



Rep. Al Riley

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LRB099 06575 HLH 35537 a

1 AMENDMENT TO SENATE BILL 780

2 AMENDMENT NO. _____. Amend Senate Bill 780 immediately
3 below the enacting clause, by inserting the following:

4 "Section 3. The Department of Revenue Law of the Civil
5 Administrative Code of Illinois is amended by changing Section
6 2505-190 as follows:

7 (20 ILCS 2505/2505-190) (was 20 ILCS 2505/39c-4)

8 Sec. 2505-190. Tax Compliance and Administration Fund.

9 (a) Amounts deposited into the Tax Compliance and
10 Administration Fund, a special fund in the State treasury that
11 is hereby created, must be appropriated to the Department to
12 reimburse the Department for its costs of collecting,
13 administering, and enforcing the tax laws that provide for
14 deposits into the Fund. Moneys in the Fund shall consist of
15 deposits provided for in tax laws, reimbursements, or other
16 payments received from units of local government for

1 administering a local tax or fee on behalf of the unit of local
2 government in accordance with the Local Tax Collection Act, or
3 other payments designated for deposit into the Fund.

4 (b) As soon as possible after July 1, 2015, and as soon as
5 possible after each July 1 thereafter, the Director of the
6 Department of Revenue shall certify the balance in the Tax
7 Compliance and Administration Fund as of July 1, less any
8 amounts obligated, and the State Comptroller shall order
9 transferred and the State Treasurer shall transfer from the Tax
10 Compliance and Administration Fund to the General Revenue Fund
11 the amount certified that exceeds the Tax Compliance and
12 Administration Fund annual amount \$2,500,000. As used in this
13 Section, "Tax Compliance and Administration Fund annual
14 amount" means:

15 (1) for the July 1, 2015 transfer, \$2,500,000; and

16 (2) for transfers in subsequent years, the previous
17 year's Tax Compliance and Administration Fund annual
18 amount increased by the percentage increase in the Consumer
19 Price Index during the 12-month calendar year preceding
20 July 1 of the current year.

21 For purposes of this Section "Consumer Price Index" means
22 the Consumer Price Index for All Urban Consumers for all items
23 published by the United States Department of Labor.

24 (Source: P.A. 98-1098, eff. 8-26-14.); and

25 by inserting Section 10 in its proper numeric sequence as

1 follows:

2 "Section 10. The Local Tax Collection Act is amended by
3 changing Section 1 as follows:

4 (35 ILCS 720/1) (from Ch. 120, par. 1901)

5 Sec. 1. (a) The Department of Revenue and any unit of local
6 government ~~county or municipality~~ may agree to the Department's
7 collecting, and transmitting back to the unit of local
8 government ~~such county or municipality~~, any tax lawfully
9 imposed by that unit of local government ~~county or~~
10 ~~municipality~~, the subject of which is similar to that of a tax
11 imposed by the State and collected by the Department of
12 Revenue, unless the General Assembly has specifically required
13 a different method of collection for such tax. However, the
14 Department may not enter into a contract with any unit of local
15 government ~~municipality or county~~ pursuant to this Act for the
16 collection of any tax based on the sale or use of tangible
17 personal property generally, not including taxes based only on
18 the sale or use of specifically limited kinds of tangible
19 personal property, unless the ~~municipal or county~~ ordinance
20 adopted by the unit of local government imposes a sales or use
21 tax which is substantively identical to and which contains the
22 same exemptions as the taxes imposed by the unit of local
23 government's ~~municipalities' or counties'~~ ordinances
24 authorized by the Home Rule or Non-Home Rule Municipal or

1 County Retailers' Occupation Tax Act, the Home Rule or Non-Home
2 Rule ~~or the~~ Municipal or County Use Tax, or any other
3 Retailers' Occupation Tax Act or Law that is administered by
4 the Department of Revenue, as interpreted by the Department
5 through its regulations as those Acts and as those regulations
6 may from time to time be amended.

7 (b) Regarding the collection of a tax pursuant to this
8 Section, the Department and any person subject to a tax
9 collected by the Department pursuant to this Section shall, as
10 much as practicable, have the same rights, remedies,
11 privileges, immunities, powers and duties, and be subject to
12 the same conditions, restrictions, limitations, penalties,
13 definitions of terms and procedures, as those set forth in the
14 Act imposing the State tax, the subject of which is similar to
15 the tax being collected by the Department pursuant to this
16 Section. The Department and unit of local government ~~county or~~
17 ~~municipality~~ shall specifically agree in writing to such
18 rights, remedies, privileges, immunities, powers, duties,
19 conditions, restrictions, limitations, penalties, definitions
20 of terms and procedures, as well as any other terms deemed
21 necessary or advisable. All terms so agreed upon shall be
22 incorporated into an ordinance of such unit of local government
23 ~~county or municipality,~~ and the Department shall not collect
24 the tax pursuant to this Section until such ordinance takes
25 effect.

26 (c) (1) The Department shall forthwith pay over to the

1 State Treasurer, ex officio, as trustee, all taxes and
2 penalties collected hereunder. On or before the 25th day of
3 each calendar month, the Department shall prepare and certify
4 to the Comptroller the disbursement of stated sums of money to
5 named units of local government ~~cities and counties~~ from which
6 retailers or other taxpayers have paid taxes or penalties
7 hereunder to the Department during the second preceding
8 calendar month.

9 (i) The ~~an~~ amount to be paid to each unit of local
10 government ~~county and municipality, which~~ shall equal the taxes
11 and penalties collected by the Department for the unit of local
12 government ~~such county or municipality~~ pursuant to this Section
13 during the second preceding calendar month (not including
14 credit memoranda), plus an amount the Department determines is
15 necessary to offset any amounts which were erroneously paid to
16 a different taxing body, and not including (i) an amount equal
17 to the amount of refunds made during the second preceding
18 calendar month by the Department of behalf of such county or
19 municipality and (ii) any amount which the Department
20 determines is necessary to offset any amounts which are payable
21 to a different taxing body but were erroneously paid to the
22 municipality or county, less 2% of the balance, or any greater
23 amount of the balance as provided in the agreement between the
24 Department and the unit of local government required under this
25 Section, which sum shall be retained by the State Treasurer.
26 ~~total amount of taxes and penalties collected by the Department~~

1 ~~for such county or municipality pursuant to this Section or the~~
2 ~~actual cost of collection of such taxes and penalties~~
3 ~~determined pursuant to the agreement described in subsection~~
4 ~~(b), whichever is less, which shall be retained by the State;~~
5 ~~and~~

6 (ii) With respect to the total amount to be retained by the
7 State Treasurer pursuant to subparagraph (i), the Department,
8 at the time of each monthly disbursement to the units of local
9 government, shall prepare and certify to the Comptroller the
10 amount so retained by the State Treasurer, which shall be
11 transferred such amount to be deposited into the Tax Compliance
12 and Administration General Revenue Fund of the State treasury
13 and used by the Department, subject to appropriation, to cover
14 the costs incurred by the Department in collecting ~~such~~ taxes
15 and penalties.

16 (2) Within 10 ~~7~~ days after receiving the certifications
17 described in paragraph (1), the Comptroller shall issue orders
18 for payment of the amounts specified in subparagraph (i) of
19 paragraph (1).

20 (d) Any ~~home rule~~ unit of local government which imposes a
21 tax collected by the Department pursuant to this Section
22 ~~substantially similar to a State imposed tax, or which imposes~~
23 ~~a tax which is intended to be collected from a retail purchaser~~
24 ~~of goods or services at the same time a similar State tax is~~
25 ~~also collected,~~ must file a certified copy of the ordinance
26 imposing the tax with the Department within 10 days after its

1 passage. Beginning on the effective date of this amendatory Act
2 of the 99th General Assembly, an ordinance or resolution
3 imposing or discontinuing a tax collected by the Department
4 under this Section or effecting a change in the rate thereof
5 shall either (i) be adopted and a certified copy thereof filed
6 with the Department on or before the first day of April,
7 whereupon the Department shall proceed to administer and
8 enforce the tax imposition, discontinuance, or rate change as
9 of the first day of July next following the adoption and
10 filing; or (ii) be adopted and certified copy thereof filed
11 with the Department on or before the first day of October,
12 whereupon the Department shall proceed to administer and
13 enforce the tax imposition, discontinuance, or rate change as
14 of the first day of January next following the adoption and
15 filing. No such ordinance shall become effective until it is so
16 filed. Any home rule unit of local government which has enacted
17 such an ordinance prior to the effective date of this Act shall
18 file a copy of such ordinance with the Department within 90
19 days after the effective date of this Act.

20 (e) It is declared to be the law of this State, pursuant to
21 paragraph (g) of Section 6 of Article VII of the Illinois
22 Constitution, that this amendatory Act of 1988 is a denial of
23 the power of a home rule unit to fail to comply with the
24 requirements of paragraphs (d) and (e) of this Section.

25 (Source: P.A. 85-1215.)".