



Rep. John E. Bradley

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1 AMENDMENT TO SENATE BILL 2093

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2093, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 1. Short title. This Act may be cited as the  
6 Innovation Development and Economy Act.

7 Section 5. Purpose. It is hereby found and declared that  
8 the purpose of this Act is to promote, stimulate, and develop  
9 the general and economic welfare of the State of Illinois and  
10 its communities and to assist in the development and  
11 redevelopment of major tourism, entertainment, retail, and  
12 related destination projects within eligible areas of the  
13 State, thereby creating new jobs, stimulating significant  
14 capital investment, and promoting the general welfare of the  
15 citizens of this State, by authorizing municipalities and  
16 counties to issue sales tax and revenue (STAR) bonds for the

1 financing of STAR bond projects as defined in Section 10, and  
2 to otherwise exercise the powers and authorities granted to  
3 municipalities. It is further found and declared to be the  
4 policy of the State, in the interest of promoting the health,  
5 safety, morals, and general welfare of all the people of the  
6 State, to provide incentives to create new job opportunities  
7 and to promote major tourism, entertainment, retail, and  
8 related destination projects within the State. It is further  
9 found and declared:

10 (a) that it is in the public interest to limit the  
11 portion of the aggregate proceeds of STAR bonds issued that  
12 are derived from the State sales tax increment pledged to  
13 pay STAR bonds in any STAR bond district to not more than  
14 50% of the total development costs in the STAR bond  
15 district as set forth in subsection (f) of Section 30;

16 (b) that as a result of the costs of land assemblage,  
17 financing, infrastructure, and other project costs, the  
18 private sector, without the assistance contemplated in  
19 this Act, is unable to develop major tourism,  
20 entertainment, retail, and related destination projects in  
21 the State;

22 (c) that the type of projects for which this Act is  
23 intended must be of a certain size, scope, and acreage and  
24 have direct access to major highways, and must be developed  
25 in a cohesive and comprehensive manner;

26 (d) that the eligible tracts of land, portions of which

1 have previously been surface or strip mined, present unique  
2 development obstacles and are more likely to remain  
3 underutilized and undeveloped, or developed in a piecemeal  
4 manner resulting in inefficient and poorly planned  
5 developments that do not maximize job creation, job  
6 retention, tourism, and tax revenue generation within the  
7 State;

8 (e) that there are multiple eligible areas in the State  
9 that could benefit from this Act;

10 (f) that investment in major tourism, entertainment,  
11 retail, and related destination projects within the State  
12 would stimulate economic activity in the State, including  
13 the creation and maintenance of jobs, the creation of new  
14 and lasting infrastructure and other improvements, and the  
15 attraction and retention of interstate tourists and  
16 entertainment events that generate significant economic  
17 activity;

18 (g) that this Act shall enhance and promote tourism in  
19 Southern Illinois, including without limitation the  
20 Southern Illinois Wine Trail;

21 (h) that the continual encouragement, development,  
22 growth, and expansion of major tourism, entertainment,  
23 retail, and related destination projects within the State  
24 requires a cooperative and continuous partnership between  
25 government and the public sector;

26 (i) that the State has a responsibility to help create

1 a favorable climate for new and improved job opportunities  
2 for its citizens and to increase the tax base of the State  
3 and its political subdivisions by encouraging development  
4 by the private sector of major tourism, entertainment,  
5 retail, and related destination projects within the State;

6 (j) that the stagnation of local tax bases and the loss  
7 of job opportunities within the State has persisted despite  
8 efforts of State and local authorities and private  
9 organizations to create major tourism, entertainment,  
10 retail, and related destination projects within the State;

11 (k) that the stagnation of local tax bases and the  
12 persistent loss of job opportunities in the State may  
13 continue and worsen if the State and its political  
14 subdivisions are not able to provide additional incentives  
15 to developers of major tourism, entertainment, retail, and  
16 related destination projects;

17 (l) that the provision of additional incentives by the  
18 State and its political subdivisions will relieve  
19 conditions of unemployment, maintain existing levels of  
20 employment, create new job opportunities, retain jobs  
21 within the State, increase tourism and commerce within the  
22 State, and increase the tax base of the State and its  
23 political subdivisions;

24 (m) that the powers conferred by this Act promote and  
25 protect the health, safety, morals, and welfare of the  
26 State, and are for a public purpose and public use for

1 which public money and resources may be expended; and

2 (n) that the necessity in the public interest for the  
3 provisions of this Act is hereby declared as a matter of  
4 legislative determination.

5 Section 10. Definitions. As used in this Act, the following  
6 words and phrases shall have the following meanings unless a  
7 different meaning clearly appears from the context:

8 "Base year" means the calendar year immediately prior to  
9 the calendar year in which the STAR bond district is  
10 established.

11 "Commence work" means the manifest commencement of actual  
12 operations on the development site, such as, erecting a  
13 building, general on-site and off-site grading and utility  
14 installations, commencing design and construction  
15 documentation, ordering lead-time materials, excavating the  
16 ground to lay a foundation or a basement, or work of like  
17 description which a reasonable person would recognize as being  
18 done with the intention and purpose to continue work until the  
19 project is completed.

20 "County" means the county in which a proposed STAR bond  
21 district is located.

22 "De minimus" means an amount less than 15% of the land area  
23 within a STAR bond district.

24 "Department of Revenue" means the Department of Revenue of  
25 the State of Illinois.

1 "Destination user" means an owner, operator, licensee,  
2 co-developer, subdeveloper, or tenant (i) that operates a  
3 business within a STAR bond district that is a retail store  
4 having at least 150,000 square feet of sales floor area; (ii)  
5 that at the time of opening does not have another Illinois  
6 location within a 70 mile radius; (iii) that has an annual  
7 average of not less than 30% of customers who travel from at  
8 least 75 miles away or from out-of-state, as demonstrated by  
9 data from a comparable existing store or stores, or, if there  
10 is no comparable existing store, as demonstrated by an economic  
11 analysis that shows that the proposed retailer will have an  
12 annual average of not less than 30% of customers who travel  
13 from at least 75 miles away or from out-of-state; and (iv) that  
14 makes an initial capital investment, including project costs  
15 and other direct costs, of not less than \$30,000,000 for such  
16 retail store.

17 "Destination hotel" means a hotel (as that term is defined  
18 in Section 2 of the Hotel Operators' Occupation Tax Act)  
19 complex having at least 150 guest rooms and which also includes  
20 a venue for entertainment attractions, rides, or other  
21 activities oriented toward the entertainment and amusement of  
22 its guests and other patrons.

23 "Developer" means any individual, corporation, trust,  
24 estate, partnership, limited liability partnership, limited  
25 liability company, or other entity. The term does not include a  
26 not-for-profit entity, political subdivision, or other agency

1 or instrumentality of the State.

2 "Director" means the Director of Revenue, who shall consult  
3 with the Director of Commerce and Economic Opportunity in any  
4 approvals or decisions required by the Director under this Act.

5 "Economic impact study" means a study conducted by an  
6 independent economist to project the financial benefit of the  
7 proposed STAR bond project to the local, regional, and State  
8 economies, consider the proposed adverse impacts on similar  
9 projects and businesses, as well as municipalities within the  
10 projected market area, and draw conclusions about the net  
11 effect of the proposed STAR bond project on the local,  
12 regional, and State economies. A copy of the economic impact  
13 study shall be provided to the Director for review.

14 "Eligible area" means any improved or vacant area that (i)  
15 is contiguous and is not, in the aggregate, less than 250 acres  
16 nor more than 500 acres which must include only parcels of real  
17 property directly and substantially benefited by the proposed  
18 STAR bond district plan, (ii) is adjacent to a federal  
19 interstate highway, (iii) is within one mile of 2 State  
20 highways, (iv) is within one mile of an entertainment user, or  
21 a major or minor league sports stadium or other similar  
22 entertainment venue that had an initial capital investment of  
23 at least \$20,000,000, and (v) includes land that was previously  
24 surface or strip mined. The area may be bisected by streets,  
25 highways, roads, alleys, railways, bike paths, streams,  
26 rivers, and other waterways and still be deemed contiguous. In

1 addition, in order to constitute an eligible area one of the  
2 following requirements must be satisfied and all of which are  
3 subject to the review and approval of the Director as provided  
4 in subsection (d) of Section 15:

5 (a) the governing body of the political subdivision  
6 shall have determined that the area meets the requirements  
7 of a "blighted area" as defined under the Tax Increment  
8 Allocation Redevelopment Act; or

9 (b) the governing body of the political subdivision  
10 shall have determined that the area is a blighted area as  
11 determined under the provisions of Section 11-74.3-5 of the  
12 Illinois Municipal Code; or

13 (c) the governing body of the political subdivision  
14 shall make the following findings:

15 (i) that the vacant portions of the area have  
16 remained vacant for at least one year, or that any  
17 building located on a vacant portion of the property  
18 was demolished within the last year and that the  
19 building would have qualified under item (ii) of this  
20 subsection;

21 (ii) if portions of the area are currently  
22 developed, that the use, condition, and character of  
23 the buildings on the property are not consistent with  
24 the purposes set forth in Section 5;

25 (iii) that the STAR bond district is expected to  
26 create or retain job opportunities within the



1 political subdivision;

2 (iv) that the STAR bond district will serve to  
3 further the development of adjacent areas;

4 (v) that without the availability of STAR bonds,  
5 the projects described in the STAR bond district plan  
6 would not be possible;

7 (vi) that the master developer meets high  
8 standards of creditworthiness and financial strength  
9 as demonstrated by one or more of the following: (i)  
10 corporate debenture ratings of BBB or higher by  
11 Standard & Poor's Corporation or Baa or higher by  
12 Moody's Investors Service, Inc.; (ii) a letter from a  
13 financial institution with assets of \$10,000,000 or  
14 more attesting to the financial strength of the master  
15 developer; or (iii) specific evidence of equity  
16 financing for not less than 10% of the estimated total  
17 STAR bond project costs;

18 (vii) that the STAR bond district will strengthen  
19 the commercial sector of the political subdivision;

20 (viii) that the STAR bond district will enhance the  
21 tax base of the political subdivision; and

22 (ix) that the formation of a STAR bond district is  
23 in the best interest of the political subdivision.

24 "Entertainment user" means an owner, operator, licensee,  
25 co-developer, subdeveloper, or tenant that operates a business  
26 within a STAR bond district that has a primary use of providing

1 a venue for entertainment attractions, rides, or other  
2 activities oriented toward the entertainment and amusement of  
3 its patrons, occupies at least 20 acres of land in the STAR  
4 bond district, and makes an initial capital investment,  
5 including project costs and other direct and indirect costs, of  
6 not less than \$25,000,000 for that venue.

7 "Feasibility study" means a feasibility study as defined in  
8 subsection (b) of Section 20.

9 "Infrastructure" means the public improvements and private  
10 improvements that serve the public purposes set forth in  
11 Section 5 of this Act and that benefit the STAR bond district  
12 or any STAR bond projects, including, but not limited to,  
13 streets, drives and driveways, traffic and directional signs  
14 and signals, parking lots and parking facilities,  
15 interchanges, highways, sidewalks, bridges, underpasses and  
16 overpasses, bike and walking trails, sanitary storm sewers and  
17 lift stations, drainage conduits, channels, levees, canals,  
18 storm water detention and retention facilities, utilities and  
19 utility connections, water mains and extensions, and street and  
20 parking lot lighting and connections.

21 "Local sales taxes" means any locally-imposed taxes  
22 received by a municipality, county, or other local governmental  
23 entity arising from sales by retailers and servicemen within a  
24 STAR bond district, including business district sales taxes and  
25 STAR bond occupation taxes, and that portion of the net revenue  
26 realized under the Retailers' Occupation Tax Act, the Use Tax

1 Act, the Service Use Tax Act, and the Service Occupation Tax  
2 Act from transactions at places of business located within a  
3 STAR bond district that is deposited into the Local Government  
4 Tax Fund and the County and Mass Transit District Fund. For the  
5 purpose of this Act, "local sales taxes" does not include (i)  
6 any taxes authorized pursuant to the Local Mass Transit  
7 District Act, the Metro-East Park and Recreation District Act,  
8 or the Flood Prevention District Act for so long as the  
9 applicable taxing district does not impose a tax on real  
10 property or (ii) county school facility occupation taxes  
11 imposed pursuant to Section 5-1006.7 of the Counties Code.

12 "Local sales tax increment" means, with respect to local  
13 sales taxes administered by the Illinois Department of Revenue,  
14 (i) all of the local sales tax paid by destination users,  
15 destination hotels, and entertainment users that is in excess  
16 of the local sales tax paid by destination users, destination  
17 hotels, and entertainment users for the same month in the base  
18 year, as determined by the Illinois Department of Revenue, (ii)  
19 in the case of a municipality forming a STAR bond district that  
20 is wholly within the corporate boundaries of the municipality  
21 and in the case of a municipality and county forming a STAR  
22 bond district that is only partially within such municipality,  
23 that portion of the local sales tax paid by taxpayers that are  
24 not destination users, destination hotels, or entertainment  
25 users that is in excess of the local sales tax paid by  
26 taxpayers that are not destination users, destination hotels,

1 or entertainment users for the same month in the base year, as  
2 determined by the Illinois Department of Revenue, and (iii) in  
3 the case of a county in which a STAR bond district is formed  
4 that is wholly within a municipality, that portion of the local  
5 sales tax paid by taxpayers that are not destination users,  
6 destination hotels, or entertainment users that is in excess of  
7 the local sales tax paid by taxpayers that are not destination  
8 users, destination hotels, or entertainment users for the same  
9 month in the base year, as determined by the Illinois  
10 Department of Revenue, but only if the corporate authorities of  
11 the county adopts an ordinance, and files a copy with the  
12 Department within the same time frames as required for STAR  
13 bond occupation taxes under Section 31, that designates the  
14 taxes referenced in this clause (iii) as part of the local  
15 sales tax increment under this Act. "Local sales tax increment"  
16 means, with respect to local sales taxes administered by a  
17 municipality, county, or other unit of local government, that  
18 portion of the local sales tax that is in excess of the local  
19 sales tax for the same month in the base year, as determined by  
20 the respective municipality, county, or other unit of local  
21 government. If any portion of local sales taxes are, at the  
22 time of formation of a STAR bond district, already subject to  
23 tax increment financing under the Tax Increment Allocation  
24 Redevelopment Act, then the local sales tax increment for such  
25 portion shall be frozen at the base year established in  
26 accordance with this Act, and all future incremental increases

1 shall be included in the "local sales tax increment" under this  
2 Act. Any party otherwise entitled to receipt of incremental  
3 local sales tax revenues through an existing tax increment  
4 financing district shall be entitled to continue to receive  
5 such revenues up to the amount frozen in the base year. Nothing  
6 in this Act shall affect the prior qualification of existing  
7 redevelopment project costs incurred that are eligible for  
8 reimbursement under the Tax Increment Allocation Redevelopment  
9 Act. In such event, prior to approving a STAR bond district,  
10 the political subdivision forming the STAR bond district shall  
11 take such action as is necessary, including amending the  
12 existing tax increment financing district redevelopment plan,  
13 to carry out the provisions of this Act. The Illinois  
14 Department of Revenue shall allocate the local sales tax  
15 increment only if the local sales tax is administered by the  
16 Department.

17 "Market study" means a study to determine the ability of  
18 the proposed STAR bond project to gain market share locally and  
19 regionally and to remain profitable past the term of repayment  
20 of STAR bonds.

21 "Master developer" means a developer cooperating with a  
22 political subdivision to plan, develop, and implement a STAR  
23 bond project plan for a STAR bond district. Subject to the  
24 limitations of Section 25, the master developer may work with  
25 and transfer certain development rights to other developers for  
26 the purpose of implementing STAR bond project plans and

1 achieving the purposes of this Act. A master developer for a  
2 STAR bond district shall be appointed by a political  
3 subdivision in the resolution establishing the STAR bond  
4 district, and the master developer must, at the time of  
5 appointment, own or have control of, through purchase  
6 agreements, option contracts, or other means, not less than 50%  
7 of the acreage within the STAR bond district and the master  
8 developer or its affiliate must have ownership or control on  
9 June 1, 2010.

10 "Master development agreement" means an agreement between  
11 the master developer and the political subdivision to govern a  
12 STAR bond district and any STAR bond projects.

13 "Municipality" means the city, village, or incorporated  
14 town in which a proposed STAR bond district is located.

15 "Pledged STAR revenues" means those sales tax and revenues  
16 and other sources of funds pledged to pay debt service on STAR  
17 bonds or to pay project costs pursuant to Section 30.  
18 Notwithstanding any provision to the contrary, the following  
19 revenues shall not constitute pledged STAR revenues or be  
20 available to pay principal and interest on STAR bonds: any  
21 State sales tax increment or local sales tax increment from a  
22 retail entity initiating operations in a STAR bond district  
23 while terminating operations at another Illinois location  
24 within 25 miles of the STAR bond district. For purposes of this  
25 paragraph, "terminating operations" means a closing of a retail  
26 operation that is directly related to the opening of the same

1 operation or like retail entity owned or operated by more than  
2 50% of the original ownership in a STAR bond district within  
3 one year before or after initiating operations in the STAR bond  
4 district, but it does not mean closing an operation for reasons  
5 beyond the control of the retail entity, as documented by the  
6 retail entity, subject to a reasonable finding by the  
7 municipality (or county if such retail operation is not located  
8 within a municipality) in which the terminated operations were  
9 located that the closed location contained inadequate space,  
10 had become economically obsolete, or was no longer a viable  
11 location for the retailer or serviceman.

12 "Political subdivision" means a municipality or county  
13 which undertakes to establish a STAR bond district pursuant to  
14 the provisions of this Act.

15 "Project costs" means and includes the sum total of all  
16 costs incurred or estimated to be incurred on or following the  
17 date of establishment of a STAR bond district that are  
18 reasonable or necessary to implement a STAR bond district plan  
19 or any STAR bond project plans, or both, including costs  
20 incurred for public improvements and private improvements that  
21 serve the public purposes set forth in Section 5 of this Act.  
22 Such costs include without limitation the following:

23 (a) costs of studies, surveys, development of plans and  
24 specifications, formation, implementation, and  
25 administration of a STAR bond district, STAR bond district  
26 plan, any STAR bond projects, or any STAR bond project

1 plans, including, but not limited to, staff and  
2 professional service costs for architectural, engineering,  
3 legal, financial, planning, or other services, provided  
4 however that no charges for professional services may be  
5 based on a percentage of the tax increment collected and no  
6 contracts for professional services, excluding  
7 architectural and engineering services, may be entered  
8 into if the terms of the contract extend beyond a period of  
9 3 years;

10 (b) property assembly costs, including, but not  
11 limited to, acquisition of land and other real property or  
12 rights or interests therein, located within the boundaries  
13 of a STAR bond district, demolition of buildings, site  
14 preparation, site improvements that serve as an engineered  
15 barrier addressing ground level or below ground  
16 environmental contamination, including, but not limited  
17 to, parking lots and other concrete or asphalt barriers,  
18 the clearing and grading of land, and importing additional  
19 soil and fill materials, or removal of soil and fill  
20 materials from the site;

21 (c) subject to paragraph (d), costs of buildings and  
22 other vertical improvements that are located within the  
23 boundaries of a STAR bond district and owned by a political  
24 subdivision or other public entity, including without  
25 limitation police and fire stations, educational  
26 facilities, and public restrooms and rest areas;



1 (c-1) costs of buildings and other vertical  
2 improvements that are located within the boundaries of a  
3 STAR bond district and owned by a destination user or  
4 destination hotel; except that only 2 destination users in  
5 a STAR bond district and one destination hotel are eligible  
6 to include the cost of those vertical improvements as  
7 project costs;

8 (c-5) costs of buildings; rides and attractions, which  
9 include carousels, slides, roller coasters, displays,  
10 models, towers, works of art, and similar theme and  
11 amusement park improvements; and other vertical  
12 improvements that are located within the boundaries of a  
13 STAR bond district and owned by an entertainment user;  
14 except that only one entertainment user in a STAR bond  
15 district is eligible to include the cost of those vertical  
16 improvements as project costs;

17 (d) costs of the design and construction of  
18 infrastructure and public works located within the  
19 boundaries of a STAR bond district that are reasonable or  
20 necessary to implement a STAR bond district plan or any  
21 STAR bond project plans, or both, except that project costs  
22 shall not include the cost of constructing a new municipal  
23 public building principally used to provide offices,  
24 storage space, or conference facilities or vehicle  
25 storage, maintenance, or repair for administrative, public  
26 safety, or public works personnel and that is not intended

1 to replace an existing public building unless the political  
2 subdivision makes a reasonable determination in a STAR bond  
3 district plan or any STAR bond project plans, supported by  
4 information that provides the basis for that  
5 determination, that the new municipal building is required  
6 to meet an increase in the need for public safety purposes  
7 anticipated to result from the implementation of the STAR  
8 bond district plan or any STAR bond project plans;

9 (e) costs of the design and construction of the  
10 following improvements located outside the boundaries of a  
11 STAR bond district, provided that the costs are essential  
12 to further the purpose and development of a STAR bond  
13 district plan and either (i) part of and connected to  
14 sewer, water, or utility service lines that physically  
15 connect to the STAR bond district or (ii) significant  
16 improvements for adjacent offsite highways, streets,  
17 roadways, and interchanges that are approved by the  
18 Illinois Department of Transportation. No other cost of  
19 infrastructure and public works improvements located  
20 outside the boundaries of a STAR bond district may be  
21 deemed project costs;

22 (f) costs of job training and retraining projects,  
23 including the cost of "welfare to work" programs  
24 implemented by businesses located within a STAR bond  
25 district;

26 (g) financing costs, including, but not limited to, all

1 necessary and incidental expenses related to the issuance  
2 of obligations and which may include payment of interest on  
3 any obligations issued hereunder including interest  
4 accruing during the estimated period of construction of any  
5 improvements in a STAR bond district or any STAR bond  
6 projects for which such obligations are issued and for not  
7 exceeding 36 months thereafter and including reasonable  
8 reserves related thereto;

9 (h) to the extent the political subdivision by written  
10 agreement accepts and approves the same, all or a portion  
11 of a taxing district's capital costs resulting from a STAR  
12 bond district or STAR bond projects necessarily incurred or  
13 to be incurred within a taxing district in furtherance of  
14 the objectives of a STAR bond district plan or STAR bond  
15 project plans;

16 (i) interest cost incurred by a developer for project  
17 costs related to the acquisition, formation,  
18 implementation, development, construction, and  
19 administration of a STAR bond district, STAR bond district  
20 plan, STAR bond projects, or any STAR bond project plans  
21 provided that:

22 (i) payment of such costs in any one year may not  
23 exceed 30% of the annual interest costs incurred by the  
24 developer with regard to the STAR bond district or any  
25 STAR bond projects during that year; and

26 (ii) the total of such interest payments paid

1           pursuant to this Act may not exceed 30% of the total  
2           cost paid or incurred by the developer for a STAR bond  
3           district or STAR bond projects, plus project costs,  
4           excluding any property assembly costs incurred by a  
5           political subdivision pursuant to this Act;

6           (j) costs of common areas located within the boundaries  
7           of a STAR bond district;

8           (k) costs of landscaping and plantings, retaining  
9           walls and fences, man-made lakes and ponds, shelters,  
10          benches, lighting, and similar amenities located within  
11          the boundaries of a STAR bond district;

12          (l) costs of mounted building signs, site monument, and  
13          pylon signs located within the boundaries of a STAR bond  
14          district; or

15          (m) if included in the STAR bond district plan and  
16          approved in writing by the Director, salaries or a portion  
17          of salaries for local government employees to the extent  
18          the same are directly attributable to the work of such  
19          employees on the establishment and management of a STAR  
20          bond district or any STAR bond projects.

21          Except as specified in items (a) through (m), "project  
22          costs" shall not include:

23          (i) the cost of construction of buildings that are  
24          privately owned or owned by a municipality and leased to a  
25          developer or retail user for non-entertainment retail  
26          uses;

1           (ii) moving expenses for employees of the businesses  
2           locating within the STAR bond district;

3           (iii) property taxes for property located in the STAR  
4           bond district;

5           (iv) lobbying costs; and

6           (v) general overhead or administrative costs of the  
7           political subdivision that would still have been incurred  
8           by the political subdivision if the political subdivision  
9           had not established a STAR bond district.

10          "Project development agreement" means any one or more  
11          agreements, including any amendments thereto, between a master  
12          developer and any co-developer or subdeveloper in connection  
13          with a STAR bond project, which project development agreement  
14          may include the political subdivision as a party.

15          "Projected market area" means any area within the State in  
16          which a STAR bond district or STAR bond project is projected to  
17          have a significant fiscal or market impact as determined by the  
18          Director.

19          "Resolution" means a resolution, order, ordinance, or  
20          other appropriate form of legislative action of a political  
21          subdivision or other applicable public entity approved by a  
22          vote of a majority of a quorum at a meeting of the governing  
23          body of the political subdivision or applicable public entity.

24          "STAR bond" means a sales tax and revenue bond, note, or  
25          other obligation payable from pledged STAR revenues and issued  
26          by a political subdivision, the proceeds of which shall be used

1 only to pay project costs as defined in this Act.

2 "STAR bond district" means the specific area declared to be  
3 an eligible area as determined by the political subdivision,  
4 and approved by the Director, in which the political  
5 subdivision may develop one or more STAR bond projects.

6 "STAR bond district plan" means the preliminary or  
7 conceptual plan that generally identifies the proposed STAR  
8 bond project areas and identifies in a general manner the  
9 buildings, facilities, and improvements to be constructed or  
10 improved in each STAR bond project area.

11 "STAR bond project" means a project within a STAR bond  
12 district which is approved pursuant to Section 20.

13 "STAR bond project area" means the geographic area within a  
14 STAR bond district in which there may be one or more STAR bond  
15 projects.

16 "STAR bond project plan" means the written plan adopted by  
17 a political subdivision for the development of a STAR bond  
18 project in a STAR bond district; the plan may include, but is  
19 not limited to, (i) project costs incurred prior to the date of  
20 the STAR bond project plan and estimated future STAR bond  
21 project costs, (ii) proposed sources of funds to pay those  
22 costs, (iii) the nature and estimated term of any obligations  
23 to be issued by the political subdivision to pay those costs,  
24 (iv) the most recent equalized assessed valuation of the STAR  
25 bond project area, (v) an estimate of the equalized assessed  
26 valuation of the STAR bond district or applicable project area

1 after completion of a STAR bond project, (vi) a general  
2 description of the types of any known or proposed developers,  
3 users, or tenants of the STAR bond project or projects included  
4 in the plan, (vii) a general description of the type,  
5 structure, and character of the property or facilities to be  
6 developed or improved, (viii) a description of the general land  
7 uses to apply to the STAR bond project, and (ix) a general  
8 description or an estimate of the type, class, and number of  
9 employees to be employed in the operation of the STAR bond  
10 project.

11 "State sales tax" means all of the net revenue realized  
12 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
13 Service Use Tax Act, and the Service Occupation Tax Act from  
14 transactions at places of business located within a STAR bond  
15 district, excluding that portion of the net revenue realized  
16 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
17 Service Use Tax Act, and the Service Occupation Tax Act from  
18 transactions at places of business located within a STAR bond  
19 district that is deposited into the Local Government Tax Fund  
20 and the County and Mass Transit District Fund.

21 "State sales tax increment" means (i) 100% of that portion  
22 of the State sales tax that is in excess of the State sales tax  
23 for the same month in the base year, as determined by the  
24 Department of Revenue, from transactions at up to 2 destination  
25 users, one destination hotel, and one entertainment user  
26 located within a STAR bond district, which destination users,

1 destination hotel, and entertainment user shall be designated  
2 by the master developer and approved by the political  
3 subdivision and the Director in conjunction with the applicable  
4 STAR bond project approval, and (ii) 25% of that portion of the  
5 State sales tax that is in excess of the State sales tax for  
6 the same month in the base year, as determined by the  
7 Department of Revenue, from all other transactions within a  
8 STAR bond district. If any portion of State sales taxes are, at  
9 the time of formation of a STAR bond district, already subject  
10 to tax increment financing under the Tax Increment Allocation  
11 Redevelopment Act, then the State sales tax increment for such  
12 portion shall be frozen at the base year established in  
13 accordance with this Act, and all future incremental increases  
14 shall be included in the State sales tax increment under this  
15 Act. Any party otherwise entitled to receipt of incremental  
16 State sales tax revenues through an existing tax increment  
17 financing district shall be entitled to continue to receive  
18 such revenues up to the amount frozen in the base year. Nothing  
19 in this Act shall affect the prior qualification of existing  
20 redevelopment project costs incurred that are eligible for  
21 reimbursement under the Tax Increment Allocation Redevelopment  
22 Act. In such event, prior to approving a STAR bond district,  
23 the political subdivision forming the STAR bond district shall  
24 take such action as is necessary, including amending the  
25 existing tax increment financing district redevelopment plan,  
26 to carry out the provisions of this Act.



1 "Substantial change" means a change wherein the proposed  
2 STAR bond project plan differs substantially in size, scope, or  
3 use from the approved STAR bond district plan or STAR bond  
4 project plan.

5 "Taxpayer" means an individual, partnership, corporation,  
6 limited liability company, trust, estate, or other entity that  
7 is subject to the Illinois Income Tax Act.

8 "Total development costs" means the aggregate public and  
9 private investment in a STAR bond district, including project  
10 costs and other direct and indirect costs related to the  
11 development of the STAR bond district.

12 "Traditional retail use" means the operation of a business  
13 that derives at least 90% of its annual gross revenue from  
14 sales at retail, as that phrase is defined by Section 1 of the  
15 Retailers' Occupation Tax Act, but does not include the  
16 operations of destination users, entertainment users,  
17 restaurants, hotels, retail uses within hotels, or any other  
18 non-retail uses.

19 "Vacant" means that portion of the land in a proposed STAR  
20 bond district that is not occupied by a building, facility, or  
21 other vertical improvement.

22 Section 15. Establishment of STAR bond district. The  
23 governing body of a municipality may establish a STAR bond  
24 district within an eligible area within the municipality or  
25 partially outside the boundaries of the municipality in an

1 unincorporated area of the county. A STAR bond district which  
2 is partially outside the boundaries of the municipality must  
3 also be approved by the governing body of the county by the  
4 passage of a resolution. The governing body of a county may  
5 establish a STAR bond district in an eligible area in any  
6 unincorporated area of the county.

7 (a) When a political subdivision proposes to establish a  
8 STAR bond district, the political subdivision shall adopt a  
9 resolution stating that the political subdivision is  
10 considering the establishment of a STAR bond district. The  
11 resolution shall:

12 (1) give notice, in the same manner as set forth in  
13 item (2) of subsection (e) of Section 20, that a public  
14 hearing will be held to consider the establishment of a  
15 STAR bond district and fix the date, hour, and place of the  
16 public hearing, which shall be at a location that is within  
17 20 miles of the STAR bond district, in a facility that can  
18 accommodate a large crowd, and in a facility that is  
19 accessible to persons with disabilities;

20 (2) describe the proposed general boundaries of the  
21 STAR bond district;

22 (3) describe the STAR bond district plan;

23 (4) require that a description and map of the proposed  
24 STAR bond district are available for inspection at a time  
25 and place designated;

26 (5) identify the master developer for the STAR bond

1 district; and

2 (6) require that the governing body consider findings  
3 necessary for the establishment of a STAR bond district.

4 (b) Upon the conclusion of the public hearing the governing  
5 body of the political subdivision may consider a resolution to  
6 establish the STAR bond district.

7 (1) A resolution to establish a STAR bond district  
8 shall:

9 (A) make findings that the proposed STAR bond  
10 district is to be developed with one or more STAR bond  
11 projects;

12 (B) make findings that the STAR bond district is an  
13 eligible area;

14 (C) contain a STAR bond district plan that  
15 identifies in a general manner the buildings and  
16 facilities that are proposed to be constructed or  
17 improved in subsequent STAR bond projects and that  
18 includes plans for at least one destination user;

19 (D) contain the legal description of the STAR bond  
20 district;

21 (E) appoint the master developer for the STAR bond  
22 district; and

23 (F) establish the STAR bonds district, contingent  
24 upon approval of the Director as set forth in  
25 subsection (d).

26 (2) If the resolution is not adopted by the political

1 subdivision within 60 days from the conclusion of the  
2 public hearing, then the STAR bond district shall not be  
3 established.

4 (3) Upon adoption of a resolution establishing a STAR  
5 bond district, the political subdivision shall send a  
6 certified copy of such resolution to the Department of  
7 Revenue.

8 (c) Upon the establishment of a STAR bond district, the  
9 STAR bond district and any STAR bond projects shall be governed  
10 by a master development agreement between the political  
11 subdivision and the master developer. A STAR bond district that  
12 is partially outside the boundaries of a municipality shall  
13 only require one master development agreement; the agreement  
14 shall be between the municipality and the master developer. In  
15 no event shall there be more than one master development  
16 agreement governing the terms and conditions of a STAR bond  
17 district. The master development agreement shall require the  
18 master developer to ensure compliance with the following  
19 requirements to reduce the ecological impact of the STAR bond  
20 district development: (i) inclusion of pollution prevention,  
21 erosion, and sedimentation control plans during construction;  
22 (ii) protection of endangered species' habitat and wetlands  
23 mitigation; (iii) preservation of at least 20% of the STAR bond  
24 district as green space, including lawns, parks, landscaped  
25 areas, paths, lakes, ponds, and other water features; (iv)  
26 promotion of the use of renewable energy to the extent

1 commercially feasible; (v) promotion of access to mass transit  
2 and bicycle transportation; (vi) implementation of recycling  
3 programs during construction and at completed STAR bond  
4 projects; (vii) preservation of water quality and promotion of  
5 water conservation through the use of techniques such as  
6 reusing storm water and landscaping with native and  
7 low-maintenance vegetation to reduce the need for irrigation  
8 and fertilization; (viii) inclusion of comprehensive lighting  
9 programs that reduce light pollution within the STAR bond  
10 district; and (ix) promotion of shared parking between  
11 different users to reduce the impact on project sites.

12 (d) Upon adoption of the resolution to establish a STAR  
13 bond district, the political subdivision shall submit the  
14 proposed STAR bond district to the Director for consideration.  
15 The Director may only approve a STAR bond district if the  
16 Director finds that: (i) the proposed STAR bond district is an  
17 eligible area, (ii) the STAR bond district plan includes a  
18 projected capital investment of at least \$100,000,000, (iii)  
19 the STAR bond district plan is reasonably projected to produce  
20 at least \$100,000,000 of annual gross sales revenues and 500  
21 new jobs, (iv) the STAR bond district plan includes potential  
22 destination users and a potential entertainment user, (v) the  
23 creation of the STAR bond district and STAR bond district plan  
24 are in accordance with the purpose of this Act and the public  
25 interest, and (vi) the STAR bond district and STAR bond  
26 district plan meet any other requirement that the Director

1 deems appropriate. If a proposed STAR bond district meets all  
2 of the foregoing criteria, the Director shall not unreasonably  
3 withhold its approval of the proposed STAR bond district. The  
4 Director may only approve one STAR bond district within any  
5 projected market area. However, the Director may approve  
6 additional STAR bond districts in a single projected market  
7 area provided that the Director finds that the additional STAR  
8 bond district will not thwart the purposes of this Act. The  
9 Director shall promptly send a copy of its written findings and  
10 approval or denial of a STAR bond district to the requesting  
11 political subdivision.

12 (e) Starting on the fifth anniversary of the first date of  
13 distribution of State sales tax revenues from the first STAR  
14 bond project in the STAR bond district and continuing each  
15 anniversary thereafter, the Director shall, in consultation  
16 with the political subdivision and the master developer,  
17 determine the total number of new jobs created within the STAR  
18 bond district, the total development cost to date, and the  
19 master developer's compliance with its obligations under any  
20 written agreements with the State. If, on the fifth anniversary  
21 of the first date of distribution of State sales tax revenues  
22 from the first STAR bond project in the STAR bond district, the  
23 Director determines that the total development cost to date is  
24 not equal to or greater than \$100,000,000, or that the master  
25 developer is in breach of any written agreement with the State,  
26 then no new STAR bonds may be issued in the STAR bond district

1 until the total development cost exceeds \$100,000,000 or the  
2 breach of agreement is cured, or both. If, on the fifth  
3 anniversary of the first date of distribution of State sales  
4 tax revenues from the first STAR bond project in the STAR bond  
5 district, there are not at least 500 jobs existing in the STAR  
6 bond district, the State may require the master developer to  
7 pay the State a penalty of \$1,500 per job under 500 each year  
8 until the earlier of (i) the twenty-third anniversary of the  
9 first date of distribution of State sales tax revenues from the  
10 first STAR bond project in the STAR bond district, (ii) the  
11 date that all STAR bonds issued in the STAR bond district have  
12 been paid off, or (iii) the date that at least 500 jobs have  
13 been created in the STAR bond district. Upon creation of 500  
14 jobs in the STAR bond district, there shall not be an ongoing  
15 obligation to maintain those jobs after the fifth anniversary  
16 of the first date of distribution of State sales tax revenues  
17 from the first STAR bond project in the STAR bond district, and  
18 the master developer shall be relieved of any liability with  
19 respect to job creation under this subsection. Notwithstanding  
20 anything to the contrary in this subsection, the master  
21 developer shall not be liable for the penalties set forth under  
22 this subsection if the breach of agreement, failure to reach at  
23 least \$100,000,000 in total development costs, or failure to  
24 create 500 jobs is due to delays caused by force majeure, as  
25 that term shall be defined in the master development agreement.

1           Section 20. Approval of STAR bond projects. The governing  
2 body of a political subdivision may establish one or more STAR  
3 bond projects in any STAR bond district. A STAR bond project  
4 which is partially outside the boundaries of a municipality  
5 must also be approved by the governing body of the county by  
6 resolution.

7           (a) After the establishment of a STAR bond district, the  
8 master developer may propose one or more STAR bond projects to  
9 a political subdivision and the master developer shall, in  
10 cooperation with the political subdivision, prepare a STAR bond  
11 project plan in consultation with the planning commission of  
12 the political subdivision, if any. The STAR bond project plan  
13 may be implemented in separate development stages.

14           (b) Any political subdivision considering a STAR bond  
15 project within a STAR bond district shall notify the  
16 Department, which shall cause to be prepared an independent  
17 feasibility study by a feasibility consultant with certified  
18 copies provided to the political subdivision, the Director, and  
19 the Department of Commerce and Economic Opportunity. The  
20 feasibility study shall include the following:

21           (1) the estimated amount of pledged STAR revenues  
22 expected to be collected in each year through the maturity  
23 date of the proposed STAR bonds;

24           (2) a statement of how the jobs and taxes obtained from  
25 the STAR bond project will contribute significantly to the  
26 economic development of the State and region;



- 1 (3) visitation expectations;
- 2 (4) the unique quality of the project;
- 3 (5) an economic impact study;
- 4 (6) a market study;
- 5 (7) integration and collaboration with other resources
- 6 or businesses;
- 7 (8) the quality of service and experience provided, as
- 8 measured against national consumer standards for the
- 9 specific target market;
- 10 (9) project accountability, measured according to best
- 11 industry practices;
- 12 (10) the expected return on State and local investment
- 13 that the STAR bond project is anticipated to produce; and
- 14 (11) an anticipated principal and interest payment
- 15 schedule on the STAR bonds.

16 The feasibility consultant, along with the independent  
17 economist and any other consultants commissioned to perform the  
18 studies and other analysis required by the feasibility study,  
19 shall be selected by the Director with the approval of the  
20 political subdivision. The consultants shall be retained by the  
21 Director and the Department shall be reimbursed by the master  
22 developer for the costs to retain the consultants.

23 The failure to include all information enumerated in this  
24 subsection in the feasibility study for a STAR bond project  
25 shall not affect the validity of STAR bonds issued pursuant to  
26 this Act.

1 (c) If the political subdivision determines the STAR bond  
2 project is feasible, the STAR bond project plan shall include:

3 (1) a summary of the feasibility study;

4 (2) a reference to the STAR bond district plan that  
5 identifies the STAR bond project area that is set forth in  
6 the STAR bond project plan that is being considered;

7 (3) a legal description and map of the STAR bond  
8 project area to be developed or redeveloped;

9 (4) a description of the buildings and facilities  
10 proposed to be constructed or improved in such STAR bond  
11 project area, including destination users and an  
12 entertainment user, as applicable;

13 (5) a copy of letters of intent to locate within the  
14 STAR bond district signed by both the master developer and  
15 the appropriate corporate officer of at least one  
16 destination user for the first STAR bond project proposed  
17 within the district; and

18 (6) any other information the governing body of the  
19 political subdivision deems reasonable and necessary to  
20 advise the public of the intent of the STAR bond project  
21 plan.

22 (d) Before a political subdivision may hold a public  
23 hearing to consider a STAR bond project plan, the political  
24 subdivision must apply to the Department for approval of the  
25 STAR bond project plan. An application for approval of a STAR  
26 bond project plan must not be approved unless all of the

1 components of the feasibility study set forth in items (1)  
2 through (11) of subsection (b) have been completed and  
3 submitted to the Department for review. In addition to  
4 reviewing all of the other elements of the STAR bond project  
5 plan required under subsection (c), which must be included in  
6 the application (which plan must include a letter or letters of  
7 intent as required under subdivision (c)(5) in order to receive  
8 Director approval), the Director must review the feasibility  
9 study and consider all of the components of the feasibility  
10 study set forth in items (1) through (11) of subsection (b) of  
11 Section 20, including without limitation the economic impact  
12 study and the financial benefit of the proposed STAR bond  
13 project to the local, regional, and State economies, the  
14 proposed adverse impacts on similar businesses and projects as  
15 well as municipalities within the market area, and the net  
16 effect of the proposed STAR bond project on the local,  
17 regional, and State economies. In addition to the economic  
18 impact study, the political subdivision must also submit to the  
19 Department, as part of its application, the financial and other  
20 information that substantiates the basis for the conclusion of  
21 the economic impact study, in the form and manner as required  
22 by the Department, so that the Department can verify the  
23 results of the study. In addition to any other criteria in this  
24 subsection, to approve the STAR bond project plan, the Director  
25 must be satisfied that the proposed destination user is in fact  
26 a true destination user and also find that the STAR bond

1 project plan is in accordance with the purpose of this Act and  
2 the public interest. The Director shall either approve or deny  
3 the STAR bond project plan based on the criteria in this  
4 subsection.

5 (e) Upon a finding by the planning and zoning commission of  
6 the political subdivision that the STAR bond project plan is  
7 consistent with the intent of the comprehensive plan for the  
8 development of the political subdivision and upon issuance of  
9 written approval of the STAR bond project plan from the  
10 Director pursuant to subsection (d) of Section 20, the  
11 governing body of the political subdivision shall adopt a  
12 resolution stating that the political subdivision is  
13 considering the adoption of the STAR bond project plan. The  
14 resolution shall:

15 (1) give notice that a public hearing will be held to  
16 consider the adoption of the STAR bond project plan and fix  
17 the date, hour, and place of the public hearing;

18 (2) describe the general boundaries of the STAR bond  
19 district within which the STAR bond project will be located  
20 and the date of establishment of the STAR bond district;

21 (3) describe the general boundaries of the area  
22 proposed to be included within the STAR bond project area;

23 (4) provide that the STAR bond project plan and map of  
24 the area to be redeveloped or developed are available for  
25 inspection during regular office hours in the offices of  
26 the political subdivision; and

1           (5) contain a summary of the terms and conditions of  
2           any proposed project development agreement with the  
3           political subdivision.

4           (f) A public hearing shall be conducted to consider the  
5           adoption of any STAR bond project plan.

6           (1) The date fixed for the public hearing to consider  
7           the adoption of the STAR bond project plan shall be not  
8           less than 20 nor more than 90 days following the date of  
9           the adoption of the resolution fixing the date of the  
10          hearing.

11          (2) A copy of the political subdivision's resolution  
12          providing for the public hearing shall be sent by certified  
13          mail, return receipt requested, to the governing body of  
14          the county. A copy of the political subdivision's  
15          resolution providing for the public hearing shall be sent  
16          by certified mail, return receipt requested, to each person  
17          or persons in whose name the general taxes for the last  
18          preceding year were paid on each parcel of land lying  
19          within the proposed STAR bond project area within 10 days  
20          following the date of the adoption of the resolution. The  
21          resolution shall be published once in a newspaper of  
22          general circulation in the political subdivision not less  
23          than one week nor more than 3 weeks preceding the date  
24          fixed for the public hearing. A map or aerial photo clearly  
25          delineating the area of land proposed to be included within  
26          the STAR bond project area shall be published with the

1 resolution.

2 (3) The hearing shall be held at a location that is  
3 within 20 miles of the STAR bond district, in a facility  
4 that can accommodate a large crowd, and in a facility that  
5 is accessible to persons with disabilities.

6 (4) At the public hearing, a representative of the  
7 political subdivision or master developer shall present  
8 the STAR bond project plan. Following the presentation of  
9 the STAR bond project plan, all interested persons shall be  
10 given an opportunity to be heard. The governing body may  
11 continue the date and time of the public hearing.

12 (g) Upon conclusion of the public hearing, the governing  
13 body of the political subdivision may adopt the STAR bond  
14 project plan by a resolution approving the STAR bond project  
15 plan.

16 (h) After the adoption by the corporate authorities of the  
17 political subdivision of a STAR bond project plan, the  
18 political subdivision may enter into a project development  
19 agreement if the master developer has requested the political  
20 subdivision to be a party to the project development agreement  
21 pursuant to subsection (b) of Section 25.

22 (i) Within 30 days after the adoption by the political  
23 subdivision of a STAR bond project plan, the clerk of the  
24 political subdivision shall transmit a copy of the legal  
25 description of the land and a list of all new and existing  
26 mailing addresses within the STAR bond district, a copy of the

1 resolution adopting the STAR bond project plan, and a map or  
2 plat indicating the boundaries of the STAR bond project area to  
3 the clerk, treasurer, and governing body of the county and to  
4 the Department of Revenue. Within 30 days of creation of any  
5 new mailing addresses within a STAR bond district, the clerk of  
6 the political subdivision shall provide written notice of such  
7 new addresses to the Department of Revenue.

8 If a certified copy of the resolution adopting the STAR  
9 bond project plan is filed with the Department on or before the  
10 first day of April, the Department, if all other requirements  
11 of this subsection are met, shall proceed to collect and  
12 allocate any local sales tax increment and any State sales tax  
13 increment in accordance with the provisions of this Act as of  
14 the first day of July next following the adoption and filing.  
15 If a certified copy of the resolution adopting the STAR bond  
16 project plan is filed with the Department after April 1 but on  
17 or before the first day of October, the Department, if all  
18 other requirements of this subsection are met, shall proceed to  
19 collect and allocate any local sales tax increment and any  
20 State sales tax increment in accordance with the provisions of  
21 this Act as of the first day of January next following the  
22 adoption and filing.

23 Any substantial changes to a STAR bond project plan as  
24 adopted shall be subject to a public hearing following  
25 publication of notice thereof in a newspaper of general  
26 circulation in the political subdivision and approval by

1 resolution of the governing body of the political subdivision.

2 The Department of Revenue shall not collect or allocate any  
3 local sales tax increment or State sales tax increment, until  
4 the political subdivision also provides, in the manner  
5 prescribed by the Department, the boundaries of the STAR bond  
6 project area and each address in the STAR bond project area in  
7 such a way that the Department can determine by its address  
8 whether a business is located in the STAR bond project area.  
9 The political subdivision must provide this boundary and  
10 address information to the Department on or before April 1 for  
11 administration and enforcement under this Act by the Department  
12 beginning on the following July 1 and on or before October 1  
13 for administration and enforcement under this Act by the  
14 Department beginning on the following January 1. The Department  
15 of Revenue shall not administer or enforce any change made to  
16 the boundaries of a STAR bond project or any address change,  
17 addition, or deletion until the political subdivision reports  
18 the boundary change or address change, addition, or deletion to  
19 the Department in the manner prescribed by the Department. The  
20 political subdivision must provide this boundary change or  
21 address change, addition, or deletion information to the  
22 Department on or before April 1 for administration and  
23 enforcement by the Department of the change, addition, or  
24 deletion beginning on the following July 1 and on or before  
25 October 1 for administration and enforcement by the Department  
26 of the change, addition, or deletion beginning on the following



1 January 1. If a retailer is incorrectly included or excluded  
2 from the list of those located in the STAR bond project, the  
3 Department of Revenue shall be held harmless if it reasonably  
4 relied on information provided by the political subdivision.

5 (j) Any STAR bond project must be approved by the political  
6 subdivision prior to that date which is 23 years from the date  
7 of the approval of the STAR bond district, provided however  
8 that any amendments to such STAR bond project may occur  
9 following such date.

10 (k) Any developer of a STAR bond project shall commence  
11 work on the STAR bond project within 3 years from the date of  
12 adoption of the STAR bond project plan. If the developer fails  
13 to commence work on the STAR bond project within the 3-year  
14 period, funding for the project shall cease and the developer  
15 of the project or complex shall have one year to appeal to the  
16 political subdivision for reapproval of the project and  
17 funding. If the project is reapproved, the 3-year period for  
18 commencement shall begin again on the date of the reapproval.

19 (l) After the adoption by the corporate authorities of the  
20 political subdivision of a STAR bond project plan and approval  
21 of the Director pursuant to subsection (d) of Section 20, the  
22 political subdivision may authorize the issuance of the STAR  
23 bonds in one or more series to finance the STAR bond project in  
24 accordance with the provisions of this Act.

25 (m) The maximum maturity of STAR bonds issued to finance a  
26 STAR bond project shall not exceed 23 years from the first date

1 of distribution of State sales tax revenues from such STAR bond  
2 project to the political subdivision, unless the political  
3 subdivision extends such maturity by resolution up to a maximum  
4 of 35 years from such first distribution date. Any such  
5 extension shall require the approval of the Director. In no  
6 event shall the maximum maturity date for any STAR bonds exceed  
7 that date which is 35 years from the first distribution date of  
8 the first STAR bonds issued in a STAR bond district.

9 Section 25. Co-developers and subdevelopers. Upon approval  
10 of a STAR bond project by the political subdivision, the master  
11 developer may, subject to the approval of the Director and the  
12 political subdivision, develop the STAR bond project on its own  
13 or it may develop the STAR bond project with another developer,  
14 which may include an assignment or transfer of development  
15 rights.

16 (a) A master developer may sell, lease, or otherwise convey  
17 its property interest in the STAR bond project area to a  
18 co-developer or subdeveloper.

19 (b) A master developer may enter into one or more  
20 agreements with a co-developer or subdeveloper in connection  
21 with a STAR bond project, and the master developer may request  
22 that the political subdivision become a party to the project  
23 development agreement, or the master developer may request that  
24 the political subdivision amend its master development  
25 agreement to provide for certain terms and conditions that may

1 be related to the co-developer or subdeveloper and the STAR  
2 bond project. For any project development agreement which the  
3 political subdivision would be a party or for any amendments to  
4 the master development agreement, the terms and conditions must  
5 be acceptable to both the master developer and the political  
6 subdivision.

7 Section 30. STAR bonds; source of payment. Any political  
8 subdivision shall have the power to issue STAR bonds in one or  
9 more series to finance the undertaking of any STAR bond project  
10 in accordance with the provisions of this Act and the Omnibus  
11 Bond Acts. STAR bonds may be issued as revenue bonds, alternate  
12 bonds, or general obligation bonds as defined in and subject to  
13 the procedures provided in the Local Government Debt Reform  
14 Act.

15 (a) STAR bonds may be made payable, both as to principal  
16 and interest, from the following revenues, which to the extent  
17 pledged by each respective political subdivision or other  
18 public entity for such purpose shall constitute pledged STAR  
19 revenues:

20 (1) revenues of the political subdivision derived from  
21 or held in connection with the undertaking and carrying out  
22 of any STAR bond project or projects under this Act;

23 (2) available private funds and contributions, grants,  
24 tax credits, or other financial assistance from the State  
25 or federal government;

1           (3) STAR bond occupation taxes created pursuant to  
2           Section 31 and designated as pledged STAR revenues by the  
3           political subdivision;

4           (4) all of the local sales tax increment of a  
5           municipality, county, or other unit of local government;

6           (5) any special service area taxes collected within the  
7           STAR bond district under the Special Service Area Tax Act,  
8           may be used for the purposes of funding project costs or  
9           paying debt service on STAR bonds in addition to the  
10          purposes contained in the special service area plan;

11          (6) all of the State sales tax increment;

12          (7) any other revenues appropriated by the political  
13          subdivision; and

14          (8) any combination of these methods.

15          (b) The political subdivision may pledge the pledged STAR  
16          revenues to the repayment of STAR bonds prior to,  
17          simultaneously with, or subsequent to the issuance of the STAR  
18          bonds.

19          (c) Bonds issued as revenue bonds shall not be general  
20          obligations of the political subdivision, nor in any event  
21          shall they give rise to a charge against its general credit or  
22          taxing powers, or be payable out of any funds or properties  
23          other than those set forth in subsection (a) and the bonds  
24          shall so state on their face.

25          (d) For each STAR bond project financed with STAR bonds  
26          payable from the pledged STAR revenues, the political

1 subdivision shall prepare and submit to the Department of  
2 Revenue by June 1 of each year a report describing the status  
3 of the STAR bond project, any expenditures of the proceeds of  
4 STAR bonds that have occurred for the preceding calendar year,  
5 and any expenditures of the proceeds of the bonds expected to  
6 occur in the future, including the amount of pledged STAR  
7 revenue, the amount of revenue that has been spent, the  
8 projected amount of the revenue, and the anticipated use of the  
9 revenue. Each annual report shall be accompanied by an  
10 affidavit of the master developer certifying the contents of  
11 the report as true to the best of the master developer's  
12 knowledge. The Department of Revenue shall have the right, but  
13 not the obligation, to request the Illinois Auditor General to  
14 review the annual report and the political subdivision's  
15 records containing the source information for the report for  
16 the purpose of verifying the report's contents. If the Illinois  
17 Auditor General declines the request for review, the Department  
18 of Revenue shall have the right to select an independent  
19 third-party auditor to conduct an audit of the annual report  
20 and the political subdivision's records containing the source  
21 information for the report. The reasonable cost of the audit  
22 shall be paid by the master developer. The master development  
23 agreement shall grant the Department of Revenue and the  
24 Illinois Auditor General the right to review the records of the  
25 political subdivision containing the source information for  
26 the report.

1           (e) There is created in the State treasury a special fund  
2 to be known as the STAR Bonds Revenue Fund. As soon as possible  
3 after the first day of each month, beginning January 1, 2011,  
4 upon certification of the Department of Revenue, the  
5 Comptroller shall order transferred, and the Treasurer shall  
6 transfer, from the General Revenue Fund to the STAR Bonds  
7 Revenue Fund the State sales tax increment for the second  
8 preceding month, less 3% of that amount, which shall be  
9 transferred into the Tax Compliance and Administration Fund and  
10 shall be used by the Department, subject to appropriation, to  
11 cover the costs of the Department in administering the  
12 Innovation Development and Economy Act. As soon as possible  
13 after the first day of each month, beginning January 1, 2011,  
14 upon certification of the Department of Revenue, the  
15 Comptroller shall order transferred, and the Treasurer shall  
16 transfer, from the Local Government Tax Fund to the STAR Bonds  
17 Revenue Fund the local sales tax increment for the second  
18 preceding month, as provided in Section 6z-18 of the State  
19 Finance Act and from the County and Mass Transit District Fund  
20 to the STAR Bonds Revenue Fund the local sales tax increment  
21 for the second preceding month, as provided in Section 6z-20 of  
22 the State Finance Act.

23           On or before the 25th day of each calendar month, beginning  
24 on January 1, 2011, the Department shall prepare and certify to  
25 the Comptroller the disbursement of stated sums of money out of  
26 the STAR Bonds Revenue Fund to named municipalities and

1 counties, the municipalities and counties to be those entitled  
2 to distribution of taxes or penalties paid to the Department  
3 during the second preceding calendar month. The amount to be  
4 paid to each municipality or county shall be the amount of the  
5 State sales tax increment and the local sales tax increment  
6 (not including credit memoranda or the amount transferred into  
7 the Tax Compliance and Administration Fund) collected during  
8 the second preceding calendar month by the Department from  
9 retailers and servicemen on transactions at places of business  
10 located within a STAR bond district in that municipality or  
11 county, plus an amount the Department determines is necessary  
12 to offset any amounts which were erroneously paid to a  
13 different taxing body, and not including an amount equal to the  
14 amount of refunds made during the second preceding calendar  
15 month by the Department, and not including any amount which the  
16 Department determines is necessary to offset any amounts which  
17 are payable to a different taxing body but were erroneously  
18 paid to the municipality or county. Within 10 days after  
19 receipt, by the Comptroller, of the disbursement certification  
20 to the municipalities and counties, provided for in this  
21 Section to be given to the Comptroller by the Department, the  
22 Comptroller shall cause the orders to be drawn for the  
23 respective amounts in accordance with the directions contained  
24 in such certification.

25 When certifying the amount of monthly disbursement to a  
26 municipality or county under this subsection, the Department

1 shall increase or decrease that amount by an amount necessary  
2 to offset any misallocation of previous disbursements. The  
3 offset amount shall be the amount erroneously disbursed within  
4 the 6 months preceding the time a misallocation is discovered.

5 (f) As of the seventh anniversary of the first date of  
6 distribution of State sales tax revenues from the first STAR  
7 bond project in the STAR bond district, and as of every fifth  
8 anniversary thereafter until final maturity of all STAR bonds  
9 issued in a STAR bond district, the portion of the aggregate  
10 proceeds of STAR bonds issued to date that is derived from the  
11 State sales tax increment pledged to pay STAR bonds in any STAR  
12 bond district shall not exceed 50% of the total development  
13 costs in the STAR bond district to date. The Illinois Auditor  
14 General shall make the foregoing determination on said seventh  
15 anniversary and every 5 years thereafter until final maturity  
16 of all STAR bonds issued in a STAR bond district. If at any  
17 time after the seventh anniversary of the first date of  
18 distribution of State sales tax revenues from the first STAR  
19 bond project in the STAR bond district the Illinois Auditor  
20 General determines that the portion of the aggregate proceeds  
21 of STAR bonds issued to date that is derived from the State  
22 sales tax increment pledged to pay STAR bonds in any STAR bond  
23 district has exceeded 50% of the total development costs in the  
24 STAR bond district, no additional STAR bonds may be issued in  
25 the STAR bond district until the percentage is reduced to 50%  
26 or below. When the percentage has been reduced to 50% or below,



1 the master developer shall have the right, at its own cost, to  
2 obtain a new audit prepared by an independent third-party  
3 auditor verifying compliance and shall provide such audit to  
4 the Illinois Auditor General for review and approval. Upon the  
5 Illinois Auditor General's determination from the audit that  
6 the percentage has been reduced to 50% or below, STAR bonds may  
7 again be issued in the STAR bond district.

8 (g) Notwithstanding the provisions of the Tax Increment  
9 Allocation Redevelopment Act, if any portion of property taxes  
10 attributable to the increase in equalized assessed value within  
11 a STAR bond district are, at the time of formation of the STAR  
12 bond district, already subject to tax increment financing under  
13 the Tax Increment Allocation Redevelopment Act, then the tax  
14 increment for such portion shall be frozen at the base year  
15 established in accordance with this Act, and all future  
16 incremental increases over the base year shall not be subject  
17 to tax increment financing under the Tax Increment Allocation  
18 Redevelopment Act. Any party otherwise entitled to receipt of  
19 incremental tax revenues through an existing tax increment  
20 financing district shall be entitled to continue to receive  
21 such revenues up to the amount frozen in the base year. Nothing  
22 in this Act shall affect the prior qualification of existing  
23 redevelopment project costs incurred that are eligible for  
24 reimbursement under the Tax Increment Allocation Redevelopment  
25 Act. In such event, prior to approving a STAR bond district,  
26 the political subdivision forming the STAR bond district shall

1 take such action as is necessary, including amending the  
2 existing tax increment financing district redevelopment plan,  
3 to carry out the provisions of this Act.

4 Section 31. STAR bond occupation taxes.

5 (a) If the corporate authorities of a political subdivision  
6 have established a STAR bond district and have elected to  
7 impose a tax by ordinance pursuant to subsection (b) or (c) of  
8 this Section, each year after the date of the adoption of the  
9 ordinance and until all STAR bond project costs and all  
10 political subdivision obligations financing the STAR bond  
11 project costs, if any, have been paid in accordance with the  
12 STAR bond project plans, but in no event longer than the  
13 maximum maturity date of the last of the STAR bonds issued for  
14 projects in the STAR bond district, all amounts generated by  
15 the retailers' occupation tax and service occupation tax shall  
16 be collected and the tax shall be enforced by the Department of  
17 Revenue in the same manner as all retailers' occupation taxes  
18 and service occupation taxes imposed in the political  
19 subdivision imposing the tax. The corporate authorities of the  
20 political subdivision shall deposit the proceeds of the taxes  
21 imposed under subsections (b) and (c) into either (i) a special  
22 fund held by the corporate authorities of the political  
23 subdivision called the STAR Bonds Tax Allocation Fund for the  
24 purpose of paying STAR bond project costs and obligations  
25 incurred in the payment of those costs if such taxes are

1 designated as pledged STAR revenues by resolution or ordinance  
2 of the political subdivision or (ii) the political  
3 subdivision's general corporate fund if such taxes are not  
4 designated as pledged STAR revenues by resolution or ordinance.

5 The tax imposed under this Section by a municipality may be  
6 imposed only on the portion of a STAR bond district that is  
7 within the boundaries of the municipality. For any part of a  
8 STAR bond district that lies outside of the boundaries of that  
9 municipality, the municipality in which the other part of the  
10 STAR bond district lies (or the county, in cases where a  
11 portion of the STAR bond district lies in the unincorporated  
12 area of a county) is authorized to impose the tax under this  
13 Section on that part of the STAR bond district.

14 (b) The corporate authorities of a political subdivision  
15 that has established a STAR bond district under this Act may,  
16 by ordinance or resolution, impose a STAR Bond Retailers'  
17 Occupation Tax upon all persons engaged in the business of  
18 selling tangible personal property, other than an item of  
19 tangible personal property titled or registered with an agency  
20 of this State's government, at retail in the STAR bond district  
21 at a rate not to exceed 1% of the gross receipts from the sales  
22 made in the course of that business, to be imposed only in  
23 0.25% increments. The tax may not be imposed on food for human  
24 consumption that is to be consumed off the premises where it is  
25 sold (other than alcoholic beverages, soft drinks, and food  
26 that has been prepared for immediate consumption),

1 prescription and nonprescription medicines, drugs, medical  
2 appliances, modifications to a motor vehicle for the purpose of  
3 rendering it usable by a disabled person, and insulin, urine  
4 testing materials, syringes, and needles used by diabetics, for  
5 human use.

6 The tax imposed under this subsection and all civil  
7 penalties that may be assessed as an incident thereof shall be  
8 collected and enforced by the Department of Revenue. The  
9 certificate of registration that is issued by the Department to  
10 a retailer under the Retailers' Occupation Tax Act shall permit  
11 the retailer to engage in a business that is taxable under any  
12 ordinance or resolution enacted pursuant to this subsection  
13 without registering separately with the Department under such  
14 ordinance or resolution or under this subsection. The  
15 Department of Revenue shall have full power to administer and  
16 enforce this subsection; to collect all taxes and penalties due  
17 under this subsection in the manner hereinafter provided; and  
18 to determine all rights to credit memoranda arising on account  
19 of the erroneous payment of tax or penalty under this  
20 subsection. In the administration of, and compliance with, this  
21 subsection, the Department and persons who are subject to this  
22 subsection shall have the same rights, remedies, privileges,  
23 immunities, powers, and duties, and be subject to the same  
24 conditions, restrictions, limitations, penalties, exclusions,  
25 exemptions, and definitions of terms and employ the same modes  
26 of procedure, as are prescribed in Sections 1, 1a through 1o, 2

1 through 2-65 (in respect to all provisions therein other than  
2 the State rate of tax), 2c through 2h, 3 (except as to the  
3 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
4 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,  
5 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
6 provisions of the Uniform Penalty and Interest Act, as fully as  
7 if those provisions were set forth herein.

8 If a tax is imposed under this subsection (b), a tax shall  
9 also be imposed under subsection (c) of this Section.

10 (c) If a tax has been imposed under subsection (b), a STAR  
11 Bond Service Occupation Tax shall also be imposed upon all  
12 persons engaged, in the STAR bond district, in the business of  
13 making sales of service, who, as an incident to making those  
14 sales of service, transfer tangible personal property within  
15 the STAR bond district, either in the form of tangible personal  
16 property or in the form of real estate as an incident to a sale  
17 of service. The tax shall be imposed at the same rate as the  
18 tax imposed in subsection (b) and shall not exceed 1% of the  
19 selling price of tangible personal property so transferred  
20 within the STAR bond district, to be imposed only in 0.25%  
21 increments. The tax may not be imposed on food for human  
22 consumption that is to be consumed off the premises where it is  
23 sold (other than alcoholic beverages, soft drinks, and food  
24 that has been prepared for immediate consumption),  
25 prescription and nonprescription medicines, drugs, medical  
26 appliances, modifications to a motor vehicle for the purpose of

1 rendering it usable by a disabled person, and insulin, urine  
2 testing materials, syringes, and needles used by diabetics, for  
3 human use.

4 The tax imposed under this subsection and all civil  
5 penalties that may be assessed as an incident thereof shall be  
6 collected and enforced by the Department of Revenue. The  
7 certificate of registration that is issued by the Department to  
8 a retailer under the Retailers' Occupation Tax Act or under the  
9 Service Occupation Tax Act shall permit the registrant to  
10 engage in a business that is taxable under any ordinance or  
11 resolution enacted pursuant to this subsection without  
12 registering separately with the Department under that  
13 ordinance or resolution or under this subsection. The  
14 Department of Revenue shall have full power to administer and  
15 enforce this subsection; to collect all taxes and penalties due  
16 under this subsection; to dispose of taxes and penalties so  
17 collected in the manner hereinafter provided; and to determine  
18 all rights to credit memoranda arising on account of the  
19 erroneous payment of tax or penalty under this subsection. In  
20 the administration of, and compliance with this subsection, the  
21 Department and persons who are subject to this subsection shall  
22 have the same rights, remedies, privileges, immunities,  
23 powers, and duties, and be subject to the same conditions,  
24 restrictions, limitations, penalties, exclusions, exemptions,  
25 and definitions of terms and employ the same modes of procedure  
26 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50

1 (in respect to all provisions therein other than the State rate  
2 of tax), 4 (except that the reference to the State shall be to  
3 the STAR bond district), 5, 7, 8 (except that the jurisdiction  
4 to which the tax shall be a debt to the extent indicated in  
5 that Section 8 shall be the political subdivision), 9 (except  
6 as to the disposition of taxes and penalties collected, and  
7 except that the returned merchandise credit for this tax may  
8 not be taken against any State tax), 10, 11, 12 (except the  
9 reference therein to Section 2b of the Retailers' Occupation  
10 Tax Act), 13 (except that any reference to the State shall mean  
11 the political subdivision), the first paragraph of Section 15,  
12 and Sections 16, 17, 18, 19 and 20 of the Service Occupation  
13 Tax Act and all provisions of the Uniform Penalty and Interest  
14 Act, as fully as if those provisions were set forth herein.

15 If a tax is imposed under this subsection (c), a tax shall  
16 also be imposed under subsection (b) of this Section.

17 (d) Persons subject to any tax imposed under this Section  
18 may reimburse themselves for their seller's tax liability under  
19 this Section by separately stating the tax as an additional  
20 charge, which charge may be stated in combination, in a single  
21 amount, with State taxes that sellers are required to collect  
22 under the Use Tax Act, in accordance with such bracket  
23 schedules as the Department may prescribe.

24 Whenever the Department determines that a refund should be  
25 made under this Section to a claimant instead of issuing a  
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the STAR bond retailers' occupation tax fund.

5 The Department shall immediately pay over to the State  
6 Treasurer, ex officio, as trustee, all taxes, penalties, and  
7 interest collected under this Section for deposit into the STAR  
8 bond retailers' occupation tax fund. On or before the 25th day  
9 of each calendar month, the Department shall prepare and  
10 certify to the Comptroller the disbursement of stated sums of  
11 money to named political subdivisions from the STAR bond  
12 retailers' occupation tax fund, the political subdivisions to  
13 be those from which retailers have paid taxes or penalties  
14 under this Section to the Department during the second  
15 preceding calendar month. The amount to be paid to each  
16 political subdivision shall be the amount (not including credit  
17 memoranda) collected under this Section during the second  
18 preceding calendar month by the Department plus an amount the  
19 Department determines is necessary to offset any amounts that  
20 were erroneously paid to a different taxing body, and not  
21 including an amount equal to the amount of refunds made during  
22 the second preceding calendar month by the Department, less 3%  
23 of that amount, which shall be deposited into the Tax  
24 Compliance and Administration Fund and shall be used by the  
25 Department, subject to appropriation, to cover the costs of the  
26 Department in administering and enforcing the provisions of



1 this Section, on behalf of such political subdivision, and not  
2 including any amount that the Department determines is  
3 necessary to offset any amounts that were payable to a  
4 different taxing body but were erroneously paid to the  
5 political subdivision. Within 10 days after receipt by the  
6 Comptroller of the disbursement certification to the political  
7 subdivisions provided for in this Section to be given to the  
8 Comptroller by the Department, the Comptroller shall cause the  
9 orders to be drawn for the respective amounts in accordance  
10 with the directions contained in the certification. The  
11 proceeds of the tax paid to political subdivisions under this  
12 Section shall be deposited into either (i) the STAR Bonds Tax  
13 Allocation Fund by the political subdivision if the political  
14 subdivision has designated them as pledged STAR revenues by  
15 resolution or ordinance or (ii) the political subdivision's  
16 general corporate fund if the political subdivision has not  
17 designated them as pledged STAR revenues.

18 An ordinance or resolution imposing or discontinuing the  
19 tax under this Section or effecting a change in the rate  
20 thereof shall either (i) be adopted and a certified copy  
21 thereof filed with the Department on or before the first day of  
22 April, whereupon the Department, if all other requirements of  
23 this Section are met, shall proceed to administer and enforce  
24 this Section as of the first day of July next following the  
25 adoption and filing; or (ii) be adopted and a certified copy  
26 thereof filed with the Department on or before the first day of

1 October, whereupon, if all other requirements of this Section  
2 are met, the Department shall proceed to administer and enforce  
3 this Section as of the first day of January next following the  
4 adoption and filing.

5 The Department of Revenue shall not administer or enforce  
6 an ordinance imposing, discontinuing, or changing the rate of  
7 the tax under this Section, until the political subdivision  
8 also provides, in the manner prescribed by the Department, the  
9 boundaries of the STAR bond district and each address in the  
10 STAR bond district in such a way that the Department can  
11 determine by its address whether a business is located in the  
12 STAR bond district. The political subdivision must provide this  
13 boundary and address information to the Department on or before  
14 April 1 for administration and enforcement of the tax under  
15 this Section by the Department beginning on the following July  
16 1 and on or before October 1 for administration and enforcement  
17 of the tax under this Section by the Department beginning on  
18 the following January 1. The Department of Revenue shall not  
19 administer or enforce any change made to the boundaries of a  
20 STAR bond district or any address change, addition, or deletion  
21 until the political subdivision reports the boundary change or  
22 address change, addition, or deletion to the Department in the  
23 manner prescribed by the Department. The political subdivision  
24 must provide this boundary change or address change, addition,  
25 or deletion information to the Department on or before April 1  
26 for administration and enforcement by the Department of the

1 change, addition, or deletion beginning on the following July 1  
2 and on or before October 1 for administration and enforcement  
3 by the Department of the change, addition, or deletion  
4 beginning on the following January 1. The retailers in the STAR  
5 bond district shall be responsible for charging the tax imposed  
6 under this Section. If a retailer is incorrectly included or  
7 excluded from the list of those required to collect the tax  
8 under this Section, both the Department of Revenue and the  
9 retailer shall be held harmless if they reasonably relied on  
10 information provided by the political subdivision.

11 A political subdivision that imposes the tax under this  
12 Section must submit to the Department of Revenue any other  
13 information as the Department may require that is necessary for  
14 the administration and enforcement of the tax.

15 When certifying the amount of a monthly disbursement to a  
16 political subdivision under this Section, the Department shall  
17 increase or decrease the amount by an amount necessary to  
18 offset any misallocation of previous disbursements. The offset  
19 amount shall be the amount erroneously disbursed within the  
20 previous 6 months from the time a misallocation is discovered.

21 Nothing in this Section shall be construed to authorize the  
22 political subdivision to impose a tax upon the privilege of  
23 engaging in any business which under the Constitution of the  
24 United States may not be made the subject of taxation by this  
25 State.

26 (e) When STAR bond project costs, including, without

1 limitation, all political subdivision obligations financing  
2 STAR bond project costs, have been paid, any surplus funds then  
3 remaining in the STAR Bonds Tax Allocation Fund shall be  
4 distributed to the treasurer of the political subdivision for  
5 deposit into the political subdivision's general corporate  
6 fund. Upon payment of all STAR bond project costs and  
7 retirement of obligations, but in no event later than the  
8 maximum maturity date of the last of the STAR bonds issued in  
9 the STAR bond district, the political subdivision shall adopt  
10 an ordinance immediately rescinding the taxes imposed pursuant  
11 to this Section and file a certified copy of the ordinance with  
12 the Department in the form and manner as described in this  
13 Section.

14 Section 33. STAR Bonds School Improvement and Operations  
15 Trust Fund.

16 (a) The STAR Bonds School Improvement and Operations Trust  
17 Fund is created as a trust fund in the State treasury. Deposits  
18 into the Trust Fund shall be made as provided under this  
19 Section. Moneys in the Trust Fund shall be used by the  
20 Department of Revenue only for the purpose of making payments  
21 to school districts in educational service regions that include  
22 or are adjacent to the STAR bond district. Moneys in the Trust  
23 Fund are not subject to appropriation and shall be used solely  
24 as provided in this Section. All deposits into the Trust Fund  
25 shall be held in the Trust Fund by the State Treasurer as ex

1 officio custodian separate and apart from all public moneys or  
2 funds of this State and shall be administered by the Department  
3 exclusively for the purposes set forth in this Section. All  
4 moneys in the Trust Fund shall be invested and reinvested by  
5 the State Treasurer. All interest accruing from these  
6 investments shall be deposited in the Trust Fund.

7 (b) Upon approval of a STAR bond district, the political  
8 subdivision shall immediately transmit to the county clerk of  
9 the county in which the district is located a certified copy of  
10 the ordinance creating the district, a legal description of the  
11 district, a map of the district, identification of the year  
12 that the county clerk shall use for determining the total  
13 initial equalized assessed value of the district consistent  
14 with subsection (c), and a list of the parcel or tax  
15 identification number of each parcel of property included in  
16 the district.

17 (c) Upon approval of a STAR bond district, the county clerk  
18 immediately thereafter shall determine (i) the most recently  
19 ascertained equalized assessed value of each lot, block, tract,  
20 or parcel of real property within the STAR bond district, from  
21 which shall be deducted the homestead exemptions under Article  
22 15 of the Property Tax Code, which value shall be the initial  
23 equalized assessed value of each such piece of property, and  
24 (ii) the total equalized assessed value of all taxable real  
25 property within the district by adding together the most  
26 recently ascertained equalized assessed value of each taxable

1 lot, block, tract, or parcel of real property within the  
2 district, from which shall be deducted the homestead exemptions  
3 under Article 15 of the Property Tax Code, and shall certify  
4 that amount as the total initial equalized assessed value of  
5 the taxable real property within the STAR bond district.

6 (d) In reference to any STAR bond district created within  
7 any political subdivision, and in respect to which the county  
8 clerk has certified the total initial equalized assessed value  
9 of the property in the area, the political subdivision may  
10 thereafter request the clerk in writing to adjust the initial  
11 equalized value of all taxable real property within the STAR  
12 bond district by deducting therefrom the exemptions under  
13 Article 15 of the Property Tax Code applicable to each lot,  
14 block, tract, or parcel of real property within the STAR bond  
15 district. The county clerk shall immediately after the written  
16 request to adjust the total initial equalized value is received  
17 determine the total homestead exemptions in the STAR bond  
18 district as provided under Article 15 of the Property Tax Code  
19 by adding together the homestead exemptions provided by said  
20 Article on each lot, block, tract, or parcel of real property  
21 within STAR bond district and then shall deduct the total of  
22 said exemptions from the total initial equalized assessed  
23 value. The county clerk shall then promptly certify that amount  
24 as the total initial equalized assessed value as adjusted of  
25 the taxable real property within the STAR bond district.

26 (e) The county clerk or other person authorized by law

1 shall compute the tax rates for each taxing district with all  
2 or a portion of its equalized assessed value located in the  
3 STAR bond district. The rate per cent of tax determined shall  
4 be extended to the current equalized assessed value of all  
5 property in the district in the same manner as the rate per  
6 cent of tax is extended to all other taxable property in the  
7 taxing district.

8 (f) Beginning with the assessment year in which the first  
9 destination user in the first STAR bond project in a STAR bond  
10 district makes its first retail sales and for each assessment  
11 year thereafter until final maturity of the last STAR bonds  
12 issued in the district, the county clerk or other person  
13 authorized by law shall determine the increase in equalized  
14 assessed value of all real property within the STAR bond  
15 district by subtracting the initial equalized assessed value of  
16 all property in the district certified under subsection (c)  
17 from the current equalized assessed value of all property in  
18 the district. Each year, the property taxes arising from the  
19 increase in equalized assessed value in the STAR bond district  
20 shall be determined for each taxing district and shall be  
21 certified to the county collector.

22 (g) Beginning with the year in which taxes are collected  
23 based on the assessment year in which the first destination  
24 user in the first STAR bond project in a STAR bond district  
25 makes its first retail sales and for each year thereafter until  
26 final maturity of the last STAR bonds issued in the district,

1 the county collector shall, within 30 days after receipt of  
2 property taxes, transmit to the Department to be deposited into  
3 the STAR Bonds School Improvement and Operations Trust Fund 15%  
4 of property taxes attributable to the increase in equalized  
5 assessed value within the STAR bond district from each taxing  
6 district as certified in subsection (f).

7 (h) The Department shall pay to the regional superintendent  
8 of schools whose educational service region includes Franklin  
9 and Williamson Counties, for each year for which money is  
10 remitted to the Department and paid into the STAR Bonds School  
11 Improvement and Operations Trust Fund, the money in the Fund as  
12 provided in this Section. The amount paid to each school  
13 district shall be allocated proportionately, based on each  
14 qualifying school district's fall enrollment for the  
15 then-current school year, such that the school district with  
16 the largest fall enrollment receives the largest proportionate  
17 share of money paid out of the Fund or by any other method or  
18 formula that the regional superintendent of schools deems fit,  
19 equitable, and in the public interest. The regional  
20 superintendent may allocate moneys to school districts that are  
21 outside of his or her educational service region or to other  
22 regional superintendents.

23 The Department shall determine the distributions under  
24 this Section using its best judgment and information. The  
25 Department shall be held harmless for the distributions made  
26 under this Section and all distributions shall be final.



1           (i) In any year that an assessment appeal is filed, the  
2 extension of taxes on any assessment so appealed shall not be  
3 delayed. In the case of an assessment that is altered, any  
4 taxes extended upon the unauthorized assessment or part thereof  
5 shall be abated, or, if already paid, shall be refunded with  
6 interest as provided in Section 23-20 of the Property Tax Code.  
7 In the case of an assessment appeal, the county collector shall  
8 notify the Department that an assessment appeal has been filed  
9 and the amount of the tax that would have been deposited in the  
10 STAR Bond School Improvement Fund. The county collector shall  
11 hold that amount in a separate fund until the appeal process is  
12 final. After the appeal process is finalized, the county  
13 collector shall transmit to the Department the amount of tax  
14 that remains, if any, after all required refunds are made. The  
15 Department shall pay any amount deposited into the Trust Fund  
16 under this Section in the same proportion as determined for  
17 payments for that taxable year under subsection (h).

18           (j) In any year that ad valorem taxes are allocated to the  
19 STAR Bonds School Improvement and Operations Trust Fund, that  
20 allocation shall not reduce or otherwise impact the school aid  
21 provided to any school district under the general State school  
22 aid formula provided for in Section 18-8.05 of the School Code.

23           Section 35. Alternate bonds and general obligation bonds. A  
24 political subdivision shall have the power to issue alternate  
25 revenue and other general obligation bonds to finance the

1 undertaking, establishment, or redevelopment of any STAR bond  
2 project as provided and pursuant to the procedures set forth in  
3 the Local Government Debt Reform Act. A political subdivision  
4 shall have the power to issue general obligation bonds to  
5 finance the undertaking, establishment, or redevelopment of  
6 any STAR bond project on approval by the voters of the  
7 political subdivision of a proposition authorizing the issue of  
8 such bonds.

9 The full faith and credit of the State, any department,  
10 authority, public corporation or quasi-public corporation of  
11 the State, any State college or university, or any other public  
12 agency created by the State shall not be pledged for any  
13 payment under any obligation authorized by this Act.

14 Section 40. Amendments to STAR bond district. Any addition  
15 of real property to a STAR bond district or any substantial  
16 change to a STAR bond district plan shall be subject to the  
17 same procedure for public notice, hearing, and approval as is  
18 required for the establishment of the STAR bond district  
19 pursuant to this Act.

20 (a) The addition or removal of land to or from a STAR bond  
21 district shall require the consent of the master developer of  
22 the STAR bond district.

23 (b) Any land that is outside of, but is contiguous to an  
24 established STAR bond district and is subsequently owned,  
25 leased, or controlled by the master developer shall be added to

1 a STAR bond district at the request of the master developer and  
2 by approval of the political subdivision, provided that the  
3 land becomes a part of a STAR bond project area.

4 (c) If a political subdivision has undertaken a STAR bond  
5 project within a STAR bond district, and the political  
6 subdivision desires to subsequently remove more than a de  
7 minimus amount of real property from the STAR bond district,  
8 then prior to any removal of property the political subdivision  
9 must provide a revised feasibility study showing that the  
10 pledged STAR revenues from the resulting STAR bond district  
11 within which the STAR bond project is located are estimated to  
12 be sufficient to pay the project costs. If the revenue from the  
13 resulting STAR bond district is insufficient to pay the project  
14 costs, then the property may not be removed from the STAR bond  
15 district. Any removal of real property from a STAR bond  
16 district shall be approved by a resolution of the governing  
17 body of the political subdivision.

18 Section 45. Restrictions. STAR bond districts may lie  
19 within an enterprise zone, but no portion of a STAR bond  
20 project shall be financed with funds allocated pursuant to the  
21 Illinois Enterprise Zone Act. STAR bond districts may overlay  
22 and benefit from existing tax increment financing districts  
23 created pursuant to the Tax Increment Allocation Redevelopment  
24 Act, but no portion of a STAR bond project shall be financed  
25 with tax increment financing under said Act. During any period

1 of time that STAR bonds are outstanding for a STAR bond  
2 district, a developer may not use any land located in the STAR  
3 bond district for any (i) retail store whose primary business  
4 is the sale of automobiles, including trucks and other  
5 automotive vehicles with 4 wheels designed for passenger  
6 transportation on public streets and thoroughfares or (ii)  
7 multi-screen motion picture theater complexes containing more  
8 than 12 auditoriums for viewing motion pictures. No STAR bond  
9 district may contain more than 900,000 square feet of floor  
10 space devoted to traditional retail use.

11 Section 50. Reporting taxes. Notwithstanding any other  
12 provisions of law to the contrary, the Department of Revenue  
13 shall provide a certified report of the State sales tax  
14 increment and local sales tax increment from all taxpayers  
15 within a STAR bond district to the bond trustee, escrow agent,  
16 or paying agent for such bonds upon the written request of the  
17 political subdivision on or before the 25th day of each month.  
18 Such report shall provide a detailed allocation of State sales  
19 tax increment and local sales tax increment from each local  
20 sales tax and State sales tax reported to the Department of  
21 Revenue.

22 (a) The bond trustee, escrow agent, or paying agent shall  
23 keep such sales and use tax reports and the information  
24 contained therein confidential, but may use such information  
25 for purposes of allocating and depositing the sales and use tax

1 revenues in connection with the bonds used to finance project  
2 costs in such STAR bond district. Except as otherwise provided  
3 herein, the sales and use tax reports received by the bond  
4 trustee, escrow agent, or paying agent shall be subject to the  
5 provisions of Chapter 35 of the Illinois Compiled Statutes,  
6 including Section 3 of the Retailers' Occupation Tax Act and  
7 Section 9 of the Use Tax Act.

8 (b) The political subdivision shall determine when the  
9 amount of sales tax and other revenues that have been collected  
10 and distributed to the bond debt service or reserve fund is  
11 sufficient to satisfy all principal and interest costs to the  
12 maturity date or dates of any STAR bond issued by a political  
13 subdivision to finance a STAR bond project and shall give the  
14 Department of Revenue written notice of such determination. The  
15 notice shall include a date certain on which deposits into the  
16 STAR Bonds Revenue Fund for that STAR bond project shall  
17 terminate and shall be provided to the Department of Revenue at  
18 least 60 days prior to that date. Thereafter, all sales tax and  
19 other revenues shall be collected and distributed in accordance  
20 with applicable law.

21 Section 52. Review committee. Upon the seventh anniversary  
22 of the first date of distribution of State sales tax revenues  
23 from the first STAR bond project in the State, a 6-member STAR  
24 bonds review committee shall be formed consisting of one  
25 appointee of each of the Director, the Director of the

1 Department of Commerce and Economic Opportunity, the President  
2 of the Senate, the Senate Minority Leader, the Speaker of the  
3 House, and the House Minority Leader. The review committee  
4 shall evaluate the success of all STAR bond districts then  
5 existing in the State and make a determination of the  
6 comprehensive economic benefits and detriments of STAR bonds in  
7 the State as a whole. In making its determination, the review  
8 committee shall examine available data regarding job creation,  
9 sales revenues, and capital investment in STAR bond districts;  
10 development that has occurred and is planned in areas adjacent  
11 to STAR bond districts that will not be directly financed with  
12 STAR bonds; effects of market conditions on STAR bond districts  
13 and the likelihood of future successes based on improving or  
14 declining market conditions; retail sales migration and  
15 cannibalization of retail sales due to STAR bond districts; and  
16 other relevant economic factors. The review committee shall  
17 provide the Director, the General Assembly, and the Governor  
18 with a written report detailing its findings and shall make a  
19 final determination of whether STAR bonds have had, and are  
20 likely to continue having, a negative or positive economic  
21 impact on the State as a whole. Upon completing and filing its  
22 written report, the review committee shall be dissolved. If the  
23 review committee's report makes a final determination that STAR  
24 bonds have had and are likely to continue having a negative  
25 economic impact on the State as a whole, then no new STAR bond  
26 districts may thereafter be formed in the State until further

1 action by the General Assembly.

2 Section 55. Severability. If any provision of this Act or  
3 the application thereof to any persons or circumstances is held  
4 invalid, such invalidity shall not affect other provisions or  
5 application of the Act that can be given effect without the  
6 invalid provisions or application and to this end the  
7 provisions of this Act are declared to be severable.

8 Section 57. Rules. The Department of Revenue shall have the  
9 authority to adopt such rules as are reasonable and necessary  
10 to implement the provisions of this Act. Notwithstanding the  
11 foregoing, the Department of Revenue shall have the authority,  
12 prior to adoption and approval of those rules, to approve a  
13 STAR bond district in accordance with subsection (d) of Section  
14 20 and to otherwise administer the Act while those rules are  
15 pending adoption and approval.

16 Section 60. Open meetings and freedom of information. All  
17 public hearings related to the administration, formation,  
18 implementation, development, or construction of a STAR bond  
19 district, STAR bond district plan, STAR bond project, or STAR  
20 bond project plan, including but not limited to the public  
21 hearings required by Sections 15, 20, and 40 of this Act, shall  
22 be held in compliance with the Open Meetings Act. The public  
23 hearing records, feasibility study, and other documents that do

1 not otherwise meet a confidentiality exemption shall be subject  
2 to the Freedom of Information Act.

3 Section 62. Powers of political subdivisions. The  
4 provisions of this Act are intended to be supplemental and in  
5 addition to all other power or authority granted to political  
6 subdivisions, shall be construed liberally, and shall not be  
7 construed as a limitation of any power or authority otherwise  
8 granted. In addition to the powers a political subdivision may  
9 have under other provisions of law, a political subdivision  
10 shall have all of the following powers in connection with a  
11 STAR bond district:

12 (a) To make and enter into all contracts necessary or  
13 incidental to the implementation and furtherance of a STAR  
14 bond district plan.

15 (b) Within a STAR bond district, to acquire by  
16 purchase, donation, or lease, and to own, convey, lease,  
17 mortgage, or dispose of land and other real or personal  
18 property or rights or interests in property and to grant or  
19 acquire licenses, easements, and options with respect to  
20 property, all in the manner and at a price the political  
21 subdivision determines is reasonably necessary to achieve  
22 the objectives of the STAR bond project.

23 (c) To clear any area within a STAR bond district by  
24 demolition or removal of any existing buildings,  
25 structures, fixtures, utilities, or improvements and to



1 clear and grade land.

2 (d) To install, repair, construct, reconstruct, extend  
3 or relocate public streets, public utilities, and other  
4 public site improvements located both within and outside  
5 the boundaries of a STAR bond district that are essential  
6 to the preparation of a STAR bond district for use in  
7 accordance with a STAR bond district plan.

8 (e) To renovate, rehabilitate, reconstruct, relocate,  
9 repair, or remodel any existing buildings, improvements,  
10 and fixtures within a STAR bond district.

11 (f) To install or construct any public buildings,  
12 structures, works, streets, improvements, utilities, or  
13 fixtures within a STAR bond district.

14 (g) To issue STAR bonds as provided in this Act.

15 (h) Subject to the limitations set forth in the  
16 definition of "project costs" in Section 10 of this Act, to  
17 fix, charge, and collect fees, rents, and charges for the  
18 use of any building, facility, or property or any portion  
19 of a building, facility, or property owned or leased by the  
20 political subdivision in furtherance of a STAR bond project  
21 under this Act within a STAR bond district.

22 (i) To accept grants, guarantees, donations of  
23 property or labor, or any other thing of value for use in  
24 connection with a STAR bond project.

25 (j) To pay or cause to be paid STAR bond project costs,  
26 including, specifically, to reimburse any developer or

1 nongovernmental person for STAR bond project costs  
2 incurred by that person. A political subdivision is not  
3 required to obtain any right, title, or interest in any  
4 real or personal property in order to pay STAR bond project  
5 costs associated with the property. The political  
6 subdivision shall adopt accounting procedures necessary to  
7 determine that the STAR bond project costs are properly  
8 paid.

9 (k) To exercise any and all other powers necessary to  
10 effectuate the purposes of this Act.

11 Section 65. The Illinois State Auditing Act is amended by  
12 changing Section 3-1 as follows:

13 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

14 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
15 General has jurisdiction over all State agencies to make post  
16 audits and investigations authorized by or under this Act or  
17 the Constitution.

18 The Auditor General has jurisdiction over local government  
19 agencies and private agencies only:

20 (a) to make such post audits authorized by or under  
21 this Act as are necessary and incidental to a post audit of  
22 a State agency or of a program administered by a State  
23 agency involving public funds of the State, but this  
24 jurisdiction does not include any authority to review local

1 governmental agencies in the obligation, receipt,  
2 expenditure or use of public funds of the State that are  
3 granted without limitation or condition imposed by law,  
4 other than the general limitation that such funds be used  
5 for public purposes;

6 (b) to make investigations authorized by or under this  
7 Act or the Constitution; and

8 (c) to make audits of the records of local government  
9 agencies to verify actual costs of state-mandated programs  
10 when directed to do so by the Legislative Audit Commission  
11 at the request of the State Board of Appeals under the  
12 State Mandates Act.

13 In addition to the foregoing, the Auditor General may  
14 conduct an audit of the Metropolitan Pier and Exposition  
15 Authority, the Regional Transportation Authority, the Suburban  
16 Bus Division, the Commuter Rail Division and the Chicago  
17 Transit Authority and any other subsidized carrier when  
18 authorized by the Legislative Audit Commission. Such audit may  
19 be a financial, management or program audit, or any combination  
20 thereof.

21 The audit shall determine whether they are operating in  
22 accordance with all applicable laws and regulations. Subject to  
23 the limitations of this Act, the Legislative Audit Commission  
24 may by resolution specify additional determinations to be  
25 included in the scope of the audit.

26 In addition to the foregoing, the Auditor General must also

1 conduct a financial audit of the Illinois Sports Facilities  
2 Authority's expenditures of public funds in connection with the  
3 reconstruction, renovation, remodeling, extension, or  
4 improvement of all or substantially all of any existing  
5 "facility", as that term is defined in the Illinois Sports  
6 Facilities Authority Act.

7 The Auditor General may also conduct an audit, when  
8 authorized by the Legislative Audit Commission, of any hospital  
9 which receives 10% or more of its gross revenues from payments  
10 from the State of Illinois, Department of Healthcare and Family  
11 Services (formerly Department of Public Aid), Medical  
12 Assistance Program.

13 The Auditor General is authorized to conduct financial and  
14 compliance audits of the Illinois Distance Learning Foundation  
15 and the Illinois Conservation Foundation.

16 As soon as practical after the effective date of this  
17 amendatory Act of 1995, the Auditor General shall conduct a  
18 compliance and management audit of the City of Chicago and any  
19 other entity with regard to the operation of Chicago O'Hare  
20 International Airport, Chicago Midway Airport and Merrill C.  
21 Meigs Field. The audit shall include, but not be limited to, an  
22 examination of revenues, expenses, and transfers of funds;  
23 purchasing and contracting policies and practices; staffing  
24 levels; and hiring practices and procedures. When completed,  
25 the audit required by this paragraph shall be distributed in  
26 accordance with Section 3-14.

1           The Auditor General shall conduct a financial and  
2 compliance and program audit of distributions from the  
3 Municipal Economic Development Fund during the immediately  
4 preceding calendar year pursuant to Section 8-403.1 of the  
5 Public Utilities Act at no cost to the city, village, or  
6 incorporated town that received the distributions.

7           The Auditor General must conduct an audit of the Health  
8 Facilities and Services Review Board pursuant to Section 19.5  
9 of the Illinois Health Facilities Planning Act.

10          The Auditor General of the State of Illinois shall annually  
11 conduct or cause to be conducted a financial and compliance  
12 audit of the books and records of any county water commission  
13 organized pursuant to the Water Commission Act of 1985 and  
14 shall file a copy of the report of that audit with the Governor  
15 and the Legislative Audit Commission. The filed audit shall be  
16 open to the public for inspection. The cost of the audit shall  
17 be charged to the county water commission in accordance with  
18 Section 6z-27 of the State Finance Act. The county water  
19 commission shall make available to the Auditor General its  
20 books and records and any other documentation, whether in the  
21 possession of its trustees or other parties, necessary to  
22 conduct the audit required. These audit requirements apply only  
23 through July 1, 2007.

24          The Auditor General must conduct audits of the Rend Lake  
25 Conservancy District as provided in Section 25.5 of the River  
26 Conservancy Districts Act.

1           The Auditor General must conduct financial audits of the  
2 Southeastern Illinois Economic Development Authority as  
3 provided in Section 70 of the Southeastern Illinois Economic  
4 Development Authority Act.

5           The Auditor General shall conduct a compliance audit in  
6 accordance with subsections (d) and (f) of Section 30 of the  
7 Innovation Development and Economy Act.

8           (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

9           Section 66. The State Finance Act is amended by changing  
10 Sections 6z-18 and 6z-20 and by adding Sections 5.756 and 5.758  
11 as follows:

12           (30 ILCS 105/5.756 new)

13           Sec. 5.756. The STAR Bonds Revenue Fund.

14           (30 ILCS 105/5.758 new)

15           Sec. 5.758. STAR Bonds School Improvement and Operations  
16 Trust Fund.

17           (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

18           Sec. 6z-18. A portion of the money paid into the Local  
19 Government Tax Fund from sales of food for human consumption  
20 which is to be consumed off the premises where it is sold  
21 (other than alcoholic beverages, soft drinks and food which has  
22 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, which occurred in municipalities, shall be  
4 distributed to each municipality based upon the sales which  
5 occurred in that municipality. The remainder shall be  
6 distributed to each county based upon the sales which occurred  
7 in the unincorporated area of that county.

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

22 A portion of the money paid into the Local Government Tax  
23 Fund from the 6.25% general rate (and, beginning July 1, 2000  
24 and through December 31, 2000, the 1.25% rate on motor fuel and  
25 gasohol) on sales subject to taxation under the Retailers'  
26 Occupation Tax Act and the Service Occupation Tax Act, which

1 occurred in municipalities, shall be distributed to each  
2 municipality, based upon the sales which occurred in that  
3 municipality. The remainder shall be distributed to each  
4 county, based upon the sales which occurred in the  
5 unincorporated area of such county.

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

15 Whenever the Department determines that a refund of money  
16 paid into the Local Government Tax Fund should be made to a  
17 claimant instead of issuing a credit memorandum, the Department  
18 shall notify the State Comptroller, who shall cause the order  
19 to be drawn for the amount specified, and to the person named,  
20 in such notification from the Department. Such refund shall be  
21 paid by the State Treasurer out of the Local Government Tax  
22 Fund.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the Department  
25 of Revenue, the Comptroller shall order transferred, and the  
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the



1 local sales tax increment, as defined in the Innovation  
2 Development and Economy Act, collected during the second  
3 preceding calendar month for sales within a STAR bond district  
4 and deposited into the Local Government Tax Fund, less 3% of  
5 that amount, which shall be transferred into the Tax Compliance  
6 and Administration Fund and shall be used by the Department,  
7 subject to appropriation, to cover the costs of the Department  
8 in administering the Innovation Development and Economy Act.

9 After the monthly transfer to the STAR Bonds Revenue Fund,  
10 on ~~or~~ or before the 25th day of each calendar month, the  
11 Department shall prepare and certify to the Comptroller the  
12 disbursement of stated sums of money to named municipalities  
13 and counties, the municipalities and counties to be those  
14 entitled to distribution of taxes or penalties paid to the  
15 Department during the second preceding calendar month. The  
16 amount to be paid to each municipality or county shall be the  
17 amount (not including credit memoranda) collected during the  
18 second preceding calendar month by the Department and paid into  
19 the Local Government Tax Fund, plus an amount the Department  
20 determines is necessary to offset any amounts which were  
21 erroneously paid to a different taxing body, and not including  
22 an amount equal to the amount of refunds made during the second  
23 preceding calendar month by the Department, and not including  
24 any amount which the Department determines is necessary to  
25 offset any amounts which are payable to a different taxing body  
26 but were erroneously paid to the municipality or county, and

1 not including any amounts that are transferred to the STAR  
2 Bonds Revenue Fund. Within 10 days after receipt, by the  
3 Comptroller, of the disbursement certification to the  
4 municipalities and counties, provided for in this Section to be  
5 given to the Comptroller by the Department, the Comptroller  
6 shall cause the orders to be drawn for the respective amounts  
7 in accordance with the directions contained in such  
8 certification.

9 When certifying the amount of monthly disbursement to a  
10 municipality or county under this Section, the Department shall  
11 increase or decrease that amount by an amount necessary to  
12 offset any misallocation of previous disbursements. The offset  
13 amount shall be the amount erroneously disbursed within the 6  
14 months preceding the time a misallocation is discovered.

15 The provisions directing the distributions from the  
16 special fund in the State Treasury provided for in this Section  
17 shall constitute an irrevocable and continuing appropriation  
18 of all amounts as provided herein. The State Treasurer and  
19 State Comptroller are hereby authorized to make distributions  
20 as provided in this Section.

21 In construing any development, redevelopment, annexation,  
22 preannexation or other lawful agreement in effect prior to  
23 September 1, 1990, which describes or refers to receipts from a  
24 county or municipal retailers' occupation tax, use tax or  
25 service occupation tax which now cannot be imposed, such  
26 description or reference shall be deemed to include the

1 replacement revenue for such abolished taxes, distributed from  
2 the Local Government Tax Fund.

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

5 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

6 Sec. 6z-20. Of the money received from the 6.25% general  
7 rate (and, beginning July 1, 2000 and through December 31,  
8 2000, the 1.25% rate on motor fuel and gasohol) on sales  
9 subject to taxation under the Retailers' Occupation Tax Act and  
10 Service Occupation Tax Act and paid into the County and Mass  
11 Transit District Fund, distribution to the Regional  
12 Transportation Authority tax fund, created pursuant to Section  
13 4.03 of the Regional Transportation Authority Act, for deposit  
14 therein shall be made based upon the retail sales occurring in  
15 a county having more than 3,000,000 inhabitants. The remainder  
16 shall be distributed to each county having 3,000,000 or fewer  
17 inhabitants based upon the retail sales occurring in each such  
18 county.

19 For the purpose of determining allocation to the local  
20 government unit, a retail sale by a producer of coal or other  
21 mineral mined in Illinois is a sale at retail at the place  
22 where the coal or other mineral mined in Illinois is extracted  
23 from the earth. This paragraph does not apply to coal or other  
24 mineral when it is delivered or shipped by the seller to the  
25 purchaser at a point outside Illinois so that the sale is

1 exempt under the United States Constitution as a sale in  
2 interstate or foreign commerce.

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

22 Whenever the Department determines that a refund of money  
23 paid into the County and Mass Transit District Fund should be  
24 made to a claimant instead of issuing a credit memorandum, the  
25 Department shall notify the State Comptroller, who shall cause  
26 the order to be drawn for the amount specified, and to the

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

4 As soon as possible after the first day of each month,  
5 beginning January 1, 2011, upon certification of the Department  
6 of Revenue, the Comptroller shall order transferred, and the  
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
8 State sales tax increment, as defined in the Innovation  
9 Development and Economy Act, collected during the second  
10 preceding calendar month for sales within a STAR bond district  
11 and deposited into the County and Mass Transit District Fund,  
12 less 3% of that amount, which shall be transferred into the Tax  
13 Compliance and Administration Fund and shall be used by the  
14 Department, subject to appropriation, to cover the costs of the  
15 Department in administering the Innovation Development and  
16 Economy Act.

17 After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on ~~or~~ or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to the Regional  
21 Transportation Authority and to named counties, the counties to  
22 be those entitled to distribution, as hereinabove provided, of  
23 taxes or penalties paid to the Department during the second  
24 preceding calendar month. The amount to be paid to the Regional  
25 Transportation Authority and each county having 3,000,000 or  
26 fewer inhabitants shall be the amount (not including credit

1 memoranda) collected during the second preceding calendar  
2 month by the Department and paid into the County and Mass  
3 Transit District Fund, plus an amount the Department determines  
4 is necessary to offset any amounts which were erroneously paid  
5 to a different taxing body, and not including an amount equal  
6 to the amount of refunds made during the second preceding  
7 calendar month by the Department, and not including any amount  
8 which the Department determines is necessary to offset any  
9 amounts which were payable to a different taxing body but were  
10 erroneously paid to the Regional Transportation Authority or  
11 county, and not including any amounts that are transferred to  
12 the STAR Bonds Revenue Fund. Within 10 days after receipt, by  
13 the Comptroller, of the disbursement certification to the  
14 Regional Transportation Authority and counties, provided for  
15 in this Section to be given to the Comptroller by the  
16 Department, the Comptroller shall cause the orders to be drawn  
17 for the respective amounts in accordance with the directions  
18 contained in such certification.

19 When certifying the amount of a monthly disbursement to the  
20 Regional Transportation Authority or to a county under this  
21 Section, the Department shall increase or decrease that amount  
22 by an amount necessary to offset any misallocation of previous  
23 disbursements. The offset amount shall be the amount  
24 erroneously disbursed within the 6 months preceding the time a  
25 misallocation is discovered.

26 The provisions directing the distributions from the

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

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

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

18 Section 67. The Counties Code is amended by changing  
19 Sections 5-1006, 5-1006.5, and 5-1007 as follows:

20 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

21 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
22 Law. Any county that is a home rule unit may impose a tax upon  
23 all persons engaged in the business of selling tangible  
24 personal property, other than an item of tangible personal

1 property titled or registered with an agency of this State's  
2 government, at retail in the county on the gross receipts from  
3 such sales made in the course of their business. If imposed,  
4 this tax shall only be imposed in 1/4% increments. On and after  
5 September 1, 1991, this additional tax may not be imposed on  
6 the sales of food for human consumption which is to be consumed  
7 off the premises where it is sold (other than alcoholic  
8 beverages, soft drinks and food which has been prepared for  
9 immediate consumption) and prescription and nonprescription  
10 medicines, drugs, medical appliances and insulin, urine  
11 testing materials, syringes and needles used by diabetics. The  
12 tax imposed by a home rule county pursuant to this Section and  
13 all civil penalties that may be assessed as an incident thereof  
14 shall be collected and enforced by the State Department of  
15 Revenue. The certificate of registration that is issued by the  
16 Department to a retailer under the Retailers' Occupation Tax  
17 Act shall permit the retailer to engage in a business that is  
18 taxable under any ordinance or resolution enacted pursuant to  
19 this Section without registering separately with the  
20 Department under such ordinance or resolution or under this  
21 Section. The Department shall have full power to administer and  
22 enforce this Section; to collect all taxes and penalties due  
23 hereunder; to dispose of taxes and penalties so collected in  
24 the manner hereinafter provided; and to determine all rights to  
25 credit memoranda arising on account of the erroneous payment of  
26 tax or penalty hereunder. In the administration of, and



1 compliance with, this Section, the Department and persons who  
2 are subject to this Section shall have the same rights,  
3 remedies, privileges, immunities, powers and duties, and be  
4 subject to the same conditions, restrictions, limitations,  
5 penalties and definitions of terms, and employ the same modes  
6 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
7 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
8 provisions therein other than the State rate of tax), 4, 5, 5a,  
9 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
10 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
11 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
12 as if those provisions were set forth herein.

13 No tax may be imposed by a home rule county pursuant to  
14 this Section unless the county also imposes a tax at the same  
15 rate pursuant to Section 5-1007.

16 Persons subject to any tax imposed pursuant to the  
17 authority granted in this Section may reimburse themselves for  
18 their seller's tax liability hereunder by separately stating  
19 such tax as an additional charge, which charge may be stated in  
20 combination, in a single amount, with State tax which sellers  
21 are required to collect under the Use Tax Act, pursuant to such  
22 bracket schedules as the Department may prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this Section to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified and to the person named in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the home rule county retailers' occupation tax  
4 fund.

5 The Department shall forthwith pay over to the State  
6 Treasurer, ex officio, as trustee, all taxes and penalties  
7 collected hereunder.

8 As soon as possible after the first day of each month,  
9 beginning January 1, 2011, upon certification of the Department  
10 of Revenue, the Comptroller shall order transferred, and the  
11 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
12 local sales tax increment, as defined in the Innovation  
13 Development and Economy Act, collected under this Section  
14 during the second preceding calendar month for sales within a  
15 STAR bond district.

16 After the monthly transfer to the STAR Bonds Revenue Fund,  
17 on ~~or~~ or before the 25th day of each calendar month, the  
18 Department shall prepare and certify to the Comptroller the  
19 disbursement of stated sums of money to named counties, the  
20 counties to be those from which retailers have paid taxes or  
21 penalties hereunder to the Department during the second  
22 preceding calendar month. The amount to be paid to each county  
23 shall be the amount (not including credit memoranda) collected  
24 hereunder during the second preceding calendar month by the  
25 Department plus an amount the Department determines is  
26 necessary to offset any amounts that were erroneously paid to a

1 different taxing body, and not including an amount equal to the  
2 amount of refunds made during the second preceding calendar  
3 month by the Department on behalf of such county, and not  
4 including any amount which the Department determines is  
5 necessary to offset any amounts which were payable to a  
6 different taxing body but were erroneously paid to the county,  
7 and not including any amounts that are transferred to the STAR  
8 Bonds Revenue Fund. Within 10 days after receipt, by the  
9 Comptroller, of the disbursement certification to the counties  
10 provided for in this Section to be given to the Comptroller by  
11 the Department, the Comptroller shall cause the orders to be  
12 drawn for the respective amounts in accordance with the  
13 directions contained in the certification.

14 In addition to the disbursement required by the preceding  
15 paragraph, an allocation shall be made in March of each year to  
16 each county that received more than \$500,000 in disbursements  
17 under the preceding paragraph in the preceding calendar year.  
18 The allocation shall be in an amount equal to the average  
19 monthly distribution made to each such county under the  
20 preceding paragraph during the preceding calendar year  
21 (excluding the 2 months of highest receipts). The distribution  
22 made in March of each year subsequent to the year in which an  
23 allocation was made pursuant to this paragraph and the  
24 preceding paragraph shall be reduced by the amount allocated  
25 and disbursed under this paragraph in the preceding calendar  
26 year. The Department shall prepare and certify to the

1 Comptroller for disbursement the allocations made in  
2 accordance with this paragraph.

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

12 Nothing in this Section shall be construed to authorize a  
13 county to impose a tax upon the privilege of engaging in any  
14 business which under the Constitution of the United States may  
15 not be made the subject of taxation by this State.

16 An ordinance or resolution imposing or discontinuing a tax  
17 hereunder or effecting a change in the rate thereof shall be  
18 adopted and a certified copy thereof filed with the Department  
19 on or before the first day of June, whereupon the Department  
20 shall proceed to administer and enforce this Section as of the  
21 first day of September next following such adoption and filing.  
22 Beginning January 1, 1992, an ordinance or resolution imposing  
23 or discontinuing the tax hereunder or effecting a change in the  
24 rate thereof shall be adopted and a certified copy thereof  
25 filed with the Department on or before the first day of July,  
26 whereupon the Department shall proceed to administer and

1 enforce this Section as of the first day of October next  
2 following such adoption and filing. Beginning January 1, 1993,  
3 an ordinance or resolution imposing or discontinuing the tax  
4 hereunder or effecting a change in the rate thereof shall be  
5 adopted and a certified copy thereof filed with the Department  
6 on or before the first day of October, whereupon the Department  
7 shall proceed to administer and enforce this Section as of the  
8 first day of January next following such adoption and filing.  
9 Beginning April 1, 1998, an ordinance or resolution imposing or  
10 discontinuing the tax hereunder or effecting a change in the  
11 rate thereof shall either (i) be adopted and a certified copy  
12 thereof filed with the Department on or before the first day of  
13 April, whereupon the Department shall proceed to administer and  
14 enforce this Section as of the first day of July next following  
15 the adoption and filing; or (ii) be adopted and a certified  
16 copy thereof filed with the Department on or before the first  
17 day of October, whereupon the Department shall proceed to  
18 administer and enforce this Section as of the first day of  
19 January next following the adoption and filing.

20 When certifying the amount of a monthly disbursement to a  
21 county under this Section, the Department shall increase or  
22 decrease such amount by an amount necessary to offset any  
23 misallocation of previous disbursements. The offset amount  
24 shall be the amount erroneously disbursed within the previous 6  
25 months from the time a misallocation is discovered.

26 This Section shall be known and may be cited as the Home

1 Rule County Retailers' Occupation Tax Law.

2 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

3 (55 ILCS 5/5-1006.5)

4 (Text of Section before amendment by P.A. 96-845)

5 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
6 For Public Safety, Public Facilities, or Transportation.

7 (a) The county board of any county may impose a tax upon  
8 all persons engaged in the business of selling tangible  
9 personal property, other than personal property titled or  
10 registered with an agency of this State's government, at retail  
11 in the county on the gross receipts from the sales made in the  
12 course of business to provide revenue to be used exclusively  
13 for public safety, public facility, or transportation purposes  
14 in that county, if a proposition for the tax has been submitted  
15 to the electors of that county and approved by a majority of  
16 those voting on the question. If imposed, this tax shall be  
17 imposed only in one-quarter percent increments. By resolution,  
18 the county board may order the proposition to be submitted at  
19 any election. If the tax is imposed for transportation purposes  
20 for expenditures for public highways or as authorized under the  
21 Illinois Highway Code, the county board must publish notice of  
22 the existence of its long-range highway transportation plan as  
23 required or described in Section 5-301 of the Illinois Highway  
24 Code and must make the plan publicly available prior to  
25 approval of the ordinance or resolution imposing the tax. If

1 the tax is imposed for transportation purposes for expenditures  
2 for passenger rail transportation, the county board must  
3 publish notice of the existence of its long-range passenger  
4 rail transportation plan and must make the plan publicly  
5 available prior to approval of the ordinance or resolution  
6 imposing the tax.

7 If a tax is imposed for public facilities purposes, then  
8 the name of the project may be included in the proposition at  
9 the discretion of the county board as determined in the  
10 enabling resolution. For example, the "XXX Nursing Home" or the  
11 "YYY Museum".

12 The county clerk shall certify the question to the proper  
13 election authority, who shall submit the proposition at an  
14 election in accordance with the general election law.

15 (1) The proposition for public safety purposes shall be  
16 in substantially the following form:

17 "To pay for public safety purposes, shall (name of  
18 county) be authorized to impose an increase on its share of  
19 local sales taxes by (insert rate)?"

20 As additional information on the ballot below the  
21 question shall appear the following:

22 "This would mean that a consumer would pay an  
23 additional (insert amount) in sales tax for every \$100 of  
24 tangible personal property bought at retail."

25 The county board may also opt to establish a sunset  
26 provision at which time the additional sales tax would

1       cease being collected, if not terminated earlier by a vote  
2       of the county board. If the county board votes to include a  
3       sunset provision, the proposition for public safety  
4       purposes shall be in substantially the following form:

5                "To pay for public safety purposes, shall (name of  
6       county) be authorized to impose an increase on its share of  
7       local sales taxes by (insert rate) for a period not to  
8       exceed (insert number of years)?"

9       As additional information on the ballot below the  
10      question shall appear the following:

11                "This would mean that a consumer would pay an  
12      additional (insert amount) in sales tax for every \$100 of  
13      tangible personal property bought at retail. If imposed,  
14      the additional tax would cease being collected at the end  
15      of (insert number of years), if not terminated earlier by a  
16      vote of the county board."

17                For the purposes of the paragraph, "public safety  
18      purposes" means crime prevention, detention, fire  
19      fighting, police, medical, ambulance, or other emergency  
20      services.

21                Votes shall be recorded as "Yes" or "No".

22                (2) The proposition for transportation purposes shall  
23      be in substantially the following form:

24                "To pay for improvements to roads and other  
25      transportation purposes, shall (name of county) be  
26      authorized to impose an increase on its share of local



1 sales taxes by (insert rate)?"

2 As additional information on the ballot below the  
3 question shall appear the following:

4 "This would mean that a consumer would pay an  
5 additional (insert amount) in sales tax for every \$100 of  
6 tangible personal property bought at retail."

7 The county board may also opt to establish a sunset  
8 provision at which time the additional sales tax would  
9 cease being collected, if not terminated earlier by a vote  
10 of the county board. If the county board votes to include a  
11 sunset provision, the proposition for transportation  
12 purposes shall be in substantially the following form:

13 "To pay for road improvements and other transportation  
14 purposes, shall (name of county) be authorized to impose an  
15 increase on its share of local sales taxes by (insert rate)  
16 for a period not to exceed (insert number of years)?"

17 As additional information on the ballot below the  
18 question shall appear the following:

19 "This would mean that a consumer would pay an  
20 additional (insert amount) in sales tax for every \$100 of  
21 tangible personal property bought at retail. If imposed,  
22 the additional tax would cease being collected at the end  
23 of (insert number of years), if not terminated earlier by a  
24 vote of the county board."

25 For the purposes of this paragraph, transportation  
26 purposes means construction, maintenance, operation, and

1 improvement of public highways, any other purpose for which  
2 a county may expend funds under the Illinois Highway Code,  
3 and passenger rail transportation.

4 The votes shall be recorded as "Yes" or "No".

5 (3) The proposition for public facilities purposes  
6 shall be in substantially the following form:

7 "To pay for public facilities purposes, shall (name of  
8 county) be authorized to impose an increase on its share of  
9 local sales taxes by (insert rate)?"

10 As additional information on the ballot below the  
11 question shall appear the following:

12 "This would mean that a consumer would pay an  
13 additional (insert amount) in sales tax for every \$100 of  
14 tangible personal property bought at retail."

15 The county board may also opt to establish a sunset  
16 provision at which time the additional sales tax would  
17 cease being collected, if not terminated earlier by a vote  
18 of the county board. If the county board votes to include a  
19 sunset provision, the proposition for public facilities  
20 purposes shall be in substantially the following form:

21 "To pay for public facilities purposes, shall (name of  
22 county) be authorized to impose an increase on its share of  
23 local sales taxes by (insert rate) for a period not to  
24 exceed (insert number of years)?"

25 As additional information on the ballot below the  
26 question shall appear the following:

1            "This would mean that a consumer would pay an  
2 additional (insert amount) in sales tax for every \$100 of  
3 tangible personal property bought at retail. If imposed,  
4 the additional tax would cease being collected at the end  
5 of (insert number of years), if not terminated earlier by a  
6 vote of the county board."

7            For purposes of this Section, "public facilities  
8 purposes" means the acquisition, development,  
9 construction, reconstruction, rehabilitation, improvement,  
10 financing, architectural planning, and installation of  
11 capital facilities consisting of buildings, structures,  
12 and durable equipment and for the acquisition and  
13 improvement of real property and interest in real property  
14 required, or expected to be required, in connection with  
15 the public facilities, for use by the county for the  
16 furnishing of governmental services to its citizens,  
17 including but not limited to museums and nursing homes.

18            The votes shall be recorded as "Yes" or "No".

19            If a majority of the electors voting on the proposition  
20 vote in favor of it, the county may impose the tax. A county  
21 may not submit more than one proposition authorized by this  
22 Section to the electors at any one time.

23            This additional tax may not be imposed on the sales of food  
24 for human consumption that is to be consumed off the premises  
25 where it is sold (other than alcoholic beverages, soft drinks,  
26 and food which has been prepared for immediate consumption) and

1 prescription and non-prescription medicines, drugs, medical  
2 appliances and insulin, urine testing materials, syringes, and  
3 needles used by diabetics. The tax imposed by a county under  
4 this Section and all civil penalties that may be assessed as an  
5 incident of the tax shall be collected and enforced by the  
6 Illinois Department of Revenue and deposited into a special  
7 fund created for that purpose. The certificate of registration  
8 that is issued by the Department to a retailer under the  
9 Retailers' Occupation Tax Act shall permit the retailer to  
10 engage in a business that is taxable without registering  
11 separately with the Department under an ordinance or resolution  
12 under this Section. The Department has full power to administer  
13 and enforce this Section, to collect all taxes and penalties  
14 due under this Section, to dispose of taxes and penalties so  
15 collected in the manner provided in this Section, and to  
16 determine all rights to credit memoranda arising on account of  
17 the erroneous payment of a tax or penalty under this Section.  
18 In the administration of and compliance with this Section, the  
19 Department and persons who are subject to this Section shall  
20 (i) have the same rights, remedies, privileges, immunities,  
21 powers, and duties, (ii) be subject to the same conditions,  
22 restrictions, limitations, penalties, and definitions of  
23 terms, and (iii) employ the same modes of procedure as are  
24 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
25 1n, 2 through 2-70 (in respect to all provisions contained in  
26 those Sections other than the State rate of tax), 2a, 2b, 2c, 3

1 (except provisions relating to transaction returns and quarter  
2 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
3 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of  
4 the Retailers' Occupation Tax Act and Section 3-7 of the  
5 Uniform Penalty and Interest Act as if those provisions were  
6 set forth in this Section.

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

14 Whenever the Department determines that a refund should be  
15 made under this Section to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the order to be drawn for the  
18 amount specified and to the person named in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the County Public Safety or Transportation  
21 Retailers' Occupation Tax Fund.

22 (b) If a tax has been imposed under subsection (a), a  
23 service occupation tax shall also be imposed at the same rate  
24 upon all persons engaged, in the county, in the business of  
25 making sales of service, who, as an incident to making those  
26 sales of service, transfer tangible personal property within

1 the county as an incident to a sale of service. This tax may  
2 not be imposed on sales of food for human consumption that is  
3 to be consumed off the premises where it is sold (other than  
4 alcoholic beverages, soft drinks, and food prepared for  
5 immediate consumption) and prescription and non-prescription  
6 medicines, drugs, medical appliances and insulin, urine  
7 testing materials, syringes, and needles used by diabetics. The  
8 tax imposed under this subsection and all civil penalties that  
9 may be assessed as an incident thereof shall be collected and  
10 enforced by the Department of Revenue. The Department has full  
11 power to administer and enforce this subsection; to collect all  
12 taxes and penalties due hereunder; to dispose of taxes and  
13 penalties so collected in the manner hereinafter provided; and  
14 to determine all rights to credit memoranda arising on account  
15 of the erroneous payment of tax or penalty hereunder. In the  
16 administration of, and compliance with this subsection, the  
17 Department and persons who are subject to this paragraph shall  
18 (i) have the same rights, remedies, privileges, immunities,  
19 powers, and duties, (ii) be subject to the same conditions,  
20 restrictions, limitations, penalties, exclusions, exemptions,  
21 and definitions of terms, and (iii) employ the same modes of  
22 procedure as are prescribed in Sections 2 (except that the  
23 reference to State in the definition of supplier maintaining a  
24 place of business in this State shall mean the county), 2a, 2b,  
25 2c, 3 through 3-50 (in respect to all provisions therein other  
26 than the State rate of tax), 4 (except that the reference to

1 the State shall be to the county), 5, 7, 8 (except that the  
2 jurisdiction to which the tax shall be a debt to the extent  
3 indicated in that Section 8 shall be the county), 9 (except as  
4 to the disposition of taxes and penalties collected), 10, 11,  
5 12 (except the reference therein to Section 2b of the  
6 Retailers' Occupation Tax Act), 13 (except that any reference  
7 to the State shall mean the county), Section 15, 16, 17, 18, 19  
8 and 20 of the Service Occupation Tax Act and Section 3-7 of the  
9 Uniform Penalty and Interest Act, as fully as if those  
10 provisions were set forth herein.

11 Persons subject to any tax imposed under the authority  
12 granted in this subsection may reimburse themselves for their  
13 serviceman's tax liability by separately stating the tax as an  
14 additional charge, which charge may be stated in combination,  
15 in a single amount, with State tax that servicemen are  
16 authorized to collect under the Service Use Tax Act, in  
17 accordance with such bracket schedules as the Department may  
18 prescribe.

19 Whenever the Department determines that a refund should be  
20 made under this subsection to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the warrant to be drawn for the  
23 amount specified, and to the person named, in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the County Public Safety or Transportation  
26 Retailers' Occupation Fund.

1           Nothing in this subsection shall be construed to authorize  
2 the county to impose a tax upon the privilege of engaging in  
3 any business which under the Constitution of the United States  
4 may not be made the subject of taxation by the State.

5           (c) The Department shall immediately pay over to the State  
6 Treasurer, ex officio, as trustee, all taxes and penalties  
7 collected under this Section to be deposited into the County  
8 Public Safety or Transportation Retailers' Occupation Tax  
9 Fund, which shall be an unappropriated trust fund held outside  
10 of the State treasury.

11           As soon as possible after the first day of each month,  
12 beginning January 1, 2011, upon certification of the Department  
13 of Revenue, the Comptroller shall order transferred, and the  
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
15 local sales tax increment, as defined in the Innovation  
16 Development and Economy Act, collected under this Section  
17 during the second preceding calendar month for sales within a  
18 STAR bond district.

19           After the monthly transfer to the STAR Bonds Revenue Fund,  
20 on ~~on~~ or before the 25th day of each calendar month, the  
21 Department shall prepare and certify to the Comptroller the  
22 disbursement of stated sums of money to the counties from which  
23 retailers have paid taxes or penalties to the Department during  
24 the second preceding calendar month. The amount to be paid to  
25 each county, and deposited by the county into its special fund  
26 created for the purposes of this Section, shall be the amount



1 (not including credit memoranda) collected under this Section  
2 during the second preceding calendar month by the Department  
3 plus an amount the Department determines is necessary to offset  
4 any amounts that were erroneously paid to a different taxing  
5 body, and not including (i) an amount equal to the amount of  
6 refunds made during the second preceding calendar month by the  
7 Department on behalf of the county, ~~and~~ (ii) any amount that  
8 the Department determines is necessary to offset any amounts  
9 that were payable to a different taxing body but were  
10 erroneously paid to the county, and (iii) any amounts that are  
11 transferred to the STAR Bonds Revenue Fund. Within 10 days  
12 after receipt by the Comptroller of the disbursement  
13 certification to the counties provided for in this Section to  
14 be given to the Comptroller by the Department, the Comptroller  
15 shall cause the orders to be drawn for the respective amounts  
16 in accordance with directions contained in the certification.

17 In addition to the disbursement required by the preceding  
18 paragraph, an allocation shall be made in March of each year to  
19 each county that received more than \$500,000 in disbursements  
20 under the preceding paragraph in the preceding calendar year.  
21 The allocation shall be in an amount equal to the average  
22 monthly distribution made to each such county under the  
23 preceding paragraph during the preceding calendar year  
24 (excluding the 2 months of highest receipts). The distribution  
25 made in March of each year subsequent to the year in which an  
26 allocation was made pursuant to this paragraph and the

1 preceding paragraph shall be reduced by the amount allocated  
2 and disbursed under this paragraph in the preceding calendar  
3 year. The Department shall prepare and certify to the  
4 Comptroller for disbursement the allocations made in  
5 accordance with this paragraph.

6 (d) For the purpose of determining the local governmental  
7 unit whose tax is applicable, a retail sale by a producer of  
8 coal or another mineral mined in Illinois is a sale at retail  
9 at the place where the coal or other mineral mined in Illinois  
10 is extracted from the earth. This paragraph does not apply to  
11 coal or another mineral when it is delivered or shipped by the  
12 seller to the purchaser at a point outside Illinois so that the  
13 sale is exempt under the United States Constitution as a sale  
14 in interstate or foreign commerce.

15 (e) Nothing in this Section shall be construed to authorize  
16 a county to impose a tax upon the privilege of engaging in any  
17 business that under the Constitution of the United States may  
18 not be made the subject of taxation by this State.

19 (e-5) If a county imposes a tax under this Section, the  
20 county board may, by ordinance, discontinue or lower the rate  
21 of the tax. If the county board lowers the tax rate or  
22 discontinues the tax, a referendum must be held in accordance  
23 with subsection (a) of this Section in order to increase the  
24 rate of the tax or to reimpose the discontinued tax.

25 (f) Beginning April 1, 1998, the results of any election  
26 authorizing a proposition to impose a tax under this Section or

1 effecting a change in the rate of tax, or any ordinance  
2 lowering the rate or discontinuing the tax, shall be certified  
3 by the county clerk and filed with the Illinois Department of  
4 Revenue either (i) on or before the first day of April,  
5 whereupon the Department shall proceed to administer and  
6 enforce the tax as of the first day of July next following the  
7 filing; or (ii) on or before the first day of October,  
8 whereupon the Department shall proceed to administer and  
9 enforce the tax as of the first day of January next following  
10 the filing.

11 (g) When certifying the amount of a monthly disbursement to  
12 a county under this Section, the Department shall increase or  
13 decrease the amounts by an amount necessary to offset any  
14 miscalculation of previous disbursements. The offset amount  
15 shall be the amount erroneously disbursed within the previous 6  
16 months from the time a miscalculation is discovered.

17 (h) This Section may be cited as the "Special County  
18 Occupation Tax For Public Safety, Public Facilities, or  
19 Transportation Law".

20 (i) For purposes of this Section, "public safety" includes,  
21 but is not limited to, crime prevention, detention, fire  
22 fighting, police, medical, ambulance, or other emergency  
23 services. The county may share tax proceeds received under this  
24 Section for public safety purposes, including proceeds  
25 received before August 4, 2009 (the effective date of Public  
26 Act 96-124) ~~this amendatory Act of the 96th General Assembly,~~

1 with any fire protection district located in the county. For  
2 the purposes of this Section, "transportation" includes, but is  
3 not limited to, the construction, maintenance, operation, and  
4 improvement of public highways, any other purpose for which a  
5 county may expend funds under the Illinois Highway Code, and  
6 passenger rail transportation. For the purposes of this  
7 Section, "public facilities purposes" includes, but is not  
8 limited to, the acquisition, development, construction,  
9 reconstruction, rehabilitation, improvement, financing,  
10 architectural planning, and installation of capital facilities  
11 consisting of buildings, structures, and durable equipment and  
12 for the acquisition and improvement of real property and  
13 interest in real property required, or expected to be required,  
14 in connection with the public facilities, for use by the county  
15 for the furnishing of governmental services to its citizens,  
16 including but not limited to museums and nursing homes.

17 (j) The Department may promulgate rules to implement Public  
18 Act 95-1002 ~~this amendatory Act of the 95th General Assembly~~  
19 only to the extent necessary to apply the existing rules for  
20 the Special County Retailers' Occupation Tax for Public Safety  
21 to this new purpose for public facilities.

22 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;  
23 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; revised 11-3-09.)

24 (Text of Section after amendment by P.A. 96-845)

25 Sec. 5-1006.5. Special County Retailers' Occupation Tax

1 For Public Safety, Public Facilities, or Transportation.

2 (a) The county board of any county may impose a tax upon  
3 all persons engaged in the business of selling tangible  
4 personal property, other than personal property titled or  
5 registered with an agency of this State's government, at retail  
6 in the county on the gross receipts from the sales made in the  
7 course of business to provide revenue to be used exclusively  
8 for public safety, public facility, or transportation purposes  
9 in that county, if a proposition for the tax has been submitted  
10 to the electors of that county and approved by a majority of  
11 those voting on the question. If imposed, this tax shall be  
12 imposed only in one-quarter percent increments. By resolution,  
13 the county board may order the proposition to be submitted at  
14 any election. If the tax is imposed for transportation purposes  
15 for expenditures for public highways or as authorized under the  
16 Illinois Highway Code, the county board must publish notice of  
17 the existence of its long-range highway transportation plan as  
18 required or described in Section 5-301 of the Illinois Highway  
19 Code and must make the plan publicly available prior to  
20 approval of the ordinance or resolution imposing the tax. If  
21 the tax is imposed for transportation purposes for expenditures  
22 for passenger rail transportation, the county board must  
23 publish notice of the existence of its long-range passenger  
24 rail transportation plan and must make the plan publicly  
25 available prior to approval of the ordinance or resolution  
26 imposing the tax.

1           If a tax is imposed for public facilities purposes, then  
2 the name of the project may be included in the proposition at  
3 the discretion of the county board as determined in the  
4 enabling resolution. For example, the "XXX Nursing Home" or the  
5 "YYY Museum".

6           The county clerk shall certify the question to the proper  
7 election authority, who shall submit the proposition at an  
8 election in accordance with the general election law.

9           (1) The proposition for public safety purposes shall be  
10 in substantially the following form:

11           "To pay for public safety purposes, shall (name of  
12 county) be authorized to impose an increase on its share of  
13 local sales taxes by (insert rate)?"

14           As additional information on the ballot below the  
15 question shall appear the following:

16           "This would mean that a consumer would pay an  
17 additional (insert amount) in sales tax for every \$100 of  
18 tangible personal property bought at retail."

19           The county board may also opt to establish a sunset  
20 provision at which time the additional sales tax would  
21 cease being collected, if not terminated earlier by a vote  
22 of the county board. If the county board votes to include a  
23 sunset provision, the proposition for public safety  
24 purposes shall be in substantially the following form:

25           "To pay for public safety purposes, shall (name of  
26 county) be authorized to impose an increase on its share of

1 local sales taxes by (insert rate) for a period not to  
2 exceed (insert number of years)?"

3 As additional information on the ballot below the  
4 question shall appear the following:

5 "This would mean that a consumer would pay an  
6 additional (insert amount) in sales tax for every \$100 of  
7 tangible personal property bought at retail. If imposed,  
8 the additional tax would cease being collected at the end  
9 of (insert number of years), if not terminated earlier by a  
10 vote of the county board."

11 For the purposes of the paragraph, "public safety  
12 purposes" means crime prevention, detention, fire  
13 fighting, police, medical, ambulance, or other emergency  
14 services.

15 Votes shall be recorded as "Yes" or "No".

16 (2) The proposition for transportation purposes shall  
17 be in substantially the following form:

18 "To pay for improvements to roads and other  
19 transportation purposes, shall (name of county) be  
20 authorized to impose an increase on its share of local  
21 sales taxes by (insert rate)?"

22 As additional information on the ballot below the  
23 question shall appear the following:

24 "This would mean that a consumer would pay an  
25 additional (insert amount) in sales tax for every \$100 of  
26 tangible personal property bought at retail."

1           The county board may also opt to establish a sunset  
2 provision at which time the additional sales tax would  
3 cease being collected, if not terminated earlier by a vote  
4 of the county board. If the county board votes to include a  
5 sunset provision, the proposition for transportation  
6 purposes shall be in substantially the following form:

7           "To pay for road improvements and other transportation  
8 purposes, shall (name of county) be authorized to impose an  
9 increase on its share of local sales taxes by (insert rate)  
10 for a period not to exceed (insert number of years)?"

11           As additional information on the ballot below the  
12 question shall appear the following:

13           "This would mean that a consumer would pay an  
14 additional (insert amount) in sales tax for every \$100 of  
15 tangible personal property bought at retail. If imposed,  
16 the additional tax would cease being collected at the end  
17 of (insert number of years), if not terminated earlier by a  
18 vote of the county board."

19           For the purposes of this paragraph, transportation  
20 purposes means construction, maintenance, operation, and  
21 improvement of public highways, any other purpose for which  
22 a county may expend funds under the Illinois Highway Code,  
23 and passenger rail transportation.

24           The votes shall be recorded as "Yes" or "No".

25           (3) The proposition for public facilities purposes  
26 shall be in substantially the following form:



1            "To pay for public facilities purposes, shall (name of  
2 county) be authorized to impose an increase on its share of  
3 local sales taxes by (insert rate)?"

4            As additional information on the ballot below the  
5 question shall appear the following:

6            "This would mean that a consumer would pay an  
7 additional (insert amount) in sales tax for every \$100 of  
8 tangible personal property bought at retail."

9            The county board may also opt to establish a sunset  
10 provision at which time the additional sales tax would  
11 cease being collected, if not terminated earlier by a vote  
12 of the county board. If the county board votes to include a  
13 sunset provision, the proposition for public facilities  
14 purposes shall be in substantially the following form:

15           "To pay for public facilities purposes, shall (name of  
16 county) be authorized to impose an increase on its share of  
17 local sales taxes by (insert rate) for a period not to  
18 exceed (insert number of years)?"

19           As additional information on the ballot below the  
20 question shall appear the following:

21           "This would mean that a consumer would pay an  
22 additional (insert amount) in sales tax for every \$100 of  
23 tangible personal property bought at retail. If imposed,  
24 the additional tax would cease being collected at the end  
25 of (insert number of years), if not terminated earlier by a  
26 vote of the county board."

1           For purposes of this Section, "public facilities  
2           purposes" means the acquisition, development,  
3           construction, reconstruction, rehabilitation, improvement,  
4           financing, architectural planning, and installation of  
5           capital facilities consisting of buildings, structures,  
6           and durable equipment and for the acquisition and  
7           improvement of real property and interest in real property  
8           required, or expected to be required, in connection with  
9           the public facilities, for use by the county for the  
10          furnishing of governmental services to its citizens,  
11          including but not limited to museums and nursing homes.

12           The votes shall be recorded as "Yes" or "No".

13           If a majority of the electors voting on the proposition  
14          vote in favor of it, the county may impose the tax. A county  
15          may not submit more than one proposition authorized by this  
16          Section to the electors at any one time.

17           This additional tax may not be imposed on the sales of food  
18          for human consumption that is to be consumed off the premises  
19          where it is sold (other than alcoholic beverages, soft drinks,  
20          and food which has been prepared for immediate consumption) and  
21          prescription and non-prescription medicines, drugs, medical  
22          appliances and insulin, urine testing materials, syringes, and  
23          needles used by diabetics. The tax imposed by a county under  
24          this Section and all civil penalties that may be assessed as an  
25          incident of the tax shall be collected and enforced by the  
26          Illinois Department of Revenue and deposited into a special

1 fund created for that purpose. The certificate of registration  
2 that is issued by the Department to a retailer under the  
3 Retailers' Occupation Tax Act shall permit the retailer to  
4 engage in a business that is taxable without registering  
5 separately with the Department under an ordinance or resolution  
6 under this Section. The Department has full power to administer  
7 and enforce this Section, to collect all taxes and penalties  
8 due under this Section, to dispose of taxes and penalties so  
9 collected in the manner provided in this Section, and to  
10 determine all rights to credit memoranda arising on account of  
11 the erroneous payment of a tax or penalty under this Section.  
12 In the administration of and compliance with this Section, the  
13 Department and persons who are subject to this Section shall  
14 (i) have the same rights, remedies, privileges, immunities,  
15 powers, and duties, (ii) be subject to the same conditions,  
16 restrictions, limitations, penalties, and definitions of  
17 terms, and (iii) employ the same modes of procedure as are  
18 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
19 1n, 2 through 2-70 (in respect to all provisions contained in  
20 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
21 (except provisions relating to transaction returns and quarter  
22 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
23 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of  
24 the Retailers' Occupation Tax Act and Section 3-7 of the  
25 Uniform Penalty and Interest Act as if those provisions were  
26 set forth in this Section.

1           Persons subject to any tax imposed under the authority  
2 granted in this Section may reimburse themselves for their  
3 sellers' tax liability by separately stating the tax as an  
4 additional charge, which charge may be stated in combination,  
5 in a single amount, with State tax which sellers are required  
6 to collect under the Use Tax Act, pursuant to such bracketed  
7 schedules as the Department may prescribe.

8           Whenever the Department determines that a refund should be  
9 made under this Section to a claimant instead of issuing a  
10 credit memorandum, the Department shall notify the State  
11 Comptroller, who shall cause the order to be drawn for the  
12 amount specified and to the person named in the notification  
13 from the Department. The refund shall be paid by the State  
14 Treasurer out of the County Public Safety or Transportation  
15 Retailers' Occupation Tax Fund.

16           (b) If a tax has been imposed under subsection (a), a  
17 service occupation tax shall also be imposed at the same rate  
18 upon all persons engaged, in the county, in the business of  
19 making sales of service, who, as an incident to making those  
20 sales of service, transfer tangible personal property within  
21 the county as an incident to a sale of service. This tax may  
22 not be imposed on sales of food for human consumption that is  
23 to be consumed off the premises where it is sold (other than  
24 alcoholic beverages, soft drinks, and food prepared for  
25 immediate consumption) and prescription and non-prescription  
26 medicines, drugs, medical appliances and insulin, urine

1 testing materials, syringes, and needles used by diabetics. The  
2 tax imposed under this subsection and all civil penalties that  
3 may be assessed as an incident thereof shall be collected and  
4 enforced by the Department of Revenue. The Department has full  
5 power to administer and enforce this subsection; to collect all  
6 taxes and penalties due hereunder; to dispose of taxes and  
7 penalties so collected in the manner hereinafter provided; and  
8 to determine all rights to credit memoranda arising on account  
9 of the erroneous payment of tax or penalty hereunder. In the  
10 administration of, and compliance with this subsection, the  
11 Department and persons who are subject to this paragraph shall  
12 (i) have the same rights, remedies, privileges, immunities,  
13 powers, and duties, (ii) be subject to the same conditions,  
14 restrictions, limitations, penalties, exclusions, exemptions,  
15 and definitions of terms, and (iii) employ the same modes of  
16 procedure as are prescribed in Sections 2 (except that the  
17 reference to State in the definition of supplier maintaining a  
18 place of business in this State shall mean the county), 2a, 2b,  
19 2c, 3 through 3-50 (in respect to all provisions therein other  
20 than the State rate of tax), 4 (except that the reference to  
21 the State shall be to the county), 5, 7, 8 (except that the  
22 jurisdiction to which the tax shall be a debt to the extent  
23 indicated in that Section 8 shall be the county), 9 (except as  
24 to the disposition of taxes and penalties collected), 10, 11,  
25 12 (except the reference therein to Section 2b of the  
26 Retailers' Occupation Tax Act), 13 (except that any reference

1 to the State shall mean the county), Section 15, 16, 17, 18, 19  
2 and 20 of the Service Occupation Tax Act and Section 3-7 of the  
3 Uniform Penalty and Interest Act, as fully as if those  
4 provisions were set forth herein.

5 Persons subject to any tax imposed under the authority  
6 granted in this subsection may reimburse themselves for their  
7 serviceman's tax liability by separately stating the tax as an  
8 additional charge, which charge may be stated in combination,  
9 in a single amount, with State tax that servicemen are  
10 authorized to collect under the Service Use Tax Act, in  
11 accordance with such bracket schedules as the Department may  
12 prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this subsection to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the County Public Safety or Transportation  
20 Retailers' Occupation Fund.

21 Nothing in this subsection shall be construed to authorize  
22 the county to impose a tax upon the privilege of engaging in  
23 any business which under the Constitution of the United States  
24 may not be made the subject of taxation by the State.

25 (c) The Department shall immediately pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected under this Section to be deposited into the County  
2 Public Safety or Transportation Retailers' Occupation Tax  
3 Fund, which shall be an unappropriated trust fund held outside  
4 of the State treasury.

5 As soon as possible after the first day of each month,  
6 beginning January 1, 2011, upon certification of the Department  
7 of Revenue, the Comptroller shall order transferred, and the  
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
9 local sales tax increment, as defined in the Innovation  
10 Development and Economy Act, collected under this Section  
11 during the second preceding calendar month for sales within a  
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on ~~on~~ or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to the counties from which  
17 retailers have paid taxes or penalties to the Department during  
18 the second preceding calendar month. The amount to be paid to  
19 each county, and deposited by the county into its special fund  
20 created for the purposes of this Section, shall be the amount  
21 (not including credit memoranda) collected under this Section  
22 during the second preceding calendar month by the Department  
23 plus an amount the Department determines is necessary to offset  
24 any amounts that were erroneously paid to a different taxing  
25 body, and not including (i) an amount equal to the amount of  
26 refunds made during the second preceding calendar month by the

1 Department on behalf of the county, ~~and~~ (ii) any amount that  
2 the Department determines is necessary to offset any amounts  
3 that were payable to a different taxing body but were  
4 erroneously paid to the county, and (iii) any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt by the Comptroller of the disbursement  
7 certification to the counties provided for in this Section to  
8 be given to the Comptroller by the Department, the Comptroller  
9 shall cause the orders to be drawn for the respective amounts  
10 in accordance with directions contained in the certification.

11 In addition to the disbursement required by the preceding  
12 paragraph, an allocation shall be made in March of each year to  
13 each county that received more than \$500,000 in disbursements  
14 under the preceding paragraph in the preceding calendar year.  
15 The allocation shall be in an amount equal to the average  
16 monthly distribution made to each such county under the  
17 preceding paragraph during the preceding calendar year  
18 (excluding the 2 months of highest receipts). The distribution  
19 made in March of each year subsequent to the year in which an  
20 allocation was made pursuant to this paragraph and the  
21 preceding paragraph shall be reduced by the amount allocated  
22 and disbursed under this paragraph in the preceding calendar  
23 year. The Department shall prepare and certify to the  
24 Comptroller for disbursement the allocations made in  
25 accordance with this paragraph.

26 A county may direct, by ordinance, that all or a portion of



1 the taxes and penalties collected under the Special County  
2 Retailers' Occupation Tax For Public Safety or Transportation  
3 be deposited into the Transportation Development Partnership  
4 Trust Fund.

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

14 (e) Nothing in this Section shall be construed to authorize  
15 a county to impose a tax upon the privilege of engaging in any  
16 business that under the Constitution of the United States may  
17 not be made the subject of taxation by this State.

18 (e-5) If a county imposes a tax under this Section, the  
19 county board may, by ordinance, discontinue or lower the rate  
20 of the tax. If the county board lowers the tax rate or  
21 discontinues the tax, a referendum must be held in accordance  
22 with subsection (a) of this Section in order to increase the  
23 rate of the tax or to reimpose the discontinued tax.

24 (f) Beginning April 1, 1998, the results of any election  
25 authorizing a proposition to impose a tax under this Section or  
26 effecting a change in the rate of tax, or any ordinance

1 lowering the rate or discontinuing the tax, shall be certified  
2 by the county clerk and filed with the Illinois Department of  
3 Revenue either (i) on or before the first day of April,  
4 whereupon the Department shall proceed to administer and  
5 enforce the tax as of the first day of July next following the  
6 filing; or (ii) on or before the first day of October,  
7 whereupon the Department shall proceed to administer and  
8 enforce the tax as of the first day of January next following  
9 the filing.

10 (g) When certifying the amount of a monthly disbursement to  
11 a county under this Section, the Department shall increase or  
12 decrease the amounts by an amount necessary to offset any  
13 miscalculation of previous disbursements. The offset amount  
14 shall be the amount erroneously disbursed within the previous 6  
15 months from the time a miscalculation is discovered.

16 (h) This Section may be cited as the "Special County  
17 Occupation Tax For Public Safety, Public Facilities, or  
18 Transportation Law".

19 (i) For purposes of this Section, "public safety" includes,  
20 but is not limited to, crime prevention, detention, fire  
21 fighting, police, medical, ambulance, or other emergency  
22 services. The county may share tax proceeds received under this  
23 Section for public safety purposes, including proceeds  
24 received before August 4, 2009 (the effective date of Public  
25 Act 96-124) ~~this amendatory Act of the 96th General Assembly,~~  
26 with any fire protection district located in the county. For

1 the purposes of this Section, "transportation" includes, but is  
2 not limited to, the construction, maintenance, operation, and  
3 improvement of public highways, any other purpose for which a  
4 county may expend funds under the Illinois Highway Code, and  
5 passenger rail transportation. For the purposes of this  
6 Section, "public facilities purposes" includes, but is not  
7 limited to, the acquisition, development, construction,  
8 reconstruction, rehabilitation, improvement, financing,  
9 architectural planning, and installation of capital facilities  
10 consisting of buildings, structures, and durable equipment and  
11 for the acquisition and improvement of real property and  
12 interest in real property required, or expected to be required,  
13 in connection with the public facilities, for use by the county  
14 for the furnishing of governmental services to its citizens,  
15 including but not limited to museums and nursing homes.

16 (j) The Department may promulgate rules to implement Public  
17 Act 95-1002 ~~this amendatory Act of the 95th General Assembly~~  
18 only to the extent necessary to apply the existing rules for  
19 the Special County Retailers' Occupation Tax for Public Safety  
20 to this new purpose for public facilities.

21 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;  
22 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-845, eff. 7-1-12;  
23 revised 12-30-09.)

24 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

25 Sec. 5-1007. Home Rule County Service Occupation Tax Law.

1 The corporate authorities of a home rule county may impose a  
2 tax upon all persons engaged, in such county, in the business  
3 of making sales of service at the same rate of tax imposed  
4 pursuant to Section 5-1006 of the selling price of all tangible  
5 personal property transferred by such servicemen either in the  
6 form of tangible personal property or in the form of real  
7 estate as an incident to a sale of service. If imposed, such  
8 tax shall only be imposed in 1/4% increments. On and after  
9 September 1, 1991, this additional tax may not be imposed on  
10 the sales of food for human consumption which is to be consumed  
11 off the premises where it is sold (other than alcoholic  
12 beverages, soft drinks and food which has been prepared for  
13 immediate consumption) and prescription and nonprescription  
14 medicines, drugs, medical appliances and insulin, urine  
15 testing materials, syringes and needles used by diabetics. The  
16 tax imposed by a home rule county pursuant to this Section and  
17 all civil penalties that may be assessed as an incident thereof  
18 shall be collected and enforced by the State Department of  
19 Revenue. The certificate of registration which is issued by the  
20 Department to a retailer under the Retailers' Occupation Tax  
21 Act or under the Service Occupation Tax Act shall permit such  
22 registrant to engage in a business which is taxable under any  
23 ordinance or resolution enacted pursuant to this Section  
24 without registering separately with the Department under such  
25 ordinance or resolution or under this Section. The Department  
26 shall have full power to administer and enforce this Section;

1 to collect all taxes and penalties due hereunder; to dispose of  
2 taxes and penalties so collected in the manner hereinafter  
3 provided; and to determine all rights to credit memoranda  
4 arising on account of the erroneous payment of tax or penalty  
5 hereunder. In the administration of, and compliance with, this  
6 Section the Department and persons who are subject to this  
7 Section shall have the same rights, remedies, privileges,  
8 immunities, powers and duties, and be subject to the same  
9 conditions, restrictions, limitations, penalties and  
10 definitions of terms, and employ the same modes of procedure,  
11 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
12 respect to all provisions therein other than the State rate of  
13 tax), 4 (except that the reference to the State shall be to the  
14 taxing county), 5, 7, 8 (except that the jurisdiction to which  
15 the tax shall be a debt to the extent indicated in that Section  
16 8 shall be the taxing county), 9 (except as to the disposition  
17 of taxes and penalties collected, and except that the returned  
18 merchandise credit for this county tax may not be taken against  
19 any State tax), 10, 11, 12 (except the reference therein to  
20 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
21 that any reference to the State shall mean the taxing county),  
22 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
23 Service Occupation Tax Act and Section 3-7 of the Uniform  
24 Penalty and Interest Act, as fully as if those provisions were  
25 set forth herein.

26 No tax may be imposed by a home rule county pursuant to

1 this Section unless such county also imposes a tax at the same  
2 rate pursuant to Section 5-1006.

3 Persons subject to any tax imposed pursuant to the  
4 authority granted in this Section may reimburse themselves for  
5 their serviceman's tax liability hereunder by separately  
6 stating such tax as an additional charge, which charge may be  
7 stated in combination, in a single amount, with State tax which  
8 servicemen are authorized to collect under the Service Use Tax  
9 Act, pursuant to such bracket schedules as the Department may  
10 prescribe.

11 Whenever the Department determines that a refund should be  
12 made under this Section to a claimant instead of issuing credit  
13 memorandum, the Department shall notify the State Comptroller,  
14 who shall cause the order to be drawn for the amount specified,  
15 and to the person named, in such notification from the  
16 Department. Such refund shall be paid by the State Treasurer  
17 out of the home rule county retailers' occupation tax fund.

18 The Department shall forthwith pay over to the State  
19 Treasurer, ex-officio, as trustee, all taxes and penalties  
20 collected hereunder.

21 As soon as possible after the first day of each month,  
22 beginning January 1, 2011, upon certification of the Department  
23 of Revenue, the Comptroller shall order transferred, and the  
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
25 local sales tax increment, as defined in the Innovation  
26 Development and Economy Act, collected under this Section

1 during the second preceding calendar month for sales within a  
2 STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,  
4 on ~~On~~ or before the 25th day of each calendar month, the  
5 Department shall prepare and certify to the Comptroller the  
6 disbursement of stated sums of money to named counties, the  
7 counties to be those from which suppliers and servicemen have  
8 paid taxes or penalties hereunder to the Department during the  
9 second preceding calendar month. The amount to be paid to each  
10 county shall be the amount (not including credit memoranda)  
11 collected hereunder during the second preceding calendar month  
12 by the Department, and not including an amount equal to the  
13 amount of refunds made during the second preceding calendar  
14 month by the Department on behalf of such county, and not  
15 including any amounts that are transferred to the STAR Bonds  
16 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
17 of the disbursement certification to the counties provided for  
18 in this Section to be given to the Comptroller by the  
19 Department, the Comptroller shall cause the orders to be drawn  
20 for the respective amounts in accordance with the directions  
21 contained in such certification.

22 In addition to the disbursement required by the preceding  
23 paragraph, an allocation shall be made in each year to each  
24 county which received more than \$500,000 in disbursements under  
25 the preceding paragraph in the preceding calendar year. The  
26 allocation shall be in an amount equal to the average monthly

1 distribution made to each such county under the preceding  
2 paragraph during the preceding calendar year (excluding the 2  
3 months of highest receipts). The distribution made in March of  
4 each year subsequent to the year in which an allocation was  
5 made pursuant to this paragraph and the preceding paragraph  
6 shall be reduced by the amount allocated and disbursed under  
7 this paragraph in the preceding calendar year. The Department  
8 shall prepare and certify to the Comptroller for disbursement  
9 the allocations made in accordance with this paragraph.

10 Nothing in this Section shall be construed to authorize a  
11 county to impose a tax upon the privilege of engaging in any  
12 business which under the Constitution of the United States may  
13 not be made the subject of taxation by this State.

14 An ordinance or resolution imposing or discontinuing a tax  
15 hereunder or effecting a change in the rate thereof shall be  
16 adopted and a certified copy thereof filed with the Department  
17 on or before the first day of June, whereupon the Department  
18 shall proceed to administer and enforce this Section as of the  
19 first day of September next following such adoption and filing.  
20 Beginning January 1, 1992, an ordinance or resolution imposing  
21 or discontinuing the tax hereunder or effecting a change in the  
22 rate thereof shall be adopted and a certified copy thereof  
23 filed with the Department on or before the first day of July,  
24 whereupon the Department shall proceed to administer and  
25 enforce this Section as of the first day of October next  
26 following such adoption and filing. Beginning January 1, 1993,



1 an ordinance or resolution imposing or discontinuing the tax  
2 hereunder or effecting a change in the rate thereof shall be  
3 adopted and a certified copy thereof filed with the Department  
4 on or before the first day of October, whereupon the Department  
5 shall proceed to administer and enforce this Section as of the  
6 first day of January next following such adoption and filing.  
7 Beginning April 1, 1998, an ordinance or resolution imposing or  
8 discontinuing the tax hereunder or effecting a change in the  
9 rate thereof shall either (i) be adopted and a certified copy  
10 thereof filed with the Department on or before the first day of  
11 April, whereupon the Department shall proceed to administer and  
12 enforce this Section as of the first day of July next following  
13 the adoption and filing; or (ii) be adopted and a certified  
14 copy thereof filed with the Department on or before the first  
15 day of October, whereupon the Department shall proceed to  
16 administer and enforce this Section as of the first day of  
17 January next following the adoption and filing.

18 This Section shall be known and may be cited as the Home  
19 Rule County Service Occupation Tax Law.

20 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

21 Section 70. The Illinois Municipal Code is amended by  
22 changing Sections 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
23 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:

24 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

1           Sec. 8-4-1. No bonds shall be issued by the corporate  
2 authorities of any municipality until the question of  
3 authorizing such bonds has been submitted to the electors of  
4 that municipality provided that notice of the bond referendum,  
5 if held before July 1, 1999, has been given in accordance with  
6 the provisions of Section 12-5 of the Election Code in effect  
7 at the time of the bond referendum, at least 10 and not more  
8 than 45 days before the date of the election, notwithstanding  
9 the time for publication otherwise imposed by Section 12-5, and  
10 approved by a majority of the electors voting upon that  
11 question. Notices required in connection with the submission of  
12 public questions on or after July 1, 1999 shall be as set forth  
13 in Section 12-5 of the Election Code. The clerk shall certify  
14 the proposition of the corporate authorities to the proper  
15 election authority who shall submit the question at an election  
16 in accordance with the general election law, subject to the  
17 notice provisions set forth in this Section.

18           Notice of any such election shall contain the amount of the  
19 bond issue, purpose for which issued, and maximum rate of  
20 interest.

21           However, without the submission of the question of issuing  
22 bonds to the electors, the corporate authorities of any  
23 municipality may authorize the issuance of any of the following  
24 bonds:

25           (1) Bonds to refund any existing bonded indebtedness;

26           (2) Bonds to fund or refund any existing judgment

1       indebtedness;

2           (3) In any municipality of less than 500,000 population,  
3       bonds to anticipate the collection of installments of special  
4       assessments and special taxes against property owned by the  
5       municipality and to anticipate the collection of the amount  
6       apportioned to the municipality as public benefits under  
7       Article 9;

8           (4) Bonds issued by any municipality under Sections 8-4-15  
9       through 8-4-23, 11-23-1 through 11-23-12, 11-25-1 through  
10      11-26-6, 11-71-1 through 11-71-10, 11-74.4-1 through  
11      11-74.4-11, 11-74.5-1 through 11-74.5-15, 11-94-1 through  
12      11-94-7, 11-102-1 through 11-102-10, 11-103-11 through  
13      11-103-15, 11-118-1 through 11-118-6, 11-119-1 through  
14      11-119-5, 11-129-1 through 11-129-7, 11-133-1 through  
15      11-133-4, 11-139-1 through 11-139-12, 11-141-1 through  
16      11-141-18 of this Code or 10-801 through 10-808 of the Illinois  
17      Highway Code, as amended;

18          (5) Bonds issued by the board of education of any school  
19      district under the provisions of Sections 34-30 through 34-36  
20      of The School Code, as amended;

21          (6) Bonds issued by any municipality under the provisions  
22      of Division 6 of this Article 8; and by any municipality under  
23      the provisions of Division 7 of this Article 8; or under the  
24      provisions of Sections 11-121-4 and 11-121-5;

25          (7) Bonds to pay for the purchase of voting machines by any  
26      municipality that has adopted Article 24 of The Election Code,

1 approved May 11, 1943, as amended;

2 (8) Bonds issued by any municipality under Sections 15 and  
3 46 of the "Environmental Protection Act", approved June 29,  
4 1970;

5 (9) Bonds issued by the corporate authorities of any  
6 municipality under the provisions of Section 8-4-25 of this  
7 Article 8;

8 (10) Bonds issued under Section 8-4-26 of this Article 8 by  
9 any municipality having a board of election commissioners;

10 (11) Bonds issued under the provisions of "An Act to  
11 provide the manner of levying or imposing taxes for the  
12 provision of special services to areas within the boundaries of  
13 home rule units and nonhome rule municipalities and counties",  
14 approved September 21, 1973;

15 (12) Bonds issued under Section 8-5-16 of this Code;

16 (13) Bonds to finance the cost of the acquisition,  
17 construction or improvement of water or wastewater treatment  
18 facilities mandated by an enforceable compliance schedule  
19 developed in connection with the federal Clean Water Act or a  
20 compliance order issued by the United States Environmental  
21 Protection Agency or the Illinois Pollution Control Board;  
22 provided that such bonds are authorized by an ordinance adopted  
23 by a three-fifths majority of the corporate authorities of the  
24 municipality issuing the bonds which ordinance shall specify  
25 that the construction or improvement of such facilities is  
26 necessary to alleviate an emergency condition in such

1 municipality;

2 (14) Bonds issued by any municipality pursuant to Section  
3 11-113.1-1;

4 (15) Bonds issued under Sections 11-74.6-1 through  
5 11-74.6-45, the Industrial Jobs Recovery Law of this Code.

6 (16) Bonds issued under the Innovation Development and  
7 Economy Act, except as may be required by Section 35 of that  
8 Act.

9 (Source: P.A. 90-706, eff. 8-7-98; 90-812, eff. 1-26-99; 91-57,  
10 eff. 6-30-99.)

11 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

12 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
13 Act. The corporate authorities of a home rule municipality may  
14 impose a tax upon all persons engaged in the business of  
15 selling tangible personal property, other than an item of  
16 tangible personal property titled or registered with an agency  
17 of this State's government, at retail in the municipality on  
18 the gross receipts from these sales made in the course of such  
19 business. If imposed, the tax shall only be imposed in 1/4%  
20 increments. On and after September 1, 1991, this additional tax  
21 may not be imposed on the sales of food for human consumption  
22 that is to be consumed off the premises where it is sold (other  
23 than alcoholic beverages, soft drinks and food that has been  
24 prepared for immediate consumption) and prescription and  
25 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by  
2 diabetics. The tax imposed by a home rule municipality under  
3 this Section and all civil penalties that may be assessed as an  
4 incident of the tax shall be collected and enforced by the  
5 State Department of Revenue. The certificate of registration  
6 that is issued by the Department to a retailer under the  
7 Retailers' Occupation Tax Act shall permit the retailer to  
8 engage in a business that is taxable under any ordinance or  
9 resolution enacted pursuant to this Section without  
10 registering separately with the Department under such  
11 ordinance or resolution or under this Section. The Department  
12 shall have full power to administer and enforce this Section;  
13 to collect all taxes and penalties due hereunder; to dispose of  
14 taxes and penalties so collected in the manner hereinafter  
15 provided; and to determine all rights to credit memoranda  
16 arising on account of the erroneous payment of tax or penalty  
17 hereunder. In the administration of, and compliance with, this  
18 Section the Department and persons who are subject to this  
19 Section shall have the same rights, remedies, privileges,  
20 immunities, powers and duties, and be subject to the same  
21 conditions, restrictions, limitations, penalties and  
22 definitions of terms, and employ the same modes of procedure,  
23 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,  
24 1m, 1n, 2 through 2-65 (in respect to all provisions therein  
25 other than the State rate of tax), 2c, 3 (except as to the  
26 disposition of taxes and penalties collected), 4, 5, 5a, 5b,

1 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9,  
2 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
3 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
4 as if those provisions were set forth herein.

5 No tax may be imposed by a home rule municipality under  
6 this Section unless the municipality also imposes a tax at the  
7 same rate under Section 8-11-5 of this Act.

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

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

23 The Department shall immediately pay over to the State  
24 Treasurer, ex officio, as trustee, all taxes and penalties  
25 collected hereunder.

26 As soon as possible after the first day of each month,

1 beginning January 1, 2011, upon certification of the Department  
2 of Revenue, the Comptroller shall order transferred, and the  
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
4 local sales tax increment, as defined in the Innovation  
5 Development and Economy Act, collected under this Section  
6 during the second preceding calendar month for sales within a  
7 STAR bond district.

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on ~~or~~ 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 the municipalities to be those from which retailers have paid  
13 taxes or penalties hereunder to the Department during the  
14 second preceding calendar month. The amount to be paid to each  
15 municipality shall be the amount (not including credit  
16 memoranda) collected hereunder during the second preceding  
17 calendar month by the Department plus an amount the Department  
18 determines is necessary to offset any amounts that were  
19 erroneously paid to a different taxing body, and not including  
20 an amount equal to the amount of refunds made during the second  
21 preceding calendar month by the Department on behalf of such  
22 municipality, and not including any amount that the Department  
23 determines is necessary to offset any amounts that were payable  
24 to a different taxing body but were erroneously paid to the  
25 municipality, and not including any amounts that are  
26 transferred to the STAR Bonds Revenue Fund. Within 10 days



1 after receipt by the Comptroller of the disbursement  
2 certification to the municipalities provided for in this  
3 Section to be given to the Comptroller by the Department, the  
4 Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with the directions contained  
6 in the certification.

7 In addition to the disbursement required by the preceding  
8 paragraph and in order to mitigate delays caused by  
9 distribution procedures, an allocation shall, if requested, be  
10 made within 10 days after January 14, 1991, and in November of  
11 1991 and each year thereafter, to each municipality that  
12 received more than \$500,000 during the preceding fiscal year,  
13 (July 1 through June 30) whether collected by the municipality  
14 or disbursed by the Department as required by this Section.  
15 Within 10 days after January 14, 1991, participating  
16 municipalities shall notify the Department in writing of their  
17 intent to participate. In addition, for the initial  
18 distribution, participating municipalities shall certify to  
19 the Department the amounts collected by the municipality for  
20 each month under its home rule occupation and service  
21 occupation tax during the period July 1, 1989 through June 30,  
22 1990. The allocation within 10 days after January 14, 1991,  
23 shall be in an amount equal to the monthly average of these  
24 amounts, excluding the 2 months of highest receipts. The  
25 monthly average for the period of July 1, 1990 through June 30,  
26 1991 will be determined as follows: the amounts collected by

1 the municipality under its home rule occupation and service  
2 occupation tax during the period of July 1, 1990 through  
3 September 30, 1990, plus amounts collected by the Department  
4 and paid to such municipality through June 30, 1991, excluding  
5 the 2 months of highest receipts. The monthly average for each  
6 subsequent period of July 1 through June 30 shall be an amount  
7 equal to the monthly distribution made to each such  
8 municipality under the preceding paragraph during this period,  
9 excluding the 2 months of highest receipts. The distribution  
10 made in November 1991 and each year thereafter under this  
11 paragraph and the preceding paragraph shall be reduced by the  
12 amount allocated and disbursed under this paragraph in the  
13 preceding period of July 1 through June 30. The Department  
14 shall prepare and certify to the Comptroller for disbursement  
15 the allocations made in accordance with this paragraph.

16 For the purpose of determining the local governmental unit  
17 whose tax is applicable, a retail sale by a producer of coal or  
18 other mineral mined in Illinois is a sale at retail at the  
19 place where the coal or other mineral mined in Illinois is  
20 extracted from the earth. This paragraph does not apply to coal  
21 or other mineral when it is delivered or shipped by the seller  
22 to the purchaser at a point outside Illinois so that the sale  
23 is exempt under the United States Constitution as a sale in  
24 interstate or foreign commerce.

25 Nothing in this Section shall be construed to authorize a  
26 municipality to impose a tax upon the privilege of engaging in

1 any business which under the Constitution of the United States  
2 may not be made the subject of taxation by this State.

3 An ordinance or resolution imposing or discontinuing a tax  
4 hereunder or effecting a change in the rate thereof shall be  
5 adopted and a certified copy thereof filed with the Department  
6 on or before the first day of June, whereupon the Department  
7 shall proceed to administer and enforce this Section as of the  
8 first day of September next following the adoption and filing.  
9 Beginning January 1, 1992, an ordinance or resolution imposing  
10 or discontinuing the tax hereunder or effecting a change in the  
11 rate thereof shall be adopted and a certified copy thereof  
12 filed with the Department on or before the first day of July,  
13 whereupon the Department shall proceed to administer and  
14 enforce this Section as of the first day of October next  
15 following such adoption and filing. Beginning January 1, 1993,  
16 an ordinance or resolution imposing or discontinuing the tax  
17 hereunder or effecting a change in the rate thereof shall be  
18 adopted and a certified copy thereof filed with the Department  
19 on or before the first day of October, whereupon the Department  
20 shall proceed to administer and enforce this Section as of the  
21 first day of January next following the adoption and filing.  
22 However, a municipality located in a county with a population  
23 in excess of 3,000,000 that elected to become a home rule unit  
24 at the general primary election in 1994 may adopt an ordinance  
25 or resolution imposing the tax under this Section and file a  
26 certified copy of the ordinance or resolution with the

1 Department on or before July 1, 1994. The Department shall then  
2 proceed to administer and enforce this Section as of October 1,  
3 1994. Beginning April 1, 1998, an ordinance or resolution  
4 imposing or discontinuing the tax hereunder or effecting a  
5 change in the rate thereof shall either (i) be adopted and a  
6 certified copy thereof filed with the Department on or before  
7 the first day of April, whereupon the Department shall proceed  
8 to administer and enforce this Section as of the first day of  
9 July next following the adoption and filing; or (ii) be adopted  
10 and a certified copy thereof filed with the Department on or  
11 before the first day of October, whereupon the Department shall  
12 proceed to administer and enforce this Section as of the first  
13 day of January next following the adoption and filing.

14 When certifying the amount of a monthly disbursement to a  
15 municipality under this Section, the Department shall increase  
16 or decrease the amount by an amount necessary to offset any  
17 misallocation of previous disbursements. The offset amount  
18 shall be the amount erroneously disbursed within the previous 6  
19 months from the time a misallocation is discovered.

20 Any unobligated balance remaining in the Municipal  
21 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
22 was abolished by Public Act 85-1135, and all receipts of  
23 municipal tax as a result of audits of liability periods prior  
24 to January 1, 1990, shall be paid into the Local Government Tax  
25 Fund for distribution as provided by this Section prior to the  
26 enactment of Public Act 85-1135. All receipts of municipal tax

1 as a result of an assessment not arising from an audit, for  
2 liability periods prior to January 1, 1990, shall be paid into  
3 the Local Government Tax Fund for distribution before July 1,  
4 1990, as provided by this Section prior to the enactment of  
5 Public Act 85-1135; and on and after July 1, 1990, all such  
6 receipts shall be distributed as provided in Section 6z-18 of  
7 the State Finance Act.

8 As used in this Section, "municipal" and "municipality"  
9 means a city, village or incorporated town, including an  
10 incorporated town that has superseded a civil township.

11 This Section shall be known and may be cited as the Home  
12 Rule Municipal Retailers' Occupation Tax Act.

13 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

14 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

15 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
16 Occupation Tax Act. The corporate authorities of a non-home  
17 rule municipality may impose a tax upon all persons engaged in  
18 the business of selling tangible personal property, other than  
19 on an item of tangible personal property which is titled and  
20 registered by an agency of this State's Government, at retail  
21 in the municipality for expenditure on public infrastructure or  
22 for property tax relief or both as defined in Section 8-11-1.2  
23 if approved by referendum as provided in Section 8-11-1.1, of  
24 the gross receipts from such sales made in the course of such  
25 business. The tax imposed may not be more than 1% and may be

1 imposed only in 1/4% increments. The tax may not be imposed on  
2 the sale of food for human consumption that is to be consumed  
3 off the premises where it is sold (other than alcoholic  
4 beverages, soft drinks, and food that has been prepared for  
5 immediate consumption) and prescription and nonprescription  
6 medicines, drugs, medical appliances, and insulin, urine  
7 testing materials, syringes, and needles used by diabetics. The  
8 tax imposed by a municipality pursuant to this Section and all  
9 civil penalties that may be assessed as an incident thereof  
10 shall be collected and enforced by the State Department of  
11 Revenue. The certificate of registration which is issued by the  
12 Department to a retailer under the Retailers' Occupation Tax  
13 Act shall permit such retailer to engage in a business which is  
14 taxable under any ordinance or resolution enacted pursuant to  
15 this Section without registering separately with the  
16 Department under such ordinance or resolution or under this  
17 Section. The Department shall have full power to administer and  
18 enforce this Section; to collect all taxes and penalties due  
19 hereunder; to dispose of taxes and penalties so collected in  
20 the manner hereinafter provided, and to determine all rights to  
21 credit memoranda, arising on account of the erroneous payment  
22 of tax or penalty hereunder. In the administration of, and  
23 compliance with, this Section, the Department and persons who  
24 are subject to this Section shall have the same rights,  
25 remedies, privileges, immunities, powers and duties, and be  
26 subject to the same conditions, restrictions, limitations,

1 penalties and definitions of terms, and employ the same modes  
2 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
3 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
4 therein other than the State rate of tax), 2c, 3 (except as to  
5 the disposition of taxes and penalties collected), 4, 5, 5a,  
6 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
7 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
8 Section 3-7 of the Uniform Penalty and Interest Act as fully as  
9 if those provisions were set forth herein.

10 No municipality may impose a tax under this Section unless  
11 the municipality also imposes a tax at the same rate under  
12 Section 8-11-1.4 of this Code.

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

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the order to be drawn for the  
24 amount specified, and to the person named, in such notification  
25 from the Department. Such refund shall be paid by the State  
26 Treasurer out of the non-home rule municipal retailers'

1 occupation tax fund.

2 The Department shall forthwith pay over to the State  
3 Treasurer, ex officio, as trustee, all taxes and penalties  
4 collected hereunder.

5 As soon as possible after the first day of each month,  
6 beginning January 1, 2011, upon certification of the Department  
7 of Revenue, the Comptroller shall order transferred, and the  
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
9 local sales tax increment, as defined in the Innovation  
10 Development and Economy Act, collected under this Section  
11 during the second preceding calendar month for sales within a  
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on ~~on~~ or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to named municipalities,  
17 the municipalities to be those from which retailers have paid  
18 taxes or penalties hereunder to the Department during the  
19 second preceding calendar month. The amount to be paid to each  
20 municipality shall be the amount (not including credit  
21 memoranda) collected hereunder during the second preceding  
22 calendar month by the Department plus an amount the Department  
23 determines is necessary to offset any amounts which were  
24 erroneously paid to a different taxing body, and not including  
25 an amount equal to the amount of refunds made during the second  
26 preceding calendar month by the Department on behalf of such



1 municipality, and not including any amount which the Department  
2 determines is necessary to offset any amounts which were  
3 payable to a different taxing body but were erroneously paid to  
4 the municipality, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt, by the Comptroller, of the disbursement  
7 certification to the municipalities, provided for in this  
8 Section to be given to the Comptroller by the Department, the  
9 Comptroller shall cause the orders to be drawn for the  
10 respective amounts in accordance with the directions contained  
11 in such certification.

12 For the purpose of determining the local governmental unit  
13 whose tax is applicable, a retail sale, by a producer of coal  
14 or other mineral mined in Illinois, is a sale at retail at the  
15 place where the coal or other mineral mined in Illinois is  
16 extracted from the earth. This paragraph does not apply to coal  
17 or other mineral when it is delivered or shipped by the seller  
18 to the purchaser at a point outside Illinois so that the sale  
19 is exempt under the Federal Constitution as a sale in  
20 interstate or foreign commerce.

21 Nothing in this Section shall be construed to authorize a  
22 municipality to impose a tax upon the privilege of engaging in  
23 any business which under the constitution of the United States  
24 may not be made the subject of taxation by this State.

25 When certifying the amount of a monthly disbursement to a  
26 municipality under this Section, the Department shall increase

1 or decrease such amount by an amount necessary to offset any  
2 misallocation of previous disbursements. The offset amount  
3 shall be the amount erroneously disbursed within the previous 6  
4 months from the time a misallocation is discovered.

5 The Department of Revenue shall implement this amendatory  
6 Act of the 91st General Assembly so as to collect the tax on  
7 and after January 1, 2002.

8 As used in this Section, "municipal" and "municipality"  
9 means a city, village or incorporated town, including an  
10 incorporated town which has superseded a civil township.

11 This Section shall be known and may be cited as the  
12 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

13 (Source: P.A. 94-679, eff. 1-1-06.)

14 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

15 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
16 Tax Act. The corporate authorities of a non-home rule  
17 municipality may impose a tax upon all persons engaged, in such  
18 municipality, in the business of making sales of service for  
19 expenditure on public infrastructure or for property tax relief  
20 or both as defined in Section 8-11-1.2 if approved by  
21 referendum as provided in Section 8-11-1.1, of the selling  
22 price of all tangible personal property transferred by such  
23 servicemen either in the form of tangible personal property or  
24 in the form of real estate as an incident to a sale of service.  
25 The tax imposed may not be more than 1% and may be imposed only

1 in 1/4% increments. The tax may not be imposed on the sale of  
2 food for human consumption that is to be consumed off the  
3 premises where it is sold (other than alcoholic beverages, soft  
4 drinks, and food that has been prepared for immediate  
5 consumption) and prescription and nonprescription medicines,  
6 drugs, medical appliances, and insulin, urine testing  
7 materials, syringes, and needles used by diabetics. The tax  
8 imposed by a municipality pursuant to this Section and all  
9 civil penalties that may be assessed as an incident thereof  
10 shall be collected and enforced by the State Department of  
11 Revenue. The certificate of registration which is issued by the  
12 Department to a retailer under the Retailers' Occupation Tax  
13 Act or under the Service Occupation Tax Act shall permit such  
14 registrant to engage in a business which is taxable under any  
15 ordinance or resolution enacted pursuant to this Section  
16 without registering separately with the Department under such  
17 ordinance or resolution or under this Section. The Department  
18 shall have full power to administer and enforce this Section;  
19 to collect all taxes and penalties due hereunder; to dispose of  
20 taxes and penalties so collected in the manner hereinafter  
21 provided, and to determine all rights to credit memoranda  
22 arising on account of the erroneous payment of tax or penalty  
23 hereunder. In the administration of, and compliance with, this  
24 Section the Department and persons who are subject to this  
25 Section shall have the same rights, remedies, privileges,  
26 immunities, powers and duties, and be subject to the same

1 conditions, restrictions, limitations, penalties and  
2 definitions of terms, and employ the same modes of procedure,  
3 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
4 respect to all provisions therein other than the State rate of  
5 tax), 4 (except that the reference to the State shall be to the  
6 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
7 which the tax shall be a debt to the extent indicated in that  
8 Section 8 shall be the taxing municipality), 9 (except as to  
9 the disposition of taxes and penalties collected, and except  
10 that the returned merchandise credit for this municipal tax may  
11 not be taken against any State tax), 10, 11, 12 (except the  
12 reference therein to Section 2b of the Retailers' Occupation  
13 Tax Act), 13 (except that any reference to the State shall mean  
14 the taxing municipality), the first paragraph of Section 15,  
15 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
16 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
17 as if those provisions were set forth herein.

18 No municipality may impose a tax under this Section unless  
19 the municipality also imposes a tax at the same rate under  
20 Section 8-11-1.3 of this Code.

21 Persons subject to any tax imposed pursuant to the  
22 authority granted in this Section may reimburse themselves for  
23 their serviceman's tax liability hereunder by separately  
24 stating such tax as an additional charge, which charge may be  
25 stated in combination, in a single amount, with State tax which  
26 servicemen are authorized to collect under the Service Use Tax

1 Act, pursuant to such bracket schedules as the Department may  
2 prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this Section to a claimant instead of issuing credit  
5 memorandum, the Department shall notify the State Comptroller,  
6 who shall cause the order to be drawn for the amount specified,  
7 and to the person named, in such notification from the  
8 Department. Such refund shall be paid by the State Treasurer  
9 out of the municipal retailers' occupation tax fund.

10 The Department shall forthwith pay over to the State  
11 Treasurer, ex officio, as trustee, all taxes and penalties  
12 collected hereunder.

13 As soon as possible after the first day of each month,  
14 beginning January 1, 2011, upon certification of the Department  
15 of Revenue, the Comptroller shall order transferred, and the  
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
17 local sales tax increment, as defined in the Innovation  
18 Development and Economy Act, collected under this Section  
19 during the second preceding calendar month for sales within a  
20 STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,  
22 on ~~on~~ or before the 25th day of each calendar month, the  
23 Department shall prepare and certify to the Comptroller the  
24 disbursement of stated sums of money to named municipalities,  
25 the municipalities to be those from which suppliers and  
26 servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The  
2 amount to be paid to each municipality shall be the amount (not  
3 including credit memoranda) collected hereunder during the  
4 second preceding calendar month by the Department, and not  
5 including an amount equal to the amount of refunds made during  
6 the second preceding calendar month by the Department on behalf  
7 of such municipality, and not including any amounts that are  
8 transferred to the STAR Bonds Revenue Fund. Within 10 days  
9 after receipt, by the Comptroller, of the disbursement  
10 certification to the municipalities and the General Revenue  
11 Fund, provided for in this Section to be given to the  
12 Comptroller by the Department, the Comptroller shall cause the  
13 orders to be drawn for the respective amounts in accordance  
14 with the directions contained in such certification.

15 The Department of Revenue shall implement this amendatory  
16 Act of the 91st General Assembly so as to collect the tax on  
17 and after January 1, 2002.

18 Nothing in this Section shall be construed to authorize a  
19 municipality to impose a tax upon the privilege of engaging in  
20 any business which under the constitution of the United States  
21 may not be made the subject of taxation by this State.

22 As used in this Section, "municipal" or "municipality"  
23 means or refers to a city, village or incorporated town,  
24 including an incorporated town which has superseded a civil  
25 township.

26 This Section shall be known and may be cited as the

1 "Non-Home Rule Municipal Service Occupation Tax Act".

2 (Source: P.A. 94-679, eff. 1-1-06.)

3 (65 ILCS 5/8-11-1.6)

4 Sec. 8-11-1.6. Non-home rule municipal retailers  
5 occupation tax; municipalities between 20,000 and 25,000. The  
6 corporate authorities of a non-home rule municipality with a  
7 population of more than 20,000 but less than 25,000 that has,  
8 prior to January 1, 1987, established a Redevelopment Project  
9 Area that has been certified as a State Sales Tax Boundary and  
10 has issued bonds or otherwise incurred indebtedness to pay for  
11 costs in excess of \$5,000,000, which is secured in part by a  
12 tax increment allocation fund, in accordance with the  
13 provisions of Division 11-74.4 of this Code may, by passage of  
14 an ordinance, impose a tax upon all persons engaged in the  
15 business of selling tangible personal property, other than on  
16 an item of tangible personal property that is titled and  
17 registered by an agency of this State's Government, at retail  
18 in the municipality. This tax may not be imposed on the sales  
19 of food for human consumption that is to be consumed off the  
20 premises where it is sold (other than alcoholic beverages, soft  
21 drinks, and food that has been prepared for immediate  
22 consumption) and prescription and nonprescription medicines,  
23 drugs, medical appliances and insulin, urine testing  
24 materials, syringes, and needles used by diabetics. If imposed,  
25 the tax shall only be imposed in .25% increments of the gross

1 receipts from such sales made in the course of business. Any  
2 tax imposed by a municipality under this Sec. and all civil  
3 penalties that may be assessed as an incident thereof shall be  
4 collected and enforced by the State Department of Revenue. An  
5 ordinance imposing a tax hereunder or effecting a change in the  
6 rate thereof shall be adopted and a certified copy thereof  
7 filed with the Department on or before the first day of  
8 October, whereupon the Department shall proceed to administer  
9 and enforce this Section as of the first day of January next  
10 following such adoption and filing. The certificate of  
11 registration that is issued by the Department to a retailer  
12 under the Retailers' Occupation Tax Act shall permit the  
13 retailer to engage in a business that is taxable under any  
14 ordinance or resolution enacted under this Section without  
15 registering separately with the Department under the ordinance  
16 or resolution or under this Section. The Department shall have  
17 full power to administer and enforce this Section, to collect  
18 all taxes and penalties due hereunder, to dispose of taxes and  
19 penalties so collected in the manner hereinafter provided, and  
20 to determine all rights to credit memoranda, arising on account  
21 of the erroneous payment of tax or penalty hereunder. In the  
22 administration of, and compliance with this Section, the  
23 Department and persons who are subject to this Section shall  
24 have the same rights, remedies, privileges, immunities,  
25 powers, and duties, and be subject to the same conditions,  
26 restrictions, limitations, penalties, and definitions of



1 terms, and employ the same modes of procedure, as are  
2 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
3 through 2-65 (in respect to all provisions therein other than  
4 the State rate of tax), 2c, 3 (except as to the disposition of  
5 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
6 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and  
7 13 of the Retailers' Occupation Tax Act and Section 3-7 of the  
8 Uniform Penalty and Interest Act as fully as if those  
9 provisions were set forth herein.

10 A tax may not be imposed by a municipality under this  
11 Section unless the municipality also imposes a tax at the same  
12 rate under Section 8-11-1.7 of this Act.

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

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant, instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the order to be drawn for the  
24 amount specified, and to the person named in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Non-Home Rule Municipal Retailers'

1 Occupation Tax Fund, which is hereby created.

2 The Department shall forthwith pay over to the State  
3 Treasurer, ex officio, as trustee, all taxes and penalties  
4 collected hereunder.

5 As soon as possible after the first day of each month,  
6 beginning January 1, 2011, upon certification of the Department  
7 of Revenue, the Comptroller shall order transferred, and the  
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
9 local sales tax increment, as defined in the Innovation  
10 Development and Economy Act, collected under this Section  
11 during the second preceding calendar month for sales within a  
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on ~~on~~ or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to named municipalities,  
17 the municipalities to be those from which retailers have paid  
18 taxes or penalties hereunder to the Department during the  
19 second preceding calendar month. The amount to be paid to each  
20 municipality shall be the amount (not including credit  
21 memoranda) collected hereunder during the second preceding  
22 calendar month by the Department plus an amount the Department  
23 determines is necessary to offset any amounts that were  
24 erroneously paid to a different taxing body, and not including  
25 an amount equal to the amount of refunds made during the second  
26 preceding calendar month by the Department on behalf of the

1 municipality, and not including any amount that the Department  
2 determines is necessary to offset any amounts that were payable  
3 to a different taxing body but were erroneously paid to the  
4 municipality, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt by the Comptroller of the disbursement  
7 certification to the municipalities provided for in this  
8 Section to be given to the Comptroller by the Department, the  
9 Comptroller shall cause the orders to be drawn for the  
10 respective amounts in accordance with the directions contained  
11 in the certification.

12 For the purpose of determining the local governmental unit  
13 whose tax is applicable, a retail sale by a producer of coal or  
14 other mineral mined in Illinois is a sale at retail at the  
15 place where the coal or other mineral mined in Illinois is  
16 extracted from the earth. This paragraph does not apply to coal  
17 or other mineral when it is delivered or shipped by the seller  
18 to the purchaser at a point outside Illinois so that the sale  
19 is exempt under the federal Constitution as a sale in  
20 interstate or foreign commerce.

21 Nothing in this Section shall be construed to authorize a  
22 municipality to impose a tax upon the privilege of engaging in  
23 any business which under the constitution of the United States  
24 may not be made the subject of taxation by this State.

25 When certifying the amount of a monthly disbursement to a  
26 municipality under this Section, the Department shall increase

1 or decrease the amount by an amount necessary to offset any  
2 misallocation of previous disbursements. The offset amount  
3 shall be the amount erroneously disbursed within the previous 6  
4 months from the time a misallocation is discovered.

5 As used in this Section, "municipal" and "municipality"  
6 means a city, village, or incorporated town, including an  
7 incorporated town that has superseded a civil township.

8 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

9 (65 ILCS 5/8-11-1.7)

10 Sec. 8-11-1.7. Non-home rule municipal service occupation  
11 tax; municipalities between 20,000 and 25,000. The corporate  
12 authorities of a non-home rule municipality with a population  
13 of more than 20,000 but less than 25,000 as determined by the  
14 last preceding decennial census that has, prior to January 1,  
15 1987, established a Redevelopment Project Area that has been  
16 certified as a State Sales Tax Boundary and has issued bonds or  
17 otherwise incurred indebtedness to pay for costs in excess of  
18 \$5,000,000, which is secured in part by a tax increment  
19 allocation fund, in accordance with the provisions of Division  
20 11-74.7 of this Code may, by passage of an ordinance, impose a  
21 tax upon all persons engaged in the municipality in the  
22 business of making sales of service. If imposed, the tax shall  
23 only be imposed in .25% increments of the selling price of all  
24 tangible personal property transferred by such servicemen  
25 either in the form of tangible personal property or in the form

1 of real estate as an incident to a sale of service. This tax  
2 may not be imposed on the sales of food for human consumption  
3 that is to be consumed off the premises where it is sold (other  
4 than alcoholic beverages, soft drinks, and food that has been  
5 prepared for immediate consumption) and prescription and  
6 nonprescription medicines, drugs, medical appliances and  
7 insulin, urine testing materials, syringes, and needles used by  
8 diabetics. The tax imposed by a municipality under this Sec.  
9 and all civil penalties that may be assessed as an incident  
10 thereof shall be collected and enforced by the State Department  
11 of Revenue. An ordinance imposing a tax hereunder or effecting  
12 a change in the rate thereof shall be adopted and a certified  
13 copy thereof filed with the Department on or before the first  
14 day of October, whereupon the Department shall proceed to  
15 administer and enforce this Section as of the first day of  
16 January next following such adoption and filing. The  
17 certificate of registration that is issued by the Department to  
18 a retailer under the Retailers' Occupation Tax Act or under the  
19 Service Occupation Tax Act shall permit the registrant to  
20 engage in a business that is taxable under any ordinance or  
21 resolution enacted under this Section without registering  
22 separately with the Department under the ordinance or  
23 resolution or under this Section. The Department shall have  
24 full power to administer and enforce this Section, to collect  
25 all taxes and penalties due hereunder, to dispose of taxes and  
26 penalties so collected in a manner hereinafter provided, and to

1 determine all rights to credit memoranda arising on account of  
2 the erroneous payment of tax or penalty hereunder. In the  
3 administration of and compliance with this Section, the  
4 Department and persons who are subject to this Section shall  
5 have the same rights, remedies, privileges, immunities,  
6 powers, and duties, and be subject to the same conditions,  
7 restrictions, limitations, penalties and definitions of terms,  
8 and employ the same modes of procedure, as are prescribed in  
9 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
10 provisions therein other than the State rate of tax), 4 (except  
11 that the reference to the State shall be to the taxing  
12 municipality), 5, 7, 8 (except that the jurisdiction to which  
13 the tax shall be a debt to the extent indicated in that Section  
14 8 shall be the taxing municipality), 9 (except as to the  
15 disposition of taxes and penalties collected, and except that  
16 the returned merchandise credit for this municipal tax may not  
17 be taken against any State tax), 10, 11, 12, (except the  
18 reference therein to Section 2b of the Retailers' Occupation  
19 Tax Act), 13 (except that any reference to the State shall mean  
20 the taxing municipality), the first paragraph of Sections 15,  
21 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and  
22 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
23 as if those provisions were set forth herein.

24 A tax may not be imposed by a municipality under this  
25 Section unless the municipality also imposes a tax at the same  
26 rate under Section 8-11-1.6 of this Act.

1           Person subject to any tax imposed under the authority  
2 granted in this Section may reimburse themselves for their  
3 servicemen's tax liability hereunder by separately stating the  
4 tax as an additional charge, which charge may be stated in  
5 combination, in a single amount, with State tax that servicemen  
6 are authorized to collect under the Service Use Tax Act, under  
7 such bracket schedules as the Department may prescribe.

8           Whenever the Department determines that a refund should be  
9 made under this Section to a claimant instead of issuing credit  
10 memorandum, the Department shall notify the State Comptroller,  
11 who shall cause the order to be drawn for the amount specified,  
12 and to the person named, in such notification from the  
13 Department. The refund shall be paid by the State Treasurer out  
14 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

15           The Department shall forthwith pay over to the State  
16 Treasurer, ex officio, as trustee, all taxes and penalties  
17 collected hereunder.

18           As soon as possible after the first day of each month,  
19 beginning January 1, 2011, upon certification of the Department  
20 of Revenue, the Comptroller shall order transferred, and the  
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
22 local sales tax increment, as defined in the Innovation  
23 Development and Economy Act, collected under this Section  
24 during the second preceding calendar month for sales within a  
25 STAR bond district.

26           After the monthly transfer to the STAR Bonds Revenue Fund,

1 on ~~On~~ or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities,  
4 the municipalities to be those from which suppliers and  
5 servicemen have paid taxes or penalties hereunder to the  
6 Department during the second preceding calendar month. The  
7 amount to be paid to each municipality shall be the amount (not  
8 including credit memoranda) collected hereunder during the  
9 second preceding calendar month by the Department, and not  
10 including an amount equal to the amount of refunds made during  
11 the second preceding calendar month by the Department on behalf  
12 of such municipality, and not including any amounts that are  
13 transferred to the STAR Bonds Revenue Fund. Within 10 days  
14 after receipt by the Comptroller of the disbursement  
15 certification to the municipalities and the General Revenue  
16 Fund, provided for in this Section to be given to the  
17 Comptroller by the Department, the Comptroller shall cause the  
18 orders to be drawn for the respective amounts in accordance  
19 with the directions contained in the certification.

20 When certifying the amount of a monthly disbursement to a  
21 municipality under this Section, the Department shall increase  
22 or decrease the amount by an amount necessary to offset any  
23 misallocation of previous disbursements. The offset amount  
24 shall be the amount erroneously disbursed within the previous 6  
25 months from the time a misallocation is discovered.

26 Nothing in this Section shall be construed to authorize a



1 municipality to impose a tax upon the privilege of engaging in  
2 any business which under the constitution of the United States  
3 may not be made the subject of taxation by this State.

4 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

5 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

6 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
7 Act. The corporate authorities of a home rule municipality may  
8 impose a tax upon all persons engaged, in such municipality, in  
9 the business of making sales of service at the same rate of tax  
10 imposed pursuant to Section 8-11-1, of the selling price of all  
11 tangible personal property transferred by such servicemen  
12 either in the form of tangible personal property or in the form  
13 of real estate as an incident to a sale of service. If imposed,  
14 such tax shall only be imposed in 1/4% increments. On and after  
15 September 1, 1991, this additional tax may not be imposed on  
16 the sales of food for human consumption which is to be consumed  
17 off the premises where it is sold (other than alcoholic  
18 beverages, soft drinks and food which has been prepared for  
19 immediate consumption) and prescription and nonprescription  
20 medicines, drugs, medical appliances and insulin, urine  
21 testing materials, syringes and needles used by diabetics. The  
22 tax imposed by a home rule municipality pursuant to this  
23 Section and all civil penalties that may be assessed as an  
24 incident thereof shall be collected and enforced by the State  
25 Department of Revenue. The certificate of registration which is

1 issued by the Department to a retailer under the Retailers'  
2 Occupation Tax Act or under the Service Occupation Tax Act  
3 shall permit such registrant to engage in a business which is  
4 taxable under any ordinance or resolution enacted pursuant to  
5 this Section without registering separately with the  
6 Department under such ordinance or resolution or under this  
7 Section. The Department shall have full power to administer and  
8 enforce this Section; to collect all taxes and penalties due  
9 hereunder; to dispose of taxes and penalties so collected in  
10 the manner hereinafter provided, and to determine all rights to  
11 credit memoranda arising on account of the erroneous payment of  
12 tax or penalty hereunder. In the administration of, and  
13 compliance with, this Section the Department and persons who  
14 are subject to this Section shall have the same rights,  
15 remedies, privileges, immunities, powers and duties, and be  
16 subject to the same conditions, restrictions, limitations,  
17 penalties and definitions of terms, and employ the same modes  
18 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
19 through 3-50 (in respect to all provisions therein other than  
20 the State rate of tax), 4 (except that the reference to the  
21 State shall be to the taxing municipality), 5, 7, 8 (except  
22 that the jurisdiction to which the tax shall be a debt to the  
23 extent indicated in that Section 8 shall be the taxing  
24 municipality), 9 (except as to the disposition of taxes and  
25 penalties collected, and except that the returned merchandise  
26 credit for this municipal tax may not be taken against any

1 State tax), 10, 11, 12 (except the reference therein to Section  
2 2b of the Retailers' Occupation Tax Act), 13 (except that any  
3 reference to the State shall mean the taxing municipality), the  
4 first paragraph of Section 15, 16, 17 (except that credit  
5 memoranda issued hereunder may not be used to discharge any  
6 State tax liability), 18, 19 and 20 of the Service Occupation  
7 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
8 Act, as fully as if those provisions were set forth herein.

9 No tax may be imposed by a home rule municipality pursuant  
10 to this Section unless such municipality also imposes a tax at  
11 the same rate pursuant to Section 8-11-1 of this Act.

12 Persons subject to any tax imposed pursuant to the  
13 authority granted in this Section may reimburse themselves for  
14 their serviceman's tax liability hereunder by separately  
15 stating such tax as an additional charge, which charge may be  
16 stated in combination, in a single amount, with State tax which  
17 servicemen are authorized to collect under the Service Use Tax  
18 Act, pursuant to such bracket schedules as the Department may  
19 prescribe.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing credit  
22 memorandum, the Department shall notify the State Comptroller,  
23 who shall cause the order to be drawn for the amount specified,  
24 and to the person named, in such notification from the  
25 Department. Such refund shall be paid by the State Treasurer  
26 out of the home rule municipal retailers' occupation tax fund.

1           The Department shall forthwith pay over to the State  
2 Treasurer, ex-officio, as trustee, all taxes and penalties  
3 collected hereunder.

4           As soon as possible after the first day of each month,  
5 beginning January 1, 2011, upon certification of the Department  
6 of Revenue, the Comptroller shall order transferred, and the  
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
8 local sales tax increment, as defined in the Innovation  
9 Development and Economy Act, collected under this Section  
10 during the second preceding calendar month for sales within a  
11 STAR bond district.

12           After the monthly transfer to the STAR Bonds Revenue Fund,  
13 on ~~on~~ or before the 25th day of each calendar month, the  
14 Department shall prepare and certify to the Comptroller the  
15 disbursement of stated sums of money to named municipalities,  
16 the municipalities to be those from which suppliers and  
17 servicemen have paid taxes or penalties hereunder to the  
18 Department during the second preceding calendar month. The  
19 amount to be paid to each municipality shall be the amount (not  
20 including credit memoranda) collected hereunder during the  
21 second preceding calendar month by the Department, and not  
22 including an amount equal to the amount of refunds made during  
23 the second preceding calendar month by the Department on behalf  
24 of such municipality, and not including any amounts that are  
25 transferred to the STAR Bonds Revenue Fund. Within 10 days  
26 after receipt, by the Comptroller, of the disbursement

1 certification to the municipalities, provided for in this  
2 Section to be given to the Comptroller by the Department, the  
3 Comptroller shall cause the orders to be drawn for the  
4 respective amounts in accordance with the directions contained  
5 in such certification.

6 In addition to the disbursement required by the preceding  
7 paragraph and in order to mitigate delays caused by  
8 distribution procedures, an allocation shall, if requested, be  
9 made within 10 days after January 14, 1991, and in November of  
10 1991 and each year thereafter, to each municipality that  
11 received more than \$500,000 during the preceding fiscal year,  
12 (July 1 through June 30) whether collected by the municipality  
13 or disbursed by the Department as required by this Section.  
14 Within 10 days after January 14, 1991, participating  
15 municipalities shall notify the Department in writing of their  
16 intent to participate. In addition, for the initial  
17 distribution, participating municipalities shall certify to  
18 the Department the amounts collected by the municipality for  
19 each month under its home rule occupation and service  
20 occupation tax during the period July 1, 1989 through June 30,  
21 1990. The allocation within 10 days after January 14, 1991,  
22 shall be in an amount equal to the monthly average of these  
23 amounts, excluding the 2 months of highest receipts. Monthly  
24 average for the period of July 1, 1990 through June 30, 1991  
25 will be determined as follows: the amounts collected by the  
26 municipality under its home rule occupation and service

1 occupation tax during the period of July 1, 1990 through  
2 September 30, 1990, plus amounts collected by the Department  
3 and paid to such municipality through June 30, 1991, excluding  
4 the 2 months of highest receipts. The monthly average for each  
5 subsequent period of July 1 through June 30 shall be an amount  
6 equal to the monthly distribution made to each such  
7 municipality under the preceding paragraph during this period,  
8 excluding the 2 months of highest receipts. The distribution  
9 made in November 1991 and each year thereafter under this  
10 paragraph and the preceding paragraph shall be reduced by the  
11 amount allocated and disbursed under this paragraph in the  
12 preceding period of July 1 through June 30. The Department  
13 shall prepare and certify to the Comptroller for disbursement  
14 the allocations made in accordance with this paragraph.

15 Nothing in this Section shall be construed to authorize a  
16 municipality to impose a tax upon the privilege of engaging in  
17 any business which under the constitution of the United States  
18 may not be made the subject of taxation by this State.

19 An ordinance or resolution imposing or discontinuing a tax  
20 hereunder or effecting a change in the rate thereof shall be  
21 adopted and a certified copy thereof filed with the Department  
22 on or before the first day of June, whereupon the Department  
23 shall proceed to administer and enforce this Section as of the  
24 first day of September next following such adoption and filing.  
25 Beginning January 1, 1992, an ordinance or resolution imposing  
26 or discontinuing the tax hereunder or effecting a change in the

1 rate thereof shall be adopted and a certified copy thereof  
2 filed with the Department on or before the first day of July,  
3 whereupon the Department shall proceed to administer and  
4 enforce this Section as of the first day of October next  
5 following such adoption and filing. Beginning January 1, 1993,  
6 an ordinance or resolution imposing or discontinuing the tax  
7 hereunder or effecting a change in the rate thereof shall be  
8 adopted and a certified copy thereof filed with the Department  
9 on or before the first day of October, whereupon the Department  
10 shall proceed to administer and enforce this Section as of the  
11 first day of January next following such adoption and filing.  
12 However, a municipality located in a county with a population  
13 in excess of 3,000,000 that elected to become a home rule unit  
14 at the general primary election in 1994 may adopt an ordinance  
15 or resolution imposing the tax under this Section and file a  
16 certified copy of the ordinance or resolution with the  
17 Department on or before July 1, 1994. The Department shall then  
18 proceed to administer and enforce this Section as of October 1,  
19 1994. Beginning April 1, 1998, an ordinance or resolution  
20 imposing or discontinuing the tax hereunder or effecting a  
21 change in the rate thereof shall either (i) be adopted and a  
22 certified copy thereof filed with the Department on or before  
23 the first day of April, whereupon the Department shall proceed  
24 to administer and enforce this Section as of the first day of  
25 July next following the adoption and filing; or (ii) be adopted  
26 and a certified copy thereof filed with the Department on or

1 before the first day of October, whereupon the Department shall  
2 proceed to administer and enforce this Section as of the first  
3 day of January next following the adoption and filing.

4 Any unobligated balance remaining in the Municipal  
5 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
6 was abolished by Public Act 85-1135, and all receipts of  
7 municipal tax as a result of audits of liability periods prior  
8 to January 1, 1990, shall be paid into the Local Government Tax  
9 Fund, for distribution as provided by this Section prior to the  
10 enactment of Public Act 85-1135. All receipts of municipal tax  
11 as a result of an assessment not arising from an audit, for  
12 liability periods prior to January 1, 1990, shall be paid into  
13 the Local Government Tax Fund for distribution before July 1,  
14 1990, as provided by this Section prior to the enactment of  
15 Public Act 85-1135, and on and after July 1, 1990, all such  
16 receipts shall be distributed as provided in Section 6z-18 of  
17 the State Finance Act.

18 As used in this Section, "municipal" and "municipality"  
19 means a city, village or incorporated town, including an  
20 incorporated town which has superseded a civil township.

21 This Section shall be known and may be cited as the Home  
22 Rule Municipal Service Occupation Tax Act.

23 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

24 (65 ILCS 5/11-74.3-6)

25 Sec. 11-74.3-6. Business district revenue and obligations.



1           (a) If the corporate authorities of a municipality have  
2 approved a business district development or redevelopment plan  
3 and have elected to impose a tax by ordinance pursuant to  
4 subsections (b), (c), or (d) of this Section, each year after  
5 the date of the approval of the ordinance and until all  
6 business district project costs and all municipal obligations  
7 financing the business district project costs, if any, have  
8 been paid in accordance with the business district development  
9 or redevelopment plan, but in no event longer than 23 years  
10 after the date of adoption of the ordinance approving the  
11 business district development or redevelopment plan, all  
12 amounts generated by the retailers' occupation tax and service  
13 occupation tax shall be collected and the tax shall be enforced  
14 by the Department of Revenue in the same manner as all  
15 retailers' occupation taxes and service occupation taxes  
16 imposed in the municipality imposing the tax and all amounts  
17 generated by the hotel operators' occupation tax shall be  
18 collected and the tax shall be enforced by the municipality in  
19 the same manner as all hotel operators' occupation taxes  
20 imposed in the municipality imposing the tax. The corporate  
21 authorities of the municipality shall deposit the proceeds of  
22 the taxes imposed under subsections (b), (c), and (d) into a  
23 special fund held by the corporate authorities of the  
24 municipality called the Business District Tax Allocation Fund  
25 for the purpose of paying business district project costs and  
26 obligations incurred in the payment of those costs.

1           (b) The corporate authorities of a municipality that has  
2 established a business district under this Division 74.3 may,  
3 by ordinance or resolution, impose a Business District  
4 Retailers' Occupation Tax upon all persons engaged in the  
5 business of selling tangible personal property, other than an  
6 item of tangible personal property titled or registered with an  
7 agency of this State's government, at retail in the business  
8 district at a rate not to exceed 1% of the gross receipts from  
9 the sales made in the course of such business, to be imposed  
10 only in 0.25% increments. The tax may not be imposed on food  
11 for human consumption that is to be consumed off the premises  
12 where it is sold (other than alcoholic beverages, soft drinks,  
13 and food that has been prepared for immediate consumption),  
14 prescription and nonprescription medicines, drugs, medical  
15 appliances, modifications to a motor vehicle for the purpose of  
16 rendering it usable by a disabled person, and insulin, urine  
17 testing materials, syringes, and needles used by diabetics, for  
18 human use.

19           The tax imposed under this subsection and all civil  
20 penalties that may be assessed as an incident thereof shall be  
21 collected and enforced by the Department of Revenue. The  
22 certificate of registration that is issued by the Department to  
23 a retailer under the Retailers' Occupation Tax Act shall permit  
24 the retailer to engage in a business that is taxable under any  
25 ordinance or resolution enacted pursuant to this subsection  
26 without registering separately with the Department under such

1 ordinance or resolution or under this subsection. The  
2 Department of Revenue shall have full power to administer and  
3 enforce this subsection; to collect all taxes and penalties due  
4 under this subsection in the manner hereinafter provided; and  
5 to determine all rights to credit memoranda arising on account  
6 of the erroneous payment of tax or penalty under this  
7 subsection. In the administration of, and compliance with, this  
8 subsection, the Department and persons who are subject to this  
9 subsection shall have the same rights, remedies, privileges,  
10 immunities, powers and duties, and be subject to the same  
11 conditions, restrictions, limitations, penalties, exclusions,  
12 exemptions, and definitions of terms and employ the same modes  
13 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
14 through 2-65 (in respect to all provisions therein other than  
15 the State rate of tax), 2c through 2h, 3 (except as to the  
16 disposition of taxes and penalties collected), 4, 5, 5a, 5c,  
17 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,  
18 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
19 provisions of the Uniform Penalty and Interest Act, as fully as  
20 if those provisions were set forth herein.

21 Persons subject to any tax imposed under this subsection  
22 may reimburse themselves for their seller's tax liability under  
23 this subsection by separately stating the tax as an additional  
24 charge, which charge may be stated in combination, in a single  
25 amount, with State taxes that sellers are required to collect  
26 under the Use Tax Act, in accordance with such bracket

1 schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be  
3 made under this subsection to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the business district retailers' occupation  
9 tax fund.

10 The Department shall immediately pay over to the State  
11 Treasurer, ex officio, as trustee, all taxes, penalties, and  
12 interest collected under this subsection for deposit into the  
13 business district retailers' occupation tax fund.

14 As soon as possible after the first day of each month,  
15 beginning January 1, 2011, upon certification of the Department  
16 of Revenue, the Comptroller shall order transferred, and the  
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
18 local sales tax increment, as defined in the Innovation  
19 Development and Economy Act, collected under this subsection  
20 during the second preceding calendar month for sales within a  
21 STAR bond district.

22 After the monthly transfer to the STAR Bonds Revenue Fund,  
23 on ~~on~~ or before the 25th day of each calendar month, the  
24 Department shall prepare and certify to the Comptroller the  
25 disbursement of stated sums of money to named municipalities  
26 from the business district retailers' occupation tax fund, the

1 municipalities to be those from which retailers have paid taxes  
2 or penalties under this subsection to the Department during the  
3 second preceding calendar month. The amount to be paid to each  
4 municipality shall be the amount (not including credit  
5 memoranda) collected under this subsection during the second  
6 preceding calendar month by the Department plus an amount the  
7 Department determines is necessary to offset any amounts that  
8 were erroneously paid to a different taxing body, and not  
9 including an amount equal to the amount of refunds made during  
10 the second preceding calendar month by the Department, less 2%  
11 of that amount, which shall be deposited into the Tax  
12 Compliance and Administration Fund and shall be used by the  
13 Department, subject to appropriation, to cover the costs of the  
14 Department in administering and enforcing the provisions of  
15 this subsection, on behalf of such municipality, and not  
16 including any amount that the Department determines is  
17 necessary to offset any amounts that were payable to a  
18 different taxing body but were erroneously paid to the  
19 municipality, and not including any amounts that are  
20 transferred to the STAR Bonds Revenue Fund. Within 10 days  
21 after receipt by the Comptroller of the disbursement  
22 certification to the municipalities provided for in this  
23 subsection to be given to the Comptroller by the Department,  
24 the Comptroller shall cause the orders to be drawn for the  
25 respective amounts in accordance with the directions contained  
26 in the certification. The proceeds of the tax paid to

1 municipalities under this subsection shall be deposited into  
2 the Business District Tax Allocation Fund by the municipality.

3 An ordinance or resolution imposing or discontinuing the  
4 tax under this subsection or effecting a change in the rate  
5 thereof shall either (i) be adopted and a certified copy  
6 thereof filed with the Department on or before the first day of  
7 April, whereupon the Department, if all other requirements of  
8 this subsection are met, shall proceed to administer and  
9 enforce this subsection as of the first day of July next  
10 following the adoption and filing; or (ii) be adopted and a  
11 certified copy thereof filed with the Department on or before  
12 the first day of October, whereupon, if all other requirements  
13 of this subsection are met, the Department shall proceed to  
14 administer and enforce this subsection as of the first day of  
15 January next following the adoption and filing.

16 The Department of Revenue shall not administer or enforce  
17 an ordinance imposing, discontinuing, or changing the rate of  
18 the tax under this subsection, until the municipality also  
19 provides, in the manner prescribed by the Department, the  
20 boundaries of the business district in such a way that the  
21 Department can determine by its address whether a business is  
22 located in the business district. The municipality must provide  
23 this boundary information to the Department on or before April  
24 1 for administration and enforcement of the tax under this  
25 subsection by the Department beginning on the following July 1  
26 and on or before October 1 for administration and enforcement

1 of the tax under this subsection by the Department beginning on  
2 the following January 1. The Department of Revenue shall not  
3 administer or enforce any change made to the boundaries of a  
4 business district until the municipality reports the boundary  
5 change to the Department in the manner prescribed by the  
6 Department. The municipality must provide this boundary change  
7 information to the Department on or before April 1 for  
8 administration and enforcement by the Department of the change  
9 beginning on the following July 1 and on or before October 1  
10 for administration and enforcement by the Department of the  
11 change beginning on the following January 1. The retailers in  
12 the business district shall be responsible for charging the tax  
13 imposed under this subsection. If a retailer is incorrectly  
14 included or excluded from the list of those required to collect  
15 the tax under this subsection, both the Department of Revenue  
16 and the retailer shall be held harmless if they reasonably  
17 relied on information provided by the municipality.

18 A municipality that imposes the tax under this subsection  
19 must submit to the Department of Revenue any other information  
20 as the Department may require for the administration and  
21 enforcement of the tax.

22 When certifying the amount of a monthly disbursement to a  
23 municipality under this subsection, the Department shall  
24 increase or decrease the amount by an amount necessary to  
25 offset any misallocation of previous disbursements. The offset  
26 amount shall be the amount erroneously disbursed within the

1 previous 6 months from the time a misallocation is discovered.

2 Nothing in this subsection shall be construed to authorize  
3 the municipality to impose a tax upon the privilege of engaging  
4 in any business which under the Constitution of the United  
5 States may not be made the subject of taxation by this State.

6 If a tax is imposed under this subsection (b), a tax shall  
7 also be imposed under subsection (c) of this Section.

8 (c) If a tax has been imposed under subsection (b), a  
9 Business District Service Occupation Tax shall also be imposed  
10 upon all persons engaged, in the business district, in the  
11 business of making sales of service, who, as an incident to  
12 making those sales of service, transfer tangible personal  
13 property within the business district, either in the form of  
14 tangible personal property or in the form of real estate as an  
15 incident to a sale of service. The tax shall be imposed at the  
16 same rate as the tax imposed in subsection (b) and shall not  
17 exceed 1% of the selling price of tangible personal property so  
18 transferred within the business district, to be imposed only in  
19 0.25% increments. The tax may not be imposed on food for human  
20 consumption that is to be consumed off the premises where it is  
21 sold (other than alcoholic beverages, soft drinks, and food  
22 that has been prepared for immediate consumption),  
23 prescription and nonprescription medicines, drugs, medical  
24 appliances, modifications to a motor vehicle for the purpose of  
25 rendering it usable by a disabled person, and insulin, urine  
26 testing materials, syringes, and needles used by diabetics, for



1 human use.

2 The tax imposed under this subsection and all civil  
3 penalties that may be assessed as an incident thereof shall be  
4 collected and enforced by the Department of Revenue. The  
5 certificate of registration which is issued by the Department  
6 to a retailer under the Retailers' Occupation Tax Act or under  
7 the Service Occupation Tax Act shall permit such registrant to  
8 engage in a business which is taxable under any ordinance or  
9 resolution enacted pursuant to this subsection without  
10 registering separately with the Department under such  
11 ordinance or resolution or under this subsection. The  
12 Department of Revenue shall have full power to administer and  
13 enforce this subsection; to collect all taxes and penalties due  
14 under this subsection; to dispose of taxes and penalties so  
15 collected in the manner hereinafter provided; and to determine  
16 all rights to credit memoranda arising on account of the  
17 erroneous payment of tax or penalty under this subsection. In  
18 the administration of, and compliance with this subsection, the  
19 Department and persons who are subject to this subsection shall  
20 have the same rights, remedies, privileges, immunities, powers  
21 and duties, and be subject to the same conditions,  
22 restrictions, limitations, penalties, exclusions, exemptions,  
23 and definitions of terms and employ the same modes of procedure  
24 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
25 (in respect to all provisions therein other than the State rate  
26 of tax), 4 (except that the reference to the State shall be to

1 the business district), 5, 7, 8 (except that the jurisdiction  
2 to which the tax shall be a debt to the extent indicated in  
3 that Section 8 shall be the municipality), 9 (except as to the  
4 disposition of taxes and penalties collected, and except that  
5 the returned merchandise credit for this tax may not be taken  
6 against any State tax), 10, 11, 12 (except the reference  
7 therein to Section 2b of the Retailers' Occupation Tax Act), 13  
8 (except that any reference to the State shall mean the  
9 municipality), the first paragraph of Section 15, and Sections  
10 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all  
11 provisions of the Uniform Penalty and Interest Act, as fully as  
12 if those provisions were set forth herein.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 serviceman's tax liability hereunder by separately stating the  
16 tax as an additional charge, which charge may be stated in  
17 combination, in a single amount, with State tax that servicemen  
18 are authorized to collect under the Service Use Tax Act, in  
19 accordance with such bracket schedules as the Department may  
20 prescribe.

21 Whenever the Department determines that a refund should be  
22 made under this subsection to a claimant instead of issuing  
23 credit memorandum, the Department shall notify the State  
24 Comptroller, who shall cause the order to be drawn for the  
25 amount specified, and to the person named, in such notification  
26 from the Department. Such refund shall be paid by the State

1 Treasurer out of the business district retailers' occupation  
2 tax fund.

3 The Department shall forthwith pay over to the State  
4 Treasurer, ex-officio, as trustee, all taxes, penalties, and  
5 interest collected under this subsection for deposit into the  
6 business district retailers' occupation tax fund.

7 As soon as possible after the first day of each month,  
8 beginning January 1, 2011, upon certification of the Department  
9 of Revenue, the Comptroller shall order transferred, and the  
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
11 local sales tax increment, as defined in the Innovation  
12 Development and Economy Act, collected under this subsection  
13 during the second preceding calendar month for sales within a  
14 STAR bond district.

15 After the monthly transfer to the STAR Bonds Revenue Fund,  
16 on or ~~on~~ or before the 25th day of each calendar month, the  
17 Department shall prepare and certify to the Comptroller the  
18 disbursement of stated sums of money to named municipalities  
19 from the business district retailers' occupation tax fund, the  
20 municipalities to be those from which suppliers and servicemen  
21 have paid taxes or penalties under this subsection to the  
22 Department during the second preceding calendar month. The  
23 amount to be paid to each municipality shall be the amount (not  
24 including credit memoranda) collected under this subsection  
25 during the second preceding calendar month by the Department,  
26 less 2% of that amount, which shall be deposited into the Tax

1 Compliance and Administration Fund and shall be used by the  
2 Department, subject to appropriation, to cover the costs of the  
3 Department in administering and enforcing the provisions of  
4 this subsection, and not including an amount equal to the  
5 amount of refunds made during the second preceding calendar  
6 month by the Department on behalf of such municipality, and not  
7 including any amounts that are transferred to the STAR Bonds  
8 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
9 of the disbursement certification to the municipalities,  
10 provided for in this subsection to be given to the Comptroller  
11 by the Department, the Comptroller shall cause the orders to be  
12 drawn for the respective amounts in accordance with the  
13 directions contained in such certification. The proceeds of the  
14 tax paid to municipalities under this subsection shall be  
15 deposited into the Business District Tax Allocation Fund by the  
16 municipality.

17 An ordinance or resolution imposing or discontinuing the  
18 tax under this subsection or effecting a change in the rate  
19 thereof shall either (i) be adopted and a certified copy  
20 thereof filed with the Department on or before the first day of  
21 April, whereupon the Department, if all other requirements of  
22 this subsection are met, shall proceed to administer and  
23 enforce this subsection as of the first day of July next  
24 following the adoption and filing; or (ii) be adopted and a  
25 certified copy thereof filed with the Department on or before  
26 the first day of October, whereupon, if all other conditions of

1 this subsection are met, the Department shall proceed to  
2 administer and enforce this subsection as of the first day of  
3 January next following the adoption and filing.

4 The Department of Revenue shall not administer or enforce  
5 an ordinance imposing, discontinuing, or changing the rate of  
6 the tax under this subsection, until the municipality also  
7 provides, in the manner prescribed by the Department, the  
8 boundaries of the business district in such a way that the  
9 Department can determine by its address whether a business is  
10 located in the business district. The municipality must provide  
11 this boundary information to the Department on or before April  
12 1 for administration and enforcement of the tax under this  
13 subsection by the Department beginning on the following July 1  
14 and on or before October 1 for administration and enforcement  
15 of the tax under this subsection by the Department beginning on  
16 the following January 1. The Department of Revenue shall not  
17 administer or enforce any change made to the boundaries of a  
18 business district until the municipality reports the boundary  
19 change to the Department in the manner prescribed by the  
20 Department. The municipality must provide this boundary change  
21 information to the Department on or before April 1 for  
22 administration and enforcement by the Department of the change  
23 beginning on the following July 1 and on or before October 1  
24 for administration and enforcement by the Department of the  
25 change beginning on the following January 1. The retailers in  
26 the business district shall be responsible for charging the tax

1 imposed under this subsection. If a retailer is incorrectly  
2 included or excluded from the list of those required to collect  
3 the tax under this subsection, both the Department of Revenue  
4 and the retailer shall be held harmless if they reasonably  
5 relied on information provided by the municipality.

6 A municipality that imposes the tax under this subsection  
7 must submit to the Department of Revenue any other information  
8 as the Department may require for the administration and  
9 enforcement of the tax.

10 Nothing in this subsection shall be construed to authorize  
11 the municipality to impose a tax upon the privilege of engaging  
12 in any business which under the Constitution of the United  
13 States may not be made the subject of taxation by the State.

14 If a tax is imposed under this subsection (c), a tax shall  
15 also be imposed under subsection (b) of this Section.

16 (d) By ordinance, a municipality that has established a  
17 business district under this Division 74.3 may impose an  
18 occupation tax upon all persons engaged in the business  
19 district in the business of renting, leasing, or letting rooms  
20 in a hotel, as defined in the Hotel Operators' Occupation Tax  
21 Act, at a rate not to exceed 1% of the gross rental receipts  
22 from the renting, leasing, or letting of hotel rooms within the  
23 business district, to be imposed only in 0.25% increments,  
24 excluding, however, from gross rental receipts the proceeds of  
25 renting, leasing, or letting to permanent residents of a hotel,  
26 as defined in the Hotel Operators' Occupation Tax Act, and

1 proceeds from the tax imposed under subsection (c) of Section  
2 13 of the Metropolitan Pier and Exposition Authority Act.

3 The tax imposed by the municipality under this subsection  
4 and all civil penalties that may be assessed as an incident to  
5 that tax shall be collected and enforced by the municipality  
6 imposing the tax. The municipality shall have full power to  
7 administer and enforce this subsection, to collect all taxes  
8 and penalties due under this subsection, to dispose of taxes  
9 and penalties so collected in the manner provided in this  
10 subsection, and to determine all rights to credit memoranda  
11 arising on account of the erroneous payment of tax or penalty  
12 under this subsection. In the administration of and compliance  
13 with this subsection, the municipality and persons who are  
14 subject to this subsection shall have the same rights,  
15 remedies, privileges, immunities, powers, and duties, shall be  
16 subject to the same conditions, restrictions, limitations,  
17 penalties, and definitions of terms, and shall employ the same  
18 modes of procedure as are employed with respect to a tax  
19 adopted by the municipality under Section 8-3-14 of this Code.

20 Persons subject to any tax imposed under the authority  
21 granted in this subsection may reimburse themselves for their  
22 tax liability for that tax by separately stating that tax as an  
23 additional charge, which charge may be stated in combination,  
24 in a single amount, with State taxes imposed under the Hotel  
25 Operators' Occupation Tax Act, and with any other tax.

26 Nothing in this subsection shall be construed to authorize

1 a municipality to impose a tax upon the privilege of engaging  
2 in any business which under the Constitution of the United  
3 States may not be made the subject of taxation by this State.

4 The proceeds of the tax imposed under this subsection shall  
5 be deposited into the Business District Tax Allocation Fund.

6 (e) Obligations issued pursuant to subsection (14) of  
7 Section 11-74.3-3 shall be retired in the manner provided in  
8 the ordinance authorizing the issuance of those obligations by  
9 the receipts of taxes levied as authorized in subsections (12)  
10 and (13) of Section 11-74.3-3. The ordinance shall pledge all  
11 of the amounts in and to be deposited in the Business District  
12 Tax Allocation Fund to the payment of business district project  
13 costs and obligations. Obligations issued pursuant to  
14 subsection (14) of Section 11-74.3-3 may be sold at public or  
15 private sale at a price determined by the corporate authorities  
16 of the municipality and no referendum approval of the electors  
17 shall be required as a condition to the issuance of those  
18 obligations. The ordinance authorizing the obligations may  
19 require that the obligations contain a recital that they are  
20 issued pursuant to subsection (14) of Section 11-74.3-3 and  
21 this recital shall be conclusive evidence of their validity and  
22 of the regularity of their issuance. The corporate authorities  
23 of the municipality may also issue its obligations to refund,  
24 in whole or in part, obligations previously issued by the  
25 municipality under the authority of this Code, whether at or  
26 prior to maturity. All obligations issued pursuant to



1 subsection (14) of Section 11-74.3-3 shall not be regarded as  
2 indebtedness of the municipality issuing the obligations for  
3 the purpose of any limitation imposed by law.

4 (f) When business district costs, including, without  
5 limitation, all municipal obligations financing business  
6 district project costs incurred under Section 11-74.3-3 have  
7 been paid, any surplus funds then remaining in the Business  
8 District Tax Allocation Fund shall be distributed to the  
9 municipal treasurer for deposit into the municipal general  
10 corporate fund. Upon payment of all business district project  
11 costs and retirement of obligations, but in no event more than  
12 23 years after the date of adoption of the ordinance approving  
13 the business district development or redevelopment plan, the  
14 municipality shall adopt an ordinance immediately rescinding  
15 the taxes imposed pursuant to subsections (12) and (13) of  
16 Section 11-74.3-3.

17 (Source: P.A. 93-1053, eff. 1-1-05; 93-1089, eff. 3-7-05.)

18 Section 75. The Metropolitan Pier and Exposition Authority  
19 Act is amended by changing Section 13 as follows:

20 (70 ILCS 210/13) (from Ch. 85, par. 1233)

21 Sec. 13. (a) The Authority shall not have power to levy  
22 taxes for any purpose, except as provided in subsections (b),  
23 (c), (d), (e), and (f).

24 (b) By ordinance the Authority shall, as soon as

1 practicable after the effective date of this amendatory Act of  
2 1991, impose a Metropolitan Pier and Exposition Authority  
3 Retailers' Occupation Tax upon all persons engaged in the  
4 business of selling tangible personal property at retail within  
5 the territory described in this subsection at the rate of 1.0%  
6 of the gross receipts (i) from the sale of food, alcoholic  
7 beverages, and soft drinks sold for consumption on the premises  
8 where sold and (ii) from the sale of food, alcoholic beverages,  
9 and soft drinks sold for consumption off the premises where  
10 sold by a retailer whose principal source of gross receipts is  
11 from the sale of food, alcoholic beverages, and soft drinks  
12 prepared for immediate consumption.

13 The tax imposed under this subsection and all civil  
14 penalties that may be assessed as an incident to that tax shall  
15 be collected and enforced by the Illinois Department of  
16 Revenue. The Department shall have full power to administer and  
17 enforce this subsection, to collect all taxes and penalties so  
18 collected in the manner provided in this subsection, and to  
19 determine all rights to credit memoranda arising on account of  
20 the erroneous payment of tax or penalty under this subsection.  
21 In the administration of and compliance with this subsection,  
22 the Department and persons who are subject to this subsection  
23 shall have the same rights, remedies, privileges, immunities,  
24 powers, and duties, shall be subject to the same conditions,  
25 restrictions, limitations, penalties, exclusions, exemptions,  
26 and definitions of terms, and shall employ the same modes of

1 procedure applicable to this Retailers' Occupation Tax as are  
2 prescribed in Sections 1, 2 through 2-65 (in respect to all  
3 provisions of those Sections other than the State rate of  
4 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes  
5 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,  
6 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, and until  
7 January 1, 1994, 13.5 of the Retailers' Occupation Tax Act,  
8 and, on and after January 1, 1994, all applicable provisions of  
9 the Uniform Penalty and Interest Act that are not inconsistent  
10 with this Act, as fully as if provisions contained in those  
11 Sections of the Retailers' Occupation Tax Act were set forth in  
12 this subsection.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 seller's tax liability under this subsection by separately  
16 stating that tax as an additional charge, which charge may be  
17 stated in combination, in a single amount, with State taxes  
18 that sellers are required to collect under the Use Tax Act,  
19 pursuant to bracket schedules as the Department may prescribe.  
20 The retailer filing the return shall, at the time of filing the  
21 return, pay to the Department the amount of tax imposed under  
22 this subsection, less a discount of 1.75%, which is allowed to  
23 reimburse the retailer for the expenses incurred in keeping  
24 records, preparing and filing returns, remitting the tax, and  
25 supplying data to the Department on request.

26 Whenever the Department determines that a refund should be

1 made under this subsection to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause a warrant to be drawn for the  
4 amount specified and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Metropolitan Pier and Exposition Authority  
7 trust fund held by the State Treasurer as trustee for the  
8 Authority.

9 Nothing in this subsection authorizes the Authority to  
10 impose a tax upon the privilege of engaging in any business  
11 that under the Constitution of the United States may not be  
12 made the subject of taxation by this State.

13 The Department shall forthwith pay over to the State  
14 Treasurer, ex officio, as trustee for the Authority, all taxes  
15 and penalties collected under this subsection for deposit into  
16 a trust fund held outside of the State Treasury.

17 As soon as possible after the first day of each month,  
18 beginning January 1, 2011, upon certification of the Department  
19 of Revenue, the Comptroller shall order transferred, and the  
20 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
21 local sales tax increment, as defined in the Innovation  
22 Development and Economy Act, collected under this subsection  
23 during the second preceding calendar month for sales within a  
24 STAR bond district.

25 After the monthly transfer to the STAR Bonds Revenue Fund,  
26 on ~~or~~ or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the  
2 amounts to be paid under subsection (g) of this Section, which  
3 shall be the amounts, not including credit memoranda, collected  
4 under this subsection during the second preceding calendar  
5 month by the Department, less any amounts determined by the  
6 Department to be necessary for the payment of refunds, ~~and~~ less  
7 2% of such balance, which sum shall be deposited by the State  
8 Treasurer into the Tax Compliance and Administration Fund in  
9 the State Treasury from which it shall be appropriated to the  
10 Department to cover the costs of the Department in  
11 administering and enforcing the provisions of this subsection, ~~and~~  
12 and less any amounts that are transferred to the STAR Bonds  
13 Revenue Fund. Within 10 days after receipt by the Comptroller  
14 of the certification, the Comptroller shall cause the orders to  
15 be drawn for the remaining amounts, and the Treasurer shall  
16 administer those amounts as required in subsection (g).

17 A certificate of registration issued by the Illinois  
18 Department of Revenue to a retailer under the Retailers'  
19 Occupation Tax Act shall permit the registrant to engage in a  
20 business that is taxed under the tax imposed under this  
21 subsection, and no additional registration shall be required  
22 under the ordinance imposing the tax or under this subsection.

23 A certified copy of any ordinance imposing or discontinuing  
24 any tax under this subsection or effecting a change in the rate  
25 of that tax shall be filed with the Department, whereupon the  
26 Department shall proceed to administer and enforce this

1 subsection on behalf of the Authority as of the first day of  
2 the third calendar month following the date of filing.

3 The tax authorized to be levied under this subsection may  
4 be levied within all or any part of the following described  
5 portions of the metropolitan area:

6 (1) that portion of the City of Chicago located within  
7 the following area: Beginning at the point of intersection  
8 of the Cook County - DuPage County line and York Road, then  
9 North along York Road to its intersection with Touhy  
10 Avenue, then east along Touhy Avenue to its intersection  
11 with the Northwest Tollway, then southeast along the  
12 Northwest Tollway to its intersection with Lee Street, then  
13 south along Lee Street to Higgins Road, then south and east  
14 along Higgins Road to its intersection with Mannheim Road,  
15 then south along Mannheim Road to its intersection with  
16 Irving Park Road, then west along Irving Park Road to its  
17 intersection with the Cook County - DuPage County line,  
18 then north and west along the county line to the point of  
19 beginning; and

20 (2) that portion of the City of Chicago located within  
21 the following area: Beginning at the intersection of West  
22 55th Street with Central Avenue, then east along West 55th  
23 Street to its intersection with South Cicero Avenue, then  
24 south along South Cicero Avenue to its intersection with  
25 West 63rd Street, then west along West 63rd Street to its  
26 intersection with South Central Avenue, then north along

1 South Central Avenue to the point of beginning; and

2 (3) that portion of the City of Chicago located within  
3 the following area: Beginning at the point 150 feet west of  
4 the intersection of the west line of North Ashland Avenue  
5 and the north line of West Diversey Avenue, then north 150  
6 feet, then east along a line 150 feet north of the north  
7 line of West Diversey Avenue extended to the shoreline of  
8 Lake Michigan, then following the shoreline of Lake  
9 Michigan (including Navy Pier and all other improvements  
10 fixed to land, docks, or piers) to the point where the  
11 shoreline of Lake Michigan and the Adlai E. Stevenson  
12 Expressway extended east to that shoreline intersect, then  
13 west along the Adlai E. Stevenson Expressway to a point 150  
14 feet west of the west line of South Ashland Avenue, then  
15 north along a line 150 feet west of the west line of South  
16 and North Ashland Avenue to the point of beginning.

17 The tax authorized to be levied under this subsection may  
18 also be levied on food, alcoholic beverages, and soft drinks  
19 sold on boats and other watercraft departing from and returning  
20 to the shoreline of Lake Michigan (including Navy Pier and all  
21 other improvements fixed to land, docks, or piers) described in  
22 item (3).

23 (c) By ordinance the Authority shall, as soon as  
24 practicable after the effective date of this amendatory Act of  
25 1991, impose an occupation tax upon all persons engaged in the  
26 corporate limits of the City of Chicago in the business of

1     renting, leasing, or letting rooms in a hotel, as defined in  
2     the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of  
3     the gross rental receipts from the renting, leasing, or letting  
4     of hotel rooms within the City of Chicago, excluding, however,  
5     from gross rental receipts the proceeds of renting, leasing, or  
6     letting to permanent residents of a hotel, as defined in that  
7     Act. Gross rental receipts shall not include charges that are  
8     added on account of the liability arising from any tax imposed  
9     by the State or any governmental agency on the occupation of  
10    renting, leasing, or letting rooms in a hotel.

11         The tax imposed by the Authority under this subsection and  
12    all civil penalties that may be assessed as an incident to that  
13    tax shall be collected and enforced by the Illinois Department  
14    of Revenue. The certificate of registration that is issued by  
15    the Department to a lessor under the Hotel Operators'  
16    Occupation Tax Act shall permit that registrant to engage in a  
17    business that is taxable under any ordinance enacted under this  
18    subsection without registering separately with the Department  
19    under that ordinance or under this subsection. The Department  
20    shall have full power to administer and enforce this  
21    subsection, to collect all taxes and penalties due under this  
22    subsection, to dispose of taxes and penalties so collected in  
23    the manner provided in this subsection, and to determine all  
24    rights to credit memoranda arising on account of the erroneous  
25    payment of tax or penalty under this subsection. In the  
26    administration of and compliance with this subsection, the



1 Department and persons who are subject to this subsection shall  
2 have the same rights, remedies, privileges, immunities,  
3 powers, and duties, shall be subject to the same conditions,  
4 restrictions, limitations, penalties, and definitions of  
5 terms, and shall employ the same modes of procedure as are  
6 prescribed in the Hotel Operators' Occupation Tax Act (except  
7 where that Act is inconsistent with this subsection), as fully  
8 as if the provisions contained in the Hotel Operators'  
9 Occupation Tax Act were set out in this subsection.

10 Whenever the Department determines that a refund should be  
11 made under this subsection to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause a warrant to be drawn for the  
14 amount specified and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the Metropolitan Pier and Exposition Authority  
17 trust fund held by the State Treasurer as trustee for the  
18 Authority.

19 Persons subject to any tax imposed under the authority  
20 granted in this subsection may reimburse themselves for their  
21 tax liability for that tax by separately stating that tax as an  
22 additional charge, which charge may be stated in combination,  
23 in a single amount, with State taxes imposed under the Hotel  
24 Operators' Occupation Tax Act, the municipal tax imposed under  
25 Section 8-3-13 of the Illinois Municipal Code, and the tax  
26 imposed under Section 19 of the Illinois Sports Facilities

1 Authority Act.

2 The person filing the return shall, at the time of filing  
3 the return, pay to the Department the amount of tax, less a  
4 discount of 2.1% or \$25 per calendar year, whichever is  
5 greater, which is allowed to reimburse the operator for the  
6 expenses incurred in keeping records, preparing and filing  
7 returns, remitting the tax, and supplying data to the  
8 Department on request.

9 The Department shall forthwith pay over to the State  
10 Treasurer, ex officio, as trustee for the Authority, all taxes  
11 and penalties collected under this subsection for deposit into  
12 a trust fund held outside the State Treasury. On or before the  
13 25th day of each calendar month, the Department shall certify  
14 to the Comptroller the amounts to be paid under subsection (g)  
15 of this Section, which shall be the amounts (not including  
16 credit memoranda) collected under this subsection during the  
17 second preceding calendar month by the Department, less any  
18 amounts determined by the Department to be necessary for  
19 payment of refunds. Within 10 days after receipt by the  
20 Comptroller of the Department's certification, the Comptroller  
21 shall cause the orders to be drawn for such amounts, and the  
22 Treasurer shall administer those amounts as required in  
23 subsection (g).

24 A certified copy of any ordinance imposing or discontinuing  
25 a tax under this subsection or effecting a change in the rate  
26 of that tax shall be filed with the Illinois Department of

1 Revenue, whereupon the Department shall proceed to administer  
2 and enforce this subsection on behalf of the Authority as of  
3 the first day of the third calendar month following the date of  
4 filing.

5 (d) By ordinance the Authority shall, as soon as  
6 practicable after the effective date of this amendatory Act of  
7 1991, impose a tax upon all persons engaged in the business of  
8 renting automobiles in the metropolitan area at the rate of 6%  
9 of the gross receipts from that business, except that no tax  
10 shall be imposed on the business of renting automobiles for use  
11 as taxicabs or in livery service. The tax imposed under this  
12 subsection and all civil penalties that may be assessed as an  
13 incident to that tax shall be collected and enforced by the  
14 Illinois Department of Revenue. The certificate of  
15 registration issued by the Department to a retailer under the  
16 Retailers' Occupation Tax Act or under the Automobile Renting  
17 Occupation and Use Tax Act shall permit that person to engage  
18 in a business that is taxable under any ordinance enacted under  
19 this subsection without registering separately with the  
20 Department under that ordinance or under this subsection. The  
21 Department shall have full power to administer and enforce this  
22 subsection, to collect all taxes and penalties due under this  
23 subsection, to dispose of taxes and penalties so collected in  
24 the manner provided in this subsection, and to determine all  
25 rights to credit memoranda arising on account of the erroneous  
26 payment of tax or penalty under this subsection. In the

1 administration of and compliance with this subsection, the  
2 Department and persons who are subject to this subsection shall  
3 have the same rights, remedies, privileges, immunities,  
4 powers, and duties, be subject to the same conditions,  
5 restrictions, limitations, penalties, and definitions of  
6 terms, and employ the same modes of procedure as are prescribed  
7 in Sections 2 and 3 (in respect to all provisions of those  
8 Sections other than the State rate of tax; and in respect to  
9 the provisions of the Retailers' Occupation Tax Act referred to  
10 in those Sections, except as to the disposition of taxes and  
11 penalties collected, except for the provision allowing  
12 retailers a deduction from the tax to cover certain costs, and  
13 except that credit memoranda issued under this subsection may  
14 not be used to discharge any State tax liability) of the  
15 Automobile Renting Occupation and Use Tax Act, as fully as if  
16 provisions contained in those Sections of that Act were set  
17 forth in this subsection.

18 Persons subject to any tax imposed under the authority  
19 granted in this subsection may reimburse themselves for their  
20 tax liability under this subsection by separately stating that  
21 tax as an additional charge, which charge may be stated in  
22 combination, in a single amount, with State tax that sellers  
23 are required to collect under the Automobile Renting Occupation  
24 and Use Tax Act, pursuant to bracket schedules as the  
25 Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this subsection to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause a warrant to be drawn for the  
4 amount specified and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Metropolitan Pier and Exposition Authority  
7 trust fund held by the State Treasurer as trustee for the  
8 Authority.

9 The Department shall forthwith pay over to the State  
10 Treasurer, ex officio, as trustee, all taxes and penalties  
11 collected under this subsection for deposit into a trust fund  
12 held outside the State Treasury. On or before the 25th day of  
13 each calendar month, the Department shall certify to the  
14 Comptroller the amounts to be paid under subsection (g) of this  
15 Section (not including credit memoranda) collected under this  
16 subsection during the second preceding calendar month by the  
17 Department, less any amount determined by the Department to be  
18 necessary for payment of refunds. Within 10 days after receipt  
19 by the Comptroller of the Department's certification, the  
20 Comptroller shall cause the orders to be drawn for such  
21 amounts, and the Treasurer shall administer those amounts as  
22 required in subsection (g).

23 Nothing in this subsection authorizes the Authority to  
24 impose a tax upon the privilege of engaging in any business  
25 that under the Constitution of the United States may not be  
26 made the subject of taxation by this State.

1           A certified copy of any ordinance imposing or discontinuing  
2 a tax under this subsection or effecting a change in the rate  
3 of that tax shall be filed with the Illinois Department of  
4 Revenue, whereupon the Department shall proceed to administer  
5 and enforce this subsection on behalf of the Authority as of  
6 the first day of the third calendar month following the date of  
7 filing.

8           (e) By ordinance the Authority shall, as soon as  
9 practicable after the effective date of this amendatory Act of  
10 1991, impose a tax upon the privilege of using in the  
11 metropolitan area an automobile that is rented from a rentor  
12 outside Illinois and is titled or registered with an agency of  
13 this State's government at a rate of 6% of the rental price of  
14 that automobile, except that no tax shall be imposed on the  
15 privilege of using automobiles rented for use as taxicabs or in  
16 livery service. The tax shall be collected from persons whose  
17 Illinois address for titling or registration purposes is given  
18 as being in the metropolitan area. The tax shall be collected  
19 by the Department of Revenue for the Authority. The tax must be  
20 paid to the State or an exemption determination must be  
21 obtained from the Department of Revenue before the title or  
22 certificate of registration for the property may be issued. The  
23 tax or proof of exemption may be transmitted to the Department  
24 by way of the State agency with which or State officer with  
25 whom the tangible personal property must be titled or  
26 registered if the Department and that agency or State officer

1 determine that this procedure will expedite the processing of  
2 applications for title or registration.

3 The Department shall have full power to administer and  
4 enforce this subsection, to collect all taxes, penalties, and  
5 interest due under this subsection, to dispose of taxes,  
6 penalties, and interest so collected in the manner provided in  
7 this subsection, and to determine all rights to credit  
8 memoranda or refunds arising on account of the erroneous  
9 payment of tax, penalty, or interest under this subsection. In  
10 the administration of and compliance with this subsection, the  
11 Department and persons who are subject to this subsection shall  
12 have the same rights, remedies, privileges, immunities,  
13 powers, and duties, be subject to the same conditions,  
14 restrictions, limitations, penalties, and definitions of  
15 terms, and employ the same modes of procedure as are prescribed  
16 in Sections 2 and 4 (except provisions pertaining to the State  
17 rate of tax; and in respect to the provisions of the Use Tax  
18 Act referred to in that Section, except provisions concerning  
19 collection or refunding of the tax by retailers, except the  
20 provisions of Section 19 pertaining to claims by retailers,  
21 except the last paragraph concerning refunds, and except that  
22 credit memoranda issued under this subsection may not be used  
23 to discharge any State tax liability) of the Automobile Renting  
24 Occupation and Use Tax Act, as fully as if provisions contained  
25 in those Sections of that Act were set forth in this  
26 subsection.

1           Whenever the Department determines that a refund should be  
2 made under this subsection to a claimant instead of issuing a  
3 credit memorandum, the Department shall notify the State  
4 Comptroller, who shall cause a warrant to be drawn for the  
5 amount specified and to the person named in the notification  
6 from the Department. The refund shall be paid by the State  
7 Treasurer out of the Metropolitan Pier and Exposition Authority  
8 trust fund held by the State Treasurer as trustee for the  
9 Authority.

10           The Department shall forthwith pay over to the State  
11 Treasurer, ex officio, as trustee, all taxes, penalties, and  
12 interest collected under this subsection for deposit into a  
13 trust fund held outside the State Treasury. On or before the  
14 25th day of each calendar month, the Department shall certify  
15 to the State Comptroller the amounts to be paid under  
16 subsection (g) of this Section, which shall be the amounts (not  
17 including credit memoranda) collected under this subsection  
18 during the second preceding calendar month by the Department,  
19 less any amounts determined by the Department to be necessary  
20 for payment of refunds. Within 10 days after receipt by the  
21 State Comptroller of the Department's certification, the  
22 Comptroller shall cause the orders to be drawn for such  
23 amounts, and the Treasurer shall administer those amounts as  
24 required in subsection (g).

25           A certified copy of any ordinance imposing or discontinuing  
26 a tax or effecting a change in the rate of that tax shall be



1 filed with the Illinois Department of Revenue, whereupon the  
2 Department shall proceed to administer and enforce this  
3 subsection on behalf of the Authority as of the first day of  
4 the third calendar month following the date of filing.

5 (f) By ordinance the Authority shall, as soon as  
6 practicable after the effective date of this amendatory Act of  
7 1991, impose an occupation tax on all persons, other than a  
8 governmental agency, engaged in the business of providing  
9 ground transportation for hire to passengers in the  
10 metropolitan area at a rate of (i) \$2 per taxi or livery  
11 vehicle departure with passengers for hire from commercial  
12 service airports in the metropolitan area, (ii) for each  
13 departure with passengers for hire from a commercial service  
14 airport in the metropolitan area in a bus or van operated by a  
15 person other than a person described in item (iii): \$9 per bus  
16 or van with a capacity of 1-12 passengers, \$18 per bus or van  
17 with a capacity of 13-24 passengers, and \$27 per bus or van  
18 with a capacity of over 24 passengers, and (iii) for each  
19 departure with passengers for hire from a commercial service  
20 airport in the metropolitan area in a bus or van operated by a  
21 person regulated by the Interstate Commerce Commission or  
22 Illinois Commerce Commission, operating scheduled service from  
23 the airport, and charging fares on a per passenger basis: \$1  
24 per passenger for hire in each bus or van. The term "commercial  
25 service airports" means those airports receiving scheduled  
26 passenger service and enplaning more than 100,000 passengers

1 per year.

2 In the ordinance imposing the tax, the Authority may  
3 provide for the administration and enforcement of the tax and  
4 the collection of the tax from persons subject to the tax as  
5 the Authority determines to be necessary or practicable for the  
6 effective administration of the tax. The Authority may enter  
7 into agreements as it deems appropriate with any governmental  
8 agency providing for that agency to act as the Authority's  
9 agent to collect the tax.

10 In the ordinance imposing the tax, the Authority may  
11 designate a method or methods for persons subject to the tax to  
12 reimburse themselves for the tax liability arising under the  
13 ordinance (i) by separately stating the full amount of the tax  
14 liability as an additional charge to passengers departing the  
15 airports, (ii) by separately stating one-half of the tax  
16 liability as an additional charge to both passengers departing  
17 from and to passengers arriving at the airports, or (iii) by  
18 some other method determined by the Authority.

19 All taxes, penalties, and interest collected under any  
20 ordinance adopted under this subsection, less any amounts  
21 determined to be necessary for the payment of refunds, shall be  
22 paid forthwith to the State Treasurer, ex officio, for deposit  
23 into a trust fund held outside the State Treasury and shall be  
24 administered by the State Treasurer as provided in subsection  
25 (g) of this Section.

26 (g) Amounts deposited from the proceeds of taxes imposed by

1 the Authority under subsections (b), (c), (d), (e), and (f) of  
2 this Section and amounts deposited under Section 19 of the  
3 Illinois Sports Facilities Authority Act shall be held in a  
4 trust fund outside the State Treasury and shall be administered  
5 by the Treasurer as follows: first, an amount necessary for the  
6 payment of refunds shall be retained in the trust fund; second,  
7 the balance of the proceeds deposited in the trust fund during  
8 fiscal year 1993 shall be retained in the trust fund during  
9 that year and thereafter shall be administered as a reserve to  
10 fund the deposits required in item "third"; third, beginning  
11 July 20, 1993, and continuing each month thereafter, provided  
12 that the amount requested in the certificate of the Chairman of  
13 the Authority filed under Section 8.25f of the State Finance  
14 Act has been appropriated for payment to the Authority, 1/8 of  
15 the annual amount requested in that certificate together with  
16 any cumulative deficiencies shall be transferred from the trust  
17 fund into the McCormick Place Expansion Project Fund in the  
18 State Treasury until 100% of the amount requested in that  
19 certificate plus any cumulative deficiencies in the amounts  
20 transferred into the McCormick Place Expansion Project Fund  
21 under this item "third", have been so transferred; fourth, the  
22 balance shall be maintained in the trust fund; fifth, on July  
23 20, 1994, and on July 20 of each year thereafter the Treasurer  
24 shall calculate for the previous fiscal year the surplus  
25 revenues in the trust fund and pay that amount to the  
26 Authority. "Surplus revenues" shall mean the difference

1 between the amount in the trust fund on June 30 of the fiscal  
2 year previous to the current fiscal year (excluding amounts  
3 retained for refunds under item "first") minus the amount  
4 deposited in the trust fund during fiscal year 1993 under item  
5 "second". Moneys received by the Authority under item "fifth"  
6 may be used solely for the purposes of paying debt service on  
7 the bonds and notes issued by the Authority, including early  
8 redemption of those bonds or notes, and for the purposes of  
9 repair, replacement, and improvement of the grounds,  
10 buildings, and facilities of the Authority; provided that any  
11 moneys in excess of \$50,000,000 held by the Authority as of  
12 June 30 in any fiscal year and received by the Authority under  
13 item "fifth" shall be used solely for paying the debt service  
14 on or early redemption of the Authority's bonds or notes. When  
15 bonds and notes issued under Section 13.2, or bonds or notes  
16 issued to refund those bonds and notes, are no longer  
17 outstanding, the balance in the trust fund shall be paid to the  
18 Authority.

19 (h) The ordinances imposing the taxes authorized by this  
20 Section shall be repealed when bonds and notes issued under  
21 Section 13.2 or bonds and notes issued to refund those bonds  
22 and notes are no longer outstanding.

23 (Source: P.A. 90-612, eff. 7-8-98.)

24 Section 80. The Flood Prevention District Act is amended by  
25 changing Section 25 as follows:

1 (70 ILCS 750/25)

2 Sec. 25. Flood prevention retailers' and service  
3 occupation taxes.

4 (a) If the Board of Commissioners of a flood prevention  
5 district determines that an emergency situation exists  
6 regarding levee repair or flood prevention, and upon an  
7 ordinance confirming the determination adopted by the  
8 affirmative vote of a majority of the members of the county  
9 board of the county in which the district is situated, the  
10 county may impose a flood prevention retailers' occupation tax  
11 upon all persons engaged in the business of selling tangible  
12 personal property at retail within the territory of the  
13 district to provide revenue to pay the costs of providing  
14 emergency levee repair and flood prevention and to secure the  
15 payment of bonds, notes, and other evidences of indebtedness  
16 issued under this Act for a period not to exceed 25 years or as  
17 required to repay the bonds, notes, and other evidences of  
18 indebtedness issued under this Act. The tax rate shall be 0.25%  
19 of the gross receipts from all taxable sales made in the course  
20 of that business. The tax imposed under this Section and all  
21 civil penalties that may be assessed as an incident thereof  
22 shall be collected and enforced by the State Department of  
23 Revenue. The Department shall have full power to administer and  
24 enforce this Section; to collect all taxes and penalties so  
25 collected in the manner hereinafter provided; and to determine

1 all rights to credit memoranda arising on account of the  
2 erroneous payment of tax or penalty hereunder.

3 In the administration of and compliance with this  
4 subsection, the Department and persons who are subject to this  
5 subsection (i) have the same rights, remedies, privileges,  
6 immunities, powers, and duties, (ii) are subject to the same  
7 conditions, restrictions, limitations, penalties, and  
8 definitions of terms, and (iii) shall employ the same modes of  
9 procedure as are set forth in Sections 1 through 10, 2 through  
10 2-70 (in respect to all provisions contained in those Sections  
11 other than the State rate of tax), 2a through 2h, 3 (except as  
12 to the disposition of taxes and penalties collected), 4, 5, 5a,  
13 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,  
14 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and  
15 all provisions of the Uniform Penalty and Interest Act as if  
16 those provisions were set forth in this subsection.

17 Persons subject to any tax imposed under this Section may  
18 reimburse themselves for their seller's tax liability  
19 hereunder by separately stating the tax as an additional  
20 charge, which charge may be stated in combination in a single  
21 amount with State taxes that sellers are required to collect  
22 under the Use Tax Act, under any bracket schedules the  
23 Department may prescribe.

24 If a tax is imposed under this subsection (a), a tax shall  
25 also be imposed under subsection (b) of this Section.

26 (b) If a tax has been imposed under subsection (a), a flood

1 prevention service occupation tax shall also be imposed upon  
2 all persons engaged within the territory of the district in the  
3 business of making sales of service, who, as an incident to  
4 making the sales of service, transfer tangible personal  
5 property, either in the form of tangible personal property or  
6 in the form of real estate as an incident to a sale of service  
7 to provide revenue to pay the costs of providing emergency  
8 levee repair and flood prevention and to secure the payment of  
9 bonds, notes, and other evidences of indebtedness issued under  
10 this Act for a period not to exceed 25 years or as required to  
11 repay the bonds, notes, and other evidences of indebtedness.  
12 The tax rate shall be 0.25% of the selling price of all  
13 tangible personal property transferred.

14 The tax imposed under this subsection and all civil  
15 penalties that may be assessed as an incident thereof shall be  
16 collected and enforced by the State Department of Revenue. The  
17 Department shall have full power to administer and enforce this  
18 subsection; to collect all taxes and penalties due hereunder;  
19 to dispose of taxes and penalties collected in the manner  
20 hereinafter provided; and to determine all rights to credit  
21 memoranda arising on account of the erroneous payment of tax or  
22 penalty hereunder.

23 In the administration of and compliance with this  
24 subsection, the Department and persons who are subject to this  
25 subsection shall (i) have the same rights, remedies,  
26 privileges, immunities, powers, and duties, (ii) be subject to

1 the same conditions, restrictions, limitations, penalties, and  
2 definitions of terms, and (iii) employ the same modes of  
3 procedure as are set forth in Sections 2 (except that the  
4 reference to State in the definition of supplier maintaining a  
5 place of business in this State means the district), 2a through  
6 2d, 3 through 3-50 (in respect to all provisions contained in  
7 those Sections other than the State rate of tax), 4 (except  
8 that the reference to the State shall be to the district), 5,  
9 7, 8 (except that the jurisdiction to which the tax is a debt  
10 to the extent indicated in that Section 8 is the district), 9  
11 (except as to the disposition of taxes and penalties  
12 collected), 10, 11, 12 (except the reference therein to Section  
13 2b of the Retailers' Occupation Tax Act), 13 (except that any  
14 reference to the State means the district), Section 15, 16, 17,  
15 18, 19, and 20 of the Service Occupation Tax Act and all  
16 provisions of the Uniform Penalty and Interest Act, as fully as  
17 if those provisions were set forth herein.

18 Persons subject to any tax imposed under the authority  
19 granted in this subsection may reimburse themselves for their  
20 serviceman's tax liability hereunder by separately stating the  
21 tax as an additional charge, that charge may be stated in  
22 combination in a single amount with State tax that servicemen  
23 are authorized to collect under the Service Use Tax Act, under  
24 any bracket schedules the Department may prescribe.

25 (c) The taxes imposed in subsections (a) and (b) may not be  
26 imposed on personal property titled or registered with an



1 agency of the State; food for human consumption that is to be  
2 consumed off the premises where it is sold (other than  
3 alcoholic beverages, soft drinks, and food that has been  
4 prepared for immediate consumption); prescription and  
5 non-prescription medicines, drugs, and medical appliances;  
6 modifications to a motor vehicle for the purpose of rendering  
7 it usable by a disabled person; or insulin, urine testing  
8 materials, and syringes and needles used by diabetics.

9 (d) Nothing in this Section shall be construed to authorize  
10 the district to impose a tax upon the privilege of engaging in  
11 any business that under the Constitution of the United States  
12 may not be made the subject of taxation by the State.

13 (e) The certificate of registration that is issued by the  
14 Department to a retailer under the Retailers' Occupation Tax  
15 Act or a serviceman under the Service Occupation Tax Act  
16 permits the retailer or serviceman to engage in a business that  
17 is taxable without registering separately with the Department  
18 under an ordinance or resolution under this Section.

19 (f) The Department shall immediately pay over to the State  
20 Treasurer, ex officio, as trustee, all taxes and penalties  
21 collected under this Section to be deposited into the Flood  
22 Prevention Occupation Tax Fund, which shall be an  
23 unappropriated trust fund held outside the State treasury.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district. The Department shall make this  
6 certification only if the flood prevention district imposes a  
7 tax on real property as provided in the definition of "local  
8 sales taxes" under the Innovation Development and Economy Act.

9 After the monthly transfer to the STAR Bonds Revenue Fund,  
10 on ~~or~~ or before the 25th day of each calendar month, the  
11 Department shall prepare and certify to the Comptroller the  
12 disbursement of stated sums of money to the counties from which  
13 retailers or servicemen have paid taxes or penalties to the  
14 Department during the second preceding calendar month. The  
15 amount to be paid to each county is equal to the amount (not  
16 including credit memoranda) collected from the county under  
17 this Section during the second preceding calendar month by the  
18 Department, (i) less 2% of that amount, which shall be  
19 deposited into the Tax Compliance and Administration Fund and  
20 shall be used by the Department in administering and enforcing  
21 the provisions of this Section on behalf of the county, (ii)  
22 plus an amount that the Department determines is necessary to  
23 offset any amounts that were erroneously paid to a different  
24 taxing body; (iii) less an amount equal to the amount of  
25 refunds made during the second preceding calendar month by the  
26 Department on behalf of the county; ~~and~~ (iv) less any amount

1 that the Department determines is necessary to offset any  
2 amounts that were payable to a different taxing body but were  
3 erroneously paid to the county; and (v) less any amounts that  
4 are transferred to the STAR Bonds Revenue Fund. When certifying  
5 the amount of a monthly disbursement to a county under this  
6 Section, the Department shall increase or decrease the amounts  
7 by an amount necessary to offset any miscalculation of previous  
8 disbursements within the previous 6 months from the time a  
9 miscalculation is discovered.

10 Within 10 days after receipt by the Comptroller from the  
11 Department of the disbursement certification to the counties  
12 provided for in this Section, the Comptroller shall cause the  
13 orders to be drawn for the respective amounts in accordance  
14 with directions contained in the certification.

15 If the Department determines that a refund should be made  
16 under this Section to a claimant instead of issuing a credit  
17 memorandum, then the Department shall notify the Comptroller,  
18 who shall cause the order to be drawn for the amount specified  
19 and to the person named in the notification from the  
20 Department. The refund shall be paid by the Treasurer out of  
21 the Flood Prevention Occupation Tax Fund.

22 (g) If a county imposes a tax under this Section, then the  
23 county board shall, by ordinance, discontinue the tax upon the  
24 payment of all indebtedness of the flood prevention district.  
25 The tax shall not be discontinued until all indebtedness of the  
26 District has been paid.

1           (h) Any ordinance imposing the tax under this Section, or  
2 any ordinance that discontinues the tax, must be certified by  
3 the county clerk and filed with the Illinois Department of  
4 Revenue either (i) on or before the first day of April,  
5 whereupon the Department shall proceed to administer and  
6 enforce the tax or change in the rate as of the first day of  
7 July next following the filing; or (ii) on or before the first  
8 day of October, whereupon the Department shall proceed to  
9 administer and enforce the tax or change in the rate as of the  
10 first day of January next following the filing.

11           (j) County Flood Prevention Occupation Tax Fund. All  
12 proceeds received by a county from a tax distribution under  
13 this Section must be maintained in a special fund known as the  
14 [name of county] flood prevention occupation tax fund. The  
15 county shall, at the direction of the flood prevention  
16 district, use moneys in the fund to pay the costs of providing  
17 emergency levee repair and flood prevention and to pay bonds,  
18 notes, and other evidences of indebtedness issued under this  
19 Act.

20           (k) This Section may be cited as the Flood Prevention  
21 Occupation Tax Law.

22           (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08.)

23           Section 85. The Metro-East Park and Recreation District Act  
24 is amended by changing Section 30 as follows:

1 (70 ILCS 1605/30)

2 Sec. 30. Taxes.

3 (a) The board shall impose a tax upon all persons engaged  
4 in the business of selling tangible personal property, other  
5 than personal property titled or registered with an agency of  
6 this State's government, at retail in the District on the gross  
7 receipts from the sales made in the course of business. This  
8 tax shall be imposed only at the rate of one-tenth of one per  
9 cent.

10 This additional tax may not be imposed on the sales of food  
11 for human consumption that is to be consumed off the premises  
12 where it is sold (other than alcoholic beverages, soft drinks,  
13 and food which has been prepared for immediate consumption) and  
14 prescription and non-prescription medicines, drugs, medical  
15 appliances, and insulin, urine testing materials, syringes,  
16 and needles used by diabetics. The tax imposed by the Board  
17 under this Section and all civil penalties that may be assessed  
18 as an incident of the tax shall be collected and enforced by  
19 the Department of Revenue. The certificate of registration that  
20 is issued by the Department to a retailer under the Retailers'  
21 Occupation Tax Act shall permit the retailer to engage in a  
22 business that is taxable without registering separately with  
23 the Department under an ordinance or resolution under this  
24 Section. The Department has full power to administer and  
25 enforce this Section, to collect all taxes and penalties due  
26 under this Section, to dispose of taxes and penalties so

1 collected in the manner provided in this Section, and to  
2 determine all rights to credit memoranda arising on account of  
3 the erroneous payment of a tax or penalty under this Section.  
4 In the administration of and compliance with this Section, the  
5 Department and persons who are subject to this Section shall  
6 (i) have the same rights, remedies, privileges, immunities,  
7 powers, and duties, (ii) be subject to the same conditions,  
8 restrictions, limitations, penalties, and definitions of  
9 terms, and (iii) employ the same modes of procedure as are  
10 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
11 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained  
12 in those Sections other than the State rate of tax), 2-15  
13 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to  
14 transaction returns and quarter monthly payments), 4, 5, 5a,  
15 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
16 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
17 and the Uniform Penalty and Interest Act as if those provisions  
18 were set forth in this Section.

19 Persons subject to any tax imposed under the authority  
20 granted in this Section may reimburse themselves for their  
21 sellers' tax liability by separately stating the tax as an  
22 additional charge, which charge may be stated in combination,  
23 in a single amount, with State tax which sellers are required  
24 to collect under the Use Tax Act, pursuant to such bracketed  
25 schedules as the Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this Section to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the order to be drawn for the  
4 amount specified and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the State Metro-East Park and Recreation  
7 District Fund.

8 (b) If a tax has been imposed under subsection (a), a  
9 service occupation tax shall also be imposed at the same rate  
10 upon all persons engaged, in the District, in the business of  
11 making sales of service, who, as an incident to making those  
12 sales of service, transfer tangible personal property within  
13 the District as an incident to a sale of service. This tax may  
14 not be imposed on sales of food for human consumption that is  
15 to be consumed off the premises where it is sold (other than  
16 alcoholic beverages, soft drinks, and food prepared for  
17 immediate consumption) and prescription and non-prescription  
18 medicines, drugs, medical appliances, and insulin, urine  
19 testing materials, syringes, and needles used by diabetics. The  
20 tax imposed under this subsection and all civil penalties that  
21 may be assessed as an incident thereof shall be collected and  
22 enforced by the Department of Revenue. The Department has full  
23 power to administer and enforce this subsection; to collect all  
24 taxes and penalties due hereunder; to dispose of taxes and  
25 penalties so collected in the manner hereinafter provided; and  
26 to determine all rights to credit memoranda arising on account

1 of the erroneous payment of tax or penalty hereunder. In the  
2 administration of, and compliance with this subsection, the  
3 Department and persons who are subject to this paragraph shall  
4 (i) have the same rights, remedies, privileges, immunities,  
5 powers, and duties, (ii) be subject to the same conditions,  
6 restrictions, limitations, penalties, exclusions, exemptions,  
7 and definitions of terms, and (iii) employ the same modes of  
8 procedure as are prescribed in Sections 2 (except that the  
9 reference to State in the definition of supplier maintaining a  
10 place of business in this State shall mean the District), 2a,  
11 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
12 other than the State rate of tax), 4 (except that the reference  
13 to the State shall be to the District), 5, 7, 8 (except that  
14 the jurisdiction to which the tax shall be a debt to the extent  
15 indicated in that Section 8 shall be the District), 9 (except  
16 as to the disposition of taxes and penalties collected), 10,  
17 11, 12 (except the reference therein to Section 2b of the  
18 Retailers' Occupation Tax Act), 13 (except that any reference  
19 to the State shall mean the District), Sections 15, 16, 17, 18,  
20 19 and 20 of the Service Occupation Tax Act and the Uniform  
21 Penalty and Interest Act, as fully as if those provisions were  
22 set forth herein.

23 Persons subject to any tax imposed under the authority  
24 granted in this subsection may reimburse themselves for their  
25 serviceman's tax liability by separately stating the tax as an  
26 additional charge, which charge may be stated in combination,



1 in a single amount, with State tax that servicemen are  
2 authorized to collect under the Service Use Tax Act, in  
3 accordance with such bracket schedules as the Department may  
4 prescribe.

5 Whenever the Department determines that a refund should be  
6 made under this subsection to a claimant instead of issuing a  
7 credit memorandum, the Department shall notify the State  
8 Comptroller, who shall cause the warrant to be drawn for the  
9 amount specified, and to the person named, in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of the State Metro-East Park and Recreation  
12 District Fund.

13 Nothing in this subsection shall be construed to authorize  
14 the board to impose a tax upon the privilege of engaging in any  
15 business which under the Constitution of the United States may  
16 not be made the subject of taxation by the State.

17 (c) The Department shall immediately pay over to the State  
18 Treasurer, ex officio, as trustee, all taxes and penalties  
19 collected under this Section to be deposited into the State  
20 Metro-East Park and Recreation District Fund, which shall be an  
21 unappropriated trust fund held outside of the State treasury.

22 As soon as possible after the first day of each month,  
23 beginning January 1, 2011, upon certification of the Department  
24 of Revenue, the Comptroller shall order transferred, and the  
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
26 local sales tax increment, as defined in the Innovation

1 Development and Economy Act, collected under this Section  
2 during the second preceding calendar month for sales within a  
3 STAR bond district. The Department shall make this  
4 certification only if the Metro East Park and Recreation  
5 District imposes a tax on real property as provided in the  
6 definition of "local sales taxes" under the Innovation  
7 Development and Economy Act.

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on ~~or~~ 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 pursuant to Section 35 of  
12 this Act to the District from which retailers have paid taxes  
13 or penalties to the Department during the second preceding  
14 calendar month. The amount to be paid to the District shall be  
15 the amount (not including credit memoranda) collected under  
16 this Section during the second preceding calendar month by the  
17 Department plus an amount the Department determines is  
18 necessary to offset any amounts that were erroneously paid to a  
19 different taxing body, and not including (i) an amount equal to  
20 the amount of refunds made during the second preceding calendar  
21 month by the Department on behalf of the District, ~~and~~ (ii) any  
22 amount that the Department determines is necessary to offset  
23 any amounts that were payable to a different taxing body but  
24 were erroneously paid to the District, and (iii) any amounts  
25 that are transferred to the STAR Bonds Revenue Fund. Within 10  
26 days after receipt by the Comptroller of the disbursement

1 certification to the District provided for in this Section to  
2 be given to the Comptroller by the Department, the Comptroller  
3 shall cause the orders to be drawn for the respective amounts  
4 in accordance with directions contained in the certification.

5 (d) For the purpose of determining whether a tax authorized  
6 under this Section is applicable, a retail sale by a producer  
7 of coal or another mineral mined in Illinois is a sale at  
8 retail at the place where the coal or other mineral mined in  
9 Illinois is extracted from the earth. This paragraph does not  
10 apply to coal or another mineral when it is delivered or  
11 shipped by the seller to the purchaser at a point outside  
12 Illinois so that the sale is exempt under the United States  
13 Constitution as a sale in interstate or foreign commerce.

14 (e) Nothing in this Section shall be construed to authorize  
15 the board to impose a tax upon the privilege of engaging in any  
16 business that under the Constitution of the United States may  
17 not be made the subject of taxation by this State.

18 (f) An ordinance imposing a tax under this Section or an  
19 ordinance extending the imposition of a tax to an additional  
20 county or counties shall be certified by the board and filed  
21 with the Department of Revenue either (i) on or before the  
22 first day of April, whereupon the Department shall proceed to  
23 administer and enforce the tax as of the first day of July next  
24 following the filing; or (ii) on or before the first day of  
25 October, whereupon the Department shall proceed to administer  
26 and enforce the tax as of the first day of January next

1 following the filing.

2 (g) When certifying the amount of a monthly disbursement to  
3 the District under this Section, the Department shall increase  
4 or decrease the amounts by an amount necessary to offset any  
5 misallocation of previous disbursements. The offset amount  
6 shall be the amount erroneously disbursed within the previous 6  
7 months from the time a misallocation is discovered.

8 (Source: P.A. 91-103, eff. 7-13-99.)

9 Section 90. The Local Mass Transit District Act is amended  
10 by changing Section 5.01 as follows:

11 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

12 Sec. 5.01. Metro East Mass Transit District; use and  
13 occupation taxes.

14 (a) The Board of Trustees of any Metro East Mass Transit  
15 District may, by ordinance adopted with the concurrence of  
16 two-thirds of the then trustees, impose throughout the District  
17 any or all of the taxes and fees provided in this Section. All  
18 taxes and fees imposed under this Section shall be used only  
19 for public mass transportation systems, and the amount used to  
20 provide mass transit service to unserved areas of the District  
21 shall be in the same proportion to the total proceeds as the  
22 number of persons residing in the unserved areas is to the  
23 total population of the District. Except as otherwise provided  
24 in this Act, taxes imposed under this Section and civil

1 penalties imposed incident thereto shall be collected and  
2 enforced by the State Department of Revenue. The Department  
3 shall have the power to administer and enforce the taxes and to  
4 determine all rights for refunds for erroneous payments of the  
5 taxes.

6 (b) The Board may impose a Metro East Mass Transit District  
7 Retailers' Occupation Tax upon all persons engaged in the  
8 business of selling tangible personal property at retail in the  
9 district at a rate of 1/4 of 1%, or as authorized under  
10 subsection (d-5) of this Section, of the gross receipts from  
11 the sales made in the course of such business within the  
12 district. The tax imposed under this Section and all civil  
13 penalties that may be assessed as an incident thereof shall be  
14 collected and enforced by the State Department of Revenue. The  
15 Department shall have full power to administer and enforce this  
16 Section; to collect all taxes and penalties so collected in the  
17 manner hereinafter provided; and to determine all rights to  
18 credit memoranda arising on account of the erroneous payment of  
19 tax or penalty hereunder. In the administration of, and  
20 compliance with, this Section, the Department and persons who  
21 are subject to this Section shall have the same rights,  
22 remedies, privileges, immunities, powers and duties, and be  
23 subject to the same conditions, restrictions, limitations,  
24 penalties, exclusions, exemptions and definitions of terms and  
25 employ the same modes of procedure, as are prescribed in  
26 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65

1 (in respect to all provisions therein other than the State rate  
2 of tax), 2c, 3 (except as to the disposition of taxes and  
3 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
4 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
5 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
6 Penalty and Interest Act, as fully as if those provisions were  
7 set forth herein.

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

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the warrant to be drawn for the  
19 amount specified, and to the person named, in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the Metro East Mass Transit District tax fund  
22 established under paragraph (h) of this Section.

23 If a tax is imposed under this subsection (b), a tax shall  
24 also be imposed under subsections (c) and (d) of this Section.

25 For the purpose of determining whether a tax authorized  
26 under this Section is applicable, a retail sale, by a producer

1 of coal or other mineral mined in Illinois, is a sale at retail  
2 at the place where the coal or other mineral mined in Illinois  
3 is extracted from the earth. This paragraph does not apply to  
4 coal or other mineral when it is delivered or shipped by the  
5 seller to the purchaser at a point outside Illinois so that the  
6 sale is exempt under the Federal Constitution as a sale in  
7 interstate or foreign commerce.

8 No tax shall be imposed or collected under this subsection  
9 on the sale of a motor vehicle in this State to a resident of  
10 another state if that motor vehicle will not be titled in this  
11 State.

12 Nothing in this Section shall be construed to authorize the  
13 Metro East Mass Transit District to impose a tax upon the  
14 privilege of engaging in any business which under the  
15 Constitution of the United States may not be made the subject  
16 of taxation by this State.

17 (c) If a tax has been imposed under subsection (b), a Metro  
18 East Mass Transit District Service Occupation Tax shall also be  
19 imposed upon all persons engaged, in the district, in the  
20 business of making sales of service, who, as an incident to  
21 making those sales of service, transfer tangible personal  
22 property within the District, either in the form of tangible  
23 personal property or in the form of real estate as an incident  
24 to a sale of service. The tax rate shall be 1/4%, or as  
25 authorized under subsection (d-5) of this Section, of the  
26 selling price of tangible personal property so transferred

1 within the district. The tax imposed under this paragraph and  
2 all civil penalties that may be assessed as an incident thereof  
3 shall be collected and enforced by the State Department of  
4 Revenue. The Department shall have full power to administer and  
5 enforce this paragraph; to collect all taxes and penalties due  
6 hereunder; to dispose of taxes and penalties so collected in  
7 the manner hereinafter provided; and to determine all rights to  
8 credit memoranda arising on account of the erroneous payment of  
9 tax or penalty hereunder. In the administration of, and  
10 compliance with this paragraph, the Department and persons who  
11 are subject to this paragraph shall have the same rights,  
12 remedies, privileges, immunities, powers and duties, and be  
13 subject to the same conditions, restrictions, limitations,  
14 penalties, exclusions, exemptions and definitions of terms and  
15 employ the same modes of procedure as are prescribed in  
16 Sections 1a-1, 2 (except that the reference to State in the  
17 definition of supplier maintaining a place of business in this  
18 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
19 to all provisions therein other than the State rate of tax), 4  
20 (except that the reference to the State shall be to the  
21 Authority), 5, 7, 8 (except that the jurisdiction to which the  
22 tax shall be a debt to the extent indicated in that Section 8  
23 shall be the District), 9 (except as to the disposition of  
24 taxes and penalties collected, and except that the returned  
25 merchandise credit for this tax may not be taken against any  
26 State tax), 10, 11, 12 (except the reference therein to Section



1 2b of the Retailers' Occupation Tax Act), 13 (except that any  
2 reference to the State shall mean the District), the first  
3 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
4 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
5 Interest Act, as fully as if those provisions were set forth  
6 herein.

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

15 Whenever the Department determines that a refund should be  
16 made under this paragraph to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the warrant to be drawn for the  
19 amount specified, and to the person named, in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the Metro East Mass Transit District tax fund  
22 established under paragraph (h) of this Section.

23 Nothing in this paragraph shall be construed to authorize  
24 the District to impose a tax upon the privilege of engaging in  
25 any business which under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1 (d) If a tax has been imposed under subsection (b), a Metro  
2 East Mass Transit District Use Tax shall also be imposed upon  
3 the privilege of using, in the district, any item of tangible  
4 personal property that is purchased outside the district at  
5 retail from a retailer, and that is titled or registered with  
6 an agency of this State's government, at a rate of 1/4%, or as  
7 authorized under subsection (d-5) of this Section, of the  
8 selling price of the tangible personal property within the  
9 District, as "selling price" is defined in the Use Tax Act. The  
10 tax shall be collected from persons whose Illinois address for  
11 titling or registration purposes is given as being in the  
12 District. The tax shall be collected by the Department of  
13 Revenue for the Metro East Mass Transit District. The tax must  
14 be paid to the State, or an exemption determination must be  
15 obtained from the Department of Revenue, before the title or  
16 certificate of registration for the property may be issued. The  
17 tax or proof of exemption may be transmitted to the Department  
18 by way of the State agency with which, or the State officer  
19 with whom, the tangible personal property must be titled or  
20 registered if the Department and the State agency or State  
21 officer determine that this procedure will expedite the  
22 processing of applications for title or registration.

23 The Department shall have full power to administer and  
24 enforce this paragraph; to collect all taxes, penalties and  
25 interest due hereunder; to dispose of taxes, penalties and  
26 interest so collected in the manner hereinafter provided; and

1 to determine all rights to credit memoranda or refunds arising  
2 on account of the erroneous payment of tax, penalty or interest  
3 hereunder. In the administration of, and compliance with, this  
4 paragraph, the Department and persons who are subject to this  
5 paragraph shall have the same rights, remedies, privileges,  
6 immunities, powers and duties, and be subject to the same  
7 conditions, restrictions, limitations, penalties, exclusions,  
8 exemptions and definitions of terms and employ the same modes  
9 of procedure, as are prescribed in Sections 2 (except the  
10 definition of "retailer maintaining a place of business in this  
11 State"), 3 through 3-80 (except provisions pertaining to the  
12 State rate of tax, and except provisions concerning collection  
13 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
14 19 (except the portions pertaining to claims by retailers and  
15 except the last paragraph concerning refunds), 20, 21 and 22 of  
16 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
17 Interest Act, that are not inconsistent with this paragraph, as  
18 fully as if those provisions were set forth herein.

19 Whenever the Department determines that a refund should be  
20 made under this paragraph to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the order to be drawn for the  
23 amount specified, and to the person named, in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the Metro East Mass Transit District tax fund  
26 established under paragraph (h) of this Section.

1 (d-5) (A) The county board of any county participating in  
2 the Metro East Mass Transit District may authorize, by  
3 ordinance, a referendum on the question of whether the tax  
4 rates for the Metro East Mass Transit District Retailers'  
5 Occupation Tax, the Metro East Mass Transit District Service  
6 Occupation Tax, and the Metro East Mass Transit District Use  
7 Tax for the District should be increased from 0.25% to 0.75%.  
8 Upon adopting the ordinance, the county board shall certify the  
9 proposition to the proper election officials who shall submit  
10 the proposition to the voters of the District at the next  
11 election, in accordance with the general election law.

12 The proposition shall be in substantially the following  
13 form:

14 Shall the tax rates for the Metro East Mass Transit  
15 District Retailers' Occupation Tax, the Metro East Mass  
16 Transit District Service Occupation Tax, and the Metro East  
17 Mass Transit District Use Tax be increased from 0.25% to  
18 0.75%?

19 (B) Two thousand five hundred electors of any Metro East  
20 Mass Transit District may petition the Chief Judge of the  
21 Circuit Court, or any judge of that Circuit designated by the  
22 Chief Judge, in which that District is located to cause to be  
23 submitted to a vote of the electors the question whether the  
24 tax rates for the Metro East Mass Transit District Retailers'  
25 Occupation Tax, the Metro East Mass Transit District Service  
26 Occupation Tax, and the Metro East Mass Transit District Use

1 Tax for the District should be increased from 0.25% to 0.75%.

2 Upon submission of such petition the court shall set a date  
3 not less than 10 nor more than 30 days thereafter for a hearing  
4 on the sufficiency thereof. Notice of the filing of such  
5 petition and of such date shall be given in writing to the  
6 District and the County Clerk at least 7 days before the date  
7 of such hearing.

8 If such petition is found sufficient, the court shall enter  
9 an order to submit that proposition at the next election, in  
10 accordance with general election law.

11 The form of the petition shall be in substantially the  
12 following form: To the Circuit Court of the County of (name of  
13 county):

14 We, the undersigned electors of the (name of transit  
15 district), respectfully petition your honor to submit to a  
16 vote of the electors of (name of transit district) the  
17 following proposition:

18 Shall the tax rates for the Metro East Mass Transit  
19 District Retailers' Occupation Tax, the Metro East Mass  
20 Transit District Service Occupation Tax, and the Metro East  
21 Mass Transit District Use Tax be increased from 0.25% to  
22 0.75%?

23	Name	Address, with Street and Number.
24	.....	.....
25	.....	.....

26 (C) The votes shall be recorded as "YES" or "NO". If a

1 majority of all votes cast on the proposition are for the  
2 increase in the tax rates, the Metro East Mass Transit District  
3 shall begin imposing the increased rates in the District, and  
4 the Department of Revenue shall begin collecting the increased  
5 amounts, as provided under this Section. An ordinance imposing  
6 or discontinuing a tax hereunder or effecting a change in the  
7 rate thereof shall be adopted and a certified copy thereof  
8 filed with the Department on or before the first day of  
9 October, whereupon the Department shall proceed to administer  
10 and enforce this Section as of the first day of January next  
11 following the adoption and filing, or on or before the first  
12 day of April, whereupon the Department shall proceed to  
13 administer and enforce this Section as of the first day of July  
14 next following the adoption and filing.

15 (D) If the voters have approved a referendum under this  
16 subsection, before November 1, 1994, to increase the tax rate  
17 under this subsection, the Metro East Mass Transit District  
18 Board of Trustees may adopt by a majority vote an ordinance at  
19 any time before January 1, 1995 that excludes from the rate  
20 increase tangible personal property that is titled or  
21 registered with an agency of this State's government. The  
22 ordinance excluding titled or registered tangible personal  
23 property from the rate increase must be filed with the  
24 Department at least 15 days before its effective date. At any  
25 time after adopting an ordinance excluding from the rate  
26 increase tangible personal property that is titled or

1 registered with an agency of this State's government, the Metro  
2 East Mass Transit District Board of Trustees may adopt an  
3 ordinance applying the rate increase to that tangible personal  
4 property. The ordinance shall be adopted, and a certified copy  
5 of that ordinance shall be filed with the Department, on or  
6 before October 1, whereupon the Department shall proceed to  
7 administer and enforce the rate increase against tangible  
8 personal property titled or registered with an agency of this  
9 State's government as of the following January 1. After  
10 December 31, 1995, any reimposed rate increase in effect under  
11 this subsection shall no longer apply to tangible personal  
12 property titled or registered with an agency of this State's  
13 government. Beginning January 1, 1996, the Board of Trustees of  
14 any Metro East Mass Transit District may never reimpose a  
15 previously excluded tax rate increase on tangible personal  
16 property titled or registered with an agency of this State's  
17 government. After July 1, 2004, if the voters have approved a  
18 referendum under this subsection to increase the tax rate under  
19 this subsection, the Metro East Mass Transit District Board of  
20 Trustees may adopt by a majority vote an ordinance that  
21 excludes from the rate increase tangible personal property that  
22 is titled or registered with an agency of this State's  
23 government. The ordinance excluding titled or registered  
24 tangible personal property from the rate increase shall be  
25 adopted, and a certified copy of that ordinance shall be filed  
26 with the Department on or before October 1, whereupon the

1 Department shall administer and enforce this exclusion from the  
2 rate increase as of the following January 1, or on or before  
3 April 1, whereupon the Department shall administer and enforce  
4 this exclusion from the rate increase as of the following July  
5 1. The Board of Trustees of any Metro East Mass Transit  
6 District may never reimpose a previously excluded tax rate  
7 increase on tangible personal property titled or registered  
8 with an agency of this State's government.

9 (d-6) If the Board of Trustees of any Metro East Mass  
10 Transit District has imposed a rate increase under subsection  
11 (d-5) and filed an ordinance with the Department of Revenue  
12 excluding titled property from the higher rate, then that Board  
13 may, by ordinance adopted with the concurrence of two-thirds of  
14 the then trustees, impose throughout the District a fee. The  
15 fee on the excluded property shall not exceed \$20 per retail  
16 transaction or an amount equal to the amount of tax excluded,  
17 whichever is less, on tangible personal property that is titled  
18 or registered with an agency of this State's government.  
19 Beginning July 1, 2004, the fee shall apply only to titled  
20 property that is subject to either the Metro East Mass Transit  
21 District Retailers' Occupation Tax or the Metro East Mass  
22 Transit District Service Occupation Tax. No fee shall be  
23 imposed or collected under this subsection on the sale of a  
24 motor vehicle in this State to a resident of another state if  
25 that motor vehicle will not be titled in this State.

26 (d-7) Until June 30, 2004, if a fee has been imposed under



1 subsection (d-6), a fee shall also be imposed upon the  
2 privilege of using, in the district, any item of tangible  
3 personal property that is titled or registered with any agency  
4 of this State's government, in an amount equal to the amount of  
5 the fee imposed under subsection (d-6).

6 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
7 Board of Trustees of any Metro East Mass Transit District under  
8 subsection (d-6) and all civil penalties that may be assessed  
9 as an incident of the fees shall be collected and enforced by  
10 the State Department of Revenue. Reference to "taxes" in this  
11 Section shall be construed to apply to the administration,  
12 payment, and remittance of all fees under this Section. For  
13 purposes of any fee imposed under subsection (d-6), 4% of the  
14 fee, penalty, and interest received by the Department in the  
15 first 12 months that the fee is collected and enforced by the  
16 Department and 2% of the fee, penalty, and interest following  
17 the first 12 months shall be deposited into the Tax Compliance  
18 and Administration Fund and shall be used by the Department,  
19 subject to appropriation, to cover the costs of the Department.  
20 No retailers' discount shall apply to any fee imposed under  
21 subsection (d-6).

22 (d-8) No item of titled property shall be subject to both  
23 the higher rate approved by referendum, as authorized under  
24 subsection (d-5), and any fee imposed under subsection (d-6) or  
25 (d-7).

26 (d-9) (Blank).

1 (d-10) (Blank).

2 (e) A certificate of registration issued by the State  
3 Department of Revenue to a retailer under the Retailers'  
4 Occupation Tax Act or under the Service Occupation Tax Act  
5 shall permit the registrant to engage in a business that is  
6 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
7 this Section and no additional registration shall be required  
8 under the tax. A certificate issued under the Use Tax Act or  
9 the Service Use Tax Act shall be applicable with regard to any  
10 tax imposed under paragraph (c) of this Section.

11 (f) (Blank).

12 (g) Any ordinance imposing or discontinuing any tax under  
13 this Section shall be adopted and a certified copy thereof  
14 filed with the Department on or before June 1, whereupon the  
15 Department of Revenue shall proceed to administer and enforce  
16 this Section on behalf of the Metro East Mass Transit District  
17 as of September 1 next following such adoption and filing.  
18 Beginning January 1, 1992, an ordinance or resolution imposing  
19 or discontinuing the tax hereunder shall be adopted and a  
20 certified copy thereof filed with the Department on or before  
21 the first day of July, whereupon the Department shall proceed  
22 to administer and enforce this Section as of the first day of  
23 October next following such adoption and filing. Beginning  
24 January 1, 1993, except as provided in subsection (d-5) of this  
25 Section, an ordinance or resolution imposing or discontinuing  
26 the tax hereunder shall be adopted and a certified copy thereof

1 filed with the Department on or before the first day of  
2 October, whereupon the Department shall proceed to administer  
3 and enforce this Section as of the first day of January next  
4 following such adoption and filing, or, beginning January 1,  
5 2004, on or before the first day of April, whereupon the  
6 Department shall proceed to administer and enforce this Section  
7 as of the first day of July next following the adoption and  
8 filing.

9 (h) Except as provided in subsection (d-7.1), the State  
10 Department of Revenue shall, upon collecting any taxes as  
11 provided in this Section, pay the taxes over to the State  
12 Treasurer as trustee for the District. The taxes shall be held  
13 in a trust fund outside the State Treasury.

14 As soon as possible after the first day of each month,  
15 beginning January 1, 2011, upon certification of the Department  
16 of Revenue, the Comptroller shall order transferred, and the  
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
18 local sales tax increment, as defined in the Innovation  
19 Development and Economy Act, collected under this Section  
20 during the second preceding calendar month for sales within a  
21 STAR bond district. The Department shall make this  
22 certification only if the local mass transit district imposes a  
23 tax on real property as provided in the definition of "local  
24 sales taxes" under the Innovation Development and Economy Act.

25 After the monthly transfer to the STAR Bonds Revenue Fund,  
26 on ~~or~~ or before the 25th day of each calendar month, the State

1 Department of Revenue shall prepare and certify to the  
2 Comptroller of the State of Illinois the amount to be paid to  
3 the District, which shall be the then balance in the fund, less  
4 any amount determined by the Department to be necessary for the  
5 payment of refunds, and less any amounts that are transferred  
6 to the STAR Bonds Revenue Fund. Within 10 days after receipt by  
7 the Comptroller of the certification of the amount to be paid  
8 to the District, the Comptroller shall cause an order to be  
9 drawn for payment for the amount in accordance with the  
10 direction in the certification.

11 (Source: P.A. 95-331, eff. 8-21-07; 96-328, eff. 8-11-09.)

12 Section 100. The Regional Transportation Authority Act is  
13 amended by changing Section 4.03 as follows:

14 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

15 (Text of Section before amendment by P.A. 96-339)

16 Sec. 4.03. Taxes.

17 (a) In order to carry out any of the powers or purposes of  
18 the Authority, the Board may by ordinance adopted with the  
19 concurrence of 12 of the then Directors, impose throughout the  
20 metropolitan region any or all of the taxes provided in this  
21 Section. Except as otherwise provided in this Act, taxes  
22 imposed under this Section and civil penalties imposed incident  
23 thereto shall be collected and enforced by the State Department  
24 of Revenue. The Department shall have the power to administer

1 and enforce the taxes and to determine all rights for refunds  
2 for erroneous payments of the taxes. Nothing in this amendatory  
3 Act of the 95th General Assembly is intended to invalidate any  
4 taxes currently imposed by the Authority. The increased vote  
5 requirements to impose a tax shall only apply to actions taken  
6 after the effective date of this amendatory Act of the 95th  
7 General Assembly.

8 (b) The Board may impose a public transportation tax upon  
9 all persons engaged in the metropolitan region in the business  
10 of selling at retail motor fuel for operation of motor vehicles  
11 upon public highways. The tax shall be at a rate not to exceed  
12 5% of the gross receipts from the sales of motor fuel in the  
13 course of the business. As used in this Act, the term "motor  
14 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
15 The Board may provide for details of the tax. The provisions of  
16 any tax shall conform, as closely as may be practicable, to the  
17 provisions of the Municipal Retailers Occupation Tax Act,  
18 including without limitation, conformity to penalties with  
19 respect to the tax imposed and as to the powers of the State  
20 Department of Revenue to promulgate and enforce rules and  
21 regulations relating to the administration and enforcement of  
22 the provisions of the tax imposed, except that reference in the  
23 Act to any municipality shall refer to the Authority and the  
24 tax shall be imposed only with regard to receipts from sales of  
25 motor fuel in the metropolitan region, at rates as limited by  
26 this Section.

1           (c) In connection with the tax imposed under paragraph (b)  
2 of this Section the Board may impose a tax upon the privilege  
3 of using in the metropolitan region motor fuel for the  
4 operation of a motor vehicle upon public highways, the tax to  
5 be at a rate not in excess of the rate of tax imposed under  
6 paragraph (b) of this Section. The Board may provide for  
7 details of the tax.

8           (d) The Board may impose a motor vehicle parking tax upon  
9 the privilege of parking motor vehicles at off-street parking  
10 facilities in the metropolitan region at which a fee is  
11 charged, and may provide for reasonable classifications in and  
12 exemptions to the tax, for administration and enforcement  
13 thereof and for civil penalties and refunds thereunder and may  
14 provide criminal penalties thereunder, the maximum penalties  
15 not to exceed the maximum criminal penalties provided in the  
16 Retailers' Occupation Tax Act. The Authority may collect and  
17 enforce the tax itself or by contract with any unit of local  
18 government. The State Department of Revenue shall have no  
19 responsibility for the collection and enforcement unless the  
20 Department agrees with the Authority to undertake the  
21 collection and enforcement. As used in this paragraph, the term  
22 "parking facility" means a parking area or structure having  
23 parking spaces for more than 2 vehicles at which motor vehicles  
24 are permitted to park in return for an hourly, daily, or other  
25 periodic fee, whether publicly or privately owned, but does not  
26 include parking spaces on a public street, the use of which is

1 regulated by parking meters.

2 (e) The Board may impose a Regional Transportation  
3 Authority Retailers' Occupation Tax upon all persons engaged in  
4 the business of selling tangible personal property at retail in  
5 the metropolitan region. In Cook County the tax rate shall be  
6 1.25% of the gross receipts from sales of food for human  
7 consumption that is to be consumed off the premises where it is  
8 sold (other than alcoholic beverages, soft drinks and food that  
9 has been prepared for immediate consumption) and prescription  
10 and nonprescription medicines, drugs, medical appliances and  
11 insulin, urine testing materials, syringes and needles used by  
12 diabetics, and 1% of the gross receipts from other taxable  
13 sales made in the course of that business. In DuPage, Kane,  
14 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
15 of the gross receipts from all taxable sales made in the course  
16 of that business. The tax imposed under this Section and all  
17 civil penalties that may be assessed as an incident thereof  
18 shall be collected and enforced by the State Department of  
19 Revenue. The Department shall have full power to administer and  
20 enforce this Section; to collect all taxes and penalties so  
21 collected in the manner hereinafter provided; and to determine  
22 all rights to credit memoranda arising on account of the  
23 erroneous payment of tax or penalty hereunder. In the  
24 administration of, and compliance with this Section, the  
25 Department and persons who are subject to this Section shall  
26 have the same rights, remedies, privileges, immunities, powers

1 and duties, and be subject to the same conditions,  
2 restrictions, limitations, penalties, exclusions, exemptions  
3 and definitions of terms, and employ the same modes of  
4 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
5 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
6 therein other than the State rate of tax), 2c, 3 (except as to  
7 the disposition of taxes and penalties collected), 4, 5, 5a,  
8 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
9 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
10 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
11 as if those provisions were set forth herein.

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

19 Whenever the Department determines that a refund should be  
20 made under this Section to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the warrant to be drawn for the  
23 amount specified, and to the person named, in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the Regional Transportation Authority tax fund  
26 established under paragraph (n) of this Section.



1           If a tax is imposed under this subsection (e), a tax shall  
2 also be imposed under subsections (f) and (g) of this Section.

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

12           No tax shall be imposed or collected under this subsection  
13 on the sale of a motor vehicle in this State to a resident of  
14 another state if that motor vehicle will not be titled in this  
15 State.

16           Nothing in this Section shall be construed to authorize the  
17 Regional Transportation Authority to impose a tax upon the  
18 privilege of engaging in any business that under the  
19 Constitution of the United States may not be made the subject  
20 of taxation by this State.

21           (f) If a tax has been imposed under paragraph (e), a  
22 Regional Transportation Authority Service Occupation Tax shall  
23 also be imposed upon all persons engaged, in the metropolitan  
24 region in the business of making sales of service, who as an  
25 incident to making the sales of service, transfer tangible  
26 personal property within the metropolitan region, either in the

1 form of tangible personal property or in the form of real  
2 estate as an incident to a sale of service. In Cook County, the  
3 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
4 food prepared for immediate consumption and transferred  
5 incident to a sale of service subject to the service occupation  
6 tax by an entity licensed under the Hospital Licensing Act or  
7 the Nursing Home Care Act that is located in the metropolitan  
8 region; (2) 1.25% of the selling price of food for human  
9 consumption that is to be consumed off the premises where it is  
10 sold (other than alcoholic beverages, soft drinks and food that  
11 has been prepared for immediate consumption) and prescription  
12 and nonprescription medicines, drugs, medical appliances and  
13 insulin, urine testing materials, syringes and needles used by  
14 diabetics; and (3) 1% of the selling price from other taxable  
15 sales of tangible personal property transferred. In DuPage,  
16 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%  
17 of the selling price of all tangible personal property  
18 transferred.

19 The tax imposed under this paragraph and all civil  
20 penalties that may be assessed as an incident thereof shall be  
21 collected and enforced by the State Department of Revenue. The  
22 Department shall have full power to administer and enforce this  
23 paragraph; to collect all taxes and penalties due hereunder; to  
24 dispose of taxes and penalties collected in the manner  
25 hereinafter provided; and to determine all rights to credit  
26 memoranda arising on account of the erroneous payment of tax or

1 penalty hereunder. In the administration of and compliance with  
2 this paragraph, the Department and persons who are subject to  
3 this paragraph shall have the same rights, remedies,  
4 privileges, immunities, powers and duties, and be subject to  
5 the same conditions, restrictions, limitations, penalties,  
6 exclusions, exemptions and definitions of terms, and employ the  
7 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
8 2a, 3 through 3-50 (in respect to all provisions therein other  
9 than the State rate of tax), 4 (except that the reference to  
10 the State shall be to the Authority), 5, 7, 8 (except that the  
11 jurisdiction to which the tax shall be a debt to the extent  
12 indicated in that Section 8 shall be the Authority), 9 (except  
13 as to the disposition of taxes and penalties collected, and  
14 except that the returned merchandise credit for this tax may  
15 not be taken against any State tax), 10, 11, 12 (except the  
16 reference therein to Section 2b of the Retailers' Occupation  
17 Tax Act), 13 (except that any reference to the State shall mean  
18 the Authority), the first paragraph of Section 15, 16, 17, 18,  
19 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
20 the Uniform Penalty and Interest Act, as fully as if those  
21 provisions were set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this paragraph may reimburse themselves for their  
24 serviceman's tax liability hereunder by separately stating the  
25 tax as an additional charge, that charge may be stated in  
26 combination in a single amount with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, under  
2 any bracket schedules the Department may prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this paragraph to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the warrant to be drawn for the  
7 amount specified, and to the person named in the notification  
8 from the Department. The refund shall be paid by the State  
9 Treasurer out of the Regional Transportation Authority tax fund  
10 established under paragraph (n) of this Section.

11 Nothing in this paragraph shall be construed to authorize  
12 the Authority to impose a tax upon the privilege of engaging in  
13 any business that under the Constitution of the United States  
14 may not be made the subject of taxation by the State.

15 (g) If a tax has been imposed under paragraph (e), a tax  
16 shall also be imposed upon the privilege of using in the  
17 metropolitan region, any item of tangible personal property  
18 that is purchased outside the metropolitan region at retail  
19 from a retailer, and that is titled or registered with an  
20 agency of this State's government. In Cook County the tax rate  
21 shall be 1% of the selling price of the tangible personal  
22 property, as "selling price" is defined in the Use Tax Act. In  
23 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
24 shall be 0.75% of the selling price of the tangible personal  
25 property, as "selling price" is defined in the Use Tax Act. The  
26 tax shall be collected from persons whose Illinois address for

1 titling or registration purposes is given as being in the  
2 metropolitan region. The tax shall be collected by the  
3 Department of Revenue for the Regional Transportation  
4 Authority. The tax must be paid to the State, or an exemption  
5 determination must be obtained from the Department of Revenue,  
6 before the title or certificate of registration for the  
7 property may be issued. The tax or proof of exemption may be  
8 transmitted to the Department by way of the State agency with  
9 which, or the State officer with whom, the tangible personal  
10 property must be titled or registered if the Department and the  
11 State agency or State officer determine that this procedure  
12 will expedite the processing of applications for title or  
13 registration.

14 The Department shall have full power to administer and  
15 enforce this paragraph; to collect all taxes, penalties and  
16 interest due hereunder; to dispose of taxes, penalties and  
17 interest collected in the manner hereinafter provided; and to  
18 determine all rights to credit memoranda or refunds arising on  
19 account of the erroneous payment of tax, penalty or interest  
20 hereunder. In the administration of and compliance with this  
21 paragraph, the Department and persons who are subject to this  
22 paragraph shall have the same rights, remedies, privileges,  
23 immunities, powers and duties, and be subject to the same  
24 conditions, restrictions, limitations, penalties, exclusions,  
25 exemptions and definitions of terms and employ the same modes  
26 of procedure, as are prescribed in Sections 2 (except the

1 definition of "retailer maintaining a place of business in this  
2 State"), 3 through 3-80 (except provisions pertaining to the  
3 State rate of tax, and except provisions concerning collection  
4 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
5 19 (except the portions pertaining to claims by retailers and  
6 except the last paragraph concerning refunds), 20, 21 and 22 of  
7 the Use Tax Act, and are not inconsistent with this paragraph,  
8 as fully as if those provisions were set forth herein.

9 Whenever the Department determines that a refund should be  
10 made under this paragraph to a claimant instead of issuing a  
11 credit memorandum, the Department shall notify the State  
12 Comptroller, who shall cause the order to be drawn for the  
13 amount specified, and to the person named in the notification  
14 from the Department. The refund shall be paid by the State  
15 Treasurer out of the Regional Transportation Authority tax fund  
16 established under paragraph (n) of this Section.

17 (h) The Authority may impose a replacement vehicle tax of  
18 \$50 on any passenger car as defined in Section 1-157 of the  
19 Illinois Vehicle Code purchased within the metropolitan region  
20 by or on behalf of an insurance company to replace a passenger  
21 car of an insured person in settlement of a total loss claim.  
22 The tax imposed may not become effective before the first day  
23 of the month following the passage of the ordinance imposing  
24 the tax and receipt of a certified copy of the ordinance by the  
25 Department of Revenue. The Department of Revenue shall collect  
26 the tax for the Authority in accordance with Sections 3-2002

1 and 3-2003 of the Illinois Vehicle Code.

2 The Department shall immediately pay over to the State  
3 Treasurer, ex officio, as trustee, all taxes collected  
4 hereunder.

5 As soon as possible after the first day of each month,  
6 beginning January 1, 2011, upon certification of the Department  
7 of Revenue, the Comptroller shall order transferred, and the  
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
9 local sales tax increment, as defined in the Innovation  
10 Development and Economy Act, collected under this Section  
11 during the second preceding calendar month for sales within a  
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on ~~on~~ or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to the Authority. The  
17 amount to be paid to the Authority shall be the amount  
18 collected hereunder during the second preceding calendar month  
19 by the Department, less any amount determined by the Department  
20 to be necessary for the payment of refunds, and less any  
21 amounts that are transferred to the STAR Bonds Revenue Fund.  
22 Within 10 days after receipt by the Comptroller of the  
23 disbursement certification to the Authority provided for in  
24 this Section to be given to the Comptroller by the Department,  
25 the Comptroller shall cause the orders to be drawn for that  
26 amount in accordance with the directions contained in the

1 certification.

2 (i) The Board may not impose any other taxes except as it  
3 may from time to time be authorized by law to impose.

4 (j) A certificate of registration issued by the State  
5 Department of Revenue to a retailer under the Retailers'  
6 Occupation Tax Act or under the Service Occupation Tax Act  
7 shall permit the registrant to engage in a business that is  
8 taxed under the tax imposed under paragraphs (b), (e), (f) or  
9 (g) of this Section and no additional registration shall be  
10 required under the tax. A certificate issued under the Use Tax  
11 Act or the Service Use Tax Act shall be applicable with regard  
12 to any tax imposed under paragraph (c) of this Section.

13 (k) The provisions of any tax imposed under paragraph (c)  
14 of this Section shall conform as closely as may be practicable  
15 to the provisions of the Use Tax Act, including without  
16 limitation conformity as to penalties with respect to the tax  
17 imposed and as to the powers of the State Department of Revenue  
18 to promulgate and enforce rules and regulations relating to the  
19 administration and enforcement of the provisions of the tax  
20 imposed. The taxes shall be imposed only on use within the  
21 metropolitan region and at rates as provided in the paragraph.

22 (l) The Board in imposing any tax as provided in paragraphs  
23 (b) and (c) of this Section, shall, after seeking the advice of  
24 the State Department of Revenue, provide means for retailers,  
25 users or purchasers of motor fuel for purposes other than those  
26 with regard to which the taxes may be imposed as provided in



1 those paragraphs to receive refunds of taxes improperly paid,  
2 which provisions may be at variance with the refund provisions  
3 as applicable under the Municipal Retailers Occupation Tax Act.  
4 The State Department of Revenue may provide for certificates of  
5 registration for users or purchasers of motor fuel for purposes  
6 other than those with regard to which taxes may be imposed as  
7 provided in paragraphs (b) and (c) of this Section to  
8 facilitate the reporting and nontaxability of the exempt sales  
9 or uses.

10 (m) Any ordinance imposing or discontinuing any tax under  
11 this Section shall be adopted and a certified copy thereof  
12 filed with the Department on or before June 1, whereupon the  
13 Department of Revenue shall proceed to administer and enforce  
14 this Section on behalf of the Regional Transportation Authority  
15 as of September 1 next following such adoption and filing.  
16 Beginning January 1, 1992, an ordinance or resolution imposing  
17 or discontinuing the tax hereunder shall be adopted and a  
18 certified copy thereof filed with the Department on or before  
19 the first day of July, whereupon the Department shall proceed  
20 to administer and enforce this Section as of the first day of  
21 October next following such adoption and filing. Beginning  
22 January 1, 1993, an ordinance or resolution imposing,  
23 increasing, decreasing, or discontinuing the tax hereunder  
24 shall be adopted and a certified copy thereof filed with the  
25 Department, whereupon the Department shall proceed to  
26 administer and enforce this Section as of the first day of the

1 first month to occur not less than 60 days following such  
2 adoption and filing. Any ordinance or resolution of the  
3 Authority imposing a tax under this Section and in effect on  
4 August 1, 2007 shall remain in full force and effect and shall  
5 be administered by the Department of Revenue under the terms  
6 and conditions and rates of tax established by such ordinance  
7 or resolution until the Department begins administering and  
8 enforcing an increased tax under this Section as authorized by  
9 this amendatory Act of the 95th General Assembly. The tax rates  
10 authorized by this amendatory Act of the 95th General Assembly  
11 are effective only if imposed by ordinance of the Authority.

12 (n) The State Department of Revenue shall, upon collecting  
13 any taxes as provided in this Section, pay the taxes over to  
14 the State Treasurer as trustee for the Authority. The taxes  
15 shall be held in a trust fund outside the State Treasury. On or  
16 before the 25th day of each calendar month, the State  
17 Department of Revenue shall prepare and certify to the  
18 Comptroller of the State of Illinois and to the Authority (i)  
19 the amount of taxes collected in each County other than Cook  
20 County in the metropolitan region, (ii) the amount of taxes  
21 collected within the City of Chicago, and (iii) the amount  
22 collected in that portion of Cook County outside of Chicago,  
23 each amount less the amount necessary for the payment of  
24 refunds to taxpayers located in those areas described in items  
25 (i), (ii), and (iii). Within 10 days after receipt by the  
26 Comptroller of the certification of the amounts, the

1 Comptroller shall cause an order to be drawn for the payment of  
2 two-thirds of the amounts certified in item (i) of this  
3 subsection to the Authority and one-third of the amounts  
4 certified in item (i) of this subsection to the respective  
5 counties other than Cook County and the amount certified in  
6 items (ii) and (iii) of this subsection to the Authority.

7 In addition to the disbursement required by the preceding  
8 paragraph, an allocation shall be made in July 1991 and each  
9 year thereafter to the Regional Transportation Authority. The  
10 allocation shall be made in an amount equal to the average  
11 monthly distribution during the preceding calendar year  
12 (excluding the 2 months of lowest receipts) and the allocation  
13 shall include the amount of average monthly distribution from  
14 the Regional Transportation Authority Occupation and Use Tax  
15 Replacement Fund. The distribution made in July 1992 and each  
16 year thereafter under this paragraph and the preceding  
17 paragraph shall be reduced by the amount allocated and  
18 disbursed under this paragraph in the preceding calendar year.  
19 The Department of Revenue shall prepare and certify to the  
20 Comptroller for disbursement the allocations made in  
21 accordance with this paragraph.

22 (o) Failure to adopt a budget ordinance or otherwise to  
23 comply with Section 4.01 of this Act or to adopt a Five-year  
24 Capital Program or otherwise to comply with paragraph (b) of  
25 Section 2.01 of this Act shall not affect the validity of any  
26 tax imposed by the Authority otherwise in conformity with law.

1           (p) At no time shall a public transportation tax or motor  
2 vehicle parking tax authorized under paragraphs (b), (c) and  
3 (d) of this Section be in effect at the same time as any  
4 retailers' occupation, use or service occupation tax  
5 authorized under paragraphs (e), (f) and (g) of this Section is  
6 in effect.

7           Any taxes imposed under the authority provided in  
8 paragraphs (b), (c) and (d) shall remain in effect only until  
9 the time as any tax authorized by paragraphs (e), (f) or (g) of  
10 this Section are imposed and becomes effective. Once any tax  
11 authorized by paragraphs (e), (f) or (g) is imposed the Board  
12 may not reimpose taxes as authorized in paragraphs (b), (c) and  
13 (d) of the Section unless any tax authorized by paragraphs (e),  
14 (f) or (g) of this Section becomes ineffective by means other  
15 than an ordinance of the Board.

16           (q) Any existing rights, remedies and obligations  
17 (including enforcement by the Regional Transportation  
18 Authority) arising under any tax imposed under paragraphs (b),  
19 (c) or (d) of this Section shall not be affected by the  
20 imposition of a tax under paragraphs (e), (f) or (g) of this  
21 Section.

22           (Source: P.A. 95-708, eff. 1-18-08.)

23           (Text of Section after amendment by P.A. 96-339)

24           Sec. 4.03. Taxes.

25           (a) In order to carry out any of the powers or purposes of

1 the Authority, the Board may by ordinance adopted with the  
2 concurrence of 12 of the then Directors, impose throughout the  
3 metropolitan region any or all of the taxes provided in this  
4 Section. Except as otherwise provided in this Act, taxes  
5 imposed under this Section and civil penalties imposed incident  
6 thereto shall be collected and enforced by the State Department  
7 of Revenue. The Department shall have the power to administer  
8 and enforce the taxes and to determine all rights for refunds  
9 for erroneous payments of the taxes. Nothing in this amendatory  
10 Act of the 95th General Assembly is intended to invalidate any  
11 taxes currently imposed by the Authority. The increased vote  
12 requirements to impose a tax shall only apply to actions taken  
13 after the effective date of this amendatory Act of the 95th  
14 General Assembly.

15 (b) The Board may impose a public transportation tax upon  
16 all persons engaged in the metropolitan region in the business  
17 of selling at retail motor fuel for operation of motor vehicles  
18 upon public highways. The tax shall be at a rate not to exceed  
19 5% of the gross receipts from the sales of motor fuel in the  
20 course of the business. As used in this Act, the term "motor  
21 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
22 The Board may provide for details of the tax. The provisions of  
23 any tax shall conform, as closely as may be practicable, to the  
24 provisions of the Municipal Retailers Occupation Tax Act,  
25 including without limitation, conformity to penalties with  
26 respect to the tax imposed and as to the powers of the State

1 Department of Revenue to promulgate and enforce rules and  
2 regulations relating to the administration and enforcement of  
3 the provisions of the tax imposed, except that reference in the  
4 Act to any municipality shall refer to the Authority and the  
5 tax shall be imposed only with regard to receipts from sales of  
6 motor fuel in the metropolitan region, at rates as limited by  
7 this Section.

8 (c) In connection with the tax imposed under paragraph (b)  
9 of this Section the Board may impose a tax upon the privilege  
10 of using in the metropolitan region motor fuel for the  
11 operation of a motor vehicle upon public highways, the tax to  
12 be at a rate not in excess of the rate of tax imposed under  
13 paragraph (b) of this Section. The Board may provide for  
14 details of the tax.

15 (d) The Board may impose a motor vehicle parking tax upon  
16 the privilege of parking motor vehicles at off-street parking  
17 facilities in the metropolitan region at which a fee is  
18 charged, and may provide for reasonable classifications in and  
19 exemptions to the tax, for administration and enforcement  
20 thereof and for civil penalties and refunds thereunder and may  
21 provide criminal penalties thereunder, the maximum penalties  
22 not to exceed the maximum criminal penalties provided in the  
23 Retailers' Occupation Tax Act. The Authority may collect and  
24 enforce the tax itself or by contract with any unit of local  
25 government. The State Department of Revenue shall have no  
26 responsibility for the collection and enforcement unless the

1 Department agrees with the Authority to undertake the  
2 collection and enforcement. As used in this paragraph, the term  
3 "parking facility" means a parking area or structure having  
4 parking spaces for more than 2 vehicles at which motor vehicles  
5 are permitted to park in return for an hourly, daily, or other  
6 periodic fee, whether publicly or privately owned, but does not  
7 include parking spaces on a public street, the use of which is  
8 regulated by parking meters.

9 (e) The Board may impose a Regional Transportation  
10 Authority Retailers' Occupation Tax upon all persons engaged in  
11 the business of selling tangible personal property at retail in  
12 the metropolitan region. In Cook County the tax rate shall be  
13 1.25% of the gross receipts from sales of food for human  
14 consumption that is to be consumed off the premises where it is  
15 sold (other than alcoholic beverages, soft drinks and food that  
16 has been prepared for immediate consumption) and prescription  
17 and nonprescription medicines, drugs, medical appliances and  
18 insulin, urine testing materials, syringes and needles used by  
19 diabetics, and 1% of the gross receipts from other taxable  
20 sales made in the course of that business. In DuPage, Kane,  
21 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
22 of the gross receipts from all taxable sales made in the course  
23 of that business. The tax imposed under this Section and all  
24 civil penalties that may be assessed as an incident thereof  
25 shall be collected and enforced by the State Department of  
26 Revenue. The Department shall have full power to administer and

1 enforce this Section; to collect all taxes and penalties so  
2 collected in the manner hereinafter provided; and to determine  
3 all rights to credit memoranda arising on account of the  
4 erroneous payment of tax or penalty hereunder. In the  
5 administration of, and compliance with this Section, the  
6 Department and persons who are subject to this Section shall  
7 have the same rights, remedies, privileges, immunities, powers  
8 and duties, and be subject to the same conditions,  
9 restrictions, limitations, penalties, exclusions, exemptions  
10 and definitions of terms, and employ the same modes of  
11 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
12 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
13 therein other than the State rate of tax), 2c, 3 (except as to  
14 the disposition of taxes and penalties collected), 4, 5, 5a,  
15 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
16 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
17 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
18 as if those provisions were set forth herein.

19 Persons subject to any tax imposed under the authority  
20 granted in this Section may reimburse themselves for their  
21 seller's tax liability hereunder by separately stating the tax  
22 as an additional charge, which charge may be stated in  
23 combination in a single amount with State taxes that sellers  
24 are required to collect under the Use Tax Act, under any  
25 bracket schedules the Department may prescribe.

26 Whenever the Department determines that a refund should be



1 made under this Section to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the warrant to be drawn for the  
4 amount specified, and to the person named, in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Regional Transportation Authority tax fund  
7 established under paragraph (n) of this Section.

8 If a tax is imposed under this subsection (e), a tax shall  
9 also be imposed under subsections (f) and (g) of this Section.

10 For the purpose of determining whether a tax authorized  
11 under this Section is applicable, a retail sale by a producer  
12 of coal or other mineral mined in Illinois, is a sale at retail  
13 at the place where the coal or other mineral mined in Illinois  
14 is extracted from the earth. This paragraph does not apply to  
15 coal or other mineral when it is delivered or shipped by the  
16 seller to the purchaser at a point outside Illinois so that the  
17 sale is exempt under the Federal Constitution as a sale in  
18 interstate or foreign commerce.

19 No tax shall be imposed or collected under this subsection  
20 on the sale of a motor vehicle in this State to a resident of  
21 another state if that motor vehicle will not be titled in this  
22 State.

23 Nothing in this Section shall be construed to authorize the  
24 Regional Transportation Authority to impose a tax upon the  
25 privilege of engaging in any business that under the  
26 Constitution of the United States may not be made the subject

1 of taxation by this State.

2 (f) If a tax has been imposed under paragraph (e), a  
3 Regional Transportation Authority Service Occupation Tax shall  
4 also be imposed upon all persons engaged, in the metropolitan  
5 region in the business of making sales of service, who as an  
6 incident to making the sales of service, transfer tangible  
7 personal property within the metropolitan region, either in the  
8 form of tangible personal property or in the form of real  
9 estate as an incident to a sale of service. In Cook County, the  
10 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
11 food prepared for immediate consumption and transferred  
12 incident to a sale of service subject to the service occupation  
13 tax by an entity licensed under the Hospital Licensing Act, the  
14 Nursing Home Care Act, or the MR/DD Community Care Act that is  
15 located in the metropolitan region; (2) 1.25% of the selling  
16 price of food for human consumption that is to be consumed off  
17 the premises where it is sold (other than alcoholic beverages,  
18 soft drinks and food that has been prepared for immediate  
19 consumption) and prescription and nonprescription medicines,  
20 drugs, medical appliances and insulin, urine testing  
21 materials, syringes and needles used by diabetics; and (3) 1%  
22 of the selling price from other taxable sales of tangible  
23 personal property transferred. In DuPage, Kane, Lake, McHenry  
24 and Will Counties the rate shall be 0.75% of the selling price  
25 of all tangible personal property transferred.

26 The tax imposed under this paragraph and all civil

1 penalties that may be assessed as an incident thereof shall be  
2 collected and enforced by the State Department of Revenue. The  
3 Department shall have full power to administer and enforce this  
4 paragraph; to collect all taxes and penalties due hereunder; to  
5 dispose of taxes and penalties collected in the manner  
6 hereinafter provided; and to determine all rights to credit  
7 memoranda arising on account of the erroneous payment of tax or  
8 penalty hereunder. In the administration of and compliance with  
9 this paragraph, the Department and persons who are subject to  
10 this paragraph shall have the same rights, remedies,  
11 privileges, immunities, powers and duties, and be subject to  
12 the same conditions, restrictions, limitations, penalties,  
13 exclusions, exemptions and definitions of terms, and employ the  
14 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
15 2a, 3 through 3-50 (in respect to all provisions therein other  
16 than the State rate of tax), 4 (except that the reference to  
17 the State shall be to the Authority), 5, 7, 8 (except that the  
18 jurisdiction to which the tax shall be a debt to the extent  
19 indicated in that Section 8 shall be the Authority), 9 (except  
20 as to the disposition of taxes and penalties collected, and  
21 except that the returned merchandise credit for this tax may  
22 not be taken against any State tax), 10, 11, 12 (except the  
23 reference therein to Section 2b of the Retailers' Occupation  
24 Tax Act), 13 (except that any reference to the State shall mean  
25 the Authority), the first paragraph of Section 15, 16, 17, 18,  
26 19 and 20 of the Service Occupation Tax Act and Section 3-7 of

1 the Uniform Penalty and Interest Act, as fully as if those  
2 provisions were set forth herein.

3 Persons subject to any tax imposed under the authority  
4 granted in this paragraph may reimburse themselves for their  
5 serviceman's tax liability hereunder by separately stating the  
6 tax as an additional charge, that charge may be stated in  
7 combination in a single amount with State tax that servicemen  
8 are authorized to collect under the Service Use Tax Act, under  
9 any bracket schedules the Department may prescribe.

10 Whenever the Department determines that a refund should be  
11 made under this paragraph to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the warrant to be drawn for the  
14 amount specified, and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the Regional Transportation Authority tax fund  
17 established under paragraph (n) of this Section.

18 Nothing in this paragraph shall be construed to authorize  
19 the Authority to impose a tax upon the privilege of engaging in  
20 any business that under the Constitution of the United States  
21 may not be made the subject of taxation by the State.

22 (g) If a tax has been imposed under paragraph (e), a tax  
23 shall also be imposed upon the privilege of using in the  
24 metropolitan region, any item of tangible personal property  
25 that is purchased outside the metropolitan region at retail  
26 from a retailer, and that is titled or registered with an

1 agency of this State's government. In Cook County the tax rate  
2 shall be 1% of the selling price of the tangible personal  
3 property, as "selling price" is defined in the Use Tax Act. In  
4 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
5 shall be 0.75% of the selling price of the tangible personal  
6 property, as "selling price" is defined in the Use Tax Act. The  
7 tax shall be collected from persons whose Illinois address for  
8 titling or registration purposes is given as being in the  
9 metropolitan region. The tax shall be collected by the  
10 Department of Revenue for the Regional Transportation  
11 Authority. The tax must be paid to the State, or an exemption  
12 determination must be obtained from the Department of Revenue,  
13 before the title or certificate of registration for the  
14 property may be issued. The tax or proof of exemption may be  
15 transmitted to the Department by way of the State agency with  
16 which, or the State officer with whom, the tangible personal  
17 property must be titled or registered if the Department and the  
18 State agency or State officer determine that this procedure  
19 will expedite the processing of applications for title or  
20 registration.

21 The Department shall have full power to administer and  
22 enforce this paragraph; to collect all taxes, penalties and  
23 interest due hereunder; to dispose of taxes, penalties and  
24 interest collected in the manner hereinafter provided; and to  
25 determine all rights to credit memoranda or refunds arising on  
26 account of the erroneous payment of tax, penalty or interest

1 hereunder. In the administration of and compliance with this  
2 paragraph, the Department and persons who are subject to this  
3 paragraph shall have the same rights, remedies, privileges,  
4 immunities, powers and duties, and be subject to the same  
5 conditions, restrictions, limitations, penalties, exclusions,  
6 exemptions and definitions of terms and employ the same modes  
7 of procedure, as are prescribed in Sections 2 (except the  
8 definition of "retailer maintaining a place of business in this  
9 State"), 3 through 3-80 (except provisions pertaining to the  
10 State rate of tax, and except provisions concerning collection  
11 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
12 19 (except the portions pertaining to claims by retailers and  
13 except the last paragraph concerning refunds), 20, 21 and 22 of  
14 the Use Tax Act, and are not inconsistent with this paragraph,  
15 as fully as if those provisions were set forth herein.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified, and to the person named in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the Regional Transportation Authority tax fund  
23 established under paragraph (n) of this Section.

24 (h) The Authority may impose a replacement vehicle tax of  
25 \$50 on any passenger car as defined in Section 1-157 of the  
26 Illinois Vehicle Code purchased within the metropolitan region

1 by or on behalf of an insurance company to replace a passenger  
2 car of an insured person in settlement of a total loss claim.  
3 The tax imposed may not become effective before the first day  
4 of the month following the passage of the ordinance imposing  
5 the tax and receipt of a certified copy of the ordinance by the  
6 Department of Revenue. The Department of Revenue shall collect  
7 the tax for the Authority in accordance with Sections 3-2002  
8 and 3-2003 of the Illinois Vehicle Code.

9 The Department shall immediately pay over to the State  
10 Treasurer, ex officio, as trustee, all taxes collected  
11 hereunder.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the Department  
14 of Revenue, the Comptroller shall order transferred, and the  
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
16 local sales tax increment, as defined in the Innovation  
17 Development and Economy Act, collected under this Section  
18 during the second preceding calendar month for sales within a  
19 STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,  
21 on ~~on~~ or before the 25th day of each calendar month, the  
22 Department shall prepare and certify to the Comptroller the  
23 disbursement of stated sums of money to the Authority. The  
24 amount to be paid to the Authority shall be the amount  
25 collected hereunder during the second preceding calendar month  
26 by the Department, less any amount determined by the Department

1 to be necessary for the payment of refunds, and less any  
2 amounts that are transferred to the STAR Bonds Revenue Fund.  
3 Within 10 days after receipt by the Comptroller of the  
4 disbursement certification to the Authority provided for in  
5 this Section to be given to the Comptroller by the Department,  
6 the Comptroller shall cause the orders to be drawn for that  
7 amount in accordance with the directions contained in the  
8 certification.

9 (i) The Board may not impose any other taxes except as it  
10 may from time to time be authorized by law to impose.

11 (j) A certificate of registration issued by the State  
12 Department of Revenue to a retailer under the Retailers'  
13 Occupation Tax Act or under the Service Occupation Tax Act  
14 shall permit the registrant to engage in a business that is  
15 taxed under the tax imposed under paragraphs (b), (e), (f) or  
16 (g) of this Section and no additional registration shall be  
17 required under the tax. A certificate issued under the Use Tax  
18 Act or the Service Use Tax Act shall be applicable with regard  
19 to any tax imposed under paragraph (c) of this Section.

20 (k) The provisions of any tax imposed under paragraph (c)  
21 of this Section shall conform as closely as may be practicable  
22 to the provisions of the Use Tax Act, including without  
23 limitation conformity as to penalties with respect to the tax  
24 imposed and as to the powers of the State Department of Revenue  
25 to promulgate and enforce rules and regulations relating to the  
26 administration and enforcement of the provisions of the tax



1 imposed. The taxes shall be imposed only on use within the  
2 metropolitan region and at rates as provided in the paragraph.

3 (1) The Board in imposing any tax as provided in paragraphs  
4 (b) and (c) of this Section, shall, after seeking the advice of  
5 the State Department of Revenue, provide means for retailers,  
6 users or purchasers of motor fuel for purposes other than those  
7 with regard to which the taxes may be imposed as provided in  
8 those paragraphs to receive refunds of taxes improperly paid,  
9 which provisions may be at variance with the refund provisions  
10 as applicable under the Municipal Retailers Occupation Tax Act.  
11 The State Department of Revenue may provide for certificates of  
12 registration for users or purchasers of motor fuel for purposes  
13 other than those with regard to which taxes may be imposed as  
14 provided in paragraphs (b) and (c) of this Section to  
15 facilitate the reporting and nontaxability of the exempt sales  
16 or uses.

17 (m) Any ordinance imposing or discontinuing any tax under  
18 this Section shall be adopted and a certified copy thereof  
19 filed with the Department on or before June 1, whereupon the  
20 Department of Revenue shall proceed to administer and enforce  
21 this Section on behalf of the Regional Transportation Authority  
22 as of September 1 next following such adoption and filing.  
23 Beginning January 1, 1992, an ordinance or resolution imposing  
24 or discontinuing the tax hereunder shall be adopted and a  
25 certified copy thereof filed with the Department on or before  
26 the first day of July, whereupon the Department shall proceed

1 to administer and enforce this Section as of the first day of  
2 October next following such adoption and filing. Beginning  
3 January 1, 1993, an ordinance or resolution imposing,  
4 increasing, decreasing, or discontinuing the tax hereunder  
5 shall be adopted and a certified copy thereof filed with the  
6 Department, whereupon the Department shall proceed to  
7 administer and enforce this Section as of the first day of the  
8 first month to occur not less than 60 days following such  
9 adoption and filing. Any ordinance or resolution of the  
10 Authority imposing a tax under this Section and in effect on  
11 August 1, 2007 shall remain in full force and effect and shall  
12 be administered by the Department of Revenue under the terms  
13 and conditions and rates of tax established by such ordinance  
14 or resolution until the Department begins administering and  
15 enforcing an increased tax under this Section as authorized by  
16 this amendatory Act of the 95th General Assembly. The tax rates  
17 authorized by this amendatory Act of the 95th General Assembly  
18 are effective only if imposed by ordinance of the Authority.

19 (n) The State Department of Revenue shall, upon collecting  
20 any taxes as provided in this Section, pay the taxes over to  
21 the State Treasurer as trustee for the Authority. The taxes  
22 shall be held in a trust fund outside the State Treasury. On or  
23 before the 25th day of each calendar month, the State  
24 Department of Revenue shall prepare and certify to the  
25 Comptroller of the State of Illinois and to the Authority (i)  
26 the amount of taxes collected in each County other than Cook

1 County in the metropolitan region, (ii) the amount of taxes  
2 collected within the City of Chicago, and (iii) the amount  
3 collected in that portion of Cook County outside of Chicago,  
4 each amount less the amount necessary for the payment of  
5 refunds to taxpayers located in those areas described in items  
6 (i), (ii), and (iii). Within 10 days after receipt by the  
7 Comptroller of the certification of the amounts, the  
8 Comptroller shall cause an order to be drawn for the payment of  
9 two-thirds of the amounts certified in item (i) of this  
10 subsection to the Authority and one-third of the amounts  
11 certified in item (i) of this subsection to the respective  
12 counties other than Cook County and the amount certified in  
13 items (ii) and (iii) of this subsection to the Authority.

14 In addition to the disbursement required by the preceding  
15 paragraph, an allocation shall be made in July 1991 and each  
16 year thereafter to the Regional Transportation Authority. The  
17 allocation shall be made in an amount equal to the average  
18 monthly distribution during the preceding calendar year  
19 (excluding the 2 months of lowest receipts) and the allocation  
20 shall include the amount of average monthly distribution from  
21 the Regional Transportation Authority Occupation and Use Tax  
22 Replacement Fund. The distribution made in July 1992 and each  
23 year thereafter under this paragraph and the preceding  
24 paragraph shall be reduced by the amount allocated and  
25 disbursed under this paragraph in the preceding calendar year.  
26 The Department of Revenue shall prepare and certify to the

1 Comptroller for disbursement the allocations made in  
2 accordance with this paragraph.

3 (o) Failure to adopt a budget ordinance or otherwise to  
4 comply with Section 4.01 of this Act or to adopt a Five-year  
5 Capital Program or otherwise to comply with paragraph (b) of  
6 Section 2.01 of this Act shall not affect the validity of any  
7 tax imposed by the Authority otherwise in conformity with law.

8 (p) At no time shall a public transportation tax or motor  
9 vehicle parking tax authorized under paragraphs (b), (c) and  
10 (d) of this Section be in effect at the same time as any  
11 retailers' occupation, use or service occupation tax  
12 authorized under paragraphs (e), (f) and (g) of this Section is  
13 in effect.

14 Any taxes imposed under the authority provided in  
15 paragraphs (b), (c) and (d) shall remain in effect only until  
16 the time as any tax authorized by paragraphs (e), (f) or (g) of  
17 this Section are imposed and becomes effective. Once any tax  
18 authorized by paragraphs (e), (f) or (g) is imposed the Board  
19 may not reimpose taxes as authorized in paragraphs (b), (c) and  
20 (d) of the Section unless any tax authorized by paragraphs (e),  
21 (f) or (g) of this Section becomes ineffective by means other  
22 than an ordinance of the Board.

23 (q) Any existing rights, remedies and obligations  
24 (including enforcement by the Regional Transportation  
25 Authority) arising under any tax imposed under paragraphs (b),  
26 (c) or (d) of this Section shall not be affected by the

1 imposition of a tax under paragraphs (e), (f) or (g) of this  
2 Section.

3 (Source: P.A. 95-708, eff. 1-18-08; 96-339, eff. 7-1-10.)

4 Section 105. The Water Commission Act of 1985 is amended by  
5 changing Section 4 as follows:

6 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

7 Sec. 4. (a) The board of commissioners of any county water  
8 commission may, by ordinance, impose throughout the territory  
9 of the commission any or all of the taxes provided in this  
10 Section for its corporate purposes. However, no county water  
11 commission may impose any such tax unless the commission  
12 certifies the proposition of imposing the tax to the proper  
13 election officials, who shall submit the proposition to the  
14 voters residing in the territory at an election in accordance  
15 with the general election law, and the proposition has been  
16 approved by a majority of those voting on the proposition.

17 The proposition shall be in the form provided in Section 5  
18 or shall be substantially in the following form:

19 -----

20	Shall the (insert corporate	
21	name of county water commission)	YES
22	impose (state type of tax or	-----
23	taxes to be imposed) at the	NO
24	rate of 1/4%?	

1 -----  
2 Taxes imposed under this Section and civil penalties  
3 imposed incident thereto shall be collected and enforced by the  
4 State Department of Revenue. The Department shall have the  
5 power to administer and enforce the taxes and to determine all  
6 rights for refunds for erroneous payments of the taxes.

7 (b) The board of commissioners may impose a County Water  
8 Commission Retailers' Occupation Tax upon all persons engaged  
9 in the business of selling tangible personal property at retail  
10 in the territory of the commission at a rate of 1/4% of the  
11 gross receipts from the sales made in the course of such  
12 business within the territory. The tax imposed under this  
13 paragraph and all civil penalties that may be assessed as an  
14 incident thereof shall be collected and enforced by the State  
15 Department of Revenue. The Department shall have full power to  
16 administer and enforce this paragraph; to collect all taxes and  
17 penalties due hereunder; to dispose of taxes and penalties so  
18 collected in the manner hereinafter provided; and to determine  
19 all rights to credit memoranda arising on account of the  
20 erroneous payment of tax or penalty hereunder. In the  
21 administration of, and compliance with, this paragraph, the  
22 Department and persons who are subject to this paragraph shall  
23 have the same rights, remedies, privileges, immunities, powers  
24 and duties, and be subject to the same conditions,  
25 restrictions, limitations, penalties, exclusions, exemptions  
26 and definitions of terms, and employ the same modes of

1 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
2 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
3 therein other than the State rate of tax except that food for  
4 human consumption that is to be consumed off the premises where  
5 it is sold (other than alcoholic beverages, soft drinks, and  
6 food that has been prepared for immediate consumption) and  
7 prescription and nonprescription medicine, drugs, medical  
8 appliances and insulin, urine testing materials, syringes, and  
9 needles used by diabetics, for human use, shall not be subject  
10 to tax hereunder), 2c, 3 (except as to the disposition of taxes  
11 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,  
12 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the  
13 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
14 Penalty and Interest Act, as fully as if those provisions were  
15 set forth herein.

16 Persons subject to any tax imposed under the authority  
17 granted in this paragraph may reimburse themselves for their  
18 seller's tax liability hereunder by separately stating the tax  
19 as an additional charge, which charge may be stated in  
20 combination, in a single amount, with State taxes that sellers  
21 are required to collect under the Use Tax Act and under  
22 subsection (e) of Section 4.03 of the Regional Transportation  
23 Authority Act, in accordance with such bracket schedules as the  
24 Department may prescribe.

25 Whenever the Department determines that a refund should be  
26 made under this paragraph to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause the warrant to be drawn for the  
3 amount specified, and to the person named, in the notification  
4 from the Department. The refund shall be paid by the State  
5 Treasurer out of a county water commission tax fund established  
6 under paragraph (g) of this Section.

7 For the purpose of determining whether a tax authorized  
8 under this paragraph is applicable, a retail sale by a producer  
9 of coal or other mineral mined in Illinois is a sale at retail  
10 at the place where the coal or other mineral mined in Illinois  
11 is extracted from the earth. This paragraph does not apply to  
12 coal or other mineral when it is delivered or shipped by the  
13 seller to the purchaser at a point outside Illinois so that the  
14 sale is exempt under the Federal Constitution as a sale in  
15 interstate or foreign commerce.

16 If a tax is imposed under this subsection (b) a tax shall  
17 also be imposed under subsections (c) and (d) of this Section.

18 No tax shall be imposed or collected under this subsection  
19 on the sale of a motor vehicle in this State to a resident of  
20 another state if that motor vehicle will not be titled in this  
21 State.

22 Nothing in this paragraph shall be construed to authorize a  
23 county water commission to impose a tax upon the privilege of  
24 engaging in any business which under the Constitution of the  
25 United States may not be made the subject of taxation by this  
26 State.



1           (c) If a tax has been imposed under subsection (b), a  
2 County Water Commission Service Occupation Tax shall also be  
3 imposed upon all persons engaged, in the territory of the  
4 commission, in the business of making sales of service, who, as  
5 an incident to making the sales of service, transfer tangible  
6 personal property within the territory. The tax rate shall be  
7 1/4% of the selling price of tangible personal property so  
8 transferred within the territory. The tax imposed under this  
9 paragraph and all civil penalties that may be assessed as an  
10 incident thereof shall be collected and enforced by the State  
11 Department of Revenue. The Department shall have full power to  
12 administer and enforce this paragraph; to collect all taxes and  
13 penalties due hereunder; to dispose of taxes and penalties so  
14 collected in the manner hereinafter provided; and to determine  
15 all rights to credit memoranda arising on account of the  
16 erroneous payment of tax or penalty hereunder. In the  
17 administration of, and compliance with, this paragraph, the  
18 Department and persons who are subject to this paragraph shall  
19 have the same rights, remedies, privileges, immunities, powers  
20 and duties, and be subject to the same conditions,  
21 restrictions, limitations, penalties, exclusions, exemptions  
22 and definitions of terms, and employ the same modes of  
23 procedure, as are prescribed in Sections 1a-1, 2 (except that  
24 the reference to State in the definition of supplier  
25 maintaining a place of business in this State shall mean the  
26 territory of the commission), 2a, 3 through 3-50 (in respect to

1 all provisions therein other than the State rate of tax except  
2 that food for human consumption that is to be consumed off the  
3 premises where it is sold (other than alcoholic beverages, soft  
4 drinks, and food that has been prepared for immediate  
5 consumption) and prescription and nonprescription medicines,  
6 drugs, medical appliances and insulin, urine testing  
7 materials, syringes, and needles used by diabetics, for human  
8 use, shall not be subject to tax hereunder), 4 (except that the  
9 reference to the State shall be to the territory of the  
10 commission), 5, 7, 8 (except that the jurisdiction to which the  
11 tax shall be a debt to the extent indicated in that Section 8  
12 shall be the commission), 9 (except as to the disposition of  
13 taxes and penalties collected and except that the returned  
14 merchandise credit for this tax may not be taken against any  
15 State tax), 10, 11, 12 (except the reference therein to Section  
16 2b of the Retailers' Occupation Tax Act), 13 (except that any  
17 reference to the State shall mean the territory of the  
18 commission), the first paragraph of Section 15, 15.5, 16, 17,  
19 18, 19 and 20 of the Service Occupation Tax Act as fully as if  
20 those provisions were set forth herein.

21 Persons subject to any tax imposed under the authority  
22 granted in this paragraph may reimburse themselves for their  
23 serviceman's tax liability hereunder by separately stating the  
24 tax as an additional charge, which charge may be stated in  
25 combination, in a single amount, with State tax that servicemen  
26 are authorized to collect under the Service Use Tax Act, and

1 any tax for which servicemen may be liable under subsection (f)  
2 of Sec. 4.03 of the Regional Transportation Authority Act, in  
3 accordance with such bracket schedules as the Department may  
4 prescribe.

5 Whenever the Department determines that a refund should be  
6 made under this paragraph to a claimant instead of issuing a  
7 credit memorandum, the Department shall notify the State  
8 Comptroller, who shall cause the warrant to be drawn for the  
9 amount specified, and to the person named, in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of a county water commission tax fund established  
12 under paragraph (g) of this Section.

13 Nothing in this paragraph shall be construed to authorize a  
14 county water commission to impose a tax upon the privilege of  
15 engaging in any business which under the Constitution of the  
16 United States may not be made the subject of taxation by the  
17 State.

18 (d) If a tax has been imposed under subsection (b), a tax  
19 shall also imposed upon the privilege of using, in the  
20 territory of the commission, any item of tangible personal  
21 property that is purchased outside the territory at retail from  
22 a retailer, and that is titled or registered with an agency of  
23 this State's government, at a rate of 1/4% of the selling price  
24 of the tangible personal property within the territory, as  
25 "selling price" is defined in the Use Tax Act. The tax shall be  
26 collected from persons whose Illinois address for titling or

1 registration purposes is given as being in the territory. The  
2 tax shall be collected by the Department of Revenue for a  
3 county water commission. The tax must be paid to the State, or  
4 an exemption determination must be obtained from the Department  
5 of Revenue, before the title or certificate of registration for  
6 the property may be issued. The tax or proof of exemption may  
7 be transmitted to the Department by way of the State agency  
8 with which, or the State officer with whom, the tangible  
9 personal property must be titled or registered if the  
10 Department and the State agency or State officer determine that  
11 this procedure will expedite the processing of applications for  
12 title or registration.

13 The Department shall have full power to administer and  
14 enforce this paragraph; to collect all taxes, penalties and  
15 interest due hereunder; to dispose of taxes, penalties and  
16 interest so collected in the manner hereinafter provided; and  
17 to determine all rights to credit memoranda or refunds arising  
18 on account of the erroneous payment of tax, penalty or interest  
19 hereunder. In the administration of, and compliance with this  
20 paragraph, the Department and persons who are subject to this  
21 paragraph shall have the same rights, remedies, privileges,  
22 immunities, powers and duties, and be subject to the same  
23 conditions, restrictions, limitations, penalties, exclusions,  
24 exemptions and definitions of terms and employ the same modes  
25 of procedure, as are prescribed in Sections 2 (except the  
26 definition of "retailer maintaining a place of business in this

1 State"), 3 through 3-80 (except provisions pertaining to the  
2 State rate of tax, and except provisions concerning collection  
3 or refunding of the tax by retailers, and except that food for  
4 human consumption that is to be consumed off the premises where  
5 it is sold (other than alcoholic beverages, soft drinks, and  
6 food that has been prepared for immediate consumption) and  
7 prescription and nonprescription medicines, drugs, medical  
8 appliances and insulin, urine testing materials, syringes, and  
9 needles used by diabetics, for human use, shall not be subject  
10 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the  
11 portions pertaining to claims by retailers and except the last  
12 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
13 and Section 3-7 of the Uniform Penalty and Interest Act that  
14 are not inconsistent with this paragraph, as fully as if those  
15 provisions were set forth herein.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified, and to the person named, in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of a county water commission tax fund established  
23 under paragraph (g) of this Section.

24 (e) A certificate of registration issued by the State  
25 Department of Revenue to a retailer under the Retailers'  
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is  
2 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
3 this Section and no additional registration shall be required  
4 under the tax. A certificate issued under the Use Tax Act or  
5 the Service Use Tax Act shall be applicable with regard to any  
6 tax imposed under paragraph (c) of this Section.

7 (f) Any ordinance imposing or discontinuing any tax under  
8 this Section shall be adopted and a certified copy thereof  
9 filed with the Department on or before June 1, whereupon the  
10 Department of Revenue shall proceed to administer and enforce  
11 this Section on behalf of the county water commission as of  
12 September 1 next following the adoption and filing. Beginning  
13 January 1, 1992, an ordinance or resolution imposing or  
14 discontinuing the tax hereunder shall be adopted and a  
15 certified copy thereof filed with the Department on or before  
16 the first day of July, whereupon the Department shall proceed  
17 to administer and enforce this Section as of the first day of  
18 October next following such adoption and filing. Beginning  
19 January 1, 1993, an ordinance or resolution imposing or  
20 discontinuing the tax hereunder shall be adopted and a  
21 certified copy thereof filed with the Department on or before  
22 the first day of October, whereupon the Department shall  
23 proceed to administer and enforce this Section as of the first  
24 day of January next following such adoption and filing.

25 (g) The State Department of Revenue shall, upon collecting  
26 any taxes as provided in this Section, pay the taxes over to

1 the State Treasurer as trustee for the commission. The taxes  
2 shall be held in a trust fund outside the State Treasury.

3 As soon as possible after the first day of each month,  
4 beginning January 1, 2011, upon certification of the Department  
5 of Revenue, the Comptroller shall order transferred, and the  
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
7 local sales tax increment, as defined in the Innovation  
8 Development and Economy Act, collected under this Section  
9 during the second preceding calendar month for sales within a  
10 STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on ~~On~~ or before the 25th day of each calendar month, the State  
13 Department of Revenue shall prepare and certify to the  
14 Comptroller of the State of Illinois the amount to be paid to  
15 the commission, which shall be the then balance in the fund,  
16 less any amount determined by the Department to be necessary  
17 for the payment of refunds, and less any amounts that are  
18 transferred to the STAR Bonds Revenue Fund. Within 10 days  
19 after receipt by the Comptroller of the certification of the  
20 amount to be paid to the commission, the Comptroller shall  
21 cause an order to be drawn for the payment for the amount in  
22 accordance with the direction in the certification.

23 (Source: P.A. 92-221, eff. 8-2-01; 93-1068, eff. 1-15-05.)

24 Section 995. No acceleration or delay. Where this Act makes  
25 changes in a statute that is represented in this Act by text

1 that is not yet or no longer in effect (for example, a Section  
2 represented by multiple versions), the use of that text does  
3 not accelerate or delay the taking effect of (i) the changes  
4 made by this Act or (ii) provisions derived from any other  
5 Public Act.

6 Section 999. Effective date. This Act takes effect upon  
7 becoming law.".