



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB4203

Introduced 2/27/2009, by Rep. Mike Bost - Franco Coladipietro  
- Harry R. Ramey, Jr. - Ronald A. Wait - Raymond Poe, et al.

#### SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-5	from Ch. 120, par. 439.3-5
35 ILCS 120/2-5	from Ch. 120, par. 441-5
625 ILCS 5/3-1001	from Ch. 95 1/2, par. 3-1001

Amends the Use Tax Act, the Retailers' Occupation Tax Act, and the motor vehicle privilege tax provisions of the Illinois Vehicle Code. Exempts from these taxes motor vehicles sold to an Illinois resident who is a service member on active duty or returning to Illinois from active duty and who applies for registration in Illinois while on active duty or within one year after leaving active duty.

LRB096 05707 RCE 15773 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section  
5 3-5 as follows:

6 (35 ILCS 105/3-5) (from Ch. 120, par. 439.3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible  
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,  
10 society, association, foundation, institution, or  
11 organization, other than a limited liability company, that is  
12 organized and operated as a not-for-profit service enterprise  
13 for the benefit of persons 65 years of age or older if the  
14 personal property was not purchased by the enterprise for the  
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit  
17 Illinois county fair association for use in conducting,  
18 operating, or promoting the county fair.

19 (3) Personal property purchased by a not-for-profit arts or  
20 cultural organization that establishes, by proof required by  
21 the Department by rule, that it has received an exemption under  
22 Section 501(c)(3) of the Internal Revenue Code and that is  
23 organized and operated primarily for the presentation or

1 support of arts or cultural programming, activities, or  
2 services. These organizations include, but are not limited to,  
3 music and dramatic arts organizations such as symphony  
4 orchestras and theatrical groups, arts and cultural service  
5 organizations, local arts councils, visual arts organizations,  
6 and media arts organizations. On and after the effective date  
7 of this amendatory Act of the 92nd General Assembly, however,  
8 an entity otherwise eligible for this exemption shall not make  
9 tax-free purchases unless it has an active identification  
10 number issued by the Department.

11 (4) Personal property purchased by a governmental body, by  
12 a corporation, society, association, foundation, or  
13 institution organized and operated exclusively for charitable,  
14 religious, or educational purposes, or by a not-for-profit  
15 corporation, society, association, foundation, institution, or  
16 organization that has no compensated officers or employees and  
17 that is organized and operated primarily for the recreation of  
18 persons 55 years of age or older. A limited liability company  
19 may qualify for the exemption under this paragraph only if the  
20 limited liability company is organized and operated  
21 exclusively for educational purposes. On and after July 1,  
22 1987, however, no entity otherwise eligible for this exemption  
23 shall make tax-free purchases unless it has an active exemption  
24 identification number issued by the Department.

25 (5) Until July 1, 2003, a passenger car that is a  
26 replacement vehicle to the extent that the purchase price of

1 the car is subject to the Replacement Vehicle Tax.

2 (6) Until July 1, 2003 and beginning again on September 1,  
3 2004, graphic arts machinery and equipment, including repair  
4 and replacement parts, both new and used, and including that  
5 manufactured on special order, certified by the purchaser to be  
6 used primarily for graphic arts production, and including  
7 machinery and equipment purchased for lease. Equipment  
8 includes chemicals or chemicals acting as catalysts but only if  
9 the chemicals or chemicals acting as catalysts effect a direct  
10 and immediate change upon a graphic arts product.

11 (7) Farm chemicals.

12 (8) Legal tender, currency, medallions, or gold or silver  
13 coinage issued by the State of Illinois, the government of the  
14 United States of America, or the government of any foreign  
15 country, and bullion.

16 (9) Personal property purchased from a teacher-sponsored  
17 student organization affiliated with an elementary or  
18 secondary school located in Illinois.

19 (10) A motor vehicle of the first division, a motor vehicle  
20 of the second division that is a self-contained motor vehicle  
21 designed or permanently converted to provide living quarters  
22 for recreational, camping, or travel use, with direct walk  
23 through to the living quarters from the driver's seat, or a  
24 motor vehicle of the second division that is of the van  
25 configuration designed for the transportation of not less than  
26 7 nor more than 16 passengers, as defined in Section 1-146 of

1 the Illinois Vehicle Code, that is used for automobile renting,  
2 as defined in the Automobile Renting Occupation and Use Tax  
3 Act.

4 (11) Farm machinery and equipment, both new and used,  
5 including that manufactured on special order, certified by the  
6 purchaser to be used primarily for production agriculture or  
7 State or federal agricultural programs, including individual  
8 replacement parts for the machinery and equipment, including  
9 machinery and equipment purchased for lease, and including  
10 implements of husbandry defined in Section 1-130 of the  
11 Illinois Vehicle Code, farm machinery and agricultural  
12 chemical and fertilizer spreaders, and nurse wagons required to  
13 be registered under Section 3-809 of the Illinois Vehicle Code,  
14 but excluding other motor vehicles required to be registered  
15 under the Illinois Vehicle Code. Horticultural polyhouses or  
16 hoop houses used for propagating, growing, or overwintering  
17 plants shall be considered farm machinery and equipment under  
18 this item (11). Agricultural chemical tender tanks and dry  
19 boxes shall include units sold separately from a motor vehicle  
20 required to be licensed and units sold mounted on a motor  
21 vehicle required to be licensed if the selling price of the  
22 tender is separately stated.

23 Farm machinery and equipment shall include precision  
24 farming equipment that is installed or purchased to be  
25 installed on farm machinery and equipment including, but not  
26 limited to, tractors, harvesters, sprayers, planters, seeders,

1 or spreaders. Precision farming equipment includes, but is not  
2 limited to, soil testing sensors, computers, monitors,  
3 software, global positioning and mapping systems, and other  
4 such equipment.

5 Farm machinery and equipment also includes computers,  
6 sensors, software, and related equipment used primarily in the  
7 computer-assisted operation of production agriculture  
8 facilities, equipment, and activities such as, but not limited  
9 to, the collection, monitoring, and correlation of animal and  
10 crop data for the purpose of formulating animal diets and  
11 agricultural chemicals. This item (11) is exempt from the  
12 provisions of Section 3-90.

13 (12) Fuel and petroleum products sold to or used by an air  
14 common carrier, certified by the carrier to be used for  
15 consumption, shipment, or storage in the conduct of its  
16 business as an air common carrier, for a flight destined for or  
17 returning from a location or locations outside the United  
18 States without regard to previous or subsequent domestic  
19 stopovers.

20 (13) Proceeds of mandatory service charges separately  
21 stated on customers' bills for the purchase and consumption of  
22 food and beverages purchased at retail from a retailer, to the  
23 extent that the proceeds of the service charge are in fact  
24 turned over as tips or as a substitute for tips to the  
25 employees who participate directly in preparing, serving,  
26 hosting or cleaning up the food or beverage function with

1 respect to which the service charge is imposed.

2 (14) Until July 1, 2003, oil field exploration, drilling,  
3 and production equipment, including (i) rigs and parts of rigs,  
4 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
5 tubular goods, including casing and drill strings, (iii) pumps  
6 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
7 individual replacement part for oil field exploration,  
8 drilling, and production equipment, and (vi) machinery and  
9 equipment purchased for lease; but excluding motor vehicles  
10 required to be registered under the Illinois Vehicle Code.

11 (15) Photoprocessing machinery and equipment, including  
12 repair and replacement parts, both new and used, including that  
13 manufactured on special order, certified by the purchaser to be  
14 used primarily for photoprocessing, and including  
15 photoprocessing machinery and equipment purchased for lease.

16 (16) Until July 1, 2003, coal exploration, mining,  
17 offhighway hauling, processing, maintenance, and reclamation  
18 equipment, including replacement parts and equipment, and  
19 including equipment purchased for lease, but excluding motor  
20 vehicles required to be registered under the Illinois Vehicle  
21 Code.

22 (17) Until July 1, 2003, distillation machinery and  
23 equipment, sold as a unit or kit, assembled or installed by the  
24 retailer, certified by the user to be used only for the  
25 production of ethyl alcohol that will be used for consumption  
26 as motor fuel or as a component of motor fuel for the personal

1 use of the user, and not subject to sale or resale.

2 (18) Manufacturing and assembling machinery and equipment  
3 used primarily in the process of manufacturing or assembling  
4 tangible personal property for wholesale or retail sale or  
5 lease, whether that sale or lease is made directly by the  
6 manufacturer or by some other person, whether the materials  
7 used in the process are owned by the manufacturer or some other  
8 person, or whether that sale or lease is made apart from or as  
9 an incident to the seller's engaging in the service occupation  
10 of producing machines, tools, dies, jigs, patterns, gauges, or  
11 other similar items of no commercial value on special order for  
12 a particular purchaser.

13 (19) Personal property delivered to a purchaser or  
14 purchaser's donee inside Illinois when the purchase order for  
15 that personal property was received by a florist located  
16 outside Illinois who has a florist located inside Illinois  
17 deliver the personal property.

18 (20) Semen used for artificial insemination of livestock  
19 for direct agricultural production.

20 (21) Horses, or interests in horses, registered with and  
21 meeting the requirements of any of the Arabian Horse Club  
22 Registry of America, Appaloosa Horse Club, American Quarter  
23 Horse Association, United States Trotting Association, or  
24 Jockey Club, as appropriate, used for purposes of breeding or  
25 racing for prizes. This item (21) is exempt from the provisions  
26 of Section 3-90, and the exemption provided for under this item



1 (21) applies for all periods beginning May 30, 1995, but no  
2 claim for credit or refund is allowed on or after January 1,  
3 2008 for such taxes paid during the period beginning May 30,  
4 2000 and ending on January 1, 2008.

5 (22) Computers and communications equipment utilized for  
6 any hospital purpose and equipment used in the diagnosis,  
7 analysis, or treatment of hospital patients purchased by a  
8 lessor who leases the equipment, under a lease of one year or  
9 longer executed or in effect at the time the lessor would  
10 otherwise be subject to the tax imposed by this Act, to a  
11 hospital that has been issued an active tax exemption  
12 identification number by the Department under Section 1g of the  
13 Retailers' Occupation Tax Act. If the equipment is leased in a  
14 manner that does not qualify for this exemption or is used in  
15 any other non-exempt manner, the lessor shall be liable for the  
16 tax imposed under this Act or the Service Use Tax Act, as the  
17 case may be, based on the fair market value of the property at  
18 the time the non-qualifying use occurs. No lessor shall collect  
19 or attempt to collect an amount (however designated) that  
20 purports to reimburse that lessor for the tax imposed by this  
21 Act or the Service Use Tax Act, as the case may be, if the tax  
22 has not been paid by the lessor. If a lessor improperly  
23 collects any such amount from the lessee, the lessee shall have  
24 a legal right to claim a refund of that amount from the lessor.  
25 If, however, that amount is not refunded to the lessee for any  
26 reason, the lessor is liable to pay that amount to the

1 Department.

2 (23) Personal property purchased by a lessor who leases the  
3 property, under a lease of one year or longer executed or in  
4 effect at the time the lessor would otherwise be subject to the  
5 tax imposed by this Act, to a governmental body that has been  
6 issued an active sales tax exemption identification number by  
7 the Department under Section 1g of the Retailers' Occupation  
8 Tax Act. If the property is leased in a manner that does not  
9 qualify for this exemption or used in any other non-exempt  
10 manner, the lessor shall be liable for the tax imposed under  
11 this Act or the Service Use Tax Act, as the case may be, based  
12 on the fair market value of the property at the time the  
13 non-qualifying use occurs. No lessor shall collect or attempt  
14 to collect an amount (however designated) that purports to  
15 reimburse that lessor for the tax imposed by this Act or the  
16 Service Use Tax Act, as the case may be, if the tax has not been  
17 paid by the lessor. If a lessor improperly collects any such  
18 amount from the lessee, the lessee shall have a legal right to  
19 claim a refund of that amount from the lessor. If, however,  
20 that amount is not refunded to the lessee for any reason, the  
21 lessor is liable to pay that amount to the Department.

22 (24) Beginning with taxable years ending on or after  
23 December 31, 1995 and ending with taxable years ending on or  
24 before December 31, 2004, personal property that is donated for  
25 disaster relief to be used in a State or federally declared  
26 disaster area in Illinois or bordering Illinois by a

1 manufacturer or retailer that is registered in this State to a  
2 corporation, society, association, foundation, or institution  
3 that has been issued a sales tax exemption identification  
4 number by the Department that assists victims of the disaster  
5 who reside within the declared disaster area.

6 (25) Beginning with taxable years ending on or after  
7 December 31, 1995 and ending with taxable years ending on or  
8 before December 31, 2004, personal property that is used in the  
9 performance of infrastructure repairs in this State, including  
10 but not limited to municipal roads and streets, access roads,  
11 bridges, sidewalks, waste disposal systems, water and sewer  
12 line extensions, water distribution and purification  
13 facilities, storm water drainage and retention facilities, and  
14 sewage treatment facilities, resulting from a State or  
15 federally declared disaster in Illinois or bordering Illinois  
16 when such repairs are initiated on facilities located in the  
17 declared disaster area within 6 months after the disaster.

18 (26) Beginning July 1, 1999, game or game birds purchased  
19 at a "game breeding and hunting preserve area" or an "exotic  
20 game hunting area" as those terms are used in the Wildlife Code  
21 or at a hunting enclosure approved through rules adopted by the  
22 Department of Natural Resources. This paragraph is exempt from  
23 the provisions of Section 3-90.

24 (27) A motor vehicle, as that term is defined in Section  
25 1-146 of the Illinois Vehicle Code, that is donated to a  
26 corporation, limited liability company, society, association,

1 foundation, or institution that is determined by the Department  
2 to be organized and operated exclusively for educational  
3 purposes. For purposes of this exemption, "a corporation,  
4 limited liability company, society, association, foundation,  
5 or institution organized and operated exclusively for  
6 educational purposes" means all tax-supported public schools,  
7 private schools that offer systematic instruction in useful  
8 branches of learning by methods common to public schools and  
9 that compare favorably in their scope and intensity with the  
10 course of study presented in tax-supported schools, and  
11 vocational or technical schools or institutes organized and  
12 operated exclusively to provide a course of study of not less  
13 than 6 weeks duration and designed to prepare individuals to  
14 follow a trade or to pursue a manual, technical, mechanical,  
15 industrial, business, or commercial occupation.

16 (28) Beginning January 1, 2000, personal property,  
17 including food, purchased through fundraising events for the  
18 benefit of a public or private elementary or secondary school,  
19 a group of those schools, or one or more school districts if  
20 the events are sponsored by an entity recognized by the school  
21 district that consists primarily of volunteers and includes  
22 parents and teachers of the school children. This paragraph  
23 does not apply to fundraising events (i) for the benefit of  
24 private home instruction or (ii) for which the fundraising  
25 entity purchases the personal property sold at the events from  
26 another individual or entity that sold the property for the

1 purpose of resale by the fundraising entity and that profits  
2 from the sale to the fundraising entity. This paragraph is  
3 exempt from the provisions of Section 3-90.

4 (29) Beginning January 1, 2000 and through December 31,  
5 2001, new or used automatic vending machines that prepare and  
6 serve hot food and beverages, including coffee, soup, and other  
7 items, and replacement parts for these machines. Beginning  
8 January 1, 2002 and through June 30, 2003, machines and parts  
9 for machines used in commercial, coin-operated amusement and  
10 vending business if a use or occupation tax is paid on the  
11 gross receipts derived from the use of the commercial,  
12 coin-operated amusement and vending machines. This paragraph  
13 is exempt from the provisions of Section 3-90.

14 (30) Beginning January 1, 2001 and through June 30, 2011,  
15 food for human consumption that is to be consumed off the  
16 premises where it is sold (other than alcoholic beverages, soft  
17 drinks, and food that has been prepared for immediate  
18 consumption) and prescription and nonprescription medicines,  
19 drugs, medical appliances, and insulin, urine testing  
20 materials, syringes, and needles used by diabetics, for human  
21 use, when purchased for use by a person receiving medical  
22 assistance under Article 5 of the Illinois Public Aid Code who  
23 resides in a licensed long-term care facility, as defined in  
24 the Nursing Home Care Act.

25 (31) Beginning on the effective date of this amendatory Act  
26 of the 92nd General Assembly, computers and communications

1 equipment utilized for any hospital purpose and equipment used  
2 in the diagnosis, analysis, or treatment of hospital patients  
3 purchased by a lessor who leases the equipment, under a lease  
4 of one year or longer executed or in effect at the time the  
5 lessor would otherwise be subject to the tax imposed by this  
6 Act, to a hospital that has been issued an active tax exemption  
7 identification number by the Department under Section 1g of the  
8 Retailers' Occupation Tax Act. If the equipment is leased in a  
9 manner that does not qualify for this exemption or is used in  
10 any other nonexempt manner, the lessor shall be liable for the  
11 tax imposed under this Act or the Service Use Tax Act, as the  
12 case may be, based on the fair market value of the property at  
13 the time the nonqualifying use occurs. No lessor shall collect  
14 or attempt to collect an amount (however designated) that  
15 purports to reimburse that lessor for the tax imposed by this  
16 Act or the Service Use Tax Act, as the case may be, if the tax  
17 has not been paid by the lessor. If a lessor improperly  
18 collects any such amount from the lessee, the lessee shall have  
19 a legal right to claim a refund of that amount from the lessor.  
20 If, however, that amount is not refunded to the lessee for any  
21 reason, the lessor is liable to pay that amount to the  
22 Department. This paragraph is exempt from the provisions of  
23 Section 3-90.

24 (32) Beginning on the effective date of this amendatory Act  
25 of the 92nd General Assembly, personal property purchased by a  
26 lessor who leases the property, under a lease of one year or

1 longer executed or in effect at the time the lessor would  
2 otherwise be subject to the tax imposed by this Act, to a  
3 governmental body that has been issued an active sales tax  
4 exemption identification number by the Department under  
5 Section 1g of the Retailers' Occupation Tax Act. If the  
6 property is leased in a manner that does not qualify for this  
7 exemption or used in any other nonexempt manner, the lessor  
8 shall be liable for the tax imposed under this Act or the  
9 Service Use Tax Act, as the case may be, based on the fair  
10 market value of the property at the time the nonqualifying use  
11 occurs. No lessor shall collect or attempt to collect an amount  
12 (however designated) that purports to reimburse that lessor for  
13 the tax imposed by this Act or the Service Use Tax Act, as the  
14 case may be, if the tax has not been paid by the lessor. If a  
15 lessor improperly collects any such amount from the lessee, the  
16 lessee shall have a legal right to claim a refund of that  
17 amount from the lessor. If, however, that amount is not  
18 refunded to the lessee for any reason, the lessor is liable to  
19 pay that amount to the Department. This paragraph is exempt  
20 from the provisions of Section 3-90.

21 (33) On and after July 1, 2003 and through June 30, 2004,  
22 the use in this State of motor vehicles of the second division  
23 with a gross vehicle weight in excess of 8,000 pounds and that  
24 are subject to the commercial distribution fee imposed under  
25 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July  
26 1, 2004 and through June 30, 2005, the use in this State of

1 motor vehicles of the second division: (i) with a gross vehicle  
2 weight rating in excess of 8,000 pounds; (ii) that are subject  
3 to the commercial distribution fee imposed under Section  
4 3-815.1 of the Illinois Vehicle Code; and (iii) that are  
5 primarily used for commercial purposes. Through June 30, 2005,  
6 this exemption applies to repair and replacement parts added  
7 after the initial purchase of such a motor vehicle if that  
8 motor vehicle is used in a manner that would qualify for the  
9 rolling stock exemption otherwise provided for in this Act. For  
10 purposes of this paragraph, the term "used for commercial  
11 purposes" means the transportation of persons or property in  
12 furtherance of any commercial or industrial enterprise,  
13 whether for-hire or not.

14 (34) Beginning January 1, 2008, tangible personal property  
15 used in the construction or maintenance of a community water  
16 supply, as defined under Section 3.145 of the Environmental  
17 Protection Act, that is operated by a not-for-profit  
18 corporation that holds a valid water supply permit issued under  
19 Title IV of the Environmental Protection Act. This paragraph is  
20 exempt from the provisions of Section 3-90.

21 (35) A motor vehicle sold to an Illinois resident who is a  
22 service member on active duty or returning to Illinois from  
23 active duty and who applies for registration of the motor  
24 vehicle in Illinois while on active duty or within one year  
25 after leaving active duty. For purposes of this exemption:  
26 "active duty" means active duty pursuant to an executive order



1 of the President of the United States, an act of the Congress  
2 of the United States, or an order of the Governor; and "service  
3 member" means a member of the armed services or reserve forces  
4 of the United States or a member of the Illinois National  
5 Guard.

6 (Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-538,  
7 eff. 1-1-08; 95-876, eff. 8-21-08.)

8 Section 10. The Retailers' Occupation Tax Act is amended by  
9 changing Section 2-5 as follows:

10 (35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

11 Sec. 2-5. Exemptions. Gross receipts from proceeds from the  
12 sale of the following tangible personal property are exempt  
13 from the tax imposed by this Act:

14 (1) Farm chemicals.

15 (2) Farm machinery and equipment, both new and used,  
16 including that manufactured on special order, certified by the  
17 purchaser to be used primarily for production agriculture or  
18 State or federal agricultural programs, including individual  
19 replacement parts for the machinery and equipment, including  
20 machinery and equipment purchased for lease, and including  
21 implements of husbandry defined in Section 1-130 of the  
22 Illinois Vehicle Code, farm machinery and agricultural  
23 chemical and fertilizer spreaders, and nurse wagons required to  
24 be registered under Section 3-809 of the Illinois Vehicle Code,

1 but excluding other motor vehicles required to be registered  
2 under the Illinois Vehicle Code. Horticultural polyhouses or  
3 hoop houses used for propagating, growing, or overwintering  
4 plants shall be considered farm machinery and equipment under  
5 this item (2). Agricultural chemical tender tanks and dry boxes  
6 shall include units sold separately from a motor vehicle  
7 required to be licensed and units sold mounted on a motor  
8 vehicle required to be licensed, if the selling price of the  
9 tender is separately stated.

10 Farm machinery and equipment shall include precision  
11 farming equipment that is installed or purchased to be  
12 installed on farm machinery and equipment including, but not  
13 limited to, tractors, harvesters, sprayers, planters, seeders,  
14 or spreaders. Precision farming equipment includes, but is not  
15 limited to, soil testing sensors, computers, monitors,  
16 software, global positioning and mapping systems, and other  
17 such equipment.

18 Farm machinery and equipment also includes computers,  
19 sensors, software, and related equipment used primarily in the  
20 computer-assisted operation of production agriculture  
21 facilities, equipment, and activities such as, but not limited  
22 to, the collection, monitoring, and correlation of animal and  
23 crop data for the purpose of formulating animal diets and  
24 agricultural chemicals. This item (7) is exempt from the  
25 provisions of Section 2-70.

26 (3) Until July 1, 2003, distillation machinery and

1 equipment, sold as a unit or kit, assembled or installed by the  
2 retailer, certified by the user to be used only for the  
3 production of ethyl alcohol that will be used for consumption  
4 as motor fuel or as a component of motor fuel for the personal  
5 use of the user, and not subject to sale or resale.

6 (4) Until July 1, 2003 and beginning again September 1,  
7 2004, graphic arts machinery and equipment, including repair  
8 and replacement parts, both new and used, and including that  
9 manufactured on special order or purchased for lease, certified  
10 by the purchaser to be used primarily for graphic arts  
11 production. Equipment includes chemicals or chemicals acting  
12 as catalysts but only if the chemicals or chemicals acting as  
13 catalysts effect a direct and immediate change upon a graphic  
14 arts product.

15 (5) A motor vehicle of the first division, a motor vehicle  
16 of the second division that is a self contained motor vehicle  
17 designed or permanently converted to provide living quarters  
18 for recreational, camping, or travel use, with direct walk  
19 through access to the living quarters from the driver's seat,  
20 or a motor vehicle of the second division that is of the van  
21 configuration designed for the transportation of not less than  
22 7 nor more than 16 passengers, as defined in Section 1-146 of  
23 the Illinois Vehicle Code, that is used for automobile renting,  
24 as defined in the Automobile Renting Occupation and Use Tax  
25 Act. This paragraph is exempt from the provisions of Section  
26 2-70.

1           (6) Personal property sold by a teacher-sponsored student  
2 organization affiliated with an elementary or secondary school  
3 located in Illinois.

4           (7) Until July 1, 2003, proceeds of that portion of the  
5 selling price of a passenger car the sale of which is subject  
6 to the Replacement Vehicle Tax.

7           (8) Personal property sold to an Illinois county fair  
8 association for use in conducting, operating, or promoting the  
9 county fair.

10          (9) Personal property sold to a not-for-profit arts or  
11 cultural organization that establishes, by proof required by  
12 the Department by rule, that it has received an exemption under  
13 Section 501(c)(3) of the Internal Revenue Code and that is  
14 organized and operated primarily for the presentation or  
15 support of arts or cultural programming, activities, or  
16 services. These organizations include, but are not limited to,  
17 music and dramatic arts organizations such as symphony  
18 orchestras and theatrical groups, arts and cultural service  
19 organizations, local arts councils, visual arts organizations,  
20 and media arts organizations. On and after the effective date  
21 of this amendatory Act of the 92nd General Assembly, however,  
22 an entity otherwise eligible for this exemption shall not make  
23 tax-free purchases unless it has an active identification  
24 number issued by the Department.

25          (10) Personal property sold by a corporation, society,  
26 association, foundation, institution, or organization, other

1 than a limited liability company, that is organized and  
2 operated as a not-for-profit service enterprise for the benefit  
3 of persons 65 years of age or older if the personal property  
4 was not purchased by the enterprise for the purpose of resale  
5 by the enterprise.

6 (11) Personal property sold to a governmental body, to a  
7 corporation, society, association, foundation, or institution  
8 organized and operated exclusively for charitable, religious,  
9 or educational purposes, or to a not-for-profit corporation,  
10 society, association, foundation, institution, or organization  
11 that has no compensated officers or employees and that is  
12 organized and operated primarily for the recreation of persons  
13 55 years of age or older. A limited liability company may  
14 qualify for the exemption under this paragraph only if the  
15 limited liability company is organized and operated  
16 exclusively for educational purposes. On and after July 1,  
17 1987, however, no entity otherwise eligible for this exemption  
18 shall make tax-free purchases unless it has an active  
19 identification number issued by the Department.

20 (12) Tangible personal property sold to interstate  
21 carriers for hire for use as rolling stock moving in interstate  
22 commerce or to lessors under leases of one year or longer  
23 executed or in effect at the time of purchase by interstate  
24 carriers for hire for use as rolling stock moving in interstate  
25 commerce and equipment operated by a telecommunications  
26 provider, licensed as a common carrier by the Federal

1 Communications Commission, which is permanently installed in  
2 or affixed to aircraft moving in interstate commerce.

3 (12-5) On and after July 1, 2003 and through June 30, 2004,  
4 motor vehicles of the second division with a gross vehicle  
5 weight in excess of 8,000 pounds that are subject to the  
6 commercial distribution fee imposed under Section 3-815.1 of  
7 the Illinois Vehicle Code. Beginning on July 1, 2004 and  
8 through June 30, 2005, the use in this State of motor vehicles  
9 of the second division: (i) with a gross vehicle weight rating  
10 in excess of 8,000 pounds; (ii) that are subject to the  
11 commercial distribution fee imposed under Section 3-815.1 of  
12 the Illinois Vehicle Code; and (iii) that are primarily used  
13 for commercial purposes. Through June 30, 2005, this exemption  
14 applies to repair and replacement parts added after the initial  
15 purchase of such a motor vehicle if that motor vehicle is used  
16 in a manner that would qualify for the rolling stock exemption  
17 otherwise provided for in this Act. For purposes of this  
18 paragraph, "used for commercial purposes" means the  
19 transportation of persons or property in furtherance of any  
20 commercial or industrial enterprise whether for-hire or not.

21 (13) Proceeds from sales to owners, lessors, or shippers of  
22 tangible personal property that is utilized by interstate  
23 carriers for hire for use as rolling stock moving in interstate  
24 commerce and equipment operated by a telecommunications  
25 provider, licensed as a common carrier by the Federal  
26 Communications Commission, which is permanently installed in

1 or affixed to aircraft moving in interstate commerce.

2 (14) Machinery and equipment that will be used by the  
3 purchaser, or a lessee of the purchaser, primarily in the  
4 process of manufacturing or assembling tangible personal  
5 property for wholesale or retail sale or lease, whether the  
6 sale or lease is made directly by the manufacturer or by some  
7 other person, whether the materials used in the process are  
8 owned by the manufacturer or some other person, or whether the  
9 sale or lease is made apart from or as an incident to the  
10 seller's engaging in the service occupation of producing  
11 machines, tools, dies, jigs, patterns, gauges, or other similar  
12 items of no commercial value on special order for a particular  
13 purchaser.

14 (15) Proceeds of mandatory service charges separately  
15 stated on customers' bills for purchase and consumption of food  
16 and beverages, to the extent that the proceeds of the service  
17 charge are in fact turned over as tips or as a substitute for  
18 tips to the employees who participate directly in preparing,  
19 serving, hosting or cleaning up the food or beverage function  
20 with respect to which the service charge is imposed.

21 (16) Petroleum products sold to a purchaser if the seller  
22 is prohibited by federal law from charging tax to the  
23 purchaser.

24 (17) Tangible personal property sold to a common carrier by  
25 rail or motor that receives the physical possession of the  
26 property in Illinois and that transports the property, or

1 shares with another common carrier in the transportation of the  
2 property, out of Illinois on a standard uniform bill of lading  
3 showing the seller of the property as the shipper or consignor  
4 of the property to a destination outside Illinois, for use  
5 outside Illinois.

6 (18) Legal tender, currency, medallions, or gold or silver  
7 coinage issued by the State of Illinois, the government of the  
8 United States of America, or the government of any foreign  
9 country, and bullion.

10 (19) Until July 1 2003, oil field exploration, drilling,  
11 and production equipment, including (i) rigs and parts of rigs,  
12 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
13 tubular goods, including casing and drill strings, (iii) pumps  
14 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
15 individual replacement part for oil field exploration,  
16 drilling, and production equipment, and (vi) machinery and  
17 equipment purchased for lease; but excluding motor vehicles  
18 required to be registered under the Illinois Vehicle Code.

19 (20) Photoprocessing machinery and equipment, including  
20 repair and replacement parts, both new and used, including that  
21 manufactured on special order, certified by the purchaser to be  
22 used primarily for photoprocessing, and including  
23 photoprocessing machinery and equipment purchased for lease.

24 (21) Until July 1, 2003, coal exploration, mining,  
25 offhighway hauling, processing, maintenance, and reclamation  
26 equipment, including replacement parts and equipment, and



1 including equipment purchased for lease, but excluding motor  
2 vehicles required to be registered under the Illinois Vehicle  
3 Code.

4 (22) Fuel and petroleum products sold to or used by an air  
5 carrier, certified by the carrier to be used for consumption,  
6 shipment, or storage in the conduct of its business as an air  
7 common carrier, for a flight destined for or returning from a  
8 location or locations outside the United States without regard  
9 to previous or subsequent domestic stopovers.

10 (23) A transaction in which the purchase order is received  
11 by a florist who is located outside Illinois, but who has a  
12 florist located in Illinois deliver the property to the  
13 purchaser or the purchaser's donee in Illinois.

14 (24) Fuel consumed or used in the operation of ships,  
15 barges, or vessels that are used primarily in or for the  
16 transportation of property or the conveyance of persons for  
17 hire on rivers bordering on this State if the fuel is delivered  
18 by the seller to the purchaser's barge, ship, or vessel while  
19 it is afloat upon that bordering river.

20 (25) Except as provided in item (25-5) of this Section, a  
21 motor vehicle sold in this State to a nonresident even though  
22 the motor vehicle is delivered to the nonresident in this  
23 State, if the motor vehicle is not to be titled in this State,  
24 and if a drive-away permit is issued to the motor vehicle as  
25 provided in Section 3-603 of the Illinois Vehicle Code or if  
26 the nonresident purchaser has vehicle registration plates to

1 transfer to the motor vehicle upon returning to his or her home  
2 state. The issuance of the drive-away permit or having the  
3 out-of-state registration plates to be transferred is prima  
4 facie evidence that the motor vehicle will not be titled in  
5 this State.

6 (25-5) The exemption under item (25) does not apply if the  
7 state in which the motor vehicle will be titled does not allow  
8 a reciprocal exemption for a motor vehicle sold and delivered  
9 in that state to an Illinois resident but titled in Illinois.  
10 The tax collected under this Act on the sale of a motor vehicle  
11 in this State to a resident of another state that does not  
12 allow a reciprocal exemption shall be imposed at a rate equal  
13 to the state's rate of tax on taxable property in the state in  
14 which the purchaser is a resident, except that the tax shall  
15 not exceed the tax that would otherwise be imposed under this  
16 Act. At the time of the sale, the purchaser shall execute a  
17 statement, signed under penalty of perjury, of his or her  
18 intent to title the vehicle in the state in which the purchaser  
19 is a resident within 30 days after the sale and of the fact of  
20 the payment to the State of Illinois of tax in an amount  
21 equivalent to the state's rate of tax on taxable property in  
22 his or her state of residence and shall submit the statement to  
23 the appropriate tax collection agency in his or her state of  
24 residence. In addition, the retailer must retain a signed copy  
25 of the statement in his or her records. Nothing in this item  
26 shall be construed to require the removal of the vehicle from

1 this state following the filing of an intent to title the  
2 vehicle in the purchaser's state of residence if the purchaser  
3 titles the vehicle in his or her state of residence within 30  
4 days after the date of sale. The tax collected under this Act  
5 in accordance with this item (25-5) shall be proportionately  
6 distributed as if the tax were collected at the 6.25% general  
7 rate imposed under this Act.

8 (25-7) Beginning on July 1, 2007, no tax is imposed under  
9 this Act on the sale of an aircraft, as defined in Section 3 of  
10 the Illinois Aeronautics Act, if all of the following  
11 conditions are met:

12 (1) the aircraft leaves this State within 15 days after  
13 the later of either the issuance of the final billing for  
14 the sale of the aircraft, or the authorized approval for  
15 return to service, completion of the maintenance record  
16 entry, and completion of the test flight and ground test  
17 for inspection, as required by 14 C.F.R. 91.407;

18 (2) the aircraft is not based or registered in this  
19 State after the sale of the aircraft; and

20 (3) the seller retains in his or her books and records  
21 and provides to the Department a signed and dated  
22 certification from the purchaser, on a form prescribed by  
23 the Department, certifying that the requirements of this  
24 item (25-7) are met. The certificate must also include the  
25 name and address of the purchaser, the address of the  
26 location where the aircraft is to be titled or registered,

1 the address of the primary physical location of the  
2 aircraft, and other information that the Department may  
3 reasonably require.

4 For purposes of this item (25-7):

5 "Based in this State" means hangared, stored, or otherwise  
6 used, excluding post-sale customizations as defined in this  
7 Section, for 10 or more days in each 12-month period  
8 immediately following the date of the sale of the aircraft.

9 "Registered in this State" means an aircraft registered  
10 with the Department of Transportation, Aeronautics Division,  
11 or titled or registered with the Federal Aviation  
12 Administration to an address located in this State.

13 This paragraph (25-7) is exempt from the provisions of  
14 Section 2-70.

15 (26) Semen used for artificial insemination of livestock  
16 for direct agricultural production.

17 (27) Horses, or interests in horses, registered with and  
18 meeting the requirements of any of the Arabian Horse Club  
19 Registry of America, Appaloosa Horse Club, American Quarter  
20 Horse Association, United States Trotting Association, or  
21 Jockey Club, as appropriate, used for purposes of breeding or  
22 racing for prizes. This item (27) is exempt from the provisions  
23 of Section 2-70, and the exemption provided for under this item  
24 (27) applies for all periods beginning May 30, 1995, but no  
25 claim for credit or refund is allowed on or after January 1,  
26 2008 (the effective date of Public Act 95-88) for such taxes

1 paid during the period beginning May 30, 2000 and ending on  
2 January 1, 2008 (the effective date of Public Act 95-88) .

3 (28) Computers and communications equipment utilized for  
4 any hospital purpose and equipment used in the diagnosis,  
5 analysis, or treatment of hospital patients sold to a lessor  
6 who leases the equipment, under a lease of one year or longer  
7 executed or in effect at the time of the purchase, to a  
8 hospital that has been issued an active tax exemption  
9 identification number by the Department under Section 1g of  
10 this Act.

11 (29) Personal property sold to a lessor who leases the  
12 property, under a lease of one year or longer executed or in  
13 effect at the time of the purchase, to a governmental body that  
14 has been issued an active tax exemption identification number  
15 by the Department under Section 1g of this Act.

16 (30) Beginning with taxable years ending on or after  
17 December 31, 1995 and ending with taxable years ending on or  
18 before December 31, 2004, personal property that is donated for  
19 disaster relief to be used in a State or federally declared  
20 disaster area in Illinois or bordering Illinois by a  
21 manufacturer or retailer that is registered in this State to a  
22 corporation, society, association, foundation, or institution  
23 that has been issued a sales tax exemption identification  
24 number by the Department that assists victims of the disaster  
25 who reside within the declared disaster area.

26 (31) Beginning with taxable years ending on or after

1 December 31, 1995 and ending with taxable years ending on or  
2 before December 31, 2004, personal property that is used in the  
3 performance of infrastructure repairs in this State, including  
4 but not limited to municipal roads and streets, access roads,  
5 bridges, sidewalks, waste disposal systems, water and sewer  
6 line extensions, water distribution and purification  
7 facilities, storm water drainage and retention facilities, and  
8 sewage treatment facilities, resulting from a State or  
9 federally declared disaster in Illinois or bordering Illinois  
10 when such repairs are initiated on facilities located in the  
11 declared disaster area within 6 months after the disaster.

12 (32) Beginning July 1, 1999, game or game birds sold at a  
13 "game breeding and hunting preserve area" or an "exotic game  
14 hunting area" as those terms are used in the Wildlife Code or  
15 at a hunting enclosure approved through rules adopted by the  
16 Department of Natural Resources. This paragraph is exempt from  
17 the provisions of Section 2-70.

18 (33) A motor vehicle, as that term is defined in Section  
19 1-146 of the Illinois Vehicle Code, that is donated to a  
20 corporation, limited liability company, society, association,  
21 foundation, or institution that is determined by the Department  
22 to be organized and operated exclusively for educational  
23 purposes. For purposes of this exemption, "a corporation,  
24 limited liability company, society, association, foundation,  
25 or institution organized and operated exclusively for  
26 educational purposes" means all tax-supported public schools,

1 private schools that offer systematic instruction in useful  
2 branches of learning by methods common to public schools and  
3 that compare favorably in their scope and intensity with the  
4 course of study presented in tax-supported schools, and  
5 vocational or technical schools or institutes organized and  
6 operated exclusively to provide a course of study of not less  
7 than 6 weeks duration and designed to prepare individuals to  
8 follow a trade or to pursue a manual, technical, mechanical,  
9 industrial, business, or commercial occupation.

10 (34) Beginning January 1, 2000, personal property,  
11 including food, purchased through fundraising events for the  
12 benefit of a public or private elementary or secondary school,  
13 a group of those schools, or one or more school districts if  
14 the events are sponsored by an entity recognized by the school  
15 district that consists primarily of volunteers and includes  
16 parents and teachers of the school children. This paragraph  
17 does not apply to fundraising events (i) for the benefit of  
18 private home instruction or (ii) for which the fundraising  
19 entity purchases the personal property sold at the events from  
20 another individual or entity that sold the property for the  
21 purpose of resale by the fundraising entity and that profits  
22 from the sale to the fundraising entity. This paragraph is  
23 exempt from the provisions of Section 2-70.

24 (35) Beginning January 1, 2000 and through December 31,  
25 2001, new or used automatic vending machines that prepare and  
26 serve hot food and beverages, including coffee, soup, and other

1 items, and replacement parts for these machines. Beginning  
2 January 1, 2002 and through June 30, 2003, machines and parts  
3 for machines used in commercial, coin-operated amusement and  
4 vending business if a use or occupation tax is paid on the  
5 gross receipts derived from the use of the commercial,  
6 coin-operated amusement and vending machines. This paragraph  
7 is exempt from the provisions of Section 2-70.

8 (35-5) Beginning August 23, 2001 and through June 30, 2011,  
9 food for human consumption that is to be consumed off the  
10 premises where it is sold (other than alcoholic beverages, soft  
11 drinks, and food that has been prepared for immediate  
12 consumption) and prescription and nonprescription medicines,  
13 drugs, medical appliances, and insulin, urine testing  
14 materials, syringes, and needles used by diabetics, for human  
15 use, when purchased for use by a person receiving medical  
16 assistance under Article 5 of the Illinois Public Aid Code who  
17 resides in a licensed long-term care facility, as defined in  
18 the Nursing Home Care Act.

19 (36) Beginning August 2, 2001, computers and  
20 communications equipment utilized for any hospital purpose and  
21 equipment used in the diagnosis, analysis, or treatment of  
22 hospital patients sold to a lessor who leases the equipment,  
23 under a lease of one year or longer executed or in effect at  
24 the time of the purchase, to a hospital that has been issued an  
25 active tax exemption identification number by the Department  
26 under Section 1g of this Act. This paragraph is exempt from the



1 provisions of Section 2-70.

2 (37) Beginning August 2, 2001, personal property sold to a  
3 lessor who leases the property, under a lease of one year or  
4 longer executed or in effect at the time of the purchase, to a  
5 governmental body that has been issued an active tax exemption  
6 identification number by the Department under Section 1g of  
7 this Act. This paragraph is exempt from the provisions of  
8 Section 2-70.

9 (38) Beginning on January 1, 2002 and through June 30,  
10 2011, tangible personal property purchased from an Illinois  
11 retailer by a taxpayer engaged in centralized purchasing  
12 activities in Illinois who will, upon receipt of the property  
13 in Illinois, temporarily store the property in Illinois (i) for  
14 the purpose of subsequently transporting it outside this State  
15 for use or consumption thereafter solely outside this State or  
16 (ii) for the purpose of being processed, fabricated, or  
17 manufactured into, attached to, or incorporated into other  
18 tangible personal property to be transported outside this State  
19 and thereafter used or consumed solely outside this State. The  
20 Director of Revenue shall, pursuant to rules adopted in  
21 accordance with the Illinois Administrative Procedure Act,  
22 issue a permit to any taxpayer in good standing with the  
23 Department who is eligible for the exemption under this  
24 paragraph (38). The permit issued under this paragraph (38)  
25 shall authorize the holder, to the extent and in the manner  
26 specified in the rules adopted under this Act, to purchase

1 tangible personal property from a retailer exempt from the  
2 taxes imposed by this Act. Taxpayers shall maintain all  
3 necessary books and records to substantiate the use and  
4 consumption of all such tangible personal property outside of  
5 the State of Illinois.

6 (39) Beginning January 1, 2008, tangible personal property  
7 used in the construction or maintenance of a community water  
8 supply, as defined under Section 3.145 of the Environmental  
9 Protection Act, that is operated by a not-for-profit  
10 corporation that holds a valid water supply permit issued under  
11 Title IV of the Environmental Protection Act. This paragraph is  
12 exempt from the provisions of Section 2-70.

13 (40) A motor vehicle sold to an Illinois resident who is a  
14 service member on active duty or returning to Illinois from  
15 active duty and who applies for registration of the motor  
16 vehicle in Illinois while on active duty or within one year  
17 after leaving active duty. For purposes of this exemption:  
18 "active duty" means active duty pursuant to an executive order  
19 of the President of the United States, an act of the Congress  
20 of the United States, or an order of the Governor; and "service  
21 member" means a member of the armed services or reserve forces  
22 of the United States or a member of the Illinois National  
23 Guard.

24 (Source: P.A. 94-1002, eff. 7-3-06; 95-88, eff. 1-1-08; 95-233,  
25 eff. 8-16-07; 95-304, eff. 8-20-07; 95-538, eff. 1-1-08;  
26 95-707, eff. 1-11-08; 95-876, eff. 8-21-08.)

1           Section 15. The Illinois Vehicle Code is amended by  
2 changing Section 3-1001 as follows:

3           (625 ILCS 5/3-1001) (from Ch. 95 1/2, par. 3-1001)

4           Sec. 3-1001. A tax is hereby imposed on the privilege of  
5 using, in this State, any motor vehicle as defined in Section  
6 1-146 of this Code acquired by gift, transfer, or purchase, and  
7 having a year model designation preceding the year of  
8 application for title by 5 or fewer years prior to October 1,  
9 1985 and 10 or fewer years on and after October 1, 1985 and  
10 prior to January 1, 1988. On and after January 1, 1988, the tax  
11 shall apply to all motor vehicles without regard to model year.  
12 Except that the tax shall not apply

13           (i) if the use of the motor vehicle is otherwise taxed  
14 under the Use Tax Act;

15           (ii) if the motor vehicle is bought and used by a  
16 governmental agency or a society, association, foundation  
17 or institution organized and operated exclusively for  
18 charitable, religious or educational purposes;

19           (iii) if the use of the motor vehicle is not subject to  
20 the Use Tax Act by reason of subsection (a), (b), (c), (d),  
21 (e) or (f) of Section 3-55 of that Act dealing with the  
22 prevention of actual or likely multistate taxation;

23           (iv) to implements of husbandry;

24           (v) when a junking certificate is issued pursuant to

1 Section 3-117(a) of this Code;

2 (vi) when a vehicle is subject to the replacement  
 3 vehicle tax imposed by Section 3-2001 of this Act;

4 (vii) when the transfer is a gift to a beneficiary in  
 5 the administration of an estate and the beneficiary is a  
 6 surviving spouse.

7 The tax shall also not apply to a motor vehicle sold to an  
 8 Illinois resident who is a service member on active duty or  
 9 returning to Illinois from active duty and who applies for  
 10 registration of the motor vehicle in Illinois while on active  
 11 duty or within one year after leaving active duty. For purposes  
 12 of this exemption: "active duty" means active duty pursuant to  
 13 an executive order of the President of the United States, an  
 14 act of the Congress of the United States, or an order of the  
 15 Governor; and "service member" means a member of the armed  
 16 services or reserve forces of the United States or a member of  
 17 the Illinois National Guard.

18 Prior to January 1, 1988, the rate of tax shall be 5% of  
 19 the selling price for each purchase of a motor vehicle covered  
 20 by Section 3-1001 of this Code. Except as hereinafter provided,  
 21 beginning January 1, 1988, the rate of tax shall be as follows  
 22 for transactions in which the selling price of the motor  
 23 vehicle is less than \$15,000:

24 Number of Years Transpired After	Applicable Tax
25 Model Year of Motor Vehicle	
26 1 or less	\$390

1	2	290
2	3	215
3	4	165
4	5	115
5	6	90
6	7	80
7	8	65
8	9	50
9	10	40
10	over 10	25

11 Except as hereinafter provided, beginning January 1, 1988, the  
 12 rate of tax shall be as follows for transactions in which the  
 13 selling price of the motor vehicle is \$15,000 or more:

14	Selling Price	Applicable Tax
15	\$15,000 - \$19,999	\$ 750
16	\$20,000 - \$24,999	\$1,000
17	\$25,000 - \$29,999	\$1,250
18	\$30,000 and over	\$1,500

19 For the following transactions, the tax rate shall be \$15 for  
 20 each motor vehicle acquired in such transaction:

- 21 (i) when the transferee or purchaser is the spouse,  
 22 mother, father, brother, sister or child of the transferor;
- 23 (ii) when the transfer is a gift to a beneficiary in  
 24 the administration of an estate and the beneficiary is not  
 25 a surviving spouse;
- 26 (iii) when a motor vehicle which has once been

1           subjected to the Illinois retailers' occupation tax or use  
2           tax is transferred in connection with the organization,  
3           reorganization, dissolution or partial liquidation of an  
4           incorporated or unincorporated business wherein the  
5           beneficial ownership is not changed.

6           A claim that the transaction is taxable under subparagraph  
7           (i) shall be supported by such proof of family relationship as  
8           provided by rules of the Department.

9           For a transaction in which a motorcycle, motor driven cycle  
10          or motorized pedalcycle is acquired the tax rate shall be \$25.

11          On and after October 1, 1985, 1/12 of \$5,000,000 of the  
12          moneys received by the Department of Revenue pursuant to this  
13          Section shall be paid each month into the Build Illinois Fund  
14          and the remainder into the General Revenue Fund.

15          The tax imposed by this Section shall be abated and no  
16          longer imposed when the amount deposited to secure the bonds  
17          issued pursuant to the Build Illinois Bond Act is sufficient to  
18          provide for the payment of the principal of, and interest and  
19          premium, if any, on the bonds, as certified to the State  
20          Comptroller and the Director of Revenue by the Director of the  
21          Governor's Office of Management and Budget.

22          (Source: P.A. 94-91, eff. 7-1-05.)