



Sen. Thomas Cullerton

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1 AMENDMENT TO HOUSE BILL 961

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 961 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Revenue Sharing Act is amended by  
5 changing Section 1 as follows:

6 (30 ILCS 115/1) (from Ch. 85, par. 611)

7 Sec. 1. Local Government Distributive Fund. Through June  
8 30, 1994, as soon as may be after the first day of each month  
9 the Department of Revenue shall certify to the Treasurer an  
10 amount equal to 1/12 of the net revenue realized from the tax  
11 imposed by subsections (a) and (b) of Section 201 of the  
12 Illinois Income Tax Act during the preceding month. Beginning  
13 July 1, 1994, and continuing through June 30, 1995, as soon as  
14 may be after the first day of each month, the Department of  
15 Revenue shall certify to the Treasurer an amount equal to 1/11  
16 of the net revenue realized from the tax imposed by subsections

1 (a) and (b) of Section 201 of the Illinois Income Tax Act  
2 during the preceding month. Beginning July 1, 1995, as soon as  
3 may be after the first day of each month, the Department of  
4 Revenue shall certify to the Treasurer an amount equal to the  
5 amounts calculated pursuant to subsection (b) of Section 901 of  
6 the Illinois Income Tax Act based on 1/10 of the net revenue  
7 realized from the tax imposed by subsections (a) and (b) of  
8 Section 201 of the Illinois Income Tax Act during the preceding  
9 month. Net revenue realized for a month shall be defined as the  
10 revenue from the tax imposed by subsections (a) and (b) of  
11 Section 201 of the Illinois Income Tax Act which is deposited  
12 in the General Revenue Fund, the Education Assistance Fund and  
13 the Income Tax Surcharge Local Government Distributive Fund  
14 during the month minus the amount paid out of the General  
15 Revenue Fund in State warrants during that same month as  
16 refunds to taxpayers for overpayment of liability under the tax  
17 imposed by subsections (a) and (b) of Section 201 of the  
18 Illinois Income Tax Act. Upon receipt of such certification,  
19 the Treasurer shall transfer from the General Revenue Fund to a  
20 special fund in the State treasury, to be known as the "Local  
21 Government Distributive Fund", the amount shown on such  
22 certification.

23 Beginning on the effective date of this amendatory Act of  
24 the 98th General Assembly, the Treasurer shall perform the  
25 transfers required by this Section no later than 60 days after  
26 he or she receives the certification from the Department of

1 Revenue.

2 All amounts paid into the Local Government Distributive  
3 Fund in accordance with this Section and allocated pursuant to  
4 this Act are appropriated on a continuing basis.

5 (Source: P.A. 88-89.)

6 Section 10. The Illinois Income Tax Act is amended by  
7 changing Section 901 as follows:

8 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

9 Sec. 901. Collection Authority.

10 (a) In general.

11 The Department shall collect the taxes imposed by this Act.  
12 The Department shall collect certified past due child support  
13 amounts under Section 2505-650 of the Department of Revenue Law  
14 (20 ILCS 2505/2505-650). Except as provided in subsections (c),  
15 (e), (f), and (g) of this Section, money collected pursuant to  
16 subsections (a) and (b) of Section 201 of this Act shall be  
17 paid into the General Revenue Fund in the State treasury; money  
18 collected pursuant to subsections (c) and (d) of Section 201 of  
19 this Act shall be paid into the Personal Property Tax  
20 Replacement Fund, a special fund in the State Treasury; and  
21 money collected under Section 2505-650 of the Department of  
22 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the  
23 Child Support Enforcement Trust Fund, a special fund outside  
24 the State Treasury, or to the State Disbursement Unit

1 established under Section 10-26 of the Illinois Public Aid  
2 Code, as directed by the Department of Healthcare and Family  
3 Services.

4 (b) Local Government Distributive Fund.

5 Beginning August 1, 1969, and continuing through June 30,  
6 1994, the Treasurer shall transfer each month from the General  
7 Revenue Fund to a special fund in the State treasury, to be  
8 known as the "Local Government Distributive Fund", an amount  
9 equal to 1/12 of the net revenue realized from the tax imposed  
10 by subsections (a) and (b) of Section 201 of this Act during  
11 the preceding month. Beginning July 1, 1994, and continuing  
12 through June 30, 1995, the Treasurer shall transfer each month  
13 from the General Revenue Fund to the Local Government  
14 Distributive Fund an amount equal to 1/11 of the net revenue  
15 realized from the tax imposed by subsections (a) and (b) of  
16 Section 201 of this Act during the preceding month. Beginning  
17 July 1, 1995 and continuing through January 31, 2011, the  
18 Treasurer shall transfer each month from the General Revenue  
19 Fund to the Local Government Distributive Fund an amount equal  
20 to the net of (i) 1/10 of the net revenue realized from the tax  
21 imposed by subsections (a) and (b) of Section 201 of the  
22 Illinois Income Tax Act during the preceding month (ii) minus,  
23 beginning July 1, 2003 and ending June 30, 2004, \$6,666,666,  
24 and beginning July 1, 2004, zero. Beginning February 1, 2011,  
25 and continuing through January 31, 2015, the Treasurer shall  
26 transfer each month from the General Revenue Fund to the Local

1 Government Distributive Fund an amount equal to the sum of (i)  
2 6% (10% of the ratio of the 3% individual income tax rate prior  
3 to 2011 to the 5% individual income tax rate after 2010) of the  
4 net revenue realized from the tax imposed by subsections (a)  
5 and (b) of Section 201 of this Act upon individuals, trusts,  
6 and estates during the preceding month and (ii) 6.86% (10% of  
7 the ratio of the 4.8% corporate income tax rate prior to 2011  
8 to the 7% corporate income tax rate after 2010) of the net  
9 revenue realized from the tax imposed by subsections (a) and  
10 (b) of Section 201 of this Act upon corporations during the  
11 preceding month. Beginning February 1, 2015 and continuing  
12 through January 31, 2025, the Treasurer shall transfer each  
13 month from the General Revenue Fund to the Local Government  
14 Distributive Fund an amount equal to the sum of (i) 8% (10% of  
15 the ratio of the 3% individual income tax rate prior to 2011 to  
16 the 3.75% individual income tax rate after 2014) of the net  
17 revenue realized from the tax imposed by subsections (a) and  
18 (b) of Section 201 of this Act upon individuals, trusts, and  
19 estates during the preceding month and (ii) 9.14% (10% of the  
20 ratio of the 4.8% corporate income tax rate prior to 2011 to  
21 the 5.25% corporate income tax rate after 2014) of the net  
22 revenue realized from the tax imposed by subsections (a) and  
23 (b) of Section 201 of this Act upon corporations during the  
24 preceding month. Beginning February 1, 2025, the Treasurer  
25 shall transfer each month from the General Revenue Fund to the  
26 Local Government Distributive Fund an amount equal to the sum

1 of (i) 9.23% (10% of the ratio of the 3% individual income tax  
2 rate prior to 2011 to the 3.25% individual income tax rate  
3 after 2024) of the net revenue realized from the tax imposed by  
4 subsections (a) and (b) of Section 201 of this Act upon  
5 individuals, trusts, and estates during the preceding month and  
6 (ii) 10% of the net revenue realized from the tax imposed by  
7 subsections (a) and (b) of Section 201 of this Act upon  
8 corporations during the preceding month. Net revenue realized  
9 for a month shall be defined as the revenue from the tax  
10 imposed by subsections (a) and (b) of Section 201 of this Act  
11 which is deposited in the General Revenue Fund, the Education  
12 Assistance Fund, the Income Tax Surcharge Local Government  
13 Distributive Fund, the Fund for the Advancement of Education,  
14 and the Commitment to Human Services Fund during the month  
15 minus the amount paid out of the General Revenue Fund in State  
16 warrants during that same month as refunds to taxpayers for  
17 overpayment of liability under the tax imposed by subsections  
18 (a) and (b) of Section 201 of this Act.

19 Beginning on the effective date of this amendatory Act of  
20 the 98th General Assembly, the Treasurer shall perform the  
21 transfers required by this subsection (b) no later than 60 days  
22 after he or she receives the certification from the Department  
23 as provided in Section 1 of the State Revenue Sharing Act.

24 (c) Deposits Into Income Tax Refund Fund.

25 (1) Beginning on January 1, 1989 and thereafter, the  
26 Department shall deposit a percentage of the amounts

1 collected pursuant to subsections (a) and (b) (1), (2), and  
2 (3), of Section 201 of this Act into a fund in the State  
3 treasury known as the Income Tax Refund Fund. The  
4 Department shall deposit 6% of such amounts during the  
5 period beginning January 1, 1989 and ending on June 30,  
6 1989. Beginning with State fiscal year 1990 and for each  
7 fiscal year thereafter, the percentage deposited into the  
8 Income Tax Refund Fund during a fiscal year shall be the  
9 Annual Percentage. For fiscal years 1999 through 2001, the  
10 Annual Percentage shall be 7.1%. For fiscal year 2003, the  
11 Annual Percentage shall be 8%. For fiscal year 2004, the  
12 Annual Percentage shall be 11.7%. Upon the effective date  
13 of this amendatory Act of the 93rd General Assembly, the  
14 Annual Percentage shall be 10% for fiscal year 2005. For  
15 fiscal year 2006, the Annual Percentage shall be 9.75%. For  
16 fiscal year 2007, the Annual Percentage shall be 9.75%. For  
17 fiscal year 2008, the Annual Percentage shall be 7.75%. For  
18 fiscal year 2009, the Annual Percentage shall be 9.75%. For  
19 fiscal year 2010, the Annual Percentage shall be 9.75%. For  
20 fiscal year 2011, the Annual Percentage shall be 8.75%. For  
21 fiscal year 2012, the Annual Percentage shall be 8.75%. For  
22 fiscal year 2013, the Annual Percentage shall be 9.75%. For  
23 fiscal year 2014, the Annual Percentage shall be 9.5%. For  
24 all other fiscal years, the Annual Percentage shall be  
25 calculated as a fraction, the numerator of which shall be  
26 the amount of refunds approved for payment by the

1 Department during the preceding fiscal year as a result of  
2 overpayment of tax liability under subsections (a) and  
3 (b) (1), (2), and (3) of Section 201 of this Act plus the  
4 amount of such refunds remaining approved but unpaid at the  
5 end of the preceding fiscal year, minus the amounts  
6 transferred into the Income Tax Refund Fund from the  
7 Tobacco Settlement Recovery Fund, and the denominator of  
8 which shall be the amounts which will be collected pursuant  
9 to subsections (a) and (b) (1), (2), and (3) of Section 201  
10 of this Act during the preceding fiscal year; except that  
11 in State fiscal year 2002, the Annual Percentage shall in  
12 no event exceed 7.6%. The Director of Revenue shall certify  
13 the Annual Percentage to the Comptroller on the last  
14 business day of the fiscal year immediately preceding the  
15 fiscal year for which it is to be effective.

16 (2) Beginning on January 1, 1989 and thereafter, the  
17 Department shall deposit a percentage of the amounts  
18 collected pursuant to subsections (a) and (b) (6), (7), and  
19 (8), (c) and (d) of Section 201 of this Act into a fund in  
20 the State treasury known as the Income Tax Refund Fund. The  
21 Department shall deposit 18% of such amounts during the  
22 period beginning January 1, 1989 and ending on June 30,  
23 1989. Beginning with State fiscal year 1990 and for each  
24 fiscal year thereafter, the percentage deposited into the  
25 Income Tax Refund Fund during a fiscal year shall be the  
26 Annual Percentage. For fiscal years 1999, 2000, and 2001,



1 the Annual Percentage shall be 19%. For fiscal year 2003,  
2 the Annual Percentage shall be 27%. For fiscal year 2004,  
3 the Annual Percentage shall be 32%. Upon the effective date  
4 of this amendatory Act of the 93rd General Assembly, the  
5 Annual Percentage shall be 24% for fiscal year 2005. For  
6 fiscal year 2006, the Annual Percentage shall be 20%. For  
7 fiscal year 2007, the Annual Percentage shall be 17.5%. For  
8 fiscal year 2008, the Annual Percentage shall be 15.5%. For  
9 fiscal year 2009, the Annual Percentage shall be 17.5%. For  
10 fiscal year 2010, the Annual Percentage shall be 17.5%. For  
11 fiscal year 2011, the Annual Percentage shall be 17.5%. For  
12 fiscal year 2012, the Annual Percentage shall be 17.5%. For  
13 fiscal year 2013, the Annual Percentage shall be 14%. For  
14 fiscal year 2014, the Annual Percentage shall be 13.4%. For  
15 all other fiscal years, the Annual Percentage shall be  
16 calculated as a fraction, the numerator of which shall be  
17 the amount of refunds approved for payment by the  
18 Department during the preceding fiscal year as a result of  
19 overpayment of tax liability under subsections (a) and  
20 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
21 Act plus the amount of such refunds remaining approved but  
22 unpaid at the end of the preceding fiscal year, and the  
23 denominator of which shall be the amounts which will be  
24 collected pursuant to subsections (a) and (b) (6), (7), and  
25 (8), (c) and (d) of Section 201 of this Act during the  
26 preceding fiscal year; except that in State fiscal year

1           2002, the Annual Percentage shall in no event exceed 23%.  
2           The Director of Revenue shall certify the Annual Percentage  
3           to the Comptroller on the last business day of the fiscal  
4           year immediately preceding the fiscal year for which it is  
5           to be effective.

6           (3) The Comptroller shall order transferred and the  
7           Treasurer shall transfer from the Tobacco Settlement  
8           Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
9           in January, 2001, (ii) \$35,000,000 in January, 2002, and  
10          (iii) \$35,000,000 in January, 2003.

11          (d) Expenditures from Income Tax Refund Fund.

12          (1) Beginning January 1, 1989, money in the Income Tax  
13          Refund Fund shall be expended exclusively for the purpose  
14          of paying refunds resulting from overpayment of tax  
15          liability under Section 201 of this Act, for paying rebates  
16          under Section 208.1 in the event that the amounts in the  
17          Homeowners' Tax Relief Fund are insufficient for that  
18          purpose, and for making transfers pursuant to this  
19          subsection (d).

20          (2) The Director shall order payment of refunds  
21          resulting from overpayment of tax liability under Section  
22          201 of this Act from the Income Tax Refund Fund only to the  
23          extent that amounts collected pursuant to Section 201 of  
24          this Act and transfers pursuant to this subsection (d) and  
25          item (3) of subsection (c) have been deposited and retained  
26          in the Fund.

1           (3) As soon as possible after the end of each fiscal  
2 year, the Director shall order transferred and the State  
3 Treasurer and State Comptroller shall transfer from the  
4 Income Tax Refund Fund to the Personal Property Tax  
5 Replacement Fund an amount, certified by the Director to  
6 the Comptroller, equal to the excess of the amount  
7 collected pursuant to subsections (c) and (d) of Section  
8 201 of this Act deposited into the Income Tax Refund Fund  
9 during the fiscal year over the amount of refunds resulting  
10 from overpayment of tax liability under subsections (c) and  
11 (d) of Section 201 of this Act paid from the Income Tax  
12 Refund Fund during the fiscal year.

13           (4) As soon as possible after the end of each fiscal  
14 year, the Director shall order transferred and the State  
15 Treasurer and State Comptroller shall transfer from the  
16 Personal Property Tax Replacement Fund to the Income Tax  
17 Refund Fund an amount, certified by the Director to the  
18 Comptroller, equal to the excess of the amount of refunds  
19 resulting from overpayment of tax liability under  
20 subsections (c) and (d) of Section 201 of this Act paid  
21 from the Income Tax Refund Fund during the fiscal year over  
22 the amount collected pursuant to subsections (c) and (d) of  
23 Section 201 of this Act deposited into the Income Tax  
24 Refund Fund during the fiscal year.

25           (4.5) As soon as possible after the end of fiscal year  
26 1999 and of each fiscal year thereafter, the Director shall

1 order transferred and the State Treasurer and State  
2 Comptroller shall transfer from the Income Tax Refund Fund  
3 to the General Revenue Fund any surplus remaining in the  
4 Income Tax Refund Fund as of the end of such fiscal year;  
5 excluding for fiscal years 2000, 2001, and 2002 amounts  
6 attributable to transfers under item (3) of subsection (c)  
7 less refunds resulting from the earned income tax credit.

8 (5) This Act shall constitute an irrevocable and  
9 continuing appropriation from the Income Tax Refund Fund  
10 for the purpose of paying refunds upon the order of the  
11 Director in accordance with the provisions of this Section.

12 (e) Deposits into the Education Assistance Fund and the  
13 Income Tax Surcharge Local Government Distributive Fund.

14 On July 1, 1991, and thereafter, of the amounts collected  
15 pursuant to subsections (a) and (b) of Section 201 of this Act,  
16 minus deposits into the Income Tax Refund Fund, the Department  
17 shall deposit 7.3% into the Education Assistance Fund in the  
18 State Treasury. Beginning July 1, 1991, and continuing through  
19 January 31, 1993, of the amounts collected pursuant to  
20 subsections (a) and (b) of Section 201 of the Illinois Income  
21 Tax Act, minus deposits into the Income Tax Refund Fund, the  
22 Department shall deposit 3.0% into the Income Tax Surcharge  
23 Local Government Distributive Fund in the State Treasury.  
24 Beginning February 1, 1993 and continuing through June 30,  
25 1993, of the amounts collected pursuant to subsections (a) and  
26 (b) of Section 201 of the Illinois Income Tax Act, minus

1 deposits into the Income Tax Refund Fund, the Department shall  
2 deposit 4.4% into the Income Tax Surcharge Local Government  
3 Distributive Fund in the State Treasury. Beginning July 1,  
4 1993, and continuing through June 30, 1994, of the amounts  
5 collected under subsections (a) and (b) of Section 201 of this  
6 Act, minus deposits into the Income Tax Refund Fund, the  
7 Department shall deposit 1.475% into the Income Tax Surcharge  
8 Local Government Distributive Fund in the State Treasury.

9 (f) Deposits into the Fund for the Advancement of  
10 Education. Beginning February 1, 2015, the Department shall  
11 deposit the following portions of the revenue realized from the  
12 tax imposed upon individuals, trusts, and estates by  
13 subsections (a) and (b) of Section 201 of this Act during the  
14 preceding month, minus deposits into the Income Tax Refund  
15 Fund, into the Fund for the Advancement of Education:

16 (1) beginning February 1, 2015, and prior to February  
17 1, 2025, 1/30; and

18 (2) beginning February 1, 2025, 1/26.

19 If the rate of tax imposed by subsection (a) and (b) of  
20 Section 201 is reduced pursuant to Section 201.5 of this Act,  
21 the Department shall not make the deposits required by this  
22 subsection (f) on or after the effective date of the reduction.

23 (g) Deposits into the Commitment to Human Services Fund.  
24 Beginning February 1, 2015, the Department shall deposit the  
25 following portions of the revenue realized from the tax imposed  
26 upon individuals, trusts, and estates by subsections (a) and

1 (b) of Section 201 of this Act during the preceding month,  
2 minus deposits into the Income Tax Refund Fund, into the  
3 Commitment to Human Services Fund:

4 (1) beginning February 1, 2015, and prior to February  
5 1, 2025, 1/30; and

6 (2) beginning February 1, 2025, 1/26.

7 If the rate of tax imposed by subsection (a) and (b) of  
8 Section 201 is reduced pursuant to Section 201.5 of this Act,  
9 the Department shall not make the deposits required by this  
10 subsection (g) on or after the effective date of the reduction.  
11 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,  
12 eff. 6-19-13.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law."