



Sen. Michael Noland

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1 AMENDMENT TO SENATE BILL 2169

2 AMENDMENT NO. _____. Amend Senate Bill 2169 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Lottery Law is amended by adding
5 Section 21.9 as follows:

6 (20 ILCS 1605/21.9 new)

7 Sec. 21.9. Special drawings to benefit Illinois Lottery
8 scratch-off game beneficiary funds.

9 (a) The Department may, from time to time, designate
10 specific lottery game drawings to benefit the various
11 scratch-off game funds identified in Sections 21.5 through 21.8
12 of this Act. Each special drawing designation shall be publicly
13 announced by the Department in advance of the drawing date,
14 along with the name of the fund that will benefit from the
15 drawing and any special criteria for the transfer of moneys to
16 the beneficiary fund, such as minimum sales or a net proceeds

1 threshold.

2 (b) Proceeds from specially designated drawings shall be
3 deposited into the designated beneficiary fund for
4 appropriation by the General Assembly for the same purposes and
5 in accordance with the same requirements as outlined in
6 Sections 21.5 through 21.8 of this Act.

7 Section 10. The Department of Revenue Law of the Civil
8 Administrative Code of Illinois is amended by changing Section
9 2505-380 as follows:

10 (20 ILCS 2505/2505-380) (was 20 ILCS 2505/39b47)

11 Sec. 2505-380. Revocation of or refusal to issue a
12 certificate of registration, permit, or license.

13 (a) The Department has the power ~~to refuse to issue or,~~
14 after notice and an opportunity for a hearing, to revoke a
15 certificate of registration, permit, or license issued ~~or~~
16 ~~authorized to be issued~~ by the Department if the ~~applicant for~~
17 or holder of the certificate of registration, permit, or
18 license fails to file a return, or to pay the tax, fee,
19 penalty, or interest shown in a filed return, or to pay any
20 final assessment of tax, fee, penalty, or interest, as required
21 by the tax or fee Act under which the certificate of
22 registration, permit, or license is required or any other tax
23 or fee Act administered by the Department.

24 (b) The Department may refuse to issue a certificate of

1 registration, permit, or license authorized to be issued by the
2 Department if a person who is named as the owner, a partner, a
3 corporate officer, or, in the case of a limited liability
4 company, a manager or member, of the applicant on the
5 application for the certificate of registration, permit or
6 license, is or has been named as the owner, a partner, a
7 corporate officer, or in the case of a limited liability
8 company, a manager or member, on the application for the
9 certificate of registration, permit, or license of a person
10 that is in default for moneys due under the tax or fee Act upon
11 which the certificate of registration, permit, or license is
12 required or any other tax or fee Act administered by the
13 Department. For purposes of this Section only, in determining
14 whether a person is in default for moneys due, the Department
15 shall include only amounts established as a final liability
16 within the 20 years prior to the date of the Department's
17 notice of refusal to issue the certificate of registration,
18 permit, or license. For purposes of this Section, "person"
19 means any natural individual, firm, partnership, association,
20 joint stock company, joint adventure, public or private
21 corporation, limited liability company, or a receiver,
22 executor, trustee, guardian or other representative appointed
23 by order of any court.

24 (c) When revoking or refusing to issue a certificate of
25 registration, permit, or license issued by the Department, the
26 the procedure for notice and hearing used shall be the

1 ~~procedure prior to revocation shall be as~~ provided under the
2 Act pursuant to which the certificate of registration, permit,
3 or license was issued.

4 (Source: P.A. 91-239, eff. 1-1-00.)

5 Section 15. The State Finance Act is amended by changing
6 Section 13.3 as follows:

7 (30 ILCS 105/13.3) (from Ch. 127, par. 149.3)

8 Sec. 13.3. Petty cash funds; purchasing cards.

9 (a) Any State agency may establish and maintain petty cash
10 funds for the purpose of making change, purchasing items of
11 small cost, payment of postage due, and for other nominal
12 expenditures which cannot be administered economically and
13 efficiently through customary procurement practices.

14 Petty cash funds may be established and maintained from
15 moneys which are appropriated to the agency for Contractual
16 Services. In the case of an agency which receives a single
17 appropriation for its ordinary and contingent expenses, the
18 agency may establish a petty cash fund from the appropriated
19 funds.

20 Before the establishment of any petty cash fund, the agency
21 shall submit to the State Comptroller a survey of the need for
22 the fund. The survey shall also establish that sufficient
23 internal accounting controls exist. The Comptroller shall
24 investigate such need and if he determines that it exists and

1 that adequate accounting controls exist, shall approve the
2 establishment of the fund. The Comptroller shall have the power
3 to revoke any approval previously made under this Section.

4 Petty cash funds established under this Section shall be
5 operated and maintained on the imprest system and no fund shall
6 exceed \$1,000, except that the Department of Revenue may
7 maintain a fund not exceeding \$2,000 for each Department of
8 Revenue facility and the Secretary of State may maintain a fund
9 of not exceeding \$2,000 for each Chicago Motor Vehicle
10 Facility, each Springfield Public Service Facility, and the
11 Motor Vehicle Facilities in Champaign, Decatur, Marion,
12 Naperville, Peoria, Rockford, Granite City, Quincy, and
13 Carbondale, to be used solely for the purpose of making change.
14 Except for purchases made by procurement card as provided in
15 subsection (b) of this Section, single transactions shall be
16 limited to amounts less than \$50, and all transactions
17 occurring in the fund shall be reported and accounted for as
18 may be provided in the uniform accounting system developed by
19 the State Comptroller and the rules and regulations
20 implementing that accounting system. All amounts in any such
21 fund of less than \$1,000 but over \$100 shall be kept in a
22 checking account in a bank, or savings and loan association or
23 trust company which is insured by the United States government
24 or any agency of the United States government, except that in
25 funds maintained in each Department of Revenue Facility,
26 Chicago Motor Vehicle Facilities, each Springfield Public

1 Service Facility, and the Motor Vehicle Facilities in
2 Champaign, Decatur, Marion, Naperville, Peoria, Rockford,
3 Granite City, Quincy, and Carbondale, all amounts in the fund
4 may be retained on the premises of such facilities.

5 No bank or savings and loan association shall receive
6 public funds as permitted by this Section, unless it has
7 complied with the requirements established pursuant to Section
8 6 of "An Act relating to certain investments of public funds by
9 public agencies", approved July 23, 1943, as now or hereafter
10 amended.

11 An internal audit shall be performed of any petty cash fund
12 which receives reimbursements of more than \$5,000 in a fiscal
13 year.

14 Upon succession in the custodianship of any petty cash
15 fund, both the former and successor custodians shall sign a
16 statement, in triplicate, showing the exact status of the fund
17 at the time of the transfer. The original copy shall be kept on
18 file in the office wherein the fund exists, and each signer
19 shall be entitled to retain one copy.

20 (b) The Comptroller may provide by rule for the use of
21 purchasing cards by State agencies to pay for purchases that
22 otherwise may be paid out of the agency's petty cash fund. Any
23 rule adopted hereunder shall impose a single transaction limit,
24 which shall not be greater than \$500.

25 The rules of the Comptroller may include but shall not be
26 limited to:

1 (1) standards for the issuance of purchasing cards to
2 State agencies based upon the best interests of the State;

3 (2) procedures for recording purchasing card
4 transactions within the State accounting system, which may
5 provide for summary reporting;

6 (3) procedures for auditing purchasing card
7 transactions on a post-payment basis;

8 (4) standards for awarding contracts with a purchasing
9 card vendor to acquire purchasing cards for use by State
10 agencies; and

11 (5) procedures for the Comptroller to charge against
12 State agency appropriations for payment of purchasing card
13 expenditures without the use of the voucher and warrant
14 system.

15 (c) As used in this Section, "State agency" means any
16 department, officer, authority, public corporation,
17 quasi-public corporation, commission, board, institution,
18 State college or university, or other public agency created by
19 the State, other than units of local government and school
20 districts.

21 (Source: P.A. 90-33, eff. 6-27-97; 91-704, eff. 7-1-00.)

22 Section 20. The Illinois Income Tax Act is amended by
23 changing Sections 303, 304, 701, 710, and 905 as follows:

24 (35 ILCS 5/303) (from Ch. 120, par. 3-303)

1 Sec. 303. (a) In general. Any item of capital gain or loss,
2 and any item of income from rents or royalties from real or
3 tangible personal property, interest, dividends, and patent or
4 copyright royalties, and prizes awarded under the Illinois
5 Lottery Law, to the extent such item constitutes nonbusiness
6 income, together with any item of deduction directly allocable
7 thereto, shall be allocated by any person other than a resident
8 as provided in this Section.

9 (b) Capital gains and losses.

10 (1) Real property. Capital gains and losses from sales
11 or exchanges of real property are allocable to this State
12 if the property is located in this State.

13 (2) Tangible personal property. Capital gains and
14 losses from sales or exchanges of tangible personal
15 property are allocable to this State if, at the time of
16 such sale or exchange:

17 (A) The property had its situs in this State; or

18 (B) The taxpayer had its commercial domicile in
19 this State and was not taxable in the state in which
20 the property had its situs.

21 (3) Intangibles. Capital gains and losses from sales or
22 exchanges of intangible personal property are allocable to
23 this State if the taxpayer had its commercial domicile in
24 this State at the time of such sale or exchange.

25 (c) Rents and royalties.

26 (1) Real property. Rents and royalties from real

1 property are allocable to this State if the property is
2 located in this State.

3 (2) Tangible personal property. Rents and royalties
4 from tangible personal property are allocable to this
5 State:

6 (A) If and to the extent that the property is
7 utilized in this State; or

8 (B) In their entirety if, at the time such rents or
9 royalties were paid or accrued, the taxpayer had its
10 commercial domicile in this State and was not organized
11 under the laws of or taxable with respect to such rents
12 or royalties in the state in which the property was
13 utilized. The extent of utilization of tangible
14 personal property in a state is determined by
15 multiplying the rents or royalties derived from such
16 property by a fraction, the numerator of which is the
17 number of days of physical location of the property in
18 the state during the rental or royalty period in the
19 taxable year and the denominator of which is the number
20 of days of physical location of the property everywhere
21 during all rental or royalty periods in the taxable
22 year. If the physical location of the property during
23 the rental or royalty period is unknown or
24 unascertainable by the taxpayer, tangible personal
25 property is utilized in the state in which the property
26 was located at the time the rental or royalty payer

1 obtained possession.

2 (d) Patent and copyright royalties.

3 (1) Allocation. Patent and copyright royalties are
4 allocable to this State:

5 (A) If and to the extent that the patent or
6 copyright is utilized by the payer in this State; or

7 (B) If and to the extent that the patent or
8 copyright is utilized by the payer in a state in which
9 the taxpayer is not taxable with respect to such
10 royalties and, at the time such royalties were paid or
11 accrued, the taxpayer had its commercial domicile in
12 this State.

13 (2) Utilization.

14 (A) A patent is utilized in a state to the extent
15 that it is employed in production, fabrication,
16 manufacturing or other processing in the state or to
17 the extent that a patented product is produced in the
18 state. If the basis of receipts from patent royalties
19 does not permit allocation to states or if the
20 accounting procedures do not reflect states of
21 utilization, the patent is utilized in this State if
22 the taxpayer has its commercial domicile in this State.

23 (B) A copyright is utilized in a state to the
24 extent that printing or other publication originates
25 in the state. If the basis of receipts from copyright
26 royalties does not permit allocation to states or if

1 the accounting procedures do not reflect states of
2 utilization, the copyright is utilized in this State if
3 the taxpayer has its commercial domicile in this State.

4 (e) Illinois lottery prizes. Prizes awarded under the
5 Illinois Lottery Law ~~"Illinois Lottery Law", approved December~~
6 ~~14, 1973,~~ are allocable to this State. Payments received in
7 taxable years ending on or after December 31, 2013, from the
8 assignment of a prize under Section 13.1 of the Illinois
9 Lottery Law are allocable to this State.

10 (e-5) Unemployment benefits. Unemployment benefits paid by
11 the Illinois Department of Employment Security are allocable to
12 this State.

13 (f) Taxability in other state. For purposes of allocation
14 of income pursuant to this Section, a taxpayer is taxable in
15 another state if:

16 (1) In that state he is subject to a net income tax, a
17 franchise tax measured by net income, a franchise tax for
18 the privilege of doing business, or a corporate stock tax;
19 or

20 (2) That state has jurisdiction to subject the taxpayer
21 to a net income tax regardless of whether, in fact, the
22 state does or does not.

23 (g) Cross references.

24 (1) For allocation of interest and dividends by persons
25 other than residents, see Section 301(c)(2).

26 (2) For allocation of nonbusiness income by residents,

1 see Section 301(a).

2 (Source: P.A. 97-709, eff. 7-1-12.)

3 (35 ILCS 5/304) (from Ch. 120, par. 3-304)

4 Sec. 304. Business income of persons other than residents.

5 (a) In general. The business income of a person other than
6 a resident shall be allocated to this State if such person's
7 business income is derived solely from this State. If a person
8 other than a resident derives business income from this State
9 and one or more other states, then, for tax years ending on or
10 before December 30, 1998, and except as otherwise provided by
11 this Section, such person's business income shall be
12 apportioned to this State by multiplying the income by a
13 fraction, the numerator of which is the sum of the property
14 factor (if any), the payroll factor (if any) and 200% of the
15 sales factor (if any), and the denominator of which is 4
16 reduced by the number of factors other than the sales factor
17 which have a denominator of zero and by an additional 2 if the
18 sales factor has a denominator of zero. For tax years ending on
19 or after December 31, 1998, and except as otherwise provided by
20 this Section, persons other than residents who derive business
21 income from this State and one or more other states shall
22 compute their apportionment factor by weighting their
23 property, payroll, and sales factors as provided in subsection
24 (h) of this Section.

25 (1) Property factor.

1 (A) The property factor is a fraction, the numerator of
2 which is the average value of the person's real and
3 tangible personal property owned or rented and used in the
4 trade or business in this State during the taxable year and
5 the denominator of which is the average value of all the
6 person's real and tangible personal property owned or
7 rented and used in the trade or business during the taxable
8 year.

9 (B) Property owned by the person is valued at its
10 original cost. Property rented by the person is valued at 8
11 times the net annual rental rate. Net annual rental rate is
12 the annual rental rate paid by the person less any annual
13 rental rate received by the person from sub-rentals.

14 (C) The average value of property shall be determined
15 by averaging the values at the beginning and ending of the
16 taxable year but the Director may require the averaging of
17 monthly values during the taxable year if reasonably
18 required to reflect properly the average value of the
19 person's property.

20 (2) Payroll factor.

21 (A) The payroll factor is a fraction, the numerator of
22 which is the total amount paid in this State during the
23 taxable year by the person for compensation, and the
24 denominator of which is the total compensation paid
25 everywhere during the taxable year.

26 (B) Compensation is paid in this State if:

1 (i) The individual's service is performed entirely
2 within this State;

3 (ii) The individual's service is performed both
4 within and without this State, but the service
5 performed without this State is incidental to the
6 individual's service performed within this State; or

7 (iii) Some of the service is performed within this
8 State and either the base of operations, or if there is
9 no base of operations, the place from which the service
10 is directed or controlled is within this State, or the
11 base of operations or the place from which the service
12 is directed or controlled is not in any state in which
13 some part of the service is performed, but the
14 individual's residence is in this State.

15 (iv) Compensation paid to nonresident professional
16 athletes.

17 (a) General. The Illinois source income of a
18 nonresident individual who is a member of a
19 professional athletic team includes the portion of the
20 individual's total compensation for services performed
21 as a member of a professional athletic team during the
22 taxable year which the number of duty days spent within
23 this State performing services for the team in any
24 manner during the taxable year bears to the total
25 number of duty days spent both within and without this
26 State during the taxable year.

1 (b) Travel days. Travel days that do not involve
2 either a game, practice, team meeting, or other similar
3 team event are not considered duty days spent in this
4 State. However, such travel days are considered in the
5 total duty days spent both within and without this
6 State.

7 (c) Definitions. For purposes of this subpart
8 (iv):

9 (1) The term "professional athletic team"
10 includes, but is not limited to, any professional
11 baseball, basketball, football, soccer, or hockey
12 team.

13 (2) The term "member of a professional
14 athletic team" includes those employees who are
15 active players, players on the disabled list, and
16 any other persons required to travel and who travel
17 with and perform services on behalf of a
18 professional athletic team on a regular basis.
19 This includes, but is not limited to, coaches,
20 managers, and trainers.

21 (3) Except as provided in items (C) and (D) of
22 this subpart (3), the term "duty days" means all
23 days during the taxable year from the beginning of
24 the professional athletic team's official
25 pre-season training period through the last game
26 in which the team competes or is scheduled to

1 compete. Duty days shall be counted for the year in
2 which they occur, including where a team's
3 official pre-season training period through the
4 last game in which the team competes or is
5 scheduled to compete, occurs during more than one
6 tax year.

7 (A) Duty days shall also include days on
8 which a member of a professional athletic team
9 performs service for a team on a date that does
10 not fall within the foregoing period (e.g.,
11 participation in instructional leagues, the
12 "All Star Game", or promotional "caravans").
13 Performing a service for a professional
14 athletic team includes conducting training and
15 rehabilitation activities, when such
16 activities are conducted at team facilities.

17 (B) Also included in duty days are game
18 days, practice days, days spent at team
19 meetings, promotional caravans, preseason
20 training camps, and days served with the team
21 through all post-season games in which the team
22 competes or is scheduled to compete.

23 (C) Duty days for any person who joins a
24 team during the period from the beginning of
25 the professional athletic team's official
26 pre-season training period through the last

1 game in which the team competes, or is
2 scheduled to compete, shall begin on the day
3 that person joins the team. Conversely, duty
4 days for any person who leaves a team during
5 this period shall end on the day that person
6 leaves the team. Where a person switches teams
7 during a taxable year, a separate duty-day
8 calculation shall be made for the period the
9 person was with each team.

10 (D) Days for which a member of a
11 professional athletic team is not compensated
12 and is not performing services for the team in
13 any manner, including days when such member of
14 a professional athletic team has been
15 suspended without pay and prohibited from
16 performing any services for the team, shall not
17 be treated as duty days.

18 (E) Days for which a member of a
19 professional athletic team is on the disabled
20 list and does not conduct rehabilitation
21 activities at facilities of the team, and is
22 not otherwise performing services for the team
23 in Illinois, shall not be considered duty days
24 spent in this State. All days on the disabled
25 list, however, are considered to be included in
26 total duty days spent both within and without

1 this State.

2 (4) The term "total compensation for services
3 performed as a member of a professional athletic
4 team" means the total compensation received during
5 the taxable year for services performed:

6 (A) from the beginning of the official
7 pre-season training period through the last
8 game in which the team competes or is scheduled
9 to compete during that taxable year; and

10 (B) during the taxable year on a date which
11 does not fall within the foregoing period
12 (e.g., participation in instructional leagues,
13 the "All Star Game", or promotional caravans).

14 This compensation shall include, but is not
15 limited to, salaries, wages, bonuses as described
16 in this subpart, and any other type of compensation
17 paid during the taxable year to a member of a
18 professional athletic team for services performed
19 in that year. This compensation does not include
20 strike benefits, severance pay, termination pay,
21 contract or option year buy-out payments,
22 expansion or relocation payments, or any other
23 payments not related to services performed for the
24 team.

25 For purposes of this subparagraph, "bonuses"
26 included in "total compensation for services

1 performed as a member of a professional athletic
2 team" subject to the allocation described in
3 Section 302(c)(1) are: bonuses earned as a result
4 of play (i.e., performance bonuses) during the
5 season, including bonuses paid for championship,
6 playoff or "bowl" games played by a team, or for
7 selection to all-star league or other honorary
8 positions; and bonuses paid for signing a
9 contract, unless the payment of the signing bonus
10 is not conditional upon the signee playing any
11 games for the team or performing any subsequent
12 services for the team or even making the team, the
13 signing bonus is payable separately from the
14 salary and any other compensation, and the signing
15 bonus is nonrefundable.

16 (3) Sales factor.

17 (A) The sales factor is a fraction, the numerator of
18 which is the total sales of the person in this State during
19 the taxable year, and the denominator of which is the total
20 sales of the person everywhere during the taxable year.

21 (B) Sales of tangible personal property are in this
22 State if:

23 (i) The property is delivered or shipped to a
24 purchaser, other than the United States government,
25 within this State regardless of the f. o. b. point or
26 other conditions of the sale; or

1 (ii) The property is shipped from an office, store,
2 warehouse, factory or other place of storage in this
3 State and either the purchaser is the United States
4 government or the person is not taxable in the state of
5 the purchaser; provided, however, that premises owned
6 or leased by a person who has independently contracted
7 with the seller for the printing of newspapers,
8 periodicals or books shall not be deemed to be an
9 office, store, warehouse, factory or other place of
10 storage for purposes of this Section. Sales of tangible
11 personal property are not in this State if the seller
12 and purchaser would be members of the same unitary
13 business group but for the fact that either the seller
14 or purchaser is a person with 80% or more of total
15 business activity outside of the United States and the
16 property is purchased for resale.

17 (B-1) Patents, copyrights, trademarks, and similar
18 items of intangible personal property.

19 (i) Gross receipts from the licensing, sale, or
20 other disposition of a patent, copyright, trademark,
21 or similar item of intangible personal property, other
22 than gross receipts governed by paragraph (B-7) of this
23 item (3), are in this State to the extent the item is
24 utilized in this State during the year the gross
25 receipts are included in gross income.

26 (ii) Place of utilization.

1 (I) A patent is utilized in a state to the
2 extent that it is employed in production,
3 fabrication, manufacturing, or other processing in
4 the state or to the extent that a patented product
5 is produced in the state. If a patent is utilized
6 in more than one state, the extent to which it is
7 utilized in any one state shall be a fraction equal
8 to the gross receipts of the licensee or purchaser
9 from sales or leases of items produced,
10 fabricated, manufactured, or processed within that
11 state using the patent and of patented items
12 produced within that state, divided by the total of
13 such gross receipts for all states in which the
14 patent is utilized.

15 (II) A copyright is utilized in a state to the
16 extent that printing or other publication
17 originates in the state. If a copyright is utilized
18 in more than one state, the extent to which it is
19 utilized in any one state shall be a fraction equal
20 to the gross receipts from sales or licenses of
21 materials printed or published in that state
22 divided by the total of such gross receipts for all
23 states in which the copyright is utilized.

24 (III) Trademarks and other items of intangible
25 personal property governed by this paragraph (B-1)
26 are utilized in the state in which the commercial

1 domicile of the licensee or purchaser is located.

2 (iii) If the state of utilization of an item of
3 property governed by this paragraph (B-1) cannot be
4 determined from the taxpayer's books and records or
5 from the books and records of any person related to the
6 taxpayer within the meaning of Section 267(b) of the
7 Internal Revenue Code, 26 U.S.C. 267, the gross
8 receipts attributable to that item shall be excluded
9 from both the numerator and the denominator of the
10 sales factor.

11 (B-2) Gross receipts from the license, sale, or other
12 disposition of patents, copyrights, trademarks, and
13 similar items of intangible personal property, other than
14 gross receipts governed by paragraph (B-7) of this item
15 (3), may be included in the numerator or denominator of the
16 sales factor only if gross receipts from licenses, sales,
17 or other disposition of such items comprise more than 50%
18 of the taxpayer's total gross receipts included in gross
19 income during the tax year and during each of the 2
20 immediately preceding tax years; provided that, when a
21 taxpayer is a member of a unitary business group, such
22 determination shall be made on the basis of the gross
23 receipts of the entire unitary business group.

24 (B-5) For taxable years ending on or after December 31,
25 2008, except as provided in subsections (ii) through (vii),
26 receipts from the sale of telecommunications service or

1 mobile telecommunications service are in this State if the
2 customer's service address is in this State.

3 (i) For purposes of this subparagraph (B-5), the
4 following terms have the following meanings:

5 "Ancillary services" means services that are
6 associated with or incidental to the provision of
7 "telecommunications services", including but not
8 limited to "detailed telecommunications billing",
9 "directory assistance", "vertical service", and "voice
10 mail services".

11 "Air-to-Ground Radiotelephone service" means a
12 radio service, as that term is defined in 47 CFR 22.99,
13 in which common carriers are authorized to offer and
14 provide radio telecommunications service for hire to
15 subscribers in aircraft.

16 "Call-by-call Basis" means any method of charging
17 for telecommunications services where the price is
18 measured by individual calls.

19 "Communications Channel" means a physical or
20 virtual path of communications over which signals are
21 transmitted between or among customer channel
22 termination points.

23 "Conference bridging service" means an "ancillary
24 service" that links two or more participants of an
25 audio or video conference call and may include the
26 provision of a telephone number. "Conference bridging

1 service" does not include the "telecommunications
2 services" used to reach the conference bridge.

3 "Customer Channel Termination Point" means the
4 location where the customer either inputs or receives
5 the communications.

6 "Detailed telecommunications billing service"
7 means an "ancillary service" of separately stating
8 information pertaining to individual calls on a
9 customer's billing statement.

10 "Directory assistance" means an "ancillary
11 service" of providing telephone number information,
12 and/or address information.

13 "Home service provider" means the facilities based
14 carrier or reseller with which the customer contracts
15 for the provision of mobile telecommunications
16 services.

17 "Mobile telecommunications service" means
18 commercial mobile radio service, as defined in Section
19 20.3 of Title 47 of the Code of Federal Regulations as
20 in effect on June 1, 1999.

21 "Place of primary use" means the street address
22 representative of where the customer's use of the
23 telecommunications service primarily occurs, which
24 must be the residential street address or the primary
25 business street address of the customer. In the case of
26 mobile telecommunications services, "place of primary

1 use" must be within the licensed service area of the
2 home service provider.

3 "Post-paid telecommunication service" means the
4 telecommunications service obtained by making a
5 payment on a call-by-call basis either through the use
6 of a credit card or payment mechanism such as a bank
7 card, travel card, credit card, or debit card, or by
8 charge made to a telephone number which is not
9 associated with the origination or termination of the
10 telecommunications service. A post-paid calling
11 service includes telecommunications service, except a
12 prepaid wireless calling service, that would be a
13 prepaid calling service except it is not exclusively a
14 telecommunication service.

15 "Prepaid telecommunication service" means the
16 right to access exclusively telecommunications
17 services, which must be paid for in advance and which
18 enables the origination of calls using an access number
19 or authorization code, whether manually or
20 electronically dialed, and that is sold in
21 predetermined units or dollars of which the number
22 declines with use in a known amount.

23 "Prepaid Mobile telecommunication service" means a
24 telecommunications service that provides the right to
25 utilize mobile wireless service as well as other
26 non-telecommunication services, including but not

1 limited to ancillary services, which must be paid for
2 in advance that is sold in predetermined units or
3 dollars of which the number declines with use in a
4 known amount.

5 "Private communication service" means a
6 telecommunication service that entitles the customer
7 to exclusive or priority use of a communications
8 channel or group of channels between or among
9 termination points, regardless of the manner in which
10 such channel or channels are connected, and includes
11 switching capacity, extension lines, stations, and any
12 other associated services that are provided in
13 connection with the use of such channel or channels.

14 "Service address" means:

15 (a) The location of the telecommunications
16 equipment to which a customer's call is charged and
17 from which the call originates or terminates,
18 regardless of where the call is billed or paid;

19 (b) If the location in line (a) is not known,
20 service address means the origination point of the
21 signal of the telecommunications services first
22 identified by either the seller's
23 telecommunications system or in information
24 received by the seller from its service provider
25 where the system used to transport such signals is
26 not that of the seller; and

1 (c) If the locations in line (a) and line (b)
2 are not known, the service address means the
3 location of the customer's place of primary use.

4 "Telecommunications service" means the electronic
5 transmission, conveyance, or routing of voice, data,
6 audio, video, or any other information or signals to a
7 point, or between or among points. The term
8 "telecommunications service" includes such
9 transmission, conveyance, or routing in which computer
10 processing applications are used to act on the form,
11 code or protocol of the content for purposes of
12 transmission, conveyance or routing without regard to
13 whether such service is referred to as voice over
14 Internet protocol services or is classified by the
15 Federal Communications Commission as enhanced or value
16 added. "Telecommunications service" does not include:

17 (a) Data processing and information services
18 that allow data to be generated, acquired, stored,
19 processed, or retrieved and delivered by an
20 electronic transmission to a purchaser when such
21 purchaser's primary purpose for the underlying
22 transaction is the processed data or information;

23 (b) Installation or maintenance of wiring or
24 equipment on a customer's premises;

25 (c) Tangible personal property;

26 (d) Advertising, including but not limited to

1 directory advertising.

2 (e) Billing and collection services provided
3 to third parties;

4 (f) Internet access service;

5 (g) Radio and television audio and video
6 programming services, regardless of the medium,
7 including the furnishing of transmission,
8 conveyance and routing of such services by the
9 programming service provider. Radio and television
10 audio and video programming services shall include
11 but not be limited to cable service as defined in
12 47 USC 522(6) and audio and video programming
13 services delivered by commercial mobile radio
14 service providers, as defined in 47 CFR 20.3;

15 (h) "Ancillary services"; or

16 (i) Digital products "delivered
17 electronically", including but not limited to
18 software, music, video, reading materials or ring
19 tones.

20 "Vertical service" means an "ancillary service"
21 that is offered in connection with one or more
22 "telecommunications services", which offers advanced
23 calling features that allow customers to identify
24 callers and to manage multiple calls and call
25 connections, including "conference bridging services".

26 "Voice mail service" means an "ancillary service"

1 that enables the customer to store, send or receive
2 recorded messages. "Voice mail service" does not
3 include any "vertical services" that the customer may
4 be required to have in order to utilize the "voice mail
5 service".

6 (ii) Receipts from the sale of telecommunications
7 service sold on an individual call-by-call basis are in
8 this State if either of the following applies:

9 (a) The call both originates and terminates in
10 this State.

11 (b) The call either originates or terminates
12 in this State and the service address is located in
13 this State.

14 (iii) Receipts from the sale of postpaid
15 telecommunications service at retail are in this State
16 if the origination point of the telecommunication
17 signal, as first identified by the service provider's
18 telecommunication system or as identified by
19 information received by the seller from its service
20 provider if the system used to transport
21 telecommunication signals is not the seller's, is
22 located in this State.

23 (iv) Receipts from the sale of prepaid
24 telecommunications service or prepaid mobile
25 telecommunications service at retail are in this State
26 if the purchaser obtains the prepaid card or similar

1 means of conveyance at a location in this State.
2 Receipts from recharging a prepaid telecommunications
3 service or mobile telecommunications service is in
4 this State if the purchaser's billing information
5 indicates a location in this State.

6 (v) Receipts from the sale of private
7 communication services are in this State as follows:

8 (a) 100% of receipts from charges imposed at
9 each channel termination point in this State.

10 (b) 100% of receipts from charges for the total
11 channel mileage between each channel termination
12 point in this State.

13 (c) 50% of the total receipts from charges for
14 service segments when those segments are between 2
15 customer channel termination points, 1 of which is
16 located in this State and the other is located
17 outside of this State, which segments are
18 separately charged.

19 (d) The receipts from charges for service
20 segments with a channel termination point located
21 in this State and in two or more other states, and
22 which segments are not separately billed, are in
23 this State based on a percentage determined by
24 dividing the number of customer channel
25 termination points in this State by the total
26 number of customer channel termination points.

1 (vi) Receipts from charges for ancillary services
2 for telecommunications service sold to customers at
3 retail are in this State if the customer's primary
4 place of use of telecommunications services associated
5 with those ancillary services is in this State. If the
6 seller of those ancillary services cannot determine
7 where the associated telecommunications are located,
8 then the ancillary services shall be based on the
9 location of the purchaser.

10 (vii) Receipts to access a carrier's network or
11 from the sale of telecommunication services or
12 ancillary services for resale are in this State as
13 follows:

14 (a) 100% of the receipts from access fees
15 attributable to intrastate telecommunications
16 service that both originates and terminates in
17 this State.

18 (b) 50% of the receipts from access fees
19 attributable to interstate telecommunications
20 service if the interstate call either originates
21 or terminates in this State.

22 (c) 100% of the receipts from interstate end
23 user access line charges, if the customer's
24 service address is in this State. As used in this
25 subdivision, "interstate end user access line
26 charges" includes, but is not limited to, the

1 surcharge approved by the federal communications
2 commission and levied pursuant to 47 CFR 69.

3 (d) Gross receipts from sales of
4 telecommunication services or from ancillary
5 services for telecommunications services sold to
6 other telecommunication service providers for
7 resale shall be sourced to this State using the
8 apportionment concepts used for non-resale
9 receipts of telecommunications services if the
10 information is readily available to make that
11 determination. If the information is not readily
12 available, then the taxpayer may use any other
13 reasonable and consistent method.

14 (B-7) For taxable years ending on or after December 31,
15 2008, receipts from the sale of broadcasting services are
16 in this State if the broadcasting services are received in
17 this State. For purposes of this paragraph (B-7), the
18 following terms have the following meanings:

19 "Advertising revenue" means consideration received
20 by the taxpayer in exchange for broadcasting services
21 or allowing the broadcasting of commercials or
22 announcements in connection with the broadcasting of
23 film or radio programming, from sponsorships of the
24 programming, or from product placements in the
25 programming.

26 "Audience factor" means the ratio that the

1 audience or subscribers located in this State of a
2 station, a network, or a cable system bears to the
3 total audience or total subscribers for that station,
4 network, or cable system. The audience factor for film
5 or radio programming shall be determined by reference
6 to the books and records of the taxpayer or by
7 reference to published rating statistics provided the
8 method used by the taxpayer is consistently used from
9 year to year for this purpose and fairly represents the
10 taxpayer's activity in this State.

11 "Broadcast" or "broadcasting" or "broadcasting
12 services" means the transmission or provision of film
13 or radio programming, whether through the public
14 airwaves, by cable, by direct or indirect satellite
15 transmission, or by any other means of communication,
16 either through a station, a network, or a cable system.

17 "Film" or "film programming" means the broadcast
18 on television of any and all performances, events, or
19 productions, including but not limited to news,
20 sporting events, plays, stories, or other literary,
21 commercial, educational, or artistic works, either
22 live or through the use of video tape, disc, or any
23 other type of format or medium. Each episode of a
24 series of films produced for television shall
25 constitute separate "film" notwithstanding that the
26 series relates to the same principal subject and is

1 produced during one or more tax periods.

2 "Radio" or "radio programming" means the broadcast
3 on radio of any and all performances, events, or
4 productions, including but not limited to news,
5 sporting events, plays, stories, or other literary,
6 commercial, educational, or artistic works, either
7 live or through the use of an audio tape, disc, or any
8 other format or medium. Each episode in a series of
9 radio programming produced for radio broadcast shall
10 constitute a separate "radio programming"
11 notwithstanding that the series relates to the same
12 principal subject and is produced during one or more
13 tax periods.

14 (i) In the case of advertising revenue from
15 broadcasting, the customer is the advertiser and
16 the service is received in this State if the
17 commercial domicile of the advertiser is in this
18 State.

19 (ii) In the case where film or radio
20 programming is broadcast by a station, a network,
21 or a cable system for a fee or other remuneration
22 received from the recipient of the broadcast, the
23 portion of the service that is received in this
24 State is measured by the portion of the recipients
25 of the broadcast located in this State.
26 Accordingly, the fee or other remuneration for

1 such service that is included in the Illinois
2 numerator of the sales factor is the total of those
3 fees or other remuneration received from
4 recipients in Illinois. For purposes of this
5 paragraph, a taxpayer may determine the location
6 of the recipients of its broadcast using the
7 address of the recipient shown in its contracts
8 with the recipient or using the billing address of
9 the recipient in the taxpayer's records.

10 (iii) In the case where film or radio
11 programming is broadcast by a station, a network,
12 or a cable system for a fee or other remuneration
13 from the person providing the programming, the
14 portion of the broadcast service that is received
15 by such station, network, or cable system in this
16 State is measured by the portion of recipients of
17 the broadcast located in this State. Accordingly,
18 the amount of revenue related to such an
19 arrangement that is included in the Illinois
20 numerator of the sales factor is the total fee or
21 other total remuneration from the person providing
22 the programming related to that broadcast
23 multiplied by the Illinois audience factor for
24 that broadcast.

25 (iv) In the case where film or radio
26 programming is provided by a taxpayer that is a

1 network or station to a customer for broadcast in
2 exchange for a fee or other remuneration from that
3 customer the broadcasting service is received at
4 the location of the office of the customer from
5 which the services were ordered in the regular
6 course of the customer's trade or business.
7 Accordingly, in such a case the revenue derived by
8 the taxpayer that is included in the taxpayer's
9 Illinois numerator of the sales factor is the
10 revenue from such customers who receive the
11 broadcasting service in Illinois.

12 (v) In the case where film or radio programming
13 is provided by a taxpayer that is not a network or
14 station to another person for broadcasting in
15 exchange for a fee or other remuneration from that
16 person, the broadcasting service is received at
17 the location of the office of the customer from
18 which the services were ordered in the regular
19 course of the customer's trade or business.
20 Accordingly, in such a case the revenue derived by
21 the taxpayer that is included in the taxpayer's
22 Illinois numerator of the sales factor is the
23 revenue from such customers who receive the
24 broadcasting service in Illinois.

25 (B-8) Gross receipts from winnings under the Illinois
26 Lottery Law from the assignment of a prize under Section

1 13-1 of the Illinois Lottery Law are received in this
2 State. This paragraph (B-8) applies only to taxable years
3 ending on or after December 31, 2013.

4 (C) For taxable years ending before December 31, 2008,
5 sales, other than sales governed by paragraphs (B), (B-1),
6 ~~and~~ (B-2), and (B-8) are in this State if:

7 (i) The income-producing activity is performed in
8 this State; or

9 (ii) The income-producing activity is performed
10 both within and without this State and a greater
11 proportion of the income-producing activity is
12 performed within this State than without this State,
13 based on performance costs.

14 (C-5) For taxable years ending on or after December 31,
15 2008, sales, other than sales governed by paragraphs (B),
16 (B-1), (B-2), (B-5), and (B-7), are in this State if any of
17 the following criteria are met:

18 (i) Sales from the sale or lease of real property
19 are in this State if the property is located in this
20 State.

21 (ii) Sales from the lease or rental of tangible
22 personal property are in this State if the property is
23 located in this State during the rental period. Sales
24 from the lease or rental of tangible personal property
25 that is characteristically moving property, including,
26 but not limited to, motor vehicles, rolling stock,

1 aircraft, vessels, or mobile equipment are in this
2 State to the extent that the property is used in this
3 State.

4 (iii) In the case of interest, net gains (but not
5 less than zero) and other items of income from
6 intangible personal property, the sale is in this State
7 if:

8 (a) in the case of a taxpayer who is a dealer
9 in the item of intangible personal property within
10 the meaning of Section 475 of the Internal Revenue
11 Code, the income or gain is received from a
12 customer in this State. For purposes of this
13 subparagraph, a customer is in this State if the
14 customer is an individual, trust or estate who is a
15 resident of this State and, for all other
16 customers, if the customer's commercial domicile
17 is in this State. Unless the dealer has actual
18 knowledge of the residence or commercial domicile
19 of a customer during a taxable year, the customer
20 shall be deemed to be a customer in this State if
21 the billing address of the customer, as shown in
22 the records of the dealer, is in this State; or

23 (b) in all other cases, if the
24 income-producing activity of the taxpayer is
25 performed in this State or, if the
26 income-producing activity of the taxpayer is

1 performed both within and without this State, if a
2 greater proportion of the income-producing
3 activity of the taxpayer is performed within this
4 State than in any other state, based on performance
5 costs.

6 (iv) Sales of services are in this State if the
7 services are received in this State. For the purposes
8 of this section, gross receipts from the performance of
9 services provided to a corporation, partnership, or
10 trust may only be attributed to a state where that
11 corporation, partnership, or trust has a fixed place of
12 business. If the state where the services are received
13 is not readily determinable or is a state where the
14 corporation, partnership, or trust receiving the
15 service does not have a fixed place of business, the
16 services shall be deemed to be received at the location
17 of the office of the customer from which the services
18 were ordered in the regular course of the customer's
19 trade or business. If the ordering office cannot be
20 determined, the services shall be deemed to be received
21 at the office of the customer to which the services are
22 billed. If the taxpayer is not taxable in the state in
23 which the services are received, the sale must be
24 excluded from both the numerator and the denominator of
25 the sales factor. The Department shall adopt rules
26 prescribing where specific types of service are

1 received, including, but not limited to, publishing,
2 and utility service.

3 (D) For taxable years ending on or after December 31,
4 1995, the following items of income shall not be included
5 in the numerator or denominator of the sales factor:
6 dividends; amounts included under Section 78 of the
7 Internal Revenue Code; and Subpart F income as defined in
8 Section 952 of the Internal Revenue Code. No inference
9 shall be drawn from the enactment of this paragraph (D) in
10 construing this Section for taxable years ending before
11 December 31, 1995.

12 (E) Paragraphs (B-1) and (B-2) shall apply to tax years
13 ending on or after December 31, 1999, provided that a
14 taxpayer may elect to apply the provisions of these
15 paragraphs to prior tax years. Such election shall be made
16 in the form and manner prescribed by the Department, shall
17 be irrevocable, and shall apply to all tax years; provided
18 that, if a taxpayer's Illinois income tax liability for any
19 tax year, as assessed under Section 903 prior to January 1,
20 1999, was computed in a manner contrary to the provisions
21 of paragraphs (B-1) or (B-2), no refund shall be payable to
22 the taxpayer for that tax year to the extent such refund is
23 the result of applying the provisions of paragraph (B-1) or
24 (B-2) retroactively. In the case of a unitary business
25 group, such election shall apply to all members of such
26 group for every tax year such group is in existence, but

1 shall not apply to any taxpayer for any period during which
2 that taxpayer is not a member of such group.

3 (b) Insurance companies.

4 (1) In general. Except as otherwise provided by
5 paragraph (2), business income of an insurance company for
6 a taxable year shall be apportioned to this State by
7 multiplying such income by a fraction, the numerator of
8 which is the direct premiums written for insurance upon
9 property or risk in this State, and the denominator of
10 which is the direct premiums written for insurance upon
11 property or risk everywhere. For purposes of this
12 subsection, the term "direct premiums written" means the
13 total amount of direct premiums written, assessments and
14 annuity considerations as reported for the taxable year on
15 the annual statement filed by the company with the Illinois
16 Director of Insurance in the form approved by the National
17 Convention of Insurance Commissioners or such other form as
18 may be prescribed in lieu thereof.

19 (2) Reinsurance. If the principal source of premiums
20 written by an insurance company consists of premiums for
21 reinsurance accepted by it, the business income of such
22 company shall be apportioned to this State by multiplying
23 such income by a fraction, the numerator of which is the
24 sum of (i) direct premiums written for insurance upon
25 property or risk in this State, plus (ii) premiums written
26 for reinsurance accepted in respect of property or risk in

1 this State, and the denominator of which is the sum of
2 (iii) direct premiums written for insurance upon property
3 or risk everywhere, plus (iv) premiums written for
4 reinsurance accepted in respect of property or risk
5 everywhere. For purposes of this paragraph, premiums
6 written for reinsurance accepted in respect of property or
7 risk in this State, whether or not otherwise determinable,
8 may, at the election of the company, be determined on the
9 basis of the proportion which premiums written for
10 reinsurance accepted from companies commercially domiciled
11 in Illinois bears to premiums written for reinsurance
12 accepted from all sources, or, alternatively, in the
13 proportion which the sum of the direct premiums written for
14 insurance upon property or risk in this State by each
15 ceding company from which reinsurance is accepted bears to
16 the sum of the total direct premiums written by each such
17 ceding company for the taxable year. The election made by a
18 company under this paragraph for its first taxable year
19 ending on or after December 31, 2011, shall be binding for
20 that company for that taxable year and for all subsequent
21 taxable years, and may be altered only with the written
22 permission of the Department, which shall not be
23 unreasonably withheld.

24 (c) Financial organizations.

25 (1) In general. For taxable years ending before
26 December 31, 2008, business income of a financial

1 organization shall be apportioned to this State by
2 multiplying such income by a fraction, the numerator of
3 which is its business income from sources within this
4 State, and the denominator of which is its business income
5 from all sources. For the purposes of this subsection, the
6 business income of a financial organization from sources
7 within this State is the sum of the amounts referred to in
8 subparagraphs (A) through (E) following, but excluding the
9 adjusted income of an international banking facility as
10 determined in paragraph (2):

11 (A) Fees, commissions or other compensation for
12 financial services rendered within this State;

13 (B) Gross profits from trading in stocks, bonds or
14 other securities managed within this State;

15 (C) Dividends, and interest from Illinois
16 customers, which are received within this State;

17 (D) Interest charged to customers at places of
18 business maintained within this State for carrying
19 debit balances of margin accounts, without deduction
20 of any costs incurred in carrying such accounts; and

21 (E) Any other gross income resulting from the
22 operation as a financial organization within this
23 State. In computing the amounts referred to in
24 paragraphs (A) through (E) of this subsection, any
25 amount received by a member of an affiliated group
26 (determined under Section 1504(a) of the Internal

1 Revenue Code but without reference to whether any such
2 corporation is an "includible corporation" under
3 Section 1504(b) of the Internal Revenue Code) from
4 another member of such group shall be included only to
5 the extent such amount exceeds expenses of the
6 recipient directly related thereto.

7 (2) International Banking Facility. For taxable years
8 ending before December 31, 2008:

9 (A) Adjusted Income. The adjusted income of an
10 international banking facility is its income reduced
11 by the amount of the floor amount.

12 (B) Floor Amount. The floor amount shall be the
13 amount, if any, determined by multiplying the income of
14 the international banking facility by a fraction, not
15 greater than one, which is determined as follows:

16 (i) The numerator shall be:

17 The average aggregate, determined on a
18 quarterly basis, of the financial organization's
19 loans to banks in foreign countries, to foreign
20 domiciled borrowers (except where secured
21 primarily by real estate) and to foreign
22 governments and other foreign official
23 institutions, as reported for its branches,
24 agencies and offices within the state on its
25 "Consolidated Report of Condition", Schedule A,
26 Lines 2.c., 5.b., and 7.a., which was filed with

1 the Federal Deposit Insurance Corporation and
2 other regulatory authorities, for the year 1980,
3 minus

4 The average aggregate, determined on a
5 quarterly basis, of such loans (other than loans of
6 an international banking facility), as reported by
7 the financial institution for its branches,
8 agencies and offices within the state, on the
9 corresponding Schedule and lines of the
10 Consolidated Report of Condition for the current
11 taxable year, provided, however, that in no case
12 shall the amount determined in this clause (the
13 subtrahend) exceed the amount determined in the
14 preceding clause (the minuend); and

15 (ii) the denominator shall be the average
16 aggregate, determined on a quarterly basis, of the
17 international banking facility's loans to banks in
18 foreign countries, to foreign domiciled borrowers
19 (except where secured primarily by real estate)
20 and to foreign governments and other foreign
21 official institutions, which were recorded in its
22 financial accounts for the current taxable year.

23 (C) Change to Consolidated Report of Condition and
24 in Qualification. In the event the Consolidated Report
25 of Condition which is filed with the Federal Deposit
26 Insurance Corporation and other regulatory authorities

1 is altered so that the information required for
2 determining the floor amount is not found on Schedule
3 A, lines 2.c., 5.b. and 7.a., the financial institution
4 shall notify the Department and the Department may, by
5 regulations or otherwise, prescribe or authorize the
6 use of an alternative source for such information. The
7 financial institution shall also notify the Department
8 should its international banking facility fail to
9 qualify as such, in whole or in part, or should there
10 be any amendment or change to the Consolidated Report
11 of Condition, as originally filed, to the extent such
12 amendment or change alters the information used in
13 determining the floor amount.

14 (3) For taxable years ending on or after December 31,
15 2008, the business income of a financial organization shall
16 be apportioned to this State by multiplying such income by
17 a fraction, the numerator of which is its gross receipts
18 from sources in this State or otherwise attributable to
19 this State's marketplace and the denominator of which is
20 its gross receipts everywhere during the taxable year.
21 "Gross receipts" for purposes of this subparagraph (3)
22 means gross income, including net taxable gain on
23 disposition of assets, including securities and money
24 market instruments, when derived from transactions and
25 activities in the regular course of the financial
26 organization's trade or business. The following examples

1 are illustrative:

2 (i) Receipts from the lease or rental of real or
3 tangible personal property are in this State if the
4 property is located in this State during the rental
5 period. Receipts from the lease or rental of tangible
6 personal property that is characteristically moving
7 property, including, but not limited to, motor
8 vehicles, rolling stock, aircraft, vessels, or mobile
9 equipment are from sources in this State to the extent
10 that the property is used in this State.

11 (ii) Interest income, commissions, fees, gains on
12 disposition, and other receipts from assets in the
13 nature of loans that are secured primarily by real
14 estate or tangible personal property are from sources
15 in this State if the security is located in this State.

16 (iii) Interest income, commissions, fees, gains on
17 disposition, and other receipts from consumer loans
18 that are not secured by real or tangible personal
19 property are from sources in this State if the debtor
20 is a resident of this State.

21 (iv) Interest income, commissions, fees, gains on
22 disposition, and other receipts from commercial loans
23 and installment obligations that are not secured by
24 real or tangible personal property are from sources in
25 this State if the proceeds of the loan are to be
26 applied in this State. If it cannot be determined where

1 the funds are to be applied, the income and receipts
2 are from sources in this State if the office of the
3 borrower from which the loan was negotiated in the
4 regular course of business is located in this State. If
5 the location of this office cannot be determined, the
6 income and receipts shall be excluded from the
7 numerator and denominator of the sales factor.

8 (v) Interest income, fees, gains on disposition,
9 service charges, merchant discount income, and other
10 receipts from credit card receivables are from sources
11 in this State if the card charges are regularly billed
12 to a customer in this State.

13 (vi) Receipts from the performance of services,
14 including, but not limited to, fiduciary, advisory,
15 and brokerage services, are in this State if the
16 services are received in this State within the meaning
17 of subparagraph (a) (3) (C-5) (iv) of this Section.

18 (vii) Receipts from the issuance of travelers
19 checks and money orders are from sources in this State
20 if the checks and money orders are issued from a
21 location within this State.

22 (viii) Receipts from investment assets and
23 activities and trading assets and activities are
24 included in the receipts factor as follows:

25 (1) Interest, dividends, net gains (but not
26 less than zero) and other income from investment

1 assets and activities from trading assets and
2 activities shall be included in the receipts
3 factor. Investment assets and activities and
4 trading assets and activities include but are not
5 limited to: investment securities; trading account
6 assets; federal funds; securities purchased and
7 sold under agreements to resell or repurchase;
8 options; futures contracts; forward contracts;
9 notional principal contracts such as swaps;
10 equities; and foreign currency transactions. With
11 respect to the investment and trading assets and
12 activities described in subparagraphs (A) and (B)
13 of this paragraph, the receipts factor shall
14 include the amounts described in such
15 subparagraphs.

16 (A) The receipts factor shall include the
17 amount by which interest from federal funds
18 sold and securities purchased under resale
19 agreements exceeds interest expense on federal
20 funds purchased and securities sold under
21 repurchase agreements.

22 (B) The receipts factor shall include the
23 amount by which interest, dividends, gains and
24 other income from trading assets and
25 activities, including but not limited to
26 assets and activities in the matched book, in

1 the arbitrage book, and foreign currency
2 transactions, exceed amounts paid in lieu of
3 interest, amounts paid in lieu of dividends,
4 and losses from such assets and activities.

5 (2) The numerator of the receipts factor
6 includes interest, dividends, net gains (but not
7 less than zero), and other income from investment
8 assets and activities and from trading assets and
9 activities described in paragraph (1) of this
10 subsection that are attributable to this State.

11 (A) The amount of interest, dividends, net
12 gains (but not less than zero), and other
13 income from investment assets and activities
14 in the investment account to be attributed to
15 this State and included in the numerator is
16 determined by multiplying all such income from
17 such assets and activities by a fraction, the
18 numerator of which is the gross income from
19 such assets and activities which are properly
20 assigned to a fixed place of business of the
21 taxpayer within this State and the denominator
22 of which is the gross income from all such
23 assets and activities.

24 (B) The amount of interest from federal
25 funds sold and purchased and from securities
26 purchased under resale agreements and

1 securities sold under repurchase agreements
2 attributable to this State and included in the
3 numerator is determined by multiplying the
4 amount described in subparagraph (A) of
5 paragraph (1) of this subsection from such
6 funds and such securities by a fraction, the
7 numerator of which is the gross income from
8 such funds and such securities which are
9 properly assigned to a fixed place of business
10 of the taxpayer within this State and the
11 denominator of which is the gross income from
12 all such funds and such securities.

13 (C) The amount of interest, dividends,
14 gains, and other income from trading assets and
15 activities, including but not limited to
16 assets and activities in the matched book, in
17 the arbitrage book and foreign currency
18 transactions (but excluding amounts described
19 in subparagraphs (A) or (B) of this paragraph),
20 attributable to this State and included in the
21 numerator is determined by multiplying the
22 amount described in subparagraph (B) of
23 paragraph (1) of this subsection by a fraction,
24 the numerator of which is the gross income from
25 such trading assets and activities which are
26 properly assigned to a fixed place of business

1 of the taxpayer within this State and the
2 denominator of which is the gross income from
3 all such assets and activities.

4 (D) Properly assigned, for purposes of
5 this paragraph (2) of this subsection, means
6 the investment or trading asset or activity is
7 assigned to the fixed place of business with
8 which it has a preponderance of substantive
9 contacts. An investment or trading asset or
10 activity assigned by the taxpayer to a fixed
11 place of business without the State shall be
12 presumed to have been properly assigned if:

13 (i) the taxpayer has assigned, in the
14 regular course of its business, such asset
15 or activity on its records to a fixed place
16 of business consistent with federal or
17 state regulatory requirements;

18 (ii) such assignment on its records is
19 based upon substantive contacts of the
20 asset or activity to such fixed place of
21 business; and

22 (iii) the taxpayer uses such records
23 reflecting assignment of such assets or
24 activities for the filing of all state and
25 local tax returns for which an assignment
26 of such assets or activities to a fixed

1 place of business is required.

2 (E) The presumption of proper assignment
3 of an investment or trading asset or activity
4 provided in subparagraph (D) of paragraph (2)
5 of this subsection may be rebutted upon a
6 showing by the Department, supported by a
7 preponderance of the evidence, that the
8 preponderance of substantive contacts
9 regarding such asset or activity did not occur
10 at the fixed place of business to which it was
11 assigned on the taxpayer's records. If the
12 fixed place of business that has a
13 preponderance of substantive contacts cannot
14 be determined for an investment or trading
15 asset or activity to which the presumption in
16 subparagraph (D) of paragraph (2) of this
17 subsection does not apply or with respect to
18 which that presumption has been rebutted, that
19 asset or activity is properly assigned to the
20 state in which the taxpayer's commercial
21 domicile is located. For purposes of this
22 subparagraph (E), it shall be presumed,
23 subject to rebuttal, that taxpayer's
24 commercial domicile is in the state of the
25 United States or the District of Columbia to
26 which the greatest number of employees are

1 regularly connected with the management of the
2 investment or trading income or out of which
3 they are working, irrespective of where the
4 services of such employees are performed, as of
5 the last day of the taxable year.

6 (4) (Blank).

7 (5) (Blank).

8 (c-1) Federally regulated exchanges. For taxable years
9 ending on or after December 31, 2012, business income of a
10 federally regulated exchange shall, at the option of the
11 federally regulated exchange, be apportioned to this State by
12 multiplying such income by a fraction, the numerator of which
13 is its business income from sources within this State, and the
14 denominator of which is its business income from all sources.
15 For purposes of this subsection, the business income within
16 this State of a federally regulated exchange is the sum of the
17 following:

18 (1) Receipts attributable to transactions executed on
19 a physical trading floor if that physical trading floor is
20 located in this State.

21 (2) Receipts attributable to all other matching,
22 execution, or clearing transactions, including without
23 limitation receipts from the provision of matching,
24 execution, or clearing services to another entity,
25 multiplied by (i) for taxable years ending on or after
26 December 31, 2012 but before December 31, 2013, 63.77%; and

1 (ii) for taxable years ending on or after December 31,
2 2013, 27.54%.

3 (3) All other receipts not governed by subparagraphs
4 (1) or (2) of this subsection (c-1), to the extent the
5 receipts would be characterized as "sales in this State"
6 under item (3) of subsection (a) of this Section.

7 "Federally regulated exchange" means (i) a "registered
8 entity" within the meaning of 7 U.S.C. Section 1a(40)(A), (B),
9 or (C), (ii) an "exchange" or "clearing agency" within the
10 meaning of 15 U.S.C. Section 78c (a)(1) or (23), (iii) any such
11 entities regulated under any successor regulatory structure to
12 the foregoing, and (iv) all taxpayers who are members of the
13 same unitary business group as a federally regulated exchange,
14 determined without regard to the prohibition in Section
15 1501(a)(27) of this Act against including in a unitary business
16 group taxpayers who are ordinarily required to apportion
17 business income under different subsections of this Section;
18 provided that this subparagraph (iv) shall apply only if 50% or
19 more of the business receipts of the unitary business group
20 determined by application of this subparagraph (iv) for the
21 taxable year are attributable to the matching, execution, or
22 clearing of transactions conducted by an entity described in
23 subparagraph (i), (ii), or (iii) of this paragraph.

24 In no event shall the Illinois apportionment percentage
25 computed in accordance with this subsection (c-1) for any
26 taxpayer for any tax year be less than the Illinois

1 apportionment percentage computed under this subsection (c-1)
2 for that taxpayer for the first full tax year ending on or
3 after December 31, 2013 for which this subsection (c-1) applied
4 to the taxpayer.

5 (d) Transportation services. For taxable years ending
6 before December 31, 2008, business income derived from
7 furnishing transportation services shall be apportioned to
8 this State in accordance with paragraphs (1) and (2):

9 (1) Such business income (other than that derived from
10 transportation by pipeline) shall be apportioned to this
11 State by multiplying such income by a fraction, the
12 numerator of which is the revenue miles of the person in
13 this State, and the denominator of which is the revenue
14 miles of the person everywhere. For purposes of this
15 paragraph, a revenue mile is the transportation of 1
16 passenger or 1 net ton of freight the distance of 1 mile
17 for a consideration. Where a person is engaged in the
18 transportation of both passengers and freight, the
19 fraction above referred to shall be determined by means of
20 an average of the passenger revenue mile fraction and the
21 freight revenue mile fraction, weighted to reflect the
22 person's

23 (A) relative railway operating income from total
24 passenger and total freight service, as reported to the
25 Interstate Commerce Commission, in the case of
26 transportation by railroad, and

1 (B) relative gross receipts from passenger and
2 freight transportation, in case of transportation
3 other than by railroad.

4 (2) Such business income derived from transportation
5 by pipeline shall be apportioned to this State by
6 multiplying such income by a fraction, the numerator of
7 which is the revenue miles of the person in this State, and
8 the denominator of which is the revenue miles of the person
9 everywhere. For the purposes of this paragraph, a revenue
10 mile is the transportation by pipeline of 1 barrel of oil,
11 1,000 cubic feet of gas, or of any specified quantity of
12 any other substance, the distance of 1 mile for a
13 consideration.

14 (3) For taxable years ending on or after December 31,
15 2008, business income derived from providing
16 transportation services other than airline services shall
17 be apportioned to this State by using a fraction, (a) the
18 numerator of which shall be (i) all receipts from any
19 movement or shipment of people, goods, mail, oil, gas, or
20 any other substance (other than by airline) that both
21 originates and terminates in this State, plus (ii) that
22 portion of the person's gross receipts from movements or
23 shipments of people, goods, mail, oil, gas, or any other
24 substance (other than by airline) that originates in one
25 state or jurisdiction and terminates in another state or
26 jurisdiction, that is determined by the ratio that the

1 miles traveled in this State bears to total miles
2 everywhere and (b) the denominator of which shall be all
3 revenue derived from the movement or shipment of people,
4 goods, mail, oil, gas, or any other substance (other than
5 by airline). Where a taxpayer is engaged in the
6 transportation of both passengers and freight, the
7 fraction above referred to shall first be determined
8 separately for passenger miles and freight miles. Then an
9 average of the passenger miles fraction and the freight
10 miles fraction shall be weighted to reflect the taxpayer's:

11 (A) relative railway operating income from total
12 passenger and total freight service, as reported to the
13 Surface Transportation Board, in the case of
14 transportation by railroad; and

15 (B) relative gross receipts from passenger and
16 freight transportation, in case of transportation
17 other than by railroad.

18 (4) For taxable years ending on or after December 31,
19 2008, business income derived from furnishing airline
20 transportation services shall be apportioned to this State
21 by multiplying such income by a fraction, the numerator of
22 which is the revenue miles of the person in this State, and
23 the denominator of which is the revenue miles of the person
24 everywhere. For purposes of this paragraph, a revenue mile
25 is the transportation of one passenger or one net ton of
26 freight the distance of one mile for a consideration. If a

1 person is engaged in the transportation of both passengers
2 and freight, the fraction above referred to shall be
3 determined by means of an average of the passenger revenue
4 mile fraction and the freight revenue mile fraction,
5 weighted to reflect the person's relative gross receipts
6 from passenger and freight airline transportation.

7 (e) Combined apportionment. Where 2 or more persons are
8 engaged in a unitary business as described in subsection
9 (a) (27) of Section 1501, a part of which is conducted in this
10 State by one or more members of the group, the business income
11 attributable to this State by any such member or members shall
12 be apportioned by means of the combined apportionment method.

13 (f) Alternative allocation. If the allocation and
14 apportionment provisions of subsections (a) through (e) and of
15 subsection (h) do not fairly represent the extent of a person's
16 business activity in this State, the person may petition for,
17 or the Director may, without a petition, permit or require, in
18 respect of all or any part of the person's business activity,
19 if reasonable:

20 (1) Separate accounting;

21 (2) The exclusion of any one or more factors;

22 (3) The inclusion of one or more additional factors
23 which will fairly represent the person's business
24 activities in this State; or

25 (4) The employment of any other method to effectuate an
26 equitable allocation and apportionment of the person's

1 business income.

2 (g) Cross reference. For allocation of business income by
3 residents, see Section 301(a).

4 (h) For tax years ending on or after December 31, 1998, the
5 apportionment factor of persons who apportion their business
6 income to this State under subsection (a) shall be equal to:

7 (1) for tax years ending on or after December 31, 1998
8 and before December 31, 1999, 16 2/3% of the property
9 factor plus 16 2/3% of the payroll factor plus 66 2/3% of
10 the sales factor;

11 (2) for tax years ending on or after December 31, 1999
12 and before December 31, 2000, 8 1/3% of the property factor
13 plus 8 1/3% of the payroll factor plus 83 1/3% of the sales
14 factor;

15 (3) for tax years ending on or after December 31, 2000,
16 the sales factor.

17 If, in any tax year ending on or after December 31, 1998 and
18 before December 31, 2000, the denominator of the payroll,
19 property, or sales factor is zero, the apportionment factor
20 computed in paragraph (1) or (2) of this subsection for that
21 year shall be divided by an amount equal to 100% minus the
22 percentage weight given to each factor whose denominator is
23 equal to zero.

24 (Source: P.A. 96-763, eff. 8-25-09; 97-507, eff. 8-23-11;
25 97-636, eff. 6-1-12.)

1 (35 ILCS 5/701) (from Ch. 120, par. 7-701)

2 Sec. 701. Requirement and Amount of Withholding.

3 (a) In General. Every employer maintaining an office or
4 transacting business within this State and required under the
5 provisions of the Internal Revenue Code to withhold a tax on:

6 (1) compensation paid in this State (as determined
7 under Section 304(a)(2)(B) to an individual; or

8 (2) payments described in subsection (b) shall deduct
9 and withhold from such compensation for each payroll period
10 (as defined in Section 3401 of the Internal Revenue Code)
11 an amount equal to the amount by which such individual's
12 compensation exceeds the proportionate part of this
13 withholding exemption (computed as provided in Section
14 702) attributable to the payroll period for which such
15 compensation is payable multiplied by a percentage equal to
16 the percentage tax rate for individuals provided in
17 subsection (b) of Section 201.

18 (b) Payment to Residents. Any payment (including
19 compensation, but not including a payment from which
20 withholding is required under Section 710 of this Act) to a
21 resident by a payor maintaining an office or transacting
22 business within this State (including any agency, officer, or
23 employee of this State or of any political subdivision of this
24 State) and on which withholding of tax is required under the
25 provisions of the Internal Revenue Code shall be deemed to be
26 compensation paid in this State by an employer to an employee

1 for the purposes of Article 7 and Section 601(b)(1) to the
2 extent such payment is included in the recipient's base income
3 and not subjected to withholding by another state.
4 Notwithstanding any other provision to the contrary, no amount
5 shall be withheld from unemployment insurance benefit payments
6 made to an individual pursuant to the Unemployment Insurance
7 Act unless the individual has voluntarily elected the
8 withholding pursuant to rules promulgated by the Director of
9 Employment Security.

10 (c) Special Definitions. Withholding shall be considered
11 required under the provisions of the Internal Revenue Code to
12 the extent the Internal Revenue Code either requires
13 withholding or allows for voluntary withholding the payor and
14 recipient have entered into such a voluntary withholding
15 agreement. For the purposes of Article 7 and Section 1002(c)
16 the term "employer" includes any payor who is required to
17 withhold tax pursuant to this Section.

18 (d) Reciprocal Exemption. The Director may enter into an
19 agreement with the taxing authorities of any state which
20 imposes a tax on or measured by income to provide that
21 compensation paid in such state to residents of this State
22 shall be exempt from withholding of such tax; in such case, any
23 compensation paid in this State to residents of such state
24 shall be exempt from withholding. All reciprocal agreements
25 shall be subject to the requirements of Section 2505-575 of the
26 Department of Revenue Law (20 ILCS 2505/2505-575).

1 (e) Notwithstanding subsection (a)(2) of this Section, no
2 withholding is required on payments for which withholding is
3 required under Section 3405 or 3406 of the Internal Revenue
4 Code.

5 (Source: P.A. 97-507, eff. 8-23-11.)

6 (35 ILCS 5/710) (from Ch. 120, par. 7-710)

7 Sec. 710. Withholding from lottery winnings. (a) In
8 General.

9 (1) Any person making a payment to a resident or
10 nonresident of winnings under the Illinois Lottery Law and
11 not required to withhold Illinois income tax from such
12 payment under Subsection (b) of Section 701 of this Act
13 because those winnings are not subject to Federal income
14 tax withholding, must withhold Illinois income tax from
15 such payment at a rate equal to the percentage tax rate for
16 individuals provided in subsection (b) of Section 201,
17 provided that withholding is not required if such payment
18 of winnings is less than \$1,000.

19 (2) In the case of an assignment of a lottery prize
20 under Section 13.1 of the Illinois Lottery Law, any person
21 making a payment of the purchase price after December 31,
22 2013, shall withhold from the amount of each payment at a
23 rate equal to the percentage tax rate for individuals
24 provided in subsection (b) of Section 201.

25 (b) Credit for taxes withheld. Any amount withheld under

1 Subsection (a) shall be a credit against the Illinois income
2 tax liability of the person to whom the payment of winnings was
3 made for the taxable year in which that person incurred an
4 Illinois income tax liability with respect to those winnings.

5 (Source: P.A. 85-731.)

6 (35 ILCS 5/905) (from Ch. 120, par. 9-905)

7 Sec. 905. Limitations on Notices of Deficiency.

8 (a) In general. Except as otherwise provided in this Act:

9 (1) A notice of deficiency shall be issued not later
10 than 3 years after the date the return was filed, and

11 (2) No deficiency shall be assessed or collected with
12 respect to the year for which the return was filed unless
13 such notice is issued within such period.

14 (b) Substantial omission of items.

15 (1) Omission of more than 25% of income. If the
16 taxpayer omits from base income an amount properly
17 includible therein which is in excess of 25% of the amount
18 of base income stated in the return, a notice of deficiency
19 may be issued not later than 6 years after the return was
20 filed. For purposes of this paragraph, there shall not be
21 taken into account any amount which is omitted in the
22 return if such amount is disclosed in the return, or in a
23 statement attached to the return, in a manner adequate to
24 apprise the Department of the nature and the amount of such
25 item.

1 (2) Reportable transactions. If a taxpayer fails to
2 include on any return or statement for any taxable year any
3 information with respect to a reportable transaction, as
4 required under Section 501(b) of this Act, a notice of
5 deficiency may be issued not later than 6 years after the
6 return is filed with respect to the taxable year in which
7 the taxpayer participated in the reportable transaction
8 and said deficiency is limited to the non-disclosed item.

9 (3) Withholding. If an employer omits from a return
10 required under Section 704A of this Act for any period
11 beginning on or after January 1, 2013, an amount required
12 to be withheld and to be reported on that return which is
13 in excess of 25% of the total amount of withholding
14 required to be reported on that return, a notice of
15 deficiency may be issued not later than 6 years after the
16 return was filed.

17 (c) No return or fraudulent return. If no return is filed
18 or a false and fraudulent return is filed with intent to evade
19 the tax imposed by this Act, a notice of deficiency may be
20 issued at any time. For purposes of this subsection (c), any
21 taxpayer who is required to join in the filing of a return
22 filed under the provisions of subsection (e) of Section 502 of
23 this Act for a taxable year ending on or after December 31,
24 2013 and who is not included on that return and does not file
25 its own return for that taxable year shall be deemed to have
26 failed to file a return; provided that the amount of any

1 proposed assessment set forth in a notice of deficiency issued
2 under this subsection (c) shall be limited to the amount of any
3 increase in liability under this Act that should have reported
4 on the return required under the provisions of subsection (e)
5 of Section 502 of this Act for that taxable year resulting from
6 proper inclusion of that taxpayer on that return.

7 (d) Failure to report federal change. If a taxpayer fails
8 to notify the Department in any case where notification is
9 required by Section 304(c) or 506(b), or fails to report a
10 change or correction which is treated in the same manner as if
11 it were a deficiency for federal income tax purposes, a notice
12 of deficiency may be issued (i) at any time or (ii) on or after
13 August 13, 1999, at any time for the taxable year for which the
14 notification is required or for any taxable year to which the
15 taxpayer may carry an Article 2 credit, or a Section 207 loss,
16 earned, incurred, or used in the year for which the
17 notification is required; provided, however, that the amount of
18 any proposed assessment set forth in the notice shall be
19 limited to the amount of any deficiency resulting under this
20 Act from the recomputation of the taxpayer's net income,
21 Article 2 credits, or Section 207 loss earned, incurred, or
22 used in the taxable year for which the notification is required
23 after giving effect to the item or items required to be
24 reported.

25 (e) Report of federal change.

26 (1) Before August 13, 1999, in any case where

1 notification of an alteration is given as required by
2 Section 506(b), a notice of deficiency may be issued at any
3 time within 2 years after the date such notification is
4 given, provided, however, that the amount of any proposed
5 assessment set forth in such notice shall be limited to the
6 amount of any deficiency resulting under this Act from
7 recomputation of the taxpayer's net income, net loss, or
8 Article 2 credits for the taxable year after giving effect
9 to the item or items reflected in the reported alteration.

10 (2) On and after August 13, 1999, in any case where
11 notification of an alteration is given as required by
12 Section 506(b), a notice of deficiency may be issued at any
13 time within 2 years after the date such notification is
14 given for the taxable year for which the notification is
15 given or for any taxable year to which the taxpayer may
16 carry an Article 2 credit, or a Section 207 loss, earned,
17 incurred, or used in the year for which the notification is
18 given, provided, however, that the amount of any proposed
19 assessment set forth in such notice shall be limited to the
20 amount of any deficiency resulting under this Act from
21 recomputation of the taxpayer's net income, Article 2
22 credits, or Section 207 loss earned, incurred, or used in
23 the taxable year for which the notification is given after
24 giving effect to the item or items reflected in the
25 reported alteration.

26 (f) Extension by agreement. Where, before the expiration of

1 the time prescribed in this Section for the issuance of a
2 notice of deficiency, both the Department and the taxpayer
3 shall have consented in writing to its issuance after such
4 time, such notice may be issued at any time prior to the
5 expiration of the period agreed upon. In the case of a taxpayer
6 who is a partnership, Subchapter S corporation, or trust and
7 who enters into an agreement with the Department pursuant to
8 this subsection on or after January 1, 2003, a notice of
9 deficiency may be issued to the partners, shareholders, or
10 beneficiaries of the taxpayer at any time prior to the
11 expiration of the period agreed upon. Any proposed assessment
12 set forth in the notice, however, shall be limited to the
13 amount of any deficiency resulting under this Act from
14 recomputation of items of income, deduction, credits, or other
15 amounts of the taxpayer that are taken into account by the
16 partner, shareholder, or beneficiary in computing its
17 liability under this Act. The period so agreed upon may be
18 extended by subsequent agreements in writing made before the
19 expiration of the period previously agreed upon.

20 (g) Erroneous refunds. In any case in which there has been
21 an erroneous refund of tax payable under this Act, a notice of
22 deficiency may be issued at any time within 2 years from the
23 making of such refund, or within 5 years from the making of
24 such refund if it appears that any part of the refund was
25 induced by fraud or the misrepresentation of a material fact,
26 provided, however, that the amount of any proposed assessment

1 set forth in such notice shall be limited to the amount of such
2 erroneous refund.

3 Beginning July 1, 1993, in any case in which there has been
4 a refund of tax payable under this Act attributable to a net
5 loss carryback as provided for in Section 207, and that refund
6 is subsequently determined to be an erroneous refund due to a
7 reduction in the amount of the net loss which was originally
8 carried back, a notice of deficiency for the erroneous refund
9 amount may be issued at any time during the same time period in
10 which a notice of deficiency can be issued on the loss year
11 creating the carryback amount and subsequent erroneous refund.
12 The amount of any proposed assessment set forth in the notice
13 shall be limited to the amount of such erroneous refund.

14 (h) Time return deemed filed. For purposes of this Section
15 a tax return filed before the last day prescribed by law
16 (including any extension thereof) shall be deemed to have been
17 filed on such last day.

18 (i) Request for prompt determination of liability. For
19 purposes of subsection (a)(1), in the case of a tax return
20 required under this Act in respect of a decedent, or by his
21 estate during the period of administration, or by a
22 corporation, the period referred to in such Subsection shall be
23 18 months after a written request for prompt determination of
24 liability is filed with the Department (at such time and in
25 such form and manner as the Department shall by regulations
26 prescribe) by the executor, administrator, or other fiduciary

1 representing the estate of such decedent, or by such
2 corporation, but not more than 3 years after the date the
3 return was filed. This subsection shall not apply in the case
4 of a corporation unless:

5 (1) (A) such written request notifies the Department
6 that the corporation contemplates dissolution at or before
7 the expiration of such 18-month period, (B) the dissolution
8 is begun in good faith before the expiration of such
9 18-month period, and (C) the dissolution is completed;

10 (2) (A) such written request notifies the Department
11 that a dissolution has in good faith been begun, and (B)
12 the dissolution is completed; or

13 (3) a dissolution has been completed at the time such
14 written request is made.

15 (j) Withholding tax. In the case of returns required under
16 Article 7 of this Act (with respect to any amounts withheld as
17 tax or any amounts required to have been withheld as tax) a
18 notice of deficiency shall be issued not later than 3 years
19 after the 15th day of the 4th month following the close of the
20 calendar year in which such withholding was required.

21 (k) Penalties for failure to make information reports. A
22 notice of deficiency for the penalties provided by Subsection
23 1405.1(c) of this Act may not be issued more than 3 years after
24 the due date of the reports with respect to which the penalties
25 are asserted.

26 (l) Penalty for failure to file withholding returns. A

1 notice of deficiency for penalties provided by Section 1004 of
2 this Act for taxpayer's failure to file withholding returns may
3 not be issued more than three years after the 15th day of the
4 4th month following the close of the calendar year in which the
5 withholding giving rise to taxpayer's obligation to file those
6 returns occurred.

7 (m) Transferee liability. A notice of deficiency may be
8 issued to a transferee relative to a liability asserted under
9 Section 1405 during time periods defined as follows:

10 1) Initial Transferee. In the case of the liability of
11 an initial transferee, up to 2 years after the expiration
12 of the period of limitation for assessment against the
13 transferor, except that if a court proceeding for review of
14 the assessment against the transferor has begun, then up to
15 2 years after the return of the certified copy of the
16 judgment in the court proceeding.

17 2) Transferee of Transferee. In the case of the
18 liability of a transferee, up to 2 years after the
19 expiration of the period of limitation for assessment
20 against the preceding transferee, but not more than 3 years
21 after the expiration of the period of limitation for
22 assessment against the initial transferor; except that if,
23 before the expiration of the period of limitation for the
24 assessment of the liability of the transferee, a court
25 proceeding for the collection of the tax or liability in
26 respect thereof has been begun against the initial

1 transferor or the last preceding transferee, as the case
2 may be, then the period of limitation for assessment of the
3 liability of the transferee shall expire 2 years after the
4 return of the certified copy of the judgment in the court
5 proceeding.

6 (n) Notice of decrease in net loss. On and after August 23,
7 2002, no notice of deficiency shall be issued as the result of
8 a decrease determined by the Department in the net loss
9 incurred by a taxpayer in any taxable year ending prior to
10 December 31, 2002 under Section 207 of this Act unless the
11 Department has notified the taxpayer of the proposed decrease
12 within 3 years after the return reporting the loss was filed or
13 within one year after an amended return reporting an increase
14 in the loss was filed, provided that in the case of an amended
15 return, a decrease proposed by the Department more than 3 years
16 after the original return was filed may not exceed the increase
17 claimed by the taxpayer on the original return.

18 (Source: P.A. 93-840, eff. 7-30-04; 94-836, eff. 6-6-06.)

19 Section 25. The Use Tax Act is amended by changing Section
20 9 as follows:

21 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

22 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
23 and trailers that are required to be registered with an agency
24 of this State, each retailer required or authorized to collect

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

22 Where such tangible personal property is sold under a
23 conditional sales contract, or under any other form of sale
24 wherein the payment of the principal sum, or a part thereof, is
25 extended beyond the close of the period for which the return is
26 filed, the retailer, in collecting the tax (except as to motor

1 vehicles, watercraft, aircraft, and trailers that are required
2 to be registered with an agency of this State), may collect for
3 each tax return period, only the tax applicable to that part of
4 the selling price actually received during such tax return
5 period.

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

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

- 18 1. The name of the seller;
- 19 2. The address of the principal place of business from
20 which he engages in the business of selling tangible
21 personal property at retail in this State;
- 22 3. The total amount of taxable receipts received by him
23 during the preceding calendar month from sales of tangible
24 personal property by him during such preceding calendar
25 month, including receipts from charge and time sales, but
26 less all deductions allowed 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 Before October 1, 2000, if the taxpayer's average monthly
26 tax liability to the Department under this Act, the Retailers'

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

1 payment shall be in an amount equal to 22.5% of the taxpayer's
2 actual liability for the month or 27.5% of the taxpayer's
3 liability for the same calendar month of the preceding year. If
4 the month during which such tax liability is incurred begins on
5 or after January 1, 1987, and prior to January 1, 1988, each
6 payment shall be in an amount equal to 22.5% of the taxpayer's
7 actual liability for the month or 26.25% of the taxpayer's
8 liability for the same calendar month of the preceding year. If
9 the month during which such tax liability is incurred begins on
10 or after January 1, 1988, and prior to January 1, 1989, or
11 begins on or after January 1, 1996, each payment shall be in an
12 amount equal to 22.5% of the taxpayer's actual liability for
13 the month or 25% of the taxpayer's liability for the same
14 calendar month of the preceding year. If the month during which
15 such tax liability is incurred begins on or after January 1,
16 1989, and prior to January 1, 1996, each payment shall be in an
17 amount equal to 22.5% of the taxpayer's actual liability for
18 the month or 25% of the taxpayer's liability for the same
19 calendar month of the preceding year or 100% of the taxpayer's
20 actual liability for the quarter monthly reporting period. The
21 amount of such quarter monthly payments shall be credited
22 against the final tax liability of the taxpayer's return for
23 that month. Before October 1, 2000, once applicable, the
24 requirement of the making of quarter monthly payments to the
25 Department shall continue until such taxpayer's average
26 monthly liability to the Department during the preceding 4

1 complete calendar quarters (excluding the month of highest
2 liability and the month of lowest liability) is less than
3 \$9,000, or until such taxpayer's average monthly liability to
4 the Department as computed for each calendar quarter of the 4
5 preceding complete calendar quarter period is less than
6 \$10,000. However, if a taxpayer can show the Department that a
7 substantial change in the taxpayer's business has occurred
8 which causes the taxpayer to anticipate that his average
9 monthly tax liability for the reasonably foreseeable future
10 will fall below the \$10,000 threshold stated above, then such
11 taxpayer may petition the Department for change in such
12 taxpayer's reporting status. On and after October 1, 2000, once
13 applicable, the requirement of the making of quarter monthly
14 payments to the Department shall continue until such taxpayer's
15 average monthly liability to the Department during the
16 preceding 4 complete calendar quarters (excluding the month of
17 highest liability and the month of lowest liability) is less
18 than \$19,000 or until such taxpayer's average monthly liability
19 to the Department as computed for each calendar quarter of the
20 4 preceding complete calendar quarter period is less than
21 \$20,000. However, if a taxpayer can show the Department that a
22 substantial change in the taxpayer's business has occurred
23 which causes the taxpayer to anticipate that his average
24 monthly tax liability for the reasonably foreseeable future
25 will fall below the \$20,000 threshold stated above, then such
26 taxpayer may petition the Department for a change in such

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

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

1 prescribed by the Department, except that if such excess
2 payment is shown on an original monthly return and is made
3 after December 31, 1986, no credit memorandum shall be issued,
4 unless requested by the taxpayer. If no such request is made,
5 the taxpayer may credit such excess payment against tax
6 liability subsequently to be remitted by the taxpayer to the
7 Department under this Act, the Retailers' Occupation Tax Act,
8 the Service Occupation Tax Act or the Service Use Tax Act, in
9 accordance with reasonable rules and regulations prescribed by
10 the Department. If the Department subsequently determines that
11 all or any part of the credit taken was not actually due to the
12 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
13 be reduced by 2.1% or 1.75% of the difference between the
14 credit taken and that actually due, and the taxpayer shall be
15 liable for penalties and interest on such difference.

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

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

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as monthly
9 returns.

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

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

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

14 The transaction reporting return in the case of motor
15 vehicles or trailers that are required to be registered with an
16 agency of this State, shall be the same document as the Uniform
17 Invoice referred to in Section 5-402 of the Illinois Vehicle
18 Code and must show the name and address of the seller; the name
19 and address of the purchaser; the amount of the selling price
20 including the amount allowed by the retailer for traded-in
21 property, if any; the amount allowed by the retailer for the
22 traded-in tangible personal property, if any, to the extent to
23 which Section 2 of this Act allows an exemption for the value
24 of traded-in property; the balance payable after deducting such
25 trade-in allowance from the total selling price; the amount of
26 tax due from the retailer with respect to such transaction; the

1 amount of tax collected from the purchaser by the retailer on
2 such transaction (or satisfactory evidence that such tax is not
3 due in that particular instance, if that is claimed to be the
4 fact); the place and date of the sale; a sufficient
5 identification of the property sold; such other information as
6 is required in Section 5-402 of the Illinois Vehicle Code, and
7 such other information as the Department may reasonably
8 require.

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

25 Such transaction reporting return shall be filed not later
26 than 20 days after the date of delivery of the item that is

1 being sold, but may be filed by the retailer at any time sooner
2 than that if he chooses to do so. The transaction reporting
3 return and tax remittance or proof of exemption from the tax
4 that is imposed by this Act may be transmitted to the
5 Department by way of the State agency with which, or State
6 officer with whom, the tangible personal property must be
7 titled or registered (if titling or registration is required)
8 if the Department and such agency or State officer determine
9 that this procedure will expedite the processing of
10 applications for title or registration.

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

24 No retailer's failure or refusal to remit tax under this
25 Act precludes a user, who has paid the proper tax to the
26 retailer, from obtaining his certificate of title or other

1 evidence of title or registration (if titling or registration
2 is required) upon satisfying the Department that such user has
3 paid the proper tax (if tax is due) to the retailer. The
4 Department shall adopt appropriate rules to carry out the
5 mandate of this paragraph.

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

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

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

14 Any retailer filing a return under this Section shall also
15 include (for the purpose of paying tax thereon) the total tax
16 covered by such return upon the selling price of tangible
17 personal property purchased by him at retail from a retailer,
18 but as to which the tax imposed by this Act was not collected
19 from the retailer filing such return, and such retailer shall
20 remit the amount of such tax to the Department when filing such
21 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 retailers, who are required to file
25 returns hereunder and also under the Retailers' Occupation Tax
26 Act, to furnish all the return information required by both

1 Acts on the one form.

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

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

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

24 Beginning January 1, 1990, each month the Department shall
25 pay into the State and Local Sales Tax Reform Fund, a special
26 fund in the State Treasury, 20% of the net revenue realized for

1 the preceding month from the 6.25% general rate on the selling
2 price of tangible personal property, other than tangible
3 personal property which is purchased outside Illinois at retail
4 from a retailer and which is titled or registered by an agency
5 of this State's government.

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

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

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

1 is now taxed at 6.25%.

2 Beginning July 1, 2011, each month the Department shall pay
3 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
4 realized for the preceding month from the 6.25% general rate on
5 the selling price of sorbents used in Illinois in the process
6 of sorbent injection as used to comply with the Environmental
7 Protection Act or the federal Clean Air Act, but the total
8 payment into the Clean Air Act (CAA) Permit Fund under this Act
9 and the Retailers' Occupation Tax Act shall not exceed
10 \$2,000,000 in any fiscal year.

11 Of the remainder of the moneys received by the Department
12 pursuant to this Act, (a) 1.75% thereof shall be paid into the
13 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
14 and after July 1, 1989, 3.8% thereof shall be paid into the
15 Build Illinois Fund; provided, however, that if in any fiscal
16 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
17 may be, of the moneys received by the Department and required
18 to be paid into the Build Illinois Fund pursuant to Section 3
19 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
20 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
21 Service Occupation Tax Act, such Acts being hereinafter called
22 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
23 may be, of moneys being hereinafter called the "Tax Act
24 Amount", and (2) the amount transferred to the Build Illinois
25 Fund from the State and Local Sales Tax Reform Fund shall be
26 less than the Annual Specified Amount (as defined in Section 3

1 of the Retailers' Occupation Tax Act), an amount equal to the
2 difference shall be immediately paid into the Build Illinois
3 Fund from other moneys received by the Department pursuant to
4 the Tax Acts; and further provided, that if on the last
5 business day of any month the sum of (1) the Tax Act Amount
6 required to be deposited into the Build Illinois Bond Account
7 in the Build Illinois Fund during such month and (2) the amount
8 transferred during such month to the Build Illinois Fund from
9 the State and Local Sales Tax Reform Fund shall have been less
10 than 1/12 of the Annual Specified Amount, an amount equal to
11 the difference shall be immediately paid into the Build
12 Illinois Fund from other moneys received by the Department
13 pursuant to the Tax Acts; and, further provided, that in no
14 event shall the payments required under the preceding proviso
15 result in aggregate payments into the Build Illinois Fund
16 pursuant to this clause (b) for any fiscal year in excess of
17 the greater of (i) the Tax Act Amount or (ii) the Annual
18 Specified Amount for such fiscal year; and, further provided,
19 that the amounts payable into the Build Illinois Fund under
20 this clause (b) shall be payable only until such time as the
21 aggregate amount on deposit under each trust indenture securing
22 Bonds issued and outstanding pursuant to the Build Illinois
23 Bond Act is sufficient, taking into account any future
24 investment income, to fully provide, in accordance with such
25 indenture, for the defeasance of or the payment of the
26 principal of, premium, if any, and interest on the Bonds

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

24 Subject to payment of amounts into the Build Illinois Fund
25 as provided in the preceding paragraph or in any amendment
26 thereto hereafter enacted, the following specified monthly

1 installment of the amount requested in the certificate of the
2 Chairman of the Metropolitan Pier and Exposition Authority
3 provided under Section 8.25f of the State Finance Act, but not
4 in excess of the sums designated as "Total Deposit", shall be
5 deposited in the aggregate from collections under Section 9 of
6 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
7 9 of the Service Occupation Tax Act, and Section 3 of the
8 Retailers' Occupation Tax Act into the McCormick Place
9 Expansion Project Fund in the specified fiscal years.

10	Fiscal Year	Total Deposit
11	1993	\$0
12	1994	53,000,000
13	1995	58,000,000
14	1996	61,000,000
15	1997	64,000,000
16	1998	68,000,000
17	1999	71,000,000
18	2000	75,000,000
19	2001	80,000,000
20	2002	93,000,000
21	2003	99,000,000
22	2004	103,000,000
23	2005	108,000,000
24	2006	113,000,000
25	2007	119,000,000
26	2008	126,000,000

1	2009	132,000,000
2	2010	139,000,000
3	2011	146,000,000
4	2012	153,000,000
5	2013	161,000,000
6	2014	170,000,000
7	2015	179,000,000
8	2016	189,000,000
9	2017	199,000,000
10	2018	210,000,000
11	2019	221,000,000
12	2020	233,000,000
13	2021	246,000,000
14	2022	260,000,000
15	2023	275,000,000
16	2024	275,000,000
17	2025	275,000,000
18	2026	279,000,000
19	2027	292,000,000
20	2028	307,000,000
21	2029	322,000,000
22	2030	338,000,000
23	2031	350,000,000
24	2032	350,000,000
25	and	
26	each fiscal year	

1 thereafter that bonds
2 are outstanding under
3 Section 13.2 of the
4 Metropolitan Pier and
5 Exposition Authority Act,
6 but not after fiscal year 2060.

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

20 Subject to payment of amounts into the Build Illinois Fund
21 and the McCormick Place Expansion Project Fund pursuant to the
22 preceding paragraphs or in any amendments thereto hereafter
23 enacted, beginning July 1, 1993, the Department shall each
24 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
25 the net revenue realized for the preceding month from the 6.25%
26 general rate on the selling price of tangible personal

1 property.

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

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

21 As soon as possible after the first day of each month, upon
22 certification of the Department of Revenue, the Comptroller
23 shall order transferred and the Treasurer shall transfer from
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount
25 equal to 1.7% of 80% of the net revenue realized under this Act
26 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

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

6 For greater simplicity of administration, manufacturers,
7 importers and wholesalers whose products are sold at retail in
8 Illinois by numerous retailers, and who wish to do so, may
9 assume the responsibility for accounting and paying to the
10 Department all tax accruing under this Act with respect to such
11 sales, if the retailers who are affected do not make written
12 objection to the Department to this arrangement.

13 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
14 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
15 97-333, eff. 8-12-11.)

16 Section 26. The Service Use Tax Act is amended by changing
17 Section 9 as follows:

18 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

19 Sec. 9. Each serviceman required or authorized to collect
20 the tax herein imposed shall pay to the Department the amount
21 of such tax (except as otherwise provided) at the time when he
22 is required to file his return for the period during which such
23 tax was collected, less a discount of 2.1% prior to January 1,
24 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar

1 year, whichever is greater, which is allowed to reimburse the
2 serviceman for expenses incurred in collecting the tax, keeping
3 records, preparing and filing returns, remitting the tax and
4 supplying data to the Department on request. The Department may
5 disallow the discount for servicemen whose certificate of
6 registration is revoked at the time the return is filed, but
7 only if the Department's decision to revoke the certificate of
8 registration has become final. A serviceman need not remit that
9 part of any tax collected by him to the extent that he is
10 required to pay and does pay the tax imposed by the Service
11 Occupation Tax Act with respect to his sale of service
12 involving the incidental transfer by him of the same property.

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

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

- 1 1. The name of the seller;
- 2 2. The address of the principal place of business from
3 which he engages in business as a serviceman in this State;
- 4 3. The total amount of taxable receipts received by him
5 during the preceding calendar month, including receipts
6 from charge and time sales, but less all deductions allowed
7 by law;
- 8 4. The amount of credit provided in Section 2d of this
9 Act;
- 10 5. The amount of tax due;
- 11 5-5. The signature of the taxpayer; and
- 12 6. Such other reasonable information as the Department
13 may require.

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

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

1 funds transfer. Beginning October 1, 2000, a taxpayer who has
2 an annual tax liability of \$200,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. The term "annual tax liability" shall be the
5 sum of the taxpayer's liabilities under this Act, and under all
6 other State and local occupation and use tax laws administered
7 by the Department, for the immediately preceding calendar year.
8 The term "average monthly tax liability" means the sum of the
9 taxpayer's liabilities under this Act, and under all other
10 State and local occupation and use tax laws administered by the
11 Department, for the immediately preceding calendar year
12 divided by 12. Beginning on October 1, 2002, a taxpayer who has
13 a tax liability in the amount set forth in subsection (b) of
14 Section 2505-210 of the Department of Revenue Law shall make
15 all payments required by rules of the Department by electronic
16 funds transfer.

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

22 Any taxpayer not required to make payments by electronic
23 funds transfer may make payments by electronic funds transfer
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds
26 transfer and any taxpayers authorized to voluntarily make

1 payments by electronic funds transfer shall make those payments
2 in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to
4 effectuate a program of electronic funds transfer and the
5 requirements of this Section.

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

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

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

26 Notwithstanding any other provision in this Act concerning

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

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

24 Any serviceman filing a return hereunder shall also include
25 the total tax upon the selling price of tangible personal
26 property purchased for use by him as an incident to a sale of

1 service, and such serviceman shall remit the amount of such tax
2 to the Department when filing such return.

3 If experience indicates such action to be practicable, the
4 Department may prescribe and furnish a combination or joint
5 return which will enable servicemen, who are required to file
6 returns hereunder and also under the Service Occupation Tax
7 Act, to furnish all the return information required by both
8 Acts on the one form.

9 Where the serviceman has more than one business registered
10 with the Department under separate registration hereunder,
11 such serviceman shall not file each return that is due as a
12 single return covering all such registered businesses, but
13 shall file separate returns for each such registered business.

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

24 Beginning January 1, 1990, each month the Department shall
25 pay into the State and Local Sales Tax Reform Fund 20% of the
26 net revenue realized for the preceding month from the 6.25%

1 general rate on transfers of tangible personal property, other
2 than tangible personal property which is purchased outside
3 Illinois at retail from a retailer and which is titled or
4 registered by an agency of this State's government.

5 Beginning August 1, 2000, 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 October 1, 2009, each month the Department shall
10 pay into the Capital Projects Fund an amount that is equal to
11 an amount estimated by the Department to represent 80% of the
12 net revenue realized for the preceding month from the sale of
13 candy, grooming and hygiene products, and soft drinks that had
14 been taxed at a rate of 1% prior to September 1, 2009 but that
15 is now taxed at 6.25%.

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 Bond Account
12 in the 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, the Department shall each
4 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
5 the net revenue realized for the preceding month from the 6.25%
6 general rate on the selling price of tangible personal
7 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 All remaining moneys received by the Department pursuant to
22 this Act shall be paid into the General Revenue Fund of the
23 State Treasury.

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 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
10 eff. 5-27-10.)

11 Section 27. The Service Occupation Tax Act is amended by
12 changing Section 9 as follows:

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

1 is revoked at the time the return is filed, but only if the
2 Department's decision to revoke the certificate of
3 registration has become final.

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

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

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

- 26 1. The name of the seller;

1 2. The address of the principal place of business from
2 which he engages in business as a serviceman in this State;

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

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

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

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

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

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

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

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

22 If the serviceman's average monthly tax liability to the
23 Department does not exceed \$50, the Department may authorize
24 his returns to be filed on an annual basis, with the return for
25 a given year being due by January 20 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 serviceman may file his return, in the
5 case of any serviceman who ceases to engage in a kind of
6 business which makes him responsible for filing returns under
7 this Act, such serviceman shall file a final return under this
8 Act with the Department not more than 1 month after
9 discontinuing such business.

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

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

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

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

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

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

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

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

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

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

26 Beginning January 1, 1990, each month the Department shall

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

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

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

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

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

25 Beginning October 1, 2009, each month the Department shall
26 pay into the Capital Projects Fund an amount that is equal to

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

6 Of the remainder of the moneys received by the Department
7 pursuant to this Act, (a) 1.75% thereof shall be paid into the
8 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
9 and after July 1, 1989, 3.8% thereof shall be paid into the
10 Build Illinois Fund; provided, however, that if in any fiscal
11 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
12 may be, of the moneys received by the Department and required
13 to be paid into the Build Illinois Fund pursuant to Section 3
14 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
15 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
16 Service Occupation Tax Act, such Acts being hereinafter called
17 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
18 may be, of moneys being hereinafter called the "Tax Act
19 Amount", and (2) the amount transferred to the Build Illinois
20 Fund from the State and Local Sales Tax Reform Fund shall be
21 less than the Annual Specified Amount (as defined in Section 3
22 of the Retailers' Occupation Tax Act), an amount equal to the
23 difference shall be immediately paid into the Build Illinois
24 Fund from other moneys received by the Department pursuant to
25 the Tax Acts; and further provided, that if on the last
26 business day of any month the sum of (1) the Tax Act Amount

1 required to be deposited into the Build Illinois Account in the
2 Build Illinois Fund during such month and (2) the amount
3 transferred during such month to the Build Illinois Fund from
4 the State and Local Sales Tax Reform Fund shall have been less
5 than 1/12 of the Annual Specified Amount, an amount equal to
6 the difference shall be immediately paid into the Build
7 Illinois Fund from other moneys received by the Department
8 pursuant to the Tax Acts; and, further provided, that in no
9 event shall the payments required under the preceding proviso
10 result in aggregate payments into the Build Illinois Fund
11 pursuant to this clause (b) for any fiscal year in excess of
12 the greater of (i) the Tax Act Amount or (ii) the Annual
13 Specified Amount for such fiscal year; and, further provided,
14 that the amounts payable into the Build Illinois Fund under
15 this clause (b) shall be payable only until such time as the
16 aggregate amount on deposit under each trust indenture securing
17 Bonds issued and outstanding pursuant to the Build Illinois
18 Bond Act is sufficient, taking into account any future
19 investment income, to fully provide, in accordance with such
20 indenture, for the defeasance of or the payment of the
21 principal of, premium, if any, and interest on the Bonds
22 secured by such indenture and on any Bonds expected to be
23 issued thereafter and all fees and costs payable with respect
24 thereto, all as certified by the Director of the Bureau of the
25 Budget (now Governor's Office of Management and Budget). If on
26 the last business day of any month in which Bonds are

1 outstanding pursuant to the Build Illinois Bond Act, the
2 aggregate of the moneys deposited in the Build Illinois Bond
3 Account in the Build Illinois Fund in such month shall be less
4 than the amount required to be transferred in such month from
5 the Build Illinois Bond Account to the Build Illinois Bond
6 Retirement and Interest Fund pursuant to Section 13 of the
7 Build Illinois Bond Act, an amount equal to such deficiency
8 shall be immediately paid from other moneys received by the
9 Department pursuant to the Tax Acts to the Build Illinois Fund;
10 provided, however, that any amounts paid to the Build Illinois
11 Fund in any fiscal year pursuant to this sentence shall be
12 deemed to constitute payments pursuant to clause (b) of the
13 preceding sentence and shall reduce the amount otherwise
14 payable for such fiscal year pursuant to clause (b) of the
15 preceding sentence. The moneys received by the Department
16 pursuant to this Act and required to be deposited into the
17 Build Illinois Fund are subject to the pledge, claim and charge
18 set forth in Section 12 of the Build Illinois Bond Act.

19 Subject to payment of amounts into the Build Illinois Fund
20 as provided in the preceding paragraph or in any amendment
21 thereto hereafter enacted, the following specified monthly
22 installment of the amount requested in the certificate of the
23 Chairman of the Metropolitan Pier and Exposition Authority
24 provided under Section 8.25f of the State Finance Act, but not
25 in excess of the sums designated as "Total Deposit", shall be
26 deposited in the aggregate from collections under Section 9 of

1 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
2 9 of the Service Occupation Tax Act, and Section 3 of the
3 Retailers' Occupation Tax Act into the McCormick Place
4 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
5		
6	1993	\$0
7	1994	53,000,000
8	1995	58,000,000
9	1996	61,000,000
10	1997	64,000,000
11	1998	68,000,000
12	1999	71,000,000
13	2000	75,000,000
14	2001	80,000,000
15	2002	93,000,000
16	2003	99,000,000
17	2004	103,000,000
18	2005	108,000,000
19	2006	113,000,000
20	2007	119,000,000
21	2008	126,000,000
22	2009	132,000,000
23	2010	139,000,000
24	2011	146,000,000
25	2012	153,000,000

1	2013	161,000,000
2	2014	170,000,000
3	2015	179,000,000
4	2016	189,000,000
5	2017	199,000,000
6	2018	210,000,000
7	2019	221,000,000
8	2020	233,000,000
9	2021	246,000,000
10	2022	260,000,000
11	2023	275,000,000
12	2024	275,000,000
13	2025	275,000,000
14	2026	279,000,000
15	2027	292,000,000
16	2028	307,000,000
17	2029	322,000,000
18	2030	338,000,000
19	2031	350,000,000
20	2032	350,000,000

21 and
22 each fiscal year
23 thereafter that bonds
24 are outstanding under
25 Section 13.2 of the
26 Metropolitan Pier and

1 Exposition Authority Act,

2 but not after fiscal year 2060.

3 Beginning July 20, 1993 and in each month of each fiscal
4 year thereafter, one-eighth of the amount requested in the
5 certificate of the Chairman of the Metropolitan Pier and
6 Exposition Authority for that fiscal year, less the amount
7 deposited into the McCormick Place Expansion Project Fund by
8 the State Treasurer in the respective month under subsection
9 (g) of Section 13 of the Metropolitan Pier and Exposition
10 Authority Act, plus cumulative deficiencies in the deposits
11 required under this Section for previous months and years,
12 shall be deposited into the McCormick Place Expansion Project
13 Fund, until the full amount requested for the fiscal year, but
14 not in excess of the amount specified above as "Total Deposit",
15 has been deposited.

16 Subject to payment of amounts into the Build Illinois Fund
17 and the McCormick Place Expansion Project Fund pursuant to the
18 preceding paragraphs or in any amendments thereto hereafter
19 enacted, beginning July 1, 1993, the Department shall each
20 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
21 the net revenue realized for the preceding month from the 6.25%
22 general rate on the selling price of tangible personal
23 property.

24 Subject to payment of amounts into the Build Illinois Fund
25 and the McCormick Place Expansion Project Fund pursuant to the
26 preceding paragraphs or in any amendments thereto hereafter

1 enacted, beginning with the receipt of the first report of
2 taxes paid by an eligible business and continuing for a 25-year
3 period, the Department shall each month pay into the Energy
4 Infrastructure Fund 80% of the net revenue realized from the
5 6.25% general rate on the selling price of Illinois-mined coal
6 that was sold to an eligible business. For purposes of this
7 paragraph, the term "eligible business" means a new electric
8 generating facility certified pursuant to Section 605-332 of
9 the Department of Commerce and Economic Opportunity Law of the
10 Civil Administrative Code of Illinois.

11 Remaining moneys received by the Department pursuant to
12 this Act shall be paid into the General Revenue Fund of the
13 State Treasury.

14 The Department may, upon separate written notice to a
15 taxpayer, require the taxpayer to prepare and file with the
16 Department on a form prescribed by the Department within not
17 less than 60 days after receipt of the notice an annual
18 information return for the tax year specified in the notice.
19 Such annual return to the Department shall include a statement
20 of gross receipts as shown by the taxpayer's last Federal
21 income tax return. If the total receipts of the business as
22 reported in the Federal income tax return do not agree with the
23 gross receipts reported to the Department of Revenue for the
24 same period, the taxpayer shall attach to his annual return a
25 schedule showing a reconciliation of the 2 amounts and the
26 reasons for the difference. The taxpayer's annual return to the

1 Department shall also disclose the cost of goods sold by the
2 taxpayer during the year covered by such return, opening and
3 closing inventories of such goods for such year, cost of goods
4 used from stock or taken from stock and given away by the
5 taxpayer during such year, pay roll information of the
6 taxpayer's business during such year and any additional
7 reasonable information which the Department deems would be
8 helpful in determining the accuracy of the monthly, quarterly
9 or annual returns filed by such taxpayer as hereinbefore
10 provided for in this Section.

11 If the annual information return required by this Section
12 is not filed when and as required, the taxpayer shall be liable
13 as follows:

14 (i) Until January 1, 1994, the taxpayer shall be liable
15 for a penalty equal to $1/6$ of 1% of the tax due from such
16 taxpayer under this Act during the period to be covered by
17 the annual return for each month or fraction of a month
18 until such return is filed as required, the penalty to be
19 assessed and collected in the same manner as any other
20 penalty provided for in this Act.

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

24 The chief executive officer, proprietor, owner or highest
25 ranking manager shall sign the annual return to certify the
26 accuracy of the information contained therein. Any person who

1 willfully signs the annual return containing false or
2 inaccurate information shall be guilty of perjury and punished
3 accordingly. The annual return form prescribed by the
4 Department shall include a warning that the person signing the
5 return may be liable for perjury.

6 The foregoing portion of this Section concerning the filing
7 of an annual information return shall not apply to a serviceman
8 who is not required to file an income tax return with the
9 United States Government.

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

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

21 For greater simplicity of administration, it shall be
22 permissible for manufacturers, importers and wholesalers whose
23 products are sold by numerous servicemen in Illinois, and who
24 wish to do so, to assume the responsibility for accounting and
25 paying to the Department all tax accruing under this Act with
26 respect to such sales, if the servicemen who are affected do

1 not make written objection to the Department to this
2 arrangement.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
4 eff. 5-27-10.)

5 Section 30. The Retailers' Occupation Tax Act is amended by
6 changing Sections 2a and 3 as follows:

7 (35 ILCS 120/2a) (from Ch. 120, par. 441a)

8 Sec. 2a. It is unlawful for any person to engage in the
9 business of selling tangible personal property at retail in
10 this State without a certificate of registration from the
11 Department. Application for a certificate of registration
12 shall be made to the Department upon forms furnished by it.
13 Each such application shall be signed and verified and shall
14 state: (1) the name and social security number of the
15 applicant; (2) the address of his principal place of business;
16 (3) the address of the principal place of business from which
17 he engages in the business of selling tangible personal
18 property at retail in this State and the addresses of all other
19 places of business, if any (enumerating such addresses, if any,
20 in a separate list attached to and made a part of the
21 application), from which he engages in the business of selling
22 tangible personal property at retail in this State; (4) the
23 name and address of the person or persons who will be
24 responsible for filing returns and payment of taxes due under

1 this Act; (5) in the case of a corporation, the name, title,
2 and social security number of each corporate officer; (6) in
3 the case of a limited liability company, the name, social
4 security number, and FEIN number of each manager and member;
5 and (7) such other information as the Department may reasonably
6 require. The application shall contain an acceptance of
7 responsibility signed by the person or persons who will be
8 responsible for filing returns and payment of the taxes due
9 under this Act. If the applicant will sell tangible personal
10 property at retail through vending machines, his application to
11 register shall indicate the number of vending machines to be so
12 operated. If requested by the Department at any time, that
13 person shall verify the total number of vending machines he or
14 she uses in his or her business of selling tangible personal
15 property at retail.

16 The Department may deny a certificate of registration to
17 any applicant if a person who is named as the owner, a ~~any~~
18 partner, a ~~any~~ manager or member of a limited liability
19 company, or a corporate officer of the applicant on the
20 application for the certificate of registration, is or has been
21 named as the owner, a partner, a manager or member of a limited
22 liability company, or a corporate officer, on the application
23 for the certificate of registration of another retailer that is
24 in default for moneys due under this Act or any other tax or
25 fee Act administered by the Department. For purposes of this
26 paragraph only, in determining whether a person is in default

1 for moneys due, the Department shall include only amounts
2 established as a final liability within the 20 years prior to
3 the date of the Department's notice of denial of a certificate
4 of registration.

5 The Department may require an applicant for a certificate
6 of registration hereunder to, at the time of filing such
7 application, furnish a bond from a surety company authorized to
8 do business in the State of Illinois, or an irrevocable bank
9 letter of credit or a bond signed by 2 personal sureties who
10 have filed, with the Department, sworn statements disclosing
11 net assets equal to at least 3 times the amount of the bond to
12 be required of such applicant, or a bond secured by an
13 assignment of a bank account or certificate of deposit, stocks
14 or bonds, conditioned upon the applicant paying to the State of
15 Illinois all moneys becoming due under this Act and under any
16 other State tax law or municipal or county tax ordinance or
17 resolution under which the certificate of registration that is
18 issued to the applicant under this Act will permit the
19 applicant to engage in business without registering separately
20 under such other law, ordinance or resolution. In making a
21 determination as to whether to require a bond or other
22 security, the Department shall take into consideration whether
23 the owner, any partner, any manager or member of a limited
24 liability company, or a corporate officer of the applicant is
25 or has been the owner, a partner, a manager or member of a
26 limited liability company, or a corporate officer of another

1 retailer that is in default for moneys due under this Act or
2 any other tax or fee Act administered by the Department; and
3 whether the owner, any partner, any manager or member of a
4 limited liability company, or a corporate officer of the
5 applicant is or has been the owner, a partner, a manager or
6 member of a limited liability company, or a corporate officer
7 of another retailer whose certificate of registration has been
8 revoked within the previous 5 years under this Act or any other
9 tax or fee Act administered by the Department. If a bond or
10 other security is required, the Department shall fix the amount
11 of the bond or other security, taking into consideration the
12 amount of money expected to become due from the applicant under
13 this Act and under any other State tax law or municipal or
14 county tax ordinance or resolution under which the certificate
15 of registration that is issued to the applicant under this Act
16 will permit the applicant to engage in business without
17 registering separately under such other law, ordinance, or
18 resolution. The amount of security required by the Department
19 shall be such as, in its opinion, will protect the State of
20 Illinois against failure to pay the amount which may become due
21 from the applicant under this Act and under any other State tax
22 law or municipal or county tax ordinance or resolution under
23 which the certificate of registration that is issued to the
24 applicant under this Act will permit the applicant to engage in
25 business without registering separately under such other law,
26 ordinance or resolution, but the amount of the security

1 required by the Department shall not exceed three times the
2 amount of the applicant's average monthly tax liability, or
3 \$50,000.00, whichever amount is lower.

4 No certificate of registration under this Act shall be
5 issued by the Department until the applicant provides the
6 Department with satisfactory security, if required, as herein
7 provided for.

8 Upon receipt of the application for certificate of
9 registration in proper form, and upon approval by the
10 Department of the security furnished by the applicant, if
11 required, the Department shall issue to such applicant a
12 certificate of registration which shall permit the person to
13 whom it is issued to engage in the business of selling tangible
14 personal property at retail in this State. The certificate of
15 registration shall be conspicuously displayed at the place of
16 business which the person so registered states in his
17 application to be the principal place of business from which he
18 engages in the business of selling tangible personal property
19 at retail in this State.

20 No certificate of registration issued to a taxpayer who
21 files returns required by this Act on a monthly basis shall be
22 valid after the expiration of 5 years from the date of its
23 issuance or last renewal. The expiration date of a
24 sub-certificate of registration shall be that of the
25 certificate of registration to which the sub-certificate
26 relates. A certificate of registration shall automatically be

1 renewed, subject to revocation as provided by this Act, for an
2 additional 5 years from the date of its expiration unless
3 otherwise notified by the Department as provided by this
4 paragraph. Where a taxpayer to whom a certificate of
5 registration is issued under this Act is in default to the
6 State of Illinois for delinquent returns or for moneys due
7 under this Act or any other State tax law or municipal or
8 county ordinance administered or enforced by the Department,
9 the Department shall, not less than 120 days before the
10 expiration date of such certificate of registration, give
11 notice to the taxpayer to whom the certificate was issued of
12 the account period of the delinquent returns, the amount of
13 tax, penalty and interest due and owing from the taxpayer, and
14 that the certificate of registration shall not be automatically
15 renewed upon its expiration date unless the taxpayer, on or
16 before the date of expiration, has filed and paid the
17 delinquent returns or paid the defaulted amount in full. A
18 taxpayer to whom such a notice is issued shall be deemed an
19 applicant for renewal. The Department shall promulgate
20 regulations establishing procedures for taxpayers who file
21 returns on a monthly basis but desire and qualify to change to
22 a quarterly or yearly filing basis and will no longer be
23 subject to renewal under this Section, and for taxpayers who
24 file returns on a yearly or quarterly basis but who desire or
25 are required to change to a monthly filing basis and will be
26 subject to renewal under this Section.

1 The Department may in its discretion approve renewal by an
2 applicant who is in default if, at the time of application for
3 renewal, the applicant files all of the delinquent returns or
4 pays to the Department such percentage of the defaulted amount
5 as may be determined by the Department and agrees in writing to
6 waive all limitations upon the Department for collection of the
7 remaining defaulted amount to the Department over a period not
8 to exceed 5 years from the date of renewal of the certificate;
9 however, no renewal application submitted by an applicant who
10 is in default shall be approved if the immediately preceding
11 renewal by the applicant was conditioned upon the installment
12 payment agreement described in this Section. The payment
13 agreement herein provided for shall be in addition to and not
14 in lieu of the security that may be required by this Section of
15 a taxpayer who is no longer considered a prior continuous
16 compliance taxpayer. The execution of the payment agreement as
17 provided in this Act shall not toll the accrual of interest at
18 the statutory rate.

19 The Department may suspend a certificate of registration if
20 the Department finds that the person to whom the certificate of
21 registration has been issued knowingly sold contraband
22 cigarettes.

23 A certificate of registration issued under this Act more
24 than 5 years before the effective date of this amendatory Act
25 of 1989 shall expire and be subject to the renewal provisions
26 of this Section on the next anniversary of the date of issuance

1 of such certificate which occurs more than 6 months after the
2 effective date of this amendatory Act of 1989. A certificate of
3 registration issued less than 5 years before the effective date
4 of this amendatory Act of 1989 shall expire and be subject to
5 the renewal provisions of this Section on the 5th anniversary
6 of the issuance of the certificate.

7 If the person so registered states that he operates other
8 places of business from which he engages in the business of
9 selling tangible personal property at retail in this State, the
10 Department shall furnish him with a sub-certificate of
11 registration for each such place of business, and the applicant
12 shall display the appropriate sub-certificate of registration
13 at each such place of business. All sub-certificates of
14 registration shall bear the same registration number as that
15 appearing upon the certificate of registration to which such
16 sub-certificates relate.

17 If the applicant will sell tangible personal property at
18 retail through vending machines, the Department shall furnish
19 him with a sub-certificate of registration for each such
20 vending machine, and the applicant shall display the
21 appropriate sub-certificate of registration on each such
22 vending machine by attaching the sub-certificate of
23 registration to a conspicuous part of such vending machine. If
24 a person who is registered to sell tangible personal property
25 at retail through vending machines adds an additional vending
26 machine or additional vending machines to the number of vending

1 machines he or she uses in his or her business of selling
2 tangible personal property at retail, he or she shall notify
3 the Department, on a form prescribed by the Department, to
4 request an additional sub-certificate or additional
5 sub-certificates of registration, as applicable. With each
6 such request, the applicant shall report the number of
7 sub-certificates of registration he or she is requesting as
8 well as the total number of vending machines from which he or
9 she makes retail sales.

10 Where the same person engages in 2 or more businesses of
11 selling tangible personal property at retail in this State,
12 which businesses are substantially different in character or
13 engaged in under different trade names or engaged in under
14 other substantially dissimilar circumstances (so that it is
15 more practicable, from an accounting, auditing or bookkeeping
16 standpoint, for such businesses to be separately registered),
17 the Department may require or permit such person (subject to
18 the same requirements concerning the furnishing of security as
19 those that are provided for hereinbefore in this Section as to
20 each application for a certificate of registration) to apply
21 for and obtain a separate certificate of registration for each
22 such business or for any of such businesses, under a single
23 certificate of registration supplemented by related
24 sub-certificates of registration.

25 Any person who is registered under the "Retailers'
26 Occupation Tax Act" as of March 8, 1963, and who, during the

1 3-year period immediately prior to March 8, 1963, or during a
2 continuous 3-year period part of which passed immediately
3 before and the remainder of which passes immediately after
4 March 8, 1963, has been so registered continuously and who is
5 determined by the Department not to have been either delinquent
6 or deficient in the payment of tax liability during that period
7 under this Act or under any other State tax law or municipal or
8 county tax ordinance or resolution under which the certificate
9 of registration that is issued to the registrant under this Act
10 will permit the registrant to engage in business without
11 registering separately under such other law, ordinance or
12 resolution, shall be considered to be a Prior Continuous
13 Compliance taxpayer. Also any taxpayer who has, as verified by
14 the Department, faithfully and continuously complied with the
15 condition of his bond or other security under the provisions of
16 this Act for a period of 3 consecutive years shall be
17 considered to be a Prior Continuous Compliance taxpayer.

18 Every Prior Continuous Compliance taxpayer shall be exempt
19 from all requirements under this Act concerning the furnishing
20 of a bond or other security as a condition precedent to his
21 being authorized to engage in the business of selling tangible
22 personal property at retail in this State. This exemption shall
23 continue for each such taxpayer until such time as he may be
24 determined by the Department to be delinquent in the filing of
25 any returns, or is determined by the Department (either through
26 the Department's issuance of a final assessment which has

1 become final under the Act, or by the taxpayer's filing of a
2 return which admits tax that is not paid to be due) to be
3 delinquent or deficient in the paying of any tax under this Act
4 or under any other State tax law or municipal or county tax
5 ordinance or resolution under which the certificate of
6 registration that is issued to the registrant under this Act
7 will permit the registrant to engage in business without
8 registering separately under such other law, ordinance or
9 resolution, at which time that taxpayer shall become subject to
10 all the financial responsibility requirements of this Act and,
11 as a condition of being allowed to continue to engage in the
12 business of selling tangible personal property at retail, may
13 be required to post bond or other acceptable security with the
14 Department covering liability which such taxpayer may
15 thereafter incur. Any taxpayer who fails to pay an admitted or
16 established liability under this Act may also be required to
17 post bond or other acceptable security with this Department
18 guaranteeing the payment of such admitted or established
19 liability.

20 No certificate of registration shall be issued to any
21 person who is in default to the State of Illinois for moneys
22 due under this Act or under any other State tax law or
23 municipal or county tax ordinance or resolution under which the
24 certificate of registration that is issued to the applicant
25 under this Act will permit the applicant to engage in business
26 without registering separately under such other law, ordinance

1 or resolution.

2 Any person aggrieved by any decision of the Department
3 under this Section may, within 20 days after notice of such
4 decision, protest and request a hearing, whereupon the
5 Department shall give notice to such person of the time and
6 place fixed for such hearing and shall hold a hearing in
7 conformity with the provisions of this Act and then issue its
8 final administrative decision in the matter to such person. In
9 the absence of such a protest within 20 days, the Department's
10 decision shall become final without any further determination
11 being made or notice given.

12 With respect to security other than bonds (upon which the
13 Department may sue in the event of a forfeiture), if the
14 taxpayer fails to pay, when due, any amount whose payment such
15 security guarantees, the Department shall, after such
16 liability is admitted by the taxpayer or established by the
17 Department through the issuance of a final assessment that has
18 become final under the law, convert the security which that
19 taxpayer has furnished into money for the State, after first
20 giving the taxpayer at least 10 days' written notice, by
21 registered or certified mail, to pay the liability or forfeit
22 such security to the Department. If the security consists of
23 stocks or bonds or other securities which are listed on a
24 public exchange, the Department shall sell such securities
25 through such public exchange. If the security consists of an
26 irrevocable bank letter of credit, the Department shall convert

1 the security in the manner provided for in the Uniform
2 Commercial Code. If the security consists of a bank certificate
3 of deposit, the Department shall convert the security into
4 money by demanding and collecting the amount of such bank
5 certificate of deposit from the bank which issued such
6 certificate. If the security consists of a type of stocks or
7 other securities which are not listed on a public exchange, the
8 Department shall sell such security to the highest and best
9 bidder after giving at least 10 days' notice of the date, time
10 and place of the intended sale by publication in the "State
11 Official Newspaper". If the Department realizes more than the
12 amount of such liability from the security, plus the expenses
13 incurred by the Department in converting the security into
14 money, the Department shall pay such excess to the taxpayer who
15 furnished such security, and the balance shall be paid into the
16 State Treasury.

17 The Department shall discharge any surety and shall release
18 and return any security deposited, assigned, pledged or
19 otherwise provided to it by a taxpayer under this Section
20 within 30 days after:

21 (1) such taxpayer becomes a Prior Continuous
22 Compliance taxpayer; or

23 (2) such taxpayer has ceased to collect receipts on
24 which he is required to remit tax to the Department, has
25 filed a final tax return, and has paid to the Department an
26 amount sufficient to discharge his remaining tax

1 liability, as determined by the Department, under this Act
2 and under every other State tax law or municipal or county
3 tax ordinance or resolution under which the certificate of
4 registration issued under this Act permits the registrant
5 to engage in business without registering separately under
6 such other law, ordinance or resolution. The Department
7 shall make a final determination of the taxpayer's
8 outstanding tax liability as expeditiously as possible
9 after his final tax return has been filed; if the
10 Department cannot make such final determination within 45
11 days after receiving the final tax return, within such
12 period it shall so notify the taxpayer, stating its reasons
13 therefor.

14 (Source: P.A. 96-1355, eff. 7-28-10; 97-335, eff. 1-1-12.)

15 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

21 1. The name of the seller;

22 2. His residence address and the address of his
23 principal place of business and the address of the
24 principal place of business (if that is a different
25 address) from which he engages in the business of selling

1 tangible personal property at retail in this State;

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

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

12 5. Deductions allowed by law;

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

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

18 8. The amount of tax due;

19 9. The signature of the taxpayer; and

20 10. Such other reasonable information as the
21 Department may require.

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

26 Each return shall be accompanied by the statement of

1 prepaid tax issued pursuant to Section 2e for which credit is
2 claimed.

3 Prior to October 1, 2003, and on and after September 1,
4 2004 a retailer may accept a Manufacturer's Purchase Credit
5 certification from a purchaser in satisfaction of Use Tax as
6 provided in Section 3-85 of the Use Tax Act if the purchaser
7 provides the appropriate documentation as required by Section
8 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
9 certification, accepted by a retailer prior to October 1, 2003
10 and on and after September 1, 2004 as provided in Section 3-85
11 of the Use Tax Act, may be used by that retailer to satisfy
12 Retailers' Occupation Tax liability in the amount claimed in
13 the certification, not to exceed 6.25% of the receipts subject
14 to tax from a qualifying purchase. A Manufacturer's Purchase
15 Credit reported on any original or amended return filed under
16 this Act after October 20, 2003 for reporting periods prior to
17 September 1, 2004 shall be disallowed. Manufacturer's
18 Purchaser Credit reported on annual returns due on or after
19 January 1, 2005 will be disallowed for periods prior to
20 September 1, 2004. No Manufacturer's Purchase Credit may be
21 used after September 30, 2003 through August 31, 2004 to
22 satisfy any tax liability imposed under this Act, including any
23 audit liability.

24 The Department may require returns to be filed on a
25 quarterly basis. If so required, a return for each calendar
26 quarter shall be filed on or before the twentieth day of the

1 calendar month following the end of such calendar quarter. The
2 taxpayer shall also file a return with the Department for each
3 of the first two months of each calendar quarter, on or before
4 the twentieth day of the following calendar month, stating:

5 1. The name of the seller;

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

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

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

16 5. The amount of tax due; and

17 6. Such other reasonable information as the Department
18 may require.

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

1 Department. The Department may adopt rules to require that this
2 statement be filed in an electronic or telephonic format. Such
3 rules may provide for exceptions from the filing requirements
4 of this paragraph. For the purposes of this paragraph, the term
5 "alcoholic liquor" shall have the meaning prescribed in the
6 Liquor Control Act of 1934.

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

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

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

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

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

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

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

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

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

26 Any amount which is required to be shown or reported on any

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

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

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

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

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

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

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

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

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

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

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

13 The transaction reporting return in the case of watercraft
14 or aircraft must show the name and address of the seller; the
15 name and address of the purchaser; the amount of the selling
16 price including the amount allowed by the retailer for
17 traded-in property, if any; the amount allowed by the retailer
18 for the traded-in tangible personal property, if any, to the
19 extent to which Section 1 of this Act allows an exemption for
20 the value of traded-in property; the balance payable after
21 deducting such trade-in allowance from the total selling price;
22 the amount of tax due from the retailer with respect to such
23 transaction; the amount of tax collected from the purchaser by
24 the retailer on such transaction (or satisfactory evidence that
25 such tax is not due in that particular instance, if that is
26 claimed to be the fact); the place and date of the sale, a

1 sufficient identification of the property sold, and such other
2 information as the Department may reasonably require.

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

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

1 to such tangible personal property.

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

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

1 if the tax had been remitted to the Department by the retailer.

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

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

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

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

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

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

1 preceding 4 complete calendar quarters, he shall file a return
2 with the Department each month by the 20th day of the month
3 next following the month during which such tax liability is
4 incurred and shall make payment to the Department on or before
5 the 7th, 15th, 22nd and last day of the month during which such
6 liability is incurred. If the month during which such tax
7 liability is incurred began prior to January 1, 1985, each
8 payment shall be in an amount equal to 1/4 of the taxpayer's
9 actual liability for the month or an amount set by the
10 Department not to exceed 1/4 of the average monthly liability
11 of the taxpayer to the Department for the preceding 4 complete
12 calendar quarters (excluding the month of highest liability and
13 the month of lowest liability in such 4 quarter period). If the
14 month during which such tax liability is incurred begins on or
15 after January 1, 1985 and prior to January 1, 1987, each
16 payment shall be in an amount equal to 22.5% of the taxpayer's
17 actual liability for the month or 27.5% of the taxpayer's
18 liability for the same calendar month of the preceding year. If
19 the month during which such tax liability is incurred begins on
20 or after January 1, 1987 and prior to January 1, 1988, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 26.25% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1988, and prior to January 1, 1989, or
26 begins on or after January 1, 1996, each payment shall be in an

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

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

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

8 The provisions of this paragraph apply before October 1,
9 2001. Without regard to whether a taxpayer is required to make
10 quarter monthly payments as specified above, any taxpayer who
11 is required by Section 2d of this Act to collect and remit
12 prepaid taxes and has collected prepaid taxes which average in
13 excess of \$25,000 per month during the preceding 2 complete
14 calendar quarters, shall file a return with the Department as
15 required by Section 2f and shall make payments to the
16 Department on or before the 7th, 15th, 22nd and last day of the
17 month during which such liability is incurred. If the month
18 during which such tax liability is incurred began prior to the
19 effective date of this amendatory Act of 1985, each payment
20 shall be in an amount not less than 22.5% of the taxpayer's
21 actual liability under Section 2d. If the month during which
22 such tax liability is incurred begins on or after January 1,
23 1986, each payment shall be in an amount equal to 22.5% of the
24 taxpayer's actual liability for the month or 27.5% of the
25 taxpayer's liability for the same calendar month of the
26 preceding calendar year. If the month during which such tax

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

18 The provisions of this paragraph apply on and after October
19 1, 2001. Without regard to whether a taxpayer is required to
20 make quarter monthly payments as specified above, any taxpayer
21 who is required by Section 2d of this Act to collect and remit
22 prepaid taxes and has collected prepaid taxes that average in
23 excess of \$20,000 per month during the preceding 4 complete
24 calendar quarters shall file a return with the Department as
25 required by Section 2f and shall make payments to the
26 Department on or before the 7th, 15th, 22nd and last day of the

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

22 If any payment provided for in this Section exceeds the
23 taxpayer's liabilities under this Act, the Use Tax Act, the
24 Service Occupation Tax Act and the Service Use Tax Act, as
25 shown on an original monthly return, the Department shall, if
26 requested by the taxpayer, issue to the taxpayer a credit

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

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

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund, a special fund in the
25 State treasury which is hereby created, the net revenue
26 realized for the preceding month from the 1% tax on sales of

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

7 Beginning January 1, 1990, each month the Department shall
8 pay into the County and Mass Transit District Fund, a special
9 fund in the State treasury which is hereby created, 4% of the
10 net revenue realized for the preceding month from the 6.25%
11 general 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. Beginning
16 September 1, 2010, each month the Department shall pay into the
17 County and Mass Transit District Fund 20% of the net revenue
18 realized for the preceding month from the 1.25% rate on the
19 selling price of sales tax holiday items.

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

24 Beginning August 1, 2000, each month the Department shall
25 pay into the Local Government Tax Fund 80% of the net revenue
26 realized for the preceding month from the 1.25% rate on the

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

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

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

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 this Act,
4 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
5 Act, and Section 9 of the Service Occupation Tax Act, such Acts
6 being hereinafter called the "Tax Acts" and such aggregate of
7 2.2% or 3.8%, as the case may be, of moneys being hereinafter
8 called the "Tax Act Amount", and (2) the amount transferred to
9 the Build Illinois Fund from the State and Local Sales Tax
10 Reform Fund shall be less than the Annual Specified Amount (as
11 hereinafter defined), an amount equal to the difference shall
12 be immediately paid into the Build Illinois Fund from other
13 moneys received by the Department pursuant to the Tax Acts; the
14 "Annual Specified Amount" means the amounts specified below for
15 fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000
1987	\$76,650,000
1988	\$80,480,000
1989	\$88,510,000
1990	\$115,330,000
1991	\$145,470,000
1992	\$182,730,000
1993	\$206,520,000;

25 and means the Certified Annual Debt Service Requirement (as
26 defined in Section 13 of the Build Illinois Bond Act) or the

1 Tax Act Amount, whichever is greater, for fiscal year 1994 and
2 each fiscal year thereafter; and further provided, that if on
3 the last business day of any month the sum of (1) the Tax Act
4 Amount required to be deposited into the Build Illinois Bond
5 Account in the Build Illinois Fund during such month and (2)
6 the amount transferred to the Build Illinois Fund from the
7 State and Local Sales Tax Reform Fund shall have been less than
8 1/12 of the Annual Specified Amount, an amount equal to the
9 difference shall be immediately paid into the Build Illinois
10 Fund from other moneys received by the Department pursuant to
11 the Tax Acts; and, further provided, that in no event shall the
12 payments required under the preceding proviso result in
13 aggregate payments into the Build Illinois Fund pursuant to
14 this clause (b) for any fiscal year in excess of the greater of
15 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
16 such fiscal year. The amounts payable into the Build Illinois
17 Fund under clause (b) of the first sentence in this paragraph
18 shall be payable only until such time as the aggregate amount
19 on deposit under each trust indenture securing Bonds issued and
20 outstanding pursuant to the Build Illinois Bond Act is
21 sufficient, taking into account any future investment income,
22 to fully provide, in accordance with such indenture, for the
23 defeasance of or the payment of the principal of, premium, if
24 any, and interest on the Bonds secured by such indenture and on
25 any Bonds expected to be issued thereafter and all fees and
26 costs payable with respect thereto, all as certified by the

1 Director of the Bureau of the Budget (now Governor's Office of
2 Management and Budget). If on the last business day of any
3 month in which Bonds are outstanding pursuant to the Build
4 Illinois Bond Act, the aggregate of moneys deposited in the
5 Build Illinois Bond Account in the Build Illinois Fund in such
6 month shall be less than the amount required to be transferred
7 in such month from the Build Illinois Bond Account to the Build
8 Illinois Bond Retirement and Interest Fund pursuant to Section
9 13 of the Build Illinois Bond Act, an amount equal to such
10 deficiency shall be immediately paid from other moneys received
11 by the Department pursuant to the Tax Acts to the Build
12 Illinois Fund; provided, however, that any amounts paid to the
13 Build Illinois Fund in any fiscal year pursuant to this
14 sentence shall be deemed to constitute payments pursuant to
15 clause (b) of the first sentence of this paragraph and shall
16 reduce the amount otherwise payable for such fiscal year
17 pursuant to that clause (b). The moneys received by the
18 Department pursuant to this Act and required to be deposited
19 into the Build Illinois Fund are subject to the pledge, claim
20 and charge set forth in Section 12 of the Build Illinois Bond
21 Act.

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

1 provided under Section 8.25f of the State Finance Act, but not
2 in excess of sums designated as "Total Deposit", shall be
3 deposited in the aggregate from collections under Section 9 of
4 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
5 9 of the Service Occupation Tax Act, and Section 3 of the
6 Retailers' Occupation Tax Act into the McCormick Place
7 Expansion Project Fund in the specified fiscal years.

8	Fiscal Year	Total Deposit
9	1993	\$0
10	1994	53,000,000
11	1995	58,000,000
12	1996	61,000,000
13	1997	64,000,000
14	1998	68,000,000
15	1999	71,000,000
16	2000	75,000,000
17	2001	80,000,000
18	2002	93,000,000
19	2003	99,000,000
20	2004	103,000,000
21	2005	108,000,000
22	2006	113,000,000
23	2007	119,000,000
24	2008	126,000,000
25	2009	132,000,000

1	2010	139,000,000
2	2011	146,000,000
3	2012	153,000,000
4	2013	161,000,000
5	2014	170,000,000
6	2015	179,000,000
7	2016	189,000,000
8	2017	199,000,000
9	2018	210,000,000
10	2019	221,000,000
11	2020	233,000,000
12	2021	246,000,000
13	2022	260,000,000
14	2023	275,000,000
15	2024	275,000,000
16	2025	275,000,000
17	2026	279,000,000
18	2027	292,000,000
19	2028	307,000,000
20	2029	322,000,000
21	2030	338,000,000
22	2031	350,000,000
23	2032	350,000,000
24	and	
25	each fiscal year	
26	thereafter that bonds	

1 are outstanding under
2 Section 13.2 of the
3 Metropolitan Pier and
4 Exposition Authority Act,
5 but not after fiscal year 2060.

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

19 Subject to payment of amounts into the Build Illinois Fund
20 and the McCormick Place Expansion Project Fund pursuant to the
21 preceding paragraphs or in any amendments thereto hereafter
22 enacted, beginning July 1, 1993, the Department shall each
23 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
24 the net revenue realized for the preceding month from the 6.25%
25 general rate on the selling price of tangible personal
26 property.

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

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

20 The Department may, upon separate written notice to a
21 taxpayer, require the taxpayer to prepare and file with the
22 Department on a form prescribed by the Department within not
23 less than 60 days after receipt of the notice an annual
24 information return for the tax year specified in the notice.
25 Such annual return to the Department shall include a statement
26 of gross receipts as shown by the retailer's last Federal

1 income tax return. If the total receipts of the business as
2 reported in the Federal income tax return do not agree with the
3 gross receipts reported to the Department of Revenue for the
4 same period, the retailer shall attach to his annual return a
5 schedule showing a reconciliation of the 2 amounts and the
6 reasons for the difference. The retailer's annual return to the
7 Department shall also disclose the cost of goods sold by the
8 retailer during the year covered by such return, opening and
9 closing inventories of such goods for such year, costs of goods
10 used from stock or taken from stock and given away by the
11 retailer during such year, payroll information of the
12 retailer's business during such year and any additional
13 reasonable information which the Department deems would be
14 helpful in determining the accuracy of the monthly, quarterly
15 or annual returns filed by such retailer as provided for in
16 this Section.

17 If the annual information return required by this Section
18 is not filed when and as required, the taxpayer shall be liable
19 as follows:

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

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

4 The chief executive officer, proprietor, owner or highest
5 ranking manager shall sign the annual return to certify the
6 accuracy of the information contained therein. Any person who
7 willfully signs the annual return containing false or
8 inaccurate information shall be guilty of perjury and punished
9 accordingly. The annual return form prescribed by the
10 Department shall include a warning that the person signing the
11 return may be liable for perjury.

12 The provisions of this Section concerning the filing of an
13 annual information return do not apply to a retailer who is not
14 required to file an income tax return with the United States
15 Government.

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

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

1 For greater simplicity of administration, manufacturers,
2 importers and wholesalers whose products are sold at retail in
3 Illinois by numerous retailers, and who wish to do so, may
4 assume the responsibility for accounting and paying to the
5 Department all tax accruing under this Act with respect to such
6 sales, if the retailers who are affected do not make written
7 objection to the Department to this arrangement.

8 Any person who promotes, organizes, provides retail
9 selling space for concessionaires or other types of sellers at
10 the Illinois State Fair, DuQuoin State Fair, county fairs,
11 local fairs, art shows, flea markets and similar exhibitions or
12 events, including any transient merchant as defined by Section
13 2 of the Transient Merchant Act of 1987, is required to file a
14 report with the Department providing the name of the merchant's
15 business, the name of the person or persons engaged in
16 merchant's business, the permanent address and Illinois
17 Retailers Occupation Tax Registration Number of the merchant,
18 the dates and location of the event and other reasonable
19 information that the Department may require. The report must be
20 filed not later than the 20th day of the month next following
21 the month during which the event with retail sales was held.
22 Any person who fails to file a report required by this Section
23 commits a business offense and is subject to a fine not to
24 exceed \$250.

25 Any person engaged in the business of selling tangible
26 personal property at retail as a concessionaire or other type

1 of seller at the Illinois State Fair, county fairs, art shows,
2 flea markets and similar exhibitions or events, or any
3 transient merchants, as defined by Section 2 of the Transient
4 Merchant Act of 1987, may be required to make a daily report of
5 the amount of such sales to the Department and to make a daily
6 payment of the full amount of tax due. The Department shall
7 impose this requirement when it finds that there is a
8 significant risk of loss of revenue to the State at such an
9 exhibition or event. Such a finding shall be based on evidence
10 that a substantial number of concessionaires or other sellers
11 who are not residents of Illinois will be engaging in the
12 business of selling tangible personal property at retail at the
13 exhibition or event, or other evidence of a significant risk of
14 loss of revenue to the State. The Department shall notify
15 concessionaires and other sellers affected by the imposition of
16 this requirement. In the absence of notification by the
17 Department, the concessionaires and other sellers shall file
18 their returns as otherwise required in this Section.

19 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
20 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
21 97-333, eff. 8-12-11.)".