

1 AN ACT in relation to taxes.

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

4 Section 5. The Gas Revenue Tax Act is amended by
5 changing Section 1 as follows:

6 (35 ILCS 615/1) (from Ch. 120, par. 467.16)

7 Sec. 1. Definitions. For the purposes of this Act:

8 "Gross receipts" means the consideration received for gas
9 distributed, supplied, furnished or sold to persons for use
10 or consumption and not for resale, and for all services
11 (including the transportation or storage of gas for an
12 end-user) rendered in connection therewith, and shall include
13 cash, services and property of every kind or nature, and
14 shall be determined without any deduction on account of the
15 cost of the service, product or commodity supplied, the cost
16 of materials used, labor or service costs, or any other
17 expense whatsoever. However, "gross receipts" shall not
18 include receipts from:

19 (i) any minimum or other charge for gas or gas
20 service where the customer has taken no therms of gas;

21 (ii) any charge for a dishonored check;

22 (iii) any finance or credit charge, penalty or
23 charge for delayed payment, or discount for prompt
24 payment;

25 (iv) any charge for reconnection of service or for
26 replacement or relocation of facilities;

27 (v) any advance or contribution in aid of
28 construction;

29 (vi) repair, inspection or servicing of equipment
30 located on customer premises;

31 (vii) leasing or rental of equipment, the leasing

1 or rental of which is not necessary to distributing,
2 furnishing, supplying, selling, transporting or storing
3 gas;

4 (viii) any sale to a customer if the taxpayer is
5 prohibited by federal or State constitution, treaty,
6 convention, statute or court decision from recovering the
7 related tax liability from such customer;

8 (ix) any charges added to customers' bills pursuant
9 to the provisions of Section 9-221 or Section 9-222 of
10 the Public Utilities Act, ~~as amended,~~ or any charges
11 added to customers' bills by taxpayers who are not
12 subject to rate regulation by the Illinois Commerce
13 Commission for the purpose of recovering any of the tax
14 liabilities or other amounts specified in such provisions
15 of such Act; and

16 (x) any charge for gas or gas services to a
17 customer who acquired contractual rights for the direct
18 purchase of gas or gas services originating from an
19 out-of-state supplier or source on or before March 1,
20 1995, except for those charges solely related to the
21 local distribution of gas by a public utility. This
22 exemption includes any charge for gas or gas service,
23 except for those charges solely related to the local
24 distribution of gas by a public utility, to a customer
25 who maintained an account with a public utility (as
26 defined in Section 3-105 of the Public Utilities Act) for
27 the transportation of customer-owned gas on or before
28 March 1, 1995. The provisions of this amendatory Act of
29 1997 are intended to clarify, rather than change,
30 existing law as to the meaning and scope of this
31 exemption;

32 (xi) for bills issued on or after October 1, 2001,
33 a sale to an entity incorporated in Illinois as a
34 not-for-profit corporation; and

1 (xii) for bills issued on or after October 1, 2001,
2 a sale to a school district subject to the School Code.

3 In case credit is extended, the amount thereof shall be
4 included only as and when payments are received.

5 "Gross receipts" shall not include consideration received
6 from business enterprises certified under Section 9-222.1 of
7 the Public Utilities Act, as amended, to the extent of such
8 exemption and during the period of time specified by the
9 Department of Commerce and Community Affairs.

10 "Department" means the Department of Revenue of the State
11 of Illinois.

12 "Director" means the Director of Revenue for the
13 Department of Revenue of the State of Illinois.

14 "Taxpayer" means a person engaged in the business of
15 distributing, supplying, furnishing or selling gas for use or
16 consumption and not for resale.

17 "Person" means any natural individual, firm, trust,
18 estate, partnership, association, joint stock company, joint
19 adventure, corporation, limited liability company, or a
20 receiver, trustee, guardian or other representative appointed
21 by order of any court, or any city, town, county or other
22 political subdivision of this State.

23 "Invested capital" means that amount equal to (i) the
24 average of the balances at the beginning and end of each
25 taxable period of the taxpayer's total stockholder's equity
26 and total long-term debt, less investments in and advances to
27 all corporations, as set forth on the balance sheets included
28 in the taxpayer's annual report to the Illinois Commerce
29 Commission for the taxable period; (ii) multiplied by a
30 fraction determined under Sections 301 and 304(a) of the
31 "Illinois Income Tax Act" and reported on the Illinois income
32 tax return for the taxable period ending in or with the
33 taxable period in question. However, notwithstanding the
34 income tax return reporting requirement stated above,

1 beginning July 1, 1979, no taxpayer's denominators used to
2 compute the sales, property or payroll factors under
3 subsection (a) of Section 304 of the Illinois Income Tax Act
4 shall include payroll, property or sales of any corporate
5 entity other than the taxpayer for the purposes of
6 determining an allocation for the invested capital tax. This
7 amendatory Act of 1982, Public Act 82-1024, is not intended
8 to and does not make any change in the meaning of any
9 provision of this Act, it having been the intent of the
10 General Assembly in initially enacting the definition of
11 "invested capital" to provide for apportionment of the
12 invested capital of each company, based solely upon the
13 sales, property and payroll of that company.

14 "Taxable period" means each period which ends after the
15 effective date of this Act and which is covered by an annual
16 report filed by the taxpayer with the Illinois Commerce
17 Commission.

18 (Source: P.A. 89-417, eff. 1-1-96; 90-16, eff. 6-16-97.)

19 Section 10. The Public Utilities Act is amended by
20 changing Section 3-121 as follows:

21 (220 ILCS 5/3-121) (from Ch. 111 2/3, par. 3-121)

22 Sec. 3-121. Gross revenue. As used in Section 2-202 of
23 this Act, the term "gross revenue" includes all revenue which
24 (1) is collected by a public utility subject to regulations
25 under this Act (a) pursuant to the rates, other charges, and
26 classifications which it is required to file under Section
27 9-102 of this Act and (b) pursuant to emergency rates as
28 permitted by Section 9-104 of this Act, and (2) is derived
29 from the intrastate public utility business of such a
30 utility. Such term does not include revenue derived by such a
31 public utility from the sale of public utility services,
32 products or commodities to another public utility or to an

1 electric cooperative for resale by such public utility or
2 electric cooperative or, for bills issued on or after October
3 1, 2001, to an entity incorporated in Illinois as a
4 not-for-profit corporation or to a school district subject to
5 the School Code. "Gross revenue" shall not include any
6 charges added to customers' bills pursuant to the provisions
7 of Section 9-221, 9-221.1 and 9-222 of this Act or
8 consideration received from business enterprises certified
9 under Section 9-222.1 of this Act to the extent of such
10 exemption and during the period in which the exemption is in
11 effect.

12 (Source: P.A. 85-1021.)

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