

**SB2663**



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**SB2663**

Introduced 1/20/2006, by Sen. Don Harmon

**SYNOPSIS AS INTRODUCED:**

65 ILCS 5/8-11-6c new

Amends the Illinois Municipal Code. Sets forth procedures for the Department of Revenue to collect a use tax imposed by a home rule municipality with 2,000,000 or more inhabitants upon the privilege of using motor vehicles that are acquired by nonretail purchase, gift, or transfer.

LRB094 17148 BDD 52436 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by adding  
5 Section 8-11-6c as follows:

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

7 Sec. 8-11-6c. Collection of certain vehicle use taxes.

8 (a) Whenever any home rule municipality with 2,000,000 or  
9 more inhabitants imposes a tax upon the privilege of using in  
10 that municipality any motor vehicle that is acquired by  
11 nonretail purchase, gift, or transfer, the municipality may  
12 enter into an agreement with the Illinois Department of Revenue  
13 for that Department to collect the tax on behalf of the  
14 municipality.

15 (b) During the term of the agreement the tax shall be  
16 remitted to the State, or an exemption determination must be  
17 obtained from the Department before the title or certificate of  
18 registration for the property may be issued. The tax or proof  
19 of exemption may be transmitted to the Department by way of the  
20 State agency with which, or State officer with whom, the  
21 tangible personal property must be titled or registered if the  
22 Department and that agency or State officer determine that this  
23 procedure will expedite the processing of applications for  
24 title or registration.

25 (c) The Department shall have full power to administer and  
26 enforce this Section; to collect all taxes, penalties, and  
27 interest due hereunder; to dispose of taxes, penalties, and  
28 interest so collected in the manner provided in subsection (d),  
29 and to determine all rights to credit memoranda or refunds  
30 arising on account of the erroneous payment of tax, penalty, or  
31 interest hereunder. In the administration of, and compliance  
32 with, this Section, the Department and persons who are subject

1 to this Section shall have the same procedural rights,  
2 remedies, privileges, immunities, powers, and duties, and be  
3 subject to the same conditions, restrictions, limitations,  
4 penalties, and definitions of terms, and employ the same modes  
5 of procedure, as are prescribed in the Use Tax Act, as now or  
6 hereafter amended, that are not inconsistent with this Section,  
7 as fully as if provisions contained in the Use Tax Act were set  
8 forth in this Section.

9 (d) (1) The Department shall forthwith pay over to the  
10 State Treasurer, ex officio, as trustee, all taxes and  
11 penalties collected hereunder. On or before the 25th day of  
12 each calendar month, the Department shall prepare and certify  
13 to the Comptroller the disbursement of stated sums of money to  
14 named municipalities for which taxes or penalties were paid  
15 hereunder to the Department during the second preceding  
16 calendar month:

17 (i) an amount to be paid to each municipality, which  
18 shall equal the taxes and penalties collected by the  
19 Department for the municipality pursuant to this Section  
20 during the preceding calendar month, less 2% of the total  
21 amount of taxes and penalties collected by the Department  
22 for the municipality pursuant to this Section or the actual  
23 cost of collection of such taxes and penalties determined  
24 pursuant to the agreement, whichever is less, which shall  
25 be retained by the State; and

26 (ii) the total amount to be retained by the State  
27 pursuant to subparagraph (i), such amount to be deposited  
28 into the General Revenue Fund of the State treasury and  
29 used to cover the costs incurred by the Department in  
30 collecting such taxes and penalties.

31 (2) Within 7 days after receiving the certifications  
32 described in paragraph (1), the Comptroller shall issue orders  
33 for payment of the amounts specified in subparagraph (i) of  
34 paragraph (1).