

SB0735



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB0735

Introduced 2/8/2007, by Sen. Dan Cronin

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-65-10 new
65 ILCS 5/11-65-15 new
65 ILCS 5/11-65-20 new
65 ILCS 5/11-65-25 new

Amends the Illinois Municipal Code. Authorizes municipalities to incorporate a public-facilities corporation to exercise, as business agent of the municipality, the powers of the municipality with respect to municipal convention halls. Sets forth requirements for the public-facilities corporations. Provides that public-facilities corporations are exempt from property taxation and State use and occupation taxes. Effective immediately.

LRB095 04886 BDD 24950 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT 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 Sections 11-65-10, 11-65-15, 11-65-20, and 11-65-25 as
6 follows:

7 (65 ILCS 5/11-65-10 new)

8 Sec. 11-65-10. Public-facilities corporations authorized.

9 (a) Each municipality referenced in Section 11-65-2 is
10 authorized to incorporate a public-facilities corporation to
11 exercise, as business agent of the municipality, the powers of
12 the municipality set forth in Section 11-65-2, Section 11-65-6,
13 and Section 11-65-7, and also the power of the municipality to
14 acquire by dedication, gift, lease, contract, or purchase all
15 property and rights, necessary or proper, within the corporate
16 limits of the municipality, for municipal convention hall
17 purposes.

18 (b) In this Division 65, unless the context otherwise
19 requires, a "public-facilities corporation" means an Illinois
20 not-for-profit corporation whose purpose is charitable and
21 civic, organized solely for the purpose of (i) acquiring a site
22 or sites appropriate for a municipal convention hall; (ii)
23 constructing, building, and equipping thereon a municipal

1 convention hall; and (iii) collecting the revenues therefrom,
2 entirely without profit to the public-facilities corporation,
3 its officers, or directors. A public-facilities corporation
4 shall assist the municipality it serves in the municipality's
5 essential governmental purposes.

6 (c) The municipality shall retain control of the
7 public-facilities corporation by means of the municipality's
8 expressed legal right, set forth in the articles of
9 incorporation of the public-facilities corporation, to
10 appoint, remove, and replace the members of the board of
11 directors of the public-facilities corporation. The directors
12 and officers of the public-facilities corporation shall serve
13 without compensation but may be reimbursed for their reasonable
14 expenses that are incurred on behalf of the public-facilities
15 corporation. Upon retirement or redemption of any bonds or
16 other debt instruments issued by the public-facilities
17 corporation in connection with the development of the municipal
18 convention hall, the legal title to the municipal convention
19 hall shall be transferred to the municipality without any
20 further consideration by or on behalf of the municipality.

21 (65 ILCS 5/11-65-15 new)

22 Sec. 11-65-15. Exemption from use and occupation taxes. No
23 tax is imposed under the Use Tax Act, the Service Use Tax Act,
24 the Service Occupation Tax Act, or the Retailers' Occupation
25 Tax Act upon the use or sale of tangible personal property sold

1 to a public-facilities corporation for purposes of
2 constructing or furnishing a municipal convention hall.

3 (65 ILCS 5/11-65-20 new)

4 Sec. 11-65-20. Exemptions from property taxation. All real
5 property and the municipal convention hall owned by the
6 public-facilities corporation is exempt from property
7 taxation.

8 (65 ILCS 5/11-65-25 new)

9 Sec. 11-65-25. Tax exemptions for existing
10 public-facilities corporations. If, before the effective date
11 of this amendatory Act of the 95th General Assembly, a
12 municipality has incorporated a public-facilities corporation
13 and the public-facilities corporation complies with the
14 requirements set forth in Section 11-65-10, then, for all
15 purposes:

16 (1) No tax is imposed under the Use Tax Act, the
17 Service Use Tax Act, the Service Occupation Tax Act, or the
18 Retailers' Occupation Tax Act upon the use or sale of
19 tangible personal property sold to a public-facilities
20 corporation for purposes of constructing or furnishing a
21 municipal convention hall; and

22 (2) all real property and the municipal convention hall
23 owned by the public-facilities corporation is exempt from
24 property taxation.

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