



## 98TH GENERAL ASSEMBLY

### State of Illinois

#### 2013 and 2014

##### HB4641

by Rep. Wayne Rosenthal

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that the taxes on motor fuel and gasohol shall be imposed at the following rates: (1) 5.25% from July 1, 2014 through June 30, 2015; (2) 4.25% from July 1, 2015 through June 30, 2016; (3) 3.25% from July 1, 2016 through June 30, 2017; (4) 2.25% from July 1, 2017 through June 30, 2018; and (5) 1.25% on and after July 1, 2018. Makes changes concerning the distribution of proceeds. Amends the State Finance Act to make conforming changes. Effective immediately.

LRB098 17988 HLH 53113 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

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

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

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

19 A portion of the money paid into the Local Government Tax  
20 Fund from the 6.25% general use tax rate on the selling price  
21 of tangible personal property which is purchased outside  
22 Illinois at retail from a retailer and which is titled or  
23 registered by any agency of this State's government shall be

1 distributed to municipalities as provided in this paragraph.  
2 Each municipality shall receive the amount attributable to  
3 sales for which Illinois addresses for titling or registration  
4 purposes are given as being in such municipality. The remainder  
5 of the money paid into the Local Government Tax Fund from such  
6 sales shall be distributed to counties. Each county shall  
7 receive the amount attributable to sales for which Illinois  
8 addresses for titling or registration purposes are given as  
9 being located in the unincorporated area of such county.

10 A portion of the money paid into the Local Government Tax  
11 Fund from the 6.25% general rate (and the applicable rate of  
12 tax on motor fuel, gasohol, and ~~beginning July 1, 2000 and~~  
13 ~~through December 31, 2000, the 1.25% rate on motor fuel and~~  
14 ~~gasohol, and beginning on August 6, 2010 through August 15,~~  
15 ~~2010, the 1.25% rate on~~ sales tax holiday items) on sales  
16 subject to taxation under the Retailers' Occupation Tax Act and  
17 the Service Occupation Tax Act, which occurred in  
18 municipalities, shall be distributed to each municipality,  
19 based upon the sales which occurred in that municipality. The  
20 remainder shall be distributed to each county, based upon the  
21 sales which occurred in the unincorporated area of such county.

22 For the purpose of determining allocation to the local  
23 government unit, a retail sale by a producer of coal or other  
24 mineral mined in Illinois is a sale at retail at the place  
25 where the coal or other mineral mined in Illinois is extracted  
26 from the earth. This paragraph does not apply to coal or other

1 mineral when it is delivered or shipped by the seller to the  
2 purchaser at a point outside Illinois so that the sale is  
3 exempt under the United States Constitution as a sale in  
4 interstate or foreign commerce.

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

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 during the second  
19 preceding calendar month for sales within a STAR bond district  
20 and deposited into the Local Government Tax Fund, less 3% of  
21 that amount, which shall be transferred into the Tax Compliance  
22 and Administration Fund and shall be used by the Department,  
23 subject to appropriation, to cover the costs of the Department  
24 in administering the Innovation Development and Economy Act.

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

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

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

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

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

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

19 As soon as possible after the effective date of this  
20 amendatory Act of the 98th General Assembly, the State  
21 Comptroller shall order and the State Treasurer shall transfer  
22 \$6,600,000 from the Local Government Tax Fund to the Illinois  
23 State Medical Disciplinary Fund.

24 (Source: P.A. 97-333, eff. 8-12-11; 98-3, eff. 3-8-13.)

25 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

1           Sec. 6z-20. Of the money received from the 6.25% general  
2 rate (and the applicable rate of tax on motor fuel, gasohol,  
3 and ~~, beginning July 1, 2000 and through December 31, 2000, the~~  
4 ~~1.25% rate on motor fuel and gasohol, and beginning on August~~  
5 ~~6, 2010 through August 15, 2010, the 1.25% rate on sales tax~~  
6 holiday items) on sales subject to taxation under the  
7 Retailers' Occupation Tax Act and Service Occupation Tax Act  
8 and paid into the County and Mass Transit District Fund,  
9 distribution to the Regional Transportation Authority tax  
10 fund, created pursuant to Section 4.03 of the Regional  
11 Transportation Authority Act, for deposit therein shall be made  
12 based upon the retail sales occurring in a county having more  
13 than 3,000,000 inhabitants. The remainder shall be distributed  
14 to each county having 3,000,000 or fewer inhabitants based upon  
15 the retail sales occurring in each such county.

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

25           Of the money received from the 6.25% general use tax rate  
26 on tangible personal property which is purchased outside

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

18 Whenever the Department determines that a refund of money  
19 paid into the County and Mass Transit District Fund should be  
20 made to a claimant instead of issuing a credit memorandum, the  
21 Department shall notify the State Comptroller, who shall cause  
22 the order to be drawn for the amount specified, and to the  
23 person named, in such notification from the Department. Such  
24 refund shall be paid by the State Treasurer out of the County  
25 and Mass Transit District Fund.

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 during the second  
6 preceding calendar month for sales within a STAR bond district  
7 and deposited into the County and Mass Transit District Fund,  
8 less 3% of that amount, which shall be transferred into the Tax  
9 Compliance and Administration Fund and shall be used by the  
10 Department, subject to appropriation, to cover the costs of the  
11 Department in administering the Innovation Development and  
12 Economy Act.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 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 Regional  
17 Transportation Authority and to named counties, the counties to  
18 be those entitled to distribution, as hereinabove provided, of  
19 taxes or penalties paid to the Department during the second  
20 preceding calendar month. The amount to be paid to the Regional  
21 Transportation Authority and each county having 3,000,000 or  
22 fewer inhabitants shall be the amount (not including credit  
23 memoranda) collected during the second preceding calendar  
24 month by the Department and paid into the County and Mass  
25 Transit District Fund, plus an amount the Department determines  
26 is necessary to offset any amounts which were erroneously paid

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

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

22 The provisions directing the distributions from the  
23 special fund in the State Treasury provided for in this Section  
24 and from the Regional Transportation Authority tax fund created  
25 by Section 4.03 of the Regional Transportation Authority Act  
26 shall constitute an irrevocable and continuing appropriation

1 of all amounts as provided herein. The State Treasurer and  
2 State Comptroller are hereby authorized to make distributions  
3 as provided in this Section.

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

13 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;  
14 97-333, eff. 8-12-11.)

15 Section 10. The Use Tax Act is amended by changing Sections  
16 3-10 and 9 as follows:

17 (35 ILCS 105/3-10)

18 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
19 Section, the tax imposed by this Act is at the rate of 6.25% of  
20 either the selling price or the fair market value, if any, of  
21 the tangible personal property. In all cases where property  
22 functionally used or consumed is the same as the property that  
23 was purchased at retail, then the tax is imposed on the selling  
24 price of the property. In all cases where property functionally

1 used or consumed is a by-product or waste product that has been  
2 refined, manufactured, or produced from property purchased at  
3 retail, then the tax is imposed on the lower of the fair market  
4 value, if any, of the specific property so used in this State  
5 or on the selling price of the property purchased at retail.  
6 For purposes of this Section "fair market value" means the  
7 price at which property would change hands between a willing  
8 buyer and a willing seller, neither being under any compulsion  
9 to buy or sell and both having reasonable knowledge of the  
10 relevant facts. The fair market value shall be established by  
11 Illinois sales by the taxpayer of the same property as that  
12 functionally used or consumed, or if there are no such sales by  
13 the taxpayer, then comparable sales or purchases of property of  
14 like kind and character in Illinois.

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

19 Beginning on August 6, 2010 through August 15, 2010, with  
20 respect to sales tax holiday items as defined in Section 3-6 of  
21 this Act, the tax is imposed at the rate of 1.25%.

22 With respect to gasohol, the tax imposed by this Act  
23 applies to (i) 70% of the proceeds of sales made on or after  
24 January 1, 1990, and before July 1, 2003, (ii) 80% of the  
25 proceeds of sales made on or after July 1, 2003 and on or  
26 before December 31, 2018, and (iii) 100% of the proceeds of

1 sales made thereafter. If, at any time, however, the tax under  
2 this Act on sales of gasohol is imposed at the rate of 1.25%,  
3 then the tax imposed by this Act applies to 100% of the  
4 proceeds of sales of gasohol made during that time.

5 With respect to majority blended ethanol fuel, the tax  
6 imposed by this Act does not apply to the proceeds of sales  
7 made on or after July 1, 2003 and on or before December 31,  
8 2018 but applies to 100% of the proceeds of sales made  
9 thereafter.

10 With respect to biodiesel blends with no less than 1% and  
11 no more than 10% biodiesel, the tax imposed by this Act applies  
12 to (i) 80% of the proceeds of sales made on or after July 1,  
13 2003 and on or before December 31, 2018 and (ii) 100% of the  
14 proceeds of sales made thereafter. If, at any time, however,  
15 the tax under this Act on sales of biodiesel blends with no  
16 less than 1% and no more than 10% biodiesel is imposed at the  
17 rate of 1.25%, then the tax imposed by this Act applies to 100%  
18 of the proceeds of sales of biodiesel blends with no less than  
19 1% and no more than 10% biodiesel made during that time.

20 With respect to 100% biodiesel and biodiesel blends with  
21 more than 10% but no more than 99% biodiesel, the tax imposed  
22 by this Act does not apply to the proceeds of sales made on or  
23 after July 1, 2003 and on or before December 31, 2018 but  
24 applies to 100% of the proceeds of sales made thereafter.

25 With respect to food for human consumption that is to be  
26 consumed off the premises where it is sold (other than

1 alcoholic beverages, soft drinks, and food that has been  
2 prepared for immediate consumption) and prescription and  
3 nonprescription medicines, drugs, medical appliances,  
4 modifications to a motor vehicle for the purpose of rendering  
5 it usable by a disabled person, and insulin, urine testing  
6 materials, syringes, and needles used by diabetics, for human  
7 use, the tax is imposed at the rate of 1%. For the purposes of  
8 this Section, until September 1, 2009: the term "soft drinks"  
9 means any complete, finished, ready-to-use, non-alcoholic  
10 drink, whether carbonated or not, including but not limited to  
11 soda water, cola, fruit juice, vegetable juice, carbonated  
12 water, and all other preparations commonly known as soft drinks  
13 of whatever kind or description that are contained in any  
14 closed or sealed bottle, can, carton, or container, regardless  
15 of size; but "soft drinks" does not include coffee, tea,  
16 non-carbonated water, infant formula, milk or milk products as  
17 defined in the Grade A Pasteurized Milk and Milk Products Act,  
18 or drinks containing 50% or more natural fruit or vegetable  
19 juice.

20 Notwithstanding any other provisions of this Act,  
21 beginning September 1, 2009, "soft drinks" means non-alcoholic  
22 beverages that contain natural or artificial sweeteners. "Soft  
23 drinks" do not include beverages that contain milk or milk  
24 products, soy, rice or similar milk substitutes, or greater  
25 than 50% of vegetable or fruit juice by volume.

26 Until August 1, 2009, and notwithstanding any other

1 provisions of this Act, "food for human consumption that is to  
2 be consumed off the premises where it is sold" includes all  
3 food sold through a vending machine, except soft drinks and  
4 food products that are dispensed hot from a vending machine,  
5 regardless of the location of the vending machine. Beginning  
6 August 1, 2009, and notwithstanding any other provisions of  
7 this Act, "food for human consumption that is to be consumed  
8 off the premises where it is sold" includes all food sold  
9 through a vending machine, except soft drinks, candy, and food  
10 products that are dispensed hot from a vending machine,  
11 regardless of the location of the vending machine.

12 Notwithstanding any other provisions of this Act,  
13 beginning September 1, 2009, "food for human consumption that  
14 is to be consumed off the premises where it is sold" does not  
15 include candy. For purposes of this Section, "candy" means a  
16 preparation of sugar, honey, or other natural or artificial  
17 sweeteners in combination with chocolate, fruits, nuts or other  
18 ingredients or flavorings in the form of bars, drops, or  
19 pieces. "Candy" does not include any preparation that contains  
20 flour or requires refrigeration.

21 Notwithstanding any other provisions of this Act,  
22 beginning September 1, 2009, "nonprescription medicines and  
23 drugs" does not include grooming and hygiene products. For  
24 purposes of this Section, "grooming and hygiene products"  
25 includes, but is not limited to, soaps and cleaning solutions,  
26 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan

1     lotions and screens, unless those products are available by  
2     prescription only, regardless of whether the products meet the  
3     definition of "over-the-counter-drugs". For the purposes of  
4     this paragraph, "over-the-counter-drug" means a drug for human  
5     use that contains a label that identifies the product as a drug  
6     as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
7     label includes:

8             (A) A "Drug Facts" panel; or

9             (B) A statement of the "active ingredient(s)" with a  
10            list of those ingredients contained in the compound,  
11            substance or preparation.

12           Beginning on the effective date of this amendatory Act of  
13           the 98th General Assembly, "prescription and nonprescription  
14           medicines and drugs" includes medical cannabis purchased from a  
15           registered dispensing organization under the Compassionate Use  
16           of Medical Cannabis Pilot Program Act.

17           Beginning on July 1, 2014 and through June 30, 2015, with  
18           respect to motor fuel, as defined in Section 1.1 of the Motor  
19           Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
20           Use Tax Act, the tax is imposed at the rate of 5.25%.

21           Beginning on July 1, 2015 and through June 30, 2016, with  
22           respect to motor fuel, as defined in Section 1.1 of the Motor  
23           Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
24           Use Tax Act, the tax is imposed at the rate of 4.25%.

25           Beginning on July 1, 2016 and through June 30, 2017, with  
26           respect to motor fuel, as defined in Section 1.1 of the Motor



1 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
2 Use Tax Act, the tax is imposed at the rate of 3.25%.

3 Beginning on July 1, 2017 and through June 30, 2018, with  
4 respect to motor fuel, as defined in Section 1.1 of the Motor  
5 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
6 Use Tax Act, the tax is imposed at the rate of 2.25%.

7 Beginning on July 1, 2018, with respect to motor fuel, as  
8 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
9 as defined in Section 3-40 of the Use Tax Act, the tax is  
10 imposed at the rate of 1.25%.

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

18 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

19 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

20 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
21 and trailers that are required to be registered with an agency  
22 of this State, each retailer required or authorized to collect  
23 the tax imposed by this Act shall pay to the Department the  
24 amount of such tax (except as otherwise provided) at the time  
25 when he is required to file his return for the period during

1 which such tax was collected, less a discount of 2.1% prior to  
2 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
3 per calendar year, whichever is greater, which is allowed to  
4 reimburse the retailer for expenses incurred in collecting the  
5 tax, keeping records, preparing and filing returns, remitting  
6 the tax and supplying data to the Department on request. In the  
7 case of retailers who report and pay the tax on a transaction  
8 by transaction basis, as provided in this Section, such  
9 discount shall be taken with each such tax remittance instead  
10 of when such retailer files his periodic return. The Department  
11 may disallow the discount for retailers whose certificate of  
12 registration is revoked at the time the return is filed, but  
13 only if the Department's decision to revoke the certificate of  
14 registration has become final. A retailer need not remit that  
15 part of any tax collected by him to the extent that he is  
16 required to remit and does remit the tax imposed by the  
17 Retailers' Occupation Tax Act, with respect to the sale of the  
18 same property.

19 Where such tangible personal property is sold under a  
20 conditional sales contract, or under any other form of sale  
21 wherein the payment of the principal sum, or a part thereof, is  
22 extended beyond the close of the period for which the return is  
23 filed, the retailer, in collecting the tax (except as to motor  
24 vehicles, watercraft, aircraft, and trailers that are required  
25 to be registered with an agency of this State), may collect for  
26 each tax return period, only the tax applicable to that part of

1 the selling price actually received during such tax return  
2 period.

3 Except as provided in this Section, on or before the  
4 twentieth day of each calendar month, such retailer shall file  
5 a return for the preceding calendar month. Such return shall be  
6 filed on forms prescribed by the Department and shall furnish  
7 such information as the Department may reasonably require.

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

- 15 1. The name of the seller;
- 16 2. The address of the principal place of business from  
17 which he engages in the business of selling tangible  
18 personal property at retail in this State;
- 19 3. The total amount of taxable receipts received by him  
20 during the preceding calendar month from sales of tangible  
21 personal property by him during such preceding calendar  
22 month, including receipts from charge and time sales, but  
23 less all deductions allowed by law;
- 24 4. The amount of credit provided in Section 2d of this  
25 Act;
- 26 5. The amount of tax due;

1           5-5. The signature of the taxpayer; and

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

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

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

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

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

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

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

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

22 Before October 1, 2000, if the taxpayer's average monthly  
23 tax liability to the Department under this Act, the Retailers'  
24 Occupation Tax Act, the Service Occupation Tax Act, the Service  
25 Use Tax Act was \$10,000 or more during the preceding 4 complete  
26 calendar quarters, he shall file a return with the Department

1 each month by the 20th day of the month next following the  
2 month during which such tax liability is incurred and shall  
3 make payments to the Department on or before the 7th, 15th,  
4 22nd and last day of the month during which such liability is  
5 incurred. On and after October 1, 2000, if the taxpayer's  
6 average monthly tax liability to the Department under this Act,  
7 the Retailers' Occupation Tax Act, the Service Occupation Tax  
8 Act, and the Service Use Tax Act was \$20,000 or more during the  
9 preceding 4 complete calendar quarters, he shall file a return  
10 with the Department each month by the 20th day of the month  
11 next following the month during which such tax liability is  
12 incurred and shall make payment to the Department on or before  
13 the 7th, 15th, 22nd and last day of the month during which such  
14 liability is incurred. If the month during which such tax  
15 liability is incurred began prior to January 1, 1985, each  
16 payment shall be in an amount equal to 1/4 of the taxpayer's  
17 actual liability for the month or an amount set by the  
18 Department not to exceed 1/4 of the average monthly liability  
19 of the taxpayer to the Department for the preceding 4 complete  
20 calendar quarters (excluding the month of highest liability and  
21 the month of lowest liability in such 4 quarter period). If the  
22 month during which such tax liability is incurred begins on or  
23 after January 1, 1985, and prior to January 1, 1987, each  
24 payment shall be in an amount equal to 22.5% of the taxpayer's  
25 actual liability for the month or 27.5% of the taxpayer's  
26 liability for the same calendar month of the preceding year. If

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

1 the Department as computed for each calendar quarter of the 4  
2 preceding complete calendar quarter period is less than  
3 \$10,000. However, if a taxpayer can show the Department that a  
4 substantial change in the taxpayer's business has occurred  
5 which causes the taxpayer to anticipate that his average  
6 monthly tax liability for the reasonably foreseeable future  
7 will fall below the \$10,000 threshold stated above, then such  
8 taxpayer may petition the Department for change in such  
9 taxpayer's reporting status. On and after October 1, 2000, once  
10 applicable, the requirement of the making of quarter monthly  
11 payments to the Department shall continue until such taxpayer's  
12 average monthly liability to the Department during the  
13 preceding 4 complete calendar quarters (excluding the month of  
14 highest liability and the month of lowest liability) is less  
15 than \$19,000 or until such taxpayer's average monthly liability  
16 to the Department as computed for each calendar quarter of the  
17 4 preceding complete calendar quarter period is less than  
18 \$20,000. However, if a taxpayer can show the Department that a  
19 substantial change in the taxpayer's business has occurred  
20 which causes the taxpayer to anticipate that his average  
21 monthly tax liability for the reasonably foreseeable future  
22 will fall below the \$20,000 threshold stated above, then such  
23 taxpayer may petition the Department for a change in such  
24 taxpayer's reporting status. The Department shall change such  
25 taxpayer's reporting status unless it finds that such change is  
26 seasonal in nature and not likely to be long term. If any such



1 quarter monthly payment is not paid at the time or in the  
2 amount required by this Section, then the taxpayer shall be  
3 liable for penalties and interest on the difference between the  
4 minimum amount due and the amount of such quarter monthly  
5 payment actually and timely paid, except insofar as the  
6 taxpayer has previously made payments for that month to the  
7 Department in excess of the minimum payments previously due as  
8 provided in this Section. The Department shall make reasonable  
9 rules and regulations to govern the quarter monthly payment  
10 amount and quarter monthly payment dates for taxpayers who file  
11 on other than a calendar monthly basis.

12 If any such payment provided for in this Section exceeds  
13 the taxpayer's liabilities under this Act, the Retailers'  
14 Occupation Tax Act, the Service Occupation Tax Act and the  
15 Service Use Tax Act, as shown by an original monthly return,  
16 the Department shall issue to the taxpayer a credit memorandum  
17 no later than 30 days after the date of payment, which  
18 memorandum may be submitted by the taxpayer to the Department  
19 in payment of tax liability subsequently to be remitted by the  
20 taxpayer to the Department or be assigned by the taxpayer to a  
21 similar taxpayer under this Act, the Retailers' Occupation Tax  
22 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
23 in accordance with reasonable rules and regulations to be  
24 prescribed by the Department, except that if such excess  
25 payment is shown on an original monthly return and is made  
26 after December 31, 1986, no credit memorandum shall be issued,

1 unless requested by the taxpayer. If no such request is made,  
2 the taxpayer may credit such excess payment against tax  
3 liability subsequently to be remitted by the taxpayer to the  
4 Department under this Act, the Retailers' Occupation Tax Act,  
5 the Service Occupation Tax Act or the Service Use Tax Act, in  
6 accordance with reasonable rules and regulations prescribed by  
7 the Department. If the Department subsequently determines that  
8 all or any part of the credit taken was not actually due to the  
9 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
10 be reduced by 2.1% or 1.75% of the difference between the  
11 credit taken and that actually due, and the taxpayer shall be  
12 liable for penalties and interest on such difference.

13 If the retailer is otherwise required to file a monthly  
14 return and if the retailer's average monthly tax liability to  
15 the Department does not exceed \$200, the Department may  
16 authorize his returns to be filed on a quarter annual basis,  
17 with the return for January, February, and March of a given  
18 year being due by April 20 of such year; with the return for  
19 April, May and June of a given year being due by July 20 of such  
20 year; with the return for July, August and September of a given  
21 year being due by October 20 of such year, and with the return  
22 for October, November and December of a given year being due by  
23 January 20 of the following year.

24 If the retailer is otherwise required to file a monthly or  
25 quarterly return and if the retailer's average monthly tax  
26 liability to the Department does not exceed \$50, the Department

1 may authorize his returns to be filed on an annual basis, with  
2 the return for a given year being due by January 20 of the  
3 following year.

4 Such quarter annual and annual returns, as to form and  
5 substance, shall be subject to the same requirements as monthly  
6 returns.

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

14 In addition, with respect to motor vehicles, watercraft,  
15 aircraft, and trailers that are required to be registered with  
16 an agency of this State, every retailer selling this kind of  
17 tangible personal property shall file, with the Department,  
18 upon a form to be prescribed and supplied by the Department, a  
19 separate return for each such item of tangible personal  
20 property which the retailer sells, except that if, in the same  
21 transaction, (i) a retailer of aircraft, watercraft, motor  
22 vehicles or trailers transfers more than one aircraft,  
23 watercraft, motor vehicle or trailer to another aircraft,  
24 watercraft, motor vehicle or trailer retailer for the purpose  
25 of resale or (ii) a retailer of aircraft, watercraft, motor  
26 vehicles, or trailers transfers more than one aircraft,

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

11 The transaction reporting return in the case of motor  
12 vehicles or trailers that are required to be registered with an  
13 agency of this State, shall be the same document as the Uniform  
14 Invoice referred to in Section 5-402 of the Illinois Vehicle  
15 Code and must show the name and address of the seller; the name  
16 and address of the purchaser; the amount of the selling price  
17 including the amount allowed by the retailer for traded-in  
18 property, if any; the amount allowed by the retailer for the  
19 traded-in tangible personal property, if any, to the extent to  
20 which Section 2 of this Act allows an exemption for the value  
21 of traded-in property; the balance payable after deducting such  
22 trade-in allowance from the total selling price; the amount of  
23 tax due from the retailer with respect to such transaction; the  
24 amount of tax collected from the purchaser by the retailer on  
25 such transaction (or satisfactory evidence that such tax is not  
26 due in that particular instance, if that is claimed to be the

1 fact); the place and date of the sale; a sufficient  
2 identification of the property sold; such other information as  
3 is required in Section 5-402 of the Illinois Vehicle Code, and  
4 such other information as the Department may reasonably  
5 require.

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

22 Such transaction reporting return shall be filed not later  
23 than 20 days after the date of delivery of the item that is  
24 being sold, but may be filed by the retailer at any time sooner  
25 than that if he chooses to do so. The transaction reporting  
26 return and tax remittance or proof of exemption from the tax

1 that is imposed by this Act may be transmitted to the  
2 Department by way of the State agency with which, or State  
3 officer with whom, the tangible personal property must be  
4 titled or registered (if titling or registration is required)  
5 if the Department and such agency or State officer determine  
6 that this procedure will expedite the processing of  
7 applications for title or registration.

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

21 No retailer's failure or refusal to remit tax under this  
22 Act precludes a user, who has paid the proper tax to the  
23 retailer, from obtaining his certificate of title or other  
24 evidence of title or registration (if titling or registration  
25 is required) upon satisfying the Department that such user has  
26 paid the proper tax (if tax is due) to the retailer. The

1 Department shall adopt appropriate rules to carry out the  
2 mandate of this paragraph.

3 If the user who would otherwise pay tax to the retailer  
4 wants the transaction reporting return filed and the payment of  
5 tax or proof of exemption made to the Department before the  
6 retailer is willing to take these actions and such user has not  
7 paid the tax to the retailer, such user may certify to the fact  
8 of such delay by the retailer, and may (upon the Department  
9 being satisfied of the truth of such certification) transmit  
10 the information required by the transaction reporting return  
11 and the remittance for tax or proof of exemption directly to  
12 the Department and obtain his tax receipt or exemption  
13 determination, in which event the transaction reporting return  
14 and tax remittance (if a tax payment was required) shall be  
15 credited by the Department to the proper retailer's account  
16 with the Department, but without the 2.1% or 1.75% discount  
17 provided for in this Section being allowed. When the user pays  
18 the tax directly to the Department, he shall pay the tax in the  
19 same amount and in the same form in which it would be remitted  
20 if the tax had been remitted to the Department by the retailer.

21 Where a retailer collects the tax with respect to the  
22 selling price of tangible personal property which he sells and  
23 the purchaser thereafter returns such tangible personal  
24 property and the retailer refunds the selling price thereof to  
25 the purchaser, such retailer shall also refund, to the  
26 purchaser, the tax so collected from the purchaser. When filing

1 his return for the period in which he refunds such tax to the  
2 purchaser, the retailer may deduct the amount of the tax so  
3 refunded by him to the purchaser from any other use tax which  
4 such retailer may be required to pay or remit to the  
5 Department, as shown by such return, if the amount of the tax  
6 to be deducted was previously remitted to the Department by  
7 such retailer. If the retailer has not previously remitted the  
8 amount of such tax to the Department, he is entitled to no  
9 deduction under this Act upon refunding such tax to the  
10 purchaser.

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

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

25 Where the retailer has more than one business registered  
26 with the Department under separate registration under this Act,



1 such retailer may not file each return that is due as a single  
2 return covering all such registered businesses, but shall file  
3 separate returns for each such registered business.

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

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

21 Beginning January 1, 1990, each month the Department shall  
22 pay into the State and Local Sales Tax Reform Fund, a special  
23 fund in the State Treasury, 20% of the net revenue realized for  
24 the preceding month from the 6.25% general rate on the selling  
25 price of tangible personal property, other than tangible  
26 personal property which is purchased outside Illinois at retail

1 from a retailer and which is titled or registered by an agency  
2 of this State's government.

3 Beginning August 1, 2000, each month the Department shall  
4 pay into the State and Local Sales Tax Reform Fund 100% of the  
5 net revenue realized for the preceding month from the 1.25%  
6 rate on the selling price of motor fuel and gasohol. Beginning  
7 September 1, 2010, each month the Department shall pay into the  
8 State and Local Sales Tax Reform Fund 100% of the net revenue  
9 realized for the preceding month from the 1.25% rate on the  
10 selling price of sales tax holiday items.

11 Beginning August 1, 2014 and through July 31, 2015, each  
12 month the Department shall pay into the State and Local Sales  
13 Tax Reform Fund 24% of the net revenue realized for the  
14 preceding month from the 5.25% rate on the selling price of  
15 motor fuel and gasohol.

16 Beginning August 1, 2015 and through July 31, 2016, each  
17 month the Department shall pay into the State and Local Sales  
18 Tax Reform Fund 29% of the net revenue realized for the  
19 preceding month from the 4.25% rate on the selling price of  
20 motor fuel and gasohol.

21 Beginning August 1, 2016 and through July 31, 2017, each  
22 month the Department shall pay into the State and Local Sales  
23 Tax Reform Fund 39% of the net revenue realized for the  
24 preceding month from the 3.25% rate on the selling price of  
25 motor fuel and gasohol.

26 Beginning August 1, 2017 and through July 31, 2018, each

1 month the Department shall pay into the State and Local Sales  
2 Tax Reform Fund 56% of the net revenue realized for the  
3 preceding month from the 2.25% rate on the selling price of  
4 motor fuel and gasohol.

5 Beginning August 1, 2018, each month the Department shall  
6 pay into the State and Local Sales Tax Reform Fund 100% of the  
7 net revenue realized for the preceding month from the 1.25%  
8 rate on the selling price of motor fuel and gasohol.

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

16 Beginning October 1, 2009, each month the Department shall  
17 pay into the Capital Projects Fund an amount that is equal to  
18 an amount estimated by the Department to represent 80% of the  
19 net revenue realized for the preceding month from the sale of  
20 candy, grooming and hygiene products, and soft drinks that had  
21 been taxed at a rate of 1% prior to September 1, 2009 but that  
22 are ~~is~~ now taxed at 6.25%.

23 Beginning July 1, 2011, each month the Department shall pay  
24 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
25 realized for the preceding month from the 6.25% general rate on  
26 the selling price of sorbents used in Illinois in the process

1 of sorbent injection as used to comply with the Environmental  
2 Protection Act or the federal Clean Air Act, but the total  
3 payment into the Clean Air Act (CAA) Permit Fund under this Act  
4 and the Retailers' Occupation Tax Act shall not exceed  
5 \$2,000,000 in any fiscal year.

6 Beginning July 1, 2013, each month the Department shall pay  
7 into the Underground Storage Tank Fund from the proceeds  
8 collected under this Act, the Service Use Tax Act, the Service  
9 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
10 amount equal to the average monthly deficit in the Underground  
11 Storage Tank Fund during the prior year, as certified annually  
12 by the Illinois Environmental Protection Agency, but the total  
13 payment into the Underground Storage Tank Fund under this Act,  
14 the Service Use Tax Act, the Service Occupation Tax Act, and  
15 the Retailers' Occupation Tax Act shall not exceed \$18,000,000  
16 in any State fiscal year. As used in this paragraph, the  
17 "average monthly deficit" shall be equal to the difference  
18 between the average monthly claims for payment by the fund and  
19 the average monthly revenues deposited into the fund, excluding  
20 payments made pursuant to this paragraph.

21 Of the remainder of the moneys received by the Department  
22 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
23 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
24 and after July 1, 1989, 3.8% thereof shall be paid into the  
25 Build Illinois Fund; provided, however, that if in any fiscal  
26 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case

1 may be, of the moneys received by the Department and required  
2 to be paid into the Build Illinois Fund pursuant to Section 3  
3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
4 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
5 Service Occupation Tax Act, such Acts being hereinafter called  
6 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
7 may be, of moneys being hereinafter called the "Tax Act  
8 Amount", and (2) the amount transferred to the Build Illinois  
9 Fund from the State and Local Sales Tax Reform Fund shall be  
10 less than the Annual Specified Amount (as defined in Section 3  
11 of the Retailers' Occupation Tax Act), an amount equal to the  
12 difference shall be immediately paid into the Build Illinois  
13 Fund from other moneys received by the Department pursuant to  
14 the Tax Acts; and further provided, that if on the last  
15 business day of any month the sum of (1) the Tax Act Amount  
16 required to be deposited into the Build Illinois Bond Account  
17 in the Build Illinois Fund during such month and (2) the amount  
18 transferred during such month to the Build Illinois Fund from  
19 the State and Local Sales Tax Reform Fund shall have been less  
20 than 1/12 of the Annual Specified Amount, an amount equal to  
21 the difference shall be immediately paid into the Build  
22 Illinois Fund from other moneys received by the Department  
23 pursuant to the Tax Acts; and, further provided, that in no  
24 event shall the payments required under the preceding proviso  
25 result in aggregate payments into the Build Illinois Fund  
26 pursuant to this clause (b) for any fiscal year in excess of

1 the greater of (i) the Tax Act Amount or (ii) the Annual  
2 Specified Amount for such fiscal year; and, further provided,  
3 that the amounts payable into the Build Illinois Fund under  
4 this clause (b) shall be payable only until such time as the  
5 aggregate amount on deposit under each trust indenture securing  
6 Bonds issued and outstanding pursuant to the Build Illinois  
7 Bond Act is sufficient, taking into account any future  
8 investment income, to fully provide, in accordance with such  
9 indenture, for the defeasance of or the payment of the  
10 principal of, premium, if any, and interest on the Bonds  
11 secured by such indenture and on any Bonds expected to be  
12 issued thereafter and all fees and costs payable with respect  
13 thereto, all as certified by the Director of the Bureau of the  
14 Budget (now Governor's Office of Management and Budget). If on  
15 the last business day of any month in which Bonds are  
16 outstanding pursuant to the Build Illinois Bond Act, the  
17 aggregate of the moneys deposited in the Build Illinois Bond  
18 Account in the Build Illinois Fund in such month shall be less  
19 than the amount required to be transferred in such month from  
20 the Build Illinois Bond Account to the Build Illinois Bond  
21 Retirement and Interest Fund pursuant to Section 13 of the  
22 Build Illinois Bond Act, an amount equal to such deficiency  
23 shall be immediately paid from other moneys received by the  
24 Department pursuant to the Tax Acts to the Build Illinois Fund;  
25 provided, however, that any amounts paid to the Build Illinois  
26 Fund in any fiscal year pursuant to this sentence shall be

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

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

20	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000
26	1998	68,000,000

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	246,000,000
24	2022	260,000,000
25	2023	275,000,000
26	2024	275,000,000



1	2025	275,000,000
2	2026	279,000,000
3	2027	292,000,000
4	2028	307,000,000
5	2029	322,000,000
6	2030	338,000,000
7	2031	350,000,000
8	2032	350,000,000

9 and

10 each fiscal year  
11 thereafter that bonds  
12 are outstanding under  
13 Section 13.2 of the  
14 Metropolitan Pier and  
15 Exposition Authority Act,  
16 but not after fiscal year 2060.

17 Beginning July 20, 1993 and in each month of each fiscal  
18 year thereafter, one-eighth of the amount requested in the  
19 certificate of the Chairman of the Metropolitan Pier and  
20 Exposition Authority for that fiscal year, less the amount  
21 deposited into the McCormick Place Expansion Project Fund by  
22 the State Treasurer in the respective month under subsection  
23 (g) of Section 13 of the Metropolitan Pier and Exposition  
24 Authority Act, plus cumulative deficiencies in the deposits  
25 required under this Section for previous months and years,  
26 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year, but  
2 not in excess of the amount specified above as "Total Deposit",  
3 has been deposited.

4 Subject to payment of amounts into the Build Illinois Fund  
5 and the McCormick Place Expansion Project Fund pursuant to the  
6 preceding paragraphs or in any amendments thereto hereafter  
7 enacted, beginning July 1, 1993 and ending on September 30,  
8 2013, the Department shall each month pay into the Illinois Tax  
9 Increment Fund 0.27% of 80% of the net revenue realized for the  
10 preceding month from the 6.25% general rate on the selling  
11 price of tangible personal property.

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

25 Of the remainder of the moneys received by the Department  
26 pursuant to this Act, 75% thereof shall be paid into the State

1 Treasury and 25% shall be reserved in a special account and  
2 used only for the transfer to the Common School Fund as part of  
3 the monthly transfer from the General Revenue Fund in  
4 accordance with Section 8a of the State Finance Act.

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

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

16 For greater simplicity of administration, manufacturers,  
17 importers and wholesalers whose products are sold at retail in  
18 Illinois by numerous retailers, and who wish to do so, may  
19 assume the responsibility for accounting and paying to the  
20 Department all tax accruing under this Act with respect to such  
21 sales, if the retailers who are affected do not make written  
22 objection to the Department to this arrangement.

23 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
24 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
25 revised 9-9-13.)

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

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

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

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

14           With respect to gasohol, as defined in the Use Tax Act, the  
15 tax imposed by this Act applies to (i) 70% of the selling price  
16 of property transferred as an incident to the sale of service  
17 on or after January 1, 1990, and before July 1, 2003, (ii) 80%  
18 of the selling price of property transferred as an incident to  
19 the sale of service on or after July 1, 2003 and on or before  
20 December 31, 2018, and (iii) 100% of the selling price  
21 thereafter. If, at any time, however, the tax under this Act on  
22 sales of gasohol, as defined in the Use Tax Act, is imposed at  
23 the rate of 1.25%, then the tax imposed by this Act applies to  
24 100% of the proceeds of sales of gasohol made during that time.

25           With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply  
2 to the selling price of property transferred as an incident to  
3 the sale of service on or after July 1, 2003 and on or before  
4 December 31, 2018 but applies to 100% of the selling price  
5 thereafter.

6 With respect to biodiesel blends, as defined in the Use Tax  
7 Act, with no less than 1% and no more than 10% biodiesel, the  
8 tax imposed by this Act applies to (i) 80% of the selling price  
9 of property transferred as an incident to the sale of service  
10 on or after July 1, 2003 and on or before December 31, 2018 and  
11 (ii) 100% of the proceeds of the selling price thereafter. If,  
12 at any time, however, the tax under this Act on sales of  
13 biodiesel blends, as defined in the Use Tax Act, with no less  
14 than 1% and no more than 10% biodiesel is imposed at the rate  
15 of 1.25%, then the tax imposed by this Act applies to 100% of  
16 the proceeds of sales of biodiesel blends with no less than 1%  
17 and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax  
19 Act, and biodiesel blends, as defined in the Use Tax Act, with  
20 more than 10% but no more than 99% biodiesel, the tax imposed  
21 by this Act does not apply to the proceeds of the selling price  
22 of property transferred as an incident to the sale of service  
23 on or after July 1, 2003 and on or before December 31, 2018 but  
24 applies to 100% of the selling price thereafter.

25 At the election of any registered serviceman made for each  
26 fiscal year, sales of service in which the aggregate annual

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

9 The tax shall be imposed at the rate of 1% on food prepared  
10 for immediate consumption and transferred incident to a sale of  
11 service subject to this Act or the Service Occupation Tax Act  
12 by an entity licensed under the Hospital Licensing Act, the  
13 Nursing Home Care Act, the ID/DD Community Care Act, the  
14 Specialized Mental Health Rehabilitation Act of 2013, or the  
15 Child Care Act of 1969. The tax shall also be imposed at the  
16 rate of 1% on food for human consumption that is to be consumed  
17 off the premises where it is sold (other than alcoholic  
18 beverages, soft drinks, and food that has been prepared for  
19 immediate consumption and is not otherwise included in this  
20 paragraph) and prescription and nonprescription medicines,  
21 drugs, medical appliances, modifications to a motor vehicle for  
22 the purpose of rendering it usable by a disabled person, and  
23 insulin, urine testing materials, syringes, and needles used by  
24 diabetics, for human use. For the purposes of this Section,  
25 until September 1, 2009: the term "soft drinks" means any  
26 complete, finished, ready-to-use, non-alcoholic drink, whether

1 carbonated or not, including but not limited to soda water,  
2 cola, fruit juice, vegetable juice, carbonated water, and all  
3 other preparations commonly known as soft drinks of whatever  
4 kind or description that are contained in any closed or sealed  
5 bottle, can, carton, or container, regardless of size; but  
6 "soft drinks" does not include coffee, tea, non-carbonated  
7 water, infant formula, milk or milk products as defined in the  
8 Grade A Pasteurized Milk and Milk Products Act, or drinks  
9 containing 50% or more natural fruit or vegetable juice.

10 Notwithstanding any other provisions of this Act,  
11 beginning September 1, 2009, "soft drinks" means non-alcoholic  
12 beverages that contain natural or artificial sweeteners. "Soft  
13 drinks" do not include beverages that contain milk or milk  
14 products, soy, rice or similar milk substitutes, or greater  
15 than 50% of vegetable or fruit juice by volume.

16 Until August 1, 2009, and notwithstanding any other  
17 provisions of this Act, "food for human consumption that is to  
18 be consumed off the premises where it is sold" includes all  
19 food sold through a vending machine, except soft drinks and  
20 food products that are dispensed hot from a vending machine,  
21 regardless of the location of the vending machine. Beginning  
22 August 1, 2009, and notwithstanding any other provisions of  
23 this Act, "food for human consumption that is to be consumed  
24 off the premises where it is sold" includes all food sold  
25 through a vending machine, except soft drinks, candy, and food  
26 products that are dispensed hot from a vending machine,

1 regardless of the location of the vending machine.

2 Notwithstanding any other provisions of this Act,  
3 beginning September 1, 2009, "food for human consumption that  
4 is to be consumed off the premises where it is sold" does not  
5 include candy. For purposes of this Section, "candy" means a  
6 preparation of sugar, honey, or other natural or artificial  
7 sweeteners in combination with chocolate, fruits, nuts or other  
8 ingredients or flavorings in the form of bars, drops, or  
9 pieces. "Candy" does not include any preparation that contains  
10 flour or requires refrigeration.

11 Notwithstanding any other provisions of this Act,  
12 beginning September 1, 2009, "nonprescription medicines and  
13 drugs" does not include grooming and hygiene products. For  
14 purposes of this Section, "grooming and hygiene products"  
15 includes, but is not limited to, soaps and cleaning solutions,  
16 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
17 lotions and screens, unless those products are available by  
18 prescription only, regardless of whether the products meet the  
19 definition of "over-the-counter-drugs". For the purposes of  
20 this paragraph, "over-the-counter-drug" means a drug for human  
21 use that contains a label that identifies the product as a drug  
22 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
23 label includes:

24 (A) A "Drug Facts" panel; or

25 (B) A statement of the "active ingredient(s)" with a  
26 list of those ingredients contained in the compound,



1 substance or preparation.

2 Beginning on January 1, 2014 (the effective date of Public  
3 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
4 "prescription and nonprescription medicines and drugs"  
5 includes medical cannabis purchased from a registered  
6 dispensing organization under the Compassionate Use of Medical  
7 Cannabis Pilot Program Act.

8 Beginning on July 1, 2014 and through June 30, 2015, with  
9 respect to motor fuel, as defined in Section 1.1 of the Motor  
10 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
11 Use Tax Act, the tax is imposed at the rate of 5.25%.

12 Beginning on July 1, 2015 and through June 30, 2016, with  
13 respect to motor fuel, as defined in Section 1.1 of the Motor  
14 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
15 Use Tax Act, the tax is imposed at the rate of 4.25%.

16 Beginning on July 1, 2016 and through June 30, 2017, with  
17 respect to motor fuel, as defined in Section 1.1 of the Motor  
18 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
19 Use Tax Act, the tax is imposed at the rate of 3.25%.

20 Beginning on July 1, 2017 and through June 30, 2018, with  
21 respect to motor fuel, as defined in Section 1.1 of the Motor  
22 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
23 Use Tax Act, the tax is imposed at the rate of 2.25%.

24 Beginning on July 1, 2018, with respect to motor fuel, as  
25 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
26 as defined in Section 3-40 of the Use Tax Act, the tax is

1 imposed at the rate of 1.25%.

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

9 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,  
10 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; revised  
11 8-9-13.)

12 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

13 Sec. 9. Each serviceman required or authorized to collect  
14 the tax herein imposed shall pay to the Department the amount  
15 of such tax (except as otherwise provided) at the time when he  
16 is required to file his return for the period during which such  
17 tax was collected, less a discount of 2.1% prior to January 1,  
18 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
19 year, whichever is greater, which is allowed to reimburse the  
20 serviceman for expenses incurred in collecting the tax, keeping  
21 records, preparing and filing returns, remitting the tax and  
22 supplying data to the Department on request. The Department may  
23 disallow the discount for servicemen whose certificate of  
24 registration is revoked at the time the return is filed, but  
25 only if the Department's decision to revoke the certificate of

1 registration has become final. A serviceman need not remit that  
2 part of any tax collected by him to the extent that he is  
3 required to pay and does pay the tax imposed by the Service  
4 Occupation Tax Act with respect to his sale of service  
5 involving the incidental transfer by him of the same property.

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

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

- 20 1. The name of the seller;
- 21 2. The address of the principal place of business from  
22 which he engages in business as a serviceman in this State;
- 23 3. The total amount of taxable receipts received by him  
24 during the preceding calendar month, including receipts  
25 from charge and time sales, but less all deductions allowed  
26 by law;

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

3           5. The amount of tax due;

4           5-5. The signature of the taxpayer; and

5           6. Such other reasonable information as the Department  
6           may require.

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

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

1 The term "average monthly tax liability" means the sum of the  
2 taxpayer's liabilities under this Act, and under all other  
3 State and local occupation and use tax laws administered by the  
4 Department, for the immediately preceding calendar year  
5 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
6 a tax liability in the amount set forth in subsection (b) of  
7 Section 2505-210 of the Department of Revenue Law shall make  
8 all payments required by rules of the Department by electronic  
9 funds transfer.

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

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

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

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

25 If the serviceman is otherwise required to file a monthly  
26 return and if the serviceman's average monthly tax liability to

1 the Department does not exceed \$200, the Department may  
2 authorize his returns to be filed on a quarter annual basis,  
3 with the return for January, February and March of a given year  
4 being due by April 20 of such year; with the return for April,  
5 May and June of a given year being due by July 20 of such year;  
6 with the return for July, August and September of a given year  
7 being due by October 20 of such year, and with the return for  
8 October, November and December of a given year being due by  
9 January 20 of the following year.

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

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

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

26 Where a serviceman collects the tax with respect to the

1 selling price of property which he sells and the purchaser  
2 thereafter returns such property and the serviceman refunds the  
3 selling price thereof to the purchaser, such serviceman shall  
4 also refund, to the purchaser, the tax so collected from the  
5 purchaser. When filing his return for the period in which he  
6 refunds such tax to the purchaser, the serviceman may deduct  
7 the amount of the tax so refunded by him to the purchaser from  
8 any other Service Use Tax, Service Occupation Tax, retailers'  
9 occupation tax or use tax which such serviceman may be required  
10 to pay or remit to the Department, as shown by such return,  
11 provided that the amount of the tax to be deducted shall  
12 previously have been remitted to the Department by such  
13 serviceman. If the serviceman shall not previously have  
14 remitted the amount of such tax to the Department, he shall be  
15 entitled to no deduction hereunder upon refunding such tax to  
16 the purchaser.

17 Any serviceman filing a return hereunder shall also include  
18 the total tax upon the selling price of tangible personal  
19 property purchased for use by him as an incident to a sale of  
20 service, and such serviceman shall remit the amount of such tax  
21 to the Department when filing such return.

22 If experience indicates such action to be practicable, the  
23 Department may prescribe and furnish a combination or joint  
24 return which will enable servicemen, who are required to file  
25 returns hereunder and also under the Service Occupation Tax  
26 Act, to furnish all the return information required by both

1 Acts on the one form.

2 Where the serviceman has more than one business registered  
3 with the Department under separate registration hereunder,  
4 such serviceman shall not file each return that is due as a  
5 single return covering all such registered businesses, but  
6 shall file separate returns for each such registered business.

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

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

24 Beginning August 1, 2000, each month the Department shall  
25 pay into the State and Local Sales Tax Reform Fund 100% of the  
26 net revenue realized for the preceding month from the 1.25%



1 rate on the selling price of motor fuel and gasohol.

2 Beginning August 1, 2014 and through July 31, 2015, each  
3 month the Department shall pay into the State and Local Sales  
4 Tax Reform Fund 24% of the net revenue realized for the  
5 preceding month from the 5.25% rate on the selling price of  
6 motor fuel and gasohol.

7 Beginning August 1, 2015 and through July 31, 2016, each  
8 month the Department shall pay into the State and Local Sales  
9 Tax Reform Fund 29% of the net revenue realized for the  
10 preceding month from the 4.25% rate on the selling price of  
11 motor fuel and gasohol.

12 Beginning August 1, 2016 and through July 31, 2017, each  
13 month the Department shall pay into the State and Local Sales  
14 Tax Reform Fund 39% of the net revenue realized for the  
15 preceding month from the 3.25% rate on the selling price of  
16 motor fuel and gasohol.

17 Beginning August 1, 2017 and through July 31, 2018, each  
18 month the Department shall pay into the State and Local Sales  
19 Tax Reform Fund 56% of the net revenue realized for the  
20 preceding month from the 2.25% rate on the selling price of  
21 motor fuel and gasohol.

22 Beginning August 1, 2018, each month the Department shall  
23 pay into the State and Local Sales Tax Reform Fund 100% of the  
24 net revenue realized for the preceding month from the 1.25%  
25 rate on the selling price of motor fuel and gasohol.

26 Beginning October 1, 2009, each month the Department shall

1 pay into the Capital Projects Fund an amount that is equal to  
2 an amount estimated by the Department to represent 80% of the  
3 net revenue realized for the preceding month from the sale of  
4 candy, grooming and hygiene products, and soft drinks that had  
5 been taxed at a rate of 1% prior to September 1, 2009 but that  
6 are ~~is~~ now taxed at 6.25%.

7 Beginning July 1, 2013, each month the Department shall pay  
8 into the Underground Storage Tank Fund from the proceeds  
9 collected under this Act, the Use Tax Act, the Service  
10 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
11 amount equal to the average monthly deficit in the Underground  
12 Storage Tank Fund during the prior year, as certified annually  
13 by the Illinois Environmental Protection Agency, but the total  
14 payment into the Underground Storage Tank Fund under this Act,  
15 the Use Tax Act, the Service Occupation Tax Act, and the  
16 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in  
17 any State fiscal year. As used in this paragraph, the "average  
18 monthly deficit" shall be equal to the difference between the  
19 average monthly claims for payment by the fund and the average  
20 monthly revenues deposited into the fund, excluding payments  
21 made pursuant to this paragraph.

22 Of the remainder of the moneys received by the Department  
23 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
24 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
25 and after July 1, 1989, 3.8% thereof shall be paid into the  
26 Build Illinois Fund; provided, however, that if in any fiscal

1 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
2 may be, of the moneys received by the Department and required  
3 to be paid into the Build Illinois Fund pursuant to Section 3  
4 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
5 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
6 Service Occupation Tax Act, such Acts being hereinafter called  
7 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
8 may be, of moneys being hereinafter called the "Tax Act  
9 Amount", and (2) the amount transferred to the Build Illinois  
10 Fund from the State and Local Sales Tax Reform Fund shall be  
11 less than the Annual Specified Amount (as defined in Section 3  
12 of the Retailers' Occupation Tax Act), an amount equal to the  
13 difference shall be immediately paid into the Build Illinois  
14 Fund from other moneys received by the Department pursuant to  
15 the Tax Acts; and further provided, that if on the last  
16 business day of any month the sum of (1) the Tax Act Amount  
17 required to be deposited into the Build Illinois Bond Account  
18 in the Build Illinois Fund during such month and (2) the amount  
19 transferred during such month to the Build Illinois Fund from  
20 the State and Local Sales Tax Reform Fund shall have been less  
21 than 1/12 of the Annual Specified Amount, an amount equal to  
22 the difference shall be immediately paid into the Build  
23 Illinois Fund from other moneys received by the Department  
24 pursuant to the Tax Acts; and, further provided, that in no  
25 event shall the payments required under the preceding proviso  
26 result in aggregate payments into the Build Illinois Fund

1 pursuant to this clause (b) for any fiscal year in excess of  
2 the greater of (i) the Tax Act Amount or (ii) the Annual  
3 Specified Amount for such fiscal year; and, further provided,  
4 that the amounts payable into the Build Illinois Fund under  
5 this clause (b) shall be payable only until such time as the  
6 aggregate amount on deposit under each trust indenture securing  
7 Bonds issued and outstanding pursuant to the Build Illinois  
8 Bond Act is sufficient, taking into account any future  
9 investment income, to fully provide, in accordance with such  
10 indenture, for the defeasance of or the payment of the  
11 principal of, premium, if any, and interest on the Bonds  
12 secured by such indenture and on any Bonds expected to be  
13 issued thereafter and all fees and costs payable with respect  
14 thereto, all as certified by the Director of the Bureau of the  
15 Budget (now Governor's Office of Management and Budget). If on  
16 the last business day of any month in which Bonds are  
17 outstanding pursuant to the Build Illinois Bond Act, the  
18 aggregate of the moneys deposited in the Build Illinois Bond  
19 Account in the Build Illinois Fund in such month shall be less  
20 than the amount required to be transferred in such month from  
21 the Build Illinois Bond Account to the Build Illinois Bond  
22 Retirement and Interest Fund pursuant to Section 13 of the  
23 Build Illinois Bond Act, an amount equal to such deficiency  
24 shall be immediately paid from other moneys received by the  
25 Department pursuant to the Tax Acts to the Build Illinois Fund;  
26 provided, however, that any amounts paid to the Build Illinois

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

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

	Fiscal Year	Total Deposit
21		
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

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

1	2023	275,000,000
2	2024	275,000,000
3	2025	275,000,000
4	2026	279,000,000
5	2027	292,000,000
6	2028	307,000,000
7	2029	322,000,000
8	2030	338,000,000
9	2031	350,000,000
10	2032	350,000,000

11                   and

12                   each fiscal year

13                   thereafter that bonds

14                   are outstanding under

15                   Section 13.2 of the

16                   Metropolitan Pier and

17                   Exposition Authority Act,

18                   but not after fiscal year 2060.

19                   Beginning July 20, 1993 and in each month of each fiscal

20                   year thereafter, one-eighth of the amount requested in the

21                   certificate of the Chairman of the Metropolitan Pier and

22                   Exposition Authority for that fiscal year, less the amount

23                   deposited into the McCormick Place Expansion Project Fund by

24                   the State Treasurer in the respective month under subsection

25                   (g) of Section 13 of the Metropolitan Pier and Exposition

26                   Authority Act, plus cumulative deficiencies in the deposits

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

6 Subject to payment of amounts into the Build Illinois Fund  
7 and the McCormick Place Expansion Project Fund pursuant to the  
8 preceding paragraphs or in any amendments thereto hereafter  
9 enacted, beginning July 1, 1993 and ending on September 30,  
10 2013, the Department shall each month pay into the Illinois Tax  
11 Increment Fund 0.27% of 80% of the net revenue realized for the  
12 preceding month from the 6.25% general rate on the selling  
13 price of tangible personal property.

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



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

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

15           Net revenue realized for a month shall be the revenue  
16 collected by the State pursuant to this Act, less the amount  
17 paid out during that month as refunds to taxpayers for  
18 overpayment of liability.

19           (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
20 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; revised 9-9-13.)

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

23           (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

24           Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of  
2 the "selling price", as defined in Section 2 of the Service Use  
3 Tax Act, of the tangible personal property. For the purpose of  
4 computing this tax, in no event shall the "selling price" be  
5 less than the cost price to the serviceman of the tangible  
6 personal property transferred. The selling price of each item  
7 of tangible personal property transferred as an incident of a  
8 sale of service may be shown as a distinct and separate item on  
9 the serviceman's billing to the service customer. If the  
10 selling price is not so shown, the selling price of the  
11 tangible personal property is deemed to be 50% of the  
12 serviceman's entire billing to the service customer. When,  
13 however, a serviceman contracts to design, develop, and produce  
14 special order machinery or equipment, the tax imposed by this  
15 Act shall be based on the serviceman's cost price of the  
16 tangible personal property transferred incident to the  
17 completion of the contract.

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

22 With respect to gasohol, as defined in the Use Tax Act, the  
23 tax imposed by this Act shall apply to (i) 70% of the cost  
24 price of property transferred as an incident to the sale of  
25 service on or after January 1, 1990, and before July 1, 2003,  
26 (ii) 80% of the selling price of property transferred as an

1 incident to the sale of service on or after July 1, 2003 and on  
2 or before December 31, 2018, and (iii) 100% of the cost price  
3 thereafter. If, at any time, however, the tax under this Act on  
4 sales of gasohol, as defined in the Use Tax Act, is imposed at  
5 the rate of 1.25%, then the tax imposed by this Act applies to  
6 100% of the proceeds of sales of gasohol made during that time.

7 With respect to majority blended ethanol fuel, as defined  
8 in the Use Tax Act, the tax imposed by this Act does not apply  
9 to the selling price of property transferred as an incident to  
10 the sale of service on or after July 1, 2003 and on or before  
11 December 31, 2018 but applies to 100% of the selling price  
12 thereafter.

13 With respect to biodiesel blends, as defined in the Use Tax  
14 Act, with no less than 1% and no more than 10% biodiesel, the  
15 tax imposed by this Act applies to (i) 80% of the selling price  
16 of property transferred as an incident to the sale of service  
17 on or after July 1, 2003 and on or before December 31, 2018 and  
18 (ii) 100% of the proceeds of the selling price thereafter. If,  
19 at any time, however, the tax under this Act on sales of  
20 biodiesel blends, as defined in the Use Tax Act, with no less  
21 than 1% and no more than 10% biodiesel is imposed at the rate  
22 of 1.25%, then the tax imposed by this Act applies to 100% of  
23 the proceeds of sales of biodiesel blends with no less than 1%  
24 and no more than 10% biodiesel made during that time.

25 With respect to 100% biodiesel, as defined in the Use Tax  
26 Act, and biodiesel blends, as defined in the Use Tax Act, with

1 more than 10% but no more than 99% biodiesel material, the tax  
2 imposed by this Act does not apply to the proceeds of the  
3 selling price of property transferred as an incident to the  
4 sale of service on or after July 1, 2003 and on or before  
5 December 31, 2018 but applies to 100% of the selling price  
6 thereafter.

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

17 The tax shall be imposed at the rate of 1% on food prepared  
18 for immediate consumption and transferred incident to a sale of  
19 service subject to this Act or the Service Occupation Tax Act  
20 by an entity licensed under the Hospital Licensing Act, the  
21 Nursing Home Care Act, the ID/DD Community Care Act, the  
22 Specialized Mental Health Rehabilitation Act of 2013, or the  
23 Child Care Act of 1969. The tax shall also be imposed at the  
24 rate of 1% on food for human consumption that is to be consumed  
25 off the premises where it is sold (other than alcoholic  
26 beverages, soft drinks, and food that has been prepared for

1 immediate consumption and is not otherwise included in this  
2 paragraph) and prescription and nonprescription medicines,  
3 drugs, medical appliances, modifications to a motor vehicle for  
4 the purpose of rendering it usable by a disabled person, and  
5 insulin, urine testing materials, syringes, and needles used by  
6 diabetics, for human use. For the purposes of this Section,  
7 until September 1, 2009: the term "soft drinks" means any  
8 complete, finished, ready-to-use, non-alcoholic drink, whether  
9 carbonated or not, including but not limited to soda water,  
10 cola, fruit juice, vegetable juice, carbonated water, and all  
11 other preparations commonly known as soft drinks of whatever  
12 kind or description that are contained in any closed or sealed  
13 can, carton, or container, regardless of size; but "soft  
14 drinks" does not include coffee, tea, non-carbonated water,  
15 infant formula, milk or milk products as defined in the Grade A  
16 Pasteurized Milk and Milk Products Act, or drinks containing  
17 50% or more natural fruit or vegetable juice.

18 Notwithstanding any other provisions of this Act,  
19 beginning September 1, 2009, "soft drinks" means non-alcoholic  
20 beverages that contain natural or artificial sweeteners. "Soft  
21 drinks" do not include beverages that contain milk or milk  
22 products, soy, rice or similar milk substitutes, or greater  
23 than 50% of vegetable or fruit juice by volume.

24 Until August 1, 2009, and notwithstanding any other  
25 provisions of this Act, "food for human consumption that is to  
26 be consumed off the premises where it is sold" includes all

1 food sold through a vending machine, except soft drinks and  
2 food products that are dispensed hot from a vending machine,  
3 regardless of the location of the vending machine. Beginning  
4 August 1, 2009, and notwithstanding any other provisions of  
5 this Act, "food for human consumption that is to be consumed  
6 off the premises where it is sold" includes all food sold  
7 through a vending machine, except soft drinks, candy, and food  
8 products that are dispensed hot from a vending machine,  
9 regardless of the location of the vending machine.

10 Notwithstanding any other provisions of this Act,  
11 beginning September 1, 2009, "food for human consumption that  
12 is to be consumed off the premises where it is sold" does not  
13 include candy. For purposes of this Section, "candy" means a  
14 preparation of sugar, honey, or other natural or artificial  
15 sweeteners in combination with chocolate, fruits, nuts or other  
16 ingredients or flavorings in the form of bars, drops, or  
17 pieces. "Candy" does not include any preparation that contains  
18 flour or requires refrigeration.

19 Notwithstanding any other provisions of this Act,  
20 beginning September 1, 2009, "nonprescription medicines and  
21 drugs" does not include grooming and hygiene products. For  
22 purposes of this Section, "grooming and hygiene products"  
23 includes, but is not limited to, soaps and cleaning solutions,  
24 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
25 lotions and screens, unless those products are available by  
26 prescription only, regardless of whether the products meet the

1 definition of "over-the-counter-drugs". For the purposes of  
2 this paragraph, "over-the-counter-drug" means a drug for human  
3 use that contains a label that identifies the product as a drug  
4 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
5 label includes:

6 (A) A "Drug Facts" panel; or

7 (B) A statement of the "active ingredient(s)" with a  
8 list of those ingredients contained in the compound,  
9 substance or preparation.

10 Beginning on January 1, 2014 (the effective date of Public  
11 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
12 "prescription and nonprescription medicines and drugs"  
13 includes medical cannabis purchased from a registered  
14 dispensing organization under the Compassionate Use of Medical  
15 Cannabis Pilot Program Act.

16 Beginning on July 1, 2014 and through June 30, 2015, with  
17 respect to motor fuel, as defined in Section 1.1 of the Motor  
18 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
19 Use Tax Act, the tax is imposed at the rate of 5.25%.

20 Beginning on July 1, 2015 and through June 30, 2016, with  
21 respect to motor fuel, as defined in Section 1.1 of the Motor  
22 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
23 Use Tax Act, the tax is imposed at the rate of 4.25%.

24 Beginning on July 1, 2016 and through June 30, 2017, with  
25 respect to motor fuel, as defined in Section 1.1 of the Motor  
26 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the

1 Use Tax Act, the tax is imposed at the rate of 3.25%.

2 Beginning on July 1, 2017 and through June 30, 2018, with  
3 respect to motor fuel, as defined in Section 1.1 of the Motor  
4 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
5 Use Tax Act, the tax is imposed at the rate of 2.25%.

6 Beginning on July 1, 2018, with respect to motor fuel, as  
7 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
8 as defined in Section 3-40 of the Use Tax Act, the tax is  
9 imposed at the rate of 1.25%.

10 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,  
11 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; revised  
12 8-9-13.)

13 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

14 Sec. 9. Each serviceman required or authorized to collect  
15 the tax herein imposed shall pay to the Department the amount  
16 of such tax at the time when he is required to file his return  
17 for the period during which such tax was collectible, less a  
18 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
19 after January 1, 1990, or \$5 per calendar year, whichever is  
20 greater, which is allowed to reimburse the serviceman for  
21 expenses incurred in collecting the tax, keeping records,  
22 preparing and filing returns, remitting the tax and supplying  
23 data to the Department on request. The Department may disallow  
24 the discount for servicemen whose certificate of registration  
25 is revoked at the time the return is filed, but only if the



1 Department's decision to revoke the certificate of  
2 registration has become final.

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

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

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

- 25 1. The name of the seller;
- 26 2. The address of the principal place of business from

1 which he engages in business as a serviceman in this State;

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

6 4. The amount of credit provided in Section 2d of this  
7 Act;

8 5. The amount of tax due;

9 5-5. The signature of the taxpayer; and

10 6. Such other reasonable information as the Department  
11 may require.

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

16 Prior to October 1, 2003, and on and after September 1,  
17 2004 a serviceman may accept a Manufacturer's Purchase Credit  
18 certification from a purchaser in satisfaction of Service Use  
19 Tax as provided in Section 3-70 of the Service Use Tax Act if  
20 the purchaser provides the appropriate documentation as  
21 required by Section 3-70 of the Service Use Tax Act. A  
22 Manufacturer's Purchase Credit certification, accepted prior  
23 to October 1, 2003 or on or after September 1, 2004 by a  
24 serviceman as provided in Section 3-70 of the Service Use Tax  
25 Act, may be used by that serviceman to satisfy Service  
26 Occupation Tax liability in the amount claimed in the

1 certification, not to exceed 6.25% of the receipts subject to  
2 tax from a qualifying purchase. A Manufacturer's Purchase  
3 Credit reported on any original or amended return filed under  
4 this Act after October 20, 2003 for reporting periods prior to  
5 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
6 Credit reported on annual returns due on or after January 1,  
7 2005 will be disallowed for periods prior to September 1, 2004.  
8 No Manufacturer's Purchase Credit may be used after September  
9 30, 2003 through August 31, 2004 to satisfy any tax liability  
10 imposed under this Act, including any audit liability.

11 If the serviceman's average monthly tax liability to the  
12 Department does not exceed \$200, the Department may authorize  
13 his returns to be filed on a quarter annual basis, with the  
14 return for January, February and March of a given year being  
15 due by April 20 of such year; with the return for April, May  
16 and June of a given year being due by July 20 of such year; with  
17 the return for July, August and September of a given year being  
18 due by October 20 of such year, and with the return for  
19 October, November and December of a given year being due by  
20 January 20 of the following year.

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

25 Such quarter annual and annual returns, as to form and  
26 substance, shall be subject to the same requirements as monthly

1 returns.

2 Notwithstanding any other provision in this Act concerning  
3 the time within which a serviceman may file his return, in the  
4 case of any serviceman who ceases to engage in a kind of  
5 business which makes him responsible for filing returns under  
6 this Act, such serviceman shall file a final return under this  
7 Act with the Department not more than 1 month after  
8 discontinuing such business.

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

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

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

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

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

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

23 Where a serviceman collects the tax with respect to the  
24 selling price of tangible personal property which he sells and  
25 the purchaser thereafter returns such tangible personal  
26 property and the serviceman refunds the selling price thereof

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

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

21 Where the serviceman has more than one business registered  
22 with the Department under separate registrations hereunder,  
23 such serviceman shall file separate returns for each registered  
24 business.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund the revenue realized for

1 the preceding month from the 1% tax on sales of food for human  
2 consumption which is to be consumed off the premises where it  
3 is sold (other than alcoholic beverages, soft drinks and food  
4 which has been prepared for immediate consumption) and  
5 prescription and nonprescription medicines, drugs, medical  
6 appliances and insulin, urine testing materials, syringes and  
7 needles used by diabetics.

8 Beginning January 1, 1990, each month the Department shall  
9 pay into the County and Mass Transit District Fund 4% of the  
10 revenue realized for the preceding month from the 6.25% general  
11 rate.

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

16 Beginning August 1, 2014 and through July 31, 2015, each  
17 month the Department shall pay into the County and Mass Transit  
18 District Fund 4.8% of the net revenue realized for the  
19 preceding month from the 5.25% rate on the selling price of  
20 motor fuel and gasohol.

21 Beginning August 1, 2014 and through July 31, 2015, each  
22 month the Department shall pay into the Local Government Tax  
23 Fund 19.2% of the net revenue realized for the preceding month  
24 from the 5.25% rate on the selling price of motor fuel and  
25 gasohol.

26 Beginning August 1, 2015 and through July 31, 2016, each

1 month the Department shall pay into the County and Mass Transit  
2 District Fund 5.8% of the net revenue realized for the  
3 preceding month from the 4.25% rate on the selling price of  
4 motor fuel and gasohol.

5 Beginning August 1, 2015 and through July 31, 2016, each  
6 month the Department shall pay into the Local Government Tax  
7 Fund 23.2% of the net revenue realized for the preceding month  
8 from the 4.25% rate on the selling price of motor fuel and  
9 gasohol.

10 Beginning August 1, 2016 and through July 31, 2017, each  
11 month the Department shall pay into the County and Mass Transit  
12 District Fund 7.8% of the net revenue realized for the  
13 preceding month from the 3.25% rate on the selling price of  
14 motor fuel and gasohol.

15 Beginning August 1, 2016 and through July 31, 2017, each  
16 month the Department shall pay into the Local Government Tax  
17 Fund 31.2% of the net revenue realized for the preceding month  
18 from the 3.25% rate on the selling price of motor fuel and  
19 gasohol.

20 Beginning August 1, 2017 and through July 31, 2018, each  
21 month the Department shall pay into the County and Mass Transit  
22 District Fund 11.2% of the net revenue realized for the  
23 preceding month from the 2.25% rate on the selling price of  
24 motor fuel and gasohol.

25 Beginning August 1, 2017 and through July 31, 2018, each  
26 month the Department shall pay into the Local Government Tax



1 Fund 44.8% of the net revenue realized for the preceding month  
2 from the 2.25% rate on the selling price of motor fuel and  
3 gasohol.

4 Beginning August 1, 2018, each month the Department shall  
5 pay into the County and Mass Transit District Fund 20% of the  
6 net revenue realized for the preceding month from the 1.25%  
7 rate on the selling price of motor fuel and gasohol.

8 Beginning August 1, 2018, each month the Department shall  
9 pay into the Local Government Tax Fund 80% of the net revenue  
10 realized for the preceding month from the 1.25% rate on the  
11 selling price of motor fuel and gasohol.

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

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

20 Beginning October 1, 2009, each month the Department shall  
21 pay into the Capital Projects Fund an amount that is equal to  
22 an amount estimated by the Department to represent 80% of the  
23 net revenue realized for the preceding month from the sale of  
24 candy, grooming and hygiene products, and soft drinks that had  
25 been taxed at a rate of 1% prior to September 1, 2009 but that  
26 are ~~is~~ now taxed at 6.25%.

1           Beginning July 1, 2013, each month the Department shall pay  
2 into the Underground Storage Tank Fund from the proceeds  
3 collected under this Act, the Use Tax Act, the Service Use Tax  
4 Act, and the Retailers' Occupation Tax Act an amount equal to  
5 the average monthly deficit in the Underground Storage Tank  
6 Fund during the prior year, as certified annually by the  
7 Illinois Environmental Protection Agency, but the total  
8 payment into the Underground Storage Tank Fund under this Act,  
9 the Use Tax Act, the Service Use Tax Act, and the Retailers'  
10 Occupation Tax Act shall not exceed \$18,000,000 in any State  
11 fiscal year. As used in this paragraph, the "average monthly  
12 deficit" shall be equal to the difference between the average  
13 monthly claims for payment by the fund and the average monthly  
14 revenues deposited into the fund, excluding payments made  
15 pursuant to this paragraph.

16           Of the remainder of the moneys received by the Department  
17 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
18 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
19 and after July 1, 1989, 3.8% thereof shall be paid into the  
20 Build Illinois Fund; provided, however, that if in any fiscal  
21 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
22 may be, of the moneys received by the Department and required  
23 to be paid into the Build Illinois Fund pursuant to Section 3  
24 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
25 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
26 Service Occupation Tax Act, such Acts being hereinafter called

1 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
2 may be, of moneys being hereinafter called the "Tax Act  
3 Amount", and (2) the amount transferred to the Build Illinois  
4 Fund from the State and Local Sales Tax Reform Fund shall be  
5 less than the Annual Specified Amount (as defined in Section 3  
6 of the Retailers' Occupation Tax Act), an amount equal to the  
7 difference shall be immediately paid into the Build Illinois  
8 Fund from other moneys received by the Department pursuant to  
9 the Tax Acts; and further provided, that if on the last  
10 business day of any month the sum of (1) the Tax Act Amount  
11 required to be deposited into the Build Illinois Account in the  
12 Build Illinois Fund during such month and (2) the amount  
13 transferred during such month to the Build Illinois Fund from  
14 the State and Local Sales Tax Reform Fund shall have been less  
15 than 1/12 of the Annual Specified Amount, an amount equal to  
16 the difference shall be immediately paid into the Build  
17 Illinois Fund from other moneys received by the Department  
18 pursuant to the Tax Acts; and, further provided, that in no  
19 event shall the payments required under the preceding proviso  
20 result in aggregate payments into the Build Illinois Fund  
21 pursuant to this clause (b) for any fiscal year in excess of  
22 the greater of (i) the Tax Act Amount or (ii) the Annual  
23 Specified Amount for such fiscal year; and, further provided,  
24 that the amounts payable into the Build Illinois Fund under  
25 this clause (b) shall be payable only until such time as the  
26 aggregate amount on deposit under each trust indenture securing

1 Bonds issued and outstanding pursuant to the Build Illinois  
2 Bond Act is sufficient, taking into account any future  
3 investment income, to fully provide, in accordance with such  
4 indenture, for the defeasance of or the payment of the  
5 principal of, premium, if any, and interest on the Bonds  
6 secured by such indenture and on any Bonds expected to be  
7 issued thereafter and all fees and costs payable with respect  
8 thereto, all as certified by the Director of the Bureau of the  
9 Budget (now Governor's Office of Management and Budget). If on  
10 the last business day of any month in which Bonds are  
11 outstanding pursuant to the Build Illinois Bond Act, the  
12 aggregate of the moneys deposited in the Build Illinois Bond  
13 Account in the Build Illinois Fund in such month shall be less  
14 than the amount required to be transferred in such month from  
15 the Build Illinois Bond Account to the Build Illinois Bond  
16 Retirement and Interest Fund pursuant to Section 13 of the  
17 Build Illinois Bond Act, an amount equal to such deficiency  
18 shall be immediately paid from other moneys received by the  
19 Department pursuant to the Tax Acts to the Build Illinois Fund;  
20 provided, however, that any amounts paid to the Build Illinois  
21 Fund in any fiscal year pursuant to this sentence shall be  
22 deemed to constitute payments pursuant to clause (b) of the  
23 preceding sentence and shall reduce the amount otherwise  
24 payable for such fiscal year pursuant to clause (b) of the  
25 preceding sentence. The moneys received by the Department  
26 pursuant to this Act and required to be deposited into the

1 Build Illinois Fund are subject to the pledge, claim and charge  
2 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
15		
16	1993	\$0
17	1994	53,000,000
18	1995	58,000,000
19	1996	61,000,000
20	1997	64,000,000
21	1998	68,000,000
22	1999	71,000,000
23	2000	75,000,000
24	2001	80,000,000
25	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023	275,000,000
22	2024	275,000,000
23	2025	275,000,000
24	2026	279,000,000
25	2027	292,000,000
26	2028	307,000,000

1	2029	322,000,000
2	2030	338,000,000
3	2031	350,000,000
4	2032	350,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

13 Beginning July 20, 1993 and in each month of each fiscal  
14 year thereafter, one-eighth of the amount requested in the  
15 certificate of the Chairman of the Metropolitan Pier and  
16 Exposition Authority for that fiscal year, less the amount  
17 deposited into the McCormick Place Expansion Project Fund by  
18 the State Treasurer in the respective month under subsection  
19 (g) of Section 13 of the Metropolitan Pier and Exposition  
20 Authority Act, plus cumulative deficiencies in the deposits  
21 required under this Section for previous months and years,  
22 shall be deposited into the McCormick Place Expansion Project  
23 Fund, until the full amount requested for the fiscal year, but  
24 not in excess of the amount specified above as "Total Deposit",  
25 has been deposited.

26 Subject to payment of amounts into the Build Illinois Fund

1 and the McCormick Place Expansion Project Fund pursuant to the  
2 preceding paragraphs or in any amendments thereto hereafter  
3 enacted, beginning July 1, 1993 and ending on September 30,  
4 2013, the Department shall each month pay into the Illinois Tax  
5 Increment Fund 0.27% of 80% of the net revenue realized for the  
6 preceding month from the 6.25% general rate on the selling  
7 price of tangible personal property.

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

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



1 Act.

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

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

1 as follows:

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

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

12 The chief executive officer, proprietor, owner or highest  
13 ranking manager shall sign the annual return to certify the  
14 accuracy of the information contained therein. Any person who  
15 willfully signs the annual return containing false or  
16 inaccurate information shall be guilty of perjury and punished  
17 accordingly. The annual return form prescribed by the  
18 Department shall include a warning that the person signing the  
19 return may be liable for perjury.

20 The foregoing portion of this Section concerning the filing  
21 of an annual information return shall not apply to a serviceman  
22 who is not required to file an income tax return with the  
23 United States Government.

24 As soon as possible after the first day of each month, upon  
25 certification of the Department of Revenue, the Comptroller  
26 shall order transferred and the Treasurer shall transfer from

1 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
2 equal to 1.7% of 80% of the net revenue realized under this Act  
3 for the second preceding month. Beginning April 1, 2000, this  
4 transfer is no longer required and shall not be made.

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

9 For greater simplicity of administration, it shall be  
10 permissible for manufacturers, importers and wholesalers whose  
11 products are sold by numerous servicemen in Illinois, and who  
12 wish to do so, to assume the responsibility for accounting and  
13 paying to the Department all tax accruing under this Act with  
14 respect to such sales, if the servicemen who are affected do  
15 not make written objection to the Department to this  
16 arrangement.

17 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
18 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; revised 9-9-13.)

19 Section 25. The Retailers' Occupation Tax Act is amended by  
20 changing Sections 2-10 and 3 as follows:

21 (35 ILCS 120/2-10)

22 Sec. 2-10. Rate of tax. Unless otherwise provided in this  
23 Section, the tax imposed by this Act is at the rate of 6.25% of  
24 gross receipts from sales of tangible personal property made in

1 the course of business.

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

6 Beginning on August 6, 2010 through August 15, 2010, with  
7 respect to sales tax holiday items as defined in Section 2-8 of  
8 this Act, the tax is imposed at the rate of 1.25%.

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

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

1 2003, (ii) 80% of the proceeds of sales made on or after July  
2 1, 2003 and on or before December 31, 2018, and (iii) 100% of  
3 the proceeds of sales made thereafter. If, at any time,  
4 however, the tax under this Act on sales of gasohol, as defined  
5 in the Use Tax Act, is imposed at the rate of 1.25%, then the  
6 tax imposed by this Act applies to 100% of the proceeds of  
7 sales of gasohol made during that time.

8 With respect to majority blended ethanol fuel, as defined  
9 in the Use Tax Act, the tax imposed by this Act does not apply  
10 to the proceeds of sales made on or after July 1, 2003 and on or  
11 before December 31, 2018 but applies to 100% of the proceeds of  
12 sales made thereafter.

13 With respect to biodiesel blends, as defined in the Use Tax  
14 Act, with no less than 1% and no more than 10% biodiesel, the  
15 tax imposed by this Act applies to (i) 80% of the proceeds of  
16 sales made on or after July 1, 2003 and on or before December  
17 31, 2018 and (ii) 100% of the proceeds of sales made  
18 thereafter. If, at any time, however, the tax under this Act on  
19 sales of biodiesel blends, as defined in the Use Tax Act, with  
20 no less than 1% and no more than 10% biodiesel is imposed at  
21 the rate of 1.25%, then the tax imposed by this Act applies to  
22 100% of the proceeds of sales of biodiesel blends with no less  
23 than 1% and no more than 10% biodiesel made during that time.

24 With respect to 100% biodiesel, as defined in the Use Tax  
25 Act, and biodiesel blends, as defined in the Use Tax Act, with  
26 more than 10% but no more than 99% biodiesel, the tax imposed

1 by this Act does not apply to the proceeds of sales made on or  
2 after July 1, 2003 and on or before December 31, 2018 but  
3 applies to 100% of the proceeds of sales made thereafter.

4 With respect to food for human consumption that is to be  
5 consumed off the premises where it is sold (other than  
6 alcoholic beverages, soft drinks, and food that has been  
7 prepared for immediate consumption) and prescription and  
8 nonprescription medicines, drugs, medical appliances,  
9 modifications to a motor vehicle for the purpose of rendering  
10 it usable by a disabled person, and insulin, urine testing  
11 materials, syringes, and needles used by diabetics, for human  
12 use, the tax is imposed at the rate of 1%. For the purposes of  
13 this Section, until September 1, 2009: the term "soft drinks"  
14 means any complete, finished, ready-to-use, non-alcoholic  
15 drink, whether carbonated or not, including but not limited to  
16 soda water, cola, fruit juice, vegetable juice, carbonated  
17 water, and all other preparations commonly known as soft drinks  
18 of whatever kind or description that are contained in any  
19 closed or sealed bottle, can, carton, or container, regardless  
20 of size; but "soft drinks" does not include coffee, tea,  
21 non-carbonated water, infant formula, milk or milk products as  
22 defined in the Grade A Pasteurized Milk and Milk Products Act,  
23 or drinks containing 50% or more natural fruit or vegetable  
24 juice.

25 Notwithstanding any other provisions of this Act,  
26 beginning September 1, 2009, "soft drinks" means non-alcoholic

1 beverages that contain natural or artificial sweeteners. "Soft  
2 drinks" do not include beverages that contain milk or milk  
3 products, soy, rice or similar milk substitutes, or greater  
4 than 50% of vegetable or fruit juice by volume.

5       Until August 1, 2009, and notwithstanding any other  
6 provisions of this Act, "food for human consumption that is to  
7 be consumed off the premises where it is sold" includes all  
8 food sold through a vending machine, except soft drinks and  
9 food products that are dispensed hot from a vending machine,  
10 regardless of the location of the vending machine. Beginning  
11 August 1, 2009, and notwithstanding any other provisions of  
12 this Act, "food for human consumption that is to be consumed  
13 off the premises where it is sold" includes all food sold  
14 through a vending machine, except soft drinks, candy, and food  
15 products that are dispensed hot from a vending machine,  
16 regardless of the location of the vending machine.

17       Notwithstanding any other provisions of this Act,  
18 beginning September 1, 2009, "food for human consumption that  
19 is to be consumed off the premises where it is sold" does not  
20 include candy. For purposes of this Section, "candy" means a  
21 preparation of sugar, honey, or other natural or artificial  
22 sweeteners in combination with chocolate, fruits, nuts or other  
23 ingredients or flavorings in the form of bars, drops, or  
24 pieces. "Candy" does not include any preparation that contains  
25 flour or requires refrigeration.

26       Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "nonprescription medicines and  
2 drugs" does not include grooming and hygiene products. For  
3 purposes of this Section, "grooming and hygiene products"  
4 includes, but is not limited to, soaps and cleaning solutions,  
5 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
6 lotions and screens, unless those products are available by  
7 prescription only, regardless of whether the products meet the  
8 definition of "over-the-counter-drugs". For the purposes of  
9 this paragraph, "over-the-counter-drug" means a drug for human  
10 use that contains a label that identifies the product as a drug  
11 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
12 label includes:

13 (A) A "Drug Facts" panel; or

14 (B) A statement of the "active ingredient(s)" with a  
15 list of those ingredients contained in the compound,  
16 substance or preparation.

17 Beginning on the effective date of this amendatory Act of  
18 the 98th General Assembly, "prescription and nonprescription  
19 medicines and drugs" includes medical cannabis purchased from a  
20 registered dispensing organization under the Compassionate Use  
21 of Medical Cannabis Pilot Program Act.

22 Beginning on July 1, 2014 and through June 30, 2015, with  
23 respect to motor fuel, as defined in Section 1.1 of the Motor  
24 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
25 Use Tax Act, the tax is imposed at the rate of 5.25%.

26 Beginning on July 1, 2015 and through June 30, 2016, with



1 respect to motor fuel, as defined in Section 1.1 of the Motor  
2 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
3 Use Tax Act, the tax is imposed at the rate of 4.25%.

4 Beginning on July 1, 2016 and through June 30, 2017, with  
5 respect to motor fuel, as defined in Section 1.1 of the Motor  
6 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
7 Use Tax Act, the tax is imposed at the rate of 3.25%.

8 Beginning on July 1, 2017 and through June 30, 2018, with  
9 respect to motor fuel, as defined in Section 1.1 of the Motor  
10 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
11 Use Tax Act, the tax is imposed at the rate of 2.25%.

12 Beginning on July 1, 2018, with respect to motor fuel, as  
13 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
14 as defined in Section 3-40 of the Use Tax Act, the tax is  
15 imposed at the rate of 1.25%.

16 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

17 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

23 1. The name of the seller;

24 2. His residence address and the address of his  
25 principal place of business and the address of the

1 principal place of business (if that is a different  
2 address) from which he engages in the business of selling  
3 tangible personal property at retail in this State;

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

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

14 5. Deductions allowed by law;

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

18 7. The amount of credit provided in Section 2d of this  
19 Act;

20 8. The amount of tax due;

21 9. The signature of the taxpayer; and

22 10. Such other reasonable information as the  
23 Department may require.

24 If a taxpayer fails to sign a return within 30 days after  
25 the proper notice and demand for signature by the Department,  
26 the return shall be considered valid and any amount shown to be

1 due on the return shall be deemed assessed.

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

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

26 The Department may require returns to be filed on a

1 quarterly basis. If so required, a return for each calendar  
2 quarter shall be filed on or before the twentieth day of the  
3 calendar month following the end of such calendar quarter. The  
4 taxpayer shall also file a return with the Department for each  
5 of the first two months of each calendar quarter, on or before  
6 the twentieth day of the following calendar month, stating:

7 1. The name of the seller;

8 2. The address of the principal place of business from  
9 which he engages in the business of selling tangible  
10 personal property at retail in this State;

11 3. The total amount of taxable receipts received by him  
12 during the preceding calendar month from sales of tangible  
13 personal property by him during such preceding calendar  
14 month, including receipts from charge and time sales, but  
15 less all deductions allowed by law;

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

18 5. The amount of tax due; and

19 6. Such other reasonable information as the Department  
20 may require.

21 Beginning on October 1, 2003, any person who is not a  
22 licensed distributor, importing distributor, or manufacturer,  
23 as defined in the Liquor Control Act of 1934, but is engaged in  
24 the business of selling, at retail, alcoholic liquor shall file  
25 a statement with the Department of Revenue, in a format and at  
26 a time prescribed by the Department, showing the total amount

1 paid for alcoholic liquor purchased during the preceding month  
2 and such other information as is reasonably required by the  
3 Department. The Department may adopt rules to require that this  
4 statement be filed in an electronic or telephonic format. Such  
5 rules may provide for exceptions from the filing requirements  
6 of this paragraph. For the purposes of this paragraph, the term  
7 "alcoholic liquor" shall have the meaning prescribed in the  
8 Liquor Control Act of 1934.

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

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

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

14 Beginning October 1, 1993, a taxpayer who has an average  
15 monthly tax liability of \$150,000 or more shall make all  
16 payments required by rules of the Department by electronic  
17 funds transfer. Beginning October 1, 1994, a taxpayer who has  
18 an average monthly tax liability of \$100,000 or more shall make  
19 all payments required by rules of the Department by electronic  
20 funds transfer. Beginning October 1, 1995, a taxpayer who has  
21 an average monthly tax liability of \$50,000 or more shall make  
22 all payments required by rules of the Department by electronic  
23 funds transfer. Beginning October 1, 2000, a taxpayer who has  
24 an annual tax liability of \$200,000 or more shall make all  
25 payments required by rules of the Department by electronic  
26 funds transfer. The term "annual tax liability" shall be the

1 sum of the taxpayer's liabilities under this Act, and under all  
2 other State and local occupation and use tax laws administered  
3 by the Department, for the immediately preceding calendar year.  
4 The term "average monthly tax liability" shall be the sum of  
5 the taxpayer's liabilities under this Act, and under all other  
6 State and local occupation and use tax laws administered by the  
7 Department, for the immediately preceding calendar year  
8 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
9 a tax liability in the amount set forth in subsection (b) of  
10 Section 2505-210 of the Department of Revenue Law shall make  
11 all payments required by rules of the Department by electronic  
12 funds transfer.

13 Before August 1 of each year beginning in 1993, the  
14 Department shall notify all taxpayers required to make payments  
15 by electronic funds transfer. All taxpayers required to make  
16 payments by electronic funds transfer shall make those payments  
17 for a minimum of one year beginning on October 1.

18 Any taxpayer not required to make payments by electronic  
19 funds transfer may make payments by electronic funds transfer  
20 with the permission of the Department.

21 All taxpayers required to make payment by electronic funds  
22 transfer and any taxpayers authorized to voluntarily make  
23 payments by electronic funds transfer shall make those payments  
24 in the manner authorized by the Department.

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

1 requirements of this Section.

2 Any amount which is required to be shown or reported on any  
3 return or other document under this Act shall, if such amount  
4 is not a whole-dollar amount, be increased to the nearest  
5 whole-dollar amount in any case where the fractional part of a  
6 dollar is 50 cents or more, and decreased to the nearest  
7 whole-dollar amount where the fractional part of a dollar is  
8 less than 50 cents.

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

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

26 Such quarter annual and annual returns, as to form and



1 substance, shall be subject to the same requirements as monthly  
2 returns.

3 Notwithstanding any other provision in this Act concerning  
4 the time within which a retailer may file his return, in the  
5 case of any retailer who ceases to engage in a kind of business  
6 which makes him responsible for filing returns under this Act,  
7 such retailer shall file a final return under this Act with the  
8 Department not more than one month after discontinuing such  
9 business.

10 Where the same person has more than one business registered  
11 with the Department under separate registrations under this  
12 Act, such person may not file each return that is due as a  
13 single return covering all such registered businesses, but  
14 shall file separate returns for each such registered business.

15 In addition, with respect to motor vehicles, watercraft,  
16 aircraft, and trailers that are required to be registered with  
17 an agency of this State, every retailer selling this kind of  
18 tangible personal property shall file, with the Department,  
19 upon a form to be prescribed and supplied by the Department, a  
20 separate return for each such item of tangible personal  
21 property which the retailer sells, except that if, in the same  
22 transaction, (i) a retailer of aircraft, watercraft, motor  
23 vehicles or trailers transfers more than one aircraft,  
24 watercraft, motor vehicle or trailer to another aircraft,  
25 watercraft, motor vehicle retailer or trailer retailer for the  
26 purpose of resale or (ii) a retailer of aircraft, watercraft,

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

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

20 The transaction reporting return, in the case of motor  
21 vehicles or trailers that are required to be registered with an  
22 agency of this State, shall be the same document as the Uniform  
23 Invoice referred to in Section 5-402 of The Illinois Vehicle  
24 Code and must show the name and address of the seller; the name  
25 and address of the purchaser; the amount of the selling price  
26 including the amount allowed by the retailer for traded-in

1 property, if any; the amount allowed by the retailer for the  
2 traded-in tangible personal property, if any, to the extent to  
3 which Section 1 of this Act allows an exemption for the value  
4 of traded-in property; the balance payable after deducting such  
5 trade-in allowance from the total selling price; the amount of  
6 tax due from the retailer with respect to such transaction; the  
7 amount of tax collected from the purchaser by the retailer on  
8 such transaction (or satisfactory evidence that such tax is not  
9 due in that particular instance, if that is claimed to be the  
10 fact); the place and date of the sale; a sufficient  
11 identification of the property sold; such other information as  
12 is required in Section 5-402 of The Illinois Vehicle Code, and  
13 such other information as the Department may reasonably  
14 require.

15 The transaction reporting return in the case of watercraft  
16 or aircraft must show the name and address of the seller; the  
17 name and address of the purchaser; the amount of the selling  
18 price including the amount allowed by the retailer for  
19 traded-in property, if any; the amount allowed by the retailer  
20 for the traded-in tangible personal property, if any, to the  
21 extent to which Section 1 of this Act allows an exemption for  
22 the value of traded-in property; the balance payable after  
23 deducting such trade-in allowance from the total selling price;  
24 the amount of tax due from the retailer with respect to such  
25 transaction; the amount of tax collected from the purchaser by  
26 the retailer on such transaction (or satisfactory evidence that

1 such tax is not due in that particular instance, if that is  
2 claimed to be the fact); the place and date of the sale, a  
3 sufficient identification of the property sold, and such other  
4 information as the Department may reasonably require.

5 Such transaction reporting return shall be filed not later  
6 than 20 days after the day of delivery of the item that is  
7 being sold, but may be filed by the retailer at any time sooner  
8 than that if he chooses to do so. The transaction reporting  
9 return and tax remittance or proof of exemption from the  
10 Illinois use tax may be transmitted to the Department by way of  
11 the State agency with which, or State officer with whom the  
12 tangible personal property must be titled or registered (if  
13 titling or registration is required) if the Department and such  
14 agency or State officer determine that this procedure will  
15 expedite the processing of applications for title or  
16 registration.

17 With each such transaction reporting return, the retailer  
18 shall remit the proper amount of tax due (or shall submit  
19 satisfactory evidence that the sale is not taxable if that is  
20 the case), to the Department or its agents, whereupon the  
21 Department shall issue, in the purchaser's name, a use tax  
22 receipt (or a certificate of exemption if the Department is  
23 satisfied that the particular sale is tax exempt) which such  
24 purchaser may submit to the agency with which, or State officer  
25 with whom, he must title or register the tangible personal  
26 property that is involved (if titling or registration is

1 required) in support of such purchaser's application for an  
2 Illinois certificate or other evidence of title or registration  
3 to such tangible personal property.

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

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

1 the tax directly to the Department, he shall pay the tax in the  
2 same amount and in the same form in which it would be remitted  
3 if the tax had been remitted to the Department by the retailer.

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

12 Where the seller is a corporation, the return filed on  
13 behalf of such corporation shall be signed by the president,  
14 vice-president, secretary or treasurer or by the properly  
15 accredited agent of such corporation.

16 Where the seller is a limited liability company, the return  
17 filed on behalf of the limited liability company shall be  
18 signed by a manager, member, or properly accredited agent of  
19 the limited liability company.

20 Except as provided in this Section, the retailer filing the  
21 return under this Section shall, at the time of filing such  
22 return, pay to the Department the amount of tax imposed by this  
23 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
24 on and after January 1, 1990, or \$5 per calendar year,  
25 whichever is greater, which is allowed to reimburse the  
26 retailer for the expenses incurred in keeping records,

1 preparing and filing returns, remitting the tax and supplying  
2 data to the Department on request. Any prepayment made pursuant  
3 to Section 2d of this Act shall be included in the amount on  
4 which such 2.1% or 1.75% discount is computed. In the case of  
5 retailers who report and pay the tax on a transaction by  
6 transaction basis, as provided in this Section, such discount  
7 shall be taken with each such tax remittance instead of when  
8 such retailer files his periodic return. The Department may  
9 disallow the discount for retailers whose certificate of  
10 registration is revoked at the time the return is filed, but  
11 only if the Department's decision to revoke the certificate of  
12 registration has become final.

13 Before October 1, 2000, if the taxpayer's average monthly  
14 tax liability to the Department under this Act, the Use Tax  
15 Act, the Service Occupation Tax Act, and the Service Use Tax  
16 Act, excluding any liability for prepaid sales tax to be  
17 remitted in accordance with Section 2d of this Act, was \$10,000  
18 or more during the preceding 4 complete calendar quarters, he  
19 shall file a return with the Department each month by the 20th  
20 day of the month next following the month during which such tax  
21 liability is incurred and shall make payments to the Department  
22 on or before the 7th, 15th, 22nd and last day of the month  
23 during which such liability is incurred. On and after October  
24 1, 2000, if the taxpayer's average monthly tax liability to the  
25 Department under this Act, the Use Tax Act, the Service  
26 Occupation Tax Act, and the Service Use Tax Act, excluding any

1 liability for prepaid sales tax to be remitted in accordance  
2 with Section 2d of this Act, was \$20,000 or more during the  
3 preceding 4 complete calendar quarters, he shall file a return  
4 with the Department each month by the 20th day of the month  
5 next following the month during which such tax liability is  
6 incurred and shall make payment to the Department on or before  
7 the 7th, 15th, 22nd and last day of the month during which such  
8 liability is incurred. If the month during which such tax  
9 liability is incurred began prior to January 1, 1985, each  
10 payment shall be in an amount equal to 1/4 of the taxpayer's  
11 actual liability for the month or an amount set by the  
12 Department not to exceed 1/4 of the average monthly liability  
13 of the taxpayer to the Department for the preceding 4 complete  
14 calendar quarters (excluding the month of highest liability and  
15 the month of lowest liability in such 4 quarter period). If the  
16 month during which such tax liability is incurred begins on or  
17 after January 1, 1985 and prior to January 1, 1987, each  
18 payment shall be in an amount equal to 22.5% of the taxpayer's  
19 actual liability for the month or 27.5% of the taxpayer's  
20 liability for the same calendar month of the preceding year. If  
21 the month during which such tax liability is incurred begins on  
22 or after January 1, 1987 and prior to January 1, 1988, each  
23 payment shall be in an amount equal to 22.5% of the taxpayer's  
24 actual liability for the month or 26.25% of the taxpayer's  
25 liability for the same calendar month of the preceding year. If  
26 the month during which such tax liability is incurred begins on



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

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

1 difference between the minimum amount due as a payment and the  
2 amount of such quarter monthly payment actually and timely  
3 paid, except insofar as the taxpayer has previously made  
4 payments for that month to the Department in excess of the  
5 minimum payments previously due as provided in this Section.  
6 The Department shall make reasonable rules and regulations to  
7 govern the quarter monthly payment amount and quarter monthly  
8 payment dates for taxpayers who file on other than a calendar  
9 monthly basis.

10 The provisions of this paragraph apply before October 1,  
11 2001. Without regard to whether a taxpayer is required to make  
12 quarter monthly payments as specified above, any taxpayer who  
13 is required by Section 2d of this Act to collect and remit  
14 prepaid taxes and has collected prepaid taxes which average in  
15 excess of \$25,000 per month during the preceding 2 complete  
16 calendar quarters, shall file a return with the Department as  
17 required by Section 2f and shall make payments to the  
18 Department on or before the 7th, 15th, 22nd and last day of the  
19 month during which such liability is incurred. If the month  
20 during which such tax liability is incurred began prior to the  
21 effective date of this amendatory Act of 1985, each payment  
22 shall be in an amount not less than 22.5% of the taxpayer's  
23 actual liability under Section 2d. If the month during which  
24 such tax liability is incurred begins on or after January 1,  
25 1986, each payment shall be in an amount equal to 22.5% of the  
26 taxpayer's actual liability for the month or 27.5% of the

1 taxpayer's liability for the same calendar month of the  
2 preceding calendar year. If the month during which such tax  
3 liability is incurred begins on or after January 1, 1987, each  
4 payment shall be in an amount equal to 22.5% of the taxpayer's  
5 actual liability for the month or 26.25% of the taxpayer's  
6 liability for the same calendar month of the preceding year.  
7 The amount of such quarter monthly payments shall be credited  
8 against the final tax liability of the taxpayer's return for  
9 that month filed under this Section or Section 2f, as the case  
10 may be. Once applicable, the requirement of the making of  
11 quarter monthly payments to the Department pursuant to this  
12 paragraph shall continue until such taxpayer's average monthly  
13 prepaid tax collections during the preceding 2 complete  
14 calendar quarters is \$25,000 or less. If any such quarter  
15 monthly payment is not paid at the time or in the amount  
16 required, the taxpayer shall be liable for penalties and  
17 interest on such difference, except insofar as the taxpayer has  
18 previously made payments for that month in excess of the  
19 minimum payments previously due.

20 The provisions of this paragraph apply on and after October  
21 1, 2001. Without regard to whether a taxpayer is required to  
22 make quarter monthly payments as specified above, any taxpayer  
23 who is required by Section 2d of this Act to collect and remit  
24 prepaid taxes and has collected prepaid taxes that average in  
25 excess of \$20,000 per month during the preceding 4 complete  
26 calendar quarters shall file a return with the Department as

1 required by Section 2f and shall make payments to the  
2 Department on or before the 7th, 15th, 22nd and last day of the  
3 month during which the liability is incurred. Each payment  
4 shall be in an amount equal to 22.5% of the taxpayer's actual  
5 liability for the month or 25% of the taxpayer's liability for  
6 the same calendar month of the preceding year. The amount of  
7 the quarter monthly payments shall be credited against the  
8 final tax liability of the taxpayer's return for that month  
9 filed under this Section or Section 2f, as the case may be.  
10 Once applicable, the requirement of the making of quarter  
11 monthly payments to the Department pursuant to this paragraph  
12 shall continue until the taxpayer's average monthly prepaid tax  
13 collections during the preceding 4 complete calendar quarters  
14 (excluding the month of highest liability and the month of  
15 lowest liability) is less than \$19,000 or until such taxpayer's  
16 average monthly liability to the Department as computed for  
17 each calendar quarter of the 4 preceding complete calendar  
18 quarters is less than \$20,000. If any such quarter monthly  
19 payment is not paid at the time or in the amount required, the  
20 taxpayer shall be liable for penalties and interest on such  
21 difference, except insofar as the taxpayer has previously made  
22 payments for that month in excess of the minimum payments  
23 previously due.

24 If any payment provided for in this Section exceeds the  
25 taxpayer's liabilities under this Act, the Use Tax Act, the  
26 Service Occupation Tax Act and the Service Use Tax Act, as

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

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

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund, a special fund in the

1 State treasury which is hereby created, the net revenue  
2 realized for the preceding month from the 1% tax on sales of  
3 food for human consumption which is to be consumed off the  
4 premises where it is sold (other than alcoholic beverages, soft  
5 drinks and food which has been prepared for immediate  
6 consumption) and prescription and nonprescription medicines,  
7 drugs, medical appliances and insulin, urine testing  
8 materials, syringes and needles used by diabetics.

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

14 Beginning August 1, 2000, each month the Department shall  
15 pay into the County and Mass Transit District Fund 20% of the  
16 net revenue realized for the preceding month from the 1.25%  
17 rate on the selling price of motor fuel and gasohol. Beginning  
18 September 1, 2010, each month the Department shall pay into the  
19 County and Mass Transit District Fund 20% of the net revenue  
20 realized for the preceding month from the 1.25% rate on the  
21 selling price of sales tax holiday items.

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

26 Beginning August 1, 2000, each month the Department shall

1 pay into the Local Government Tax Fund 80% of the net revenue  
2 realized for the preceding month from the 1.25% rate on the  
3 selling price of motor fuel and gasohol. Beginning September 1,  
4 2010, each month the Department shall pay into the Local  
5 Government Tax Fund 80% of the net revenue realized for the  
6 preceding month from the 1.25% rate on the selling price of  
7 sales tax holiday items.

8 Beginning August 1, 2014 and through July 31, 2015, each  
9 month the Department shall pay into the County and Mass Transit  
10 District Fund 4.8% of the net revenue realized for the  
11 preceding month from the 5.25% rate on the selling price of  
12 motor fuel and gasohol.

13 Beginning August 1, 2014 and through July 31, 2015, each  
14 month the Department shall pay into the Local Government Tax  
15 Fund 19.2% of the net revenue realized for the preceding month  
16 from the 5.25% rate on the selling price of motor fuel and  
17 gasohol.

18 Beginning August 1, 2015 and through July 31, 2016, each  
19 month the Department shall pay into the County and Mass Transit  
20 District Fund 5.8% of the net revenue realized for the  
21 preceding month from the 4.25% rate on the selling price of  
22 motor fuel and gasohol.

23 Beginning August 1, 2015 and through July 31, 2016, each  
24 month the Department shall pay into the Local Government Tax  
25 Fund 23.2% of the net revenue realized for the preceding month  
26 from the 4.25% rate on the selling price of motor fuel and



1 gasohol.

2 Beginning August 1, 2016 and through July 31, 2017, each  
3 month the Department shall pay into the County and Mass Transit  
4 District Fund 7.8% of the net revenue realized for the  
5 preceding month from the 3.25% rate on the selling price of  
6 motor fuel and gasohol.

7 Beginning August 1, 2016 and through July 31, 2017, each  
8 month the Department shall pay into the Local Government Tax  
9 Fund 31.2% of the net revenue realized for the preceding month  
10 from the 3.25% rate on the selling price of motor fuel and  
11 gasohol.

12 Beginning August 1, 2017 and through July 31, 2018, each  
13 month the Department shall pay into the County and Mass Transit  
14 District Fund 11.2% of the net revenue realized for the  
15 preceding month from the 2.25% rate on the selling price of  
16 motor fuel and gasohol.

17 Beginning August 1, 2017 and through July 31, 2018, each  
18 month the Department shall pay into the Local Government Tax  
19 Fund 44.8% of the net revenue realized for the preceding month  
20 from the 2.25% rate on the selling price of motor fuel and  
21 gasohol.

22 Beginning August 1, 2018, each month the Department shall  
23 pay into the County and Mass Transit District Fund 20% of the  
24 net revenue realized for the preceding month from the 1.25%  
25 rate on the selling price of motor fuel and gasohol.

26 Beginning August 1, 2018, each month the Department shall

1 pay into the Local Government Tax Fund 80% of the net revenue  
2 realized for the preceding month from the 1.25% rate on the  
3 selling price of motor fuel and gasohol.

4 Beginning October 1, 2009, each month the Department shall  
5 pay into the Capital Projects Fund an amount that is equal to  
6 an amount estimated by the Department to represent 80% of the  
7 net revenue realized for the preceding month from the sale of  
8 candy, grooming and hygiene products, and soft drinks that had  
9 been taxed at a rate of 1% prior to September 1, 2009 but that  
10 are ~~is~~ now taxed at 6.25%.

11 Beginning July 1, 2011, each month the Department shall pay  
12 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
13 realized for the preceding month from the 6.25% general rate on  
14 the selling price of sorbents used in Illinois in the process  
15 of sorbent injection as used to comply with the Environmental  
16 Protection Act or the federal Clean Air Act, but the total  
17 payment into the Clean Air Act (CAA) Permit Fund under this Act  
18 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal  
19 year.

20 Beginning July 1, 2013, each month the Department shall pay  
21 into the Underground Storage Tank Fund from the proceeds  
22 collected under this Act, the Use Tax Act, the Service Use Tax  
23 Act, and the Service Occupation Tax Act an amount equal to the  
24 average monthly deficit in the Underground Storage Tank Fund  
25 during the prior year, as certified annually by the Illinois  
26 Environmental Protection Agency, but the total payment into the

1 Underground Storage Tank Fund under this Act, the Use Tax Act,  
2 the Service Use Tax Act, and the Service Occupation Tax Act  
3 shall not exceed \$18,000,000 in any State fiscal year. As used  
4 in this paragraph, the "average monthly deficit" shall be equal  
5 to the difference between the average monthly claims for  
6 payment by the fund and the average monthly revenues deposited  
7 into the fund, excluding payments made pursuant to this  
8 paragraph.

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

1 "Annual Specified Amount" means the amounts specified below for  
2 fiscal years 1986 through 1993:

3	Fiscal Year	Annual Specified Amount
4	1986	\$54,800,000
5	1987	\$76,650,000
6	1988	\$80,480,000
7	1989	\$88,510,000
8	1990	\$115,330,000
9	1991	\$145,470,000
10	1992	\$182,730,000
11	1993	\$206,520,000;

12 and means the Certified Annual Debt Service Requirement (as  
13 defined in Section 13 of the Build Illinois Bond Act) or the  
14 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
15 each fiscal year thereafter; and further provided, that if on  
16 the last business day of any month the sum of (1) the Tax Act  
17 Amount required to be deposited into the Build Illinois Bond  
18 Account in the Build Illinois Fund during such month and (2)  
19 the amount transferred to the Build Illinois Fund from the  
20 State and Local Sales Tax Reform Fund shall have been less than  
21 1/12 of the Annual Specified Amount, an amount equal to the  
22 difference shall be immediately paid into the Build Illinois  
23 Fund from other moneys received by the Department pursuant to  
24 the Tax Acts; and, further provided, that in no event shall the  
25 payments required under the preceding proviso result in  
26 aggregate payments into the Build Illinois Fund pursuant to

1 this clause (b) for any fiscal year in excess of the greater of  
2 (i) the Tax Act Amount or (ii) the Annual Specified Amount for  
3 such fiscal year. The amounts payable into the Build Illinois  
4 Fund under clause (b) of the first sentence in this paragraph  
5 shall be payable only until such time as the aggregate amount  
6 on deposit under each trust indenture securing Bonds issued and  
7 outstanding pursuant to the Build Illinois Bond Act is  
8 sufficient, taking into account any future investment income,  
9 to fully provide, in accordance with such indenture, for the  
10 defeasance of or the payment of the principal of, premium, if  
11 any, and interest on the Bonds secured by such indenture and on  
12 any Bonds expected to be issued thereafter and all fees and  
13 costs payable with respect thereto, all as certified by the  
14 Director of the Bureau of the Budget (now Governor's Office of  
15 Management and Budget). If on the last business day of any  
16 month in which Bonds are outstanding pursuant to the Build  
17 Illinois Bond Act, the aggregate of moneys deposited in the  
18 Build Illinois Bond Account in the Build Illinois Fund in such  
19 month shall be less than the amount required to be transferred  
20 in such month from the Build Illinois Bond Account to the Build  
21 Illinois Bond Retirement and Interest Fund pursuant to Section  
22 13 of the Build Illinois Bond Act, an amount equal to such  
23 deficiency shall be immediately paid from other moneys received  
24 by the Department pursuant to the Tax Acts to the Build  
25 Illinois Fund; provided, however, that any amounts paid to the  
26 Build Illinois Fund in any fiscal year pursuant to this

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

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

	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

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

1	2023	275,000,000
2	2024	275,000,000
3	2025	275,000,000
4	2026	279,000,000
5	2027	292,000,000
6	2028	307,000,000
7	2029	322,000,000
8	2030	338,000,000
9	2031	350,000,000
10	2032	350,000,000

11 and

12 each fiscal year

13 thereafter that bonds

14 are outstanding under

15 Section 13.2 of the

16 Metropolitan Pier and

17 Exposition Authority Act,

18 but not after fiscal year 2060.

19 Beginning July 20, 1993 and in each month of each fiscal  
20 year thereafter, one-eighth of the amount requested in the  
21 certificate of the Chairman of the Metropolitan Pier and  
22 Exposition Authority for that fiscal year, less the amount  
23 deposited into the McCormick Place Expansion Project Fund by  
24 the State Treasurer in the respective month under subsection  
25 (g) of Section 13 of the Metropolitan Pier and Exposition  
26 Authority Act, plus cumulative deficiencies in the deposits



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

6 Subject to payment of amounts into the Build Illinois Fund  
7 and the McCormick Place Expansion Project Fund pursuant to the  
8 preceding paragraphs or in any amendments thereto hereafter  
9 enacted, beginning July 1, 1993 and ending on September 30,  
10 2013, the Department shall each month pay into the Illinois Tax  
11 Increment Fund 0.27% of 80% of the net revenue realized for the  
12 preceding month from the 6.25% general rate on the selling  
13 price of tangible personal property.

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

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

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

1 helpful in determining the accuracy of the monthly, quarterly  
2 or annual returns filed by such retailer as provided for in  
3 this Section.

4 If the annual information return required by this Section  
5 is not filed when and as required, the taxpayer shall be liable  
6 as follows:

7 (i) Until January 1, 1994, the taxpayer shall be liable  
8 for a penalty equal to 1/6 of 1% of the tax due from such  
9 taxpayer under this Act during the period to be covered by  
10 the annual return for each month or fraction of a month  
11 until such return is filed as required, the penalty to be  
12 assessed and collected in the same manner as any other  
13 penalty provided for in this Act.

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

17 The chief executive officer, proprietor, owner or highest  
18 ranking manager shall sign the annual return to certify the  
19 accuracy of the information contained therein. Any person who  
20 willfully signs the annual return containing false or  
21 inaccurate information shall be guilty of perjury and punished  
22 accordingly. The annual return form prescribed by the  
23 Department shall include a warning that the person signing the  
24 return may be liable for perjury.

25 The provisions of this Section concerning the filing of an  
26 annual information return do not apply to a retailer who is not

1 required to file an income tax return with the United States  
2 Government.

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

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

14 For greater simplicity of administration, manufacturers,  
15 importers and wholesalers whose products are sold at retail in  
16 Illinois by numerous retailers, and who wish to do so, may  
17 assume the responsibility for accounting and paying to the  
18 Department all tax accruing under this Act with respect to such  
19 sales, if the retailers who are affected do not make written  
20 objection to the Department to this arrangement.

21 Any person who promotes, organizes, provides retail  
22 selling space for concessionaires or other types of sellers at  
23 the Illinois State Fair, DuQuoin State Fair, county fairs,  
24 local fairs, art shows, flea markets and similar exhibitions or  
25 events, including any transient merchant as defined by Section  
26 2 of the Transient Merchant Act of 1987, is required to file a

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

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

1 loss of revenue to the State. The Department shall notify  
2 concessionaires and other sellers affected by the imposition of  
3 this requirement. In the absence of notification by the  
4 Department, the concessionaires and other sellers shall file  
5 their returns as otherwise required in this Section.

6 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
7 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
8 revised 9-9-13.)

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.