

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section
5 19 as follows:

6 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

7 Sec. 19. If it shall appear that an amount of tax or
8 penalty or interest has been paid in error hereunder to the
9 Department by a purchaser, as distinguished from the retailer,
10 whether such amount be paid through a mistake of fact or an
11 error of law, such purchaser may file a claim for credit or
12 refund with the Department in accordance with Sections 6, 6a,
13 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act. If it
14 shall appear that an amount of tax or penalty or interest has
15 been paid in error to the Department hereunder by a retailer
16 who is required or authorized to collect and remit the use tax,
17 whether such amount be paid through a mistake of fact or an
18 error of law, such retailer may file a claim for credit or
19 refund with the Department in accordance with Sections 6, 6a,
20 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act,
21 provided that no credit or refund shall be allowed for any
22 amount paid by any such retailer unless it shall appear that he
23 bore the burden of such amount and did not shift the burden

1 thereof to anyone else (as in the case of a duplicated tax
2 payment which the retailer made to the Department and did not
3 collect from anyone else), or unless it shall appear that he or
4 she or his or her legal representative has unconditionally
5 repaid such amount to his vendee (1) who bore the burden
6 thereof and has not shifted such burden directly or indirectly
7 in any manner whatsoever; (2) who, if he has shifted such
8 burden, has repaid unconditionally such amount to his or her
9 own vendee, and (3) who is not entitled to receive any
10 reimbursement therefor from any other source than from his
11 vendor, nor to be relieved of such burden in any other manner
12 whatsoever. If it shall appear that an amount of tax has been
13 paid in error hereunder by the purchaser to a retailer, who
14 retained such tax as reimbursement for his or her tax liability
15 on the same sale under the Retailers' Occupation Tax Act, and
16 who remitted the amount involved to the Department under the
17 Retailers' Occupation Tax Act, whether such amount be paid
18 through a mistake of fact or an error of law, the procedure for
19 recovering such tax shall be that prescribed in Sections 6, 6a,
20 6b and 6c of the Retailers' Occupation Tax Act.

21 Any credit or refund that is allowed under this Section
22 shall bear interest at the rate and in the manner specified in
23 the Uniform Penalty and Interest Act.

24 Any claim filed hereunder shall be filed upon a form
25 prescribed and furnished by the Department. The claim shall be
26 signed by the claimant (or by the claimant's legal

1 representative if the claimant shall have died or become a
2 person under legal disability), or by a duly authorized agent
3 of the claimant or his or her legal representative.

4 A claim for credit or refund shall be considered to have
5 been filed with the Department on the date upon which it is
6 received by the Department. Upon receipt of any claim for
7 credit or refund filed under this Act, any officer or employee
8 of the Department, authorized in writing by the Director of
9 Revenue to acknowledge receipt of such claims on behalf of the
10 Department, shall execute on behalf of the Department, and
11 shall deliver or mail to the claimant or his duly authorized
12 agent, a written receipt, acknowledging that the claim has been
13 filed with the Department, describing the claim in sufficient
14 detail to identify it and stating the date upon which the claim
15 was received by the Department. Such written receipt shall be
16 prima facie evidence that the Department received the claim
17 described in such receipt and shall be prima facie evidence of
18 the date when such claim was received by the Department. In the
19 absence of such a written receipt, the records of the
20 Department as to when the claim was received by the Department,
21 or as to whether or not the claim was received at all by the
22 Department, shall be deemed to be prima facie correct upon
23 these questions in the event of any dispute between the
24 claimant (or his or her legal representative) and the
25 Department concerning these questions.

26 In case the Department determines that the claimant is

1 entitled to a refund, such refund shall be made only from such
2 appropriation as may be available for that purpose. If it
3 appears unlikely that the amount appropriated would permit
4 everyone having a claim allowed during the period covered by
5 such appropriation to elect to receive a cash refund, the
6 Department, by rule or regulation, shall provide for the
7 payment of refunds in hardship cases and shall define what
8 types of cases qualify as hardship cases.

9 If a retailer who has failed to pay use tax on gross
10 receipts from retail sales is required by the Department to pay
11 such tax, such retailer, without filing any formal claim with
12 the Department, shall be allowed to take credit against such
13 use tax liability to the extent, if any, to which such retailer
14 has paid an amount equivalent to retailers' occupation tax or
15 has paid use tax in error to his or her vendor or vendors of the
16 same tangible personal property which such retailer bought for
17 resale and did not first use before selling it, and no penalty
18 or interest shall be charged to such retailer on the amount of
19 such credit. However, when such credit is allowed to the
20 retailer by the Department, the vendor is precluded from
21 refunding any of that tax to the retailer and filing a claim
22 for credit or refund with respect thereto with the Department.
23 The provisions of this amendatory Act shall be applied
24 retroactively, regardless of the date of the transaction.

25 (Source: P.A. 90-562, eff. 12-16-97.)

1 Section 10. The Service Occupation Tax Act is amended by
2 changing Section 12 as follows:

3 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

4 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
5 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-54, 2a, 2b, 2c, 3 (except as to
6 the disposition by the Department of the tax collected under
7 this Act), 4 (except that the time limitation provisions shall
8 run from the date when the tax is due rather than from the date
9 when gross receipts are received), 5 (except that the time
10 limitation provisions on the issuance of notices of tax
11 liability shall run from the date when the tax is due rather
12 than from the date when gross receipts are received), 5a, 5b,
13 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 6d, 7, 8, 9, 10, 11 and 12 of
14 the "Retailers' Occupation Tax Act" which are not inconsistent
15 with this Act, and Section 3-7 of the Uniform Penalty and
16 Interest Act shall apply, as far as practicable, to the subject
17 matter of this Act to the same extent as if such provisions
18 were included herein.

19 (Source: P.A. 94-781, eff. 5-19-06; 94-1021, eff. 7-12-06;
20 95-331, eff. 8-21-07.)

21 Section 15. The Retailers' Occupation Tax Act is amended by
22 adding Section 6d as follows:

23 (35 ILCS 120/6d new)

1 Sec. 6d. Deduction for uncollectible debt.

2 (a) A retailer is relieved from liability for any tax that
3 becomes due and payable if the tax is represented by amounts
4 that are found to be worthless or uncollectible, have been
5 charged off in accordance with generally accepted accounting
6 principles, and will be claimed as a deduction pursuant to
7 Section 166 of the Internal Revenue Code. A retailer that has
8 previously paid such a tax may, under rules and regulations
9 adopted by the Department, take as a deduction the amount
10 charged off by the retailer. If these accounts are thereafter,
11 in whole or in part, collected by the retailer, the amount
12 collected shall be included in the first return filed after the
13 collection, and the tax shall be paid with the return.

14 (b) With respect to the payment of taxes on purchases made
15 through a private-label credit card:

16 (1) If consumer accounts or receivables are found to be
17 worthless or uncollectible, the retailer may claim a
18 deduction on a return in an amount equal to, or may obtain
19 a refund of, the tax remitted by the retailer on the unpaid
20 balance due if:

21 (A) the accounts or receivables have been charged
22 off as bad debt on the lender's books and records on or
23 after January 1, 2015; and

24 (B) a deduction was not previously claimed and a
25 refund was not previously allowed on that portion of
26 the account or receivable.

1 (2) If the retailer or the lender subsequently
2 collects, in whole or in part, the accounts or receivables
3 for which a deduction or refund has been granted under
4 paragraph (1), the retailer must include the taxable
5 percentage of the amount collected in the first return
6 filed after the collection and pay the tax on the portion
7 of that amount for which a deduction or refund was granted.

8 (3) The deduction or refund allowed under this Section:

9 (A) does not apply to credit sale transaction
10 amounts resulting from purchases of titled property;

11 (B) includes only those credit sale transaction
12 amounts that represent purchases from the retailer
13 whose name or logo appears on the private label credit
14 card used to make those purchases; and

15 (C) includes all credit sale transaction amounts
16 eligible under paragraph (B) that are outstanding with
17 respect to the specific private-label credit card
18 account or receivable at the time the account or
19 receivable is charged off, regardless of the date the
20 credit sale transaction actually occurred.

21 (4) The retailer and lender shall maintain adequate
22 books, records, or other documentation supporting the
23 charge-off of the accounts or receivables for which a
24 deduction was taken or a refund was claimed under this
25 Section. A retailer is not required to produce point of
26 sale documents to support the deduction. If appropriate, in

1 light of the volume and character of uncollectible
2 accounts, a retailer claiming a deduction or refund under
3 this subsection may provide alternative forms of
4 documentation to support the claim. A retailer may
5 calculate the amount of the deduction or refund using an
6 apportionment method to substantiate the amount of tax
7 imposed under this Act that is included in the bad debt to
8 which the deduction or refund applies. A retailer using an
9 apportionment method must use the retailer's Illinois and
10 non-Illinois sales, the retailer's taxable and non-taxable
11 sales, and the amount of tax the retailer remitted to this
12 State. For purposes of computing the deduction or refund,
13 payments on the accounts or receivables shall be prorated
14 against the amounts outstanding on the account.

15 (c) For purposes of this Section:

16 (1) "Retailer" means a person who holds himself or
17 herself out as being engaged (or who habitually engages) in
18 selling tangible personal property at retail with respect
19 to such sales and includes a retailer's affiliates or
20 franchisees.

21 (2) "Lender" means a person, or an affiliate, assignee,
22 or transferee of that person, who owns or has owned a
23 private-label credit card account or an interest in a
24 private-label credit card receivable that the person:

25 (A) purchased directly from a retailer who
26 remitted the tax imposed under this Act;

1 (B) originated pursuant to that person's contract
2 with the retailer who remitted the tax imposed under
3 this Act; or

4 (C) acquired from a third party.

5 (3) "Private-label credit card" means a charge card or
6 credit card that carries, refers to, or is branded with the
7 name or logo of a retailer and may only be used to make
8 purchases from that retailer or that retailer's affiliates
9 and franchisees.

10 (4) "Affiliate" means an entity affiliated under
11 Section 1504 of the Internal Revenue Code, or an entity
12 that would be an affiliate under that Section had the
13 entity been a corporation.

14 (d) This Section is exempt from the provisions of Section
15 2-70 of this Act, Section 3-90 of the Use Tax Act, Section 3-55
16 of the Service Use Tax Act, Section 3-55 of the Service
17 Occupation Tax Act, and any other provision of law that
18 provides that an exemption, credit, or deduction automatically
19 sunsets after a specified period of time after the effective
20 date of the Public Act creating the exemption, credit, or
21 deduction.

22 Section 20. The Counties Code is amended by changing
23 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

24 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

1 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
2 Law. Any county that is a home rule unit may impose a tax upon
3 all persons engaged in the business of selling tangible
4 personal property, other than an item of tangible personal
5 property titled or registered with an agency of this State's
6 government, at retail in the county on the gross receipts from
7 such sales made in the course of their business. If imposed,
8 this tax shall only be imposed in 1/4% increments. On and after
9 September 1, 1991, this additional tax may not be imposed on
10 the sales of food for human consumption which is to be consumed
11 off the premises where it is sold (other than alcoholic
12 beverages, soft drinks and food which has been prepared for
13 immediate consumption) and prescription and nonprescription
14 medicines, drugs, medical appliances and insulin, urine
15 testing materials, syringes and needles used by diabetics. The
16 tax imposed by a home rule county pursuant to this Section and
17 all civil penalties that may be assessed as an incident thereof
18 shall be collected and enforced by the State Department of
19 Revenue. The certificate of registration that is issued by the
20 Department to a retailer under the Retailers' Occupation Tax
21 Act shall permit the retailer to engage in a business that is
22 taxable under any ordinance or resolution enacted pursuant to
23 this Section without registering separately with the
24 Department under such ordinance or resolution or under this
25 Section. The Department shall have full power to administer and
26 enforce this Section; to collect all taxes and penalties due

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

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

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

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

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

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named counties, the
24 counties to be those from which retailers have paid taxes or
25 penalties hereunder to the Department during the second
26 preceding calendar month. The amount to be paid to each county

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

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

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

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

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

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

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

24 When certifying the amount of a monthly disbursement to a
25 county under this Section, the Department shall increase or
26 decrease such amount by an amount necessary to offset any

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous 6
3 months from the time a misallocation is discovered.

4 This Section shall be known and may be cited as the Home
5 Rule County Retailers' Occupation Tax Law.

6 (Source: P.A. 96-939, eff. 6-24-10.)

7 (55 ILCS 5/5-1006.5)

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

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

1 required or described in Section 5-301 of the Illinois Highway
2 Code and must make the plan publicly available prior to
3 approval of the ordinance or resolution imposing the tax. If
4 the tax is imposed for transportation purposes for expenditures
5 for passenger rail transportation, the county board must
6 publish notice of the existence of its long-range passenger
7 rail transportation plan and must make the plan publicly
8 available prior to approval of the ordinance or resolution
9 imposing the tax.

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

15 The county clerk shall certify the question to the proper
16 election authority, who shall submit the proposition at an
17 election in accordance with the general election law.

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

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

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

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 vote of the county board."

2 For the purposes of this paragraph, transportation
3 purposes means construction, maintenance, operation, and
4 improvement of public highways, any other purpose for which
5 a county may expend funds under the Illinois Highway Code,
6 and passenger rail transportation.

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

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

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

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

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

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

24 "To pay for public facilities purposes, shall (name of
25 county) be authorized to impose an increase on its share of
26 local sales taxes by (insert rate) for a period not to

1 exceed (insert number of years)?"

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

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

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

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

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

26 This additional tax may not be imposed on the sales of food

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

1 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
2 1n, 2 through 2-70 (in respect to all provisions contained in
3 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
4 (except provisions relating to transaction returns and quarter
5 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
6 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
7 of the Retailers' Occupation Tax Act and Section 3-7 of the
8 Uniform Penalty and Interest Act as if those provisions were
9 set forth in this Section.

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

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

25 (b) If a tax has been imposed under subsection (a), a
26 service occupation tax shall also be imposed at the same rate

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

1 place of business in this State shall mean the county), 2a, 2b,
2 2c, 3 through 3-50 (in respect to all provisions therein other
3 than the State rate of tax), 4 (except that the reference to
4 the State shall be to the county), 5, 7, 8 (except that the
5 jurisdiction to which the tax shall be a debt to the extent
6 indicated in that Section 8 shall be the county), 9 (except as
7 to the disposition of taxes and penalties collected), 10, 11,
8 12 (except the reference therein to Section 2b of the
9 Retailers' Occupation Tax Act), 13 (except that any reference
10 to the State shall mean the county), Section 15, 16, 17, 18, 19
11 and 20 of the Service Occupation Tax Act and Section 3-7 of the
12 Uniform Penalty and Interest Act, as fully as if those
13 provisions were set forth herein.

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

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the County Public Safety or Transportation
3 Retailers' Occupation Fund.

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

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

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

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to the counties from which
26 retailers have paid taxes or penalties to the Department during

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

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

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

9 A county may direct, by ordinance, that all or a portion of
10 the taxes and penalties collected under the Special County
11 Retailers' Occupation Tax For Public Safety or Transportation
12 be deposited into the Transportation Development Partnership
13 Trust Fund.

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

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

1 (e-5) If a county imposes a tax under this Section, the
2 county board may, by ordinance, discontinue or lower the rate
3 of the tax. If the county board lowers the tax rate or
4 discontinues the tax, a referendum must be held in accordance
5 with subsection (a) of this Section in order to increase the
6 rate of the tax or to reimpose the discontinued tax.

7 (f) Beginning April 1, 1998 and through December 31, 2013,
8 the results of any election authorizing a proposition to impose
9 a tax under this Section or effecting a change in the rate of
10 tax, or any ordinance lowering the rate or discontinuing the
11 tax, shall be certified by the county clerk and filed with the
12 Illinois Department of Revenue either (i) on or before the
13 first day of April, whereupon the Department shall proceed to
14 administer and enforce the tax as of the first day of July next
15 following the filing; or (ii) on or before the first day of
16 October, whereupon the Department shall proceed to administer
17 and enforce the tax as of the first day of January next
18 following the filing.

19 Beginning January 1, 2014, the results of any election
20 authorizing a proposition to impose a tax under this Section or
21 effecting an increase in the rate of tax, along with the
22 ordinance adopted to impose the tax or increase the rate of the
23 tax, or any ordinance adopted to lower the rate or discontinue
24 the tax, shall be certified by the county clerk and filed with
25 the Illinois Department of Revenue either (i) on or before the
26 first day of May, whereupon the Department shall proceed to

1 administer and enforce the tax as of the first day of July next
2 following the adoption and filing; or (ii) on or before the
3 first day of October, whereupon the Department shall proceed to
4 administer and enforce the tax as of the first day of January
5 next following the adoption and filing.

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

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

15 (i) For purposes of this Section, "public safety" includes,
16 but is not limited to, crime prevention, detention, fire
17 fighting, police, medical, ambulance, or other emergency
18 services. The county may share tax proceeds received under this
19 Section for public safety purposes, including proceeds
20 received before August 4, 2009 (the effective date of Public
21 Act 96-124), with any fire protection district located in the
22 county. For the purposes of this Section, "transportation"
23 includes, but is not limited to, the construction, maintenance,
24 operation, and improvement of public highways, any other
25 purpose for which a county may expend funds under the Illinois
26 Highway Code, and passenger rail transportation. For the

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

12 (j) The Department may promulgate rules to implement Public
13 Act 95-1002 only to the extent necessary to apply the existing
14 rules for the Special County Retailers' Occupation Tax for
15 Public Safety to this new purpose for public facilities.

16 (Source: P.A. 98-584, eff. 8-27-13.)

17 (55 ILCS 5/5-1006.7)

18 Sec. 5-1006.7. School facility occupation taxes.

19 (a) In any county, a tax shall be imposed upon all persons
20 engaged in the business of selling tangible personal property,
21 other than personal property titled or registered with an
22 agency of this State's government, at retail in the county on
23 the gross receipts from the sales made in the course of
24 business to provide revenue to be used exclusively for school
25 facility purposes if a proposition for the tax has been

1 submitted to the electors of that county and approved by a
2 majority of those voting on the question as provided in
3 subsection (c). The tax under this Section shall be imposed
4 only in one-quarter percent increments and may not exceed 1%.

5 This additional tax may not be imposed on the sale of food
6 for human consumption that is to be consumed off the premises
7 where it is sold (other than alcoholic beverages, soft drinks,
8 and food that has been prepared for immediate consumption) and
9 prescription and non-prescription medicines, drugs, medical
10 appliances and insulin, urine testing materials, syringes and
11 needles used by diabetics. The Department of Revenue has full
12 power to administer and enforce this subsection, to collect all
13 taxes and penalties due under this subsection, to dispose of
14 taxes and penalties so collected in the manner provided in this
15 subsection, and to determine all rights to credit memoranda
16 arising on account of the erroneous payment of a tax or penalty
17 under this subsection. The Department shall deposit all taxes
18 and penalties collected under this subsection into a special
19 fund created for that purpose.

20 In the administration of and compliance with this
21 subsection, the Department and persons who are subject to this
22 subsection (i) have the same rights, remedies, privileges,
23 immunities, powers, and duties, (ii) are subject to the same
24 conditions, restrictions, limitations, penalties, and
25 definitions of terms, and (iii) shall employ the same modes of
26 procedure as are set forth in Sections 1 through 10, 2 through

1 2-70 (in respect to all provisions contained in those Sections
2 other than the State rate of tax), 2a through 2h, 3 (except as
3 to the disposition of taxes and penalties collected), 4, 5, 5a,
4 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
5 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
6 Tax Act and all provisions of the Uniform Penalty and Interest
7 Act as if those provisions were set forth in this subsection.

8 The certificate of registration that is issued by the
9 Department to a retailer under the Retailers' Occupation Tax
10 Act permits the retailer to engage in a business that is
11 taxable without registering separately with the Department
12 under an ordinance or resolution under this subsection.

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

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

26 This tax may not be imposed on sales of food for human

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

7 The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department and deposited into a
10 special fund created for that purpose. The Department has full
11 power to administer and enforce this subsection, to collect all
12 taxes and penalties due under this subsection, to dispose of
13 taxes and penalties so collected in the manner provided in this
14 subsection, and to determine all rights to credit memoranda
15 arising on account of the erroneous payment of a tax or penalty
16 under this subsection.

17 In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 subsection shall (i) have the same rights, remedies,
20 privileges, immunities, powers and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties and
22 definition of terms, and (iii) employ the same modes of
23 procedure as are set forth in Sections 2 (except that that
24 reference to State in the definition of supplier maintaining a
25 place of business in this State means the county), 2a through
26 2d, 3 through 3-50 (in respect to all provisions contained in

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

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

19 (c) The tax under this Section may not be imposed until the
20 question of imposing the tax has been submitted to the electors
21 of the county at a regular election and approved by a majority
22 of the electors voting on the question. For all regular
23 elections held prior to the effective date of this amendatory
24 Act of the 97th General Assembly, upon a resolution by the
25 county board or a resolution by school district boards that
26 represent at least 51% of the student enrollment within the

1 county, the county board must certify the question to the
2 proper election authority in accordance with the Election Code.

3 For all regular elections held prior to the effective date
4 of this amendatory Act of the 97th General Assembly, the
5 election authority must submit the question in substantially
6 the following form:

7 Shall (name of county) be authorized to impose a
8 retailers' occupation tax and a service occupation tax
9 (commonly referred to as a "sales tax") at a rate of
10 (insert rate) to be used exclusively for school facility
11 purposes?

12 The election authority must record the votes as "Yes" or "No".

13 If a majority of the electors voting on the question vote
14 in the affirmative, then the county may, thereafter, impose the
15 tax.

16 For all regular elections held on or after the effective
17 date of this amendatory Act of the 97th General Assembly, the
18 regional superintendent of schools for the county must, upon
19 receipt of a resolution or resolutions of school district
20 boards that represent more than 50% of the student enrollment
21 within the county, certify the question to the proper election
22 authority for submission to the electors of the county at the
23 next regular election at which the question lawfully may be
24 submitted to the electors, all in accordance with the Election
25 Code.

26 For all regular elections held on or after the effective

1 date of this amendatory Act of the 97th General Assembly, the
2 election authority must submit the question in substantially
3 the following form:

4 Shall a retailers' occupation tax and a service
5 occupation tax (commonly referred to as a "sales tax") be
6 imposed in (name of county) at a rate of (insert rate) to
7 be used exclusively for school facility purposes?

8 The election authority must record the votes as "Yes" or "No".

9 If a majority of the electors voting on the question vote
10 in the affirmative, then the tax shall be imposed at the rate
11 set forth in the question.

12 For the purposes of this subsection (c), "enrollment" means
13 the head count of the students residing in the county on the
14 last school day of September of each year, which must be
15 reported on the Illinois State Board of Education Public School
16 Fall Enrollment/Housing Report.

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

22 On or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to the regional
25 superintendents of schools in counties from which retailers or
26 servicemen have paid taxes or penalties to the Department

1 during the second preceding calendar month. The amount to be
2 paid to each regional superintendent of schools and disbursed
3 to him or her in accordance with Section 3-14.31 of the School
4 Code, is equal to the amount (not including credit memoranda)
5 collected from the county under this Section during the second
6 preceding calendar month by the Department, (i) less 2% of that
7 amount, which shall be deposited into the Tax Compliance and
8 Administration Fund and shall be used by the Department,
9 subject to appropriation, to cover the costs of the Department
10 in administering and enforcing the provisions of this Section,
11 on behalf of the county, (ii) plus an amount that the
12 Department determines is necessary to offset any amounts that
13 were erroneously paid to a different taxing body; (iii) less an
14 amount equal to the amount of refunds made during the second
15 preceding calendar month by the Department on behalf of the
16 county; and (iv) less any amount that the Department determines
17 is necessary to offset any amounts that were payable to a
18 different taxing body but were erroneously paid to the county.
19 When certifying the amount of a monthly disbursement to a
20 regional superintendent of schools under this Section, the
21 Department shall increase or decrease the amounts by an amount
22 necessary to offset any miscalculation of previous
23 disbursements within the previous 6 months from the time a
24 miscalculation is discovered.

25 Within 10 days after receipt by the Comptroller from the
26 Department of the disbursement certification to the regional

1 superintendents of the schools provided for in this Section,
2 the Comptroller shall cause the orders to be drawn for the
3 respective amounts in accordance with directions contained in
4 the certification.

5 If the Department determines that a refund should be made
6 under this Section to a claimant instead of issuing a credit
7 memorandum, then the Department shall notify the Comptroller,
8 who shall cause the order to be drawn for the amount specified
9 and to the person named in the notification from the
10 Department. The refund shall be paid by the Treasurer out of
11 the School Facility Occupation Tax Fund.

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

21 (f) Nothing in this Section may be construed to authorize a
22 tax to be imposed upon the privilege of engaging in any
23 business that under the Constitution of the United States may
24 not be made the subject of taxation by this State.

25 (g) If a county board imposes a tax under this Section
26 pursuant to a referendum held before the effective date of this

1 amendatory Act of the 97th General Assembly at a rate below the
2 rate set forth in the question approved by a majority of
3 electors of that county voting on the question as provided in
4 subsection (c), then the county board may, by ordinance,
5 increase the rate of the tax up to the rate set forth in the
6 question approved by a majority of electors of that county
7 voting on the question as provided in subsection (c). If a
8 county board imposes a tax under this Section pursuant to a
9 referendum held before the effective date of this amendatory
10 Act of the 97th General Assembly, then the board may, by
11 ordinance, discontinue or reduce the rate of the tax. If a tax
12 is imposed under this Section pursuant to a referendum held on
13 or after the effective date of this amendatory Act of the 97th
14 General Assembly, then the county board may reduce or
15 discontinue the tax, but only in accordance with subsection
16 (h-5) of this Section. If, however, a school board issues bonds
17 that are secured by the proceeds of the tax under this Section,
18 then the county board may not reduce the tax rate or
19 discontinue the tax if that rate reduction or discontinuance
20 would adversely affect the school board's ability to pay the
21 principal and interest on those bonds as they become due or
22 necessitate the extension of additional property taxes to pay
23 the principal and interest on those bonds. If the county board
24 reduces the tax rate or discontinues the tax, then a referendum
25 must be held in accordance with subsection (c) of this Section
26 in order to increase the rate of the tax or to reimpose the

1 discontinued tax.

2 Until January 1, 2014, the results of any election that
3 imposes, reduces, or discontinues a tax under this Section must
4 be certified by the election authority, and any ordinance that
5 increases or lowers the rate or discontinues the tax must be
6 certified by the county clerk and, in each case, filed with the
7 Illinois Department of Revenue either (i) on or before the
8 first day of April, whereupon the Department shall proceed to
9 administer and enforce the tax or change in the rate as of the
10 first day of July next following the filing; or (ii) on or
11 before the first day of October, whereupon the Department shall
12 proceed to administer and enforce the tax or change in the rate
13 as of the first day of January next following the filing.

14 Beginning January 1, 2014, the results of any election that
15 imposes, reduces, or discontinues a tax under this Section must
16 be certified by the election authority, and any ordinance that
17 increases or lowers the rate or discontinues the tax must be
18 certified by the county clerk and, in each case, filed with the
19 Illinois Department of Revenue either (i) on or before the
20 first day of May, whereupon the Department shall proceed to
21 administer and enforce the tax or change in the rate as of the
22 first day of July next following the filing; or (ii) on or
23 before the first day of October, whereupon the Department shall
24 proceed to administer and enforce the tax or change in the rate
25 as of the first day of January next following the filing.

26 (h) For purposes of this Section, "school facility

1 purposes" means (i) the acquisition, development,
2 construction, reconstruction, rehabilitation, improvement,
3 financing, architectural planning, and installation of capital
4 facilities consisting of buildings, structures, and durable
5 equipment and for the acquisition and improvement of real
6 property and interest in real property required, or expected to
7 be required, in connection with the capital facilities and (ii)
8 the payment of bonds or other obligations heretofore or
9 hereafter issued, including bonds or other obligations
10 heretofore or hereafter issued to refund or to continue to
11 refund bonds or other obligations issued, for school facility
12 purposes, provided that the taxes levied to pay those bonds are
13 abated by the amount of the taxes imposed under this Section
14 that are used to pay those bonds. "School-facility purposes"
15 also includes fire prevention, safety, energy conservation,
16 disabled accessibility, school security, and specified repair
17 purposes set forth under Section 17-2.11 of the School Code.

18 (h-5) A county board in a county where a tax has been
19 imposed under this Section pursuant to a referendum held on or
20 after the effective date of this amendatory Act of the 97th
21 General Assembly may, by ordinance or resolution, submit to the
22 voters of the county the question of reducing or discontinuing
23 the tax. In the ordinance or resolution, the county board shall
24 certify the question to the proper election authority in
25 accordance with the Election Code. The election authority must
26 submit the question in substantially the following form:

1 Shall the school facility retailers' occupation tax
2 and service occupation tax (commonly referred to as the
3 "school facility sales tax") currently imposed in (name of
4 county) at a rate of (insert rate) be (reduced to (insert
5 rate)) (discontinued)?

6 If a majority of the electors voting on the question vote in
7 the affirmative, then, subject to the provisions of subsection
8 (g) of this Section, the tax shall be reduced or discontinued
9 as set forth in the question.

10 (i) This Section does not apply to Cook County.

11 (j) This Section may be cited as the County School Facility
12 Occupation Tax Law.

13 (Source: P.A. 97-542, eff. 8-23-11; 97-813, eff. 7-13-12;
14 98-584, eff. 8-27-13.)

15 Section 25. The Illinois Municipal Code is amended by
16 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

17 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

18 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
19 Act. The corporate authorities of a home rule municipality may
20 impose a tax upon all persons engaged in the business of
21 selling tangible personal property, other than an item of
22 tangible personal property titled or registered with an agency
23 of this State's government, at retail in the municipality on
24 the gross receipts from these sales made in the course of such

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

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

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

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

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the home rule municipal retailers' occupation
3 tax fund.

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

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

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

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

14 In addition to the disbursement required by the preceding
15 paragraph and in order to mitigate delays caused by
16 distribution procedures, an allocation shall, if requested, be
17 made within 10 days after January 14, 1991, and in November of
18 1991 and each year thereafter, to each municipality that
19 received more than \$500,000 during the preceding fiscal year,
20 (July 1 through June 30) whether collected by the municipality
21 or disbursed by the Department as required by this Section.
22 Within 10 days after January 14, 1991, participating
23 municipalities shall notify the Department in writing of their
24 intent to participate. In addition, for the initial
25 distribution, participating municipalities shall certify to
26 the Department the amounts collected by the municipality for

1 each month under its home rule occupation and service
2 occupation tax during the period July 1, 1989 through June 30,
3 1990. The allocation within 10 days after January 14, 1991,
4 shall be in an amount equal to the monthly average of these
5 amounts, excluding the 2 months of highest receipts. The
6 monthly average for the period of July 1, 1990 through June 30,
7 1991 will be determined as follows: the amounts collected by
8 the municipality under its home rule occupation and service
9 occupation tax during the period of July 1, 1990 through
10 September 30, 1990, plus amounts collected by the Department
11 and paid to such municipality through June 30, 1991, excluding
12 the 2 months of highest receipts. The monthly average for each
13 subsequent period of July 1 through June 30 shall be an amount
14 equal to the monthly distribution made to each such
15 municipality under the preceding paragraph during this period,
16 excluding the 2 months of highest receipts. The distribution
17 made in November 1991 and each year thereafter under this
18 paragraph and the preceding paragraph shall be reduced by the
19 amount allocated and disbursed under this paragraph in the
20 preceding period of July 1 through June 30. The Department
21 shall prepare and certify to the Comptroller for disbursement
22 the allocations made in accordance with this paragraph.

23 For the purpose of determining the local governmental unit
24 whose tax is applicable, a retail sale by a producer of coal or
25 other mineral mined in Illinois is a sale at retail at the
26 place where the coal or other mineral mined in Illinois is

1 extracted from the earth. This paragraph does not apply to coal
2 or other mineral when it is delivered or shipped by the seller
3 to the purchaser at a point outside Illinois so that the sale
4 is exempt under the United States Constitution as a sale in
5 interstate or foreign commerce.

6 Nothing in this Section shall be construed to authorize a
7 municipality to impose a tax upon the privilege of engaging in
8 any business which under the Constitution of the United States
9 may not be made the subject of taxation by this State.

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

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

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

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

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

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

20 (Source: P.A. 96-939, eff. 6-24-10.)

21 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

22 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
23 Occupation Tax Act. The corporate authorities of a non-home
24 rule municipality may impose a tax upon all persons engaged in
25 the business of selling tangible personal property, other than

1 on an item of tangible personal property which is titled and
2 registered by an agency of this State's Government, at retail
3 in the municipality for expenditure on public infrastructure or
4 for property tax relief or both as defined in Section 8-11-1.2
5 if approved by referendum as provided in Section 8-11-1.1, of
6 the gross receipts from such sales made in the course of such
7 business. If the tax is approved by referendum on or after July
8 14, 2010 (the effective date of Public Act 96-1057), the
9 corporate authorities of a non-home rule municipality may,
10 until December 31, 2020, use the proceeds of the tax for
11 expenditure on municipal operations, in addition to or in lieu
12 of any expenditure on public infrastructure or for property tax
13 relief. The tax imposed may not be more than 1% and may be
14 imposed only in 1/4% increments. The tax may not be imposed on
15 the sale of food for human consumption that is to be consumed
16 off the premises where it is sold (other than alcoholic
17 beverages, soft drinks, and food that has been prepared for
18 immediate consumption) and prescription and nonprescription
19 medicines, drugs, medical appliances, and insulin, urine
20 testing materials, syringes, and needles used by diabetics. The
21 tax imposed by a municipality pursuant to this Section and all
22 civil penalties that may be assessed as an incident thereof
23 shall be collected and enforced by the State Department of
24 Revenue. The certificate of registration which is issued by the
25 Department to a retailer under the Retailers' Occupation Tax
26 Act shall permit such retailer to engage in a business which is

1 taxable under any ordinance or resolution enacted pursuant to
2 this Section without registering separately with the
3 Department under such ordinance or resolution or under this
4 Section. The Department shall have full power to administer and
5 enforce this Section; to collect all taxes and penalties due
6 hereunder; to dispose of taxes and penalties so collected in
7 the manner hereinafter provided, and to determine all rights to
8 credit memoranda, arising on account of the erroneous payment
9 of tax or penalty hereunder. In the administration of, and
10 compliance with, this Section, the Department and persons who
11 are subject to this Section shall have the same rights,
12 remedies, privileges, immunities, powers and duties, and be
13 subject to the same conditions, restrictions, limitations,
14 penalties and definitions of terms, and employ the same modes
15 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
16 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
17 therein other than the State rate of tax), 2c, 3 (except as to
18 the disposition of taxes and penalties collected), 4, 5, 5a,
19 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
20 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
21 and Section 3-7 of the Uniform Penalty and Interest Act as
22 fully as if those provisions were set forth herein.

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

26 Persons subject to any tax imposed pursuant to the

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

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

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

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

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

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

25 For the purpose of determining the local governmental unit
26 whose tax is applicable, a retail sale, by a producer of coal

1 or other mineral mined in Illinois, is a sale at retail at the
2 place where the coal or other mineral mined in Illinois is
3 extracted from the earth. This paragraph does not apply to coal
4 or other mineral when it is delivered or shipped by the seller
5 to the purchaser at a point outside Illinois so that the sale
6 is exempt under the Federal Constitution as a sale in
7 interstate or foreign commerce.

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

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

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

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

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

26 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;

1 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

2 (65 ILCS 5/8-11-1.6)

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

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

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

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

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

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

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

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

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

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

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

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

24 When certifying the amount of a monthly disbursement to a
25 municipality under this Section, the Department shall increase
26 or decrease the amount by an amount necessary to offset any

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous 6
3 months from the time a misallocation is discovered.

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

7 (Source: P.A. 96-939, eff. 6-24-10.)

8 Section 30. The Flood Prevention District Act is amended by
9 changing Section 25 as follows:

10 (70 ILCS 750/25)

11 Sec. 25. Flood prevention retailers' and service
12 occupation taxes.

13 (a) If the Board of Commissioners of a flood prevention
14 district determines that an emergency situation exists
15 regarding levee repair or flood prevention, and upon an
16 ordinance confirming the determination adopted by the
17 affirmative vote of a majority of the members of the county
18 board of the county in which the district is situated, the
19 county may impose a flood prevention retailers' occupation tax
20 upon all persons engaged in the business of selling tangible
21 personal property at retail within the territory of the
22 district to provide revenue to pay the costs of providing
23 emergency levee repair and flood prevention and to secure the
24 payment of bonds, notes, and other evidences of indebtedness

1 issued under this Act for a period not to exceed 25 years or as
2 required to repay the bonds, notes, and other evidences of
3 indebtedness issued under this Act. The tax rate shall be 0.25%
4 of the gross receipts from all taxable sales made in the course
5 of that business. The tax imposed under this Section and all
6 civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this Section; to collect all taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder.

13 In the administration of and compliance with this
14 subsection, the Department and persons who are subject to this
15 subsection (i) have the same rights, remedies, privileges,
16 immunities, powers, and duties, (ii) are subject to the same
17 conditions, restrictions, limitations, penalties, and
18 definitions of terms, and (iii) shall employ the same modes of
19 procedure as are set forth in Sections 1 through 10, 2 through
20 2-70 (in respect to all provisions contained in those Sections
21 other than the State rate of tax), 2a through 2h, 3 (except as
22 to the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
24 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
25 and all provisions of the Uniform Penalty and Interest Act as
26 if those provisions were set forth in this subsection.

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

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

10 (b) If a tax has been imposed under subsection (a), a flood
11 prevention service occupation tax shall also be imposed upon
12 all persons engaged within the territory of the district in the
13 business of making sales of service, who, as an incident to
14 making the sales of service, transfer tangible personal
15 property, either in the form of tangible personal property or
16 in the form of real estate as an incident to a sale of service
17 to provide revenue to pay the costs of providing emergency
18 levee repair and flood prevention and to secure the payment of
19 bonds, notes, and other evidences of indebtedness issued under
20 this Act for a period not to exceed 25 years or as required to
21 repay the bonds, notes, and other evidences of indebtedness.
22 The tax rate shall be 0.25% of the selling price of all
23 tangible personal property transferred.

24 The tax imposed under this subsection and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the State Department of Revenue. The

1 Department shall have full power to administer and enforce this
2 subsection; to collect all taxes and penalties due hereunder;
3 to dispose of taxes and penalties collected in the manner
4 hereinafter provided; and to determine all rights to credit
5 memoranda arising on account of the erroneous payment of tax or
6 penalty hereunder.

7 In the administration of and compliance with this
8 subsection, the Department and persons who are subject to this
9 subsection shall (i) have the same rights, remedies,
10 privileges, immunities, powers, and duties, (ii) be subject to
11 the same conditions, restrictions, limitations, penalties, and
12 definitions of terms, and (iii) employ the same modes of
13 procedure as are set forth in Sections 2 (except that the
14 reference to State in the definition of supplier maintaining a
15 place of business in this State means the district), 2a through
16 2d, 3 through 3-50 (in respect to all provisions contained in
17 those Sections other than the State rate of tax), 4 (except
18 that the reference to the State shall be to the district), 5,
19 7, 8 (except that the jurisdiction to which the tax is a debt
20 to the extent indicated in that Section 8 is the district), 9
21 (except as to the disposition of taxes and penalties
22 collected), 10, 11, 12 (except the reference therein to Section
23 2b of the Retailers' Occupation Tax Act), 13 (except that any
24 reference to the State means the district), Section 15, 16, 17,
25 18, 19, and 20 of the Service Occupation Tax Act and all
26 provisions of the Uniform Penalty and Interest Act, as fully as

1 if those provisions were set forth herein.

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

9 (c) The taxes imposed in subsections (a) and (b) may not be
10 imposed on personal property titled or registered with an
11 agency of the State; food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food that has been
14 prepared for immediate consumption); prescription and
15 non-prescription medicines, drugs, and medical appliances;
16 modifications to a motor vehicle for the purpose of rendering
17 it usable by a disabled person; or insulin, urine testing
18 materials, and syringes and needles used by diabetics.

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

23 (e) The certificate of registration that is issued by the
24 Department to a retailer under the Retailers' Occupation Tax
25 Act or a serviceman under the Service Occupation Tax Act
26 permits the retailer or serviceman to engage in a business that

1 is taxable without registering separately with the Department
2 under an ordinance or resolution under this Section.

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

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

1 erroneously paid to the county. When certifying the amount of a
2 monthly disbursement to a county under this Section, the
3 Department shall increase or decrease the amounts by an amount
4 necessary to offset any miscalculation of previous
5 disbursements within the previous 6 months from the time a
6 miscalculation is discovered.

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

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

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

24 (h) Any ordinance imposing the tax under this Section, or
25 any ordinance that discontinues the tax, must be certified by
26 the county clerk and filed with the Illinois Department of

1 Revenue either (i) on or before the first day of April,
2 whereupon the Department shall proceed to administer and
3 enforce the tax or change in the rate as of the first day of
4 July next following the filing; or (ii) on or before the first
5 day of October, whereupon the Department shall proceed to
6 administer and enforce the tax or change in the rate as of the
7 first day of January next following the filing.

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

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

19 (Source: P.A. 96-939, eff. 6-24-10; 97-188, eff. 7-22-11.)

20 Section 35. The Metro-East Park and Recreation District Act
21 is amended by changing Section 30 as follows:

22 (70 ILCS 1605/30)

23 Sec. 30. Taxes.

24 (a) The board shall impose a tax upon all persons engaged

1 in the business of selling tangible personal property, other
2 than personal property titled or registered with an agency of
3 this State's government, at retail in the District on the gross
4 receipts from the sales made in the course of business. This
5 tax shall be imposed only at the rate of one-tenth of one per
6 cent.

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

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

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

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

1 amount specified and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the State Metro-East Park and Recreation
4 District Fund.

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

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

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

1 prescribe.

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

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

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

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

1 certification only if the Metro East Park and Recreation
2 District imposes a tax on real property as provided in the
3 definition of "local sales taxes" under the Innovation
4 Development and Economy Act.

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

1 in accordance with directions contained in the certification.

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

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

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

25 (g) When certifying the amount of a monthly disbursement to
26 the District under this Section, the Department shall increase

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

5 (Source: P.A. 96-939, eff. 6-24-10.)

6 Section 40. The Local Mass Transit District Act is amended
7 by changing Section 5.01 as follows:

8 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

9 Sec. 5.01. Metro East Mass Transit District; use and
10 occupation taxes.

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

1 determine all rights for refunds for erroneous payments of the
2 taxes.

3 (b) The Board may impose a Metro East Mass Transit District
4 Retailers' Occupation Tax upon all persons engaged in the
5 business of selling tangible personal property at retail in the
6 district at a rate of 1/4 of 1%, or as authorized under
7 subsection (d-5) of this Section, of the gross receipts from
8 the sales made in the course of such business within the
9 district. The tax imposed under this Section and all civil
10 penalties that may be assessed as an incident thereof shall be
11 collected and enforced by the State Department of Revenue. The
12 Department shall have full power to administer and enforce this
13 Section; to collect all taxes and penalties so collected in the
14 manner hereinafter provided; and to determine all rights to
15 credit memoranda arising on account of the erroneous payment of
16 tax or penalty hereunder. In the administration of, and
17 compliance with, this Section, the Department and persons who
18 are subject to this Section shall have the same rights,
19 remedies, privileges, immunities, powers and duties, and be
20 subject to the same conditions, restrictions, limitations,
21 penalties, exclusions, exemptions and definitions of terms and
22 employ the same modes of procedure, as are prescribed in
23 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
24 (in respect to all provisions therein other than the State rate
25 of tax), 2c, 3 (except as to the disposition of taxes and
26 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,

1 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
2 the Retailers' Occupation Tax Act and Section 3-7 of the
3 Uniform Penalty and Interest Act, as fully as if those
4 provisions were set forth herein.

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

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Metro East Mass Transit District tax fund
19 established under paragraph (h) of this Section.

20 If a tax is imposed under this subsection (b), a tax shall
21 also be imposed under subsections (c) and (d) of this Section.

22 For the purpose of determining whether a tax authorized
23 under this Section is applicable, a retail sale, by a producer
24 of coal or other mineral mined in Illinois, is a sale at retail
25 at the place where the coal or other mineral mined in Illinois
26 is extracted from the earth. This paragraph does not apply to

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

5 No tax shall be imposed or collected under this subsection
6 on the sale of a motor vehicle in this State to a resident of
7 another state if that motor vehicle will not be titled in this
8 State.

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

14 (c) If a tax has been imposed under subsection (b), a Metro
15 East Mass Transit District Service Occupation Tax shall also be
16 imposed upon all persons engaged, in the district, in the
17 business of making sales of service, who, as an incident to
18 making those sales of service, transfer tangible personal
19 property within the District, either in the form of tangible
20 personal property or in the form of real estate as an incident
21 to a sale of service. The tax rate shall be 1/4%, or as
22 authorized under subsection (d-5) of this Section, of the
23 selling price of tangible personal property so transferred
24 within the district. The tax imposed under this paragraph and
25 all civil penalties that may be assessed as an incident thereof
26 shall be collected and enforced by the State Department of

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

1 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
2 Interest Act, as fully as if those provisions were set forth
3 herein.

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

12 Whenever the Department determines that a refund should be
13 made under this paragraph to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Metro East Mass Transit District tax fund
19 established under paragraph (h) of this Section.

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

24 (d) If a tax has been imposed under subsection (b), a Metro
25 East Mass Transit District Use Tax shall also be imposed upon
26 the privilege of using, in the district, any item of tangible

1 personal property that is purchased outside the district at
2 retail from a retailer, and that is titled or registered with
3 an agency of this State's government, at a rate of 1/4%, or as
4 authorized under subsection (d-5) of this Section, of the
5 selling price of the tangible personal property within the
6 District, as "selling price" is defined in the Use Tax Act. The
7 tax shall be collected from persons whose Illinois address for
8 titling or registration purposes is given as being in the
9 District. The tax shall be collected by the Department of
10 Revenue for the Metro East Mass Transit District. The tax must
11 be paid to the State, or an exemption determination must be
12 obtained from the Department of Revenue, before the title or
13 certificate of registration for the property may be issued. The
14 tax or proof of exemption may be transmitted to the Department
15 by way of the State agency with which, or the State officer
16 with whom, the tangible personal property must be titled or
17 registered if the Department and the State agency or State
18 officer determine that this procedure will expedite the
19 processing of applications for title or registration.

20 The Department shall have full power to administer and
21 enforce this paragraph; to collect all taxes, penalties and
22 interest due hereunder; to dispose of taxes, penalties and
23 interest so collected in the manner hereinafter provided; and
24 to determine all rights to credit memoranda or refunds arising
25 on account of the erroneous payment of tax, penalty or interest
26 hereunder. In the administration of, and compliance with, this

1 paragraph, the Department and persons who are subject to this
2 paragraph shall have the same rights, remedies, privileges,
3 immunities, powers and duties, and be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions and definitions of terms and employ the same modes
6 of procedure, as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3 through 3-80 (except provisions pertaining to the
9 State rate of tax, and except provisions concerning collection
10 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
11 19 (except the portions pertaining to claims by retailers and
12 except the last paragraph concerning refunds), 20, 21 and 22 of
13 the Use Tax Act and Section 3-7 of the Uniform Penalty and
14 Interest Act, that are not inconsistent with this paragraph, as
15 fully as if those provisions were set forth herein.

16 Whenever the Department determines that a refund should be
17 made under this paragraph to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the order to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the Metro East Mass Transit District tax fund
23 established under paragraph (h) of this Section.

24 (d-5) (A) The county board of any county participating in
25 the Metro East Mass Transit District may authorize, by
26 ordinance, a referendum on the question of whether the tax

1 rates for the Metro East Mass Transit District Retailers'
2 Occupation Tax, the Metro East Mass Transit District Service
3 Occupation Tax, and the Metro East Mass Transit District Use
4 Tax for the District should be increased from 0.25% to 0.75%.
5 Upon adopting the ordinance, the county board shall certify the
6 proposition to the proper election officials who shall submit
7 the proposition to the voters of the District at the next
8 election, in accordance with the general election law.

9 The proposition shall be in substantially the following
10 form:

11 Shall the tax rates for the Metro East Mass Transit
12 District Retailers' Occupation Tax, the Metro East Mass
13 Transit District Service Occupation Tax, and the Metro East
14 Mass Transit District Use Tax be increased from 0.25% to
15 0.75%?

16 (B) Two thousand five hundred electors of any Metro East
17 Mass Transit District may petition the Chief Judge of the
18 Circuit Court, or any judge of that Circuit designated by the
19 Chief Judge, in which that District is located to cause to be
20 submitted to a vote of the electors the question whether the
21 tax rates for the Metro East Mass Transit District Retailers'
22 Occupation Tax, the Metro East Mass Transit District Service
23 Occupation Tax, and the Metro East Mass Transit District Use
24 Tax for the District should be increased from 0.25% to 0.75%.

25 Upon submission of such petition the court shall set a date
26 not less than 10 nor more than 30 days thereafter for a hearing

1 on the sufficiency thereof. Notice of the filing of such
2 petition and of such date shall be given in writing to the
3 District and the County Clerk at least 7 days before the date
4 of such hearing.

5 If such petition is found sufficient, the court shall enter
6 an order to submit that proposition at the next election, in
7 accordance with general election law.

8 The form of the petition shall be in substantially the
9 following form: To the Circuit Court of the County of (name of
10 county):

11 We, the undersigned electors of the (name of transit
12 district), respectfully petition your honor to submit to a
13 vote of the electors of (name of transit district) the
14 following proposition:

15 Shall the tax rates for the Metro East Mass Transit
16 District Retailers' Occupation Tax, the Metro East Mass
17 Transit District Service Occupation Tax, and the Metro East
18 Mass Transit District Use Tax be increased from 0.25% to
19 0.75%?

20 Name Address, with Street and Number.

21

22

23 (C) The votes shall be recorded as "YES" or "NO". If a
24 majority of all votes cast on the proposition are for the
25 increase in the tax rates, the Metro East Mass Transit District
26 shall begin imposing the increased rates in the District, and

1 the Department of Revenue shall begin collecting the increased
2 amounts, as provided under this Section. An ordinance imposing
3 or discontinuing a tax hereunder or effecting a change in the
4 rate thereof shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of
6 October, whereupon the Department shall proceed to administer
7 and enforce this Section as of the first day of January next
8 following the adoption and filing, or on or before the first
9 day of April, whereupon the Department shall proceed to
10 administer and enforce this Section as of the first day of July
11 next following the adoption and filing.

12 (D) If the voters have approved a referendum under this
13 subsection, before November 1, 1994, to increase the tax rate
14 under this subsection, the Metro East Mass Transit District
15 Board of Trustees may adopt by a majority vote an ordinance at
16 any time before January 1, 1995 that excludes from the rate
17 increase tangible personal property that is titled or
18 registered with an agency of this State's government. The
19 ordinance excluding titled or registered tangible personal
20 property from the rate increase must be filed with the
21 Department at least 15 days before its effective date. At any
22 time after adopting an ordinance excluding from the rate
23 increase tangible personal property that is titled or
24 registered with an agency of this State's government, the Metro
25 East Mass Transit District Board of Trustees may adopt an
26 ordinance applying the rate increase to that tangible personal

1 property. The ordinance shall be adopted, and a certified copy
2 of that ordinance shall be filed with the Department, on or
3 before October 1, whereupon the Department shall proceed to
4 administer and enforce the rate increase against tangible
5 personal property titled or registered with an agency of this
6 State's government as of the following January 1. After
7 December 31, 1995, any reimposed rate increase in effect under
8 this subsection shall no longer apply to tangible personal
9 property titled or registered with an agency of this State's
10 government. Beginning January 1, 1996, the Board of Trustees of
11 any Metro East Mass Transit District may never reimpose a
12 previously excluded tax rate increase on tangible personal
13 property titled or registered with an agency of this State's
14 government. After July 1, 2004, if the voters have approved a
15 referendum under this subsection to increase the tax rate under
16 this subsection, the Metro East Mass Transit District Board of
17 Trustees may adopt by a majority vote an ordinance that
18 excludes from the rate increase tangible personal property that
19 is titled or registered with an agency of this State's
20 government. The ordinance excluding titled or registered
21 tangible personal property from the rate increase shall be
22 adopted, and a certified copy of that ordinance shall be filed
23 with the Department on or before October 1, whereupon the
24 Department shall administer and enforce this exclusion from the
25 rate increase as of the following January 1, or on or before
26 April 1, whereupon the Department shall administer and enforce

1 this exclusion from the rate increase as of the following July
2 1. The Board of Trustees of any Metro East Mass Transit
3 District may never reimpose a previously excluded tax rate
4 increase on tangible personal property titled or registered
5 with an agency of this State's government.

6 (d-6) If the Board of Trustees of any Metro East Mass
7 Transit District has imposed a rate increase under subsection
8 (d-5) and filed an ordinance with the Department of Revenue
9 excluding titled property from the higher rate, then that Board
10 may, by ordinance adopted with the concurrence of two-thirds of
11 the then trustees, impose throughout the District a fee. The
12 fee on the excluded property shall not exceed \$20 per retail
13 transaction or an amount equal to the amount of tax excluded,
14 whichever is less, on tangible personal property that is titled
15 or registered with an agency of this State's government.
16 Beginning July 1, 2004, the fee shall apply only to titled
17 property that is subject to either the Metro East Mass Transit
18 District Retailers' Occupation Tax or the Metro East Mass
19 Transit District Service Occupation Tax. No fee shall be
20 imposed or collected under this subsection on the sale of a
21 motor vehicle in this State to a resident of another state if
22 that motor vehicle will not be titled in this State.

23 (d-7) Until June 30, 2004, if a fee has been imposed under
24 subsection (d-6), a fee shall also be imposed upon the
25 privilege of using, in the district, any item of tangible
26 personal property that is titled or registered with any agency

1 of this State's government, in an amount equal to the amount of
2 the fee imposed under subsection (d-6).

3 (d-7.1) Beginning July 1, 2004, any fee imposed by the
4 Board of Trustees of any Metro East Mass Transit District under
5 subsection (d-6) and all civil penalties that may be assessed
6 as an incident of the fees shall be collected and enforced by
7 the State Department of Revenue. Reference to "taxes" in this
8 Section shall be construed to apply to the administration,
9 payment, and remittance of all fees under this Section. For
10 purposes of any fee imposed under subsection (d-6), 4% of the
11 fee, penalty, and interest received by the Department in the
12 first 12 months that the fee is collected and enforced by the
13 Department and 2% of the fee, penalty, and interest following
14 the first 12 months shall be deposited into the Tax Compliance
15 and Administration Fund and shall be used by the Department,
16 subject to appropriation, to cover the costs of the Department.
17 No retailers' discount shall apply to any fee imposed under
18 subsection (d-6).

19 (d-8) No item of titled property shall be subject to both
20 the higher rate approved by referendum, as authorized under
21 subsection (d-5), and any fee imposed under subsection (d-6) or
22 (d-7).

23 (d-9) (Blank).

24 (d-10) (Blank).

25 (e) A certificate of registration issued by the State
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act
2 shall permit the registrant to engage in a business that is
3 taxed under the tax imposed under paragraphs (b), (c) or (d) of
4 this Section and no additional registration shall be required
5 under the tax. A certificate issued under the Use Tax Act or
6 the Service Use Tax Act shall be applicable with regard to any
7 tax imposed under paragraph (c) of this Section.

8 (f) (Blank).

9 (g) Any ordinance imposing or discontinuing any tax under
10 this Section shall be adopted and a certified copy thereof
11 filed with the Department on or before June 1, whereupon the
12 Department of Revenue shall proceed to administer and enforce
13 this Section on behalf of the Metro East Mass Transit District
14 as of September 1 next following such adoption and filing.
15 Beginning January 1, 1992, an ordinance or resolution imposing
16 or discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of July, whereupon the Department shall proceed
19 to administer and enforce this Section as of the first day of
20 October next following such adoption and filing. Beginning
21 January 1, 1993, except as provided in subsection (d-5) of this
22 Section, an ordinance or resolution imposing or discontinuing
23 the tax hereunder shall be adopted and a certified copy thereof
24 filed with the Department on or before the first day of
25 October, whereupon the Department shall proceed to administer
26 and enforce this Section as of the first day of January next

1 following such adoption and filing, or, beginning January 1,
2 2004, on or before the first day of April, whereupon the
3 Department shall proceed to administer and enforce this Section
4 as of the first day of July next following the adoption and
5 filing.

6 (h) Except as provided in subsection (d-7.1), the State
7 Department of Revenue shall, upon collecting any taxes as
8 provided in this Section, pay the taxes over to the State
9 Treasurer as trustee for the District. The taxes shall be held
10 in a trust fund outside the State Treasury.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2011, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the Innovation
16 Development and Economy Act, collected under this Section
17 during the second preceding calendar month for sales within a
18 STAR bond district. The Department shall make this
19 certification only if the local mass transit district imposes a
20 tax on real property as provided in the definition of "local
21 sales taxes" under the Innovation Development and Economy Act.

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the State
24 Department of Revenue shall prepare and certify to the
25 Comptroller of the State of Illinois the amount to be paid to
26 the District, which shall be the amount (not including credit

1 memoranda) collected under this Section during the second
2 preceding calendar month by the Department plus an amount the
3 Department determines is necessary to offset any amounts that
4 were erroneously paid to a different taxing body, and not
5 including any amount equal to the amount of refunds made during
6 the second preceding calendar month by the Department on behalf
7 of the District, and not including any amount that the
8 Department determines is necessary to offset any amounts that
9 were payable to a different taxing body but were erroneously
10 paid to the District, and less any amounts that are transferred
11 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
12 the Comptroller of the certification of the amount to be paid
13 to the District, the Comptroller shall cause an order to be
14 drawn for payment for the amount in accordance with the
15 direction in the certification.

16 (Source: P.A. 98-298, eff. 8-9-13.)

17 Section 45. The Regional Transportation Authority Act is
18 amended by changing Section 4.03 as follows:

19 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

20 Sec. 4.03. Taxes.

21 (a) In order to carry out any of the powers or purposes of
22 the Authority, the Board may by ordinance adopted with the
23 concurrence of 12 of the then Directors, impose throughout the
24 metropolitan region any or all of the taxes provided in this

1 Section. Except as otherwise provided in this Act, taxes
2 imposed under this Section and civil penalties imposed incident
3 thereto shall be collected and enforced by the State Department
4 of Revenue. The Department shall have the power to administer
5 and enforce the taxes and to determine all rights for refunds
6 for erroneous payments of the taxes. Nothing in this amendatory
7 Act of the 95th General Assembly is intended to invalidate any
8 taxes currently imposed by the Authority. The increased vote
9 requirements to impose a tax shall only apply to actions taken
10 after the effective date of this amendatory Act of the 95th
11 General Assembly.

12 (b) The Board may impose a public transportation tax upon
13 all persons engaged in the metropolitan region in the business
14 of selling at retail motor fuel for operation of motor vehicles
15 upon public highways. The tax shall be at a rate not to exceed
16 5% of the gross receipts from the sales of motor fuel in the
17 course of the business. As used in this Act, the term "motor
18 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
19 The Board may provide for details of the tax. The provisions of
20 any tax shall conform, as closely as may be practicable, to the
21 provisions of the Municipal Retailers Occupation Tax Act,
22 including without limitation, conformity to penalties with
23 respect to the tax imposed and as to the powers of the State
24 Department of Revenue to promulgate and enforce rules and
25 regulations relating to the administration and enforcement of
26 the provisions of the tax imposed, except that reference in the

1 Act to any municipality shall refer to the Authority and the
2 tax shall be imposed only with regard to receipts from sales of
3 motor fuel in the metropolitan region, at rates as limited by
4 this Section.

5 (c) In connection with the tax imposed under paragraph (b)
6 of this Section the Board may impose a tax upon the privilege
7 of using in the metropolitan region motor fuel for the
8 operation of a motor vehicle upon public highways, the tax to
9 be at a rate not in excess of the rate of tax imposed under
10 paragraph (b) of this Section. The Board may provide for
11 details of the tax.

12 (d) The Board may impose a motor vehicle parking tax upon
13 the privilege of parking motor vehicles at off-street parking
14 facilities in the metropolitan region at which a fee is
15 charged, and may provide for reasonable classifications in and
16 exemptions to the tax, for administration and enforcement
17 thereof and for civil penalties and refunds thereunder and may
18 provide criminal penalties thereunder, the maximum penalties
19 not to exceed the maximum criminal penalties provided in the
20 Retailers' Occupation Tax Act. The Authority may collect and
21 enforce the tax itself or by contract with any unit of local
22 government. The State Department of Revenue shall have no
23 responsibility for the collection and enforcement unless the
24 Department agrees with the Authority to undertake the
25 collection and enforcement. As used in this paragraph, the term
26 "parking facility" means a parking area or structure having

1 parking spaces for more than 2 vehicles at which motor vehicles
2 are permitted to park in return for an hourly, daily, or other
3 periodic fee, whether publicly or privately owned, but does not
4 include parking spaces on a public street, the use of which is
5 regulated by parking meters.

6 (e) The Board may impose a Regional Transportation
7 Authority Retailers' Occupation Tax upon all persons engaged in
8 the business of selling tangible personal property at retail in
9 the metropolitan region. In Cook County the tax rate shall be
10 1.25% of the gross receipts from sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks and food that
13 has been prepared for immediate consumption) and prescription
14 and nonprescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes and needles used by
16 diabetics, and 1% of the gross receipts from other taxable
17 sales made in the course of that business. In DuPage, Kane,
18 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
19 of the gross receipts from all taxable sales made in the course
20 of that business. The tax imposed under this Section and all
21 civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this Section; to collect all taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

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

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

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

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

5 If a tax is imposed under this subsection (e), a tax shall
6 also be imposed under subsections (f) and (g) of this Section.

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

16 No tax shall be imposed or collected under this subsection
17 on the sale of a motor vehicle in this State to a resident of
18 another state if that motor vehicle will not be titled in this
19 State.

20 Nothing in this Section shall be construed to authorize the
21 Regional Transportation Authority to impose a tax upon the
22 privilege of engaging in any business that under the
23 Constitution of the United States may not be made the subject
24 of taxation by this State.

25 (f) If a tax has been imposed under paragraph (e), a
26 Regional Transportation Authority Service Occupation Tax shall

1 also be imposed upon all persons engaged, in the metropolitan
2 region in the business of making sales of service, who as an
3 incident to making the sales of service, transfer tangible
4 personal property within the metropolitan region, either in the
5 form of tangible personal property or in the form of real
6 estate as an incident to a sale of service. In Cook County, the
7 tax rate shall be: (1) 1.25% of the serviceman's cost price of
8 food prepared for immediate consumption and transferred
9 incident to a sale of service subject to the service occupation
10 tax by an entity licensed under the Hospital Licensing Act, the
11 Nursing Home Care Act, the Specialized Mental Health
12 Rehabilitation Act of 2013, or the ID/DD Community Care Act
13 that is located in the metropolitan region; (2) 1.25% of the
14 selling price of food for human consumption that is to be
15 consumed off the premises where it is sold (other than
16 alcoholic beverages, soft drinks and food that has been
17 prepared for immediate consumption) and prescription and
18 nonprescription medicines, drugs, medical appliances and
19 insulin, urine testing materials, syringes and needles used by
20 diabetics; and (3) 1% of the selling price from other taxable
21 sales of tangible personal property transferred. In DuPage,
22 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
23 of the selling price of all tangible personal property
24 transferred.

25 The tax imposed under this paragraph and all civil
26 penalties that may be assessed as an incident thereof shall be

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

1 provisions were set forth herein.

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

9 Whenever the Department determines that a refund should be
10 made under this paragraph to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the warrant to be drawn for the
13 amount specified, and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the Regional Transportation Authority tax fund
16 established under paragraph (n) of this Section.

17 Nothing in this paragraph shall be construed to authorize
18 the Authority to impose a tax upon the privilege of engaging in
19 any business that under the Constitution of the United States
20 may not be made the subject of taxation by the State.

21 (g) If a tax has been imposed under paragraph (e), a tax
22 shall also be imposed upon the privilege of using in the
23 metropolitan region, any item of tangible personal property
24 that is purchased outside the metropolitan region at retail
25 from a retailer, and that is titled or registered with an
26 agency of this State's government. In Cook County the tax rate

1 shall be 1% of the selling price of the tangible personal
2 property, as "selling price" is defined in the Use Tax Act. In
3 DuPage, Kane, Lake, McHenry and Will counties the tax rate
4 shall be 0.75% of the selling price of the tangible personal
5 property, as "selling price" is defined in the Use Tax Act. The
6 tax shall be collected from persons whose Illinois address for
7 titling or registration purposes is given as being in the
8 metropolitan region. The tax shall be collected by the
9 Department of Revenue for the Regional Transportation
10 Authority. The tax must be paid to the State, or an exemption
11 determination must be obtained from the Department of Revenue,
12 before the title or certificate of registration for the
13 property may be issued. The tax or proof of exemption may be
14 transmitted to the Department by way of the State agency with
15 which, or the State officer with whom, the tangible personal
16 property must be titled or registered if the Department and the
17 State agency or State officer determine that this procedure
18 will expedite the processing of applications for title or
19 registration.

20 The Department shall have full power to administer and
21 enforce this paragraph; to collect all taxes, penalties and
22 interest due hereunder; to dispose of taxes, penalties and
23 interest collected in the manner hereinafter provided; and to
24 determine all rights to credit memoranda or refunds arising on
25 account of the erroneous payment of tax, penalty or interest
26 hereunder. In the administration of and compliance with this

1 paragraph, the Department and persons who are subject to this
2 paragraph shall have the same rights, remedies, privileges,
3 immunities, powers and duties, and be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions and definitions of terms and employ the same modes
6 of procedure, as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3 through 3-80 (except provisions pertaining to the
9 State rate of tax, and except provisions concerning collection
10 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
11 19 (except the portions pertaining to claims by retailers and
12 except the last paragraph concerning refunds), 20, 21 and 22 of
13 the Use Tax Act, and are not inconsistent with this paragraph,
14 as fully as if those provisions were set forth herein.

15 Whenever the Department determines that a refund should be
16 made under this paragraph to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified, and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Regional Transportation Authority tax fund
22 established under paragraph (n) of this Section.

23 (h) The Authority may impose a replacement vehicle tax of
24 \$50 on any passenger car as defined in Section 1-157 of the
25 Illinois Vehicle Code purchased within the metropolitan region
26 by or on behalf of an insurance company to replace a passenger

1 car of an insured person in settlement of a total loss claim.
2 The tax imposed may not become effective before the first day
3 of the month following the passage of the ordinance imposing
4 the tax and receipt of a certified copy of the ordinance by the
5 Department of Revenue. The Department of Revenue shall collect
6 the tax for the Authority in accordance with Sections 3-2002
7 and 3-2003 of the Illinois Vehicle Code.

8 The Department shall immediately pay over to the State
9 Treasurer, ex officio, as trustee, all taxes collected
10 hereunder.

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

19 After the monthly transfer to the STAR Bonds Revenue Fund,
20 on or before the 25th day of each calendar month, the
21 Department shall prepare and certify to the Comptroller the
22 disbursement of stated sums of money to the Authority. The
23 amount to be paid to the Authority shall be the amount
24 collected hereunder during the second preceding calendar month
25 by the Department, less any amount determined by the Department
26 to be necessary for the payment of refunds, and less any

1 amounts that are transferred to the STAR Bonds Revenue Fund.
2 Within 10 days after receipt by the Comptroller of the
3 disbursement certification to the Authority provided for in
4 this Section to be given to the Comptroller by the Department,
5 the Comptroller shall cause the orders to be drawn for that
6 amount in accordance with the directions contained in the
7 certification.

8 (i) The Board may not impose any other taxes except as it
9 may from time to time be authorized by law to impose.

10 (j) A certificate of registration issued by the State
11 Department of Revenue to a retailer under the Retailers'
12 Occupation Tax Act or under the Service Occupation Tax Act
13 shall permit the registrant to engage in a business that is
14 taxed under the tax imposed under paragraphs (b), (e), (f) or
15 (g) of this Section and no additional registration shall be
16 required under the tax. A certificate issued under the Use Tax
17 Act or the Service Use Tax Act shall be applicable with regard
18 to any tax imposed under paragraph (c) of this Section.

19 (k) The provisions of any tax imposed under paragraph (c)
20 of this Section shall conform as closely as may be practicable
21 to the provisions of the Use Tax Act, including without
22 limitation conformity as to penalties with respect to the tax
23 imposed and as to the powers of the State Department of Revenue
24 to promulgate and enforce rules and regulations relating to the
25 administration and enforcement of the provisions of the tax
26 imposed. The taxes shall be imposed only on use within the

1 metropolitan region and at rates as provided in the paragraph.

2 (l) The Board in imposing any tax as provided in paragraphs
3 (b) and (c) of this Section, shall, after seeking the advice of
4 the State Department of Revenue, provide means for retailers,
5 users or purchasers of motor fuel for purposes other than those
6 with regard to which the taxes may be imposed as provided in
7 those paragraphs to receive refunds of taxes improperly paid,
8 which provisions may be at variance with the refund provisions
9 as applicable under the Municipal Retailers Occupation Tax Act.
10 The State Department of Revenue may provide for certificates of
11 registration for users or purchasers of motor fuel for purposes
12 other than those with regard to which taxes may be imposed as
13 provided in paragraphs (b) and (c) of this Section to
14 facilitate the reporting and nontaxability of the exempt sales
15 or uses.

16 (m) Any ordinance imposing or discontinuing any tax under
17 this Section shall be adopted and a certified copy thereof
18 filed with the Department on or before June 1, whereupon the
19 Department of Revenue shall proceed to administer and enforce
20 this Section on behalf of the Regional Transportation Authority
21 as of September 1 next following such adoption and filing.
22 Beginning January 1, 1992, an ordinance or resolution imposing
23 or discontinuing the tax hereunder shall be adopted and a
24 certified copy thereof filed with the Department on or before
25 the first day of July, whereupon the Department shall proceed
26 to administer and enforce this Section as of the first day of

1 October next following such adoption and filing. Beginning
2 January 1, 1993, an ordinance or resolution imposing,
3 increasing, decreasing, or discontinuing the tax hereunder
4 shall be adopted and a certified copy thereof filed with the
5 Department, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of the
7 first month to occur not less than 60 days following such
8 adoption and filing. Any ordinance or resolution of the
9 Authority imposing a tax under this Section and in effect on
10 August 1, 2007 shall remain in full force and effect and shall
11 be administered by the Department of Revenue under the terms
12 and conditions and rates of tax established by such ordinance
13 or resolution until the Department begins administering and
14 enforcing an increased tax under this Section as authorized by
15 this amendatory Act of the 95th General Assembly. The tax rates
16 authorized by this amendatory Act of the 95th General Assembly
17 are effective only if imposed by ordinance of the Authority.

18 (n) The State Department of Revenue shall, upon collecting
19 any taxes as provided in this Section, pay the taxes over to
20 the State Treasurer as trustee for the Authority. The taxes
21 shall be held in a trust fund outside the State Treasury. On or
22 before the 25th day of each calendar month, the State
23 Department of Revenue shall prepare and certify to the
24 Comptroller of the State of Illinois and to the Authority (i)
25 the amount of taxes collected in each County other than Cook
26 County in the metropolitan region, (ii) the amount of taxes

1 collected within the City of Chicago, and (iii) the amount
2 collected in that portion of Cook County outside of Chicago,
3 each amount less the amount necessary for the payment of
4 refunds to taxpayers located in those areas described in items
5 (i), (ii), and (iii). Within 10 days after receipt by the
6 Comptroller of the certification of the amounts, the
7 Comptroller shall cause an order to be drawn for the payment of
8 two-thirds of the amounts certified in item (i) of this
9 subsection to the Authority and one-third of the amounts
10 certified in item (i) of this subsection to the respective
11 counties other than Cook County and the amount certified in
12 items (ii) and (iii) of this subsection to the Authority.

13 In addition to the disbursement required by the preceding
14 paragraph, an allocation shall be made in July 1991 and each
15 year thereafter to the Regional Transportation Authority. The
16 allocation shall be made in an amount equal to the average
17 monthly distribution during the preceding calendar year
18 (excluding the 2 months of lowest receipts) and the allocation
19 shall include the amount of average monthly distribution from
20 the Regional Transportation Authority Occupation and Use Tax
21 Replacement Fund. The distribution made in July 1992 and each
22 year thereafter under this paragraph and the preceding
23 paragraph shall be reduced by the amount allocated and
24 disbursed under this paragraph in the preceding calendar year.
25 The Department of Revenue shall prepare and certify to the
26 Comptroller for disbursement the allocations made in

1 accordance with this paragraph.

2 (o) Failure to adopt a budget ordinance or otherwise to
3 comply with Section 4.01 of this Act or to adopt a Five-year
4 Capital Program or otherwise to comply with paragraph (b) of
5 Section 2.01 of this Act shall not affect the validity of any
6 tax imposed by the Authority otherwise in conformity with law.

7 (p) At no time shall a public transportation tax or motor
8 vehicle parking tax authorized under paragraphs (b), (c) and
9 (d) of this Section be in effect at the same time as any
10 retailers' occupation, use or service occupation tax
11 authorized under paragraphs (e), (f) and (g) of this Section is
12 in effect.

13 Any taxes imposed under the authority provided in
14 paragraphs (b), (c) and (d) shall remain in effect only until
15 the time as any tax authorized by paragraphs (e), (f) or (g) of
16 this Section are imposed and becomes effective. Once any tax
17 authorized by paragraphs (e), (f) or (g) is imposed the Board
18 may not reimpose taxes as authorized in paragraphs (b), (c) and
19 (d) of the Section unless any tax authorized by paragraphs (e),
20 (f) or (g) of this Section becomes ineffective by means other
21 than an ordinance of the Board.

22 (q) Any existing rights, remedies and obligations
23 (including enforcement by the Regional Transportation
24 Authority) arising under any tax imposed under paragraphs (b),
25 (c) or (d) of this Section shall not be affected by the
26 imposition of a tax under paragraphs (e), (f) or (g) of this

1 Section.

2 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
3 eff. 7-13-12; 98-104, eff. 7-22-13.)

4 Section 50. The Water Commission Act of 1985 is amended by
5 changing Section 4 as follows:

6 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

7 Sec. 4. Taxes.

8 (a) The board of commissioners of any county water
9 commission may, by ordinance, impose throughout the territory
10 of the commission any or all of the taxes provided in this
11 Section for its corporate purposes. However, no county water
12 commission may impose any such tax unless the commission
13 certifies the proposition of imposing the tax to the proper
14 election officials, who shall submit the proposition to the
15 voters residing in the territory at an election in accordance
16 with the general election law, and the proposition has been
17 approved by a majority of those voting on the proposition.

18 The proposition shall be in the form provided in Section 5
19 or shall be substantially in the following form:

20 -----

21 Shall the (insert corporate
22 name of county water commission)
23 impose (state type of tax or
24 taxes to be imposed) at the

YES

NO

1 rate of 1/4%?

2 -----

3 Taxes imposed under this Section and civil penalties
4 imposed incident thereto shall be collected and enforced by the
5 State Department of Revenue. The Department shall have the
6 power to administer and enforce the taxes and to determine all
7 rights for refunds for erroneous payments of the taxes.

8 (b) The board of commissioners may impose a County Water
9 Commission Retailers' Occupation Tax upon all persons engaged
10 in the business of selling tangible personal property at retail
11 in the territory of the commission at a rate of 1/4% of the
12 gross receipts from the sales made in the course of such
13 business within the territory. The tax imposed under this
14 paragraph and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. The Department shall have full power to
17 administer and enforce this paragraph; to collect all taxes and
18 penalties due hereunder; to dispose of taxes and penalties so
19 collected in the manner hereinafter provided; and to determine
20 all rights to credit memoranda arising on account of the
21 erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with, this paragraph, the
23 Department and persons who are subject to this paragraph shall
24 have the same rights, remedies, privileges, immunities, powers
25 and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties, exclusions, exemptions

1 and definitions of terms, and employ the same modes of
2 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
3 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
4 therein other than the State rate of tax except that food for
5 human consumption that is to be consumed off the premises where
6 it is sold (other than alcoholic beverages, soft drinks, and
7 food that has been prepared for immediate consumption) and
8 prescription and nonprescription medicine, drugs, medical
9 appliances and insulin, urine testing materials, syringes, and
10 needles used by diabetics, for human use, shall not be subject
11 to tax hereunder), 2c, 3 (except as to the disposition of taxes
12 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,
13 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of
14 the Retailers' Occupation Tax Act and Section 3-7 of the
15 Uniform Penalty and Interest Act, as fully as if those
16 provisions were set forth herein.

17 Persons subject to any tax imposed under the authority
18 granted in this paragraph may reimburse themselves for their
19 seller's tax liability hereunder by separately stating the tax
20 as an additional charge, which charge may be stated in
21 combination, in a single amount, with State taxes that sellers
22 are required to collect under the Use Tax Act and under
23 subsection (e) of Section 4.03 of the Regional Transportation
24 Authority Act, in accordance with such bracket schedules as the
25 Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a
2 credit memorandum, the Department shall notify the State
3 Comptroller, who shall cause the warrant to be drawn for the
4 amount specified, and to the person named, in the notification
5 from the Department. The refund shall be paid by the State
6 Treasurer out of a county water commission tax fund established
7 under paragraph (g) of this Section.

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

17 If a tax is imposed under this subsection (b) a tax shall
18 also be imposed under subsections (c) and (d) of this Section.

19 No tax shall be imposed or collected under this subsection
20 on the sale of a motor vehicle in this State to a resident of
21 another state if that motor vehicle will not be titled in this
22 State.

23 Nothing in this paragraph shall be construed to authorize a
24 county water commission to impose a tax upon the privilege of
25 engaging in any business which under the Constitution of the
26 United States may not be made the subject of taxation by this

1 State.

2 (c) If a tax has been imposed under subsection (b), a
3 County Water Commission Service Occupation Tax shall also be
4 imposed upon all persons engaged, in the territory of the
5 commission, in the business of making sales of service, who, as
6 an incident to making the sales of service, transfer tangible
7 personal property within the territory. The tax rate shall be
8 1/4% of the selling price of tangible personal property so
9 transferred within the territory. The tax imposed under this
10 paragraph and all civil penalties that may be assessed as an
11 incident thereof shall be collected and enforced by the State
12 Department of Revenue. The Department shall have full power to
13 administer and enforce this paragraph; to collect all taxes and
14 penalties due hereunder; to dispose of taxes and penalties so
15 collected in the manner hereinafter provided; and to determine
16 all rights to credit memoranda arising on account of the
17 erroneous payment of tax or penalty hereunder. In the
18 administration of, and compliance with, this paragraph, the
19 Department and persons who are subject to this paragraph shall
20 have the same rights, remedies, privileges, immunities, powers
21 and duties, and be subject to the same conditions,
22 restrictions, limitations, penalties, exclusions, exemptions
23 and definitions of terms, and employ the same modes of
24 procedure, as are prescribed in Sections 1a-1, 2 (except that
25 the reference to State in the definition of supplier
26 maintaining a place of business in this State shall mean the

1 territory of the commission), 2a, 3 through 3-50 (in respect to
2 all provisions therein other than the State rate of tax except
3 that food for human consumption that is to be consumed off the
4 premises where it is sold (other than alcoholic beverages, soft
5 drinks, and food that has been prepared for immediate
6 consumption) and prescription and nonprescription medicines,
7 drugs, medical appliances and insulin, urine testing
8 materials, syringes, and needles used by diabetics, for human
9 use, shall not be subject to tax hereunder), 4 (except that the
10 reference to the State shall be to the territory of the
11 commission), 5, 7, 8 (except that the jurisdiction to which the
12 tax shall be a debt to the extent indicated in that Section 8
13 shall be the commission), 9 (except as to the disposition of
14 taxes and penalties collected and except that the returned
15 merchandise credit for this tax may not be taken against any
16 State tax), 10, 11, 12 (except the reference therein to Section
17 2b of the Retailers' Occupation Tax Act), 13 (except that any
18 reference to the State shall mean the territory of the
19 commission), the first paragraph of Section 15, 15.5, 16, 17,
20 18, 19 and 20 of the Service Occupation Tax Act as fully as if
21 those provisions were set forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this paragraph may reimburse themselves for their
24 serviceman's tax liability hereunder by separately stating the
25 tax as an additional charge, which charge may be stated in
26 combination, in a single amount, with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, and
2 any tax for which servicemen may be liable under subsection (f)
3 of Sec. 4.03 of the Regional Transportation Authority Act, in
4 accordance with such bracket schedules as the Department may
5 prescribe.

6 Whenever the Department determines that a refund should be
7 made under this paragraph to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of a county water commission tax fund established
13 under paragraph (g) of this Section.

14 Nothing in this paragraph shall be construed to authorize a
15 county water commission to impose a tax upon the privilege of
16 engaging in any business which under the Constitution of the
17 United States may not be made the subject of taxation by the
18 State.

19 (d) If a tax has been imposed under subsection (b), a tax
20 shall also imposed upon the privilege of using, in the
21 territory of the commission, any item of tangible personal
22 property that is purchased outside the territory at retail from
23 a retailer, and that is titled or registered with an agency of
24 this State's government, at a rate of 1/4% of the selling price
25 of the tangible personal property within the territory, as
26 "selling price" is defined in the Use Tax Act. The tax shall be

1 collected from persons whose Illinois address for titling or
2 registration purposes is given as being in the territory. The
3 tax shall be collected by the Department of Revenue for a
4 county water commission. The tax must be paid to the State, or
5 an exemption determination must be obtained from the Department
6 of Revenue, before the title or certificate of registration for
7 the property may be issued. The tax or proof of exemption may
8 be transmitted to the Department by way of the State agency
9 with which, or the State officer with whom, the tangible
10 personal property must be titled or registered if the
11 Department and the State agency or State officer determine that
12 this procedure will expedite the processing of applications for
13 title or registration.

14 The Department shall have full power to administer and
15 enforce this paragraph; to collect all taxes, penalties and
16 interest due hereunder; to dispose of taxes, penalties and
17 interest so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda or refunds arising
19 on account of the erroneous payment of tax, penalty or interest
20 hereunder. In the administration of, and compliance with this
21 paragraph, the Department and persons who are subject to this
22 paragraph shall have the same rights, remedies, privileges,
23 immunities, powers and duties, and be subject to the same
24 conditions, restrictions, limitations, penalties, exclusions,
25 exemptions and definitions of terms and employ the same modes
26 of procedure, as are prescribed in Sections 2 (except the

1 definition of "retailer maintaining a place of business in this
2 State"), 3 through 3-80 (except provisions pertaining to the
3 State rate of tax, and except provisions concerning collection
4 or refunding of the tax by retailers, and except that food for
5 human consumption that is to be consumed off the premises where
6 it is sold (other than alcoholic beverages, soft drinks, and
7 food that has been prepared for immediate consumption) and
8 prescription and nonprescription medicines, drugs, medical
9 appliances and insulin, urine testing materials, syringes, and
10 needles used by diabetics, for human use, shall not be subject
11 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
12 portions pertaining to claims by retailers and except the last
13 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
14 and Section 3-7 of the Uniform Penalty and Interest Act that
15 are not inconsistent with this paragraph, as fully as if those
16 provisions were set forth herein.

17 Whenever the Department determines that a refund should be
18 made under this paragraph to a claimant instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the order to be drawn for the
21 amount specified, and to the person named, in the notification
22 from the Department. The refund shall be paid by the State
23 Treasurer out of a county water commission tax fund established
24 under paragraph (g) of this Section.

25 (e) A certificate of registration issued by the State
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act
2 shall permit the registrant to engage in a business that is
3 taxed under the tax imposed under paragraphs (b), (c) or (d) of
4 this Section and no additional registration shall be required
5 under the tax. A certificate issued under the Use Tax Act or
6 the Service Use Tax Act shall be applicable with regard to any
7 tax imposed under paragraph (c) of this Section.

8 (f) Any ordinance imposing or discontinuing any tax under
9 this Section shall be adopted and a certified copy thereof
10 filed with the Department on or before June 1, whereupon the
11 Department of Revenue shall proceed to administer and enforce
12 this Section on behalf of the county water commission as of
13 September 1 next following the adoption and filing. Beginning
14 January 1, 1992, an ordinance or resolution imposing or
15 discontinuing the tax hereunder shall be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of July, whereupon the Department shall proceed
18 to administer and enforce this Section as of the first day of
19 October next following such adoption and filing. Beginning
20 January 1, 1993, an ordinance or resolution imposing or
21 discontinuing the tax hereunder shall be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of October, whereupon the Department shall
24 proceed to administer and enforce this Section as of the first
25 day of January next following such adoption and filing.

26 (g) The State Department of Revenue shall, upon collecting

1 any taxes as provided in this Section, pay the taxes over to
2 the State Treasurer as trustee for the commission. The taxes
3 shall be held in a trust fund outside the State Treasury.

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

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the State
14 Department of Revenue shall prepare and certify to the
15 Comptroller of the State of Illinois the amount to be paid to
16 the commission, which shall be the amount (not including credit
17 memoranda) collected under this Section during the second
18 preceding calendar month by the Department plus an amount the
19 Department determines is necessary to offset any amounts that
20 were erroneously paid to a different taxing body, and not
21 including any amount equal to the amount of refunds made during
22 the second preceding calendar month by the Department on behalf
23 of the commission, and not including any amount that the
24 Department determines is necessary to offset any amounts that
25 were payable to a different taxing body but were erroneously
26 paid to the commission, and less any amounts that are

1 transferred to the STAR Bonds Revenue Fund. Within 10 days
2 after receipt by the Comptroller of the certification of the
3 amount to be paid to the commission, the Comptroller shall
4 cause an order to be drawn for the payment for the amount in
5 accordance with the direction in the certification.

6 (h) Beginning June 1, 2016, any tax imposed pursuant to
7 this Section may no longer be imposed or collected, unless a
8 continuation of the tax is approved by the voters at a
9 referendum as set forth in this Section.

10 (Source: P.A. 97-333, eff. 8-12-11; 98-298, eff. 8-9-13.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.