before July 1, 2003, (ii) 80% of the
20 proceeds of sales made on or after July 1, 2003 and on or
21 before December 31, 2013, and (iii) 100% of the proceeds of
22 sales made thereafter. If, at any time, however, the tax under
23 this Act on sales of gasohol is imposed at the rate of 1.25%,
24 then the tax imposed by this Act applies to 100% of the
25 proceeds of sales of gasohol made during that time.

26 With respect to majority blended ethanol fuel, the tax
27 imposed by this Act does not apply to the proceeds of sales
28 made on or after July 1, 2003 and on or before December 31,
29 2013 but applies to 100% of the proceeds of sales made
30 thereafter.

31 With respect to biodiesel blends with no less than 1% and
32 no more than 10% biodiesel, the tax imposed by this Act applies
33 to (i) 80% of the proceeds of sales made on or after July 1,
34 2003 and on or before December 31, 2013 and (ii) 100% of the

1 proceeds of sales made thereafter. If, at any time, however,
2 the tax under this Act on sales of biodiesel blends with no
3 less than 1% and no more than 10% biodiesel is imposed at the
4 rate of 1.25%, then the tax imposed by this Act applies to 100%
5 of the proceeds of sales of biodiesel blends with no less than
6 1% and no more than 10% biodiesel made during that time.

7 With respect to 100% biodiesel and biodiesel blends with
8 more than 10% but no more than 99% biodiesel, the tax imposed
9 by this Act does not apply to the proceeds of sales made on or
10 after July 1, 2003 and on or before December 31, 2013 but
11 applies to 100% of the proceeds of sales made thereafter.

12 With respect to food for human consumption that is to be
13 consumed off the premises where it is sold (other than
14 alcoholic beverages, soft drinks, and food that has been
15 prepared for immediate consumption) and prescription and
16 nonprescription medicines, drugs, medical appliances,
17 modifications to a motor vehicle for the purpose of rendering
18 it usable by a disabled person, and insulin, urine testing
19 materials, syringes, and needles used by diabetics, for human
20 use, the tax is imposed at the rate of 1%. For the purposes of
21 this Section, the term "soft drinks" means any complete,
22 finished, ready-to-use, non-alcoholic drink, whether
23 carbonated or not, including but not limited to soda water,
24 cola, fruit juice, vegetable juice, carbonated water, and all
25 other preparations commonly known as soft drinks of whatever
26 kind or description that are contained in any closed or sealed
27 bottle, can, carton, or container, regardless of size. "Soft
28 drinks" does not include coffee, tea, non-carbonated water,
29 infant formula, milk or milk products as defined in the Grade A
30 Pasteurized Milk and Milk Products Act, or drinks containing
31 50% or more natural fruit or vegetable juice.

32 Notwithstanding any other provisions of this Act, "food for
33 human consumption that is to be consumed off the premises where
34 it is sold" includes all food sold through a vending machine,

1 except soft drinks and food products that are dispensed hot
2 from a vending machine, regardless of the location of the
3 vending machine.

4 If the property that is purchased at retail from a retailer
5 is acquired outside Illinois and used outside Illinois before
6 being brought to Illinois for use here and is taxable under
7 this Act, the "selling price" on which the tax is computed
8 shall be reduced by an amount that represents a reasonable
9 allowance for depreciation for the period of prior out-of-state
10 use.

11 (Source: P.A. 93-17, eff. 6-11-03.)

12 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

13 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
14 and trailers that are required to be registered with an agency
15 of this State, each retailer required or authorized to collect
16 the tax imposed by this Act shall pay to the Department the
17 amount of such tax (except as otherwise provided) at the time
18 when he is required to file his return for the period during
19 which such tax was collected, less a discount of 2.1% prior to
20 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
21 per calendar year, whichever is greater, which is allowed to
22 reimburse the retailer for expenses incurred in collecting the
23 tax, keeping records, preparing and filing returns, remitting
24 the tax and supplying data to the Department on request. In the
25 case of retailers who report and pay the tax on a transaction
26 by transaction basis, as provided in this Section, such
27 discount shall be taken with each such tax remittance instead
28 of when such retailer files his periodic return. A retailer
29 need not remit that part of any tax collected by him to the
30 extent that he is required to remit and does remit the tax
31 imposed by the Retailers' Occupation Tax Act, with respect to
32 the sale of the same property.

33 Where such tangible personal property is sold under a

1 conditional sales contract, or under any other form of sale
2 wherein the payment of the principal sum, or a part thereof, is
3 extended beyond the close of the period for which the return is
4 filed, the retailer, in collecting the tax (except as to motor
5 vehicles, watercraft, aircraft, and trailers that are required
6 to be registered with an agency of this State), may collect for
7 each tax return period, only the tax applicable to that part of
8 the selling price actually received during such tax return
9 period.

10 Except as provided in this Section, on or before the
11 twentieth day of each calendar month, such retailer shall file
12 a return for the preceding calendar month. Such return shall be
13 filed on forms prescribed by the Department and shall furnish
14 such information as the Department may reasonably require.

15 The Department may require returns to be filed on a
16 quarterly basis. If so required, a return for each calendar
17 quarter shall be filed on or before the twentieth day of the
18 calendar month following the end of such calendar quarter. The
19 taxpayer shall also file a return with the Department for each
20 of the first two months of each calendar quarter, on or before
21 the twentieth day of the following calendar month, stating:

22 1. The name of the seller;

23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;

26 3. The total amount of taxable receipts received by him
27 during the preceding calendar month from sales of tangible
28 personal property by him during such preceding calendar
29 month, including receipts from charge and time sales, but
30 less all deductions allowed by law;

31 4. The amount of credit provided in Section 2d of this
32 Act;

33 5. The amount of tax due;

34 5-5. The signature of the taxpayer; and

1 6. Such other reasonable information as the Department
2 may require.

3 If a taxpayer fails to sign a return within 30 days after
4 the proper notice and demand for signature by the Department,
5 the return shall be considered valid and any amount shown to be
6 due on the return shall be deemed assessed.

7 Beginning October 1, 1993, a taxpayer who has an average
8 monthly tax liability of \$150,000 or more shall make all
9 payments required by rules of the Department by electronic
10 funds transfer. Beginning October 1, 1994, a taxpayer who has
11 an average monthly tax liability of \$100,000 or more shall make
12 all payments required by rules of the Department by electronic
13 funds transfer. Beginning October 1, 1995, a taxpayer who has
14 an average monthly tax liability of \$50,000 or more shall make
15 all payments required by rules of the Department by electronic
16 funds transfer. Beginning October 1, 2000, a taxpayer who has
17 an annual tax liability of \$200,000 or more shall make all
18 payments required by rules of the Department by electronic
19 funds transfer. The term "annual tax liability" shall be the
20 sum of the taxpayer's liabilities under this Act, and under all
21 other State and local occupation and use tax laws administered
22 by the Department, for the immediately preceding calendar year.
23 The term "average monthly tax liability" means the sum of the
24 taxpayer's liabilities under this Act, and under all other
25 State and local occupation and use tax laws administered by the
26 Department, for the immediately preceding calendar year
27 divided by 12. Beginning on October 1, 2002, a taxpayer who has
28 a tax liability in the amount set forth in subsection (b) of
29 Section 2505-210 of the Department of Revenue Law shall make
30 all payments required by rules of the Department by electronic
31 funds transfer.

32 Before August 1 of each year beginning in 1993, the
33 Department shall notify all taxpayers required to make payments
34 by electronic funds transfer. All taxpayers required to make

1 payments by electronic funds transfer shall make those payments
2 for a minimum of one year beginning on October 1.

3 Any taxpayer not required to make payments by electronic
4 funds transfer may make payments by electronic funds transfer
5 with the permission of the Department.

6 All taxpayers required to make payment by electronic funds
7 transfer and any taxpayers authorized to voluntarily make
8 payments by electronic funds transfer shall make those payments
9 in the manner authorized by the Department.

10 The Department shall adopt such rules as are necessary to
11 effectuate a program of electronic funds transfer and the
12 requirements of this Section.

13 Before October 1, 2000, if the taxpayer's average monthly
14 tax liability to the Department under this Act, the Retailers'
15 Occupation Tax Act, the Service Occupation Tax Act, the Service
16 Use Tax Act was \$10,000 or more during the preceding 4 complete
17 calendar quarters, he shall file a return with the Department
18 each month by the 20th day of the month next following the
19 month during which such tax liability is incurred and shall
20 make payments to the Department on or before the 7th, 15th,
21 22nd and last day of the month during which such liability is
22 incurred. On and after October 1, 2000, if the taxpayer's
23 average monthly tax liability to the Department under this Act,
24 the Retailers' Occupation Tax Act, the Service Occupation Tax
25 Act, and the Service Use Tax Act was \$20,000 or more during the
26 preceding 4 complete calendar quarters, he shall file a return
27 with the Department each month by the 20th day of the month
28 next following the month during which such tax liability is
29 incurred and shall make payment to the Department on or before
30 the 7th, 15th, 22nd and last day of the month during which such
31 liability is incurred. If the month during which such tax
32 liability is incurred began prior to January 1, 1985, each
33 payment shall be in an amount equal to 1/4 of the taxpayer's
34 actual liability for the month or an amount set by the

1 Department not to exceed 1/4 of the average monthly liability
2 of the taxpayer to the Department for the preceding 4 complete
3 calendar quarters (excluding the month of highest liability and
4 the month of lowest liability in such 4 quarter period). If the
5 month during which such tax liability is incurred begins on or
6 after January 1, 1985, and prior to January 1, 1987, each
7 payment shall be in an amount equal to 22.5% of the taxpayer's
8 actual liability for the month or 27.5% of the taxpayer's
9 liability for the same calendar month of the preceding year. If
10 the month during which such tax liability is incurred begins on
11 or after January 1, 1987, and prior to January 1, 1988, each
12 payment shall be in an amount equal to 22.5% of the taxpayer's
13 actual liability for the month or 26.25% of the taxpayer's
14 liability for the same calendar month of the preceding year. If
15 the month during which such tax liability is incurred begins on
16 or after January 1, 1988, and prior to January 1, 1989, or
17 begins on or after January 1, 1996, each payment shall be in an
18 amount equal to 22.5% of the taxpayer's actual liability for
19 the month or 25% of the taxpayer's liability for the same
20 calendar month of the preceding year. If the month during which
21 such tax liability is incurred begins on or after January 1,
22 1989, and prior to January 1, 1996, each payment shall be in an
23 amount equal to 22.5% of the taxpayer's actual liability for
24 the month or 25% of the taxpayer's liability for the same
25 calendar month of the preceding year or 100% of the taxpayer's
26 actual liability for the quarter monthly reporting period. The
27 amount of such quarter monthly payments shall be credited
28 against the final tax liability of the taxpayer's return for
29 that month. Before October 1, 2000, once applicable, the
30 requirement of the making of quarter monthly payments to the
31 Department shall continue until such taxpayer's average
32 monthly liability to the Department during the preceding 4
33 complete calendar quarters (excluding the month of highest
34 liability and the month of lowest liability) is less than

1 \$9,000, or until such taxpayer's average monthly liability to
2 the Department as computed for each calendar quarter of the 4
3 preceding complete calendar quarter period is less than
4 \$10,000. However, if a taxpayer can show the Department that a
5 substantial change in the taxpayer's business has occurred
6 which causes the taxpayer to anticipate that his average
7 monthly tax liability for the reasonably foreseeable future
8 will fall below the \$10,000 threshold stated above, then such
9 taxpayer may petition the Department for change in such
10 taxpayer's reporting status. On and after October 1, 2000, once
11 applicable, the requirement of the making of quarter monthly
12 payments to the Department shall continue until such taxpayer's
13 average monthly liability to the Department during the
14 preceding 4 complete calendar quarters (excluding the month of
15 highest liability and the month of lowest liability) is less
16 than \$19,000 or until such taxpayer's average monthly liability
17 to the Department as computed for each calendar quarter of the
18 4 preceding complete calendar quarter period is less than
19 \$20,000. However, if a taxpayer can show the Department that a
20 substantial change in the taxpayer's business has occurred
21 which causes the taxpayer to anticipate that his average
22 monthly tax liability for the reasonably foreseeable future
23 will fall below the \$20,000 threshold stated above, then such
24 taxpayer may petition the Department for a change in such
25 taxpayer's reporting status. The Department shall change such
26 taxpayer's reporting status unless it finds that such change is
27 seasonal in nature and not likely to be long term. If any such
28 quarter monthly payment is not paid at the time or in the
29 amount required by this Section, then the taxpayer shall be
30 liable for penalties and interest on the difference between the
31 minimum amount due and the amount of such quarter monthly
32 payment actually and timely paid, except insofar as the
33 taxpayer has previously made payments for that month to the
34 Department in excess of the minimum payments previously due as

1 provided in this Section. The Department shall make reasonable
2 rules and regulations to govern the quarter monthly payment
3 amount and quarter monthly payment dates for taxpayers who file
4 on other than a calendar monthly basis.

5 If any such payment provided for in this Section exceeds
6 the taxpayer's liabilities under this Act, the Retailers'
7 Occupation Tax Act, the Service Occupation Tax Act and the
8 Service Use Tax Act, as shown by an original monthly return,
9 the Department shall issue to the taxpayer a credit memorandum
10 no later than 30 days after the date of payment, which
11 memorandum may be submitted by the taxpayer to the Department
12 in payment of tax liability subsequently to be remitted by the
13 taxpayer to the Department or be assigned by the taxpayer to a
14 similar taxpayer under this Act, the Retailers' Occupation Tax
15 Act, the Service Occupation Tax Act or the Service Use Tax Act,
16 in accordance with reasonable rules and regulations to be
17 prescribed by the Department, except that if such excess
18 payment is shown on an original monthly return and is made
19 after December 31, 1986, no credit memorandum shall be issued,
20 unless requested by the taxpayer. If no such request is made,
21 the taxpayer may credit such excess payment against tax
22 liability subsequently to be remitted by the taxpayer to the
23 Department under this Act, the Retailers' Occupation Tax Act,
24 the Service Occupation Tax Act or the Service Use Tax Act, in
25 accordance with reasonable rules and regulations prescribed by
26 the Department. If the Department subsequently determines that
27 all or any part of the credit taken was not actually due to the
28 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
29 be reduced by 2.1% or 1.75% of the difference between the
30 credit taken and that actually due, and the taxpayer shall be
31 liable for penalties and interest on such difference.

32 If the retailer is otherwise required to file a monthly
33 return and if the retailer's average monthly tax liability to
34 the Department does not exceed \$200, the Department may

1 authorize his returns to be filed on a quarter annual basis,
2 with the return for January, February, and March of a given
3 year being due by April 20 of such year; with the return for
4 April, May and June of a given year being due by July 20 of such
5 year; with the return for July, August and September of a given
6 year being due by October 20 of such year, and with the return
7 for October, November and December of a given year being due by
8 January 20 of the following year.

9 If the retailer is otherwise required to file a monthly or
10 quarterly return and if the retailer's average monthly tax
11 liability to the Department does not exceed \$50, the Department
12 may authorize his returns to be filed on an annual basis, with
13 the return for a given year being due by January 20 of the
14 following year.

15 Such quarter annual and annual returns, as to form and
16 substance, shall be subject to the same requirements as monthly
17 returns.

18 Notwithstanding any other provision in this Act concerning
19 the time within which a retailer may file his return, in the
20 case of any retailer who ceases to engage in a kind of business
21 which makes him responsible for filing returns under this Act,
22 such retailer shall file a final return under this Act with the
23 Department not more than one month after discontinuing such
24 business.

25 In addition, with respect to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered with
27 an agency of this State, every retailer selling this kind of
28 tangible personal property shall file, with the Department,
29 upon a form to be prescribed and supplied by the Department, a
30 separate return for each such item of tangible personal
31 property which the retailer sells, except that if, in the same
32 transaction, (i) a retailer of aircraft, watercraft, motor
33 vehicles or trailers transfers more than one aircraft,
34 watercraft, motor vehicle or trailer to another aircraft,

1 watercraft, motor vehicle or trailer retailer for the purpose
2 of resale or (ii) a retailer of aircraft, watercraft, motor
3 vehicles, or trailers transfers more than one aircraft,
4 watercraft, motor vehicle, or trailer to a purchaser for use as
5 a qualifying rolling stock as provided in Section 3-55 of this
6 Act, then that seller may report the transfer of all the
7 aircraft, watercraft, motor vehicles or trailers involved in
8 that transaction to the Department on the same uniform
9 invoice-transaction reporting return form. For purposes of
10 this Section, "watercraft" means a Class 2, Class 3, or Class 4
11 watercraft as defined in Section 3-2 of the Boat Registration
12 and Safety Act, a personal watercraft, or any boat equipped
13 with an inboard motor.

14 The transaction reporting return in the case of motor
15 vehicles or trailers that are required to be registered with an
16 agency of this State, shall be the same document as the Uniform
17 Invoice referred to in Section 5-402 of the Illinois Vehicle
18 Code and must show the name and address of the seller; the name
19 and address of the purchaser; the amount of the selling price
20 including the amount allowed by the retailer for traded-in
21 property, if any; the amount allowed by the retailer for the
22 traded-in tangible personal property, if any, to the extent to
23 which Section 2 of this Act allows an exemption for the value
24 of traded-in property; the balance payable after deducting such
25 trade-in allowance from the total selling price; the amount of
26 tax due from the retailer with respect to such transaction; the
27 amount of tax collected from the purchaser by the retailer on
28 such transaction (or satisfactory evidence that such tax is not
29 due in that particular instance, if that is claimed to be the
30 fact); the place and date of the sale; a sufficient
31 identification of the property sold; such other information as
32 is required in Section 5-402 of the Illinois Vehicle Code, and
33 such other information as the Department may reasonably
34 require.

1 The transaction reporting return in the case of watercraft
2 and aircraft must show the name and address of the seller; the
3 name and address of the purchaser; the amount of the selling
4 price including the amount allowed by the retailer for
5 traded-in property, if any; the amount allowed by the retailer
6 for the traded-in tangible personal property, if any, to the
7 extent to which Section 2 of this Act allows an exemption for
8 the value of traded-in property; the balance payable after
9 deducting such trade-in allowance from the total selling price;
10 the amount of tax due from the retailer with respect to such
11 transaction; the amount of tax collected from the purchaser by
12 the retailer on such transaction (or satisfactory evidence that
13 such tax is not due in that particular instance, if that is
14 claimed to be the fact); the place and date of the sale, a
15 sufficient identification of the property sold, and such other
16 information as the Department may reasonably require.

17 Such transaction reporting return shall be filed not later
18 than 20 days after the date of delivery of the item that is
19 being sold, but may be filed by the retailer at any time sooner
20 than that if he chooses to do so. The transaction reporting
21 return and tax remittance or proof of exemption from the tax
22 that is imposed by this Act may be transmitted to the
23 Department by way of the State agency with which, or State
24 officer with whom, the tangible personal property must be
25 titled or registered (if titling or registration is required)
26 if the Department and such agency or State officer determine
27 that this procedure will expedite the processing of
28 applications for title or registration.

29 With each such transaction reporting return, the retailer
30 shall remit the proper amount of tax due (or shall submit
31 satisfactory evidence that the sale is not taxable if that is
32 the case), to the Department or its agents, whereupon the
33 Department shall issue, in the purchaser's name, a tax receipt
34 (or a certificate of exemption if the Department is satisfied

1 that the particular sale is tax exempt) which such purchaser
2 may submit to the agency with which, or State officer with
3 whom, he must title or register the tangible personal property
4 that is involved (if titling or registration is required) in
5 support of such purchaser's application for an Illinois
6 certificate or other evidence of title or registration to such
7 tangible personal property.

8 No retailer's failure or refusal to remit tax under this
9 Act precludes a user, who has paid the proper tax to the
10 retailer, from obtaining his certificate of title or other
11 evidence of title or registration (if titling or registration
12 is required) upon satisfying the Department that such user has
13 paid the proper tax (if tax is due) to the retailer. The
14 Department shall adopt appropriate rules to carry out the
15 mandate of this paragraph.

16 If the user who would otherwise pay tax to the retailer
17 wants the transaction reporting return filed and the payment of
18 tax or proof of exemption made to the Department before the
19 retailer is willing to take these actions and such user has not
20 paid the tax to the retailer, such user may certify to the fact
21 of such delay by the retailer, and may (upon the Department
22 being satisfied of the truth of such certification) transmit
23 the information required by the transaction reporting return
24 and the remittance for tax or proof of exemption directly to
25 the Department and obtain his tax receipt or exemption
26 determination, in which event the transaction reporting return
27 and tax remittance (if a tax payment was required) shall be
28 credited by the Department to the proper retailer's account
29 with the Department, but without the 2.1% or 1.75% discount
30 provided for in this Section being allowed. When the user pays
31 the tax directly to the Department, he shall pay the tax in the
32 same amount and in the same form in which it would be remitted
33 if the tax had been remitted to the Department by the retailer.

34 Where a retailer collects the tax with respect to the

1 selling price of tangible personal property which he sells and
2 the purchaser thereafter returns such tangible personal
3 property and the retailer refunds the selling price thereof to
4 the purchaser, such retailer shall also refund, to the
5 purchaser, the tax so collected from the purchaser. When filing
6 his return for the period in which he refunds such tax to the
7 purchaser, the retailer may deduct the amount of the tax so
8 refunded by him to the purchaser from any other use tax which
9 such retailer may be required to pay or remit to the
10 Department, as shown by such return, if the amount of the tax
11 to be deducted was previously remitted to the Department by
12 such retailer. If the retailer has not previously remitted the
13 amount of such tax to the Department, he is entitled to no
14 deduction under this Act upon refunding such tax to the
15 purchaser.

16 Any retailer filing a return under this Section shall also
17 include (for the purpose of paying tax thereon) the total tax
18 covered by such return upon the selling price of tangible
19 personal property purchased by him at retail from a retailer,
20 but as to which the tax imposed by this Act was not collected
21 from the retailer filing such return, and such retailer shall
22 remit the amount of such tax to the Department when filing such
23 return.

24 If experience indicates such action to be practicable, the
25 Department may prescribe and furnish a combination or joint
26 return which will enable retailers, who are required to file
27 returns hereunder and also under the Retailers' Occupation Tax
28 Act, to furnish all the return information required by both
29 Acts on the one form.

30 Where the retailer has more than one business registered
31 with the Department under separate registration under this Act,
32 such retailer may not file each return that is due as a single
33 return covering all such registered businesses, but shall file
34 separate returns for each such registered business.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund, a special
3 fund in the State Treasury which is hereby created, the net
4 revenue realized for the preceding month from the 1% tax on
5 sales of food for human consumption which is to be consumed off
6 the premises where it is sold (other than alcoholic beverages,
7 soft drinks and food which has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances and insulin, urine testing
10 materials, syringes and needles used by diabetics.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the County and Mass Transit District Fund 4% of the
13 net revenue realized for the preceding month from the 6.25%
14 general rate on the selling price of tangible personal property
15 which is purchased outside Illinois at retail from a retailer
16 and which is titled or registered by an agency of this State's
17 government.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the State and Local Sales Tax Reform Fund, a special
20 fund in the State Treasury, 20% of the net revenue realized for
21 the preceding month from the 6.25% general rate on the selling
22 price of tangible personal property, other than tangible
23 personal property which is purchased outside Illinois at retail
24 from a retailer and which is titled or registered by an agency
25 of this State's government.

26 Beginning August 1, 2000, each month the Department shall
27 pay into the State and Local Sales Tax Reform Fund 100% of the
28 net revenue realized for the preceding month from the 1.25%
29 rate on the selling price of motor fuel and gasohol.

30 Beginning January 1, 2006, each month the Department shall
31 pay into the State and Local Sales Tax Reform Fund 100% of the
32 net revenue realized for the preceding month from the 1.25%
33 rate on the selling price of propane and home heating oil sold
34 to residential customers.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the Local Government Tax Fund 16% of the net revenue
3 realized for the preceding month from the 6.25% general rate on
4 the selling price of tangible personal property which is
5 purchased outside Illinois at retail from a retailer and which
6 is titled or registered by an agency of this State's
7 government.

8 Of the remainder of the moneys received by the Department
9 pursuant to this Act, (a) 1.75% thereof shall be paid into the
10 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
11 and after July 1, 1989, 3.8% thereof shall be paid into the
12 Build Illinois Fund; provided, however, that if in any fiscal
13 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
14 may be, of the moneys received by the Department and required
15 to be paid into the Build Illinois Fund pursuant to Section 3
16 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
17 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
18 Service Occupation Tax Act, such Acts being hereinafter called
19 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
20 may be, of moneys being hereinafter called the "Tax Act
21 Amount", and (2) the amount transferred to the Build Illinois
22 Fund from the State and Local Sales Tax Reform Fund shall be
23 less than the Annual Specified Amount (as defined in Section 3
24 of the Retailers' Occupation Tax Act), an amount equal to the
25 difference shall be immediately paid into the Build Illinois
26 Fund from other moneys received by the Department pursuant to
27 the Tax Acts; and further provided, that if on the last
28 business day of any month the sum of (1) the Tax Act Amount
29 required to be deposited into the Build Illinois Bond Account
30 in the Build Illinois Fund during such month and (2) the amount
31 transferred during such month to the Build Illinois Fund from
32 the State and Local Sales Tax Reform Fund shall have been less
33 than 1/12 of the Annual Specified Amount, an amount equal to
34 the difference shall be immediately paid into the Build

1 Illinois Fund from other moneys received by the Department
2 pursuant to the Tax Acts; and, further provided, that in no
3 event shall the payments required under the preceding proviso
4 result in aggregate payments into the Build Illinois Fund
5 pursuant to this clause (b) for any fiscal year in excess of
6 the greater of (i) the Tax Act Amount or (ii) the Annual
7 Specified Amount for such fiscal year; and, further provided,
8 that the amounts payable into the Build Illinois Fund under
9 this clause (b) shall be payable only until such time as the
10 aggregate amount on deposit under each trust indenture securing
11 Bonds issued and outstanding pursuant to the Build Illinois
12 Bond Act is sufficient, taking into account any future
13 investment income, to fully provide, in accordance with such
14 indenture, for the defeasance of or the payment of the
15 principal of, premium, if any, and interest on the Bonds
16 secured by such indenture and on any Bonds expected to be
17 issued thereafter and all fees and costs payable with respect
18 thereto, all as certified by the Director of the Bureau of the
19 Budget (now Governor's Office of Management and Budget). If on
20 the last business day of any month in which Bonds are
21 outstanding pursuant to the Build Illinois Bond Act, the
22 aggregate of the moneys deposited in the Build Illinois Bond
23 Account in the Build Illinois Fund in such month shall be less
24 than the amount required to be transferred in such month from
25 the Build Illinois Bond Account to the Build Illinois Bond
26 Retirement and Interest Fund pursuant to Section 13 of the
27 Build Illinois Bond Act, an amount equal to such deficiency
28 shall be immediately paid from other moneys received by the
29 Department pursuant to the Tax Acts to the Build Illinois Fund;
30 provided, however, that any amounts paid to the Build Illinois
31 Fund in any fiscal year pursuant to this sentence shall be
32 deemed to constitute payments pursuant to clause (b) of the
33 preceding sentence and shall reduce the amount otherwise
34 payable for such fiscal year pursuant to clause (b) of the

1 preceding sentence. The moneys received by the Department
 2 pursuant to this Act and required to be deposited into the
 3 Build Illinois Fund are subject to the pledge, claim and charge
 4 set forth in Section 12 of the Build Illinois Bond Act.

5 Subject to payment of amounts into the Build Illinois Fund
 6 as provided in the preceding paragraph or in any amendment
 7 thereto hereafter enacted, the following specified monthly
 8 installment of the amount requested in the certificate of the
 9 Chairman of the Metropolitan Pier and Exposition Authority
 10 provided under Section 8.25f of the State Finance Act, but not
 11 in excess of the sums designated as "Total Deposit", shall be
 12 deposited in the aggregate from collections under Section 9 of
 13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 14 9 of the Service Occupation Tax Act, and Section 3 of the
 15 Retailers' Occupation Tax Act into the McCormick Place
 16 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
17		
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000
26	2001	80,000,000
27	2002	93,000,000
28	2003	99,000,000
29	2004	103,000,000
30	2005	108,000,000
31	2006	113,000,000
32	2007	119,000,000
33	2008	126,000,000

1	2009	132,000,000
2	2010	139,000,000
3	2011	146,000,000
4	2012	153,000,000
5	2013	161,000,000
6	2014	170,000,000
7	2015	179,000,000
8	2016	189,000,000
9	2017	199,000,000
10	2018	210,000,000
11	2019	221,000,000
12	2020	233,000,000
13	2021	246,000,000
14	2022	260,000,000
15	2023 and	275,000,000

16 each fiscal year
17 thereafter that bonds
18 are outstanding under
19 Section 13.2 of the
20 Metropolitan Pier and
21 Exposition Authority Act,
22 but not after fiscal year 2042.

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount
27 deposited into the McCormick Place Expansion Project Fund by
28 the State Treasurer in the respective month under subsection
29 (g) of Section 13 of the Metropolitan Pier and Exposition
30 Authority Act, plus cumulative deficiencies in the deposits
31 required under this Section for previous months and years,
32 shall be deposited into the McCormick Place Expansion Project
33 Fund, until the full amount requested for the fiscal year, but
34 not in excess of the amount specified above as "Total Deposit",

1 has been deposited.

2 Subject to payment of amounts into the Build Illinois Fund
3 and the McCormick Place Expansion Project Fund pursuant to the
4 preceding paragraphs or in any amendments thereto hereafter
5 enacted, beginning July 1, 1993, the Department shall each
6 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
7 the net revenue realized for the preceding month from the 6.25%
8 general rate on the selling price of tangible personal
9 property.

10 Subject to payment of amounts into the Build Illinois Fund
11 and the McCormick Place Expansion Project Fund pursuant to the
12 preceding paragraphs or in any amendments thereto hereafter
13 enacted, beginning with the receipt of the first report of
14 taxes paid by an eligible business and continuing for a 25-year
15 period, the Department shall each month pay into the Energy
16 Infrastructure Fund 80% of the net revenue realized from the
17 6.25% general rate on the selling price of Illinois-mined coal
18 that was sold to an eligible business. For purposes of this
19 paragraph, the term "eligible business" means a new electric
20 generating facility certified pursuant to Section 605-332 of
21 the Department of Commerce and Economic Opportunity ~~Community~~
22 ~~Affairs~~ Law of the Civil Administrative Code of Illinois.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% thereof shall be paid into the State
25 Treasury and 25% shall be reserved in a special account and
26 used only for the transfer to the Common School Fund as part of
27 the monthly transfer from the General Revenue Fund in
28 accordance with Section 8a of the State Finance Act.

29 As soon as possible after the first day of each month, upon
30 certification of the Department of Revenue, the Comptroller
31 shall order transferred and the Treasurer shall transfer from
32 the General Revenue Fund to the Motor Fuel Tax Fund an amount
33 equal to 1.7% of 80% of the net revenue realized under this Act
34 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

2 Net revenue realized for a month shall be the revenue
3 collected by the State pursuant to this Act, less the amount
4 paid out during that month as refunds to taxpayers for
5 overpayment of liability.

6 For greater simplicity of administration, manufacturers,
7 importers and wholesalers whose products are sold at retail in
8 Illinois by numerous retailers, and who wish to do so, may
9 assume the responsibility for accounting and paying to the
10 Department all tax accruing under this Act with respect to such
11 sales, if the retailers who are affected do not make written
12 objection to the Department to this arrangement.

13 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101,
14 eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00;
15 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff. 6-28-01;
16 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600, eff. 6-28-02;
17 92-651, eff. 7-11-02; revised 10-15-03.)

18 Section 15. The Service Use Tax Act is amended by adding
19 Section 3-3 and by changing Sections 3-10 and 9 as follows:

20 (35 ILCS 110/3-3 new)

21 Sec. 3-3. Tax holiday; energy-efficient products.

22 (a) No tax is imposed under this Act upon the privilege of
23 using, in this State, energy-efficient products for
24 residential use if those products are acquired as an incident
25 of a service that is purchased from a serviceman during the
26 tax-holiday period, which begins at 12:01 a.m. on December 1,
27 2005 and ends at 11:59 p.m. on March 31, 2006.

28 For the purposes of this Section, "energy-efficient
29 products" means products that are entitled to and carry the
30 Energy Star label under the Energy Star program administered by
31 the federal government, such as windows, insulation, roof
32 products, residential lamps and lights, transformers, heating

1 and cooling equipment, clothes washers, dehumidifiers,
2 dishwashers, refrigerators, freezers, room air conditioners,
3 ceiling fans, programmable thermostats, ventilating fans, and
4 compact fluorescent bulbs.

5 (b) Any discount, coupon, or other credit offered either by
6 the retailer or by a vendor of the retailer to reduce the final
7 price to the customer shall be taken into account in
8 determining the selling price of the item for purposes of this
9 tax holiday. For purposes of this Section, a "purchase" occurs
10 during the tax holiday if the buyer places an order and pays
11 the purchase price by cash or credit during the tax holiday
12 period regardless of whether the delivery of the item occurs
13 after the tax holiday period.

14 (c) Each unit of local government that imposes a use tax
15 may, by resolution or ordinance, declare a tax holiday with
16 respect to its tax for the same items, during the same periods,
17 and under the same conditions and is encouraged to do so.

18 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

19 Sec. 3-10. Rate of tax. Unless otherwise provided in this
20 Section, the tax imposed by this Act is at the rate of 6.25% of
21 the selling price of tangible personal property transferred as
22 an incident to the sale of service, but, for the purpose of
23 computing this tax, in no event shall the selling price be less
24 than the cost price of the property to the serviceman.

25 Beginning on December 1, 2005 and through March 31, 2006,
26 with respect to propane and home heating oil sold to
27 residential customers, the tax is imposed at the rate of 1.25%.

28 Beginning on July 1, 2000 and through December 31, 2000,
29 with respect to motor fuel, as defined in Section 1.1 of the
30 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
31 the Use Tax Act, the tax is imposed at the rate of 1.25%.

32 With respect to gasohol, as defined in the Use Tax Act, the
33 tax imposed by this Act applies to (i) 70% of the selling price

1 of property transferred as an incident to the sale of service
2 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
3 of the selling price of property transferred as an incident to
4 the sale of service on or after July 1, 2003 and on or before
5 December 31, 2013, and (iii) 100% of the selling price
6 thereafter. If, at any time, however, the tax under this Act on
7 sales of gasohol, as defined in the Use Tax Act, is imposed at
8 the rate of 1.25%, then the tax imposed by this Act applies to
9 100% of the proceeds of sales of gasohol made during that time.

10 With respect to majority blended ethanol fuel, as defined
11 in the Use Tax Act, the tax imposed by this Act does not apply
12 to the selling price of property transferred as an incident to
13 the sale of service on or after July 1, 2003 and on or before
14 December 31, 2013 but applies to 100% of the selling price
15 thereafter.

16 With respect to biodiesel blends, as defined in the Use Tax
17 Act, with no less than 1% and no more than 10% biodiesel, the
18 tax imposed by this Act applies to (i) 80% of the selling price
19 of property transferred as an incident to the sale of service
20 on or after July 1, 2003 and on or before December 31, 2013 and
21 (ii) 100% of the proceeds of the selling price thereafter. If,
22 at any time, however, the tax under this Act on sales of
23 biodiesel blends, as defined in the Use Tax Act, with no less
24 than 1% and no more than 10% biodiesel is imposed at the rate
25 of 1.25%, then the tax imposed by this Act applies to 100% of
26 the proceeds of sales of biodiesel blends with no less than 1%
27 and no more than 10% biodiesel made during that time.

28 With respect to 100% biodiesel, as defined in the Use Tax
29 Act, and biodiesel blends, as defined in the Use Tax Act, with
30 more than 10% but no more than 99% biodiesel, the tax imposed
31 by this Act does not apply to the proceeds of the selling price
32 of property transferred as an incident to the sale of service
33 on or after July 1, 2003 and on or before December 31, 2013 but
34 applies to 100% of the selling price thereafter.

1 At the election of any registered serviceman made for each
2 fiscal year, sales of service in which the aggregate annual
3 cost price of tangible personal property transferred as an
4 incident to the sales of service is less than 35%, or 75% in
5 the case of servicemen transferring prescription drugs or
6 servicemen engaged in graphic arts production, of the aggregate
7 annual total gross receipts from all sales of service, the tax
8 imposed by this Act shall be based on the serviceman's cost
9 price of the tangible personal property transferred as an
10 incident to the sale of those services.

11 The tax shall be imposed at the rate of 1% on food prepared
12 for immediate consumption and transferred incident to a sale of
13 service subject to this Act or the Service Occupation Tax Act
14 by an entity licensed under the Hospital Licensing Act, the
15 Nursing Home Care Act, or the Child Care Act of 1969. The tax
16 shall also be imposed at the rate of 1% on food for human
17 consumption that is to be consumed off the premises where it is
18 sold (other than alcoholic beverages, soft drinks, and food
19 that has been prepared for immediate consumption and is not
20 otherwise included in this paragraph) and prescription and
21 nonprescription medicines, drugs, medical appliances,
22 modifications to a motor vehicle for the purpose of rendering
23 it usable by a disabled person, and insulin, urine testing
24 materials, syringes, and needles used by diabetics, for human
25 use. For the purposes of this Section, the term "soft drinks"
26 means any complete, finished, ready-to-use, non-alcoholic
27 drink, whether carbonated or not, including but not limited to
28 soda water, cola, fruit juice, vegetable juice, carbonated
29 water, and all other preparations commonly known as soft drinks
30 of whatever kind or description that are contained in any
31 closed or sealed bottle, can, carton, or container, regardless
32 of size. "Soft drinks" does not include coffee, tea,
33 non-carbonated water, infant formula, milk or milk products as
34 defined in the Grade A Pasteurized Milk and Milk Products Act,

1 or drinks containing 50% or more natural fruit or vegetable
2 juice.

3 Notwithstanding any other provisions of this Act, "food for
4 human consumption that is to be consumed off the premises where
5 it is sold" includes all food sold through a vending machine,
6 except soft drinks and food products that are dispensed hot
7 from a vending machine, regardless of the location of the
8 vending machine.

9 If the property that is acquired from a serviceman is
10 acquired outside Illinois and used outside Illinois before
11 being brought to Illinois for use here and is taxable under
12 this Act, the "selling price" on which the tax is computed
13 shall be reduced by an amount that represents a reasonable
14 allowance for depreciation for the period of prior out-of-state
15 use.

16 (Source: P.A. 93-17, eff. 6-11-03.)

17 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

18 Sec. 9. Each serviceman required or authorized to collect
19 the tax herein imposed shall pay to the Department the amount
20 of such tax (except as otherwise provided) at the time when he
21 is required to file his return for the period during which such
22 tax was collected, less a discount of 2.1% prior to January 1,
23 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
24 year, whichever is greater, which is allowed to reimburse the
25 serviceman for expenses incurred in collecting the tax, keeping
26 records, preparing and filing returns, remitting the tax and
27 supplying data to the Department on request. A serviceman need
28 not remit that part of any tax collected by him to the extent
29 that he is required to pay and does pay the tax imposed by the
30 Service Occupation Tax Act with respect to his sale of service
31 involving the incidental transfer by him of the same property.

32 Except as provided hereinafter in this Section, on or
33 before the twentieth day of each calendar month, such

1 serviceman shall file a return for the preceding calendar month
2 in accordance with reasonable Rules and Regulations to be
3 promulgated by the Department. Such return shall be filed on a
4 form prescribed by the Department and shall contain such
5 information as the Department may reasonably require.

6 The Department may require returns to be filed on a
7 quarterly basis. If so required, a return for each calendar
8 quarter shall be filed on or before the twentieth day of the
9 calendar month following the end of such calendar quarter. The
10 taxpayer shall also file a return with the Department for each
11 of the first two months of each calendar quarter, on or before
12 the twentieth day of the following calendar month, stating:

13 1. The name of the seller;

14 2. The address of the principal place of business from
15 which he engages in business as a serviceman in this State;

16 3. The total amount of taxable receipts received by him
17 during the preceding calendar month, including receipts
18 from charge and time sales, but less all deductions allowed
19 by law;

20 4. The amount of credit provided in Section 2d of this
21 Act;

22 5. The amount of tax due;

23 5-5. The signature of the taxpayer; and

24 6. Such other reasonable information as the Department
25 may require.

26 If a taxpayer fails to sign a return within 30 days after
27 the proper notice and demand for signature by the Department,
28 the return shall be considered valid and any amount shown to be
29 due on the return shall be deemed assessed.

30 Beginning October 1, 1993, a taxpayer who has an average
31 monthly tax liability of \$150,000 or more shall make all
32 payments required by rules of the Department by electronic
33 funds transfer. Beginning October 1, 1994, a taxpayer who has
34 an average monthly tax liability of \$100,000 or more shall make

1 all payments required by rules of the Department by electronic
2 funds transfer. Beginning October 1, 1995, a taxpayer who has
3 an average monthly tax liability of \$50,000 or more shall make
4 all payments required by rules of the Department by electronic
5 funds transfer. Beginning October 1, 2000, a taxpayer who has
6 an annual tax liability of \$200,000 or more shall make all
7 payments required by rules of the Department by electronic
8 funds transfer. The term "annual tax liability" shall be the
9 sum of the taxpayer's liabilities under this Act, and under all
10 other State and local occupation and use tax laws administered
11 by the Department, for the immediately preceding calendar year.
12 The term "average monthly tax liability" means the sum of the
13 taxpayer's liabilities under this Act, and under all other
14 State and local occupation and use tax laws administered by the
15 Department, for the immediately preceding calendar year
16 divided by 12. Beginning on October 1, 2002, a taxpayer who has
17 a tax liability in the amount set forth in subsection (b) of
18 Section 2505-210 of the Department of Revenue Law shall make
19 all payments required by rules of the Department by electronic
20 funds transfer.

21 Before August 1 of each year beginning in 1993, the
22 Department shall notify all taxpayers required to make payments
23 by electronic funds transfer. All taxpayers required to make
24 payments by electronic funds transfer shall make those payments
25 for a minimum of one year beginning on October 1.

26 Any taxpayer not required to make payments by electronic
27 funds transfer may make payments by electronic funds transfer
28 with the permission of the Department.

29 All taxpayers required to make payment by electronic funds
30 transfer and any taxpayers authorized to voluntarily make
31 payments by electronic funds transfer shall make those payments
32 in the manner authorized by the Department.

33 The Department shall adopt such rules as are necessary to
34 effectuate a program of electronic funds transfer and the

1 requirements of this Section.

2 If the serviceman is otherwise required to file a monthly
3 return and if the serviceman's average monthly tax liability to
4 the Department does not exceed \$200, the Department may
5 authorize his returns to be filed on a quarter annual basis,
6 with the return for January, February and March of a given year
7 being due by April 20 of such year; with the return for April,
8 May and June of a given year being due by July 20 of such year;
9 with the return for July, August and September of a given year
10 being due by October 20 of such year, and with the return for
11 October, November and December of a given year being due by
12 January 20 of the following year.

13 If the serviceman is otherwise required to file a monthly
14 or quarterly return and if the serviceman's average monthly tax
15 liability to the Department does not exceed \$50, the Department
16 may authorize his returns to be filed on an annual basis, with
17 the return for a given year being due by January 20 of the
18 following year.

19 Such quarter annual and annual returns, as to form and
20 substance, shall be subject to the same requirements as monthly
21 returns.

22 Notwithstanding any other provision in this Act concerning
23 the time within which a serviceman may file his return, in the
24 case of any serviceman who ceases to engage in a kind of
25 business which makes him responsible for filing returns under
26 this Act, such serviceman shall file a final return under this
27 Act with the Department not more than 1 month after
28 discontinuing such business.

29 Where a serviceman collects the tax with respect to the
30 selling price of property which he sells and the purchaser
31 thereafter returns such property and the serviceman refunds the
32 selling price thereof to the purchaser, such serviceman shall
33 also refund, to the purchaser, the tax so collected from the
34 purchaser. When filing his return for the period in which he

1 refunds such tax to the purchaser, the serviceman may deduct
2 the amount of the tax so refunded by him to the purchaser from
3 any other Service Use Tax, Service Occupation Tax, retailers'
4 occupation tax or use tax which such serviceman may be required
5 to pay or remit to the Department, as shown by such return,
6 provided that the amount of the tax to be deducted shall
7 previously have been remitted to the Department by such
8 serviceman. If the serviceman shall not previously have
9 remitted the amount of such tax to the Department, he shall be
10 entitled to no deduction hereunder upon refunding such tax to
11 the purchaser.

12 Any serviceman filing a return hereunder shall also include
13 the total tax upon the selling price of tangible personal
14 property purchased for use by him as an incident to a sale of
15 service, and such serviceman shall remit the amount of such tax
16 to the Department when filing such return.

17 If experience indicates such action to be practicable, the
18 Department may prescribe and furnish a combination or joint
19 return which will enable servicemen, who are required to file
20 returns hereunder and also under the Service Occupation Tax
21 Act, to furnish all the return information required by both
22 Acts on the one form.

23 Where the serviceman has more than one business registered
24 with the Department under separate registration hereunder,
25 such serviceman shall not file each return that is due as a
26 single return covering all such registered businesses, but
27 shall file separate returns for each such registered business.

28 Beginning January 1, 1990, each month the Department shall
29 pay into the State and Local Tax Reform Fund, a special fund in
30 the State Treasury, the net revenue realized for the preceding
31 month from the 1% tax on sales of food for human consumption
32 which is to be consumed off the premises where it is sold
33 (other than alcoholic beverages, soft drinks and food which has
34 been prepared for immediate consumption) and prescription and

1 nonprescription medicines, drugs, medical appliances and
2 insulin, urine testing materials, syringes and needles used by
3 diabetics.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the State and Local Sales Tax Reform Fund 20% of the
6 net revenue realized for the preceding month from the 6.25%
7 general rate on transfers of tangible personal property, other
8 than tangible personal property which is purchased outside
9 Illinois at retail from a retailer and which is titled or
10 registered by an agency of this State's government.

11 Beginning August 1, 2000, each month the Department shall
12 pay into the State and Local Sales Tax Reform Fund 100% of the
13 net revenue realized for the preceding month from the 1.25%
14 rate on the selling price of motor fuel and gasohol.

15 Beginning January 1, 2006, each month the Department shall
16 pay into the State and Local Sales Tax Reform Fund 100% of the
17 net revenue realized for the preceding month from the 1.25%
18 rate on the selling price of propane and home heating oil sold
19 to residential customers.

20 Of the remainder of the moneys received by the Department
21 pursuant to this Act, (a) 1.75% thereof shall be paid into the
22 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
23 and after July 1, 1989, 3.8% thereof shall be paid into the
24 Build Illinois Fund; provided, however, that if in any fiscal
25 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
26 may be, of the moneys received by the Department and required
27 to be paid into the Build Illinois Fund pursuant to Section 3
28 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
29 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
30 Service Occupation Tax Act, such Acts being hereinafter called
31 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
32 may be, of moneys being hereinafter called the "Tax Act
33 Amount", and (2) the amount transferred to the Build Illinois
34 Fund from the State and Local Sales Tax Reform Fund shall be

1 less than the Annual Specified Amount (as defined in Section 3
2 of the Retailers' Occupation Tax Act), an amount equal to the
3 difference shall be immediately paid into the Build Illinois
4 Fund from other moneys received by the Department pursuant to
5 the Tax Acts; and further provided, that if on the last
6 business day of any month the sum of (1) the Tax Act Amount
7 required to be deposited into the Build Illinois Bond Account
8 in the Build Illinois Fund during such month and (2) the amount
9 transferred during such month to the Build Illinois Fund from
10 the State and Local Sales Tax Reform Fund shall have been less
11 than 1/12 of the Annual Specified Amount, an amount equal to
12 the difference shall be immediately paid into the Build
13 Illinois Fund from other moneys received by the Department
14 pursuant to the Tax Acts; and, further provided, that in no
15 event shall the payments required under the preceding proviso
16 result in aggregate payments into the Build Illinois Fund
17 pursuant to this clause (b) for any fiscal year in excess of
18 the greater of (i) the Tax Act Amount or (ii) the Annual
19 Specified Amount for such fiscal year; and, further provided,
20 that the amounts payable into the Build Illinois Fund under
21 this clause (b) shall be payable only until such time as the
22 aggregate amount on deposit under each trust indenture securing
23 Bonds issued and outstanding pursuant to the Build Illinois
24 Bond Act is sufficient, taking into account any future
25 investment income, to fully provide, in accordance with such
26 indenture, for the defeasance of or the payment of the
27 principal of, premium, if any, and interest on the Bonds
28 secured by such indenture and on any Bonds expected to be
29 issued thereafter and all fees and costs payable with respect
30 thereto, all as certified by the Director of the Bureau of the
31 Budget (now Governor's Office of Management and Budget). If on
32 the last business day of any month in which Bonds are
33 outstanding pursuant to the Build Illinois Bond Act, the
34 aggregate of the moneys deposited in the Build Illinois Bond

1 Account in the Build Illinois Fund in such month shall be less
 2 than the amount required to be transferred in such month from
 3 the Build Illinois Bond Account to the Build Illinois Bond
 4 Retirement and Interest Fund pursuant to Section 13 of the
 5 Build Illinois Bond Act, an amount equal to such deficiency
 6 shall be immediately paid from other moneys received by the
 7 Department pursuant to the Tax Acts to the Build Illinois Fund;
 8 provided, however, that any amounts paid to the Build Illinois
 9 Fund in any fiscal year pursuant to this sentence shall be
 10 deemed to constitute payments pursuant to clause (b) of the
 11 preceding sentence and shall reduce the amount otherwise
 12 payable for such fiscal year pursuant to clause (b) of the
 13 preceding sentence. The moneys received by the Department
 14 pursuant to this Act and required to be deposited into the
 15 Build Illinois Fund are subject to the pledge, claim and charge
 16 set forth in Section 12 of the Build Illinois Bond Act.

17 Subject to payment of amounts into the Build Illinois Fund
 18 as provided in the preceding paragraph or in any amendment
 19 thereto hereafter enacted, the following specified monthly
 20 installment of the amount requested in the certificate of the
 21 Chairman of the Metropolitan Pier and Exposition Authority
 22 provided under Section 8.25f of the State Finance Act, but not
 23 in excess of the sums designated as "Total Deposit", shall be
 24 deposited in the aggregate from collections under Section 9 of
 25 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 26 9 of the Service Occupation Tax Act, and Section 3 of the
 27 Retailers' Occupation Tax Act into the McCormick Place
 28 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
29		
30	1993	\$0
31	1994	53,000,000
32	1995	58,000,000
33	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	246,000,000
26	2022	260,000,000
27	2023 and	275,000,000

28 each fiscal year
29 thereafter that bonds
30 are outstanding under
31 Section 13.2 of the
32 Metropolitan Pier and
33 Exposition Authority Act,
34 but not after fiscal year 2042.

1 Beginning July 20, 1993 and in each month of each fiscal
2 year thereafter, one-eighth of the amount requested in the
3 certificate of the Chairman of the Metropolitan Pier and
4 Exposition Authority for that fiscal year, less the amount
5 deposited into the McCormick Place Expansion Project Fund by
6 the State Treasurer in the respective month under subsection
7 (g) of Section 13 of the Metropolitan Pier and Exposition
8 Authority Act, plus cumulative deficiencies in the deposits
9 required under this Section for previous months and years,
10 shall be deposited into the McCormick Place Expansion Project
11 Fund, until the full amount requested for the fiscal year, but
12 not in excess of the amount specified above as "Total Deposit",
13 has been deposited.

14 Subject to payment of amounts into the Build Illinois Fund
15 and the McCormick Place Expansion Project Fund pursuant to the
16 preceding paragraphs or in any amendments thereto hereafter
17 enacted, beginning July 1, 1993, the Department shall each
18 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
19 the net revenue realized for the preceding month from the 6.25%
20 general rate on the selling price of tangible personal
21 property.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning with the receipt of the first report of
26 taxes paid by an eligible business and continuing for a 25-year
27 period, the Department shall each month pay into the Energy
28 Infrastructure Fund 80% of the net revenue realized from the
29 6.25% general rate on the selling price of Illinois-mined coal
30 that was sold to an eligible business. For purposes of this
31 paragraph, the term "eligible business" means a new electric
32 generating facility certified pursuant to Section 605-332 of
33 the Department of Commerce and Economic Opportunity Community
34 ~~Affairs~~ Law of the Civil Administrative Code of Illinois.

1 All remaining moneys received by the Department pursuant to
2 this Act shall be paid into the General Revenue Fund of the
3 State Treasury.

4 As soon as possible after the first day of each month, upon
5 certification of the Department of Revenue, the Comptroller
6 shall order transferred and the Treasurer shall transfer from
7 the General Revenue Fund to the Motor Fuel Tax Fund an amount
8 equal to 1.7% of 80% of the net revenue realized under this Act
9 for the second preceding month. Beginning April 1, 2000, this
10 transfer is no longer required and shall not be made.

11 Net revenue realized for a month shall be the revenue
12 collected by the State pursuant to this Act, less the amount
13 paid out during that month as refunds to taxpayers for
14 overpayment of liability.

15 (Source: P.A. 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492,
16 eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02;
17 revised 10-15-03.)

18 Section 20. The Service Occupation Tax Act is amended by
19 adding Section 3-3 and by changing Sections 3-10 and 9 as
20 follows:

21 (35 ILCS 115/3-3 new)

22 Sec. 3-3. Tax holiday; energy-efficient products.

23 (a) No tax is imposed under this Act upon the transfer of
24 energy-efficient products for residential use if those
25 products are transferred as an incident of a service that is
26 purchased from a serviceman during the tax-holiday period,
27 which begins at 12:01 a.m. on December 1, 2005 and ends at
28 11:59 p.m. on March 31, 2006.

29 For the purposes of this Section, "energy-efficient
30 products" means products that are entitled to and carry the
31 Energy Star label under the Energy Star program administered by
32 the federal government, such as windows, insulation, roof

1 products, residential lamps and lights, transformers, heating
2 and cooling equipment, clothes washers, dehumidifiers,
3 dishwashers, refrigerators, freezers, room air conditioners,
4 ceiling fans, programmable thermostats, ventilating fans, and
5 compact fluorescent bulbs.

6 (b) Any discount, coupon, or other credit offered either by
7 the retailer or by a vendor of the retailer to reduce the final
8 price to the customer shall be taken into account in
9 determining the selling price of the item for purposes of this
10 tax holiday. For purposes of this Section, a "purchase" occurs
11 during the tax holiday if the buyer places an order and pays
12 the purchase price by cash or credit during the tax holiday
13 period regardless of whether the delivery of the item occurs
14 after the tax holiday period.

15 (c) Each unit of local government that imposes a use tax
16 may, by resolution or ordinance, declare a tax holiday with
17 respect to its tax for the same items, during the same periods,
18 and under the same conditions and is encouraged to do so.

19 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

20 Sec. 3-10. Rate of tax. Unless otherwise provided in this
21 Section, the tax imposed by this Act is at the rate of 6.25% of
22 the "selling price", as defined in Section 2 of the Service Use
23 Tax Act, of the tangible personal property. For the purpose of
24 computing this tax, in no event shall the "selling price" be
25 less than the cost price to the serviceman of the tangible
26 personal property transferred. The selling price of each item
27 of tangible personal property transferred as an incident of a
28 sale of service may be shown as a distinct and separate item on
29 the serviceman's billing to the service customer. If the
30 selling price is not so shown, the selling price of the
31 tangible personal property is deemed to be 50% of the
32 serviceman's entire billing to the service customer. When,
33 however, a serviceman contracts to design, develop, and produce

1 special order machinery or equipment, the tax imposed by this
2 Act shall be based on the serviceman's cost price of the
3 tangible personal property transferred incident to the
4 completion of the contract.

5 Beginning on December 1, 2005 and through March 31, 2006,
6 with respect to propane and home heating oil sold to
7 residential customers, the tax is imposed at the rate of 1.25%.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 with respect to motor fuel, as defined in Section 1.1 of the
10 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
11 the Use Tax Act, the tax is imposed at the rate of 1.25%.

12 With respect to gasohol, as defined in the Use Tax Act, the
13 tax imposed by this Act shall apply to (i) 70% of the cost
14 price of property transferred as an incident to the sale of
15 service on or after January 1, 1990, and before July 1, 2003,
16 (ii) 80% of the selling price of property transferred as an
17 incident to the sale of service on or after July 1, 2003 and on
18 or before December 31, 2013, and (iii) 100% of the cost price
19 thereafter. If, at any time, however, the tax under this Act on
20 sales of gasohol, as defined in the Use Tax Act, is imposed at
21 the rate of 1.25%, then the tax imposed by this Act applies to
22 100% of the proceeds of sales of gasohol made during that time.

23 With respect to majority blended ethanol fuel, as defined
24 in the Use Tax Act, the tax imposed by this Act does not apply
25 to the selling price of property transferred as an incident to
26 the sale of service on or after July 1, 2003 and on or before
27 December 31, 2013 but applies to 100% of the selling price
28 thereafter.

29 With respect to biodiesel blends, as defined in the Use Tax
30 Act, with no less than 1% and no more than 10% biodiesel, the
31 tax imposed by this Act applies to (i) 80% of the selling price
32 of property transferred as an incident to the sale of service
33 on or after July 1, 2003 and on or before December 31, 2013 and
34 (ii) 100% of the proceeds of the selling price thereafter. If,

1 at any time, however, the tax under this Act on sales of
2 biodiesel blends, as defined in the Use Tax Act, with no less
3 than 1% and no more than 10% biodiesel is imposed at the rate
4 of 1.25%, then the tax imposed by this Act applies to 100% of
5 the proceeds of sales of biodiesel blends with no less than 1%
6 and no more than 10% biodiesel made during that time.

7 With respect to 100% biodiesel, as defined in the Use Tax
8 Act, and biodiesel blends, as defined in the Use Tax Act, with
9 more than 10% but no more than 99% biodiesel material, the tax
10 imposed by this Act does not apply to the proceeds of the
11 selling price of property transferred as an incident to the
12 sale of service on or after July 1, 2003 and on or before
13 December 31, 2013 but applies to 100% of the selling price
14 thereafter.

15 At the election of any registered serviceman made for each
16 fiscal year, sales of service in which the aggregate annual
17 cost price of tangible personal property transferred as an
18 incident to the sales of service is less than 35%, or 75% in
19 the case of servicemen transferring prescription drugs or
20 servicemen engaged in graphic arts production, of the aggregate
21 annual total gross receipts from all sales of service, the tax
22 imposed by this Act shall be based on the serviceman's cost
23 price of the tangible personal property transferred incident to
24 the sale of those services.

25 The tax shall be imposed at the rate of 1% on food prepared
26 for immediate consumption and transferred incident to a sale of
27 service subject to this Act or the Service Occupation Tax Act
28 by an entity licensed under the Hospital Licensing Act, the
29 Nursing Home Care Act, or the Child Care Act of 1969. The tax
30 shall also be imposed at the rate of 1% on food for human
31 consumption that is to be consumed off the premises where it is
32 sold (other than alcoholic beverages, soft drinks, and food
33 that has been prepared for immediate consumption and is not
34 otherwise included in this paragraph) and prescription and

1 nonprescription medicines, drugs, medical appliances,
2 modifications to a motor vehicle for the purpose of rendering
3 it usable by a disabled person, and insulin, urine testing
4 materials, syringes, and needles used by diabetics, for human
5 use. For the purposes of this Section, the term "soft drinks"
6 means any complete, finished, ready-to-use, non-alcoholic
7 drink, whether carbonated or not, including but not limited to
8 soda water, cola, fruit juice, vegetable juice, carbonated
9 water, and all other preparations commonly known as soft drinks
10 of whatever kind or description that are contained in any
11 closed or sealed can, carton, or container, regardless of size.
12 "Soft drinks" does not include coffee, tea, non-carbonated
13 water, infant formula, milk or milk products as defined in the
14 Grade A Pasteurized Milk and Milk Products Act, or drinks
15 containing 50% or more natural fruit or vegetable juice.

16 Notwithstanding any other provisions of this Act, "food for
17 human consumption that is to be consumed off the premises where
18 it is sold" includes all food sold through a vending machine,
19 except soft drinks and food products that are dispensed hot
20 from a vending machine, regardless of the location of the
21 vending machine.

22 (Source: P.A. 93-17, eff. 6-11-03.)

23 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

24 Sec. 9. Each serviceman required or authorized to collect
25 the tax herein imposed shall pay to the Department the amount
26 of such tax at the time when he is required to file his return
27 for the period during which such tax was collectible, less a
28 discount of 2.1% prior to January 1, 1990, and 1.75% on and
29 after January 1, 1990, or \$5 per calendar year, whichever is
30 greater, which is allowed to reimburse the serviceman for
31 expenses incurred in collecting the tax, keeping records,
32 preparing and filing returns, remitting the tax and supplying
33 data to the Department on request.

1 Where such tangible personal property is sold under a
2 conditional sales contract, or under any other form of sale
3 wherein the payment of the principal sum, or a part thereof, is
4 extended beyond the close of the period for which the return is
5 filed, the serviceman, in collecting the tax may collect, for
6 each tax return period, only the tax applicable to the part of
7 the selling price actually received during such tax return
8 period.

9 Except as provided hereinafter in this Section, on or
10 before the twentieth day of each calendar month, such
11 serviceman shall file a return for the preceding calendar month
12 in accordance with reasonable rules and regulations to be
13 promulgated by the Department of Revenue. Such return shall be
14 filed on a form prescribed by the Department and shall contain
15 such information as the Department may reasonably require.

16 The Department may require returns to be filed on a
17 quarterly basis. If so required, a return for each calendar
18 quarter shall be filed on or before the twentieth day of the
19 calendar month following the end of such calendar quarter. The
20 taxpayer shall also file a return with the Department for each
21 of the first two months of each calendar quarter, on or before
22 the twentieth day of the following calendar month, stating:

23 1. The name of the seller;

24 2. The address of the principal place of business from
25 which he engages in business as a serviceman in this State;

26 3. The total amount of taxable receipts received by him
27 during the preceding calendar month, including receipts
28 from charge and time sales, but less all deductions allowed
29 by law;

30 4. The amount of credit provided in Section 2d of this
31 Act;

32 5. The amount of tax due;

33 5-5. The signature of the taxpayer; and

34 6. Such other reasonable information as the Department

1 may require.

2 If a taxpayer fails to sign a return within 30 days after
3 the proper notice and demand for signature by the Department,
4 the return shall be considered valid and any amount shown to be
5 due on the return shall be deemed assessed.

6 Prior to October 1, 2003, and on and after September 1,
7 2004 a serviceman may accept a Manufacturer's Purchase Credit
8 certification from a purchaser in satisfaction of Service Use
9 Tax as provided in Section 3-70 of the Service Use Tax Act if
10 the purchaser provides the appropriate documentation as
11 required by Section 3-70 of the Service Use Tax Act. A
12 Manufacturer's Purchase Credit certification, accepted prior
13 to October 1, 2003 or on or after September 1, 2004 by a
14 serviceman as provided in Section 3-70 of the Service Use Tax
15 Act, may be used by that serviceman to satisfy Service
16 Occupation Tax liability in the amount claimed in the
17 certification, not to exceed 6.25% of the receipts subject to
18 tax from a qualifying purchase. A Manufacturer's Purchase
19 Credit reported on any original or amended return filed under
20 this Act after October 20, 2003 for reporting periods prior to
21 September 1, 2004 shall be disallowed. Manufacturer's Purchase
22 Credit reported on annual returns due on or after January 1,
23 2005 will be disallowed for periods prior to September 1, 2004.
24 No Manufacturer's Purchase Credit may be used after September
25 30, 2003 through August 31, 2004 to satisfy any tax liability
26 imposed under this Act, including any audit liability.

27 If the serviceman's average monthly tax liability to the
28 Department does not exceed \$200, the Department may authorize
29 his returns to be filed on a quarter annual basis, with the
30 return for January, February and March of a given year being
31 due by April 20 of such year; with the return for April, May
32 and June of a given year being due by July 20 of such year; with
33 the return for July, August and September of a given year being
34 due by October 20 of such year, and with the return for

1 October, November and December of a given year being due by
2 January 20 of the following year.

3 If the serviceman's average monthly tax liability to the
4 Department does not exceed \$50, the Department may authorize
5 his returns to be filed on an annual basis, with the return for
6 a given year being due by January 20 of the following year.

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as monthly
9 returns.

10 Notwithstanding any other provision in this Act concerning
11 the time within which a serviceman may file his return, in the
12 case of any serviceman who ceases to engage in a kind of
13 business which makes him responsible for filing returns under
14 this Act, such serviceman shall file a final return under this
15 Act with the Department not more than 1 month after
16 discontinuing such business.

17 Beginning October 1, 1993, a taxpayer who has an average
18 monthly tax liability of \$150,000 or more shall make all
19 payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1994, a taxpayer who has
21 an average monthly tax liability of \$100,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1995, a taxpayer who has
24 an average monthly tax liability of \$50,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 2000, a taxpayer who has
27 an annual tax liability of \$200,000 or more shall make all
28 payments required by rules of the Department by electronic
29 funds transfer. The term "annual tax liability" shall be the
30 sum of the taxpayer's liabilities under this Act, and under all
31 other State and local occupation and use tax laws administered
32 by the Department, for the immediately preceding calendar year.
33 The term "average monthly tax liability" means the sum of the
34 taxpayer's liabilities under this Act, and under all other

1 State and local occupation and use tax laws administered by the
2 Department, for the immediately preceding calendar year
3 divided by 12. Beginning on October 1, 2002, a taxpayer who has
4 a tax liability in the amount set forth in subsection (b) of
5 Section 2505-210 of the Department of Revenue Law shall make
6 all payments required by rules of the Department by electronic
7 funds transfer.

8 Before August 1 of each year beginning in 1993, the
9 Department shall notify all taxpayers required to make payments
10 by electronic funds transfer. All taxpayers required to make
11 payments by electronic funds transfer shall make those payments
12 for a minimum of one year beginning on October 1.

13 Any taxpayer not required to make payments by electronic
14 funds transfer may make payments by electronic funds transfer
15 with the permission of the Department.

16 All taxpayers required to make payment by electronic funds
17 transfer and any taxpayers authorized to voluntarily make
18 payments by electronic funds transfer shall make those payments
19 in the manner authorized by the Department.

20 The Department shall adopt such rules as are necessary to
21 effectuate a program of electronic funds transfer and the
22 requirements of this Section.

23 Where a serviceman collects the tax with respect to the
24 selling price of tangible personal property which he sells and
25 the purchaser thereafter returns such tangible personal
26 property and the serviceman refunds the selling price thereof
27 to the purchaser, such serviceman shall also refund, to the
28 purchaser, the tax so collected from the purchaser. When filing
29 his return for the period in which he refunds such tax to the
30 purchaser, the serviceman may deduct the amount of the tax so
31 refunded by him to the purchaser from any other Service
32 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
33 Use Tax which such serviceman may be required to pay or remit
34 to the Department, as shown by such return, provided that the

1 amount of the tax to be deducted shall previously have been
2 remitted to the Department by such serviceman. If the
3 serviceman shall not previously have remitted the amount of
4 such tax to the Department, he shall be entitled to no
5 deduction hereunder upon refunding such tax to the purchaser.

6 If experience indicates such action to be practicable, the
7 Department may prescribe and furnish a combination or joint
8 return which will enable servicemen, who are required to file
9 returns hereunder and also under the Retailers' Occupation Tax
10 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
11 the return information required by all said Acts on the one
12 form.

13 Where the serviceman has more than one business registered
14 with the Department under separate registrations hereunder,
15 such serviceman shall file separate returns for each registered
16 business.

17 Beginning January 1, 1990, each month the Department shall
18 pay into the Local Government Tax Fund the revenue realized for
19 the preceding month from the 1% tax on sales of food for human
20 consumption which is to be consumed off the premises where it
21 is sold (other than alcoholic beverages, soft drinks and food
22 which has been prepared for immediate consumption) and
23 prescription and nonprescription medicines, drugs, medical
24 appliances and insulin, urine testing materials, syringes and
25 needles used by diabetics.

26 Beginning January 1, 1990, each month the Department shall
27 pay into the County and Mass Transit District Fund 4% of the
28 revenue realized for the preceding month from the 6.25% general
29 rate.

30 Beginning August 1, 2000, each month the Department shall
31 pay into the County and Mass Transit District Fund 20% of the
32 net revenue realized for the preceding month from the 1.25%
33 rate on the selling price of motor fuel and gasohol.

34 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund 16% of the revenue
2 realized for the preceding month from the 6.25% general rate on
3 transfers of tangible personal property.

4 Beginning August 1, 2000, each month the Department shall
5 pay into the Local Government Tax Fund 80% of the net revenue
6 realized for the preceding month from the 1.25% rate on the
7 selling price of motor fuel and gasohol.

8 Beginning January 1, 2006, each month the Department shall
9 pay into the Local Government Tax Fund 80% of the net revenue
10 realized for the preceding month from the 1.25% rate on the
11 selling price of propane and home heating oil sold to
12 residential customers.

13 Beginning January 1, 2006, each month the Department shall
14 pay into the County and Mass Transit District Fund 20% of the
15 net revenue realized for the preceding month from the 1.25%
16 rate on the selling price of propane and home heating oil sold
17 to residential customers.

18 Of the remainder of the moneys received by the Department
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
21 and after July 1, 1989, 3.8% thereof shall be paid into the
22 Build Illinois Fund; provided, however, that if in any fiscal
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
24 may be, of the moneys received by the Department and required
25 to be paid into the Build Illinois Fund pursuant to Section 3
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
27 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
28 Service Occupation Tax Act, such Acts being hereinafter called
29 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
30 may be, of moneys being hereinafter called the "Tax Act
31 Amount", and (2) the amount transferred to the Build Illinois
32 Fund from the State and Local Sales Tax Reform Fund shall be
33 less than the Annual Specified Amount (as defined in Section 3
34 of the Retailers' Occupation Tax Act), an amount equal to the

1 difference shall be immediately paid into the Build Illinois
2 Fund from other moneys received by the Department pursuant to
3 the Tax Acts; and further provided, that if on the last
4 business day of any month the sum of (1) the Tax Act Amount
5 required to be deposited into the Build Illinois Account in the
6 Build Illinois Fund during such month and (2) the amount
7 transferred during such month to the Build Illinois Fund from
8 the State and Local Sales Tax Reform Fund shall have been less
9 than 1/12 of the Annual Specified Amount, an amount equal to
10 the difference shall be immediately paid into the Build
11 Illinois Fund from other moneys received by the Department
12 pursuant to the Tax Acts; and, further provided, that in no
13 event shall the payments required under the preceding proviso
14 result in aggregate payments into the Build Illinois Fund
15 pursuant to this clause (b) for any fiscal year in excess of
16 the greater of (i) the Tax Act Amount or (ii) the Annual
17 Specified Amount for such fiscal year; and, further provided,
18 that the amounts payable into the Build Illinois Fund under
19 this clause (b) shall be payable only until such time as the
20 aggregate amount on deposit under each trust indenture securing
21 Bonds issued and outstanding pursuant to the Build Illinois
22 Bond Act is sufficient, taking into account any future
23 investment income, to fully provide, in accordance with such
24 indenture, for the defeasance of or the payment of the
25 principal of, premium, if any, and interest on the Bonds
26 secured by such indenture and on any Bonds expected to be
27 issued thereafter and all fees and costs payable with respect
28 thereto, all as certified by the Director of the Bureau of the
29 Budget (now Governor's Office of Management and Budget). If on
30 the last business day of any month in which Bonds are
31 outstanding pursuant to the Build Illinois Bond Act, the
32 aggregate of the moneys deposited in the Build Illinois Bond
33 Account in the Build Illinois Fund in such month shall be less
34 than the amount required to be transferred in such month from

1 the Build Illinois Bond Account to the Build Illinois Bond
 2 Retirement and Interest Fund pursuant to Section 13 of the
 3 Build Illinois Bond Act, an amount equal to such deficiency
 4 shall be immediately paid from other moneys received by the
 5 Department pursuant to the Tax Acts to the Build Illinois Fund;
 6 provided, however, that any amounts paid to the Build Illinois
 7 Fund in any fiscal year pursuant to this sentence shall be
 8 deemed to constitute payments pursuant to clause (b) of the
 9 preceding sentence and shall reduce the amount otherwise
 10 payable for such fiscal year pursuant to clause (b) of the
 11 preceding sentence. The moneys received by the Department
 12 pursuant to this Act and required to be deposited into the
 13 Build Illinois Fund are subject to the pledge, claim and charge
 14 set forth in Section 12 of the Build Illinois Bond Act.

15 Subject to payment of amounts into the Build Illinois Fund
 16 as provided in the preceding paragraph or in any amendment
 17 thereto hereafter enacted, the following specified monthly
 18 installment of the amount requested in the certificate of the
 19 Chairman of the Metropolitan Pier and Exposition Authority
 20 provided under Section 8.25f of the State Finance Act, but not
 21 in excess of the sums designated as "Total Deposit", shall be
 22 deposited in the aggregate from collections under Section 9 of
 23 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 24 9 of the Service Occupation Tax Act, and Section 3 of the
 25 Retailers' Occupation Tax Act into the McCormick Place
 26 Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	\$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	246,000,000
24	2022	260,000,000
25	2023 and	275,000,000

26 each fiscal year
27 thereafter that bonds
28 are outstanding under
29 Section 13.2 of the
30 Metropolitan Pier and
31 Exposition Authority Act,
32 but not after fiscal year 2042.

33 Beginning July 20, 1993 and in each month of each fiscal
34 year thereafter, one-eighth of the amount requested in the

1 certificate of the Chairman of the Metropolitan Pier and
2 Exposition Authority for that fiscal year, less the amount
3 deposited into the McCormick Place Expansion Project Fund by
4 the State Treasurer in the respective month under subsection
5 (g) of Section 13 of the Metropolitan Pier and Exposition
6 Authority Act, plus cumulative deficiencies in the deposits
7 required under this Section for previous months and years,
8 shall be deposited into the McCormick Place Expansion Project
9 Fund, until the full amount requested for the fiscal year, but
10 not in excess of the amount specified above as "Total Deposit",
11 has been deposited.

12 Subject to payment of amounts into the Build Illinois Fund
13 and the McCormick Place Expansion Project Fund pursuant to the
14 preceding paragraphs or in any amendments thereto hereafter
15 enacted, beginning July 1, 1993, the Department shall each
16 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
17 the net revenue realized for the preceding month from the 6.25%
18 general rate on the selling price of tangible personal
19 property.

20 Subject to payment of amounts into the Build Illinois Fund
21 and the McCormick Place Expansion Project Fund pursuant to the
22 preceding paragraphs or in any amendments thereto hereafter
23 enacted, beginning with the receipt of the first report of
24 taxes paid by an eligible business and continuing for a 25-year
25 period, the Department shall each month pay into the Energy
26 Infrastructure Fund 80% of the net revenue realized from the
27 6.25% general rate on the selling price of Illinois-mined coal
28 that was sold to an eligible business. For purposes of this
29 paragraph, the term "eligible business" means a new electric
30 generating facility certified pursuant to Section 605-332 of
31 the Department of Commerce and Economic Opportunity Law of the
32 Civil Administrative Code of Illinois.

33 Remaining moneys received by the Department pursuant to
34 this Act shall be paid into the General Revenue Fund of the

1 State Treasury.

2 The Department may, upon separate written notice to a
3 taxpayer, require the taxpayer to prepare and file with the
4 Department on a form prescribed by the Department within not
5 less than 60 days after receipt of the notice an annual
6 information return for the tax year specified in the notice.
7 Such annual return to the Department shall include a statement
8 of gross receipts as shown by the taxpayer's last Federal
9 income tax return. If the total receipts of the business as
10 reported in the Federal income tax return do not agree with the
11 gross receipts reported to the Department of Revenue for the
12 same period, the taxpayer shall attach to his annual return a
13 schedule showing a reconciliation of the 2 amounts and the
14 reasons for the difference. The taxpayer's annual return to the
15 Department shall also disclose the cost of goods sold by the
16 taxpayer during the year covered by such return, opening and
17 closing inventories of such goods for such year, cost of goods
18 used from stock or taken from stock and given away by the
19 taxpayer during such year, pay roll information of the
20 taxpayer's business during such year and any additional
21 reasonable information which the Department deems would be
22 helpful in determining the accuracy of the monthly, quarterly
23 or annual returns filed by such taxpayer as hereinbefore
24 provided for in this Section.

25 If the annual information return required by this Section
26 is not filed when and as required, the taxpayer shall be liable
27 as follows:

28 (i) Until January 1, 1994, the taxpayer shall be liable
29 for a penalty equal to 1/6 of 1% of the tax due from such
30 taxpayer under this Act during the period to be covered by
31 the annual return for each month or fraction of a month
32 until such return is filed as required, the penalty to be
33 assessed and collected in the same manner as any other
34 penalty provided for in this Act.

1 (ii) On and after January 1, 1994, the taxpayer shall
2 be liable for a penalty as described in Section 3-4 of the
3 Uniform Penalty and Interest Act.

4 The chief executive officer, proprietor, owner or highest
5 ranking manager shall sign the annual return to certify the
6 accuracy of the information contained therein. Any person who
7 willfully signs the annual return containing false or
8 inaccurate information shall be guilty of perjury and punished
9 accordingly. The annual return form prescribed by the
10 Department shall include a warning that the person signing the
11 return may be liable for perjury.

12 The foregoing portion of this Section concerning the filing
13 of an annual information return shall not apply to a serviceman
14 who is not required to file an income tax return with the
15 United States Government.

16 As soon as possible after the first day of each month, upon
17 certification of the Department of Revenue, the Comptroller
18 shall order transferred and the Treasurer shall transfer from
19 the General Revenue Fund to the Motor Fuel Tax Fund an amount
20 equal to 1.7% of 80% of the net revenue realized under this Act
21 for the second preceding month. Beginning April 1, 2000, this
22 transfer is no longer required and shall not be made.

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

27 For greater simplicity of administration, it shall be
28 permissible for manufacturers, importers and wholesalers whose
29 products are sold by numerous servicemen in Illinois, and who
30 wish to do so, to assume the responsibility for accounting and
31 paying to the Department all tax accruing under this Act with
32 respect to such sales, if the servicemen who are affected do
33 not make written objection to the Department to this
34 arrangement.

1 (Source: P.A. 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492,
2 eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02; 93-24,
3 eff. 6-20-03; 93-840, eff. 7-30-04.)

4 Section 25. The Retailers' Occupation Tax Act is amended by
5 adding Section 2-3 and by changing Sections 2-10 and 3 as
6 follows:

7 (35 ILCS 120/2-3 new)

8 Sec. 2-3. Tax holiday; energy-efficient products.

9 (a) No tax is imposed under this Act upon persons engaged
10 in the business of selling at retail energy-efficient products
11 for residential use if those products are purchased during the
12 tax-holiday period, which begins at 12:01 a.m. on December 1,
13 2005 and ends at 11:59 p.m. on March 31, 2006.

14 For the purposes of this Section, "energy-efficient
15 products" means products that are entitled to and carry the
16 Energy Star label under the Energy Star program administered by
17 the federal government, such as windows, insulation, roof
18 products, residential lamps and lights, transformers, heating
19 and cooling equipment, clothes washers, dehumidifiers,
20 dishwashers, refrigerators, freezers, room air conditioners,
21 ceiling fans, programmable thermostats, ventilating fans, and
22 compact fluorescent bulbs.

23 (b) Any discount, coupon, or other credit offered either by
24 the retailer or by a vendor of the retailer to reduce the final
25 price to the customer shall be taken into account in
26 determining the selling price of the item for purposes of this
27 tax holiday. For purposes of this Section, a "purchase" occurs
28 during the tax holiday if the buyer places an order and pays
29 the purchase price by cash or credit during the tax holiday
30 period regardless of whether the delivery of the item occurs
31 after the tax holiday period.

32 (c) Each unit of local government that imposes a use tax

1 may, by resolution or ordinance, declare a tax holiday with
2 respect to its tax for the same items, during the same periods,
3 and under the same conditions and is encouraged to do so.

4 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

5 Sec. 2-10. Rate of tax. Unless otherwise provided in this
6 Section, the tax imposed by this Act is at the rate of 6.25% of
7 gross receipts from sales of tangible personal property made in
8 the course of business.

9 Beginning on December 1, 2005 and through March 31, 2006,
10 with respect to propane and home heating oil sold to
11 residential customers, the tax is imposed at the rate of 1.25%.

12 Beginning on July 1, 2000 and through December 31, 2000,
13 with respect to motor fuel, as defined in Section 1.1 of the
14 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
15 the Use Tax Act, the tax is imposed at the rate of 1.25%.

16 Within 14 days after the effective date of this amendatory
17 Act of the 91st General Assembly, each retailer of motor fuel
18 and gasohol shall cause the following notice to be posted in a
19 prominently visible place on each retail dispensing device that
20 is used to dispense motor fuel or gasohol in the State of
21 Illinois: "As of July 1, 2000, the State of Illinois has
22 eliminated the State's share of sales tax on motor fuel and
23 gasohol through December 31, 2000. The price on this pump
24 should reflect the elimination of the tax." The notice shall be
25 printed in bold print on a sign that is no smaller than 4
26 inches by 8 inches. The sign shall be clearly visible to
27 customers. Any retailer who fails to post or maintain a
28 required sign through December 31, 2000 is guilty of a petty
29 offense for which the fine shall be \$500 per day per each
30 retail premises where a violation occurs.

31 With respect to gasohol, as defined in the Use Tax Act, the
32 tax imposed by this Act applies to (i) 70% of the proceeds of
33 sales made on or after January 1, 1990, and before July 1,

1 2003, (ii) 80% of the proceeds of sales made on or after July
2 1, 2003 and on or before December 31, 2013, and (iii) 100% of
3 the proceeds of sales made thereafter. If, at any time,
4 however, the tax under this Act on sales of gasohol, as defined
5 in the Use Tax Act, is imposed at the rate of 1.25%, then the
6 tax imposed by this Act applies to 100% of the proceeds of
7 sales of gasohol made during that time.

8 With respect to majority blended ethanol fuel, as defined
9 in the Use Tax Act, the tax imposed by this Act does not apply
10 to the proceeds of sales made on or after July 1, 2003 and on or
11 before December 31, 2013 but applies to 100% of the proceeds of
12 sales made thereafter.

13 With respect to biodiesel blends, as defined in the Use Tax
14 Act, with no less than 1% and no more than 10% biodiesel, the
15 tax imposed by this Act applies to (i) 80% of the proceeds of
16 sales made on or after July 1, 2003 and on or before December
17 31, 2013 and (ii) 100% of the proceeds of sales made
18 thereafter. If, at any time, however, the tax under this Act on
19 sales of biodiesel blends, as defined in the Use Tax Act, with
20 no less than 1% and no more than 10% biodiesel is imposed at
21 the rate of 1.25%, then the tax imposed by this Act applies to
22 100% of the proceeds of sales of biodiesel blends with no less
23 than 1% and no more than 10% biodiesel made during that time.

24 With respect to 100% biodiesel, as defined in the Use Tax
25 Act, and biodiesel blends, as defined in the Use Tax Act, with
26 more than 10% but no more than 99% biodiesel, the tax imposed
27 by this Act does not apply to the proceeds of sales made on or
28 after July 1, 2003 and on or before December 31, 2013 but
29 applies to 100% of the proceeds of sales made thereafter.

30 With respect to food for human consumption that is to be
31 consumed off the premises where it is sold (other than
32 alcoholic beverages, soft drinks, and food that has been
33 prepared for immediate consumption) and prescription and
34 nonprescription medicines, drugs, medical appliances,

1 modifications to a motor vehicle for the purpose of rendering
2 it usable by a disabled person, and insulin, urine testing
3 materials, syringes, and needles used by diabetics, for human
4 use, the tax is imposed at the rate of 1%. For the purposes of
5 this Section, the term "soft drinks" means any complete,
6 finished, ready-to-use, non-alcoholic drink, whether
7 carbonated or not, including but not limited to soda water,
8 cola, fruit juice, vegetable juice, carbonated water, and all
9 other preparations commonly known as soft drinks of whatever
10 kind or description that are contained in any closed or sealed
11 bottle, can, carton, or container, regardless of size. "Soft
12 drinks" does not include coffee, tea, non-carbonated water,
13 infant formula, milk or milk products as defined in the Grade A
14 Pasteurized Milk and Milk Products Act, or drinks containing
15 50% or more natural fruit or vegetable juice.

16 Notwithstanding any other provisions of this Act, "food for
17 human consumption that is to be consumed off the premises where
18 it is sold" includes all food sold through a vending machine,
19 except soft drinks and food products that are dispensed hot
20 from a vending machine, regardless of the location of the
21 vending machine.

22 (Source: P.A. 93-17, eff. 6-11-03.)

23 (35 ILCS 120/3) (from Ch. 120, par. 442)

24 Sec. 3. Except as provided in this Section, on or before
25 the twentieth day of each calendar month, every person engaged
26 in the business of selling tangible personal property at retail
27 in this State during the preceding calendar month shall file a
28 return with the Department, stating:

29 1. The name of the seller;

30 2. His residence address and the address of his
31 principal place of business and the address of the
32 principal place of business (if that is a different
33 address) from which he engages in the business of selling

1 tangible personal property at retail in this State;

2 3. Total amount of receipts received by him during the
3 preceding calendar month or quarter, as the case may be,
4 from sales of tangible personal property, and from services
5 furnished, by him during such preceding calendar month or
6 quarter;

7 4. Total amount received by him during the preceding
8 calendar month or quarter on charge and time sales of
9 tangible personal property, and from services furnished,
10 by him prior to the month or quarter for which the return
11 is filed;

12 5. Deductions allowed by law;

13 6. Gross receipts which were received by him during the
14 preceding calendar month or quarter and upon the basis of
15 which the tax is imposed;

16 7. The amount of credit provided in Section 2d of this
17 Act;

18 8. The amount of tax due;

19 9. The signature of the taxpayer; and

20 10. Such other reasonable information as the
21 Department may require.

22 If a taxpayer fails to sign a return within 30 days after
23 the proper notice and demand for signature by the Department,
24 the return shall be considered valid and any amount shown to be
25 due on the return shall be deemed assessed.

26 Each return shall be accompanied by the statement of
27 prepaid tax issued pursuant to Section 2e for which credit is
28 claimed.

29 Prior to October 1, 2003, and on and after September 1,
30 2004 a retailer may accept a Manufacturer's Purchase Credit
31 certification from a purchaser in satisfaction of Use Tax as
32 provided in Section 3-85 of the Use Tax Act if the purchaser
33 provides the appropriate documentation as required by Section
34 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit

1 certification, accepted by a retailer prior to October 1, 2003
2 and on and after September 1, 2004 as provided in Section 3-85
3 of the Use Tax Act, may be used by that retailer to satisfy
4 Retailers' Occupation Tax liability in the amount claimed in
5 the certification, not to exceed 6.25% of the receipts subject
6 to tax from a qualifying purchase. A Manufacturer's Purchase
7 Credit reported on any original or amended return filed under
8 this Act after October 20, 2003 for reporting periods prior to
9 September 1, 2004 shall be disallowed. Manufacturer's
10 Purchaser Credit reported on annual returns due on or after
11 January 1, 2005 will be disallowed for periods prior to
12 September 1, 2004. No Manufacturer's Purchase Credit may be
13 used after September 30, 2003 through August 31, 2004 to
14 satisfy any tax liability imposed under this Act, including any
15 audit liability.

16 The Department may require returns to be filed on a
17 quarterly basis. If so required, a return for each calendar
18 quarter shall be filed on or before the twentieth day of the
19 calendar month following the end of such calendar quarter. The
20 taxpayer shall also file a return with the Department for each
21 of the first two months of each calendar quarter, on or before
22 the twentieth day of the following calendar month, stating:

23 1. The name of the seller;

24 2. The address of the principal place of business from
25 which he engages in the business of selling tangible
26 personal property at retail in this State;

27 3. The total amount of taxable receipts received by him
28 during the preceding calendar month from sales of tangible
29 personal property by him during such preceding calendar
30 month, including receipts from charge and time sales, but
31 less all deductions allowed by law;

32 4. The amount of credit provided in Section 2d of this
33 Act;

34 5. The amount of tax due; and

1 6. Such other reasonable information as the Department
2 may require.

3 Beginning on October 1, 2003, any person who is not a
4 licensed distributor, importing distributor, or manufacturer,
5 as defined in the Liquor Control Act of 1934, but is engaged in
6 the business of selling, at retail, alcoholic liquor shall file
7 a statement with the Department of Revenue, in a format and at
8 a time prescribed by the Department, showing the total amount
9 paid for alcoholic liquor purchased during the preceding month
10 and such other information as is reasonably required by the
11 Department. The Department may adopt rules to require that this
12 statement be filed in an electronic or telephonic format. Such
13 rules may provide for exceptions from the filing requirements
14 of this paragraph. For the purposes of this paragraph, the term
15 "alcoholic liquor" shall have the meaning prescribed in the
16 Liquor Control Act of 1934.

17 Beginning on October 1, 2003, every distributor, importing
18 distributor, and manufacturer of alcoholic liquor as defined in
19 the Liquor Control Act of 1934, shall file a statement with the
20 Department of Revenue, no later than the 10th day of the month
21 for the preceding month during which transactions occurred, by
22 electronic means, showing the total amount of gross receipts
23 from the sale of alcoholic liquor sold or distributed during
24 the preceding month to purchasers; identifying the purchaser to
25 whom it was sold or distributed; the purchaser's tax
26 registration number; and such other information reasonably
27 required by the Department. A distributor, importing
28 distributor, or manufacturer of alcoholic liquor must
29 personally deliver, mail, or provide by electronic means to
30 each retailer listed on the monthly statement a report
31 containing a cumulative total of that distributor's, importing
32 distributor's, or manufacturer's total sales of alcoholic
33 liquor to that retailer no later than the 10th day of the month
34 for the preceding month during which the transaction occurred.

1 The distributor, importing distributor, or manufacturer shall
2 notify the retailer as to the method by which the distributor,
3 importing distributor, or manufacturer will provide the sales
4 information. If the retailer is unable to receive the sales
5 information by electronic means, the distributor, importing
6 distributor, or manufacturer shall furnish the sales
7 information by personal delivery or by mail. For purposes of
8 this paragraph, the term "electronic means" includes, but is
9 not limited to, the use of a secure Internet website, e-mail,
10 or facsimile.

11 If a total amount of less than \$1 is payable, refundable or
12 creditable, such amount shall be disregarded if it is less than
13 50 cents and shall be increased to \$1 if it is 50 cents or more.

14 Beginning October 1, 1993, a taxpayer who has an average
15 monthly tax liability of \$150,000 or more shall make all
16 payments required by rules of the Department by electronic
17 funds transfer. Beginning October 1, 1994, a taxpayer who has
18 an average monthly tax liability of \$100,000 or more shall make
19 all payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1995, a taxpayer who has
21 an average monthly tax liability of \$50,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 2000, a taxpayer who has
24 an annual tax liability of \$200,000 or more shall make all
25 payments required by rules of the Department by electronic
26 funds transfer. The term "annual tax liability" shall be the
27 sum of the taxpayer's liabilities under this Act, and under all
28 other State and local occupation and use tax laws administered
29 by the Department, for the immediately preceding calendar year.
30 The term "average monthly tax liability" shall be the sum of
31 the taxpayer's liabilities under this Act, and under all other
32 State and local occupation and use tax laws administered by the
33 Department, for the immediately preceding calendar year
34 divided by 12. Beginning on October 1, 2002, a taxpayer who has

1 a tax liability in the amount set forth in subsection (b) of
2 Section 2505-210 of the Department of Revenue Law shall make
3 all payments required by rules of the Department by electronic
4 funds transfer.

5 Before August 1 of each year beginning in 1993, the
6 Department shall notify all taxpayers required to make payments
7 by electronic funds transfer. All taxpayers required to make
8 payments by electronic funds transfer shall make those payments
9 for a minimum of one year beginning on October 1.

10 Any taxpayer not required to make payments by electronic
11 funds transfer may make payments by electronic funds transfer
12 with the permission of the Department.

13 All taxpayers required to make payment by electronic funds
14 transfer and any taxpayers authorized to voluntarily make
15 payments by electronic funds transfer shall make those payments
16 in the manner authorized by the Department.

17 The Department shall adopt such rules as are necessary to
18 effectuate a program of electronic funds transfer and the
19 requirements of this Section.

20 Any amount which is required to be shown or reported on any
21 return or other document under this Act shall, if such amount
22 is not a whole-dollar amount, be increased to the nearest
23 whole-dollar amount in any case where the fractional part of a
24 dollar is 50 cents or more, and decreased to the nearest
25 whole-dollar amount where the fractional part of a dollar is
26 less than 50 cents.

27 If the retailer is otherwise required to file a monthly
28 return and if the retailer's average monthly tax liability to
29 the Department does not exceed \$200, the Department may
30 authorize his returns to be filed on a quarter annual basis,
31 with the return for January, February and March of a given year
32 being due by April 20 of such year; with the return for April,
33 May and June of a given year being due by July 20 of such year;
34 with the return for July, August and September of a given year

1 being due by October 20 of such year, and with the return for
2 October, November and December of a given year being due by
3 January 20 of the following year.

4 If the retailer is otherwise required to file a monthly or
5 quarterly return and if the retailer's average monthly tax
6 liability with the Department does not exceed \$50, the
7 Department may authorize his returns to be filed on an annual
8 basis, with the return for a given year being due by January 20
9 of the following year.

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as monthly
12 returns.

13 Notwithstanding any other provision in this Act concerning
14 the time within which a retailer may file his return, in the
15 case of any retailer who ceases to engage in a kind of business
16 which makes him responsible for filing returns under this Act,
17 such retailer shall file a final return under this Act with the
18 Department not more than one month after discontinuing such
19 business.

20 Where the same person has more than one business registered
21 with the Department under separate registrations under this
22 Act, such person may not file each return that is due as a
23 single return covering all such registered businesses, but
24 shall file separate returns for each such registered business.

25 In addition, with respect to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered with
27 an agency of this State, every retailer selling this kind of
28 tangible personal property shall file, with the Department,
29 upon a form to be prescribed and supplied by the Department, a
30 separate return for each such item of tangible personal
31 property which the retailer sells, except that if, in the same
32 transaction, (i) a retailer of aircraft, watercraft, motor
33 vehicles or trailers transfers more than one aircraft,
34 watercraft, motor vehicle or trailer to another aircraft,

1 watercraft, motor vehicle retailer or trailer retailer for the
2 purpose of resale or (ii) a retailer of aircraft, watercraft,
3 motor vehicles, or trailers transfers more than one aircraft,
4 watercraft, motor vehicle, or trailer to a purchaser for use as
5 a qualifying rolling stock as provided in Section 2-5 of this
6 Act, then that seller may report the transfer of all aircraft,
7 watercraft, motor vehicles or trailers involved in that
8 transaction to the Department on the same uniform
9 invoice-transaction reporting return form. For purposes of
10 this Section, "watercraft" means a Class 2, Class 3, or Class 4
11 watercraft as defined in Section 3-2 of the Boat Registration
12 and Safety Act, a personal watercraft, or any boat equipped
13 with an inboard motor.

14 Any retailer who sells only motor vehicles, watercraft,
15 aircraft, or trailers that are required to be registered with
16 an agency of this State, so that all retailers' occupation tax
17 liability is required to be reported, and is reported, on such
18 transaction reporting returns and who is not otherwise required
19 to file monthly or quarterly returns, need not file monthly or
20 quarterly returns. However, those retailers shall be required
21 to file returns on an annual basis.

22 The transaction reporting return, in the case of motor
23 vehicles or trailers that are required to be registered with an
24 agency of this State, shall be the same document as the Uniform
25 Invoice referred to in Section 5-402 of The Illinois Vehicle
26 Code and must show the name and address of the seller; the name
27 and address of the purchaser; the amount of the selling price
28 including the amount allowed by the retailer for traded-in
29 property, if any; the amount allowed by the retailer for the
30 traded-in tangible personal property, if any, to the extent to
31 which Section 1 of this Act allows an exemption for the value
32 of traded-in property; the balance payable after deducting such
33 trade-in allowance from the total selling price; the amount of
34 tax due from the retailer with respect to such transaction; the

1 amount of tax collected from the purchaser by the retailer on
2 such transaction (or satisfactory evidence that such tax is not
3 due in that particular instance, if that is claimed to be the
4 fact); the place and date of the sale; a sufficient
5 identification of the property sold; such other information as
6 is required in Section 5-402 of The Illinois Vehicle Code, and
7 such other information as the Department may reasonably
8 require.

9 The transaction reporting return in the case of watercraft
10 or aircraft must show the name and address of the seller; the
11 name and address of the purchaser; the amount of the selling
12 price including the amount allowed by the retailer for
13 traded-in property, if any; the amount allowed by the retailer
14 for the traded-in tangible personal property, if any, to the
15 extent to which Section 1 of this Act allows an exemption for
16 the value of traded-in property; the balance payable after
17 deducting such trade-in allowance from the total selling price;
18 the amount of tax due from the retailer with respect to such
19 transaction; the amount of tax collected from the purchaser by
20 the retailer on such transaction (or satisfactory evidence that
21 such tax is not due in that particular instance, if that is
22 claimed to be the fact); the place and date of the sale, a
23 sufficient identification of the property sold, and such other
24 information as the Department may reasonably require.

25 Such transaction reporting return shall be filed not later
26 than 20 days after the day of delivery of the item that is
27 being sold, but may be filed by the retailer at any time sooner
28 than that if he chooses to do so. The transaction reporting
29 return and tax remittance or proof of exemption from the
30 Illinois use tax may be transmitted to the Department by way of
31 the State agency with which, or State officer with whom the
32 tangible personal property must be titled or registered (if
33 titling or registration is required) if the Department and such
34 agency or State officer determine that this procedure will

1 expedite the processing of applications for title or
2 registration.

3 With each such transaction reporting return, the retailer
4 shall remit the proper amount of tax due (or shall submit
5 satisfactory evidence that the sale is not taxable if that is
6 the case), to the Department or its agents, whereupon the
7 Department shall issue, in the purchaser's name, a use tax
8 receipt (or a certificate of exemption if the Department is
9 satisfied that the particular sale is tax exempt) which such
10 purchaser may submit to the agency with which, or State officer
11 with whom, he must title or register the tangible personal
12 property that is involved (if titling or registration is
13 required) in support of such purchaser's application for an
14 Illinois certificate or other evidence of title or registration
15 to such tangible personal property.

16 No retailer's failure or refusal to remit tax under this
17 Act precludes a user, who has paid the proper tax to the
18 retailer, from obtaining his certificate of title or other
19 evidence of title or registration (if titling or registration
20 is required) upon satisfying the Department that such user has
21 paid the proper tax (if tax is due) to the retailer. The
22 Department shall adopt appropriate rules to carry out the
23 mandate of this paragraph.

24 If the user who would otherwise pay tax to the retailer
25 wants the transaction reporting return filed and the payment of
26 the tax or proof of exemption made to the Department before the
27 retailer is willing to take these actions and such user has not
28 paid the tax to the retailer, such user may certify to the fact
29 of such delay by the retailer and may (upon the Department
30 being satisfied of the truth of such certification) transmit
31 the information required by the transaction reporting return
32 and the remittance for tax or proof of exemption directly to
33 the Department and obtain his tax receipt or exemption
34 determination, in which event the transaction reporting return

1 and tax remittance (if a tax payment was required) shall be
2 credited by the Department to the proper retailer's account
3 with the Department, but without the 2.1% or 1.75% discount
4 provided for in this Section being allowed. When the user pays
5 the tax directly to the Department, he shall pay the tax in the
6 same amount and in the same form in which it would be remitted
7 if the tax had been remitted to the Department by the retailer.

8 Refunds made by the seller during the preceding return
9 period to purchasers, on account of tangible personal property
10 returned to the seller, shall be allowed as a deduction under
11 subdivision 5 of his monthly or quarterly return, as the case
12 may be, in case the seller had theretofore included the
13 receipts from the sale of such tangible personal property in a
14 return filed by him and had paid the tax imposed by this Act
15 with respect to such receipts.

16 Where the seller is a corporation, the return filed on
17 behalf of such corporation shall be signed by the president,
18 vice-president, secretary or treasurer or by the properly
19 accredited agent of such corporation.

20 Where the seller is a limited liability company, the return
21 filed on behalf of the limited liability company shall be
22 signed by a manager, member, or properly accredited agent of
23 the limited liability company.

24 Except as provided in this Section, the retailer filing the
25 return under this Section shall, at the time of filing such
26 return, pay to the Department the amount of tax imposed by this
27 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
28 on and after January 1, 1990, or \$5 per calendar year,
29 whichever is greater, which is allowed to reimburse the
30 retailer for the expenses incurred in keeping records,
31 preparing and filing returns, remitting the tax and supplying
32 data to the Department on request. Any prepayment made pursuant
33 to Section 2d of this Act shall be included in the amount on
34 which such 2.1% or 1.75% discount is computed. In the case of

1 retailers who report and pay the tax on a transaction by
2 transaction basis, as provided in this Section, such discount
3 shall be taken with each such tax remittance instead of when
4 such retailer files his periodic return.

5 Before October 1, 2000, if the taxpayer's average monthly
6 tax liability to the Department under this Act, the Use Tax
7 Act, the Service Occupation Tax Act, and the Service Use Tax
8 Act, excluding any liability for prepaid sales tax to be
9 remitted in accordance with Section 2d of this Act, was \$10,000
10 or more during the preceding 4 complete calendar quarters, he
11 shall file a return with the Department each month by the 20th
12 day of the month next following the month during which such tax
13 liability is incurred and shall make payments to the Department
14 on or before the 7th, 15th, 22nd and last day of the month
15 during which such liability is incurred. On and after October
16 1, 2000, if the taxpayer's average monthly tax liability to the
17 Department under this Act, the Use Tax Act, the Service
18 Occupation Tax Act, and the Service Use Tax Act, excluding any
19 liability for prepaid sales tax to be remitted in accordance
20 with Section 2d of this Act, was \$20,000 or more during the
21 preceding 4 complete calendar quarters, he shall file a return
22 with the Department each month by the 20th day of the month
23 next following the month during which such tax liability is
24 incurred and shall make payment to the Department on or before
25 the 7th, 15th, 22nd and last day of the month during which such
26 liability is incurred. If the month during which such tax
27 liability is incurred began prior to January 1, 1985, each
28 payment shall be in an amount equal to 1/4 of the taxpayer's
29 actual liability for the month or an amount set by the
30 Department not to exceed 1/4 of the average monthly liability
31 of the taxpayer to the Department for the preceding 4 complete
32 calendar quarters (excluding the month of highest liability and
33 the month of lowest liability in such 4 quarter period). If the
34 month during which such tax liability is incurred begins on or

1 after January 1, 1985 and prior to January 1, 1987, each
2 payment shall be in an amount equal to 22.5% of the taxpayer's
3 actual liability for the month or 27.5% of the taxpayer's
4 liability for the same calendar month of the preceding year. If
5 the month during which such tax liability is incurred begins on
6 or after January 1, 1987 and prior to January 1, 1988, each
7 payment shall be in an amount equal to 22.5% of the taxpayer's
8 actual liability for the month or 26.25% of the taxpayer's
9 liability for the same calendar month of the preceding year. If
10 the month during which such tax liability is incurred begins on
11 or after January 1, 1988, and prior to January 1, 1989, or
12 begins on or after January 1, 1996, each payment shall be in an
13 amount equal to 22.5% of the taxpayer's actual liability for
14 the month or 25% of the taxpayer's liability for the same
15 calendar month of the preceding year. If the month during which
16 such tax liability is incurred begins on or after January 1,
17 1989, and prior to January 1, 1996, each payment shall be in an
18 amount equal to 22.5% of the taxpayer's actual liability for
19 the month or 25% of the taxpayer's liability for the same
20 calendar month of the preceding year or 100% of the taxpayer's
21 actual liability for the quarter monthly reporting period. The
22 amount of such quarter monthly payments shall be credited
23 against the final tax liability of the taxpayer's return for
24 that month. Before October 1, 2000, once applicable, the
25 requirement of the making of quarter monthly payments to the
26 Department by taxpayers having an average monthly tax liability
27 of \$10,000 or more as determined in the manner provided above
28 shall continue until such taxpayer's average monthly liability
29 to the Department during the preceding 4 complete calendar
30 quarters (excluding the month of highest liability and the
31 month of lowest liability) is less than \$9,000, or until such
32 taxpayer's average monthly liability to the Department as
33 computed for each calendar quarter of the 4 preceding complete
34 calendar quarter period is less than \$10,000. However, if a

1 taxpayer can show the Department that a substantial change in
2 the taxpayer's business has occurred which causes the taxpayer
3 to anticipate that his average monthly tax liability for the
4 reasonably foreseeable future will fall below the \$10,000
5 threshold stated above, then such taxpayer may petition the
6 Department for a change in such taxpayer's reporting status. On
7 and after October 1, 2000, once applicable, the requirement of
8 the making of quarter monthly payments to the Department by
9 taxpayers having an average monthly tax liability of \$20,000 or
10 more as determined in the manner provided above shall continue
11 until such taxpayer's average monthly liability to the
12 Department during the preceding 4 complete calendar quarters
13 (excluding the month of highest liability and the month of
14 lowest liability) is less than \$19,000 or until such taxpayer's
15 average monthly liability to the Department as computed for
16 each calendar quarter of the 4 preceding complete calendar
17 quarter period is less than \$20,000. However, if a taxpayer can
18 show the Department that a substantial change in the taxpayer's
19 business has occurred which causes the taxpayer to anticipate
20 that his average monthly tax liability for the reasonably
21 foreseeable future will fall below the \$20,000 threshold stated
22 above, then such taxpayer may petition the Department for a
23 change in such taxpayer's reporting status. The Department
24 shall change such taxpayer's reporting status unless it finds
25 that such change is seasonal in nature and not likely to be
26 long term. If any such quarter monthly payment is not paid at
27 the time or in the amount required by this Section, then the
28 taxpayer shall be liable for penalties and interest on the
29 difference between the minimum amount due as a payment and the
30 amount of such quarter monthly payment actually and timely
31 paid, except insofar as the taxpayer has previously made
32 payments for that month to the Department in excess of the
33 minimum payments previously due as provided in this Section.
34 The Department shall make reasonable rules and regulations to

1 govern the quarter monthly payment amount and quarter monthly
2 payment dates for taxpayers who file on other than a calendar
3 monthly basis.

4 The provisions of this paragraph apply before October 1,
5 2001. Without regard to whether a taxpayer is required to make
6 quarter monthly payments as specified above, any taxpayer who
7 is required by Section 2d of this Act to collect and remit
8 prepaid taxes and has collected prepaid taxes which average in
9 excess of \$25,000 per month during the preceding 2 complete
10 calendar quarters, shall file a return with the Department as
11 required by Section 2f and shall make payments to the
12 Department on or before the 7th, 15th, 22nd and last day of the
13 month during which such liability is incurred. If the month
14 during which such tax liability is incurred began prior to the
15 effective date of this amendatory Act of 1985, each payment
16 shall be in an amount not less than 22.5% of the taxpayer's
17 actual liability under Section 2d. If the month during which
18 such tax liability is incurred begins on or after January 1,
19 1986, each payment shall be in an amount equal to 22.5% of the
20 taxpayer's actual liability for the month or 27.5% of the
21 taxpayer's liability for the same calendar month of the
22 preceding calendar year. If the month during which such tax
23 liability is incurred begins on or after January 1, 1987, each
24 payment shall be in an amount equal to 22.5% of the taxpayer's
25 actual liability for the month or 26.25% of the taxpayer's
26 liability for the same calendar month of the preceding year.
27 The amount of such quarter monthly payments shall be credited
28 against the final tax liability of the taxpayer's return for
29 that month filed under this Section or Section 2f, as the case
30 may be. Once applicable, the requirement of the making of
31 quarter monthly payments to the Department pursuant to this
32 paragraph shall continue until such taxpayer's average monthly
33 prepaid tax collections during the preceding 2 complete
34 calendar quarters is \$25,000 or less. If any such quarter

1 monthly payment is not paid at the time or in the amount
2 required, the taxpayer shall be liable for penalties and
3 interest on such difference, except insofar as the taxpayer has
4 previously made payments for that month in excess of the
5 minimum payments previously due.

6 The provisions of this paragraph apply on and after October
7 1, 2001. Without regard to whether a taxpayer is required to
8 make quarter monthly payments as specified above, any taxpayer
9 who is required by Section 2d of this Act to collect and remit
10 prepaid taxes and has collected prepaid taxes that average in
11 excess of \$20,000 per month during the preceding 4 complete
12 calendar quarters shall file a return with the Department as
13 required by Section 2f and shall make payments to the
14 Department on or before the 7th, 15th, 22nd and last day of the
15 month during which the liability is incurred. Each payment
16 shall be in an amount equal to 22.5% of the taxpayer's actual
17 liability for the month or 25% of the taxpayer's liability for
18 the same calendar month of the preceding year. The amount of
19 the quarter monthly payments shall be credited against the
20 final tax liability of the taxpayer's return for that month
21 filed under this Section or Section 2f, as the case may be.
22 Once applicable, the requirement of the making of quarter
23 monthly payments to the Department pursuant to this paragraph
24 shall continue until the taxpayer's average monthly prepaid tax
25 collections during the preceding 4 complete calendar quarters
26 (excluding the month of highest liability and the month of
27 lowest liability) is less than \$19,000 or until such taxpayer's
28 average monthly liability to the Department as computed for
29 each calendar quarter of the 4 preceding complete calendar
30 quarters is less than \$20,000. If any such quarter monthly
31 payment is not paid at the time or in the amount required, the
32 taxpayer shall be liable for penalties and interest on such
33 difference, except insofar as the taxpayer has previously made
34 payments for that month in excess of the minimum payments

1 previously due.

2 If any payment provided for in this Section exceeds the
3 taxpayer's liabilities under this Act, the Use Tax Act, the
4 Service Occupation Tax Act and the Service Use Tax Act, as
5 shown on an original monthly return, the Department shall, if
6 requested by the taxpayer, issue to the taxpayer a credit
7 memorandum no later than 30 days after the date of payment. The
8 credit evidenced by such credit memorandum may be assigned by
9 the taxpayer to a similar taxpayer under this Act, the Use Tax
10 Act, the Service Occupation Tax Act or the Service Use Tax Act,
11 in accordance with reasonable rules and regulations to be
12 prescribed by the Department. If no such request is made, the
13 taxpayer may credit such excess payment against tax liability
14 subsequently to be remitted to the Department under this Act,
15 the Use Tax Act, the Service Occupation Tax Act or the Service
16 Use Tax Act, in accordance with reasonable rules and
17 regulations prescribed by the Department. If the Department
18 subsequently determined that all or any part of the credit
19 taken was not actually due to the taxpayer, the taxpayer's 2.1%
20 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
21 of the difference between the credit taken and that actually
22 due, and that taxpayer shall be liable for penalties and
23 interest on such difference.

24 If a retailer of motor fuel is entitled to a credit under
25 Section 2d of this Act which exceeds the taxpayer's liability
26 to the Department under this Act for the month which the
27 taxpayer is filing a return, the Department shall issue the
28 taxpayer a credit memorandum for the excess.

29 Beginning January 1, 1990, each month the Department shall
30 pay into the Local Government Tax Fund, a special fund in the
31 State treasury which is hereby created, the net revenue
32 realized for the preceding month from the 1% tax on sales of
33 food for human consumption which is to be consumed off the
34 premises where it is sold (other than alcoholic beverages, soft

1 drinks and food which has been prepared for immediate
2 consumption) and prescription and nonprescription medicines,
3 drugs, medical appliances and insulin, urine testing
4 materials, syringes and needles used by diabetics.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the County and Mass Transit District Fund, a special
7 fund in the State treasury which is hereby created, 4% of the
8 net revenue realized for the preceding month from the 6.25%
9 general rate.

10 Beginning August 1, 2000, each month the Department shall
11 pay into the County and Mass Transit District Fund 20% of the
12 net revenue realized for the preceding month from the 1.25%
13 rate on the selling price of motor fuel and gasohol.

14 Beginning January 1, 1990, each month the Department shall
15 pay into the Local Government Tax Fund 16% of the net revenue
16 realized for the preceding month from the 6.25% general rate on
17 the selling price of tangible personal property.

18 Beginning August 1, 2000, each month the Department shall
19 pay into the Local Government Tax Fund 80% of the net revenue
20 realized for the preceding month from the 1.25% rate on the
21 selling price of motor fuel and gasohol.

22 Beginning January 1, 2006, each month the Department shall
23 pay into the Local Government Tax Fund 80% of the net revenue
24 realized for the preceding month from the 1.25% rate on the
25 selling price of propane and home heating oil sold to
26 residential customers.

27 Beginning January 1, 2006, each month the Department shall
28 pay into the County and Mass Transit District Fund 20% of the
29 net revenue realized for the preceding month from the 1.25%
30 rate on the selling price of propane and home heating oil sold
31 to residential customers.

32 Of the remainder of the moneys received by the Department
33 pursuant to this Act, (a) 1.75% thereof shall be paid into the
34 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the
 2 Build Illinois Fund; provided, however, that if in any fiscal
 3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
 4 may be, of the moneys received by the Department and required
 5 to be paid into the Build Illinois Fund pursuant to this Act,
 6 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
 7 Act, and Section 9 of the Service Occupation Tax Act, such Acts
 8 being hereinafter called the "Tax Acts" and such aggregate of
 9 2.2% or 3.8%, as the case may be, of moneys being hereinafter
 10 called the "Tax Act Amount", and (2) the amount transferred to
 11 the Build Illinois Fund from the State and Local Sales Tax
 12 Reform Fund shall be less than the Annual Specified Amount (as
 13 hereinafter defined), an amount equal to the difference shall
 14 be immediately paid into the Build Illinois Fund from other
 15 moneys received by the Department pursuant to the Tax Acts; the
 16 "Annual Specified Amount" means the amounts specified below for
 17 fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000
1987	\$76,650,000
1988	\$80,480,000
1989	\$88,510,000
1990	\$115,330,000
1991	\$145,470,000
1992	\$182,730,000
1993	\$206,520,000;

27 and means the Certified Annual Debt Service Requirement (as
 28 defined in Section 13 of the Build Illinois Bond Act) or the
 29 Tax Act Amount, whichever is greater, for fiscal year 1994 and
 30 each fiscal year thereafter; and further provided, that if on
 31 the last business day of any month the sum of (1) the Tax Act
 32 Amount required to be deposited into the Build Illinois Bond
 33 Account in the Build Illinois Fund during such month and (2)
 34 the amount transferred to the Build Illinois Fund from the

1 State and Local Sales Tax Reform Fund shall have been less than
2 1/12 of the Annual Specified Amount, an amount equal to the
3 difference shall be immediately paid into the Build Illinois
4 Fund from other moneys received by the Department pursuant to
5 the Tax Acts; and, further provided, that in no event shall the
6 payments required under the preceding proviso result in
7 aggregate payments into the Build Illinois Fund pursuant to
8 this clause (b) for any fiscal year in excess of the greater of
9 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
10 such fiscal year. The amounts payable into the Build Illinois
11 Fund under clause (b) of the first sentence in this paragraph
12 shall be payable only until such time as the aggregate amount
13 on deposit under each trust indenture securing Bonds issued and
14 outstanding pursuant to the Build Illinois Bond Act is
15 sufficient, taking into account any future investment income,
16 to fully provide, in accordance with such indenture, for the
17 defeasance of or the payment of the principal of, premium, if
18 any, and interest on the Bonds secured by such indenture and on
19 any Bonds expected to be issued thereafter and all fees and
20 costs payable with respect thereto, all as certified by the
21 Director of the Bureau of the Budget (now Governor's Office of
22 Management and Budget). If on the last business day of any
23 month in which Bonds are outstanding pursuant to the Build
24 Illinois Bond Act, the aggregate of moneys deposited in the
25 Build Illinois Bond Account in the Build Illinois Fund in such
26 month shall be less than the amount required to be transferred
27 in such month from the Build Illinois Bond Account to the Build
28 Illinois Bond Retirement and Interest Fund pursuant to Section
29 13 of the Build Illinois Bond Act, an amount equal to such
30 deficiency shall be immediately paid from other moneys received
31 by the Department pursuant to the Tax Acts to the Build
32 Illinois Fund; provided, however, that any amounts paid to the
33 Build Illinois Fund in any fiscal year pursuant to this
34 sentence shall be deemed to constitute payments pursuant to

1 clause (b) of the first sentence of this paragraph and shall
 2 reduce the amount otherwise payable for such fiscal year
 3 pursuant to that clause (b). The moneys received by the
 4 Department pursuant to this Act and required to be deposited
 5 into the Build Illinois Fund are subject to the pledge, claim
 6 and charge set forth in Section 12 of the Build Illinois Bond
 7 Act.

8 Subject to payment of amounts into the Build Illinois Fund
 9 as provided in the preceding paragraph or in any amendment
 10 thereto hereafter enacted, the following specified monthly
 11 installment of the amount requested in the certificate of the
 12 Chairman of the Metropolitan Pier and Exposition Authority
 13 provided under Section 8.25f of the State Finance Act, but not
 14 in excess of sums designated as "Total Deposit", shall be
 15 deposited in the aggregate from collections under Section 9 of
 16 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 17 9 of the Service Occupation Tax Act, and Section 3 of the
 18 Retailers' Occupation Tax Act into the McCormick Place
 19 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000
26	1998	68,000,000
27	1999	71,000,000
28	2000	75,000,000
29	2001	80,000,000
30	2002	93,000,000
31	2003	99,000,000
32	2004	103,000,000
33	2005	108,000,000

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	246,000,000
17	2022	260,000,000
18	2023 and	275,000,000

19 each fiscal year
20 thereafter that bonds
21 are outstanding under
22 Section 13.2 of the
23 Metropolitan Pier and
24 Exposition Authority Act,
25 but not after fiscal year 2042.

26 Beginning July 20, 1993 and in each month of each fiscal
27 year thereafter, one-eighth of the amount requested in the
28 certificate of the Chairman of the Metropolitan Pier and
29 Exposition Authority for that fiscal year, less the amount
30 deposited into the McCormick Place Expansion Project Fund by
31 the State Treasurer in the respective month under subsection
32 (g) of Section 13 of the Metropolitan Pier and Exposition
33 Authority Act, plus cumulative deficiencies in the deposits
34 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year, but
3 not in excess of the amount specified above as "Total Deposit",
4 has been deposited.

5 Subject to payment of amounts into the Build Illinois Fund
6 and the McCormick Place Expansion Project Fund pursuant to the
7 preceding paragraphs or in any amendments thereto hereafter
8 enacted, beginning July 1, 1993, the Department shall each
9 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
10 the net revenue realized for the preceding month from the 6.25%
11 general rate on the selling price of tangible personal
12 property.

13 Subject to payment of amounts into the Build Illinois Fund
14 and the McCormick Place Expansion Project Fund pursuant to the
15 preceding paragraphs or in any amendments thereto hereafter
16 enacted, beginning with the receipt of the first report of
17 taxes paid by an eligible business and continuing for a 25-year
18 period, the Department shall each month pay into the Energy
19 Infrastructure Fund 80% of the net revenue realized from the
20 6.25% general rate on the selling price of Illinois-mined coal
21 that was sold to an eligible business. For purposes of this
22 paragraph, the term "eligible business" means a new electric
23 generating facility certified pursuant to Section 605-332 of
24 the Department of Commerce and Economic Opportunity Law of the
25 Civil Administrative Code of Illinois.

26 Of the remainder of the moneys received by the Department
27 pursuant to this Act, 75% thereof shall be paid into the State
28 Treasury and 25% shall be reserved in a special account and
29 used only for the transfer to the Common School Fund as part of
30 the monthly transfer from the General Revenue Fund in
31 accordance with Section 8a of the State Finance Act.

32 The Department may, upon separate written notice to a
33 taxpayer, require the taxpayer to prepare and file with the
34 Department on a form prescribed by the Department within not

1 less than 60 days after receipt of the notice an annual
2 information return for the tax year specified in the notice.
3 Such annual return to the Department shall include a statement
4 of gross receipts as shown by the retailer's last Federal
5 income tax return. If the total receipts of the business as
6 reported in the Federal income tax return do not agree with the
7 gross receipts reported to the Department of Revenue for the
8 same period, the retailer shall attach to his annual return a
9 schedule showing a reconciliation of the 2 amounts and the
10 reasons for the difference. The retailer's annual return to the
11 Department shall also disclose the cost of goods sold by the
12 retailer during the year covered by such return, opening and
13 closing inventories of such goods for such year, costs of goods
14 used from stock or taken from stock and given away by the
15 retailer during such year, payroll information of the
16 retailer's business during such year and any additional
17 reasonable information which the Department deems would be
18 helpful in determining the accuracy of the monthly, quarterly
19 or annual returns filed by such retailer as provided for in
20 this Section.

21 If the annual information return required by this Section
22 is not filed when and as required, the taxpayer shall be liable
23 as follows:

24 (i) Until January 1, 1994, the taxpayer shall be liable
25 for a penalty equal to 1/6 of 1% of the tax due from such
26 taxpayer under this Act during the period to be covered by
27 the annual return for each month or fraction of a month
28 until such return is filed as required, the penalty to be
29 assessed and collected in the same manner as any other
30 penalty provided for in this Act.

31 (ii) On and after January 1, 1994, the taxpayer shall
32 be liable for a penalty as described in Section 3-4 of the
33 Uniform Penalty and Interest Act.

34 The chief executive officer, proprietor, owner or highest

1 ranking manager shall sign the annual return to certify the
2 accuracy of the information contained therein. Any person who
3 willfully signs the annual return containing false or
4 inaccurate information shall be guilty of perjury and punished
5 accordingly. The annual return form prescribed by the
6 Department shall include a warning that the person signing the
7 return may be liable for perjury.

8 The provisions of this Section concerning the filing of an
9 annual information return do not apply to a retailer who is not
10 required to file an income tax return with the United States
11 Government.

12 As soon as possible after the first day of each month, upon
13 certification of the Department of Revenue, the Comptroller
14 shall order transferred and the Treasurer shall transfer from
15 the General Revenue Fund to the Motor Fuel Tax Fund an amount
16 equal to 1.7% of 80% of the net revenue realized under this Act
17 for the second preceding month. Beginning April 1, 2000, this
18 transfer is no longer required and shall not be made.

19 Net revenue realized for a month shall be the revenue
20 collected by the State pursuant to this Act, less the amount
21 paid out during that month as refunds to taxpayers for
22 overpayment of liability.

23 For greater simplicity of administration, manufacturers,
24 importers and wholesalers whose products are sold at retail in
25 Illinois by numerous retailers, and who wish to do so, may
26 assume the responsibility for accounting and paying to the
27 Department all tax accruing under this Act with respect to such
28 sales, if the retailers who are affected do not make written
29 objection to the Department to this arrangement.

30 Any person who promotes, organizes, provides retail
31 selling space for concessionaires or other types of sellers at
32 the Illinois State Fair, DuQuoin State Fair, county fairs,
33 local fairs, art shows, flea markets and similar exhibitions or
34 events, including any transient merchant as defined by Section

1 2 of the Transient Merchant Act of 1987, is required to file a
2 report with the Department providing the name of the merchant's
3 business, the name of the person or persons engaged in
4 merchant's business, the permanent address and Illinois
5 Retailers Occupation Tax Registration Number of the merchant,
6 the dates and location of the event and other reasonable
7 information that the Department may require. The report must be
8 filed not later than the 20th day of the month next following
9 the month during which the event with retail sales was held.
10 Any person who fails to file a report required by this Section
11 commits a business offense and is subject to a fine not to
12 exceed \$250.

13 Any person engaged in the business of selling tangible
14 personal property at retail as a concessionaire or other type
15 of seller at the Illinois State Fair, county fairs, art shows,
16 flea markets and similar exhibitions or events, or any
17 transient merchants, as defined by Section 2 of the Transient
18 Merchant Act of 1987, may be required to make a daily report of
19 the amount of such sales to the Department and to make a daily
20 payment of the full amount of tax due. The Department shall
21 impose this requirement when it finds that there is a
22 significant risk of loss of revenue to the State at such an
23 exhibition or event. Such a finding shall be based on evidence
24 that a substantial number of concessionaires or other sellers
25 who are not residents of Illinois will be engaging in the
26 business of selling tangible personal property at retail at the
27 exhibition or event, or other evidence of a significant risk of
28 loss of revenue to the State. The Department shall notify
29 concessionaires and other sellers affected by the imposition of
30 this requirement. In the absence of notification by the
31 Department, the concessionaires and other sellers shall file
32 their returns as otherwise required in this Section.

33 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,
34 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,

1 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,
2 eff. 6-20-03; 93-840, eff. 7-30-04; 93-926, eff. 8-12-04;
3 93-1057, eff. 12-2-04; revised 12-6-04.)

4 Section 30. The Gas Use Tax Law is amended by changing
5 Section 5-10 as follows:

6 (35 ILCS 173/5-10)

7 Sec. 5-10. Imposition of tax.

8 (a) Except as provided in subsection (b), beginning
9 ~~Beginning~~ October 1, 2003, a tax is imposed upon the privilege
10 of using in this State gas obtained in a purchase of
11 out-of-state gas at the rate of 2.4 cents per therm or 5% of
12 the purchase price for the billing period, whichever is the
13 lower rate. Such tax rate shall be referred to as the
14 "self-assessing purchaser tax rate". Beginning with bills
15 issued by delivering suppliers on and after October 1, 2003,
16 purchasers may elect an alternative tax rate of 2.4 cents per
17 therm to be paid under the provisions of Section 5-15 of this
18 Law to a delivering supplier maintaining a place of business in
19 this State. Such tax rate shall be referred to as the
20 "alternate tax rate". The tax imposed under this Section shall
21 not apply to gas used by business enterprises certified under
22 Section 9-222.1 of the Public Utilities Act, as amended, to the
23 extent of such exemption and during the period of time
24 specified by the Department of Commerce and Economic
25 Opportunity ~~Community Affairs~~.

26 (b) No tax is imposed under this Section for the period
27 beginning December 1, 2005 through March 31, 2006. If a
28 customer's billing period includes (i) days before December 1,
29 2005 or days after March 31, 2006 and (ii) days in the period
30 beginning December 1, 2005 through March 31, 2006, then taxable
31 therms or taxable gross receipts shall be determined by
32 multiplying the total therms or gross receipts during the

1 billing period by the number of days in the billing period that
2 were before December 1, 2005 or after March 31, 2006 and then
3 dividing the result by the total number of days in the billing
4 period.

5 (Source: P.A. 93-31, eff. 10-1-03; revised 12-6-03.)

6 Section 35. The Gas Revenue Tax Act is amended by changing
7 Section 2 as follows:

8 (35 ILCS 615/2) (from Ch. 120, par. 467.17)

9 Sec. 2. Tax imposed; rate.

10 (a) Except as provided in subsection (b), a ~~A~~ tax is
11 imposed upon persons engaged in the business of distributing,
12 supplying, furnishing or selling gas to persons for use or
13 consumption and not for resale at the rate of 2.4 cents per
14 therm of all gas which is so distributed, supplied, furnished,
15 sold or transported to or for each customer in the course of
16 such business, or 5% of the gross receipts received from each
17 customer from such business, whichever is the lower rate as
18 applied to each customer for that customer's billing period,
19 provided that any change in rate imposed by this amendatory Act
20 of 1985 shall become effective only with bills having a meter
21 reading date on or after January 1, 1986. However, such taxes
22 are not imposed with respect to any business in interstate
23 commerce, or otherwise to the extent to which such business may
24 not, under the Constitution and statutes of the United States,
25 be made the subject of taxation by this State.

26 Nothing in this amendatory Act of 1985 shall impose a tax
27 with respect to any transaction with respect to which no tax
28 was imposed immediately preceding the effective date of this
29 amendatory Act of 1985.

30 Beginning with bills issued to customers on and after
31 October 1, 2003, no tax shall be imposed under this Act on
32 transactions with customers who incur a tax liability under the

1 Gas Use Tax Law.

2 (b) No tax is imposed under this Section for the period
3 beginning December 1, 2005 through March 31, 2006. If a
4 customer's billing period includes (i) days before December 1,
5 2005 or days after March 31, 2006 and (ii) days in the period
6 beginning December 1, 2005 through March 31, 2006, then taxable
7 therms or taxable gross receipts shall be determined by
8 multiplying the total therms or gross receipts during the
9 billing period by the number of days in the billing period that
10 were before December 1, 2005 or after March 31, 2006 and then
11 dividing the result by the total number of days in the billing
12 period.

13 (Source: P.A. 93-31, eff. 10-1-03.)

14 Section 40. The Illinois Municipal Code is amended by
15 changing Section 11-117-12.1 and by adding Sections
16 11-117-12.3, 11-117-12.4, 11-117-12.5, 11-117-12.6,
17 11-117-12.7, and 11-117-90 as follows:

18 (65 ILCS 5/11-117-12.1) (from Ch. 24, par. 11-117-12.1)

19 Sec. 11-117-12.1. Termination of gas or electric service to
20 residential users where used for space heating.

21 (a) No gas or electric service furnished to residential
22 users, including residents of a mastermeters apartment
23 building, by a municipality shall be terminated for nonpayment
24 of bills if gas or electricity is used as the only source of
25 space heating or to control or operate the only source of space
26 heating equipment at the residence on:

27 (1) during the time period beginning on December 1 of
28 each calendar year and through and including March 31 of
29 the immediately succeeding calendar year;

30 (2) on ~~(i)~~ any day when the National Weather Service
31 forecast for the following 24 hours covering the area in
32 which the residence is located includes a forecast that the

1 temperature will be 20 degrees Fahrenheit or below; or

2 (3) on ~~(ii)~~ any day preceding a holiday or a weekend
3 when such a forecast indicates that the temperature will be
4 20 degrees Fahrenheit or below during the holiday or
5 weekend.

6 This amendatory Act of 1979 applies to all municipalities
7 that own or operate a public utility, including home rule
8 units. However, nothing in this Section shall prevent any
9 municipality from establishing more stringent measures.

10 (b) The municipality must provide each of the following to
11 any customer for whom service is continued in accordance with
12 item (1) of subsection (a):

13 (1) The option to enter into a deferred payment
14 arrangement allowing for the payment of all past due
15 amounts over a period of not less than 4 months beginning
16 no earlier than April 1.

17 (2) The option to enter into a budget payment plan for
18 the payment of future bills in accordance with Section
19 11-117-12.6.

20 (3) The names, addresses, and phone numbers of
21 governmental and private agencies that provide assistance
22 to customers of public utilities and that have provided
23 written approval to the public utility to include the
24 agency on the list it provides to its customers under this
25 item (3).

26 (c) In no event shall any municipality send a termination
27 notice to any customer who has entered into a current deferred
28 payment agreement under this Section and who has not defaulted
29 on that deferred payment agreement. Any residential customer
30 who enters into a deferred payment agreement pursuant to this
31 Section and becomes subject to termination on or after April 1
32 shall be given notice prior to termination of service, in the
33 same manner as provided under Section 11-117-12.7.

34 (d) In order to enable customers to take advantage of

1 energy assistance programs, customers who can demonstrate that
2 their applications for a local, State, or federal energy
3 assistance program have been approved may request that the
4 amount they will be entitled to receive as a regular energy
5 assistance payment be deducted and set aside from the amount
6 past due on which they make deferred payment arrangements.
7 Payment on the set-aside amount shall be credited when the
8 energy assistance voucher or check is received.

9 (e) During the period beginning on December 1 of each
10 calendar year and through and including March 31 of the
11 immediately succeeding calendar year, each billing statement
12 sent by the municipality to each residential customer to which
13 it provides gas or electric service shall include an insert
14 that explains the provisions of this Section and that provides
15 a telephone number that the customer can use to contact the
16 municipality for further information.

17 (Source: P.A. 81-986.)

18 (65 ILCS 5/11-117-12.3 new)

19 Sec. 11-117-12.3. Reconnection; deferred payment
20 arrangement.

21 (a) If the gas or electric service of any former
22 residential customer to which a municipality provided gas or
23 electric service was used to provide or control the primary
24 source of space heating in the dwelling and was disconnected on
25 or before November 30 of any calendar year for nonpayment of a
26 bill or deposit, then the public utility must reconnect the
27 former customer's gas or electric service for the period
28 beginning on December 1 of that calendar year and through and
29 including March 31 of the immediately succeeding calendar year.
30 The municipality must provide any residential customer whose
31 gas or electric service is reconnected in accordance with this
32 Section with a deferred payment arrangement in accordance with
33 the provisions of this Section.

1 (b) The terms and conditions of any deferred payment
2 arrangements established by the municipality and a former
3 customer shall take into consideration the following factors,
4 based upon information available from current utility records
5 or provided by the former customer:

6 (1) the amount past due;

7 (2) the former customer's ability to pay;

8 (3) the former customer's payment history;

9 (4) the reasons for the accumulation of the past due
10 amounts; and

11 (5) any other relevant factors relating to the former
12 customer's circumstances.

13 (c) The municipality shall not assess any deposit, down
14 payment, charge, penalty, interest, or fee against any former
15 customer for reconnection under this Section.

16 (d) The municipality and the former customer shall agree to
17 a deferred payment plan that will reasonably allow the former
18 customer to make payments for (i) any past due balance and the
19 remainder of any deposit due for services provided prior to the
20 reconnection date and (ii) for any past due balance for
21 services provided during the reconnection period. The
22 municipality shall allow the former customer a minimum of 4
23 months beginning on April 1 of the immediately succeeding
24 calendar year in which to retire the past due balance. The
25 former customer shall also be informed that payment on the
26 amounts past due and the deposit, if any, must be paid by the
27 due date or the customer may face termination of service.

28 (e) The municipality shall develop rules to govern the
29 reconnection of a former customer who demonstrates a financial
30 inability to meet the requirements of a deferred payment
31 schedule established in accordance with this Section.

32 (f) Any payment agreement shall be in writing, with a copy
33 provided to the former customer. The establishment of a budget
34 payment plan shall be in accordance with Section 11-117-12.6.

1 (g) In no way shall any actions taken by a municipality in
2 compliance with this Section be deemed to abrogate or in any
3 way interfere with the utility's right to pursue the normal
4 collection processes otherwise available to it.

5 (65 ILCS 5/11-117-12.4 new)

6 Sec. 11-117-12.4. Credit reporting. Notwithstanding any
7 other provision of law to the contrary, no municipality that
8 provides gas or electric service may report credit-related
9 information to any credit reporting agency concerning the
10 disconnection or reconnection of any consumer if the
11 disconnection or reconnection is related to service provided at
12 any time beginning on December 1 of each calendar year and
13 through and including March 31 of the immediately succeeding
14 calendar year.

15 (65 ILCS 5/11-117-12.5 new)

16 Sec. 11-117-12.5. Winter energy conservation information.
17 A municipality that provides gas or electric service to
18 residential customers must insert with each billing statement
19 sent to those customers during the months of November,
20 December, January, February, and March information concerning
21 winter energy conservation that informs the customer about
22 steps the customer can take to reduce the customer's winter
23 energy costs.

24 (65 ILCS 5/11-117-12.6 new)

25 Sec. 11-117-12.6. Budget payment plan.

26 (a) Each municipality that provides gas or electric service
27 must offer to its residential customers a budget payment plan
28 option. The budget payment plan must allow the customer to pay
29 the same amount each month, in an amount equal to the amount of
30 gas or electricity used at the customer's address in the
31 preceding 12 months, divided by 12. The municipality must

1 review the initial calculation after 120 days of enrollment in
2 the budget payment plan and again after 240 days of enrollment
3 in the budget payment plan. If this reevaluation results in an
4 increase of more than \$3, then the municipality must increase
5 the amount due under the budget payment plan. At the end of
6 each 12 months of enrollment in the budget payment plan, the
7 municipality must calculate the difference between the cost of
8 the energy the customer actually used during the 12 months and
9 the amount the customer paid on the budget payment plan. If the
10 amount the customer paid is less than the amount required to
11 cover the cost of the energy the customer actually used, then
12 the municipality may bill the customer for the remaining
13 balance. If the amount the customer paid is greater than the
14 cost of the energy the customer actually used, then the
15 municipality must credit the customer's account.

16 (b) If a customer fails to make a scheduled payment under a
17 budget payment plan, then the municipality may remove the
18 customer from the plan at the end of the billing cycle. If the
19 amount paid by the customer under the budget payment plan is
20 less than the amount required to cover the cost of the energy
21 the customer actually used while the customer was enrolled in
22 the budget payment plan, then the municipality must bill the
23 customer for the remaining balance. If the amount the customer
24 paid under the budget payment plan is greater than the cost of
25 the energy the customer actually used while the customer was
26 enrolled in the budget payment plan, then the municipality must
27 credit the customer's account.

28 (c) Each billing statement sent by a municipality that
29 provides gas or electric service to a residential customer must
30 include information about the budget payment plan option and a
31 telephone number that the customer can use to obtain
32 information from the municipality about the budget payment plan
33 option. In addition, each billing statement sent to a customer
34 enrolled in a budget payment plan must include the following:

1 (1) A statement informing the customer that failure to
2 make a scheduled payment under the budget payment plan may
3 result in the customer's removal from the plan.

4 (2) A statement that, at the time of removal, the
5 municipality will bill the customer for the remaining
6 balance.

7 (3) A statement concerning eligibility for a budget
8 payment plan after removal.

9 (65 ILCS 5/11-117-12.7 new)

10 Sec. 11-117-12.7. Space heating; electricity or gas
11 service or supply; notice of termination during winter.

12 (a) Any municipality that furnishes electricity or gas for
13 space heating, prior to terminating service for any past due
14 amount for service provided as the result of service during the
15 calendar months of November, December, January, February, and
16 March, must:

17 (1) give written notice of its intention to terminate
18 or cut off the service or supply of electricity or gas for
19 any reason, other than by request of the customer, to the
20 customer; the notice shall be sent by U.S. mail at least 8
21 days prior to termination of service or supply or delivered
22 by other means to the customer 5 days prior to the
23 termination;

24 (2) deliver written notice of the municipality's
25 intention to terminate or cut off service or supply of
26 electricity or gas for any reason, other than by request of
27 the customer, to the director of the local department of
28 public health or another comparable official; and

29 (3) send, by certified mail, prior written notice of
30 its intention to terminate or cut off service or supply of
31 electricity or gas for any reason, other than by request of
32 the customer, to the owner of record and the mortgagee of
33 the premises receiving service or supply of electricity or

1 gas, if the owner of record or mortgagee make request to
2 the public utility for any such notice.

3 Any termination notice delivered or mailed to a customer
4 under this Section shall include a statement advising the
5 customer that the local department of public health or other
6 local official, the owner, and the mortgagee, if applicable,
7 will be notified of the termination action at least 24 hours
8 prior to the termination of service or supply of electricity or
9 gas.

10 No public official to whom notice is given pursuant to item
11 (2) of this Section shall be liable for death, injury, or
12 damages resulting from the termination of the service or supply
13 of electricity or gas.

14 (65 ILCS 5/11-117-90 new)

15 Sec. 11-117-90. Home rule. A home rule unit may not
16 regulate the provision of gas and electric service and supply
17 in a manner inconsistent with the provisions of this amendatory
18 Act of the 94th General Assembly. This amendatory Act of the
19 94th General Assembly is a limitation under subsection (i) of
20 Section 6 of Article VII of the Illinois Constitution on the
21 concurrent exercise by home rule units of powers and functions
22 exercised by the State.

23 Section 45. The Public Utilities Act is amended by changing
24 Sections 8-202, 8-205, and 8-207 and by adding Sections 8-307,
25 8-308, and 8-309 as follows:

26 (220 ILCS 5/8-202) (from Ch. 111 2/3, par. 8-202)

27 Sec. 8-202. Space heating; electricity or gas service or
28 supply; notice of termination during winter. Any public
29 utility, or two or more public utilities, which furnishes
30 electricity or gas for space heating shall, prior to
31 terminating service for any past due amount for service

1 provided during the calendar months of November, December,
2 January, February, and March:

3 (a) give written notice of its intention to terminate or
4 cut off such service or supply for any reason, other than by
5 request of the customer, to the customer. Such notice shall be
6 sent by U.S. Mail at least 8 days prior to termination of
7 service or supply or delivered by other means to the customer 5
8 days prior to such termination; and

9 (b) deliver written notice of intention to terminate or cut
10 off such service or supply for any reason, other than by
11 request of the customer, to the Director of the local
12 department of public health or, if there is no local department
13 of public health, then to the township supervisor or, if there
14 is no township supervisor, then to the county sheriff where the
15 premises receiving such service or supply is located; and

16 (c) send, by certified mail, prior written notice of its
17 intention to terminate or cut off such service or supply for
18 any reason, other than by request of the customer, to the owner
19 of record and/or the mortgagee of the premises receiving such
20 service or supply, should the owner of record or mortgagee make
21 request to the public utility for any such notice.

22 The notice required by paragraphs (b) and (c) of this
23 Section shall be delivered or mailed at least 24 hours and not
24 more than 48 hours prior to the termination of service or
25 supply.

26 Any termination notice delivered or mailed to a customer
27 shall include a statement advising said customer that the
28 township supervisor, local department of public health, or
29 county sheriff, and the owner and/or the mortgagee, if
30 applicable, will be notified of the termination action at least
31 24 hours prior to the termination of service or supply.

32 Nothing in this Act shall be construed to limit the power
33 of the Commission to adopt other rules and regulations pursuant
34 to service termination notices.

1 No public official to whom notice is given pursuant to
2 subparagraph (b) of this Section shall be liable for death,
3 injury or damages resulting from cut-off of electricity or gas
4 service or supply.

5 (Source: P.A. 84-617.)

6 (220 ILCS 5/8-205) (from Ch. 111 2/3, par. 8-205)

7 Sec. 8-205. Termination of gas or electric service to
8 residential users where used for space heating. Termination of
9 gas and electric utility service to all residential users,
10 including all tenants of mastermetered apartment buildings,
11 for nonpayment of bills, where gas or electricity is used as
12 the only source of space heating or to control or operate the
13 only space heating equipment at the residence is prohibited:~~7~~

14 (1) during the time period beginning on December 1 of
15 each calendar year and through and including March 31 of
16 the immediately succeeding calendar year;

17 (2) ~~1.~~ on any day when the National Weather Service
18 forecast for the following 24 hours covering the area of
19 the utility in which the residence is located includes a
20 forecast that the temperature will be 32 degrees Fahrenheit
21 or below; or

22 (3) ~~2.~~ on any day preceding a holiday or a weekend when
23 such a forecast indicated that the temperature will be 32
24 degrees Fahrenheit or below during the holiday or weekend.

25 (b) A public utility must provide each of the following to
26 any customer for whom service is continued in accordance with
27 item (1) of subsection (a):

28 (1) The option to enter into a deferred payment
29 arrangement allowing for the payment of all past due
30 amounts over a period of not less than 4 months beginning
31 no earlier than April 1.

32 (2) The option to enter into a budget payment plan for
33 the payment of future bills in accordance with Section

1 8-309.

2 (3) The names, addresses, and phone numbers of
3 governmental and private agencies that provide assistance
4 to customers of public utilities and that have provided
5 written approval to the public utility to include the
6 agency on the list it provides to its customers under this
7 item (3).

8 (c) In no event shall any utility send a termination notice
9 to any customer who has entered into a current deferred payment
10 agreement under this Section and who has not defaulted on that
11 deferred payment agreement. Any residential customer who
12 enters into a deferred payment agreement pursuant to this
13 Section and becomes subject to termination on or after April 1
14 shall be given notice prior to termination of service, in
15 accordance with Section 8-202 and by any rule promulgated by
16 the Commission.

17 (d) In order to enable customers to take advantage of
18 energy assistance programs, customers who can demonstrate that
19 their applications for a local, State, or federal energy
20 assistance program have been approved may request that the
21 amount they will be entitled to receive as a regular energy
22 assistance payment be deducted and set aside from the amount
23 past due on which they make deferred payment arrangements.
24 Payment on the set-aside amount shall be credited when the
25 energy assistance voucher or check is received, according to
26 the utility's common business practice.

27 (e) During the period beginning on December 1 of each
28 calendar year and through and including March 31 of the
29 immediately succeeding calendar year, each billing statement
30 sent by a public utility to each residential customer shall
31 include an insert that explains the provisions of this Section
32 and that provides a telephone number that the customer can use
33 to contact the public utility for further information.

34 (Source: P.A. 84-617.)

1 (220 ILCS 5/8-207) (from Ch. 111 2/3, par. 8-207)

2 Sec. 8-207. Reconnection; deferred payment arrangement;
3 rules; survey; reports.

4 (a) If the gas or electric service of any former
5 residential customer was used to provide or control the primary
6 source of space heating in the dwelling and was disconnected on
7 or before November 30 of any calendar year for nonpayment of a
8 bill or deposit, then the public utility must reconnect the
9 former customer's gas or electric service for the period
10 beginning on December 1 of that calendar year and through and
11 including March 31 of the immediately succeeding calendar year.

12 The public utility must provide any residential customer whose
13 gas or electric service is reconnected in accordance with this
14 Section with a deferred payment arrangement in accordance with
15 the provisions of this Section. ~~Any former residential customer~~
16 ~~whose gas or electric service was used to provide or control~~
17 ~~the primary source of space heating in the dwelling and whose~~
18 ~~service is disconnected for nonpayment of a bill or a deposit~~
19 ~~from December 1 of the prior winter's heating season through~~
20 ~~April 1 of the current heating season shall be eligible for~~
21 ~~reconnection and a deferred payment arrangement under the~~
22 ~~provisions of this Section, subject to the following~~
23 ~~limitations:~~

24 ~~A utility shall not be required to reconnect service to,~~
25 ~~and enter into a deferred payment arrangement with, a former~~
26 ~~customer under the provisions of this Section (1) except~~
27 ~~between November 1 and April 1 of the current heating season~~
28 ~~for former customers who do not have applications pending for~~
29 ~~the program described in Section 6 of the Energy Assistance~~
30 ~~Act, and except between October 1 and April 1 of the current~~
31 ~~heating season for all former customers who do have~~
32 ~~applications pending for the program described in Section 6 of~~
33 ~~the Energy Assistance Act and who provide proof of application~~

1 ~~to the utility, (2) in 2 consecutive years, (3) unless that~~
2 ~~former customer has paid at least 33 1/3% of the amount billed~~
3 ~~for utility service rendered by that utility subsequent to~~
4 ~~December 1 of the prior year, or (4) in any instance where the~~
5 ~~utility can show there has been tampering with the utility's~~
6 ~~wires, pipes, meters (including locking devices), or other~~
7 ~~service equipment and further shows that the former customer~~
8 ~~enjoyed the benefit of utility service obtained in the~~
9 ~~aforesaid manner.~~

10 (b) The terms and conditions of any deferred payment
11 arrangements established by the utility and a former customer
12 shall take into consideration the following factors, based upon
13 information available from current utility records or provided
14 by the former customer:

15 (1) the amount past due;

16 (2) the former customer's ability to pay;

17 (3) the former customer's payment history;

18 (4) the reasons for the accumulation of the past due
19 amounts; and

20 (5) any other relevant factors relating to the former
21 customer's circumstances.

22 (c) The utility shall not assess any deposit, down payment,
23 charge, penalty, interest, or fee against any former customer
24 for reconnection under this Section. After the former
25 customer's eligibility has been established in accordance with
26 the first paragraph of this Section and, upon the establishment
27 of a deferred payment agreement, the former customer shall pay
28 1/3 of the amount past due (including reconnecting charge, if
29 any) and 1/3 of any deposit required by the utility.

30 (d) Upon the payment of 1/3 of the amount past due and 1/3
31 of any deposit required by the utility, the former customer's
32 service shall be reconnected as soon as possible. The company
33 and the former customer shall agree to a deferred payment
34 schedule that will reasonably allow the former customer to make

1 payments for (i) any past due balance and the remainder of any
2 deposit due for services provided prior to the reconnection
3 period and (ii) for any past due balance for services provided
4 during the reconnection period ~~for the remaining balances which~~
5 ~~will reasonably allow the former customer to make the payments~~
6 ~~on the remainder of the deposit and the past due balance while~~
7 ~~paying current bills during the winter heating season. However,~~
8 ~~the utility is not obliged to make payment arrangements~~
9 ~~extending beyond the following November.~~ The utility shall
10 allow the former customer a minimum of 4 months beginning on
11 April 1 of the immediately succeeding calendar year in which to
12 retire the past due balance ~~and 3 months in which to pay the~~
13 ~~remainder of the deposit.~~ The former customer shall also be
14 informed that payment on the amounts past due and the deposit,
15 if any, ~~plus the current bills~~ must be paid by the due date or
16 the customer may face termination of service pursuant to this
17 Section ~~and Section 8-206.~~

18 (e) The Commission shall develop rules to govern the
19 reconnection of a former customer who demonstrates a financial
20 inability to meet the requirement of a deferred payment
21 schedule established in accordance with this Section ~~1/3 of the~~
22 ~~amount past due and 1/3 of any deposit requested by the~~
23 ~~utility. The Commission's rules shall establish a means by~~
24 ~~which the former customer's utility service may be reconnected~~
25 ~~through the payment of a reasonable amount and upon entering~~
26 ~~into a deferred payment agreement.~~

27 (f) Any payment agreement made shall be in writing, with a
28 copy provided to the former customer. The renegotiation and
29 reinstatement of a customer and the establishment of a budget
30 payment plan shall be in accordance with Section 8-309 and
31 pursuant to rules established by the Commission.

32 (g) Not later than September 15 of each year, every gas and
33 electric utility shall conduct a survey of all former
34 residential customers whose gas or electric service was used to

1 provide or control the primary source of space heating in the
2 dwelling and whose gas or electric service was terminated for
3 nonpayment of a bill or deposit at any time during ~~from~~
4 ~~December 1 of the previous year to September 15 of that year~~
5 and where service at that premises has not been restored. Not
6 later than October 1 of each year the utility shall notify each
7 of these former customers that the gas or electric service will
8 be restored by the utility company for the coming heating
9 season in accordance with this Section ~~if the former customer~~
10 ~~contacts the utility and makes arrangements with the utility~~
11 ~~for reconnection of service under the conditions set forth in~~
12 ~~this Section~~. A utility shall notify the former customer or an
13 adult member of the household by personal visit, telephone
14 contact, or mailing of a letter by first class mail to the last
15 known address of that former customer. The utility shall keep
16 records which would indicate the date, form, and the results of
17 such contact.

18 (h) Each gas and electric utility ~~that~~ ~~which~~ has former
19 customers affected by this Section shall file reports with the
20 Commission providing such information as the Commission may
21 deem appropriate. The Commission shall notify each gas and
22 electric utility prior to August 1 of each year concerning the
23 information which is to be included in the report for that
24 year.

25 (i) In no event shall any actions taken by a utility in
26 compliance with this Section be deemed to abrogate or in any
27 way interfere with the utility's rights to pursue the normal
28 collection processes otherwise available to it.

29 (j) The Commission shall promulgate rules to implement this
30 Section.

31 (Source: P.A. 92-690, eff. 7-18-02.)

32 (220 ILCS 5/8-307 new)

33 Sec. 8-307. Credit reporting. Notwithstanding any other

1 provision of law to the contrary, no utility may report
2 credit-related information to any credit reporting agency
3 concerning the disconnection or reconnection of any consumer if
4 the disconnection or reconnection occurred at any time
5 beginning on December 1 of each calendar year and through and
6 including March 31 of the immediately succeeding calendar year.

7 (220 ILCS 5/8-308 new)

8 Sec. 8-308. Winter energy conservation information. A
9 public utility must insert with each billing statement sent to
10 each residential customer during the months of November,
11 December, January, February, and March information concerning
12 winter energy conservation that informs the customer about
13 steps the customer can take to reduce the customer's winter
14 energy costs.

15 (220 ILCS 5/8-309 new)

16 Sec. 8-309. Budget payment plan.
17 (a) Each utility must offer to its residential customers a
18 budget payment plan option. The budget payment plan must allow
19 the customer to pay the same amount each month, in an amount
20 equal to the amount of gas or electricity used at the
21 customer's address in the preceding 12 months, divided by 12.
22 The utility must review the initial calculation after 120 days
23 of enrollment in the budget payment plan and again after 240
24 days of enrollment in the budget payment plan. If this
25 reevaluation results in an increase of more than \$3, then the
26 utility must increase the amount due under the budget payment
27 plan. At the end of the first 12 months of enrollment in the
28 budget payment plan, the utility must calculate the difference
29 between the cost of the energy the customer actually used
30 during the first 12 months and the amount the customer paid on
31 the budget payment plan. If the amount the customer paid is
32 less than the amount required to cover the cost of the energy

1 the customer actually used, then the utility may bill the
2 customer for the remaining balance. If the amount the customer
3 paid is greater than the cost of the energy the customer
4 actually used, then the utility must credit the customer's
5 account.

6 (b) If a customer fails to make a scheduled payment under a
7 budget payment plan, then the utility may remove the customer
8 from the plan at the end of the billing cycle. If the amount
9 paid by the customer under the budget payment plan is less than
10 the amount required to cover the cost of the energy the
11 customer actually used while the customer was enrolled in the
12 budget payment plan, then the utility must bill the customer
13 for the remaining balance. If the amount the customer paid
14 under the budget payment plan is greater than the cost of the
15 energy the customer actually used while the customer was
16 enrolled in the budget payment plan, then the utility must
17 credit the customer's account.

18 (c) Each billing statement sent to a customer of a public
19 utility must include information about the budget payment plan
20 option and a telephone number that the customer can use to
21 obtain information from the utility about the budget payment
22 plan option. In addition, each billing statement sent to a
23 customer enrolled in a budget payment plan must include the
24 following:

25 (1) A statement informing the customer that failure to
26 make a scheduled payment under the budget payment plan may
27 result in the customer's removal from the plan.

28 (2) A statement that, at the time of removal, the
29 utility will bill the customer for the remaining balance.

30 (3) A statement concerning eligibility for a budget
31 payment plan after removal.

32 (220 ILCS 5/8-206 rep.)

33 Section 50. The Public Utilities Act is amended by

1 repealing Section 8-206.

2 Section 55. The Energy Assistance Act is amended by adding
3 Section 15 as follows:

4 (305 ILCS 20/15 new)

5 Sec. 15. Transfers into Supplemental Low Income Energy
6 Assistance Fund. Each year, the Director of Public Aid shall
7 determine the percentage of residential gas utility customers
8 enrolled in the Low Income Home Energy Assistance Program for
9 the 12 months ending the previous June 30. No later than
10 September 15 of each year, the Director of Public Aid shall
11 certify to the Treasurer of the State of Illinois the amount of
12 money equaling the proportion of residential taxes paid by
13 regulated gas utilities pursuant to the Gas Revenue Tax Act and
14 the Gas Use Tax Act for households that received assistance
15 from the Low Income Home Energy Assistance Program during the
16 12 months ending the previous June 30. The Treasurer shall
17 transfer 50% of that amount of money into the Supplemental Low
18 Income Energy Assistance Fund by September 30.

19 Section 90. The State Mandates Act is amended by adding
20 Section 8.29 as follows:

21 (30 ILCS 805/8.29 new)

22 Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8
23 of this Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this amendatory Act of
25 the 94th General Assembly.

26 Section 99. Effective date. This Act takes effect upon
27 becoming law."