

AN ACT concerning finance.

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

Section 5. The State Revenue Sharing Act is amended by changing Section 2 as follows:

(30 ILCS 115/2) (from Ch. 85, par. 612)

Sec. 2. Allocation and Disbursement.

(a) As soon as may be after the first day of each month, the Department of Revenue shall allocate among the several municipalities and counties of this State the amount available in the Local Government Distributive Fund and in the Income Tax Surcharge Local Government Distributive Fund, determined as provided in Sections 1 and 1a above. Except as provided in Sections 13 and 13.1 of this Act, the Department shall then certify such allocations to the State Comptroller, who shall pay over to the several municipalities and counties the respective amounts allocated to them. The amount of such Funds allocable to each such municipality and county shall be in proportion to the number of individual residents of such municipality or county to the total population of the State, determined in each case on the basis of the latest census of the State, municipality or county conducted by the Federal government and certified by the Secretary of State and for

annexations to municipalities, the latest Federal, State or municipal census of the annexed area which has been certified by the Department of Revenue. Allocations to the City of Chicago under this Section are subject to Section 6 of the Hotel Operators' Occupation Tax Act. For the purpose of this Section, the number of individual residents of a county shall be reduced by the number of individuals residing therein in municipalities, but the number of individual residents of the State, county and municipality shall reflect the latest census of any of them. The amounts transferred into the Local Government Distributive Fund pursuant to Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act, each as now or hereafter amended, pursuant to the amendments of such Sections by Public Act 85-1135, shall be distributed as provided in said Sections.

(b) It is the intent of the General Assembly that allocations made under this Section shall be made in a fair and equitable manner. Accordingly, the clerk of any municipality to which territory has been annexed, or from which territory has been disconnected, shall notify the Department of Revenue in writing of that annexation or disconnection and shall (1) state the number of residents within the territory that was annexed or disconnected, based on the last census conducted by the federal, State, or municipal government and certified by the Illinois Secretary of State, and (2) furnish therewith a

certified copy of the plat of annexation or, in the case of disconnection, the ordinance, final judgment, or resolution of disconnection together with an accurate depiction of the territory disconnected. The county in which the annexed or disconnected territory is located shall verify that the number of residents stated on the written notice that is to be sent to the Department of Revenue is true and accurate. The verified statement of the county shall accompany the written notice. However, if the county does not respond to the municipality's request for verification within 30 days, this verification requirement shall be waived. The written notice shall be provided to the Department of Revenue (1) within 30 days after the effective date of this amendatory Act of the 96th General Assembly for disconnections occurring after January 1, 2007 and before the effective date of this amendatory Act of the 96th General Assembly or (2) within 30 days after the annexation or disconnection for annexations or disconnections occurring on or after the effective date of this amendatory Act of the 96th General Assembly. For purposes of this Section, a disconnection or annexation through court order is deemed to be effective 30 days after the entry of a final judgment order, unless stayed pending appeal. Thereafter, the monthly allocation made to the municipality and to any other municipality or county affected by the annexation or disconnection shall be adjusted in accordance with this Section to reflect the change in residency of the residents of the territory that was annexed or

Public Act 096-1040

HB5011 Enrolled

LRB096 18267 RCE 33642 b

disconnected. The adjustment shall be made no later than 30 days after the Department of Revenue's receipt of the written notice of annexation or disconnection described in this Section.

(Source: P.A. 91-51, eff. 6-30-99; 91-935, eff. 6-1-01.)

Section 99. Effective date. This Act takes effect July 1, 2010.