



Rep. Michael J. Zalewski

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LRB100 02294 HLH 30227 a

1 AMENDMENT TO HOUSE BILL 1129

2 AMENDMENT NO. _____. Amend House Bill 1129 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding
5 Sections 5.886, 5.887, 5.888, 6z-20.1, 6z-20.2, and 6z-20.3 as
6 follows:

7 (30 ILCS 105/5.886 new)

8 Sec. 5.886. The State Aviation Program Fund.

9 (30 ILCS 105/5.887 new)

10 Sec. 5.887. The Local Government Aviation Trust Fund.

11 (30 ILCS 105/5.888 new)

12 Sec. 5.888. The Aviation Fuel Sales Tax Refund Fund.

13 (30 ILCS 105/6z-20.1 new)

1 Sec. 6z-20.1. The State Aviation Program Fund. The State
2 Aviation Program Fund is created in the State Treasury. Moneys
3 in the Fund shall be used by the Department of Transportation
4 for the purposes of administering a State Aviation Program.
5 Subject to appropriation, the moneys shall be used for the
6 purpose of (i) distributing grants to units of local government
7 to be used for airport-related purposes and (ii) by the State
8 for airport-related purposes, including for noise mitigation
9 purposes on or off of airport property. Grants to units of
10 local government from the Fund shall be distributed
11 proportionately based on enplanements. For purposes of this
12 Section, "airport-related purposes" means the capital or
13 operating costs of: (1) an airport; (2) a local airport system;
14 or (3) any other local facility that is owned or operated by
15 the person or entity that owns or operates the airport that is
16 directly and substantially related to the air transportation of
17 passengers or property as provided in 49 U.S.C. §47133.

18 (30 ILCS 105/6z-20.2 new)

19 Sec. 6z-20.2. The Local Government Aviation Trust Fund. The
20 Local Government Aviation Trust Fund is created as a trust fund
21 in the State Treasury. Moneys in the Trust Fund shall be used
22 by units of local government for airport-related purposes. For
23 purposes of this Section, "airport-related purposes" means the
24 capital or operating costs of: (1) an airport;(2) a local
25 airport system; or (3) any other local facility that is owned

1 or operated by the person or entity that owns or operates the
2 airport that is directly and substantially related to the air
3 transportation of passengers or property as provided in 49
4 U.S.C. §47133.

5 Moneys in the Trust Fund are not subject to appropriation
6 and shall be used solely as provided in this Section. All
7 deposits into the Trust Fund shall be held in the Trust Fund by
8 the State Treasurer, ex officio, as trustee separate and apart
9 from all public moneys or funds of this State.

10 On or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to named units of local
13 government, the units of local government to be those from
14 which retailers or servicemen have paid tax or penalties to the
15 Department during the second preceding calendar month on sales
16 of aviation fuel. The amount to be paid to each unit of local
17 government shall be the amount (not including credit memoranda)
18 collected during the second preceding calendar month by the
19 Department and paid into the Local Government Aviation Trust
20 Fund, plus an amount the Department determines is necessary to
21 offset any amounts which were erroneously paid to a different
22 taxing body, and not including an amount equal to the amount of
23 refunds made during the second preceding calendar month by the
24 Department, and not including any amount which the Department
25 determines is necessary to offset any amounts which are payable
26 to a different taxing body but were erroneously paid to the

1 unit of local government. Within 10 days after receipt by the
2 Comptroller of the certification for disbursement to the units
3 of local government, provided for in this Section to be given
4 to the Comptroller by the Department, the Comptroller shall
5 cause the orders to be drawn for the respective amounts in
6 accordance with the directions contained in the certification.

7 When certifying the amount of the monthly disbursement to a
8 unit of local government under this Section, the Department
9 shall increase or decrease that amount by an amount necessary
10 to offset any misallocation of previous disbursements. The
11 offset amount shall be the amount erroneously disbursed within
12 the 6 months preceding the time a misallocation is discovered.

13 (30 ILCS 105/6z-20.3 new)

14 Sec. 6z-20.3. The Aviation Fuel Sales Tax Refund Fund.

15 (a) The Aviation Fuel Sales Tax Refund Fund is hereby
16 created as a special fund in the State Treasury. Moneys in the
17 Aviation Fuel Sales Tax Refund Fund shall be used by the
18 Department of Revenue to pay refunds of Use Tax, Service Use
19 Tax, Service Occupation Tax, and Retailers' Occupation Tax paid
20 on aviation fuel in the manner provided in Section 19 of the
21 Use Tax Act, Section 17 of the Service Use Tax Act, Section 17
22 of the Service Occupation Tax Act, and Section 6 of the
23 Retailers' Occupation Tax Act.

24 (b) Moneys in the Aviation Fuel Sales Tax Refund Fund shall
25 be expended exclusively for the purpose of paying refunds

1 pursuant to this Section.

2 (c) The Director of Revenue shall order payment of refunds
3 under this Section from the Aviation Fuel Sales Tax Refund Fund
4 only to the extent that amounts collected pursuant to Section 3
5 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
6 Act, Section 9 of the Service Occupation Tax Act, and Section 9
7 of the Service Use Tax Act on aviation fuel have been deposited
8 and retained in the Fund.

9 As soon as possible after the end of each fiscal year, the
10 Director of Revenue shall order transferred and the State
11 Treasurer and State Comptroller shall transfer from the
12 Aviation Fuel Sales Tax Refund Fund to the State Aviation
13 Program Fund 20% of any surplus remaining as of the end of such
14 fiscal year and shall transfer from the Aviation Fuel Sales Tax
15 Refund Fund to the General Revenue Fund 80% of any surplus
16 remaining as of the end of such fiscal year.

17 This Section shall constitute an irrevocable and
18 continuing appropriation from the Aviation Fuel Sales Tax
19 Refund Fund for the purpose of paying refunds in accordance
20 with the provisions of this Section.

21 Section 10. The Use Tax Act is amended by changing Sections
22 9 and 19 as follows:

23 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

24 Sec. 9. Except as to motor vehicles, watercraft, aircraft,

1 and trailers that are required to be registered with an agency
2 of this State, each retailer required or authorized to collect
3 the tax imposed by this Act shall pay to the Department the
4 amount of such tax (except as otherwise provided) at the time
5 when he is required to file his return for the period during
6 which such tax was collected, less a discount of 2.1% prior to
7 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
8 per calendar year, whichever is greater, which is allowed to
9 reimburse the retailer for expenses incurred in collecting the
10 tax, keeping records, preparing and filing returns, remitting
11 the tax and supplying data to the Department on request. The
12 discount under this Section is not allowed for taxes paid on
13 aviation fuel that are deposited into the State Aviation
14 Program Fund under this Act. In the case of retailers who
15 report and pay the tax on a transaction by transaction basis,
16 as provided in this Section, such discount shall be taken with
17 each such tax remittance instead of when such retailer files
18 his periodic return. The Department may disallow the discount
19 for retailers whose certificate of registration is revoked at
20 the time the return is filed, but only if the Department's
21 decision to revoke the certificate of registration has become
22 final. A retailer need not remit that part of any tax collected
23 by him to the extent that he is required to remit and does
24 remit the tax imposed by the Retailers' Occupation Tax Act,
25 with respect to the sale of the same property.

26 Where such tangible personal property is sold under a

1 conditional sales contract, or under any other form of sale
2 wherein the payment of the principal sum, or a part thereof, is
3 extended beyond the close of the period for which the return is
4 filed, the retailer, in collecting the tax (except as to motor
5 vehicles, watercraft, aircraft, and trailers that are required
6 to be registered with an agency of this State), may collect for
7 each tax return period, only the tax applicable to that part of
8 the selling price actually received during such tax return
9 period.

10 Except as provided in this Section, on or before the
11 twentieth day of each calendar month, such retailer shall file
12 a return for the preceding calendar month. Such return shall be
13 filed on forms prescribed by the Department and shall furnish
14 such information as the Department may reasonably require.

15 The Department may require returns to be filed on a
16 quarterly basis. If so required, a return for each calendar
17 quarter shall be filed on or before the twentieth day of the
18 calendar month following the end of such calendar quarter. The
19 taxpayer shall also file a return with the Department for each
20 of the first two months of each calendar quarter, on or before
21 the twentieth day of the following calendar month, stating:

22 1. The name of the seller;

23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;

26 3. The total amount of taxable receipts received by him

1 during the preceding calendar month from sales of tangible
2 personal property by him during such preceding calendar
3 month, including receipts from charge and time sales, but
4 less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

11 Beginning on January 1, 2018, each retailer required or
12 authorized to collect the tax imposed by this Act on aviation
13 fuel sold at retail in this State during the preceding calendar
14 month shall, instead of reporting and paying tax on aviation
15 fuel as otherwise required by this Section, file and pay tax to
16 the Department on an aviation fuel tax return, on or before the
17 twentieth day of each calendar month. The requirements related
18 to the return shall be as otherwise provided in this Section.
19 Notwithstanding any other provisions of this Act to the
20 contrary, retailers collecting tax on aviation fuel shall file
21 all aviation fuel tax returns and shall make all aviation fuel
22 fee payments by electronic means in the manner and form
23 required by the Department. For purposes of this paragraph,
24 "aviation fuel" means a product that is intended for use or
25 offered for sale as fuel for an aircraft.

26 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,
2 the return shall be considered valid and any amount shown to be
3 due on the return shall be deemed assessed.

4 Beginning October 1, 1993, a taxpayer who has an average
5 monthly tax liability of \$150,000 or more shall make all
6 payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 1994, a taxpayer who has
8 an average monthly tax liability of \$100,000 or more shall make
9 all payments required by rules of the Department by electronic
10 funds transfer. Beginning October 1, 1995, a taxpayer who has
11 an average monthly tax liability of \$50,000 or more shall make
12 all payments required by rules of the Department by electronic
13 funds transfer. Beginning October 1, 2000, a taxpayer who has
14 an annual tax liability of \$200,000 or more shall make all
15 payments required by rules of the Department by electronic
16 funds transfer. The term "annual tax liability" shall be the
17 sum of the taxpayer's liabilities under this Act, and under all
18 other State and local occupation and use tax laws administered
19 by the Department, for the immediately preceding calendar year.
20 The term "average monthly tax liability" means the sum of the
21 taxpayer's liabilities under this Act, and under all other
22 State and local occupation and use tax laws administered by the
23 Department, for the immediately preceding calendar year
24 divided by 12. Beginning on October 1, 2002, a taxpayer who has
25 a tax liability in the amount set forth in subsection (b) of
26 Section 2505-210 of the Department of Revenue Law shall make

1 all payments required by rules of the Department by electronic
2 funds transfer.

3 Before August 1 of each year beginning in 1993, the
4 Department shall notify all taxpayers required to make payments
5 by electronic funds transfer. All taxpayers required to make
6 payments by electronic funds transfer shall make those payments
7 for a minimum of one year beginning on October 1.

8 Any taxpayer not required to make payments by electronic
9 funds transfer may make payments by electronic funds transfer
10 with the permission of the Department.

11 All taxpayers required to make payment by electronic funds
12 transfer and any taxpayers authorized to voluntarily make
13 payments by electronic funds transfer shall make those payments
14 in the manner authorized by the Department.

15 The Department shall adopt such rules as are necessary to
16 effectuate a program of electronic funds transfer and the
17 requirements of this Section.

18 Before October 1, 2000, if the taxpayer's average monthly
19 tax liability to the Department under this Act, the Retailers'
20 Occupation Tax Act, the Service Occupation Tax Act, the Service
21 Use Tax Act was \$10,000 or more during the preceding 4 complete
22 calendar quarters, he shall file a return with the Department
23 each month by the 20th day of the month next following the
24 month during which such tax liability is incurred and shall
25 make payments to the Department on or before the 7th, 15th,
26 22nd and last day of the month during which such liability is

1 incurred. On and after October 1, 2000, if the taxpayer's
2 average monthly tax liability to the Department under this Act,
3 the Retailers' Occupation Tax Act, the Service Occupation Tax
4 Act, and the Service Use Tax Act was \$20,000 or more during the
5 preceding 4 complete calendar quarters, he shall file a return
6 with the Department each month by the 20th day of the month
7 next following the month during which such tax liability is
8 incurred and shall make payment to the Department on or before
9 the 7th, 15th, 22nd and last day of the month during which such
10 liability is incurred. If the month during which such tax
11 liability is incurred began prior to January 1, 1985, each
12 payment shall be in an amount equal to 1/4 of the taxpayer's
13 actual liability for the month or an amount set by the
14 Department not to exceed 1/4 of the average monthly liability
15 of the taxpayer to the Department for the preceding 4 complete
16 calendar quarters (excluding the month of highest liability and
17 the month of lowest liability in such 4 quarter period). If the
18 month during which such tax liability is incurred begins on or
19 after January 1, 1985, and prior to January 1, 1987, each
20 payment shall be in an amount equal to 22.5% of the taxpayer's
21 actual liability for the month or 27.5% of the taxpayer's
22 liability for the same calendar month of the preceding year. If
23 the month during which such tax liability is incurred begins on
24 or after January 1, 1987, and prior to January 1, 1988, each
25 payment shall be in an amount equal to 22.5% of the taxpayer's
26 actual liability for the month or 26.25% of the taxpayer's

1 liability for the same calendar month of the preceding year. If
2 the month during which such tax liability is incurred begins on
3 or after January 1, 1988, and prior to January 1, 1989, or
4 begins on or after January 1, 1996, each payment shall be in an
5 amount equal to 22.5% of the taxpayer's actual liability for
6 the month or 25% of the taxpayer's liability for the same
7 calendar month of the preceding year. If the month during which
8 such tax liability is incurred begins on or after January 1,
9 1989, and prior to January 1, 1996, each payment shall be in an
10 amount equal to 22.5% of the taxpayer's actual liability for
11 the month or 25% of the taxpayer's liability for the same
12 calendar month of the preceding year or 100% of the taxpayer's
13 actual liability for the quarter monthly reporting period. The
14 amount of such quarter monthly payments shall be credited
15 against the final tax liability of the taxpayer's return for
16 that month. Before October 1, 2000, once applicable, the
17 requirement of the making of quarter monthly payments to the
18 Department shall continue until such taxpayer's average
19 monthly liability to the Department during the preceding 4
20 complete calendar quarters (excluding the month of highest
21 liability and the month of lowest liability) is less than
22 \$9,000, or until such taxpayer's average monthly liability to
23 the Department as computed for each calendar quarter of the 4
24 preceding complete calendar quarter period is less than
25 \$10,000. However, if a taxpayer can show the Department that a
26 substantial change in the taxpayer's business has occurred

1 which causes the taxpayer to anticipate that his average
2 monthly tax liability for the reasonably foreseeable future
3 will fall below the \$10,000 threshold stated above, then such
4 taxpayer may petition the Department for change in such
5 taxpayer's reporting status. On and after October 1, 2000, once
6 applicable, the requirement of the making of quarter monthly
7 payments to the Department shall continue until such taxpayer's
8 average monthly liability to the Department during the
9 preceding 4 complete calendar quarters (excluding the month of
10 highest liability and the month of lowest liability) is less
11 than \$19,000 or until such taxpayer's average monthly liability
12 to the Department as computed for each calendar quarter of the
13 4 preceding complete calendar quarter period is less than
14 \$20,000. However, if a taxpayer can show the Department that a
15 substantial change in the taxpayer's business has occurred
16 which causes the taxpayer to anticipate that his average
17 monthly tax liability for the reasonably foreseeable future
18 will fall below the \$20,000 threshold stated above, then such
19 taxpayer may petition the Department for a change in such
20 taxpayer's reporting status. The Department shall change such
21 taxpayer's reporting status unless it finds that such change is
22 seasonal in nature and not likely to be long term. If any such
23 quarter monthly payment is not paid at the time or in the
24 amount required by this Section, then the taxpayer shall be
25 liable for penalties and interest on the difference between the
26 minimum amount due and the amount of such quarter monthly

1 payment actually and timely paid, except insofar as the
2 taxpayer has previously made payments for that month to the
3 Department in excess of the minimum payments previously due as
4 provided in this Section. The Department shall make reasonable
5 rules and regulations to govern the quarter monthly payment
6 amount and quarter monthly payment dates for taxpayers who file
7 on other than a calendar monthly basis.

8 If any such payment provided for in this Section exceeds
9 the taxpayer's liabilities under this Act, the Retailers'
10 Occupation Tax Act, the Service Occupation Tax Act and the
11 Service Use Tax Act, as shown by an original monthly return,
12 the Department shall issue to the taxpayer a credit memorandum
13 no later than 30 days after the date of payment, which
14 memorandum may be submitted by the taxpayer to the Department
15 in payment of tax liability subsequently to be remitted by the
16 taxpayer to the Department or be assigned by the taxpayer to a
17 similar taxpayer under this Act, the Retailers' Occupation Tax
18 Act, the Service Occupation Tax Act or the Service Use Tax Act,
19 in accordance with reasonable rules and regulations to be
20 prescribed by the Department, except that if such excess
21 payment is shown on an original monthly return and is made
22 after December 31, 1986, no credit memorandum shall be issued,
23 unless requested by the taxpayer. If no such request is made,
24 the taxpayer may credit such excess payment against tax
25 liability subsequently to be remitted by the taxpayer to the
26 Department under this Act, the Retailers' Occupation Tax Act,

1 the Service Occupation Tax Act or the Service Use Tax Act, in
2 accordance with reasonable rules and regulations prescribed by
3 the Department. If the Department subsequently determines that
4 all or any part of the credit taken was not actually due to the
5 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
6 be reduced by 2.1% or 1.75% of the difference between the
7 credit taken and that actually due, and the taxpayer shall be
8 liable for penalties and interest on such difference.

9 If the retailer is otherwise required to file a monthly
10 return and if the retailer's average monthly tax liability to
11 the Department does not exceed \$200, the Department may
12 authorize his returns to be filed on a quarter annual basis,
13 with the return for January, February, and March of a given
14 year being due by April 20 of such year; with the return for
15 April, May and June of a given year being due by July 20 of such
16 year; with the return for July, August and September of a given
17 year being due by October 20 of such year, and with the return
18 for October, November and December of a given year being due by
19 January 20 of the following year.

20 If the retailer is otherwise required to file a monthly or
21 quarterly return and if the retailer's average monthly tax
22 liability to the Department does not exceed \$50, the Department
23 may authorize his returns to be filed on an annual basis, with
24 the return for a given year being due by January 20 of the
25 following year.

26 Such quarter annual and annual returns, as to form and

1 substance, shall be subject to the same requirements as monthly
2 returns.

3 Notwithstanding any other provision in this Act concerning
4 the time within which a retailer may file his return, in the
5 case of any retailer who ceases to engage in a kind of business
6 which makes him responsible for filing returns under this Act,
7 such retailer shall file a final return under this Act with the
8 Department not more than one month after discontinuing such
9 business.

10 In addition, with respect to motor vehicles, watercraft,
11 aircraft, and trailers that are required to be registered with
12 an agency of this State, every retailer selling this kind of
13 tangible personal property shall file, with the Department,
14 upon a form to be prescribed and supplied by the Department, a
15 separate return for each such item of tangible personal
16 property which the retailer sells, except that if, in the same
17 transaction, (i) a retailer of aircraft, watercraft, motor
18 vehicles or trailers transfers more than one aircraft,
19 watercraft, motor vehicle or trailer to another aircraft,
20 watercraft, motor vehicle or trailer retailer for the purpose
21 of resale or (ii) a retailer of aircraft, watercraft, motor
22 vehicles, or trailers transfers more than one aircraft,
23 watercraft, motor vehicle, or trailer to a purchaser for use as
24 a qualifying rolling stock as provided in Section 3-55 of this
25 Act, then that seller may report the transfer of all the
26 aircraft, watercraft, motor vehicles or trailers involved in

1 that transaction to the Department on the same uniform
2 invoice-transaction reporting return form. For purposes of
3 this Section, "watercraft" means a Class 2, Class 3, or Class 4
4 watercraft as defined in Section 3-2 of the Boat Registration
5 and Safety Act, a personal watercraft, or any boat equipped
6 with an inboard motor.

7 The transaction reporting return in the case of motor
8 vehicles or trailers that are required to be registered with an
9 agency of this State, shall be the same document as the Uniform
10 Invoice referred to in Section 5-402 of the Illinois Vehicle
11 Code and must show the name and address of the seller; the name
12 and address of the purchaser; the amount of the selling price
13 including the amount allowed by the retailer for traded-in
14 property, if any; the amount allowed by the retailer for the
15 traded-in tangible personal property, if any, to the extent to
16 which Section 2 of this Act allows an exemption for the value
17 of traded-in property; the balance payable after deducting such
18 trade-in allowance from the total selling price; the amount of
19 tax due from the retailer with respect to such transaction; the
20 amount of tax collected from the purchaser by the retailer on
21 such transaction (or satisfactory evidence that such tax is not
22 due in that particular instance, if that is claimed to be the
23 fact); the place and date of the sale; a sufficient
24 identification of the property sold; such other information as
25 is required in Section 5-402 of the Illinois Vehicle Code, and
26 such other information as the Department may reasonably

1 require.

2 The transaction reporting return in the case of watercraft
3 and aircraft must show the name and address of the seller; the
4 name and address of the purchaser; the amount of the selling
5 price including the amount allowed by the retailer for
6 traded-in property, if any; the amount allowed by the retailer
7 for the traded-in tangible personal property, if any, to the
8 extent to which Section 2 of this Act allows an exemption for
9 the value of traded-in property; the balance payable after
10 deducting such trade-in allowance from the total selling price;
11 the amount of tax due from the retailer with respect to such
12 transaction; the amount of tax collected from the purchaser by
13 the retailer on such transaction (or satisfactory evidence that
14 such tax is not due in that particular instance, if that is
15 claimed to be the fact); the place and date of the sale, a
16 sufficient identification of the property sold, and such other
17 information as the Department may reasonably require.

18 Such transaction reporting return shall be filed not later
19 than 20 days after the date of delivery of the item that is
20 being sold, but may be filed by the retailer at any time sooner
21 than that if he chooses to do so. The transaction reporting
22 return and tax remittance or proof of exemption from the tax
23 that is imposed by this Act may be transmitted to the
24 Department by way of the State agency with which, or State
25 officer with whom, the tangible personal property must be
26 titled or registered (if titling or registration is required)

1 if the Department and such agency or State officer determine
2 that this procedure will expedite the processing of
3 applications for title or registration.

4 With each such transaction reporting return, the retailer
5 shall remit the proper amount of tax due (or shall submit
6 satisfactory evidence that the sale is not taxable if that is
7 the case), to the Department or its agents, whereupon the
8 Department shall issue, in the purchaser's name, a tax receipt
9 (or a certificate of exemption if the Department is satisfied
10 that the particular sale is tax exempt) which such purchaser
11 may submit to the agency with which, or State officer with
12 whom, he must title or register the tangible personal property
13 that is involved (if titling or registration is required) in
14 support of such purchaser's application for an Illinois
15 certificate or other evidence of title or registration to such
16 tangible personal property.

17 No retailer's failure or refusal to remit tax under this
18 Act precludes a user, who has paid the proper tax to the
19 retailer, from obtaining his certificate of title or other
20 evidence of title or registration (if titling or registration
21 is required) upon satisfying the Department that such user has
22 paid the proper tax (if tax is due) to the retailer. The
23 Department shall adopt appropriate rules to carry out the
24 mandate of this paragraph.

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment of

1 tax or proof of exemption made to the Department before the
2 retailer is willing to take these actions and such user has not
3 paid the tax to the retailer, such user may certify to the fact
4 of such delay by the retailer, and may (upon the Department
5 being satisfied of the truth of such certification) transmit
6 the information required by the transaction reporting return
7 and the remittance for tax or proof of exemption directly to
8 the Department and obtain his tax receipt or exemption
9 determination, in which event the transaction reporting return
10 and tax remittance (if a tax payment was required) shall be
11 credited by the Department to the proper retailer's account
12 with the Department, but without the 2.1% or 1.75% discount
13 provided for in this Section being allowed. When the user pays
14 the tax directly to the Department, he shall pay the tax in the
15 same amount and in the same form in which it would be remitted
16 if the tax had been remitted to the Department by the retailer.

17 Where a retailer collects the tax with respect to the
18 selling price of tangible personal property which he sells and
19 the purchaser thereafter returns such tangible personal
20 property and the retailer refunds the selling price thereof to
21 the purchaser, such retailer shall also refund, to the
22 purchaser, the tax so collected from the purchaser. When filing
23 his return for the period in which he refunds such tax to the
24 purchaser, the retailer may deduct the amount of the tax so
25 refunded by him to the purchaser from any other use tax which
26 such retailer may be required to pay or remit to the

1 Department, as shown by such return, if the amount of the tax
2 to be deducted was previously remitted to the Department by
3 such retailer. If the retailer has not previously remitted the
4 amount of such tax to the Department, he is entitled to no
5 deduction under this Act upon refunding such tax to the
6 purchaser.

7 Any retailer filing a return under this Section shall also
8 include (for the purpose of paying tax thereon) the total tax
9 covered by such return upon the selling price of tangible
10 personal property purchased by him at retail from a retailer,
11 but as to which the tax imposed by this Act was not collected
12 from the retailer filing such return, and such retailer shall
13 remit the amount of such tax to the Department when filing such
14 return.

15 If experience indicates such action to be practicable, the
16 Department may prescribe and furnish a combination or joint
17 return which will enable retailers, who are required to file
18 returns hereunder and also under the Retailers' Occupation Tax
19 Act, to furnish all the return information required by both
20 Acts on the one form.

21 Where the retailer has more than one business registered
22 with the Department under separate registration under this Act,
23 such retailer may not file each return that is due as a single
24 return covering all such registered businesses, but shall file
25 separate returns for each such registered business.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund, a special
2 fund in the State Treasury which is hereby created, the net
3 revenue realized for the preceding month from the 1% tax on
4 sales of food for human consumption which is to be consumed off
5 the premises where it is sold (other than alcoholic beverages,
6 soft drinks and food which has been prepared for immediate
7 consumption) and prescription and nonprescription medicines,
8 drugs, medical appliances, products classified as Class III
9 medical devices by the United States Food and Drug
10 Administration that are used for cancer treatment pursuant to a
11 prescription, as well as any accessories and components related
12 to those devices, and insulin, urine testing materials,
13 syringes and needles used by diabetics.

14 Beginning January 1, 1990, each month the Department shall
15 pay into the County and Mass Transit District Fund 4% of the
16 net revenue realized for the preceding month from the 6.25%
17 general rate on the selling price of tangible personal property
18 which is purchased outside Illinois at retail from a retailer
19 and which is titled or registered by an agency of this State's
20 government.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the State and Local Sales Tax Reform Fund, a special
23 fund in the State Treasury, 20% of the net revenue realized for
24 the preceding month from the 6.25% general rate on the selling
25 price of tangible personal property, other than (i) tangible
26 personal property which is purchased outside Illinois at retail

1 from a retailer and which is titled or registered by an agency
2 of this State's government and (ii) aviation fuel sold on or
3 after December 1, 2017. This exception for aviation fuel only
4 applies for so long as the revenue use requirements of 49
5 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the State.

6 For aviation fuel sold on or after December 1, 2017, each
7 month the Department shall pay into the State Aviation Program
8 Fund 20% of the net revenue realized for the preceding month
9 from the 6.25% general rate on the selling price of aviation
10 fuel, less an amount estimated by the Department to be required
11 for refunds of the 20% portion of the tax on aviation fuel
12 under this Act, which amount shall be deposited into the
13 Aviation Fuel Sales Tax Refund Fund. The Department shall only
14 pay moneys into the State Aviation Program Fund and the
15 Aviation Fuels Sales Tax Refund Fund under this Act for so long
16 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
17 U.S.C. §47133 are binding on the State.

18 Beginning August 1, 2000, each month the Department shall
19 pay into the State and Local Sales Tax Reform Fund 100% of the
20 net revenue realized for the preceding month from the 1.25%
21 rate on the selling price of motor fuel and gasohol. Beginning
22 September 1, 2010, each month the Department shall pay into the
23 State and Local Sales Tax Reform Fund 100% of the net revenue
24 realized for the preceding month from the 1.25% rate on the
25 selling price of sales tax holiday items.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund 16% of the net revenue
2 realized for the preceding month from the 6.25% general rate on
3 the selling price of tangible personal property which is
4 purchased outside Illinois at retail from a retailer and which
5 is titled or registered by an agency of this State's
6 government.

7 Beginning October 1, 2009, each month the Department shall
8 pay into the Capital Projects Fund an amount that is equal to
9 an amount estimated by the Department to represent 80% of the
10 net revenue realized for the preceding month from the sale of
11 candy, grooming and hygiene products, and soft drinks that had
12 been taxed at a rate of 1% prior to September 1, 2009 but that
13 are now taxed at 6.25%.

14 Beginning July 1, 2011, each month the Department shall pay
15 into the Clean Air Act Permit Fund 80% of the net revenue
16 realized for the preceding month from the 6.25% general rate on
17 the selling price of sorbents used in Illinois in the process
18 of sorbent injection as used to comply with the Environmental
19 Protection Act or the federal Clean Air Act, but the total
20 payment into the Clean Air Act Permit Fund under this Act and
21 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
22 in any fiscal year.

23 Beginning July 1, 2013, each month the Department shall pay
24 into the Underground Storage Tank Fund from the proceeds
25 collected under this Act, the Service Use Tax Act, the Service
26 Occupation Tax Act, and the Retailers' Occupation Tax Act an

1 amount equal to the average monthly deficit in the Underground
2 Storage Tank Fund during the prior year, as certified annually
3 by the Illinois Environmental Protection Agency, but the total
4 payment into the Underground Storage Tank Fund under this Act,
5 the Service Use Tax Act, the Service Occupation Tax Act, and
6 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
7 in any State fiscal year. As used in this paragraph, the
8 "average monthly deficit" shall be equal to the difference
9 between the average monthly claims for payment by the fund and
10 the average monthly revenues deposited into the fund, excluding
11 payments made pursuant to this paragraph.

12 Beginning July 1, 2015, of the remainder of the moneys
13 received by the Department under this Act, the Service Use Tax
14 Act, the Service Occupation Tax Act, and the Retailers'
15 Occupation Tax Act, each month the Department shall deposit
16 \$500,000 into the State Crime Laboratory Fund.

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, (a) 1.75% thereof shall be paid into the
19 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
20 and after July 1, 1989, 3.8% thereof shall be paid into the
21 Build Illinois Fund; provided, however, that if in any fiscal
22 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
23 may be, of the moneys received by the Department and required
24 to be paid into the Build Illinois Fund pursuant to Section 3
25 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
26 Act, Section 9 of the Service Use Tax Act, and Section 9 of the

1 Service Occupation Tax Act, such Acts being hereinafter called
2 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
3 may be, of moneys being hereinafter called the "Tax Act
4 Amount", and (2) the amount transferred to the Build Illinois
5 Fund from the State and Local Sales Tax Reform Fund shall be
6 less than the Annual Specified Amount (as defined in Section 3
7 of the Retailers' Occupation Tax Act), an amount equal to the
8 difference shall be immediately paid into the Build Illinois
9 Fund from other moneys received by the Department pursuant to
10 the Tax Acts; and further provided, that if on the last
11 business day of any month the sum of (1) the Tax Act Amount
12 required to be deposited into the Build Illinois Bond Account
13 in the Build Illinois Fund during such month and (2) the amount
14 transferred during such month to the Build Illinois Fund from
15 the State and Local Sales Tax Reform Fund shall have been less
16 than 1/12 of the Annual Specified Amount, an amount equal to
17 the difference shall be immediately paid into the Build
18 Illinois Fund from other moneys received by the Department
19 pursuant to the Tax Acts; and, further provided, that in no
20 event shall the payments required under the preceding proviso
21 result in aggregate payments into the Build Illinois Fund
22 pursuant to this clause (b) for any fiscal year in excess of
23 the greater of (i) the Tax Act Amount or (ii) the Annual
24 Specified Amount for such fiscal year; and, further provided,
25 that the amounts payable into the Build Illinois Fund under
26 this clause (b) shall be payable only until such time as the

1 aggregate amount on deposit under each trust indenture securing
2 Bonds issued and outstanding pursuant to the Build Illinois
3 Bond Act is sufficient, taking into account any future
4 investment income, to fully provide, in accordance with such
5 indenture, for the defeasance of or the payment of the
6 principal of, premium, if any, and interest on the Bonds
7 secured by such indenture and on any Bonds expected to be
8 issued thereafter and all fees and costs payable with respect
9 thereto, all as certified by the Director of the Bureau of the
10 Budget (now Governor's Office of Management and Budget). If on
11 the last business day of any month in which Bonds are
12 outstanding pursuant to the Build Illinois Bond Act, the
13 aggregate of the moneys deposited in the Build Illinois Bond
14 Account in the Build Illinois Fund in such month shall be less
15 than the amount required to be transferred in such month from
16 the Build Illinois Bond Account to the Build Illinois Bond
17 Retirement and Interest Fund pursuant to Section 13 of the
18 Build Illinois Bond Act, an amount equal to such deficiency
19 shall be immediately paid from other moneys received by the
20 Department pursuant to the Tax Acts to the Build Illinois Fund;
21 provided, however, that any amounts paid to the Build Illinois
22 Fund in any fiscal year pursuant to this sentence shall be
23 deemed to constitute payments pursuant to clause (b) of the
24 preceding sentence and shall reduce the amount otherwise
25 payable for such fiscal year pursuant to clause (b) of the
26 preceding sentence. The moneys received by the Department

1 pursuant to this Act and required to be deposited into the
2 Build Illinois Fund are subject to the pledge, claim and charge
3 set forth in Section 12 of the Build Illinois Bond Act.

4 Subject to payment of amounts into the Build Illinois Fund
5 as provided in the preceding paragraph or in any amendment
6 thereto hereafter enacted, the following specified monthly
7 installment of the amount requested in the certificate of the
8 Chairman of the Metropolitan Pier and Exposition Authority
9 provided under Section 8.25f of the State Finance Act, but not
10 in excess of the sums designated as "Total Deposit", shall be
11 deposited in the aggregate from collections under Section 9 of
12 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
13 9 of the Service Occupation Tax Act, and Section 3 of the
14 Retailers' Occupation Tax Act into the McCormick Place
15 Expansion Project Fund in the specified fiscal years.

16	Fiscal Year	Total Deposit
17	1993	\$0
18	1994	53,000,000
19	1995	58,000,000
20	1996	61,000,000
21	1997	64,000,000
22	1998	68,000,000
23	1999	71,000,000
24	2000	75,000,000
25	2001	80,000,000
26	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023	275,000,000
22	2024	275,000,000
23	2025	275,000,000
24	2026	279,000,000
25	2027	292,000,000
26	2028	307,000,000

1	2029	322,000,000
2	2030	338,000,000
3	2031	350,000,000
4	2032	350,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

13 Beginning July 20, 1993 and in each month of each fiscal
14 year thereafter, one-eighth of the amount requested in the
15 certificate of the Chairman of the Metropolitan Pier and
16 Exposition Authority for that fiscal year, less the amount
17 deposited into the McCormick Place Expansion Project Fund by
18 the State Treasurer in the respective month under subsection
19 (g) of Section 13 of the Metropolitan Pier and Exposition
20 Authority Act, plus cumulative deficiencies in the deposits
21 required under this Section for previous months and years,
22 shall be deposited into the McCormick Place Expansion Project
23 Fund, until the full amount requested for the fiscal year, but
24 not in excess of the amount specified above as "Total Deposit",
25 has been deposited.

26 Subject to payment of amounts into the Capital Projects

1 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
2 Fund, and the McCormick Place Expansion Project Fund pursuant
3 to the preceding paragraphs or in any amendments thereto
4 hereafter enacted, the Department shall each month deposit into
5 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
6 the Department to be required for refunds of the 80% portion of
7 the tax on aviation fuel under this Act.

8 Subject to payment of amounts into the Build Illinois Fund
9 and the McCormick Place Expansion Project Fund pursuant to the
10 preceding paragraphs or in any amendments thereto hereafter
11 enacted, beginning July 1, 1993 and ending on September 30,
12 2013, the Department shall each month pay into the Illinois Tax
13 Increment Fund 0.27% of 80% of the net revenue realized for the
14 preceding month from the 6.25% general rate on the selling
15 price of tangible personal property.

16 Subject to payment of amounts into the Build Illinois Fund
17 and the McCormick Place Expansion Project Fund pursuant to the
18 preceding paragraphs or in any amendments thereto hereafter
19 enacted, beginning with the receipt of the first report of
20 taxes paid by an eligible business and continuing for a 25-year
21 period, the Department shall each month pay into the Energy
22 Infrastructure Fund 80% of the net revenue realized from the
23 6.25% general rate on the selling price of Illinois-mined coal
24 that was sold to an eligible business. For purposes of this
25 paragraph, the term "eligible business" means a new electric
26 generating facility certified pursuant to Section 605-332 of

1 the Department of Commerce and Economic Opportunity Law of the
2 Civil Administrative Code of Illinois.

3 Subject to payment of amounts into the Build Illinois Fund,
4 the McCormick Place Expansion Project Fund, the Illinois Tax
5 Increment Fund, and the Energy Infrastructure Fund pursuant to
6 the preceding paragraphs or in any amendments to this Section
7 hereafter enacted, beginning on the first day of the first
8 calendar month to occur on or after August 26, 2014 (the
9 effective date of Public Act 98-1098) ~~this amendatory Act of~~
10 ~~the 98th General Assembly~~, each month, from the collections
11 made under Section 9 of the Use Tax Act, Section 9 of the
12 Service Use Tax Act, Section 9 of the Service Occupation Tax
13 Act, and Section 3 of the Retailers' Occupation Tax Act, the
14 Department shall pay into the Tax Compliance and Administration
15 Fund, to be used, subject to appropriation, to fund additional
16 auditors and compliance personnel at the Department of Revenue,
17 an amount equal to 1/12 of 5% of 80% of the cash receipts
18 collected during the preceding fiscal year by the Audit Bureau
19 of the Department under the Use Tax Act, the Service Use Tax
20 Act, the Service Occupation Tax Act, the Retailers' Occupation
21 Tax Act, and associated local occupation and use taxes
22 administered by the Department (except the amount collected on
23 aviation fuel sold on or after December 1, 2017).

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the State
26 Treasury and 25% shall be reserved in a special account and

1 used only for the transfer to the Common School Fund as part of
2 the monthly transfer from the General Revenue Fund in
3 accordance with Section 8a of the State Finance Act.

4 As soon as possible after the first day of each month, upon
5 certification of the Department of Revenue, the Comptroller
6 shall order transferred and the Treasurer shall transfer from
7 the General Revenue Fund to the Motor Fuel Tax Fund an amount
8 equal to 1.7% of 80% of the net revenue realized under this Act
9 for the second preceding month. Beginning April 1, 2000, this
10 transfer is no longer required and shall not be made.

11 Net revenue realized for a month shall be the revenue
12 collected by the State pursuant to this Act, less the amount
13 paid out during that month as refunds to taxpayers for
14 overpayment of liability.

15 For greater simplicity of administration, manufacturers,
16 importers and wholesalers whose products are sold at retail in
17 Illinois by numerous retailers, and who wish to do so, may
18 assume the responsibility for accounting and paying to the
19 Department all tax accruing under this Act with respect to such
20 sales, if the retailers who are affected do not make written
21 objection to the Department to this arrangement.

22 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
23 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
24 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,
25 eff. 1-27-17; revised 2-3-17.)

1 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

2 Sec. 19. If it shall appear that an amount of tax or
3 penalty or interest has been paid in error hereunder to the
4 Department by a purchaser, as distinguished from the retailer,
5 whether such amount be paid through a mistake of fact or an
6 error of law, such purchaser may file a claim for credit or
7 refund with the Department in accordance with Sections 6, 6a,
8 6b, 6c, and 6d of the Retailers' Occupation Tax Act. If it
9 shall appear that an amount of tax or penalty or interest has
10 been paid in error to the Department hereunder by a retailer
11 who is required or authorized to collect and remit the use tax,
12 whether such amount be paid through a mistake of fact or an
13 error of law, such retailer may file a claim for credit or
14 refund with the Department in accordance with Sections 6, 6a,
15 6b, 6c, and 6d of the Retailers' Occupation Tax Act, provided
16 that no credit or refund shall be allowed for any amount paid
17 by any such retailer unless it shall appear that he bore the
18 burden of such amount and did not shift the burden thereof to
19 anyone else (as in the case of a duplicated tax payment which
20 the retailer made to the Department and did not collect from
21 anyone else), or unless it shall appear that he or she or his
22 or her legal representative has unconditionally repaid such
23 amount to his vendee (1) who bore the burden thereof and has
24 not shifted such burden directly or indirectly in any manner
25 whatsoever; (2) who, if he has shifted such burden, has repaid
26 unconditionally such amount to his or her own vendee, and (3)

1 who is not entitled to receive any reimbursement therefor from
2 any other source than from his vendor, nor to be relieved of
3 such burden in any other manner whatsoever. If it shall appear
4 that an amount of tax has been paid in error hereunder by the
5 purchaser to a retailer, who retained such tax as reimbursement
6 for his or her tax liability on the same sale under the
7 Retailers' Occupation Tax Act, and who remitted the amount
8 involved to the Department under the Retailers' Occupation Tax
9 Act, whether such amount be paid through a mistake of fact or
10 an error of law, the procedure for recovering such tax shall be
11 that prescribed in Sections 6, 6a, 6b and 6c of the Retailers'
12 Occupation Tax Act.

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

16 Any claim filed hereunder shall be filed upon a form
17 prescribed and furnished by the Department. The claim shall be
18 signed by the claimant (or by the claimant's legal
19 representative if the claimant shall have died or become a
20 person under legal disability), or by a duly authorized agent
21 of the claimant or his or her legal representative.

22 A claim for credit or refund shall be considered to have
23 been filed with the Department on the date upon which it is
24 received by the Department. Upon receipt of any claim for
25 credit or refund filed under this Act, any officer or employee
26 of the Department, authorized in writing by the Director of

1 Revenue to acknowledge receipt of such claims on behalf of the
2 Department, shall execute on behalf of the Department, and
3 shall deliver or mail to the claimant or his duly authorized
4 agent, a written receipt, acknowledging that the claim has been
5 filed with the Department, describing the claim in sufficient
6 detail to identify it and stating the date upon which the claim
7 was received by the Department. Such written receipt shall be
8 prima facie evidence that the Department received the claim
9 described in such receipt and shall be prima facie evidence of
10 the date when such claim was received by the Department. In the
11 absence of such a written receipt, the records of the
12 Department as to when the claim was received by the Department,
13 or as to whether or not the claim was received at all by the
14 Department, shall be deemed to be prima facie correct upon
15 these questions in the event of any dispute between the
16 claimant (or his or her legal representative) and the
17 Department concerning these questions.

18 In case the Department determines that the claimant is
19 entitled to a refund, such refund shall be made only from the
20 Aviation Fuel Sales Tax Refund Fund or from such appropriation
21 as may be available for that purpose, as appropriate. If it
22 appears unlikely that the amount available ~~appropriated~~ would
23 permit everyone having a claim allowed during the period
24 covered by such appropriation or from the Aviation Fuel Sales
25 Tax Refund Fund, as appropriate, to elect to receive a cash
26 refund, the Department, by rule or regulation, shall provide

1 for the payment of refunds in hardship cases and shall define
2 what types of cases qualify as hardship cases.

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

19 (Source: P.A. 99-217, eff. 7-31-15.)

20 Section 15. The Service Use Tax Act is amended by changing
21 Sections 9 and 17 as follows:

22 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

23 Sec. 9. Each serviceman required or authorized to collect
24 the tax herein imposed shall pay to the Department the amount

1 of such tax (except as otherwise provided) at the time when he
2 is required to file his return for the period during which such
3 tax was collected, less a discount of 2.1% prior to January 1,
4 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
5 year, whichever is greater, which is allowed to reimburse the
6 serviceman for expenses incurred in collecting the tax, keeping
7 records, preparing and filing returns, remitting the tax and
8 supplying data to the Department on request. The discount under
9 this Section is not allowed for taxes paid on aviation fuel
10 that are deposited into the State Aviation Program Fund under
11 this Act. The Department may disallow the discount for
12 servicemen whose certificate of registration is revoked at the
13 time the return is filed, but only if the Department's decision
14 to revoke the certificate of registration has become final. A
15 serviceman need not remit that part of any tax collected by him
16 to the extent that he is required to pay and does pay the tax
17 imposed by the Service Occupation Tax Act with respect to his
18 sale of service involving the incidental transfer by him of the
19 same property.

20 Except as provided hereinafter in this Section, on or
21 before the twentieth day of each calendar month, such
22 serviceman shall file a return for the preceding calendar month
23 in accordance with reasonable Rules and Regulations to be
24 promulgated by the Department. Such return shall be filed on a
25 form prescribed by the Department and shall contain such
26 information as the Department may reasonably require.

1 The Department may require returns to be filed on a
2 quarterly basis. If so required, a return for each calendar
3 quarter shall be filed on or before the twentieth day of the
4 calendar month following the end of such calendar quarter. The
5 taxpayer shall also file a return with the Department for each
6 of the first two months of each calendar quarter, on or before
7 the twentieth day of the following calendar month, stating:

8 1. The name of the seller;

9 2. The address of the principal place of business from
10 which he engages in business as a serviceman in this State;

11 3. The total amount of taxable receipts received by him
12 during the preceding calendar month, including receipts
13 from charge and time sales, but less all deductions allowed
14 by law;

15 4. The amount of credit provided in Section 2d of this
16 Act;

17 5. The amount of tax due;

18 5-5. The signature of the taxpayer; and

19 6. Such other reasonable information as the Department
20 may require.

21 Beginning on January 1, 2018, each serviceman required or
22 authorized to collect the tax imposed by this Act on aviation
23 fuel transferred as an incident of a sale of service in this
24 State during the preceding calendar month shall, instead of
25 reporting and paying tax on aviation fuel as otherwise required
26 by this Section, report and pay the tax by filing an aviation

1 fuel tax return with the Department on or before the twentieth
2 day of each calendar month. The requirements related to the
3 return shall be as otherwise provided in this Section.
4 Notwithstanding any other provisions of this Act to the
5 contrary, servicemen collecting tax on aviation fuel shall file
6 all aviation fuel tax returns and shall make all aviation fuel
7 tax payments by electronic means in the manner and form
8 required by the Department. For purposes of this paragraph,
9 "aviation fuel" means a product that is intended for use or
10 offered for sale as fuel for an aircraft.

11 If a taxpayer fails to sign a return within 30 days after
12 the proper notice and demand for signature by the Department,
13 the return shall be considered valid and any amount shown to be
14 due on the return shall be deemed assessed.

15 Beginning October 1, 1993, a taxpayer who has an average
16 monthly tax liability of \$150,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. Beginning October 1, 1994, a taxpayer who has
19 an average monthly tax liability of \$100,000 or more shall make
20 all payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1995, a taxpayer who has
22 an average monthly tax liability of \$50,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 2000, a taxpayer who has
25 an annual tax liability of \$200,000 or more shall make all
26 payments required by rules of the Department by electronic

1 funds transfer. The term "annual tax liability" shall be the
2 sum of the taxpayer's liabilities under this Act, and under all
3 other State and local occupation and use tax laws administered
4 by the Department, for the immediately preceding calendar year.
5 The term "average monthly tax liability" means the sum of the
6 taxpayer's liabilities under this Act, and under all other
7 State and local occupation and use tax laws administered by the
8 Department, for the immediately preceding calendar year
9 divided by 12. Beginning on October 1, 2002, a taxpayer who has
10 a tax liability in the amount set forth in subsection (b) of
11 Section 2505-210 of the Department of Revenue Law shall make
12 all payments required by rules of the Department by electronic
13 funds transfer.

14 Before August 1 of each year beginning in 1993, the
15 Department shall notify all taxpayers required to make payments
16 by electronic funds transfer. All taxpayers required to make
17 payments by electronic funds transfer shall make those payments
18 for a minimum of one year beginning on October 1.

19 Any taxpayer not required to make payments by electronic
20 funds transfer may make payments by electronic funds transfer
21 with the permission of the Department.

22 All taxpayers required to make payment by electronic funds
23 transfer and any taxpayers authorized to voluntarily make
24 payments by electronic funds transfer shall make those payments
25 in the manner authorized by the Department.

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the
2 requirements of this Section.

3 If the serviceman is otherwise required to file a monthly
4 return and if the serviceman's average monthly tax liability to
5 the Department does not exceed \$200, the Department may
6 authorize his returns to be filed on a quarter annual basis,
7 with the return for January, February and March of a given year
8 being due by April 20 of such year; with the return for April,
9 May and June of a given year being due by July 20 of such year;
10 with the return for July, August and September of a given year
11 being due by October 20 of such year, and with the return for
12 October, November and December of a given year being due by
13 January 20 of the following year.

14 If the serviceman is otherwise required to file a monthly
15 or quarterly return and if the serviceman's average monthly tax
16 liability to the Department does not exceed \$50, the Department
17 may authorize his returns to be filed on an annual basis, with
18 the return for a given year being due by January 20 of the
19 following year.

20 Such quarter annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Act concerning
24 the time within which a serviceman may file his return, in the
25 case of any serviceman who ceases to engage in a kind of
26 business which makes him responsible for filing returns under

1 this Act, such serviceman shall file a final return under this
2 Act with the Department not more than 1 month after
3 discontinuing such business.

4 Where a serviceman collects the tax with respect to the
5 selling price of property which he sells and the purchaser
6 thereafter returns such property and the serviceman refunds the
7 selling price thereof to the purchaser, such serviceman shall
8 also refund, to the purchaser, the tax so collected from the
9 purchaser. When filing his return for the period in which he
10 refunds such tax to the purchaser, the serviceman may deduct
11 the amount of the tax so refunded by him to the purchaser from
12 any other Service Use Tax, Service Occupation Tax, retailers'
13 occupation tax or use tax which such serviceman may be required
14 to pay or remit to the Department, as shown by such return,
15 provided that the amount of the tax to be deducted shall
16 previously have been remitted to the Department by such
17 serviceman. If the serviceman shall not previously have
18 remitted the amount of such tax to the Department, he shall be
19 entitled to no deduction hereunder upon refunding such tax to
20 the purchaser.

21 Any serviceman filing a return hereunder shall also include
22 the total tax upon the selling price of tangible personal
23 property purchased for use by him as an incident to a sale of
24 service, and such serviceman shall remit the amount of such tax
25 to the Department when filing such return.

26 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint
2 return which will enable servicemen, who are required to file
3 returns hereunder and also under the Service Occupation Tax
4 Act, to furnish all the return information required by both
5 Acts on the one form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registration hereunder,
8 such serviceman shall not file each return that is due as a
9 single return covering all such registered businesses, but
10 shall file separate returns for each such registered business.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the State and Local Tax Reform Fund, a special fund in
13 the State Treasury, the net revenue realized for the preceding
14 month from the 1% tax on sales of food for human consumption
15 which is to be consumed off the premises where it is sold
16 (other than alcoholic beverages, soft drinks and food which has
17 been prepared for immediate consumption) and prescription and
18 nonprescription medicines, drugs, medical appliances, products
19 classified as Class III medical devices, by the United States
20 Food and Drug Administration that are used for cancer treatment
21 pursuant to a prescription, as well as any accessories and
22 components related to those devices, and insulin, urine testing
23 materials, syringes and needles used by diabetics.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the State and Local Sales Tax Reform Fund 20% of the
26 net revenue realized for the preceding month from the 6.25%

1 general rate on transfers of tangible personal property, other
2 than (i) tangible personal property which is purchased outside
3 Illinois at retail from a retailer and which is titled or
4 registered by an agency of this State's government and (ii)
5 aviation fuel sold on or after December 1, 2017. This exception
6 for aviation fuel only applies for so long as the revenue use
7 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
8 binding on the State.

9 For aviation fuel sold on or after December 1, 2017, each
10 month the Department shall pay into the State Aviation Program
11 Fund 20% of the net revenue realized for the preceding month
12 from the 6.25% general rate on the selling price of aviation
13 fuel, less an amount estimated by the Department to be required
14 for refunds of the 20% portion of the tax on aviation fuel
15 under this Act, which amount shall be deposited into the
16 Aviation fuel Sales Tax Refund Fund. The Department shall only
17 pay moneys into the State Aviation Program Fund and the
18 Aviation Fuel Sales Tax Refund Fund under this Act for so long
19 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
20 U.S.C. §47133 are binding on the State.

21 Beginning August 1, 2000, each month the Department shall
22 pay into the State and Local Sales Tax Reform Fund 100% of the
23 net revenue realized for the preceding month from the 1.25%
24 rate on the selling price of motor fuel and gasohol.

25 Beginning October 1, 2009, each month the Department shall
26 pay into the Capital Projects Fund an amount that is equal to

1 an amount estimated by the Department to represent 80% of the
2 net revenue realized for the preceding month from the sale of
3 candy, grooming and hygiene products, and soft drinks that had
4 been taxed at a rate of 1% prior to September 1, 2009 but that
5 are now taxed at 6.25%.

6 Beginning July 1, 2013, each month the Department shall pay
7 into the Underground Storage Tank Fund from the proceeds
8 collected under this Act, the Use Tax Act, the Service
9 Occupation Tax Act, and the Retailers' Occupation Tax Act an
10 amount equal to the average monthly deficit in the Underground
11 Storage Tank Fund during the prior year, as certified annually
12 by the Illinois Environmental Protection Agency, but the total
13 payment into the Underground Storage Tank Fund under this Act,
14 the Use Tax Act, the Service Occupation Tax Act, and the
15 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
16 any State fiscal year. As used in this paragraph, the "average
17 monthly deficit" shall be equal to the difference between the
18 average monthly claims for payment by the fund and the average
19 monthly revenues deposited into the fund, excluding payments
20 made pursuant to this paragraph.

21 Beginning July 1, 2015, of the remainder of the moneys
22 received by the Department under the Use Tax Act, this Act, the
23 Service Occupation Tax Act, and the Retailers' Occupation Tax
24 Act, each month the Department shall deposit \$500,000 into the
25 State Crime Laboratory Fund.

26 Of the remainder of the moneys received by the Department

1 pursuant to this Act, (a) 1.75% thereof shall be paid into the
2 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
3 and after July 1, 1989, 3.8% thereof shall be paid into the
4 Build Illinois Fund; provided, however, that if in any fiscal
5 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
6 may be, of the moneys received by the Department and required
7 to be paid into the Build Illinois Fund pursuant to Section 3
8 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
9 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
10 Service Occupation Tax Act, such Acts being hereinafter called
11 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
12 may be, of moneys being hereinafter called the "Tax Act
13 Amount", and (2) the amount transferred to the Build Illinois
14 Fund from the State and Local Sales Tax Reform Fund shall be
15 less than the Annual Specified Amount (as defined in Section 3
16 of the Retailers' Occupation Tax Act), an amount equal to the
17 difference shall be immediately paid into the Build Illinois
18 Fund from other moneys received by the Department pursuant to
19 the Tax Acts; and further provided, that if on the last
20 business day of any month the sum of (1) the Tax Act Amount
21 required to be deposited into the Build Illinois Bond Account
22 in the Build Illinois Fund during such month and (2) the amount
23 transferred during such month to the Build Illinois Fund from
24 the State and Local Sales Tax Reform Fund shall have been less
25 than 1/12 of the Annual Specified Amount, an amount equal to
26 the difference shall be immediately paid into the Build

1 Illinois Fund from other moneys received by the Department
2 pursuant to the Tax Acts; and, further provided, that in no
3 event shall the payments required under the preceding proviso
4 result in aggregate payments into the Build Illinois Fund
5 pursuant to this clause (b) for any fiscal year in excess of
6 the greater of (i) the Tax Act Amount or (ii) the Annual
7 Specified Amount for such fiscal year; and, further provided,
8 that the amounts payable into the Build Illinois Fund under
9 this clause (b) shall be payable only until such time as the
10 aggregate amount on deposit under each trust indenture securing
11 Bonds issued and outstanding pursuant to the Build Illinois
12 Bond Act is sufficient, taking into account any future
13 investment income, to fully provide, in accordance with such
14 indenture, for the defeasance of or the payment of the
15 principal of, premium, if any, and interest on the Bonds
16 secured by such indenture and on any Bonds expected to be
17 issued thereafter and all fees and costs payable with respect
18 thereto, all as certified by the Director of the Bureau of the
19 Budget (now Governor's Office of Management and Budget). If on
20 the last business day of any month in which Bonds are
21 outstanding pursuant to the Build Illinois Bond Act, the
22 aggregate of the moneys deposited in the Build Illinois Bond
23 Account in the Build Illinois Fund in such month shall be less
24 than the amount required to be transferred in such month from
25 the Build Illinois Bond Account to the Build Illinois Bond
26 Retirement and Interest Fund pursuant to Section 13 of the

1 Build Illinois Bond Act, an amount equal to such deficiency
2 shall be immediately paid from other moneys received by the
3 Department pursuant to the Tax Acts to the Build Illinois Fund;
4 provided, however, that any amounts paid to the Build Illinois
5 Fund in any fiscal year pursuant to this sentence shall be
6 deemed to constitute payments pursuant to clause (b) of the
7 preceding sentence and shall reduce the amount otherwise
8 payable for such fiscal year pursuant to clause (b) of the
9 preceding sentence. The moneys received by the Department
10 pursuant to this Act and required to be deposited into the
11 Build Illinois Fund are subject to the pledge, claim and charge
12 set forth in Section 12 of the Build Illinois Bond Act.

13 Subject to payment of amounts into the Build Illinois Fund
14 as provided in the preceding paragraph or in any amendment
15 thereto hereafter enacted, the following specified monthly
16 installment of the amount requested in the certificate of the
17 Chairman of the Metropolitan Pier and Exposition Authority
18 provided under Section 8.25f of the State Finance Act, but not
19 in excess of the sums designated as "Total Deposit", shall be
20 deposited in the aggregate from collections under Section 9 of
21 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
22 9 of the Service Occupation Tax Act, and Section 3 of the
23 Retailers' Occupation Tax Act into the McCormick Place
24 Expansion Project Fund in the specified fiscal years.

25	Total
Fiscal Year	Deposit

1	1993	\$0
2	1994	53,000,000
3	1995	58,000,000
4	1996	61,000,000
5	1997	64,000,000
6	1998	68,000,000
7	1999	71,000,000
8	2000	75,000,000
9	2001	80,000,000
10	2002	93,000,000
11	2003	99,000,000
12	2004	103,000,000
13	2005	108,000,000
14	2006	113,000,000
15	2007	119,000,000
16	2008	126,000,000
17	2009	132,000,000
18	2010	139,000,000
19	2011	146,000,000
20	2012	153,000,000
21	2013	161,000,000
22	2014	170,000,000
23	2015	179,000,000
24	2016	189,000,000
25	2017	199,000,000
26	2018	210,000,000

1	2019	221,000,000
2	2020	233,000,000
3	2021	246,000,000
4	2022	260,000,000
5	2023	275,000,000
6	2024	275,000,000
7	2025	275,000,000
8	2026	279,000,000
9	2027	292,000,000
10	2028	307,000,000
11	2029	322,000,000
12	2030	338,000,000
13	2031	350,000,000
14	2032	350,000,000

15 and

16 each fiscal year
17 thereafter that bonds
18 are outstanding under
19 Section 13.2 of the
20 Metropolitan Pier and
21 Exposition Authority Act,
22 but not after fiscal year 2060.

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount

1 deposited into the McCormick Place Expansion Project Fund by
2 the State Treasurer in the respective month under subsection
3 (g) of Section 13 of the Metropolitan Pier and Exposition
4 Authority Act, plus cumulative deficiencies in the deposits
5 required under this Section for previous months and years,
6 shall be deposited into the McCormick Place Expansion Project
7 Fund, until the full amount requested for the fiscal year, but
8 not in excess of the amount specified above as "Total Deposit",
9 has been deposited.

10 Subject to payment of amounts into the Capital Projects
11 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
12 Fund, and the McCormick Place Expansion Project Fund pursuant
13 to the preceding paragraphs or in any amendments thereto
14 hereafter enacted, the Department shall each month deposit into
15 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
16 the Department to be required for refunds of the 80% portion of
17 the tax on aviation fuel under this Act.

18 Subject to payment of amounts into the Build Illinois Fund
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, beginning July 1, 1993 and ending on September 30,
22 2013, the Department shall each month pay into the Illinois Tax
23 Increment Fund 0.27% of 80% of the net revenue realized for the
24 preceding month from the 6.25% general rate on the selling
25 price of tangible personal property.

26 Subject to payment of amounts into the Build Illinois Fund

1 and the McCormick Place Expansion Project Fund pursuant to the
2 preceding paragraphs or in any amendments thereto hereafter
3 enacted, beginning with the receipt of the first report of
4 taxes paid by an eligible business and continuing for a 25-year
5 period, the Department shall each month pay into the Energy
6 Infrastructure Fund 80% of the net revenue realized from the
7 6.25% general rate on the selling price of Illinois-mined coal
8 that was sold to an eligible business. For purposes of this
9 paragraph, the term "eligible business" means a new electric
10 generating facility certified pursuant to Section 605-332 of
11 the Department of Commerce and Economic Opportunity Law of the
12 Civil Administrative Code of Illinois.

13 Subject to payment of amounts into the Build Illinois Fund,
14 the McCormick Place Expansion Project Fund, the Illinois Tax
15 Increment Fund, and the Energy Infrastructure Fund pursuant to
16 the preceding paragraphs or in any amendments to this Section
17 hereafter enacted, beginning on the first day of the first
18 calendar month to occur on or after the effective date of this
19 amendatory Act of the 98th General Assembly, each month, from
20 the collections made under Section 9 of the Use Tax Act,
21 Section 9 of the Service Use Tax Act, Section 9 of the Service
22 Occupation Tax Act, and Section 3 of the Retailers' Occupation
23 Tax Act, the Department shall pay into the Tax Compliance and
24 Administration Fund, to be used, subject to appropriation, to
25 fund additional auditors and compliance personnel at the
26 Department of Revenue, an amount equal to $1/12$ of 5% of 80% of

1 the cash receipts collected during the preceding fiscal year by
2 the Audit Bureau of the Department under the Use Tax Act, the
3 Service Use Tax Act, the Service Occupation Tax Act, the
4 Retailers' Occupation Tax Act, and associated local occupation
5 and use taxes administered by the Department (except the amount
6 collected on aviation fuel sold on or after December 1, 2017).

7 Of the remainder of the moneys received by the Department
8 pursuant to this Act, 75% thereof shall be paid into the
9 General Revenue Fund of the State Treasury and 25% shall be
10 reserved in a special account and used only for the transfer to
11 the Common School Fund as part of the monthly transfer from the
12 General Revenue Fund in accordance with Section 8a of the State
13 Finance Act.

14 As soon as possible after the first day of each month, upon
15 certification of the Department of Revenue, the Comptroller
16 shall order transferred and the Treasurer shall transfer from
17 the General Revenue Fund to the Motor Fuel Tax Fund an amount
18 equal to 1.7% of 80% of the net revenue realized under this Act
19 for the second preceding month. Beginning April 1, 2000, this
20 transfer is no longer required and shall not be made.

21 Net revenue realized for a month shall be the revenue
22 collected by the State pursuant to this Act, less the amount
23 paid out during that month as refunds to taxpayers for
24 overpayment of liability.

25 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
26 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;

1 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
2 8-19-16.)

3 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

4 Sec. 17. If it shall appear that an amount of tax or
5 penalty or interest has been paid in error hereunder to the
6 Department by a purchaser, as distinguished from the
7 serviceman, whether such amount be paid through a mistake of
8 fact or an error of law, such purchaser may file a claim for
9 credit or refund with the Department. If it shall appear that
10 an amount of tax or penalty or interest has been paid in error
11 to the Department hereunder by a serviceman who is required or
12 authorized to collect and remit the Service Use Tax, whether
13 such amount be paid through a mistake of fact or an error of
14 law, such serviceman may file a claim for credit or refund with
15 the Department, provided that no credit shall be allowed or
16 refund made for any amount paid by any such serviceman unless
17 it shall appear that he bore the burden of such amount and did
18 not shift the burden thereof to anyone else (as in the case of
19 a duplicated tax payment which the serviceman made to the
20 Department and did not collect from anyone else), or unless it
21 shall appear that he or his legal representative has
22 unconditionally repaid such amount to his vendee (1) who bore
23 the burden thereof and has not shifted such burden directly or
24 indirectly in any manner whatsoever; (2) who, if he has shifted
25 such burden, has repaid unconditionally such amount to his own

1 vendee, and (3) who is not entitled to receive any
2 reimbursement therefor from any other source than from his
3 vendor, nor to be relieved of such burden in any other manner
4 whatsoever. If it shall appear that an amount of tax has been
5 paid in error hereunder by the purchaser to a serviceman, who
6 retained such tax as reimbursement for his tax liability on the
7 same sale of service under the Service Occupation Tax Act, and
8 who paid such tax as required by the Service Occupation Tax
9 Act, whether such amount be paid through a mistake of fact or
10 an error of law, the procedure for recovering such tax shall be
11 that prescribed in Sections 17, 18, 19 and 20 of the Service
12 Occupation Tax Act.

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

16 Any claim filed hereunder shall be filed upon a form
17 prescribed and furnished by the Department. The claim shall be
18 signed by the claimant (or by the claimant's legal
19 representative if the claimant shall have died or become a
20 person under legal disability), or by a duly authorized agent
21 of the claimant or his or her legal representative.

22 A claim for credit or refund shall be considered to have
23 been filed with the Department on the date upon which it is
24 received by the Department. Upon receipt of any claim for
25 credit or refund filed under this Act, any officer or employee
26 of the Department, authorized in writing by the Director of

1 Revenue to acknowledge receipt of such claims on behalf of the
2 Department, shall execute on behalf of the Department, and
3 shall deliver or mail to the claimant or his duly authorized
4 agent, a written receipt, acknowledging that the claim has been
5 filed with the Department, describing the claim in sufficient
6 detail to identify it and stating the date upon which the claim
7 was received by the Department. Such written receipt shall be
8 prima facie evidence that the Department received the claim
9 described in such receipt and shall be prima facie evidence of
10 the date when such claim was received by the Department. In the
11 absence of such a written receipt, the records of the
12 Department as to when the claim was received by the Department,
13 or as to whether or not the claim was received at all by the
14 Department, shall be deemed to be prima facie correct upon
15 these questions in the event of any dispute between the
16 claimant (or his or her legal representative) and the
17 Department concerning these questions.

18 In case the Department determines that the claimant is
19 entitled to a refund, such refund shall be made only from the
20 Aviation Fuel Sales Tax Refund Fund or from such appropriation
21 as may be available for that purpose, as appropriate. If it
22 appears unlikely that the amount available ~~appropriated~~ would
23 permit everyone having a claim allowed during the period
24 covered by such appropriation or from the Aviation Fuel Sales
25 Tax Refund Fund, as appropriate, to elect to receive a cash
26 refund, the Department, by rule or regulation, shall provide

1 for the payment of refunds in hardship cases and shall define
2 what types of cases qualify as hardship cases.

3 (Source: P.A. 87-205.)

4 Section 20. The Service Occupation Tax Act is amended by
5 changing Sections 9 and 17 as follows:

6 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

7 Sec. 9. Each serviceman required or authorized to collect
8 the tax herein imposed shall pay to the Department the amount
9 of such tax at the time when he is required to file his return
10 for the period during which such tax was collectible, less a
11 discount of 2.1% prior to January 1, 1990, and 1.75% on and
12 after January 1, 1990, or \$5 per calendar year, whichever is
13 greater, which is allowed to reimburse the serviceman for
14 expenses incurred in collecting the tax, keeping records,
15 preparing and filing returns, remitting the tax and supplying
16 data to the Department on request. The discount under this
17 Section is not allowed for taxes paid on aviation fuel that are
18 deposited into the State Aviation Program Fund under this Act.
19 The Department may disallow the discount for servicemen whose
20 certificate of registration is revoked at the time the return
21 is filed, but only if the Department's decision to revoke the
22 certificate of registration has become final.

23 Where such tangible personal property is sold under a
24 conditional sales contract, or under any other form of sale

1 wherein the payment of the principal sum, or a part thereof, is
2 extended beyond the close of the period for which the return is
3 filed, the serviceman, in collecting the tax may collect, for
4 each tax return period, only the tax applicable to the part of
5 the selling price actually received during such tax return
6 period.

7 Except as provided hereinafter in this Section, on or
8 before the twentieth day of each calendar month, such
9 serviceman shall file a return for the preceding calendar month
10 in accordance with reasonable rules and regulations to be
11 promulgated by the Department of Revenue. Such return shall be
12 filed on a form prescribed by the Department and shall contain
13 such information as the Department may reasonably require.

14 The Department may require returns to be filed on a
15 quarterly basis. If so required, a return for each calendar
16 quarter shall be filed on or before the twentieth day of the
17 calendar month following the end of such calendar quarter. The
18 taxpayer shall also file a return with the Department for each
19 of the first two months of each calendar quarter, on or before
20 the twentieth day of the following calendar month, stating:

21 1. The name of the seller;

22 2. The address of the principal place of business from
23 which he engages in business as a serviceman in this State;

24 3. The total amount of taxable receipts received by him
25 during the preceding calendar month, including receipts
26 from charge and time sales, but less all deductions allowed

1 by law;

2 4. The amount of credit provided in Section 2d of this
3 Act;

4 5. The amount of tax due;

5 5-5. The signature of the taxpayer; and

6 6. Such other reasonable information as the Department
7 may require.

8 Beginning on January 1, 2018, each serviceman required or
9 authorized to collect the tax herein imposed on aviation fuel
10 acquired as an incident to the purchase of a service in this
11 State during the preceding calendar month shall, instead of
12 reporting and paying tax as otherwise required by this Section,
13 file an aviation fuel tax return with the Department on or
14 before the twentieth day of each calendar month. The
15 requirements related to the return shall be as otherwise
16 provided in this Section. Notwithstanding any other provisions
17 of this Act to the contrary, servicemen transferring aviation
18 fuel incident to sales of service shall file all aviation fuel
19 tax returns and shall make all aviation fuel tax payments by
20 electronic means in the manner and form required by the
21 Department. For purposes of this paragraph, "aviation fuel"
22 means a product that is intended for use or offered for sale as
23 fuel for an aircraft.

24 If a taxpayer fails to sign a return within 30 days after
25 the proper notice and demand for signature by the Department,
26 the return shall be considered valid and any amount shown to be

1 due on the return shall be deemed assessed.

2 Prior to October 1, 2003, and on and after September 1,
3 2004 a serviceman may accept a Manufacturer's Purchase Credit
4 certification from a purchaser in satisfaction of Service Use
5 Tax as provided in Section 3-70 of the Service Use Tax Act if
6 the purchaser provides the appropriate documentation as
7 required by Section 3-70 of the Service Use Tax Act. A
8 Manufacturer's Purchase Credit certification, accepted prior
9 to October 1, 2003 or on or after September 1, 2004 by a
10 serviceman as provided in Section 3-70 of the Service Use Tax
11 Act, may be used by that serviceman to satisfy Service
12 Occupation Tax liability in the amount claimed in the
13 certification, not to exceed 6.25% of the receipts subject to
14 tax from a qualifying purchase. A Manufacturer's Purchase
15 Credit reported on any original or amended return filed under
16 this Act after October 20, 2003 for reporting periods prior to
17 September 1, 2004 shall be disallowed. Manufacturer's Purchase
18 Credit reported on annual returns due on or after January 1,
19 2005 will be disallowed for periods prior to September 1, 2004.
20 No Manufacturer's Purchase Credit may be used after September
21 30, 2003 through August 31, 2004 to satisfy any tax liability
22 imposed under this Act, including any audit liability.

23 If the serviceman's average monthly tax liability to the
24 Department does not exceed \$200, the Department may authorize
25 his returns to be filed on a quarter annual basis, with the
26 return for January, February and March of a given year being

1 due by April 20 of such year; with the return for April, May
2 and June of a given year being due by July 20 of such year; with
3 the return for July, August and September of a given year being
4 due by October 20 of such year, and with the return for
5 October, November and December of a given year being due by
6 January 20 of the following year.

7 If the serviceman's average monthly tax liability to the
8 Department does not exceed \$50, the Department may authorize
9 his returns to be filed on an annual basis, with the return for
10 a given year being due by January 20 of the following year.

11 Such quarter annual and annual returns, as to form and
12 substance, shall be subject to the same requirements as monthly
13 returns.

14 Notwithstanding any other provision in this Act concerning
15 the time within which a serviceman may file his return, in the
16 case of any serviceman who ceases to engage in a kind of
17 business which makes him responsible for filing returns under
18 this Act, such serviceman shall file a final return under this
19 Act with the Department not more than 1 month after
20 discontinuing such business.

21 Beginning October 1, 1993, a taxpayer who has an average
22 monthly tax liability of \$150,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1994, a taxpayer who has
25 an average monthly tax liability of \$100,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1995, a taxpayer who has
2 an average monthly tax liability of \$50,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 2000, a taxpayer who has
5 an annual tax liability of \$200,000 or more shall make all
6 payments required by rules of the Department by electronic
7 funds transfer. The term "annual tax liability" shall be the
8 sum of the taxpayer's liabilities under this Act, and under all
9 other State and local occupation and use tax laws administered
10 by the Department, for the immediately preceding calendar year.
11 The term "average monthly tax liability" means the sum of the
12 taxpayer's liabilities under this Act, and under all other
13 State and local occupation and use tax laws administered by the
14 Department, for the immediately preceding calendar year
15 divided by 12. Beginning on October 1, 2002, a taxpayer who has
16 a tax liability in the amount set forth in subsection (b) of
17 Section 2505-210 of the Department of Revenue Law shall make
18 all payments required by rules of the Department by electronic
19 funds transfer.

20 Before August 1 of each year beginning in 1993, the
21 Department shall notify all taxpayers required to make payments
22 by electronic funds transfer. All taxpayers required to make
23 payments by electronic funds transfer shall make those payments
24 for a minimum of one year beginning on October 1.

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those payments
5 in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to
7 effectuate a program of electronic funds transfer and the
8 requirements of this Section.

9 Where a serviceman collects the tax with respect to the
10 selling price of tangible personal property which he sells and
11 the purchaser thereafter returns such tangible personal
12 property and the serviceman refunds the selling price thereof
13 to the purchaser, such serviceman shall also refund, to the
14 purchaser, the tax so collected from the purchaser. When filing
15 his return for the period in which he refunds such tax to the
16 purchaser, the serviceman may deduct the amount of the tax so
17 refunded by him to the purchaser from any other Service
18 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
19 Use Tax which such serviceman may be required to pay or remit
20 to the Department, as shown by such return, provided that the
21 amount of the tax to be deducted shall previously have been
22 remitted to the Department by such serviceman. If the
23 serviceman shall not previously have remitted the amount of
24 such tax to the Department, he shall be entitled to no
25 deduction hereunder upon refunding such tax to the purchaser.

26 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint
2 return which will enable servicemen, who are required to file
3 returns hereunder and also under the Retailers' Occupation Tax
4 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
5 the return information required by all said Acts on the one
6 form.

7 Where the serviceman has more than one business registered
8 with the Department under separate registrations hereunder,
9 such serviceman shall file separate returns for each registered
10 business.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the Local Government Tax Fund the revenue realized for
13 the preceding month from the 1% tax on sales of food for human
14 consumption which is to be consumed off the premises where it
15 is sold (other than alcoholic beverages, soft drinks and food
16 which has been prepared for immediate consumption) and
17 prescription and nonprescription medicines, drugs, medical
18 appliances, products classified as Class III medical devices by
19 the United States Food and Drug Administration that are used
20 for cancer treatment pursuant to a prescription, as well as any
21 accessories and components related to those devices, and
22 insulin, urine testing materials, syringes and needles used by
23 diabetics.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the County and Mass Transit District Fund 4% of the
26 revenue realized for the preceding month from the 6.25% general

1 rate on sales of tangible personal property other than aviation
2 fuel sold on or after December 1, 2017. This exception for
3 aviation fuel only applies for so long as the revenue use
4 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
5 binding on the State.

6 For aviation fuel sold on or after December 1, 2017, each
7 month the Department shall pay into the State Aviation Program
8 Fund 4% of the net revenue realized for the preceding month
9 from the 6.25% general rate on the selling price of aviation
10 fuel, less an amount estimated by the Department to be required
11 for refunds of the 4% portion of the tax on aviation fuel under
12 this Act, which amount shall be deposited into the Aviation
13 Fuel Sales Tax Refund Fund. The Department shall only pay
14 moneys into the State Aviation Program Fund and the Aviation
15 Fuel Sales Tax Refund Fund under this Act for so long as the
16 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.
17 §47133 are binding on the State.

18 Beginning August 1, 2000, each month the Department shall
19 pay into the County and Mass Transit District Fund 20% of the
20 net revenue realized for the preceding month from the 1.25%
21 rate on the selling price of motor fuel and gasohol.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the Local Government Tax Fund 16% of the revenue
24 realized for the preceding month from the 6.25% general rate on
25 transfers of tangible personal property other than aviation
26 fuel sold on or after December 1, 2017. This exception for

1 aviation fuel only applies for so long as the revenue use
2 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
3 binding on the State.

4 For aviation fuel sold on or after December 1, 2017, each
5 month the Department shall pay into the State Aviation Program
6 Fund 16% of the net revenue realized for the preceding month
7 from the 6.25% general rate on the selling price of aviation
8 fuel, less an amount estimated by the Department to be required
9 for refunds of the 16% portion of the tax on aviation fuel
10 under this Act, which amount shall be deposited into the
11 Aviation Fuel Sales Tax Refund Fund. The Department shall only
12 pay moneys into the State Aviation Program Fund and the
13 Aviation Fuel Sales Tax Refund Fund under this Act for so long
14 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
15 U.S.C. §47133 are binding on the State.

16 Beginning August 1, 2000, each month the Department shall
17 pay into the Local Government Tax Fund 80% of the net revenue
18 realized for the preceding month from the 1.25% rate on the
19 selling price of motor fuel and gasohol.

20 Beginning October 1, 2009, each month the Department shall
21 pay into the Capital Projects Fund an amount that is equal to
22 an amount estimated by the Department to represent 80% of the
23 net revenue realized for the preceding month from the sale of
24 candy, grooming and hygiene products, and soft drinks that had
25 been taxed at a rate of 1% prior to September 1, 2009 but that
26 are now taxed at 6.25%.

1 Beginning July 1, 2013, each month the Department shall pay
2 into the Underground Storage Tank Fund from the proceeds
3 collected under this Act, the Use Tax Act, the Service Use Tax
4 Act, and the Retailers' Occupation Tax Act an amount equal to
5 the average monthly deficit in the Underground Storage Tank
6 Fund during the prior year, as certified annually by the
7 Illinois Environmental Protection Agency, but the total
8 payment into the Underground Storage Tank Fund under this Act,
9 the Use Tax Act, the Service Use Tax Act, and the Retailers'
10 Occupation Tax Act shall not exceed \$18,000,000 in any State
11 fiscal year. As used in this paragraph, the "average monthly
12 deficit" shall be equal to the difference between the average
13 monthly claims for payment by the fund and the average monthly
14 revenues deposited into the fund, excluding payments made
15 pursuant to this paragraph.

16 Beginning July 1, 2015, of the remainder of the moneys
17 received by the Department under the Use Tax Act, the Service
18 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
19 each month the Department shall deposit \$500,000 into the State
20 Crime Laboratory Fund.

21 Of the remainder of the moneys received by the Department
22 pursuant to this Act, (a) 1.75% thereof shall be paid into the
23 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
24 and after July 1, 1989, 3.8% thereof shall be paid into the
25 Build Illinois Fund; provided, however, that if in any fiscal
26 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case

1 may be, of the moneys received by the Department and required
2 to be paid into the Build Illinois Fund pursuant to Section 3
3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
4 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
5 Service Occupation Tax Act, such Acts being hereinafter called
6 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
7 may be, of moneys being hereinafter called the "Tax Act
8 Amount", and (2) the amount transferred to the Build Illinois
9 Fund from the State and Local Sales Tax Reform Fund shall be
10 less than the Annual Specified Amount (as defined in Section 3
11 of the Retailers' Occupation Tax Act), an amount equal to the
12 difference shall be immediately paid into the Build Illinois
13 Fund from other moneys received by the Department pursuant to
14 the Tax Acts; and further provided, that if on the last
15 business day of any month the sum of (1) the Tax Act Amount
16 required to be deposited into the Build Illinois Account in the
17 Build Illinois Fund during such month and (2) the amount
18 transferred during such month to the Build Illinois Fund from
19 the State and Local Sales Tax Reform Fund shall have been less
20 than 1/12 of the Annual Specified Amount, an amount equal to
21 the difference shall be immediately paid into the Build
22 Illinois Fund from other moneys received by the Department
23 pursuant to the Tax Acts; and, further provided, that in no
24 event shall the payments required under the preceding proviso
25 result in aggregate payments into the Build Illinois Fund
26 pursuant to this clause (b) for any fiscal year in excess of

1 the greater of (i) the Tax Act Amount or (ii) the Annual
2 Specified Amount for such fiscal year; and, further provided,
3 that the amounts payable into the Build Illinois Fund under
4 this clause (b) shall be payable only until such time as the
5 aggregate amount on deposit under each trust indenture securing
6 Bonds issued and outstanding pursuant to the Build Illinois
7 Bond Act is sufficient, taking into account any future
8 investment income, to fully provide, in accordance with such
9 indenture, for the defeasance of or the payment of the
10 principal of, premium, if any, and interest on the Bonds
11 secured by such indenture and on any Bonds expected to be
12 issued thereafter and all fees and costs payable with respect
13 thereto, all as certified by the Director of the Bureau of the
14 Budget (now Governor's Office of Management and Budget). If on
15 the last business day of any month in which Bonds are
16 outstanding pursuant to the Build Illinois Bond Act, the
17 aggregate of the moneys deposited in the Build Illinois Bond
18 Account in the Build Illinois Fund in such month shall be less
19 than the amount required to be transferred in such month from
20 the Build Illinois Bond Account to the Build Illinois Bond
21 Retirement and Interest Fund pursuant to Section 13 of the
22 Build Illinois Bond Act, an amount equal to such deficiency
23 shall be immediately paid from other moneys received by the
24 Department pursuant to the Tax Acts to the Build Illinois Fund;
25 provided, however, that any amounts paid to the Build Illinois
26 Fund in any fiscal year pursuant to this sentence shall be

1 deemed to constitute payments pursuant to clause (b) of the
2 preceding sentence and shall reduce the amount otherwise
3 payable for such fiscal year pursuant to clause (b) of the
4 preceding sentence. The moneys received by the Department
5 pursuant to this Act and required to be deposited into the
6 Build Illinois Fund are subject to the pledge, claim and charge
7 set forth in Section 12 of the Build Illinois Bond Act.

8 Subject to payment of amounts into the Build Illinois Fund
9 as provided in the preceding paragraph or in any amendment
10 thereto hereafter enacted, the following specified monthly
11 installment of the amount requested in the certificate of the
12 Chairman of the Metropolitan Pier and Exposition Authority
13 provided under Section 8.25f of the State Finance Act, but not
14 in excess of the sums designated as "Total Deposit", shall be
15 deposited in the aggregate from collections under Section 9 of
16 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
17 9 of the Service Occupation Tax Act, and Section 3 of the
18 Retailers' Occupation Tax Act into the McCormick Place
19 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000

1	1998	68,000,000
2	1999	71,000,000
3	2000	75,000,000
4	2001	80,000,000
5	2002	93,000,000
6	2003	99,000,000
7	2004	103,000,000
8	2005	108,000,000
9	2006	113,000,000
10	2007	119,000,000
11	2008	126,000,000
12	2009	132,000,000
13	2010	139,000,000
14	2011	146,000,000
15	2012	153,000,000
16	2013	161,000,000
17	2014	170,000,000
18	2015	179,000,000
19	2016	189,000,000
20	2017	199,000,000
21	2018	210,000,000
22	2019	221,000,000
23	2020	233,000,000
24	2021	246,000,000
25	2022	260,000,000
26	2023	275,000,000

1	2024	275,000,000
2	2025	275,000,000
3	2026	279,000,000
4	2027	292,000,000
5	2028	307,000,000
6	2029	322,000,000
7	2030	338,000,000
8	2031	350,000,000
9	2032	350,000,000

10 and
11 each fiscal year
12 thereafter that bonds
13 are outstanding under
14 Section 13.2 of the
15 Metropolitan Pier and
16 Exposition Authority Act,
17 but not after fiscal year 2060.

18 Beginning July 20, 1993 and in each month of each fiscal
19 year thereafter, one-eighth of the amount requested in the
20 certificate of the Chairman of the Metropolitan Pier and
21 Exposition Authority for that fiscal year, less the amount
22 deposited into the McCormick Place Expansion Project Fund by
23 the State Treasurer in the respective month under subsection
24 (g) of Section 13 of the Metropolitan Pier and Exposition
25 Authority Act, plus cumulative deficiencies in the deposits
26 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year, but
3 not in excess of the amount specified above as "Total Deposit",
4 has been deposited.

5 Subject to payment of amounts into the Capital Projects
6 Fund, the Build Illinois Fund, and the McCormick Place
7 Expansion Project Fund pursuant to the preceding paragraphs or
8 in any amendments thereto hereafter enacted, the Department
9 shall each month deposit into the Aviation Fuel Sales Tax
10 Refund Fund an amount estimated by the Department to be
11 required for refunds of the 80% portion of the tax on aviation
12 fuel under this Act.

13 Subject to payment of amounts into the Build Illinois Fund
14 and the McCormick Place Expansion Project Fund pursuant to the
15 preceding paragraphs or in any amendments thereto hereafter
16 enacted, beginning July 1, 1993 and ending on September 30,
17 2013, the Department shall each month pay into the Illinois Tax
18 Increment Fund 0.27% of 80% of the net revenue realized for the
19 preceding month from the 6.25% general rate on the selling
20 price of tangible personal property.

21 Subject to payment of amounts into the Build Illinois Fund
22 and the McCormick Place Expansion Project Fund pursuant to the
23 preceding paragraphs or in any amendments thereto hereafter
24 enacted, beginning with the receipt of the first report of
25 taxes paid by an eligible business and continuing for a 25-year
26 period, the Department shall each month pay into the Energy

1 Infrastructure Fund 80% of the net revenue realized from the
2 6.25% general rate on the selling price of Illinois-mined coal
3 that was sold to an eligible business. For purposes of this
4 paragraph, the term "eligible business" means a new electric
5 generating facility certified pursuant to Section 605-332 of
6 the Department of Commerce and Economic Opportunity Law of the
7 Civil Administrative Code of Illinois.

8 Subject to payment of amounts into the Build Illinois Fund,
9 the McCormick Place Expansion Project Fund, the Illinois Tax
10 Increment Fund, and the Energy Infrastructure Fund pursuant to
11 the preceding paragraphs or in any amendments to this Section
12 hereafter enacted, beginning on the first day of the first
13 calendar month to occur on or after the effective date of this
14 amendatory Act of the 98th General Assembly, each month, from
15 the collections made under Section 9 of the Use Tax Act,
16 Section 9 of the Service Use Tax Act, Section 9 of the Service
17 Occupation Tax Act, and Section 3 of the Retailers' Occupation
18 Tax Act, the Department shall pay into the Tax Compliance and
19 Administration Fund, to be used, subject to appropriation, to
20 fund additional auditors and compliance personnel at the
21 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
22 the cash receipts collected during the preceding fiscal year by
23 the Audit Bureau of the Department under the Use Tax Act, the
24 Service Use Tax Act, the Service Occupation Tax Act, the
25 Retailers' Occupation Tax Act, and associated local occupation
26 and use taxes administered by the Department (except the amount

1 collected on aviation fuel sold on or after December 1, 2017).

2 Of the remainder of the moneys received by the Department
3 pursuant to this Act, 75% shall be paid into the General
4 Revenue Fund of the State Treasury and 25% shall be reserved in
5 a special account and used only for the transfer to the Common
6 School Fund as part of the monthly transfer from the General
7 Revenue Fund in accordance with Section 8a of the State Finance
8 Act.

9 The Department may, upon separate written notice to a
10 taxpayer, require the taxpayer to prepare and file with the
11 Department on a form prescribed by the Department within not
12 less than 60 days after receipt of the notice an annual
13 information return for the tax year specified in the notice.
14 Such annual return to the Department shall include a statement
15 of gross receipts as shown by the taxpayer's last Federal
16 income tax return. If the total receipts of the business as
17 reported in the Federal income tax return do not agree with the
18 gross receipts reported to the Department of Revenue for the
19 same period, the taxpayer shall attach to his annual return a
20 schedule showing a reconciliation of the 2 amounts and the
21 reasons for the difference. The taxpayer's annual return to the
22 Department shall also disclose the cost of goods sold by the
23 taxpayer during the year covered by such return, opening and
24 closing inventories of such goods for such year, cost of goods
25 used from stock or taken from stock and given away by the
26 taxpayer during such year, pay roll information of the

1 taxpayer's business during such year and any additional
2 reasonable information which the Department deems would be
3 helpful in determining the accuracy of the monthly, quarterly
4 or annual returns filed by such taxpayer as hereinbefore
5 provided for in this Section.

6 If the annual information return required by this Section
7 is not filed when and as required, the taxpayer shall be liable
8 as follows:

9 (i) Until January 1, 1994, the taxpayer shall be liable
10 for a penalty equal to 1/6 of 1% of the tax due from such
11 taxpayer under this Act during the period to be covered by
12 the annual return for each month or fraction of a month
13 until such return is filed as required, the penalty to be
14 assessed and collected in the same manner as any other
15 penalty provided for in this Act.

16 (ii) On and after January 1, 1994, the taxpayer shall
17 be liable for a penalty as described in Section 3-4 of the
18 Uniform Penalty and Interest Act.

19 The chief executive officer, proprietor, owner or highest
20 ranking manager shall sign the annual return to certify the
21 accuracy of the information contained therein. Any person who
22 willfully signs the annual return containing false or
23 inaccurate information shall be guilty of perjury and punished
24 accordingly. The annual return form prescribed by the
25 Department shall include a warning that the person signing the
26 return may be liable for perjury.

1 The foregoing portion of this Section concerning the filing
2 of an annual information return shall not apply to a serviceman
3 who is not required to file an income tax return with the
4 United States Government.

5 As soon as possible after the first day of each month, upon
6 certification of the Department of Revenue, the Comptroller
7 shall order transferred and the Treasurer shall transfer from
8 the General Revenue Fund to the Motor Fuel Tax Fund an amount
9 equal to 1.7% of 80% of the net revenue realized under this Act
10 for the second preceding month. Beginning April 1, 2000, this
11 transfer is no longer required and shall not be made.

12 Net revenue realized for a month shall be the revenue
13 collected by the State pursuant to this Act, less the amount
14 paid out during that month as refunds to taxpayers for
15 overpayment of liability.

16 For greater simplicity of administration, it shall be
17 permissible for manufacturers, importers and wholesalers whose
18 products are sold by numerous servicemen in Illinois, and who
19 wish to do so, to assume the responsibility for accounting and
20 paying to the Department all tax accruing under this Act with
21 respect to such sales, if the servicemen who are affected do
22 not make written objection to the Department to this
23 arrangement.

24 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
25 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
26 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.

1 8-19-16.)

2 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

3 Sec. 17. If it shall appear that an amount of tax or
4 penalty or interest has been paid in error hereunder directly
5 to the Department by a serviceman, whether such amount be paid
6 through a mistake of fact or an error of law, such serviceman
7 may file a claim for credit or refund with the Department. If
8 it shall appear that an amount of tax or penalty or interest
9 has been paid in error to the Department hereunder by a
10 supplier who is required or authorized to collect and remit the
11 Service Occupation Tax, whether such amount be paid through a
12 mistake of fact or an error of law, such supplier may file a
13 claim for credit or refund with the Department, provided that
14 no credit shall be allowed nor any refund made for any amount
15 paid by any such supplier unless it shall appear that he bore
16 the burden of such amount and did not shift the burden thereof
17 to anyone else (as in the case of a duplicated tax payment
18 which the supplier made to the Department and did not collect
19 from anyone else), or unless it shall appear that he or his
20 legal representative has unconditionally repaid such amount to
21 his vendee (1) who bore the burden thereof and has not shifted
22 such burden directly or indirectly in any manner whatsoever;
23 (2) who, if he has shifted such burden, has repaid
24 unconditionally such amount to his own vendee, and (3) who is
25 not entitled to receive any reimbursement therefor from any

1 other source than from his supplier, nor to be relieved of such
2 burden in any other manner whatsoever.

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

6 Any claim filed hereunder shall be filed upon a form
7 prescribed and furnished by the Department. The claim shall be
8 signed by the claimant (or by the claimant's legal
9 representative if the claimant shall have died or become a
10 person under legal disability), or by a duly authorized agent
11 of the claimant or his or her legal representative.

12 A claim for credit or refund shall be considered to have
13 been filed with the Department on the date upon which it is
14 received by the Department. Upon receipt of any claim for
15 credit or refund filed under this Act, any officer or employee
16 of the Department, authorized in writing by the Director of
17 Revenue to acknowledge receipt of such claims on behalf of the
18 Department, shall execute on behalf of the Department, and
19 shall deliver or mail to the claimant or his or her duly
20 authorized agent, a written receipt, acknowledging that the
21 claim has been filed with the Department, describing the claim
22 in sufficient detail to identify it and stating the date upon
23 which the claim was received by the Department. Such written
24 receipt shall be prima facie evidence that the Department
25 received the claim described in such receipt and shall be prima
26 facie evidence of the date when such claim was received by the

1 Department. In the absence of such a written receipt, the
2 records of the Department as to when the claim was received by
3 the Department, or as to whether or not the claim was received
4 at all by the Department, shall be deemed to be prima facie
5 correct upon these questions in the event of any dispute
6 between the claimant (or his legal representative) and the
7 Department concerning these questions.

8 In case the Department determines that the claimant is
9 entitled to a refund, such refund shall be made only from the
10 Aviation Fuel Sales Tax Refund Fund or from such appropriation
11 as may be available for that purpose, as appropriate. If it
12 appears unlikely that the amount available ~~appropriated~~ would
13 permit everyone having a claim allowed during the period
14 covered by such appropriation or from the Aviation Fuel Sales
15 Tax Refund Fund, as appropriate, to elect to receive a cash
16 refund, the Department, by rule or regulation, shall provide
17 for the payment of refunds in hardship cases and shall define
18 what types of cases qualify as hardship cases.

19 (Source: P.A. 87-205.)

20 Section 25. The Retailers' Occupation Tax Act is amended by
21 changing Sections 3, 6, and 11 as follows:

22 (35 ILCS 120/3) (from Ch. 120, par. 442)

23 Sec. 3. Except as provided in this Section, on or before
24 the twentieth day of each calendar month, every person engaged

1 in the business of selling tangible personal property at retail
2 in this State during the preceding calendar month shall file a
3 return with the Department, stating:

4 1. The name of the seller;

5 2. His residence address and the address of his
6 principal place of business and the address of the
7 principal place of business (if that is a different
8 address) from which he engages in the business of selling
9 tangible personal property at retail in this State;

10 3. Total amount of receipts received by him during the
11 preceding calendar month or quarter, as the case may be,
12 from sales of tangible personal property, and from services
13 furnished, by him during such preceding calendar month or
14 quarter;

15 4. Total amount received by him during the preceding
16 calendar month or quarter on charge and time sales of
17 tangible personal property, and from services furnished,
18 by him prior to the month or quarter for which the return
19 is filed;

20 5. Deductions allowed by law;

21 6. Gross receipts which were received by him during the
22 preceding calendar month or quarter and upon the basis of
23 which the tax is imposed;

24 7. The amount of credit provided in Section 2d of this
25 Act;

26 8. The amount of tax due;

1 9. The signature of the taxpayer; and

2 10. Such other reasonable information as the
3 Department may require.

4 If a taxpayer fails to sign a return within 30 days after
5 the proper notice and demand for signature by the Department,
6 the return shall be considered valid and any amount shown to be
7 due on the return shall be deemed assessed.

8 Each return shall be accompanied by the statement of
9 prepaid tax issued pursuant to Section 2e for which credit is
10 claimed.

11 Prior to October 1, 2003, and on and after September 1,
12 2004 a retailer may accept a Manufacturer's Purchase Credit
13 certification from a purchaser in satisfaction of Use Tax as
14 provided in Section 3-85 of the Use Tax Act if the purchaser
15 provides the appropriate documentation as required by Section
16 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
17 certification, accepted by a retailer prior to October 1, 2003
18 and on and after September 1, 2004 as provided in Section 3-85
19 of the Use Tax Act, may be used by that retailer to satisfy
20 Retailers' Occupation Tax liability in the amount claimed in
21 the certification, not to exceed 6.25% of the receipts subject
22 to tax from a qualifying purchase. A Manufacturer's Purchase
23 Credit reported on any original or amended return filed under
24 this Act after October 20, 2003 for reporting periods prior to
25 September 1, 2004 shall be disallowed. Manufacturer's
26 Purchaser Credit reported on annual returns due on or after

1 January 1, 2005 will be disallowed for periods prior to
2 September 1, 2004. No Manufacturer's Purchase Credit may be
3 used after September 30, 2003 through August 31, 2004 to
4 satisfy any tax liability imposed under this Act, including any
5 audit liability.

6 The Department may require returns to be filed on a
7 quarterly basis. If so required, a return for each calendar
8 quarter shall be filed on or before the twentieth day of the
9 calendar month following the end of such calendar quarter. The
10 taxpayer shall also file a return with the Department for each
11 of the first two months of each calendar quarter, on or before
12 the twentieth day of the following calendar month, stating:

13 1. The name of the seller;

14 2. The address of the principal place of business from
15 which he engages in the business of selling tangible
16 personal property at retail in this State;

17 3. The total amount of taxable receipts received by him
18 during the preceding calendar month from sales of tangible
19 personal property by him during such preceding calendar
20 month, including receipts from charge and time sales, but
21 less all deductions allowed by law;

22 4. The amount of credit provided in Section 2d of this
23 Act;

24 5. The amount of tax due; and

25 6. Such other reasonable information as the Department
26 may require.

1 Beginning on January 1, 2018, every person engaged in the
2 business of selling aviation fuel at retail in this State
3 during the preceding calendar month shall, instead of reporting
4 and paying tax as otherwise required by this Section, file an
5 aviation fuel tax return with the Department on or before the
6 twentieth day of each calendar month. The requirements related
7 to the return shall be as otherwise provided in this Section.
8 Notwithstanding any other provisions of this Act to the
9 contrary, retailers selling aviation fuel shall file all
10 aviation fuel tax returns and shall make all aviation fuel tax
11 payments by electronic means in the manner and form required by
12 the Department. For purposes of this paragraph, "aviation fuel"
13 means a product that is intended for use or offered for sale as
14 fuel for an aircraft.

15 Beginning on October 1, 2003, any person who is not a
16 licensed distributor, importing distributor, or manufacturer,
17 as defined in the Liquor Control Act of 1934, but is engaged in
18 the business of selling, at retail, alcoholic liquor shall file
19 a statement with the Department of Revenue, in a format and at
20 a time prescribed by the Department, showing the total amount
21 paid for alcoholic liquor purchased during the preceding month
22 and such other information as is reasonably required by the
23 Department. The Department may adopt rules to require that this
24 statement be filed in an electronic or telephonic format. Such
25 rules may provide for exceptions from the filing requirements
26 of this paragraph. For the purposes of this paragraph, the term

1 "alcoholic liquor" shall have the meaning prescribed in the
2 Liquor Control Act of 1934.

3 Beginning on October 1, 2003, every distributor, importing
4 distributor, and manufacturer of alcoholic liquor as defined in
5 the Liquor Control Act of 1934, shall file a statement with the
6 Department of Revenue, no later than the 10th day of the month
7 for the preceding month during which transactions occurred, by
8 electronic means, showing the total amount of gross receipts
9 from the sale of alcoholic liquor sold or distributed during
10 the preceding month to purchasers; identifying the purchaser to
11 whom it was sold or distributed; the purchaser's tax
12 registration number; and such other information reasonably
13 required by the Department. A distributor, importing
14 distributor, or manufacturer of alcoholic liquor must
15 personally deliver, mail, or provide by electronic means to
16 each retailer listed on the monthly statement a report
17 containing a cumulative total of that distributor's, importing
18 distributor's, or manufacturer's total sales of alcoholic
19 liquor to that retailer no later than the 10th day of the month
20 for the preceding month during which the transaction occurred.
21 The distributor, importing distributor, or manufacturer shall
22 notify the retailer as to the method by which the distributor,
23 importing distributor, or manufacturer will provide the sales
24 information. If the retailer is unable to receive the sales
25 information by electronic means, the distributor, importing
26 distributor, or manufacturer shall furnish the sales

1 information by personal delivery or by mail. For purposes of
2 this paragraph, the term "electronic means" includes, but is
3 not limited to, the use of a secure Internet website, e-mail,
4 or facsimile.

5 If a total amount of less than \$1 is payable, refundable or
6 creditable, such amount shall be disregarded if it is less than
7 50 cents and shall be increased to \$1 if it is 50 cents or more.

8 Beginning October 1, 1993, a taxpayer who has an average
9 monthly tax liability of \$150,000 or more shall make all
10 payments required by rules of the Department by electronic
11 funds transfer. Beginning October 1, 1994, a taxpayer who has
12 an average monthly tax liability of \$100,000 or more shall make
13 all payments required by rules of the Department by electronic
14 funds transfer. Beginning October 1, 1995, a taxpayer who has
15 an average monthly tax liability of \$50,000 or more shall make
16 all payments required by rules of the Department by electronic
17 funds transfer. Beginning October 1, 2000, a taxpayer who has
18 an annual tax liability of \$200,000 or more shall make all
19 payments required by rules of the Department by electronic
20 funds transfer. The term "annual tax liability" shall be the
21 sum of the taxpayer's liabilities under this Act, and under all
22 other State and local occupation and use tax laws administered
23 by the Department, for the immediately preceding calendar year.
24 The term "average monthly tax liability" shall be the sum of
25 the taxpayer's liabilities under this Act, and under all other
26 State and local occupation and use tax laws administered by the

1 Department, for the immediately preceding calendar year
2 divided by 12. Beginning on October 1, 2002, a taxpayer who has
3 a tax liability in the amount set forth in subsection (b) of
4 Section 2505-210 of the Department of Revenue Law shall make
5 all payments required by rules of the Department by electronic
6 funds transfer.

7 Before August 1 of each year beginning in 1993, the
8 Department shall notify all taxpayers required to make payments
9 by electronic funds transfer. All taxpayers required to make
10 payments by electronic funds transfer shall make those payments
11 for a minimum of one year beginning on October 1.

12 Any taxpayer not required to make payments by electronic
13 funds transfer may make payments by electronic funds transfer
14 with the permission of the Department.

15 All taxpayers required to make payment by electronic funds
16 transfer and any taxpayers authorized to voluntarily make
17 payments by electronic funds transfer shall make those payments
18 in the manner authorized by the Department.

19 The Department shall adopt such rules as are necessary to
20 effectuate a program of electronic funds transfer and the
21 requirements of this Section.

22 Any amount which is required to be shown or reported on any
23 return or other document under this Act shall, if such amount
24 is not a whole-dollar amount, be increased to the nearest
25 whole-dollar amount in any case where the fractional part of a
26 dollar is 50 cents or more, and decreased to the nearest

1 whole-dollar amount where the fractional part of a dollar is
2 less than 50 cents.

3 If the retailer is otherwise required to file a monthly
4 return and if the retailer's average monthly tax liability to
5 the Department does not exceed \$200, the Department may
6 authorize his returns to be filed on a quarter annual basis,
7 with the return for January, February and March of a given year
8 being due by April 20 of such year; with the return for April,
9 May and June of a given year being due by July 20 of such year;
10 with the return for July, August and September of a given year
11 being due by October 20 of such year, and with the return for
12 October, November and December of a given year being due by
13 January 20 of the following year.

14 If the retailer is otherwise required to file a monthly or
15 quarterly return and if the retailer's average monthly tax
16 liability with the Department does not exceed \$50, the
17 Department may authorize his returns to be filed on an annual
18 basis, with the return for a given year being due by January 20
19 of the following year.

20 Such quarter annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Act concerning
24 the time within which a retailer may file his return, in the
25 case of any retailer who ceases to engage in a kind of business
26 which makes him responsible for filing returns under this Act,

1 such retailer shall file a final return under this Act with the
2 Department not more than one month after discontinuing such
3 business.

4 Where the same person has more than one business registered
5 with the Department under separate registrations under this
6 Act, such person may not file each return that is due as a
7 single return covering all such registered businesses, but
8 shall file separate returns for each such registered business.

9 In addition, with respect to motor vehicles, watercraft,
10 aircraft, and trailers that are required to be registered with
11 an agency of this State, every retailer selling this kind of
12 tangible personal property shall file, with the Department,
13 upon a form to be prescribed and supplied by the Department, a
14 separate return for each such item of tangible personal
15 property which the retailer sells, except that if, in the same
16 transaction, (i) a retailer of aircraft, watercraft, motor
17 vehicles or trailers transfers more than one aircraft,
18 watercraft, motor vehicle or trailer to another aircraft,
19 watercraft, motor vehicle retailer or trailer retailer for the
20 purpose of resale or (ii) a retailer of aircraft, watercraft,
21 motor vehicles, or trailers transfers more than one aircraft,
22 watercraft, motor vehicle, or trailer to a purchaser for use as
23 a qualifying rolling stock as provided in Section 2-5 of this
24 Act, then that seller may report the transfer of all aircraft,
25 watercraft, motor vehicles or trailers involved in that
26 transaction to the Department on the same uniform

1 invoice-transaction reporting return form. For purposes of
2 this Section, "watercraft" means a Class 2, Class 3, or Class 4
3 watercraft as defined in Section 3-2 of the Boat Registration
4 and Safety Act, a personal watercraft, or any boat equipped
5 with an inboard motor.

6 Any retailer who sells only motor vehicles, watercraft,
7 aircraft, or trailers that are required to be registered with
8 an agency of this State, so that all retailers' occupation tax
9 liability is required to be reported, and is reported, on such
10 transaction reporting returns and who is not otherwise required
11 to file monthly or quarterly returns, need not file monthly or
12 quarterly returns. However, those retailers shall be required
13 to file returns on an annual basis.

14 The transaction reporting return, in the case of motor
15 vehicles or trailers that are required to be registered with an
16 agency of this State, shall be the same document as the Uniform
17 Invoice referred to in Section 5-402 of The Illinois Vehicle
18 Code and must show the name and address of the seller; the name
19 and address of the purchaser; the amount of the selling price
20 including the amount allowed by the retailer for traded-in
21 property, if any; the amount allowed by the retailer for the
22 traded-in tangible personal property, if any, to the extent to
23 which Section 1 of this Act allows an exemption for the value
24 of traded-in property; the balance payable after deducting such
25 trade-in allowance from the total selling price; the amount of
26 tax due from the retailer with respect to such transaction; the

1 amount of tax collected from the purchaser by the retailer on
2 such transaction (or satisfactory evidence that such tax is not
3 due in that particular instance, if that is claimed to be the
4 fact); the place and date of the sale; a sufficient
5 identification of the property sold; such other information as
6 is required in Section 5-402 of The Illinois Vehicle Code, and
7 such other information as the Department may reasonably
8 require.

9 The transaction reporting return in the case of watercraft
10 or aircraft must show the name and address of the seller; the
11 name and address of the purchaser; the amount of the selling
12 price including the amount allowed by the retailer for
13 traded-in property, if any; the amount allowed by the retailer
14 for the traded-in tangible personal property, if any, to the
15 extent to which Section 1 of this Act allows an exemption for
16 the value of traded-in property; the balance payable after
17 deducting such trade-in allowance from the total selling price;
18 the amount of tax due from the retailer with respect to such
19 transaction; the amount of tax collected from the purchaser by
20 the retailer on such transaction (or satisfactory evidence that
21 such tax is not due in that particular instance, if that is
22 claimed to be the fact); the place and date of the sale, a
23 sufficient identification of the property sold, and such other
24 information as the Department may reasonably require.

25 Such transaction reporting return shall be filed not later
26 than 20 days after the day of delivery of the item that is

1 being sold, but may be filed by the retailer at any time sooner
2 than that if he chooses to do so. The transaction reporting
3 return and tax remittance or proof of exemption from the
4 Illinois use tax may be transmitted to the Department by way of
5 the State agency with which, or State officer with whom the
6 tangible personal property must be titled or registered (if
7 titling or registration is required) if the Department and such
8 agency or State officer determine that this procedure will
9 expedite the processing of applications for title or
10 registration.

11 With each such transaction reporting return, the retailer
12 shall remit the proper amount of tax due (or shall submit
13 satisfactory evidence that the sale is not taxable if that is
14 the case), to the Department or its agents, whereupon the
15 Department shall issue, in the purchaser's name, a use tax
16 receipt (or a certificate of exemption if the Department is
17 satisfied that the particular sale is tax exempt) which such
18 purchaser may submit to the agency with which, or State officer
19 with whom, he must title or register the tangible personal
20 property that is involved (if titling or registration is
21 required) in support of such purchaser's application for an
22 Illinois certificate or other evidence of title or registration
23 to such tangible personal property.

24 No retailer's failure or refusal to remit tax under this
25 Act precludes a user, who has paid the proper tax to the
26 retailer, from obtaining his certificate of title or other

1 evidence of title or registration (if titling or registration
2 is required) upon satisfying the Department that such user has
3 paid the proper tax (if tax is due) to the retailer. The
4 Department shall adopt appropriate rules to carry out the
5 mandate of this paragraph.

6 If the user who would otherwise pay tax to the retailer
7 wants the transaction reporting return filed and the payment of
8 the tax or proof of exemption made to the Department before the
9 retailer is willing to take these actions and such user has not
10 paid the tax to the retailer, such user may certify to the fact
11 of such delay by the retailer and may (upon the Department
12 being satisfied of the truth of such certification) transmit
13 the information required by the transaction reporting return
14 and the remittance for tax or proof of exemption directly to
15 the Department and obtain his tax receipt or exemption
16 determination, in which event the transaction reporting return
17 and tax remittance (if a tax payment was required) shall be
18 credited by the Department to the proper retailer's account
19 with the Department, but without the 2.1% or 1.75% discount
20 provided for in this Section being allowed. When the user pays
21 the tax directly to the Department, he shall pay the tax in the
22 same amount and in the same form in which it would be remitted
23 if the tax had been remitted to the Department by the retailer.

24 Refunds made by the seller during the preceding return
25 period to purchasers, on account of tangible personal property
26 returned to the seller, shall be allowed as a deduction under

1 subdivision 5 of his monthly or quarterly return, as the case
2 may be, in case the seller had theretofore included the
3 receipts from the sale of such tangible personal property in a
4 return filed by him and had paid the tax imposed by this Act
5 with respect to such receipts.

6 Where the seller is a corporation, the return filed on
7 behalf of such corporation shall be signed by the president,
8 vice-president, secretary or treasurer or by the properly
9 accredited agent of such corporation.

10 Where the seller is a limited liability company, the return
11 filed on behalf of the limited liability company shall be
12 signed by a manager, member, or properly accredited agent of
13 the limited liability company.

14 Except as provided in this Section, the retailer filing the
15 return under this Section shall, at the time of filing such
16 return, pay to the Department the amount of tax imposed by this
17 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
18 on and after January 1, 1990, or \$5 per calendar year,
19 whichever is greater, which is allowed to reimburse the
20 retailer for the expenses incurred in keeping records,
21 preparing and filing returns, remitting the tax and supplying
22 data to the Department on request. The discount under this
23 Section is not allowed for taxes paid on aviation fuel that are
24 deposited into the State Aviation Program Fund under this Act.
25 Any prepayment made pursuant to Section 2d of this Act shall be
26 included in the amount on which such 2.1% or 1.75% discount is

1 computed. In the case of retailers who report and pay the tax
2 on a transaction by transaction basis, as provided in this
3 Section, such discount shall be taken with each such tax
4 remittance instead of when such retailer files his periodic
5 return. The Department may disallow the discount for retailers
6 whose certificate of registration is revoked at the time the
7 return is filed, but only if the Department's decision to
8 revoke the certificate of registration has become final.

9 Before October 1, 2000, if the taxpayer's average monthly
10 tax liability to the Department under this Act, the Use Tax
11 Act, the Service Occupation Tax Act, and the Service Use Tax
12 Act, excluding any liability for prepaid sales tax to be
13 remitted in accordance with Section 2d of this Act, was \$10,000
14 or more during the preceding 4 complete calendar quarters, he
15 shall file a return with the Department each month by the 20th
16 day of the month next following the month during which such tax
17 liability is incurred and shall make payments to the Department
18 on or before the 7th, 15th, 22nd and last day of the month
19 during which such liability is incurred. On and after October
20 1, 2000, if the taxpayer's average monthly tax liability to the
21 Department under this Act, the Use Tax Act, the Service
22 Occupation Tax Act, and the Service Use Tax Act, excluding any
23 liability for prepaid sales tax to be remitted in accordance
24 with Section 2d of this Act, was \$20,000 or more during the
25 preceding 4 complete calendar quarters, he shall file a return
26 with the Department each month by the 20th day of the month

1 next following the month during which such tax liability is
2 incurred and shall make payment to the Department on or before
3 the 7th, 15th, 22nd and last day of the month during which such
4 liability is incurred. If the month during which such tax
5 liability is incurred began prior to January 1, 1985, each
6 payment shall be in an amount equal to 1/4 of the taxpayer's
7 actual liability for the month or an amount set by the
8 Department not to exceed 1/4 of the average monthly liability
9 of the taxpayer to the Department for the preceding 4 complete
10 calendar quarters (excluding the month of highest liability and
11 the month of lowest liability in such 4 quarter period). If the
12 month during which such tax liability is incurred begins on or
13 after January 1, 1985 and prior to January 1, 1987, each
14 payment shall be in an amount equal to 22.5% of the taxpayer's
15 actual liability for the month or 27.5% of the taxpayer's
16 liability for the same calendar month of the preceding year. If
17 the month during which such tax liability is incurred begins on
18 or after January 1, 1987 and prior to January 1, 1988, each
19 payment shall be in an amount equal to 22.5% of the taxpayer's
20 actual liability for the month or 26.25% of the taxpayer's
21 liability for the same calendar month of the preceding year. If
22 the month during which such tax liability is incurred begins on
23 or after January 1, 1988, and prior to January 1, 1989, or
24 begins on or after January 1, 1996, each payment shall be in an
25 amount equal to 22.5% of the taxpayer's actual liability for
26 the month or 25% of the taxpayer's liability for the same

1 calendar month of the preceding year. If the month during which
2 such tax liability is incurred begins on or after January 1,
3 1989, and prior to January 1, 1996, each payment shall be in an
4 amount equal to 22.5% of the taxpayer's actual liability for
5 the month or 25% of the taxpayer's liability for the same
6 calendar month of the preceding year or 100% of the taxpayer's
7 actual liability for the quarter monthly reporting period. The
8 amount of such quarter monthly payments shall be credited
9 against the final tax liability of the taxpayer's return for
10 that month. Before October 1, 2000, once applicable, the
11 requirement of the making of quarter monthly payments to the
12 Department by taxpayers having an average monthly tax liability
13 of \$10,000 or more as determined in the manner provided above
14 shall continue until such taxpayer's average monthly liability
15 to the Department during the preceding 4 complete calendar
16 quarters (excluding the month of highest liability and the
17 month of lowest liability) is less than \$9,000, or until such
18 taxpayer's average monthly liability to the Department as
19 computed for each calendar quarter of the 4 preceding complete
20 calendar quarter period is less than \$10,000. However, if a
21 taxpayer can show the Department that a substantial change in
22 the taxpayer's business has occurred which causes the taxpayer
23 to anticipate that his average monthly tax liability for the
24 reasonably foreseeable future will fall below the \$10,000
25 threshold stated above, then such taxpayer may petition the
26 Department for a change in such taxpayer's reporting status. On

1 and after October 1, 2000, once applicable, the requirement of
2 the making of quarter monthly payments to the Department by
3 taxpayers having an average monthly tax liability of \$20,000 or
4 more as determined in the manner provided above shall continue
5 until such taxpayer's average monthly liability to the
6 Department during the preceding 4 complete calendar quarters
7 (excluding the month of highest liability and the month of
8 lowest liability) is less than \$19,000 or until such taxpayer's
9 average monthly liability to the Department as computed for
10 each calendar quarter of the 4 preceding complete calendar
11 quarter period is less than \$20,000. However, if a taxpayer can
12 show the Department that a substantial change in the taxpayer's
13 business has occurred which causes the taxpayer to anticipate
14 that his average monthly tax liability for the reasonably
15 foreseeable future will fall below the \$20,000 threshold stated
16 above, then such taxpayer may petition the Department for a
17 change in such taxpayer's reporting status. The Department
18 shall change such taxpayer's reporting status unless it finds
19 that such change is seasonal in nature and not likely to be
20 long term. If any such quarter monthly payment is not paid at
21 the time or in the amount required by this Section, then the
22 taxpayer shall be liable for penalties and interest on the
23 difference between the minimum amount due as a payment and the
24 amount of such quarter monthly payment actually and timely
25 paid, except insofar as the taxpayer has previously made
26 payments for that month to the Department in excess of the

1 minimum payments previously due as provided in this Section.
2 The Department shall make reasonable rules and regulations to
3 govern the quarter monthly payment amount and quarter monthly
4 payment dates for taxpayers who file on other than a calendar
5 monthly basis.

6 The provisions of this paragraph apply before October 1,
7 2001. Without regard to whether a taxpayer is required to make
8 quarter monthly payments as specified above, any taxpayer who
9 is required by Section 2d of this Act to collect and remit
10 prepaid taxes and has collected prepaid taxes which average in
11 excess of \$25,000 per month during the preceding 2 complete
12 calendar quarters, shall file a return with the Department as
13 required by Section 2f and shall make payments to the
14 Department on or before the 7th, 15th, 22nd and last day of the
15 month during which such liability is incurred. If the month
16 during which such tax liability is incurred began prior to
17 September 1, 1985 (the effective date of Public Act 84-221)
18 ~~this amendatory Act of 1985~~, each payment shall be in an amount
19 not less than 22.5% of the taxpayer's actual liability under
20 Section 2d. If the month during which such tax liability is
21 incurred begins on or after January 1, 1986, each payment shall
22 be in an amount equal to 22.5% of the taxpayer's actual
23 liability for the month or 27.5% of the taxpayer's liability
24 for the same calendar month of the preceding calendar year. If
25 the month during which such tax liability is incurred begins on
26 or after January 1, 1987, each payment shall be in an amount

1 equal to 22.5% of the taxpayer's actual liability for the month
2 or 26.25% of the taxpayer's liability for the same calendar
3 month of the preceding year. The amount of such quarter monthly
4 payments shall be credited against the final tax liability of
5 the taxpayer's return for that month filed under this Section
6 or Section 2f, as the case may be. Once applicable, the
7 requirement of the making of quarter monthly payments to the
8 Department pursuant to this paragraph shall continue until such
9 taxpayer's average monthly prepaid tax collections during the
10 preceding 2 complete calendar quarters is \$25,000 or less. If
11 any such quarter monthly payment is not paid at the time or in
12 the amount required, the taxpayer shall be liable for penalties
13 and interest on such difference, except insofar as the taxpayer
14 has previously made payments for that month in excess of the
15 minimum payments previously due.

16 The provisions of this paragraph apply on and after October
17 1, 2001. Without regard to whether a taxpayer is required to
18 make quarter monthly payments as specified above, any taxpayer
19 who is required by Section 2d of this Act to collect and remit
20 prepaid taxes and has collected prepaid taxes that average in
21 excess of \$20,000 per month during the preceding 4 complete
22 calendar quarters shall file a return with the Department as
23 required by Section 2f and shall make payments to the
24 Department on or before the 7th, 15th, 22nd and last day of the
25 month during which the liability is incurred. Each payment
26 shall be in an amount equal to 22.5% of the taxpayer's actual

1 liability for the month or 25% of the taxpayer's liability for
2 the same calendar month of the preceding year. The amount of
3 the quarter monthly payments shall be credited against the
4 final tax liability of the taxpayer's return for that month
5 filed under this Section or Section 2f, as the case may be.
6 Once applicable, the requirement of the making of quarter
7 monthly payments to the Department pursuant to this paragraph
8 shall continue until the taxpayer's average monthly prepaid tax
9 collections during the preceding 4 complete calendar quarters
10 (excluding the month of highest liability and the month of
11 lowest liability) is less than \$19,000 or until such taxpayer's
12 average monthly liability to the Department as computed for
13 each calendar quarter of the 4 preceding complete calendar
14 quarters is less than \$20,000. If any such quarter monthly
15 payment is not paid at the time or in the amount required, the
16 taxpayer shall be liable for penalties and interest on such
17 difference, except insofar as the taxpayer has previously made
18 payments for that month in excess of the minimum payments
19 previously due.

20 If any payment provided for in this Section exceeds the
21 taxpayer's liabilities under this Act, the Use Tax Act, the
22 Service Occupation Tax Act and the Service Use Tax Act, as
23 shown on an original monthly return, the Department shall, if
24 requested by the taxpayer, issue to the taxpayer a credit
25 memorandum no later than 30 days after the date of payment. The
26 credit evidenced by such credit memorandum may be assigned by

1 the taxpayer to a similar taxpayer under this Act, the Use Tax
2 Act, the Service Occupation Tax Act or the Service Use Tax Act,
3 in accordance with reasonable rules and regulations to be
4 prescribed by the Department. If no such request is made, the
5 taxpayer may credit such excess payment against tax liability
6 subsequently to be remitted to the Department under this Act,
7 the Use Tax Act, the Service Occupation Tax Act or the Service
8 Use Tax Act, in accordance with reasonable rules and
9 regulations prescribed by the Department. If the Department
10 subsequently determined that all or any part of the credit
11 taken was not actually due to the taxpayer, the taxpayer's 2.1%
12 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
13 of the difference between the credit taken and that actually
14 due, and that taxpayer shall be liable for penalties and
15 interest on such difference.

16 If a retailer of motor fuel is entitled to a credit under
17 Section 2d of this Act which exceeds the taxpayer's liability
18 to the Department under this Act for the month which the
19 taxpayer is filing a return, the Department shall issue the
20 taxpayer a credit memorandum for the excess.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the Local Government Tax Fund, a special fund in the
23 State treasury which is hereby created, the net revenue
24 realized for the preceding month from the 1% tax on sales of
25 food for human consumption which is to be consumed off the
26 premises where it is sold (other than alcoholic beverages, soft

1 drinks and food which has been prepared for immediate
2 consumption) and prescription and nonprescription medicines,
3 drugs, medical appliances, products classified as Class III
4 medical devices by the United States Food and Drug
5 Administration that are used for cancer treatment pursuant to a
6 prescription, as well as any accessories and components related
7 to those devices, and insulin, urine testing materials,
8 syringes and needles used by diabetics.

9 Beginning January 1, 1990, each month the Department shall
10 pay into the County and Mass Transit District Fund, a special
11 fund in the State treasury which is hereby created, 4% of the
12 net revenue realized for the preceding month from the 6.25%
13 general rate other than aviation fuel sold on or after December
14 1, 2017. This exception for aviation fuel only applies for so
15 long as the revenue use requirements of 49 U.S.C. §47107(b) and
16 49 U.S.C. §47133 are binding on the State.

17 For aviation fuel sold on or after December 1, 2017, each
18 month the Department shall pay into the State Aviation Program
19 Fund 4% of the net revenue realized for the preceding month
20 from the 6.25% general rate on the selling price of aviation
21 fuel, less an amount estimated by the Department to be required
22 for refunds of the 4% portion of the tax on aviation fuel under
23 this Act, which amount shall be deposited into the Aviation
24 fuel Sales Tax Refund Fund. The Department shall only pay
25 moneys into the State Aviation Program Fund and the Aviation
26 Fuel Sales Tax Refund Fund under this Act for so long as the

1 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.
2 §47133 are binding on the State.

3 Beginning August 1, 2000, each month the Department shall
4 pay into the County and Mass Transit District Fund 20% of the
5 net revenue realized for the preceding month from the 1.25%
6 rate on the selling price of motor fuel and gasohol. Beginning
7 September 1, 2010, each month the Department shall pay into the
8 County and Mass Transit District Fund 20% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of sales tax holiday items.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the Local Government Tax Fund 16% of the net revenue
13 realized for the preceding month from the 6.25% general rate on
14 the selling price of tangible personal property other than
15 aviation fuel sold on or after December 1, 2017. This exception
16 for aviation fuel only applies for so long as the revenue use
17 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
18 binding on the State.

19 For aviation fuel sold on or after December 1, 2017, each
20 month the Department shall pay into the State Aviation Program
21 Fund 16% of the net revenue realized for the preceding month
22 from the 6.25% general rate on the selling price of aviation
23 fuel, less an amount estimated by the Department to be required
24 for refunds of the 16% portion of the tax on aviation fuel
25 under this Act, which amount shall be deposited into the
26 Aviation fuel Sales Tax Refund Fund. The Department shall only

1 pay moneys into the State Aviation Program Fund and the
2 Aviation Fuel Sales Tax Refund Fund under this Act for so long
3 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
4 U.S.C. §47133 are binding on the State.

5 Beginning August 1, 2000, each month the Department shall
6 pay into the Local Government Tax Fund 80% of the net revenue
7 realized for the preceding month from the 1.25% rate on the
8 selling price of motor fuel and gasohol. Beginning September 1,
9 2010, each month the Department shall pay into the Local
10 Government Tax Fund 80% of the net revenue realized for the
11 preceding month from the 1.25% rate on the selling price of
12 sales tax holiday items.

13 Beginning October 1, 2009, each month the Department shall
14 pay into the Capital Projects Fund an amount that is equal to
15 an amount estimated by the Department to represent 80% of the
16 net revenue realized for the preceding month from the sale of
17 candy, grooming and hygiene products, and soft drinks that had
18 been taxed at a rate of 1% prior to September 1, 2009 but that
19 are now taxed at 6.25%.

20 Beginning July 1, 2011, each month the Department shall pay
21 into the Clean Air Act Permit Fund 80% of the net revenue
22 realized for the preceding month from the 6.25% general rate on
23 the selling price of sorbents used in Illinois in the process
24 of sorbent injection as used to comply with the Environmental
25 Protection Act or the federal Clean Air Act, but the total
26 payment into the Clean Air Act Permit Fund under this Act and

1 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

2 Beginning July 1, 2013, each month the Department shall pay
3 into the Underground Storage Tank Fund from the proceeds
4 collected under this Act, the Use Tax Act, the Service Use Tax
5 Act, and the Service Occupation Tax Act an amount equal to the
6 average monthly deficit in the Underground Storage Tank Fund
7 during the prior year, as certified annually by the Illinois
8 Environmental Protection Agency, but the total payment into the
9 Underground Storage Tank Fund under this Act, the Use Tax Act,
10 the Service Use Tax Act, and the Service Occupation Tax Act
11 shall not exceed \$18,000,000 in any State fiscal year. As used
12 in this paragraph, the "average monthly deficit" shall be equal
13 to the difference between the average monthly claims for
14 payment by the fund and the average monthly revenues deposited
15 into the fund, excluding payments made pursuant to this
16 paragraph.

17 Beginning July 1, 2015, of the remainder of the moneys
18 received by the Department under the Use Tax Act, the Service
19 Use Tax Act, the Service Occupation Tax Act, and this Act, each
20 month the Department shall deposit \$500,000 into the State
21 Crime Laboratory Fund.

22 Of the remainder of the moneys received by the Department
23 pursuant to this Act, (a) 1.75% thereof shall be paid into the
24 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
25 and after July 1, 1989, 3.8% thereof shall be paid into the
26 Build Illinois Fund; provided, however, that if in any fiscal

1 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
2 may be, of the moneys received by the Department and required
3 to be paid into the Build Illinois Fund pursuant to this Act,
4 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
5 Act, and Section 9 of the Service Occupation Tax Act, such Acts
6 being hereinafter called the "Tax Acts" and such aggregate of
7 2.2% or 3.8%, as the case may be, of moneys being hereinafter
8 called the "Tax Act Amount", and (2) the amount transferred to
9 the Build Illinois Fund from the State and Local Sales Tax
10 Reform Fund shall be less than the Annual Specified Amount (as
11 hereinafter defined), an amount equal to the difference shall
12 be immediately paid into the Build Illinois Fund from other
13 moneys received by the Department pursuant to the Tax Acts; the
14 "Annual Specified Amount" means the amounts specified below for
15 fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000
1987	\$76,650,000
1988	\$80,480,000
1989	\$88,510,000
1990	\$115,330,000
1991	\$145,470,000
1992	\$182,730,000
1993	\$206,520,000;

25 and means the Certified Annual Debt Service Requirement (as
26 defined in Section 13 of the Build Illinois Bond Act) or the

1 Tax Act Amount, whichever is greater, for fiscal year 1994 and
2 each fiscal year thereafter; and further provided, that if on
3 the last business day of any month the sum of (1) the Tax Act
4 Amount required to be deposited into the Build Illinois Bond
5 Account in the Build Illinois Fund during such month and (2)
6 the amount transferred to the Build Illinois Fund from the
7 State and Local Sales Tax Reform Fund shall have been less than
8 1/12 of the Annual Specified Amount, an amount equal to the
9 difference shall be immediately paid into the Build Illinois
10 Fund from other moneys received by the Department pursuant to
11 the Tax Acts; and, further provided, that in no event shall the
12 payments required under the preceding proviso result in
13 aggregate payments into the Build Illinois Fund pursuant to
14 this clause (b) for any fiscal year in excess of the greater of
15 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
16 such fiscal year. The amounts payable into the Build Illinois
17 Fund under clause (b) of the first sentence in this paragraph
18 shall be payable only until such time as the aggregate amount
19 on deposit under each trust indenture securing Bonds issued and
20 outstanding pursuant to the Build Illinois Bond Act is
21 sufficient, taking into account any future investment income,
22 to fully provide, in accordance with such indenture, for the
23 defeasance of or the payment of the principal of, premium, if
24 any, and interest on the Bonds secured by such indenture and on
25 any Bonds expected to be issued thereafter and all fees and
26 costs payable with respect thereto, all as certified by the

1 Director of the Bureau of the Budget (now Governor's Office of
2 Management and Budget). If on the last business day of any
3 month in which Bonds are outstanding pursuant to the Build
4 Illinois Bond Act, the aggregate of moneys deposited in the
5 Build Illinois Bond Account in the Build Illinois Fund in such
6 month shall be less than the amount required to be transferred
7 in such month from the Build Illinois Bond Account to the Build
8 Illinois Bond Retirement and Interest Fund pursuant to Section
9 13 of the Build Illinois Bond Act, an amount equal to such
10 deficiency shall be immediately paid from other moneys received
11 by the Department pursuant to the Tax Acts to the Build
12 Illinois Fund; provided, however, that any amounts paid to the
13 Build Illinois Fund in any fiscal year pursuant to this
14 sentence shall be deemed to constitute payments pursuant to
15 clause (b) of the first sentence of this paragraph and shall
16 reduce the amount otherwise payable for such fiscal year
17 pursuant to that clause (b). The moneys received by the
18 Department pursuant to this Act and required to be deposited
19 into the Build Illinois Fund are subject to the pledge, claim
20 and charge set forth in Section 12 of the Build Illinois Bond
21 Act.

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

1 provided under Section 8.25f of the State Finance Act, but not
2 in excess of sums designated as "Total Deposit", shall be
3 deposited in the aggregate from collections under Section 9 of
4 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
5 9 of the Service Occupation Tax Act, and Section 3 of the
6 Retailers' Occupation Tax Act into the McCormick Place
7 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
8		
9	1993	\$0
10	1994	53,000,000
11	1995	58,000,000
12	1996	61,000,000
13	1997	64,000,000
14	1998	68,000,000
15	1999	71,000,000
16	2000	75,000,000
17	2001	80,000,000
18	2002	93,000,000
19	2003	99,000,000
20	2004	103,000,000
21	2005	108,000,000
22	2006	113,000,000
23	2007	119,000,000
24	2008	126,000,000
25	2009	132,000,000

1	2010	139,000,000
2	2011	146,000,000
3	2012	153,000,000
4	2013	161,000,000
5	2014	170,000,000
6	2015	179,000,000
7	2016	189,000,000
8	2017	199,000,000
9	2018	210,000,000
10	2019	221,000,000
11	2020	233,000,000
12	2021	246,000,000
13	2022	260,000,000
14	2023	275,000,000
15	2024	275,000,000
16	2025	275,000,000
17	2026	279,000,000
18	2027	292,000,000
19	2028	307,000,000
20	2029	322,000,000
21	2030	338,000,000
22	2031	350,000,000
23	2032	350,000,000
24	and	
25	each fiscal year	
26	thereafter that bonds	

1 are outstanding under
2 Section 13.2 of the
3 Metropolitan Pier and
4 Exposition Authority Act,
5 but not after fiscal year 2060.

6 Beginning July 20, 1993 and in each month of each fiscal
7 year thereafter, one-eighth of the amount requested in the
8 certificate of the Chairman of the Metropolitan Pier and
9 Exposition Authority for that fiscal year, less the amount
10 deposited into the McCormick Place Expansion Project Fund by
11 the State Treasurer in the respective month under subsection
12 (g) of Section 13 of the Metropolitan Pier and Exposition
13 Authority Act, plus cumulative deficiencies in the deposits
14 required under this Section for previous months and years,
15 shall be deposited into the McCormick Place Expansion Project
16 Fund, until the full amount requested for the fiscal year, but
17 not in excess of the amount specified above as "Total Deposit",
18 has been deposited.

19 Subject to payment of amounts into the Capital Projects
20 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
21 Fund, and the McCormick Place Expansion Project Fund pursuant
22 to the preceding paragraphs or in any amendments thereto
23 hereafter enacted, the Department shall each month deposit into
24 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
25 the Department to be required for refunds of the 80% portion of
26 the tax on aviation fuel under this Act.

1 Subject to payment of amounts into the Build Illinois Fund
2 and the McCormick Place Expansion Project Fund pursuant to the
3 preceding paragraphs or in any amendments thereto hereafter
4 enacted, beginning July 1, 1993 and ending on September 30,
5 2013, the Department shall each month pay into the Illinois Tax
6 Increment Fund 0.27% of 80% of the net revenue realized for the
7 preceding month from the 6.25% general rate on the selling
8 price of tangible personal property.

9 Subject to payment of amounts into the Build Illinois Fund
10 and the McCormick Place Expansion Project Fund pursuant to the
11 preceding paragraphs or in any amendments thereto hereafter
12 enacted, beginning with the receipt of the first report of
13 taxes paid by an eligible business and continuing for a 25-year
14 period, the Department shall each month pay into the Energy
15 Infrastructure Fund 80% of the net revenue realized from the
16 6.25% general rate on the selling price of Illinois-mined coal
17 that was sold to an eligible business. For purposes of this
18 paragraph, the term "eligible business" means a new electric
19 generating facility certified pursuant to Section 605-332 of
20 the Department of Commerce and Economic Opportunity Law of the
21 Civil Administrative Code of Illinois.

22 Subject to payment of amounts into the Build Illinois Fund,
23 the McCormick Place Expansion Project Fund, the Illinois Tax
24 Increment Fund, and the Energy Infrastructure Fund pursuant to
25 the preceding paragraphs or in any amendments to this Section
26 hereafter enacted, beginning on the first day of the first

1 calendar month to occur on or after August 26, 2014 (the
2 effective date of Public Act 98-1098) ~~this amendatory Act of~~
3 ~~the 98th General Assembly~~, each month, from the collections
4 made under Section 9 of the Use Tax Act, Section 9 of the
5 Service Use Tax Act, Section 9 of the Service Occupation Tax
6 Act, and Section 3 of the Retailers' Occupation Tax Act, the
7 Department shall pay into the Tax Compliance and Administration
8 Fund, to be used, subject to appropriation, to fund additional
9 auditors and compliance personnel at the Department of Revenue,
10 an amount equal to 1/12 of 5% of 80% of the cash receipts
11 collected during the preceding fiscal year by the Audit Bureau
12 of the Department under the Use Tax Act, the Service Use Tax
13 Act, the Service Occupation Tax Act, the Retailers' Occupation
14 Tax Act, and associated local occupation and use taxes
15 administered by the Department (except the amount collected on
16 aviation fuel sold on or after December 1, 2017).

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, 75% thereof shall be paid into the State
19 Treasury and 25% shall be reserved in a special account and
20 used only for the transfer to the Common School Fund as part of
21 the monthly transfer from the General Revenue Fund in
22 accordance with Section 8a of the State Finance Act.

23 The Department may, upon separate written notice to a
24 taxpayer, require the taxpayer to prepare and file with the
25 Department on a form prescribed by the Department within not
26 less than 60 days after receipt of the notice an annual

1 information return for the tax year specified in the notice.
2 Such annual return to the Department shall include a statement
3 of gross receipts as shown by the retailer's last Federal
4 income tax return. If the total receipts of the business as
5 reported in the Federal income tax return do not agree with the
6 gross receipts reported to the Department of Revenue for the
7 same period, the retailer shall attach to his annual return a
8 schedule showing a reconciliation of the 2 amounts and the
9 reasons for the difference. The retailer's annual return to the
10 Department shall also disclose the cost of goods sold by the
11 retailer during the year covered by such return, opening and
12 closing inventories of such goods for such year, costs of goods
13 used from stock or taken from stock and given away by the
14 retailer during such year, payroll information of the
15 retailer's business during such year and any additional
16 reasonable information which the Department deems would be
17 helpful in determining the accuracy of the monthly, quarterly
18 or annual returns filed by such retailer as provided for in
19 this Section.

20 If the annual information return required by this Section
21 is not filed when and as required, the taxpayer shall be liable
22 as follows:

23 (i) Until January 1, 1994, the taxpayer shall be liable
24 for a penalty equal to 1/6 of 1% of the tax due from such
25 taxpayer under this Act during the period to be covered by
26 the annual return for each month or fraction of a month

1 until such return is filed as required, the penalty to be
2 assessed and collected in the same manner as any other
3 penalty provided for in this Act.

4 (ii) On and after January 1, 1994, the taxpayer shall
5 be liable for a penalty as described in Section 3-4 of the
6 Uniform Penalty and Interest Act.

7 The chief executive officer, proprietor, owner or highest
8 ranking manager shall sign the annual return to certify the
9 accuracy of the information contained therein. Any person who
10 willfully signs the annual return containing false or
11 inaccurate information shall be guilty of perjury and punished
12 accordingly. The annual return form prescribed by the
13 Department shall include a warning that the person signing the
14 return may be liable for perjury.

15 The provisions of this Section concerning the filing of an
16 annual information return do not apply to a retailer who is not
17 required to file an income tax return with the United States
18 Government.

19 As soon as possible after the first day of each month, upon
20 certification of the Department of Revenue, the Comptroller
21 shall order transferred and the Treasurer shall transfer from
22 the General Revenue Fund to the Motor Fuel Tax Fund an amount
23 equal to 1.7% of 80% of the net revenue realized under this Act
24 for the second preceding month. Beginning April 1, 2000, this
25 transfer is no longer required and shall not be made.

26 Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount
2 paid out during that month as refunds to taxpayers for
3 overpayment of liability.

4 For greater simplicity of administration, manufacturers,
5 importers and wholesalers whose products are sold at retail in
6 Illinois by numerous retailers, and who wish to do so, may
7 assume the responsibility for accounting and paying to the
8 Department all tax accruing under this Act with respect to such
9 sales, if the retailers who are affected do not make written
10 objection to the Department to this arrangement.

11 Any person who promotes, organizes, provides retail
12 selling space for concessionaires or other types of sellers at
13 the Illinois State Fair, DuQuoin State Fair, county fairs,
14 local fairs, art shows, flea markets and similar exhibitions or
15 events, including any transient merchant as defined by Section
16 2 of the Transient Merchant Act of 1987, is required to file a
17 report with the Department providing the name of the merchant's
18 business, the name of the person or persons engaged in
19 merchant's business, the permanent address and Illinois
20 Retailers Occupation Tax Registration Number of the merchant,
21 the dates and location of the event and other reasonable
22 information that the Department may require. The report must be
23 filed not later than the 20th day of the month next following
24 the month during which the event with retail sales was held.
25 Any person who fails to file a report required by this Section
26 commits a business offense and is subject to a fine not to

1 exceed \$250.

2 Any person engaged in the business of selling tangible
3 personal property at retail as a concessionaire or other type
4 of seller at the Illinois State Fair, county fairs, art shows,
5 flea markets and similar exhibitions or events, or any
6 transient merchants, as defined by Section 2 of the Transient
7 Merchant Act of 1987, may be required to make a daily report of
8 the amount of such sales to the Department and to make a daily
9 payment of the full amount of tax due. The Department shall
10 impose this requirement when it finds that there is a
11 significant risk of loss of revenue to the State at such an
12 exhibition or event. Such a finding shall be based on evidence
13 that a substantial number of concessionaires or other sellers
14 who are not residents of Illinois will be engaging in the
15 business of selling tangible personal property at retail at the
16 exhibition or event, or other evidence of a significant risk of
17 loss of revenue to the State. The Department shall notify
18 concessionaires and other sellers affected by the imposition of
19 this requirement. In the absence of notification by the
20 Department, the concessionaires and other sellers shall file
21 their returns as otherwise required in this Section.

22 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
23 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
24 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,
25 eff. 1-27-17; revised 2-3-17.)

1 (35 ILCS 120/6) (from Ch. 120, par. 445)

2 Sec. 6. Credit memorandum or refund. If it appears, after
3 claim therefor filed with the Department, that an amount of tax
4 or penalty or interest has been paid which was not due under
5 this Act, whether as the result of a mistake of fact or an
6 error of law, except as hereinafter provided, then the
7 Department shall issue a credit memorandum or refund to the
8 person who made the erroneous payment or, if that person died
9 or became a person under legal disability, to his or her legal
10 representative, as such. For purposes of this Section, the tax
11 is deemed to be erroneously paid by a retailer when the
12 manufacturer of a motor vehicle sold by the retailer accepts
13 the return of that automobile and refunds to the purchaser the
14 selling price of that vehicle as provided in the New Vehicle
15 Buyer Protection Act. When a motor vehicle is returned for a
16 refund of the purchase price under the New Vehicle Buyer
17 Protection Act, the Department shall issue a credit memorandum
18 or a refund for the amount of tax paid by the retailer under
19 this Act attributable to the initial sale of that vehicle.
20 Claims submitted by the retailer are subject to the same
21 restrictions and procedures provided for in this Act. If it is
22 determined that the Department should issue a credit memorandum
23 or refund, the Department may first apply the amount thereof
24 against any tax or penalty or interest due or to become due
25 under this Act or under the Use Tax Act, the Service Occupation
26 Tax Act, the Service Use Tax Act, any local occupation or use

1 tax administered by the Department, Section 4 of the Water
2 Commission Act of 1985, subsections (b), (c) and (d) of Section
3 5.01 of the Local Mass Transit District Act, or subsections
4 (e), (f) and (g) of Section 4.03 of the Regional Transportation
5 Authority Act, from the person who made the erroneous payment.
6 If no tax or penalty or interest is due and no proceeding is
7 pending to determine whether such person is indebted to the
8 Department for tax or penalty or interest, the credit
9 memorandum or refund shall be issued to the claimant; or (in
10 the case of a credit memorandum) the credit memorandum may be
11 assigned and set over by the lawful holder thereof, subject to
12 reasonable rules of the Department, to any other person who is
13 subject to this Act, the Use Tax Act, the Service Occupation
14 Tax Act, the Service Use Tax Act, any local occupation or use
15 tax administered by the Department, Section 4 of the Water
16 Commission Act of 1985, subsections (b), (c) and (d) of Section
17 5.01 of the Local Mass Transit District Act, or subsections
18 (e), (f) and (g) of Section 4.03 of the Regional Transportation
19 Authority Act, and the amount thereof applied by the Department
20 against any tax or penalty or interest due or to become due
21 under this Act or under the Use Tax Act, the Service Occupation
22 Tax Act, the Service Use Tax Act, any local occupation or use
23 tax administered by the Department, Section 4 of the Water
24 Commission Act of 1985, subsections (b), (c) and (d) of Section
25 5.01 of the Local Mass Transit District Act, or subsections
26 (e), (f) and (g) of Section 4.03 of the Regional Transportation

1 Authority Act, from such assignee. However, as to any claim for
2 credit or refund filed with the Department on and after each
3 January 1 and July 1 no amount of tax or penalty or interest
4 erroneously paid (either in total or partial liquidation of a
5 tax or penalty or amount of interest under this Act) more than
6 3 years prior to such January 1 and July 1, respectively, shall
7 be credited or refunded, except that if both the Department and
8 the taxpayer have agreed to an extension of time to issue a
9 notice of tax liability as provided in Section 4 of this Act,
10 such claim may be filed at any time prior to the expiration of
11 the period agreed upon.

12 No claim may be allowed for any amount paid to the
13 Department, whether paid voluntarily or involuntarily, if paid
14 in total or partial liquidation of an assessment which had
15 become final before the claim for credit or refund to recover
16 the amount so paid is filed with the Department, or if paid in
17 total or partial liquidation of a judgment or order of court.
18 No credit may be allowed or refund made for any amount paid by
19 or collected from any claimant unless it appears (a) that the
20 claimant bore the burden of such amount and has not been
21 relieved thereof nor reimbursed therefor and has not shifted
22 such burden directly or indirectly through inclusion of such
23 amount in the price of the tangible personal property sold by
24 him or her or in any manner whatsoever; and that no
25 understanding or agreement, written or oral, exists whereby he
26 or she or his or her legal representative may be relieved of

1 the burden of such amount, be reimbursed therefor or may shift
2 the burden thereof; or (b) that he or she or his or her legal
3 representative has repaid unconditionally such amount to his or
4 her vendee (1) who bore the burden thereof and has not shifted
5 such burden directly or indirectly, in any manner whatsoever;
6 (2) who, if he or she has shifted such burden, has repaid
7 unconditionally such amount to his own vendee; and (3) who is
8 not entitled to receive any reimbursement therefor from any
9 other source than from his or her vendor, nor to be relieved of
10 such burden in any manner whatsoever. No credit may be allowed
11 or refund made for any amount paid by or collected from any
12 claimant unless it appears that the claimant has
13 unconditionally repaid, to the purchaser, any amount collected
14 from the purchaser and retained by the claimant with respect to
15 the same transaction under the Use Tax Act.

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

19 In case the Department determines that the claimant is
20 entitled to a refund, such refund shall be made only from the
21 Aviation Fuel Sales Tax Refund Fund or from such appropriation
22 as may be available for that purpose, as appropriate. If it
23 appears unlikely that the amount available ~~appropriated~~ would
24 permit everyone having a claim allowed during the period
25 covered by such appropriation or from the Aviation Fuel Sales
26 Tax Refund Fund, as appropriate, to elect to receive a cash

1 refund, the Department, by rule or regulation, shall provide
2 for the payment of refunds in hardship cases and shall define
3 what types of cases qualify as hardship cases.

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

21 (Source: P.A. 91-901, eff. 1-1-01.)

22 (35 ILCS 120/11) (from Ch. 120, par. 450)

23 Sec. 11. All information received by the Department from
24 returns filed under this Act, or from any investigation
25 conducted under this Act, shall be confidential, except for

1 official purposes, and any person who divulges any such
2 information in any manner, except in accordance with a proper
3 judicial order or as otherwise provided by law, shall be guilty
4 of a Class B misdemeanor with a fine not to exceed \$7,500.

5 Nothing in this Act prevents the Director of Revenue from
6 publishing or making available to the public the names and
7 addresses of persons filing returns under this Act, or
8 reasonable statistics concerning the operation of the tax by
9 grouping the contents of returns so the information in any
10 individual return is not disclosed.

11 Nothing in this Act prevents the Director of Revenue from
12 divulging to the United States Government or the government of
13 any other state, or any officer or agency thereof, for
14 exclusively official purposes, information received by the
15 Department in administering this Act, provided that such other
16 governmental agency agrees to divulge requested tax
17 information to the Department.

18 The Department's furnishing of information derived from a
19 taxpayer's return or from an investigation conducted under this
20 Act to the surety on a taxpayer's bond that has been furnished
21 to the Department under this Act, either to provide notice to
22 such surety of its potential liability under the bond or, in
23 order to support the Department's demand for payment from such
24 surety under the bond, is an official purpose within the
25 meaning of this Section.

26 The furnishing upon request of information obtained by the

1 Department from returns filed under this Act or investigations
2 conducted under this Act to the Illinois Liquor Control
3 Commission for official use is deemed to be an official purpose
4 within the meaning of this Section.

5 Notice to a surety of potential liability shall not be
6 given unless the taxpayer has first been notified, not less
7 than 10 days prior thereto, of the Department's intent to so
8 notify the surety.

9 The furnishing upon request of the Auditor General, or his
10 authorized agents, for official use, of returns filed and
11 information related thereto under this Act is deemed to be an
12 official purpose within the meaning of this Section.

13 Where an appeal or a protest has been filed on behalf of a
14 taxpayer, the furnishing upon request of the attorney for the
15 taxpayer of returns filed by the taxpayer and information
16 related thereto under this Act is deemed to be an official
17 purpose within the meaning of this Section.

18 The furnishing of financial information to a municipality
19 or county, upon request of the chief executive officer thereof,
20 is an official purpose within the meaning of this Section,
21 provided the municipality or county agrees in writing to the
22 requirements of this Section. Information provided to
23 municipalities and counties under this paragraph shall be
24 limited to: (1) the business name; (2) the business address;
25 (3) the standard classification number assigned to the
26 business; (4) net revenue distributed to the requesting

1 municipality or county that is directly related to the
2 requesting municipality's or county's local share of the
3 proceeds under the Use Tax Act, the Service Use Tax Act, the
4 Service Occupation Tax Act, and the Retailers' Occupation Tax
5 Act distributed from the Local Government Tax Fund, and, if
6 applicable, any locally imposed retailers' occupation tax or
7 service occupation tax; and (5) a listing of all businesses
8 within the requesting municipality or county by account
9 identification number and address. On and after July 1, 2015,
10 the furnishing of financial information to municipalities and
11 counties under this paragraph may be by electronic means.

12 Information so provided shall be subject to all
13 confidentiality provisions of this Section. The written
14 agreement shall provide for reciprocity, limitations on
15 access, disclosure, and procedures for requesting information.

16 The Department may make available to the Board of Trustees
17 of any Metro East Mass Transit District information contained
18 on transaction reporting returns required to be filed under
19 Section 3 of this Act that report sales made within the
20 boundary of the taxing authority of that Metro East Mass
21 Transit District, as provided in Section 5.01 of the Local Mass
22 Transit District Act. The disclosure shall be made pursuant to
23 a written agreement between the Department and the Board of
24 Trustees of a Metro East Mass Transit District, which is an
25 official purpose within the meaning of this Section. The
26 written agreement between the Department and the Board of

1 Trustees of a Metro East Mass Transit District shall provide
2 for reciprocity, limitations on access, disclosure, and
3 procedures for requesting information. Information so provided
4 shall be subject to all confidentiality provisions of this
5 Section.

6 The Director may make available to any State agency,
7 including the Illinois Supreme Court, which licenses persons to
8 engage in any occupation, information that a person licensed by
9 such agency has failed to file returns under this Act or pay
10 the tax, penalty and interest shown therein, or has failed to
11 pay any final assessment of tax, penalty or interest due under
12 this Act. The Director may make available to any State agency,
13 including the Illinois Supreme Court, information regarding
14 whether a bidder, contractor, or an affiliate of a bidder or
15 contractor has failed to collect and remit Illinois Use tax on
16 sales into Illinois, or any tax under this Act or pay the tax,
17 penalty, and interest shown therein, or has failed to pay any
18 final assessment of tax, penalty, or interest due under this
19 Act, for the limited purpose of enforcing bidder and contractor
20 certifications. The Director may make available to units of
21 local government and school districts that require bidder and
22 contractor certifications, as set forth in Sections 50-11 and
23 50-12 of the Illinois Procurement Code, information regarding
24 whether a bidder, contractor, or an affiliate of a bidder or
25 contractor has failed to collect and remit Illinois Use tax on
26 sales into Illinois, file returns under this Act, or pay the

1 tax, penalty, and interest shown therein, or has failed to pay
2 any final assessment of tax, penalty, or interest due under
3 this Act, for the limited purpose of enforcing bidder and
4 contractor certifications. For purposes of this Section, the
5 term "affiliate" means any entity that (1) directly,
6 indirectly, or constructively controls another entity, (2) is
7 directly, indirectly, or constructively controlled by another
8 entity, or (3) is subject to the control of a common entity.
9 For purposes of this Section, an entity controls another entity
10 if it owns, directly or individually, more than 10% of the
11 voting securities of that entity. As used in this Section, the
12 term "voting security" means a security that (1) confers upon
13 the holder the right to vote for the election of members of the
14 board of directors or similar governing body of the business or
15 (2) is convertible into, or entitles the holder to receive upon
16 its exercise, a security that confers such a right to vote. A
17 general partnership interest is a voting security.

18 The Director may make available to any State agency,
19 including the Illinois Supreme Court, units of local
20 government, and school districts, information regarding
21 whether a bidder or contractor is an affiliate of a person who
22 is not collecting and remitting Illinois Use taxes for the
23 limited purpose of enforcing bidder and contractor
24 certifications.

25 The Director may also make available to the Secretary of
26 State information that a limited liability company, which has

1 filed articles of organization with the Secretary of State, or
2 corporation which has been issued a certificate of
3 incorporation by the Secretary of State has failed to file
4 returns under this Act or pay the tax, penalty and interest
5 shown therein, or has failed to pay any final assessment of
6 tax, penalty or interest due under this Act. An assessment is
7 final when all proceedings in court for review of such
8 assessment have terminated or the time for the taking thereof
9 has expired without such proceedings being instituted.

10 The Director shall make available for public inspection in
11 the Department's principal office and for publication, at cost,
12 administrative decisions issued on or after January 1, 1995.
13 These decisions are to be made available in a manner so that
14 the following taxpayer information is not disclosed:

15 (1) The names, addresses, and identification numbers
16 of the taxpayer, related entities, and employees.

17 (2) At the sole discretion of the Director, trade
18 secrets or other confidential information identified as
19 such by the taxpayer, no later than 30 days after receipt
20 of an administrative decision, by such means as the
21 Department shall provide by rule.

22 The Director shall determine the appropriate extent of the
23 deletions allowed in paragraph (2). In the event the taxpayer
24 does not submit deletions, the Director shall make only the
25 deletions specified in paragraph (1).

26 The Director shall make available for public inspection and

1 publication an administrative decision within 180 days after
2 the issuance of the administrative decision. The term
3 "administrative decision" has the same meaning as defined in
4 Section 3-101 of Article III of the Code of Civil Procedure.
5 Costs collected under this Section shall be paid into the Tax
6 Compliance and Administration Fund.

7 Nothing contained in this Act shall prevent the Director
8 from divulging information to any person pursuant to a request
9 or authorization made by the taxpayer or by an authorized
10 representative of the taxpayer.

11 The furnishing of information obtained by the Department
12 from returns filed under this amendatory Act of the 100th
13 General Assembly to the Department of Transportation for
14 purposes of compliance with this amendatory Act of the 100th
15 General Assembly regarding aviation fuel is deemed to be an
16 official purpose within the meaning of this Section.

17 (Source: P.A. 98-1058, eff. 1-1-15; 99-517, eff. 6-30-16.)

18 Section 30. The Motor Fuel Tax Law is amended by changing
19 Sections 2, 2b, and 8a as follows:

20 (35 ILCS 505/2) (from Ch. 120, par. 418)

21 Sec. 2. A tax is imposed on the privilege of operating
22 motor vehicles upon the public highways and recreational-type
23 watercraft upon the waters of this State.

24 (a) Prior to August 1, 1989, the tax is imposed at the rate

1 of 13 cents per gallon on all motor fuel used in motor vehicles
2 operating on the public highways and recreational type
3 watercraft operating upon the waters of this State. Beginning
4 on August 1, 1989 and until January 1, 1990, the rate of the
5 tax imposed in this paragraph shall be 16 cents per gallon.
6 Beginning January 1, 1990, the rate of tax imposed in this
7 paragraph, including the tax on compressed natural gas, shall
8 be 19 cents per gallon.

9 (b) The tax on the privilege of operating motor vehicles
10 which use diesel fuel, liquefied natural gas, or propane shall
11 be the rate according to paragraph (a) plus an additional 2 1/2
12 cents per gallon. "Diesel fuel" is defined as any product
13 intended for use or offered for sale as a fuel for engines in
14 which the fuel is injected into the combustion chamber and
15 ignited by pressure without electric spark.

16 (c) A tax is imposed upon the privilege of engaging in the
17 business of selling motor fuel as a retailer or reseller on all
18 motor fuel used in motor vehicles operating on the public
19 highways and recreational type watercraft operating upon the
20 waters of this State: (1) at the rate of 3 cents per gallon on
21 motor fuel owned or possessed by such retailer or reseller at
22 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per
23 gallon on motor fuel owned or possessed by such retailer or
24 reseller at 12:01 A.M. on January 1, 1990.

25 Retailers and resellers who are subject to this additional
26 tax shall be required to inventory such motor fuel and pay this

1 additional tax in a manner prescribed by the Department of
2 Revenue.

3 The tax imposed in this paragraph (c) shall be in addition
4 to all other taxes imposed by the State of Illinois or any unit
5 of local government in this State.

6 (d) Except as provided in Section 2a, the collection of a
7 tax based on gallonage of gasoline used for the propulsion of
8 any aircraft is prohibited on and after October 1, 1979, and
9 the collection of a tax based on gallonage of special fuel used
10 for the propulsion of any aircraft is prohibited on and after
11 December 1, 2017.

12 (e) The collection of a tax, based on gallonage of all
13 products commonly or commercially known or sold as 1-K
14 kerosene, regardless of its classification or uses, is
15 prohibited (i) on and after July 1, 1992 until December 31,
16 1999, except when the 1-K kerosene is either: (1) delivered
17 into bulk storage facilities of a bulk user, or (2) delivered
18 directly into the fuel supply tanks of motor vehicles and (ii)
19 on and after January 1, 2000. Beginning on January 1, 2000, the
20 collection of a tax, based on gallonage of all products
21 commonly or commercially known or sold as 1-K kerosene,
22 regardless of its classification or uses, is prohibited except
23 when the 1-K kerosene is delivered directly into a storage tank
24 that is located at a facility that has withdrawal facilities
25 that are readily accessible to and are capable of dispensing
26 1-K kerosene into the fuel supply tanks of motor vehicles. For

1 purposes of this subsection (e), a facility is considered to
2 have withdrawal facilities that are not "readily accessible to
3 and capable of dispensing 1-K kerosene into the fuel supply
4 tanks of motor vehicles" only if the 1-K kerosene is delivered
5 from: (i) a dispenser hose that is short enough so that it will
6 not reach the fuel supply tank of a motor vehicle or (ii) a
7 dispenser that is enclosed by a fence or other physical barrier
8 so that a vehicle cannot pull alongside the dispenser to permit
9 fueling.

10 Any person who sells or uses 1-K kerosene for use in motor
11 vehicles upon which the tax imposed by this Law has not been
12 paid shall be liable for any tax due on the sales or use of 1-K
13 kerosene.

14 (Source: P.A. 100-9, eff. 7-1-17.)

15 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

16 Sec. 2b. In addition to the tax collection and reporting
17 responsibilities imposed elsewhere in this Act, a person who is
18 required to pay the tax imposed by Section 2a of this Act shall
19 pay the tax to the Department by return showing all fuel
20 purchased, acquired or received and sold, distributed or used
21 during the preceding calendar month including losses of fuel as
22 the result of evaporation or shrinkage due to temperature
23 variations, and such other reasonable information as the
24 Department may require. Losses of fuel as the result of
25 evaporation or shrinkage due to temperature variations may not

1 exceed 1% of the total gallons in storage at the beginning of
2 the month, plus the receipts of gallonage during the month,
3 minus the gallonage remaining in storage at the end of the
4 month. Any loss reported that is in excess of this amount shall
5 be subject to the tax imposed by Section 2a of this Law. On and
6 after July 1, 2001, for each 6-month period January through
7 June, net losses of fuel (for each category of fuel that is
8 required to be reported on a return) as the result of
9 evaporation or shrinkage due to temperature variations may not
10 exceed 1% of the total gallons in storage at the beginning of
11 each January, plus the receipts of gallonage each January
12 through June, minus the gallonage remaining in storage at the
13 end of each June. On and after July 1, 2001, for each 6-month
14 period July through December, net losses of fuel (for each
15 category of fuel that is required to be reported on a return)
16 as the result of evaporation or shrinkage due to temperature
17 variations may not exceed 1% of the total gallons in storage at
18 the beginning of each July, plus the receipts of gallonage each
19 July through December, minus the gallonage remaining in storage
20 at the end of each December. Any net loss reported that is in
21 excess of this amount shall be subject to the tax imposed by
22 Section 2a of this Law. For purposes of this Section, "net
23 loss" means the number of gallons gained through temperature
24 variations minus the number of gallons lost through temperature
25 variations or evaporation for each of the respective 6-month
26 periods.

1 The return shall be prescribed by the Department and shall
2 be filed between the 1st and 20th days of each calendar month.
3 The Department may, in its discretion, combine the returns
4 filed under this Section, Section 5, and Section 5a of this
5 Act. The return must be accompanied by appropriate
6 computer-generated magnetic media supporting schedule data in
7 the format required by the Department, unless, as provided by
8 rule, the Department grants an exception upon petition of a
9 taxpayer. If the return is filed timely, the seller shall take
10 a discount of 2% through June 30, 2003 and 1.75% thereafter
11 which is allowed to reimburse the seller for the expenses
12 incurred in keeping records, preparing and filing returns,
13 collecting and remitting the tax and supplying data to the
14 Department on request. The discount, however, shall be
15 applicable only to the amount of payment which accompanies a
16 return that is filed timely in accordance with this Section.
17 The discount under this Section is not allowed for taxes paid
18 on aviation fuel that are deposited into the State Aviation
19 Program Fund under this Act.

20 Beginning on January 1, 2018, each person who is required
21 to pay the tax imposed under Section 2a of this Act on aviation
22 fuel sold or used in this State during the preceding calendar
23 month shall, instead of reporting and paying tax on aviation
24 fuel as otherwise required by this Section, report and pay such
25 tax on a separate aviation fuel tax return, on or before the
26 twentieth day of each calendar month. The requirements related

1 to the return shall be as otherwise provided in this Section.
2 Notwithstanding any other provisions of this Act to the
3 contrary, a person required to pay the tax imposed by Section
4 2a of this Act on aviation fuel shall file all aviation fuel
5 tax returns and shall make all aviation fuel tax payments by
6 electronic means in the manner and form required by the
7 Department. For purposes of this paragraph, "aviation fuel"
8 means a product that is intended for use or offered for sale as
9 fuel for an aircraft.

10 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

11 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

12 Sec. 8a. All money received by the Department under Section
13 2a of this Act, except money received from taxes on aviation
14 fuel sold or used on or after December 1, 2017, shall be
15 deposited in the Underground Storage Tank Fund created by
16 Section 57.11 of the Environmental Protection Act, as now or
17 hereafter amended. All money received by the Department under
18 Section 2a of this Act for aviation fuel sold or used on or
19 after December 1, 2017, shall be deposited into the State
20 Aviation Program Fund. This exception for aviation fuel only
21 applies for so long as the revenue use requirements of 49
22 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the State.
23 For purposes of this section, "aviation fuel" means a product
24 that is intended for use or offered for sale as fuel for an
25 aircraft.

1 (Source: P.A. 88-496.)

2 Section 35. The Innovation Development and Economy Act is
3 amended by changing Sections 10 and 31 as follows:

4 (50 ILCS 470/10)

5 Sec. 10. Definitions. As used in this Act, the following
6 words and phrases shall have the following meanings unless a
7 different meaning clearly appears from the context:

8 "Base year" means the calendar year immediately prior to
9 the calendar year in which the STAR bond district is
10 established.

11 "Commence work" means the manifest commencement of actual
12 operations on the development site, such as, erecting a
13 building, general on-site and off-site grading and utility
14 installations, commencing design and construction
15 documentation, ordering lead-time materials, excavating the
16 ground to lay a foundation or a basement, or work of like
17 description which a reasonable person would recognize as being
18 done with the intention and purpose to continue work until the
19 project is completed.

20 "County" means the county in which a proposed STAR bond
21 district is located.

22 "De minimis" means an amount less than 15% of the land area
23 within a STAR bond district.

24 "Department of Revenue" means the Department of Revenue of

1 the State of Illinois.

2 "Destination user" means an owner, operator, licensee,
3 co-developer, subdeveloper, or tenant (i) that operates a
4 business within a STAR bond district that is a retail store
5 having at least 150,000 square feet of sales floor area; (ii)
6 that at the time of opening does not have another Illinois
7 location within a 70 mile radius; (iii) that has an annual
8 average of not less than 30% of customers who travel from at
9 least 75 miles away or from out-of-state, as demonstrated by
10 data from a comparable existing store or stores, or, if there
11 is no comparable existing store, as demonstrated by an economic
12 analysis that shows that the proposed retailer will have an
13 annual average of not less than 30% of customers who travel
14 from at least 75 miles away or from out-of-state; and (iv) that
15 makes an initial capital investment, including project costs
16 and other direct costs, of not less than \$30,000,000 for such
17 retail store.

18 "Destination hotel" means a hotel (as that term is defined
19 in Section 2 of the Hotel Operators' Occupation Tax Act)
20 complex having at least 150 guest rooms and which also includes
21 a venue for entertainment attractions, rides, or other
22 activities oriented toward the entertainment and amusement of
23 its guests and other patrons.

24 "Developer" means any individual, corporation, trust,
25 estate, partnership, limited liability partnership, limited
26 liability company, or other entity. The term does not include a

1 not-for-profit entity, political subdivision, or other agency
2 or instrumentality of the State.

3 "Director" means the Director of Revenue, who shall consult
4 with the Director of Commerce and Economic Opportunity in any
5 approvals or decisions required by the Director under this Act.

6 "Economic impact study" means a study conducted by an
7 independent economist to project the financial benefit of the
8 proposed STAR bond project to the local, regional, and State
9 economies, consider the proposed adverse impacts on similar
10 projects and businesses, as well as municipalities within the
11 projected market area, and draw conclusions about the net
12 effect of the proposed STAR bond project on the local,
13 regional, and State economies. A copy of the economic impact
14 study shall be provided to the Director for review.

15 "Eligible area" means any improved or vacant area that (i)
16 is contiguous and is not, in the aggregate, less than 250 acres
17 nor more than 500 acres which must include only parcels of real
18 property directly and substantially benefited by the proposed
19 STAR bond district plan, (ii) is adjacent to a federal
20 interstate highway, (iii) is within one mile of 2 State
21 highways, (iv) is within one mile of an entertainment user, or
22 a major or minor league sports stadium or other similar
23 entertainment venue that had an initial capital investment of
24 at least \$20,000,000, and (v) includes land that was previously
25 surface or strip mined. The area may be bisected by streets,
26 highways, roads, alleys, railways, bike paths, streams,

1 rivers, and other waterways and still be deemed contiguous. In
2 addition, in order to constitute an eligible area one of the
3 following requirements must be satisfied and all of which are
4 subject to the review and approval of the Director as provided
5 in subsection (d) of Section 15:

6 (a) the governing body of the political subdivision
7 shall have determined that the area meets the requirements
8 of a "blighted area" as defined under the Tax Increment
9 Allocation Redevelopment Act; or

10 (b) the governing body of the political subdivision
11 shall have determined that the area is a blighted area as
12 determined under the provisions of Section 11-74.3-5 of the
13 Illinois Municipal Code; or

14 (c) the governing body of the political subdivision
15 shall make the following findings:

16 (i) that the vacant portions of the area have
17 remained vacant for at least one year, or that any
18 building located on a vacant portion of the property
19 was demolished within the last year and that the
20 building would have qualified under item (ii) of this
21 subsection;

22 (ii) if portions of the area are currently
23 developed, that the use, condition, and character of
24 the buildings on the property are not consistent with
25 the purposes set forth in Section 5;

26 (iii) that the STAR bond district is expected to

1 create or retain job opportunities within the
2 political subdivision;

3 (iv) that the STAR bond district will serve to
4 further the development of adjacent areas;

5 (v) that without the availability of STAR bonds,
6 the projects described in the STAR bond district plan
7 would not be possible;

8 (vi) that the master developer meets high
9 standards of creditworthiness and financial strength
10 as demonstrated by one or more of the following: (i)
11 corporate debenture ratings of BBB or higher by
12 Standard & Poor's Corporation or Baa or higher by
13 Moody's Investors Service, Inc.; (ii) a letter from a
14 financial institution with assets of \$10,000,000 or
15 more attesting to the financial strength of the master
16 developer; or (iii) specific evidence of equity
17 financing for not less than 10% of the estimated total
18 STAR bond project costs;

19 (vii) that the STAR bond district will strengthen
20 the commercial sector of the political subdivision;

21 (viii) that the STAR bond district will enhance the
22 tax base of the political subdivision; and

23 (ix) that the formation of a STAR bond district is
24 in the best interest of the political subdivision.

25 "Entertainment user" means an owner, operator, licensee,
26 co-developer, subdeveloper, or tenant that operates a business

1 within a STAR bond district that has a primary use of providing
2 a venue for entertainment attractions, rides, or other
3 activities oriented toward the entertainment and amusement of
4 its patrons, occupies at least 20 acres of land in the STAR
5 bond district, and makes an initial capital investment,
6 including project costs and other direct and indirect costs, of
7 not less than \$25,000,000 for that venue.

8 "Feasibility study" means a feasibility study as defined in
9 subsection (b) of Section 20.

10 "Infrastructure" means the public improvements and private
11 improvements that serve the public purposes set forth in
12 Section 5 of this Act and that benefit the STAR bond district
13 or any STAR bond projects, including, but not limited to,
14 streets, drives and driveways, traffic and directional signs
15 and signals, parking lots and parking facilities,
16 interchanges, highways, sidewalks, bridges, underpasses and
17 overpasses, bike and walking trails, sanitary storm sewers and
18 lift stations, drainage conduits, channels, levees, canals,
19 storm water detention and retention facilities, utilities and
20 utility connections, water mains and extensions, and street and
21 parking lot lighting and connections.

22 "Local sales taxes" means any locally imposed taxes
23 received by a municipality, county, or other local governmental
24 entity arising from sales by retailers and servicemen within a
25 STAR bond district, including business district sales taxes and
26 STAR bond occupation taxes, and that portion of the net revenue

1 realized under the Retailers' Occupation Tax Act, the Use Tax
2 Act, the Service Use Tax Act, and the Service Occupation Tax
3 Act from transactions at places of business located within a
4 STAR bond district that is deposited into the Local Government
5 Tax Fund and the County and Mass Transit District Fund. For the
6 purpose of this Act, "local sales taxes" does not include (i)
7 any taxes authorized pursuant to the Local Mass Transit
8 District Act or the Metro-East Park and Recreation District Act
9 for so long as the applicable taxing district does not impose a
10 tax on real property, (ii) county school facility occupation
11 taxes imposed pursuant to Section 5-1006.7 of the Counties
12 Code, or (iii) any taxes authorized under the Flood Prevention
13 District Act.

14 "Local sales tax increment" means, except as otherwise
15 provided in this Section, with respect to local sales taxes
16 administered by the Illinois Department of Revenue, (i) all of
17 the local sales tax paid by destination users, destination
18 hotels, and entertainment users that is in excess of the local
19 sales tax paid by destination users, destination hotels, and
20 entertainment users for the same month in the base year, as
21 determined by the Illinois Department of Revenue, (ii) in the
22 case of a municipality forming a STAR bond district that is
23 wholly within the corporate boundaries of the municipality and
24 in the case of a municipality and county forming a STAR bond
25 district that is only partially within such municipality, that
26 portion of the local sales tax paid by taxpayers that are not

1 destination users, destination hotels, or entertainment users
2 that is in excess of the local sales tax paid by taxpayers that
3 are not destination users, destination hotels, or
4 entertainment users for the same month in the base year, as
5 determined by the Illinois Department of Revenue, and (iii) in
6 the case of a county in which a STAR bond district is formed
7 that is wholly within a municipality, that portion of the local
8 sales tax paid by taxpayers that are not destination users,
9 destination hotels, or entertainment users that is in excess of
10 the local sales tax paid by taxpayers that are not destination
11 users, destination hotels, or entertainment users for the same
12 month in the base year, as determined by the Illinois
13 Department of Revenue, but only if the corporate authorities of
14 the county adopts an ordinance, and files a copy with the
15 Department within the same time frames as required for STAR
16 bond occupation taxes under Section 31, that designates the
17 taxes referenced in this clause (iii) as part of the local
18 sales tax increment under this Act. "Local sales tax increment"
19 means, with respect to local sales taxes administered by a
20 municipality, county, or other unit of local government, that
21 portion of the local sales tax that is in excess of the local
22 sales tax for the same month in the base year, as determined by
23 the respective municipality, county, or other unit of local
24 government. If any portion of local sales taxes are, at the
25 time of formation of a STAR bond district, already subject to
26 tax increment financing under the Tax Increment Allocation

1 Redevelopment Act, then the local sales tax increment for such
2 portion shall be frozen at the base year established in
3 accordance with this Act, and all future incremental increases
4 shall be included in the "local sales tax increment" under this
5 Act. Any party otherwise entitled to receipt of incremental
6 local sales tax revenues through an existing tax increment
7 financing district shall be entitled to continue to receive
8 such revenues up to the amount frozen in the base year. Nothing
9 in this Act shall affect the prior qualification of existing
10 redevelopment project costs incurred that are eligible for
11 reimbursement under the Tax Increment Allocation Redevelopment
12 Act. In such event, prior to approving a STAR bond district,
13 the political subdivision forming the STAR bond district shall
14 take such action as is necessary, including amending the
15 existing tax increment financing district redevelopment plan,
16 to carry out the provisions of this Act. The Illinois
17 Department of Revenue shall allocate the local sales tax
18 increment only if the local sales tax is administered by the
19 Department. "Local sales tax increment" does not include taxes
20 and penalties collected on aviation fuel, as defined in Section
21 3 of the Retailers' Occupation Tax, sold on or after December
22 1, 2017.

23 "Market study" means a study to determine the ability of
24 the proposed STAR bond project to gain market share locally and
25 regionally and to remain profitable past the term of repayment
26 of STAR bonds.

1 "Master developer" means a developer cooperating with a
2 political subdivision to plan, develop, and implement a STAR
3 bond project plan for a STAR bond district. Subject to the
4 limitations of Section 25, the master developer may work with
5 and transfer certain development rights to other developers for
6 the purpose of implementing STAR bond project plans and
7 achieving the purposes of this Act. A master developer for a
8 STAR bond district shall be appointed by a political
9 subdivision in the resolution establishing the STAR bond
10 district, and the master developer must, at the time of
11 appointment, own or have control of, through purchase
12 agreements, option contracts, or other means, not less than 50%
13 of the acreage within the STAR bond district and the master
14 developer or its affiliate must have ownership or control on
15 June 1, 2010.

16 "Master development agreement" means an agreement between
17 the master developer and the political subdivision to govern a
18 STAR bond district and any STAR bond projects.

19 "Municipality" means the city, village, or incorporated
20 town in which a proposed STAR bond district is located.

21 "Pledged STAR revenues" means those sales tax and revenues
22 and other sources of funds pledged to pay debt service on STAR
23 bonds or to pay project costs pursuant to Section 30.
24 Notwithstanding any provision to the contrary, the following
25 revenues shall not constitute pledged STAR revenues or be
26 available to pay principal and interest on STAR bonds: any

1 State sales tax increment or local sales tax increment from a
2 retail entity initiating operations in a STAR bond district
3 while terminating operations at another Illinois location
4 within 25 miles of the STAR bond district. For purposes of this
5 paragraph, "terminating operations" means a closing of a retail
6 operation that is directly related to the opening of the same
7 operation or like retail entity owned or operated by more than
8 50% of the original ownership in a STAR bond district within
9 one year before or after initiating operations in the STAR bond
10 district, but it does not mean closing an operation for reasons
11 beyond the control of the retail entity, as documented by the
12 retail entity, subject to a reasonable finding by the
13 municipality (or county if such retail operation is not located
14 within a municipality) in which the terminated operations were
15 located that the closed location contained inadequate space,
16 had become economically obsolete, or was no longer a viable
17 location for the retailer or serviceman.

18 "Political subdivision" means a municipality or county
19 which undertakes to establish a STAR bond district pursuant to
20 the provisions of this Act.

21 "Project costs" means and includes the sum total of all
22 costs incurred or estimated to be incurred on or following the
23 date of establishment of a STAR bond district that are
24 reasonable or necessary to implement a STAR bond district plan
25 or any STAR bond project plans, or both, including costs
26 incurred for public improvements and private improvements that

1 serve the public purposes set forth in Section 5 of this Act.

2 Such costs include without limitation the following:

3 (a) costs of studies, surveys, development of plans and
4 specifications, formation, implementation, and
5 administration of a STAR bond district, STAR bond district
6 plan, any STAR bond projects, or any STAR bond project
7 plans, including, but not limited to, staff and
8 professional service costs for architectural, engineering,
9 legal, financial, planning, or other services, provided
10 however that no charges for professional services may be
11 based on a percentage of the tax increment collected and no
12 contracts for professional services, excluding
13 architectural and engineering services, may be entered
14 into if the terms of the contract extend beyond a period of
15 3 years;

16 (b) property assembly costs, including, but not
17 limited to, acquisition of land and other real property or
18 rights or interests therein, located within the boundaries
19 of a STAR bond district, demolition of buildings, site
20 preparation, site improvements that serve as an engineered
21 barrier addressing ground level or below ground
22 environmental contamination, including, but not limited
23 to, parking lots and other concrete or asphalt barriers,
24 the clearing and grading of land, and importing additional
25 soil and fill materials, or removal of soil and fill
26 materials from the site;

1 (c) subject to paragraph (d), costs of buildings and
2 other vertical improvements that are located within the
3 boundaries of a STAR bond district and owned by a political
4 subdivision or other public entity, including without
5 limitation police and fire stations, educational
6 facilities, and public restrooms and rest areas;

7 (c-1) costs of buildings and other vertical
8 improvements that are located within the boundaries of a
9 STAR bond district and owned by a destination user or
10 destination hotel; except that only 2 destination users in
11 a STAR bond district and one destination hotel are eligible
12 to include the cost of those vertical improvements as
13 project costs;

14 (c-5) costs of buildings; rides and attractions, which
15 include carousels, slides, roller coasters, displays,
16 models, towers, works of art, and similar theme and
17 amusement park improvements; and other vertical
18 improvements that are located within the boundaries of a
19 STAR bond district and owned by an entertainment user;
20 except that only one entertainment user in a STAR bond
21 district is eligible to include the cost of those vertical
22 improvements as project costs;

23 (d) costs of the design and construction of
24 infrastructure and public works located within the
25 boundaries of a STAR bond district that are reasonable or
26 necessary to implement a STAR bond district plan or any

1 STAR bond project plans, or both, except that project costs
2 shall not include the cost of constructing a new municipal
3 public building principally used to provide offices,
4 storage space, or conference facilities or vehicle
5 storage, maintenance, or repair for administrative, public
6 safety, or public works personnel and that is not intended
7 to replace an existing public building unless the political
8 subdivision makes a reasonable determination in a STAR bond
9 district plan or any STAR bond project plans, supported by
10 information that provides the basis for that
11 determination, that the new municipal building is required
12 to meet an increase in the need for public safety purposes
13 anticipated to result from the implementation of the STAR
14 bond district plan or any STAR bond project plans;

15 (e) costs of the design and construction of the
16 following improvements located outside the boundaries of a
17 STAR bond district, provided that the costs are essential
18 to further the purpose and development of a STAR bond
19 district plan and either (i) part of and connected to
20 sewer, water, or utility service lines that physically
21 connect to the STAR bond district or (ii) significant
22 improvements for adjacent offsite highways, streets,
23 roadways, and interchanges that are approved by the
24 Illinois Department of Transportation. No other cost of
25 infrastructure and public works improvements located
26 outside the boundaries of a STAR bond district may be

1 deemed project costs;

2 (f) costs of job training and retraining projects,
3 including the cost of "welfare to work" programs
4 implemented by businesses located within a STAR bond
5 district;

6 (g) financing costs, including, but not limited to, all
7 necessary and incidental expenses related to the issuance
8 of obligations and which may include payment of interest on
9 any obligations issued hereunder including interest
10 accruing during the estimated period of construction of any
11 improvements in a STAR bond district or any STAR bond
12 projects for which such obligations are issued and for not
13 exceeding 36 months thereafter and including reasonable
14 reserves related thereto;

15 (h) to the extent the political subdivision by written
16 agreement accepts and approves the same, all or a portion
17 of a taxing district's capital costs resulting from a STAR
18 bond district or STAR bond projects necessarily incurred or
19 to be incurred within a taxing district in furtherance of
20 the objectives of a STAR bond district plan or STAR bond
21 project plans;

22 (i) interest cost incurred by a developer for project
23 costs related to the acquisition, formation,
24 implementation, development, construction, and
25 administration of a STAR bond district, STAR bond district
26 plan, STAR bond projects, or any STAR bond project plans

1 provided that:

2 (i) payment of such costs in any one year may not
3 exceed 30% of the annual interest costs incurred by the
4 developer with regard to the STAR bond district or any
5 STAR bond projects during that year; and

6 (ii) the total of such interest payments paid
7 pursuant to this Act may not exceed 30% of the total
8 cost paid or incurred by the developer for a STAR bond
9 district or STAR bond projects, plus project costs,
10 excluding any property assembly costs incurred by a
11 political subdivision pursuant to this Act;

12 (j) costs of common areas located within the boundaries
13 of a STAR bond district;

14 (k) costs of landscaping and plantings, retaining
15 walls and fences, man-made lakes and ponds, shelters,
16 benches, lighting, and similar amenities located within
17 the boundaries of a STAR bond district;

18 (l) costs of mounted building signs, site monument, and
19 pylon signs located within the boundaries of a STAR bond
20 district; or

21 (m) if included in the STAR bond district plan and
22 approved in writing by the Director, salaries or a portion
23 of salaries for local government employees to the extent
24 the same are directly attributable to the work of such
25 employees on the establishment and management of a STAR
26 bond district or any STAR bond projects.

1 Except as specified in items (a) through (m), "project
2 costs" shall not include:

3 (i) the cost of construction of buildings that are
4 privately owned or owned by a municipality and leased to a
5 developer or retail user for non-entertainment retail
6 uses;

7 (ii) moving expenses for employees of the businesses
8 locating within the STAR bond district;

9 (iii) property taxes for property located in the STAR
10 bond district;

11 (iv) lobbying costs; and

12 (v) general overhead or administrative costs of the
13 political subdivision that would still have been incurred
14 by the political subdivision if the political subdivision
15 had not established a STAR bond district.

16 "Project development agreement" means any one or more
17 agreements, including any amendments thereto, between a master
18 developer and any co-developer or subdeveloper in connection
19 with a STAR bond project, which project development agreement
20 may include the political subdivision as a party.

21 "Projected market area" means any area within the State in
22 which a STAR bond district or STAR bond project is projected to
23 have a significant fiscal or market impact as determined by the
24 Director.

25 "Resolution" means a resolution, order, ordinance, or
26 other appropriate form of legislative action of a political

1 subdivision or other applicable public entity approved by a
2 vote of a majority of a quorum at a meeting of the governing
3 body of the political subdivision or applicable public entity.

4 "STAR bond" means a sales tax and revenue bond, note, or
5 other obligation payable from pledged STAR revenues and issued
6 by a political subdivision, the proceeds of which shall be used
7 only to pay project costs as defined in this Act.

8 "STAR bond district" means the specific area declared to be
9 an eligible area as determined by the political subdivision,
10 and approved by the Director, in which the political
11 subdivision may develop one or more STAR bond projects.

12 "STAR bond district plan" means the preliminary or
13 conceptual plan that generally identifies the proposed STAR
14 bond project areas and identifies in a general manner the
15 buildings, facilities, and improvements to be constructed or
16 improved in each STAR bond project area.

17 "STAR bond project" means a project within a STAR bond
18 district which is approved pursuant to Section 20.

19 "STAR bond project area" means the geographic area within a
20 STAR bond district in which there may be one or more STAR bond
21 projects.

22 "STAR bond project plan" means the written plan adopted by
23 a political subdivision for the development of a STAR bond
24 project in a STAR bond district; the plan may include, but is
25 not limited to, (i) project costs incurred prior to the date of
26 the STAR bond project plan and estimated future STAR bond

1 project costs, (ii) proposed sources of funds to pay those
2 costs, (iii) the nature and estimated term of any obligations
3 to be issued by the political subdivision to pay those costs,
4 (iv) the most recent equalized assessed valuation of the STAR
5 bond project area, (v) an estimate of the equalized assessed
6 valuation of the STAR bond district or applicable project area
7 after completion of a STAR bond project, (vi) a general
8 description of the types of any known or proposed developers,
9 users, or tenants of the STAR bond project or projects included
10 in the plan, (vii) a general description of the type,
11 structure, and character of the property or facilities to be
12 developed or improved, (viii) a description of the general land
13 uses to apply to the STAR bond project, and (ix) a general
14 description or an estimate of the type, class, and number of
15 employees to be employed in the operation of the STAR bond
16 project.

17 "State sales tax" means all of the net revenue realized
18 under the Retailers' Occupation Tax Act, the Use Tax Act, the
19 Service Use Tax Act, and the Service Occupation Tax Act from
20 transactions at places of business located within a STAR bond
21 district, excluding that portion of the net revenue realized
22 under the Retailers' Occupation Tax Act, the Use Tax Act, the
23 Service Use Tax Act, and the Service Occupation Tax Act from
24 transactions at places of business located within a STAR bond
25 district that is deposited into the Local Government Tax Fund
26 and the County and Mass Transit District Fund.

1 "State sales tax increment" means (i) 100% of that portion
2 of the State sales tax that is in excess of the State sales tax
3 for the same month in the base year, as determined by the
4 Department of Revenue, from transactions at up to 2 destination
5 users, one destination hotel, and one entertainment user
6 located within a STAR bond district, which destination users,
7 destination hotel, and entertainment user shall be designated
8 by the master developer and approved by the political
9 subdivision and the Director in conjunction with the applicable
10 STAR bond project approval, and (ii) 25% of that portion of the
11 State sales tax that is in excess of the State sales tax for
12 the same month in the base year, as determined by the
13 Department of Revenue, from all other transactions within a
14 STAR bond district. If any portion of State sales taxes are, at
15 the time of formation of a STAR bond district, already subject
16 to tax increment financing under the Tax Increment Allocation
17 Redevelopment Act, then the State sales tax increment for such
18 portion shall be frozen at the base year established in
19 accordance with this Act, and all future incremental increases
20 shall be included in the State sales tax increment under this
21 Act. Any party otherwise entitled to receipt of incremental
22 State sales tax revenues through an existing tax increment
23 financing district shall be entitled to continue to receive
24 such revenues up to the amount frozen in the base year. Nothing
25 in this Act shall affect the prior qualification of existing
26 redevelopment project costs incurred that are eligible for

1 reimbursement under the Tax Increment Allocation Redevelopment
2 Act. In such event, prior to approving a STAR bond district,
3 the political subdivision forming the STAR bond district shall
4 take such action as is necessary, including amending the
5 existing tax increment financing district redevelopment plan,
6 to carry out the provisions of this Act.

7 "Substantial change" means a change wherein the proposed
8 STAR bond project plan differs substantially in size, scope, or
9 use from the approved STAR bond district plan or STAR bond
10 project plan.

11 "Taxpayer" means an individual, partnership, corporation,
12 limited liability company, trust, estate, or other entity that
13 is subject to the Illinois Income Tax Act.

14 "Total development costs" means the aggregate public and
15 private investment in a STAR bond district, including project
16 costs and other direct and indirect costs related to the
17 development of the STAR bond district.

18 "Traditional retail use" means the operation of a business
19 that derives at least 90% of its annual gross revenue from
20 sales at retail, as that phrase is defined by Section 1 of the
21 Retailers' Occupation Tax Act, but does not include the
22 operations of destination users, entertainment users,
23 restaurants, hotels, retail uses within hotels, or any other
24 non-retail uses.

25 "Vacant" means that portion of the land in a proposed STAR
26 bond district that is not occupied by a building, facility, or

1 other vertical improvement.

2 (Source: P.A. 99-642, eff. 7-28-16.)

3 (50 ILCS 470/31)

4 Sec. 31. STAR bond occupation taxes.

5 (a) If the corporate authorities of a political subdivision
6 have established a STAR bond district and have elected to
7 impose a tax by ordinance pursuant to subsection (b) or (c) of
8 this Section, each year after the date of the adoption of the
9 ordinance and until all STAR bond project costs and all
10 political subdivision obligations financing the STAR bond
11 project costs, if any, have been paid in accordance with the
12 STAR bond project plans, but in no event longer than the
13 maximum maturity date of the last of the STAR bonds issued for
14 projects in the STAR bond district, all amounts generated by
15 the retailers' occupation tax and service occupation tax shall
16 be collected and the tax shall be enforced by the Department of
17 Revenue in the same manner as all retailers' occupation taxes
18 and service occupation taxes imposed in the political
19 subdivision imposing the tax. The corporate authorities of the
20 political subdivision shall deposit the proceeds of the taxes
21 imposed under subsections (b) and (c) into either (i) a special
22 fund held by the corporate authorities of the political
23 subdivision called the STAR Bonds Tax Allocation Fund for the
24 purpose of paying STAR bond project costs and obligations
25 incurred in the payment of those costs if such taxes are

1 designated as pledged STAR revenues by resolution or ordinance
2 of the political subdivision or (ii) the political
3 subdivision's general corporate fund if such taxes are not
4 designated as pledged STAR revenues by resolution or ordinance.

5 The tax imposed under this Section by a municipality may be
6 imposed only on the portion of a STAR bond district that is
7 within the boundaries of the municipality. For any part of a
8 STAR bond district that lies outside of the boundaries of that
9 municipality, the municipality in which the other part of the
10 STAR bond district lies (or the county, in cases where a
11 portion of the STAR bond district lies in the unincorporated
12 area of a county) is authorized to impose the tax under this
13 Section on that part of the STAR bond district.

14 (b) The corporate authorities of a political subdivision
15 that has established a STAR bond district under this Act may,
16 by ordinance or resolution, impose a STAR Bond Retailers'
17 Occupation Tax upon all persons engaged in the business of
18 selling tangible personal property, other than an item of
19 tangible personal property titled or registered with an agency
20 of this State's government, at retail in the STAR bond district
21 at a rate not to exceed 1% of the gross receipts from the sales
22 made in the course of that business, to be imposed only in
23 0.25% increments. The tax may not be imposed on food for human
24 consumption that is to be consumed off the premises where it is
25 sold (other than alcoholic beverages, soft drinks, and food
26 that has been prepared for immediate consumption),

1 prescription and nonprescription medicines, drugs, medical
2 appliances, modifications to a motor vehicle for the purpose of
3 rendering it usable by a person with a disability, and insulin,
4 urine testing materials, syringes, and needles used by
5 diabetics, for human use. Beginning December 1, 2017, this tax
6 is not imposed on sales of aviation fuel unless the tax revenue
7 is expended for airport-related purposes. If the District does
8 not have an airport-related purpose to which aviation fuel tax
9 revenue is dedicated, then aviation fuel is excluded from the
10 tax. The municipality must comply with the certification
11 requirements for airport-related purposes under Section
12 8-11-22 of the Illinois Municipal Code. For purposes of this
13 Act, "airport-related purposes" has the meaning ascribed in
14 Section 6z-20.2 of the State Finance Act. This exclusion for
15 aviation fuel only applies for so long as the revenue use
16 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
17 binding on the District.

18 The tax imposed under this subsection and all civil
19 penalties that may be assessed as an incident thereof shall be
20 collected and enforced by the Department of Revenue. The
21 certificate of registration that is issued by the Department to
22 a retailer under the Retailers' Occupation Tax Act shall permit
23 the retailer to engage in a business that is taxable under any
24 ordinance or resolution enacted pursuant to this subsection
25 without registering separately with the Department under such
26 ordinance or resolution or under this subsection. The

1 Department of Revenue shall have full power to administer and
2 enforce this subsection, to collect all taxes and penalties due
3 under this subsection in the manner hereinafter provided, and
4 to determine all rights to credit memoranda arising on account
5 of the erroneous payment of tax or penalty under this
6 subsection. In the administration of, and compliance with, this
7 subsection, the Department and persons who are subject to this
8 subsection shall have the same rights, remedies, privileges,
9 immunities, powers, and duties, and be subject to the same
10 conditions, restrictions, limitations, penalties, exclusions,
11 exemptions, and definitions of terms and employ the same modes
12 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
13 through 2-65 (in respect to all provisions therein other than
14 the State rate of tax), 2c through 2h, 3 (except as to the
15 disposition of taxes and penalties collected, and except that
16 the retailer's discount is not allowed for taxes paid on
17 aviation fuel that are deposited into the Local Government
18 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,
19 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
20 Retailers' Occupation Tax Act and all provisions of the Uniform
21 Penalty and Interest Act, as fully as if those provisions were
22 set forth herein.

23 If a tax is imposed under this subsection (b), a tax shall
24 also be imposed under subsection (c) of this Section.

25 (c) If a tax has been imposed under subsection (b), a STAR
26 Bond Service Occupation Tax shall also be imposed upon all

1 persons engaged, in the STAR bond district, 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 STAR bond district, either in the form of tangible personal
5 property or in the form of real estate as an incident to a sale
6 of service. The tax shall be imposed at the same rate as the
7 tax imposed in subsection (b) and shall not exceed 1% of the
8 selling price of tangible personal property so transferred
9 within the STAR bond district, to be imposed only in 0.25%
10 increments. The tax may not be imposed on 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
13 that has been prepared for immediate consumption),
14 prescription and nonprescription medicines, drugs, medical
15 appliances, modifications to a motor vehicle for the purpose of
16 rendering it usable by a person with a disability, and insulin,
17 urine testing materials, syringes, and needles used by
18 diabetics, for human use. Beginning December 1, 2017, this tax
19 is not imposed on sales of aviation fuel unless the tax revenue
20 is expended for airport-related purposes. If the District does
21 not have an airport-related purpose to which aviation fuel tax
22 revenue is dedicated, then aviation fuel is excluded from the
23 tax. The municipality must comply with the certification
24 requirements for airport-related purposes under Section
25 8-11-22 of the Illinois Municipal Code. For purposes of this
26 Act, "airport-related purposes" has the meaning ascribed in

1 Section 6z-20.2 of the State Finance Act. This exclusion for
2 aviation fuel only applies for so long as the revenue use
3 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
4 binding on the District.

5 The tax imposed under this subsection and all civil
6 penalties that may be assessed as an incident thereof shall be
7 collected and enforced by the Department of Revenue. The
8 certificate of registration that is issued by the Department to
9 a retailer under the Retailers' Occupation Tax Act or under the
10 Service Occupation Tax Act shall permit the registrant to
11 engage in a business that is taxable under any ordinance or
12 resolution enacted pursuant to this subsection without
13 registering separately with the Department under that
14 ordinance or resolution or under this subsection. The
15 Department of Revenue shall have full power to administer and
16 enforce this subsection, to collect all taxes and penalties due
17 under this subsection, to dispose of taxes and penalties so
18 collected in the manner hereinafter provided, and to determine
19 all rights to credit memoranda arising on account of the
20 erroneous payment of tax or penalty under this subsection. In
21 the administration of, and compliance with this subsection, the
22 Department and persons who are subject to this subsection shall
23 have the same rights, remedies, privileges, immunities,
24 powers, and duties, and be subject to the same conditions,
25 restrictions, limitations, penalties, exclusions, exemptions,
26 and definitions of terms and employ the same modes of procedure

1 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
2 (in respect to all provisions therein other than the State rate
3 of tax), 4 (except that the reference to the State shall be to
4 the STAR bond district), 5, 7, 8 (except that the jurisdiction
5 to which the tax shall be a debt to the extent indicated in
6 that Section 8 shall be the political subdivision), 9 (except
7 as to the disposition of taxes and penalties collected, and
8 except that the returned merchandise credit for this tax may
9 not be taken against any State tax, and except that the
10 retailer's discount is not allowed for taxes paid on aviation
11 fuel that are deposited into the Local Government Aviation
12 Trust Fund), 10, 11, 12 (except the reference therein to
13 Section 2b of the Retailers' Occupation Tax Act), 13 (except
14 that any reference to the State shall mean the political
15 subdivision), the first paragraph of Section 15, and Sections
16 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all
17 provisions of the Uniform Penalty and Interest Act, as fully as
18 if those provisions were set forth herein.

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

21 (d) Persons subject to any tax imposed under this Section
22 may reimburse themselves for their seller's tax liability under
23 this Section by separately stating the tax as an additional
24 charge, which charge may be stated in combination, in a single
25 amount, with State taxes that sellers are required to collect
26 under the Use Tax Act, in accordance with such bracket

1 schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this Section to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order 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 STAR Bond Retailers' Occupation Tax Fund.

9 Except as otherwise provided in this paragraph, the ~~The~~
10 Department shall immediately pay over to the State Treasurer,
11 ex officio, as trustee, all taxes, penalties, and interest
12 collected under this Section for deposit into the STAR Bond
13 Retailers' Occupation Tax Fund. Taxes and penalties collected
14 on aviation fuel sold on or after December 1, 2017, shall be
15 immediately paid over by the Department to the State Treasurer,
16 ex officio, as trustee, for deposit into the Local Government
17 Aviation Trust Fund. The Department shall only pay moneys into
18 the State Aviation Program Fund under this Act for so long as
19 the revenue use requirements of 49 U.S.C. §47107(b) and 49
20 U.S.C. §47133 are binding on the District. On or before the
21 25th day of each calendar month, the Department shall prepare
22 and certify to the Comptroller the disbursement of stated sums
23 of money to named political subdivisions from the STAR Bond
24 Retailers' Occupation Tax Fund, the political subdivisions to
25 be those from which retailers have paid taxes or penalties
26 under this Section to the Department during the second

1 preceding calendar month. The amount to be paid to each
2 political subdivision shall be the amount (not including credit
3 memoranda and not including taxes and penalties collected on
4 aviation fuel sold on or after December 1, 2017) collected
5 under this Section during the second preceding calendar month
6 by the Department plus an amount the Department determines is
7 necessary to offset any amounts that were erroneously paid to a
8 different taxing body, and not including an amount equal to the
9 amount of refunds made during the second preceding calendar
10 month by the Department, less 3% of that amount, which shall be
11 deposited into the Tax Compliance and Administration Fund and
12 shall be used by the Department, subject to appropriation, to
13 cover the costs of the Department in administering and
14 enforcing the provisions of this Section, on behalf of such
15 political subdivision, and not including any amount that the
16 Department determines is necessary to offset any amounts that
17 were payable to a different taxing body but were erroneously
18 paid to the political subdivision. Within 10 days after receipt
19 by the Comptroller of the disbursement certification to the
20 political subdivisions provided for in this Section to be given
21 to the Comptroller by the Department, the Comptroller shall
22 cause the orders to be drawn for the respective amounts in
23 accordance with the directions contained in the certification.
24 The proceeds of the tax paid to political subdivisions under
25 this Section shall be deposited into either (i) the STAR Bonds
26 Tax Allocation Fund by the political subdivision if the

1 political subdivision has designated them as pledged STAR
2 revenues by resolution or ordinance or (ii) the political
3 subdivision's general corporate fund if the political
4 subdivision has not designated them as pledged STAR revenues.

5 An ordinance or resolution imposing or discontinuing the
6 tax under this Section or effecting a change in the rate
7 thereof shall either (i) be adopted and a certified copy
8 thereof filed with the Department on or before the first day of
9 April, whereupon the Department, if all other requirements of
10 this Section are met, shall proceed to administer and enforce
11 this Section as of the first day of July next following the
12 adoption and filing; or (ii) be adopted and a certified copy
13 thereof filed with the Department on or before the first day of
14 October, whereupon, if all other requirements of this Section
15 are met, the Department shall proceed to administer and enforce
16 this Section as of the first day of January next following the
17 adoption and filing.

18 The Department of Revenue shall not administer or enforce
19 an ordinance imposing, discontinuing, or changing the rate of
20 the tax under this Section until the political subdivision also
21 provides, in the manner prescribed by the Department, the
22 boundaries of the STAR bond district and each address in the
23 STAR bond district in such a way that the Department can
24 determine by its address whether a business is located in the
25 STAR bond district. The political subdivision must provide this
26 boundary and address information to the Department on or before

1 April 1 for administration and enforcement of the tax under
2 this Section by the Department beginning on the following July
3 1 and on or before October 1 for administration and enforcement
4 of the tax under this Section by the Department beginning on
5 the following January 1. The Department of Revenue shall not
6 administer or enforce any change made to the boundaries of a
7 STAR bond district or any address change, addition, or deletion
8 until the political subdivision reports the boundary change or
9 address change, addition, or deletion to the Department in the
10 manner prescribed by the Department. The political subdivision
11 must provide this boundary change or address change, addition,
12 or deletion information to the Department on or before April 1
13 for administration and enforcement by the Department of the
14 change, addition, or deletion beginning on the following July 1
15 and on or before October 1 for administration and enforcement
16 by the Department of the change, addition, or deletion
17 beginning on the following January 1. The retailers in the STAR
18 bond district shall be responsible for charging the tax imposed
19 under this Section. If a retailer is incorrectly included or
20 excluded from the list of those required to collect the tax
21 under this Section, both the Department of Revenue and the
22 retailer shall be held harmless if they reasonably relied on
23 information provided by the political subdivision.

24 A political subdivision that imposes the tax under this
25 Section must submit to the Department of Revenue any other
26 information as the Department may require that is necessary for

1 the administration and enforcement of the tax.

2 When certifying the amount of a monthly disbursement to a
3 political subdivision under this Section, the Department shall
4 increase or decrease the amount by an amount necessary to
5 offset any misallocation of previous disbursements. The offset
6 amount shall be the amount erroneously disbursed within the
7 previous 6 months from the time a misallocation is discovered.

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

13 (e) When STAR bond project costs, including, without
14 limitation, all political subdivision obligations financing
15 STAR bond project costs, have been paid, any surplus funds then
16 remaining in the STAR Bonds Tax Allocation Fund shall be
17 distributed to the treasurer of the political subdivision for
18 deposit into the political subdivision's general corporate
19 fund. Upon payment of all STAR bond project costs and
20 retirement of obligations, but in no event later than the
21 maximum maturity date of the last of the STAR bonds issued in
22 the STAR bond district, the political subdivision shall adopt
23 an ordinance immediately rescinding the taxes imposed pursuant
24 to this Section and file a certified copy of the ordinance with
25 the Department in the form and manner as described in this
26 Section.

1 (Source: P.A. 99-143, eff. 7-27-15.)

2 Section 40. The Counties Code is amended by changing
3 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008.5, 5-1009,
4 and 5-1035.1 and by adding Section 5-1184 as follows:

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

6 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
7 Law. Any county that is a home rule unit may impose a tax upon
8 all persons engaged in the business of selling tangible
9 personal property, other than an item of tangible personal
10 property titled or registered with an agency of this State's
11 government, at retail in the county on the gross receipts from
12 such sales made in the course of their business. If imposed,
13 this tax shall only be imposed in 1/4% increments. On and after
14 September 1, 1991, this additional tax may not be imposed on
15 the sales of food for human consumption which is to be consumed
16 off the premises where it is sold (other than alcoholic
17 beverages, soft drinks and food which 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.
21 Beginning December 1, 2017, this tax is not imposed on sales of
22 aviation fuel unless the tax revenue is expended for
23 airport-related purposes. If the county does not have an
24 airport-related purpose to which it dedicates aviation fuel tax

1 revenue, then aviation fuel is excluded from the tax. The
2 county must comply with the certification requirements for
3 airport-related purposes under Section 5-1184. For purposes of
4 this Act, "airport-related purposes" has the meaning ascribed
5 in Section 6z-20.2 of the State Finance Act. This exclusion for
6 aviation fuel only applies for so long as the revenue use
7 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
8 binding on the county. The changes made to this Section by this
9 amendatory Act of the 100th General Assembly are a denial and
10 limitation of home rule powers and functions under subsection
11 (g) of Section 6 of Article VII of the Illinois Constitution.

12 The tax imposed by a home rule county pursuant to this Section
13 and all civil penalties that may be assessed as an incident
14 thereof shall be collected and enforced by the State Department
15 of Revenue. The certificate of registration that is issued by
16 the Department to a retailer under the Retailers' Occupation
17 Tax Act shall permit the retailer to engage in a business that
18 is taxable under any ordinance or resolution enacted pursuant
19 to this Section without registering separately with the
20 Department under such ordinance or resolution or under this
21 Section. The Department shall have full power to administer and
22 enforce this Section; to collect all taxes and penalties due
23 hereunder; to dispose of taxes and penalties so collected in
24 the manner hereinafter provided; and to determine all rights to
25 credit memoranda arising on account of the erroneous payment of
26 tax or penalty hereunder. In the administration of, and

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

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

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

5 Except as otherwise provided in this paragraph, the ~~The~~
6 Department shall forthwith pay over to the State Treasurer, ex
7 officio, as trustee, all taxes and penalties collected
8 hereunder for deposit into the Home Rule County Retailers'
9 Occupation Tax Fund. Taxes and penalties collected on aviation
10 fuel sold on or after December 1, 2017, shall be immediately
11 paid over by the Department to the State Treasurer, ex officio,
12 as trustee, for deposit into the Local Government Aviation
13 Trust Fund. The Department shall only pay moneys into the Local
14 Government Aviation Trust Fund under this Act for so long as
15 the revenue use requirements of 49 U.S.C. §47107(b) and 49
16 U.S.C. §47133 are binding on the county.

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

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to named counties, the
3 counties to be those from which retailers have paid taxes or
4 penalties hereunder to the Department during the second
5 preceding calendar month. The amount to be paid to each county
6 shall be the amount (not including credit memoranda and not
7 including taxes and penalties collected on aviation fuel sold
8 on or after December 1, 2017) collected hereunder during the
9 second preceding calendar month by the Department plus an
10 amount the Department determines is necessary to offset any
11 amounts that were erroneously paid to a different taxing body,
12 and not including an amount equal to the amount of refunds made
13 during the second preceding calendar month by the Department on
14 behalf of such county, and not including any amount which the
15 Department determines is necessary to offset any amounts which
16 were payable to a different taxing body but were erroneously
17 paid to the county, and not including any amounts that are
18 transferred to the STAR Bonds Revenue Fund, less 2% of the
19 remainder, which the Department shall transfer into the Tax
20 Compliance and Administration Fund. The Department, at the time
21 of each monthly disbursement to the counties, shall prepare and
22 certify to the State Comptroller the amount to be transferred
23 into the Tax Compliance and Administration Fund under this
24 Section. Within 10 days after receipt, by the Comptroller, of
25 the disbursement certification to the counties and the Tax
26 Compliance and Administration Fund provided for in this Section

1 to be given to the Comptroller by the Department, the
2 Comptroller shall cause the orders to be drawn for the
3 respective amounts in accordance with the directions contained
4 in the certification.

5 In addition to the disbursement required by the preceding
6 paragraph, an allocation shall be made in March of each year to
7 each county that received more than \$500,000 in disbursements
8 under the preceding paragraph in the preceding calendar year.
9 The allocation shall be in an amount equal to the average
10 monthly distribution made to each such county under the
11 preceding paragraph during the preceding calendar year
12 (excluding the 2 months of highest receipts). The distribution
13 made in March of each year subsequent to the year in which an
14 allocation was made pursuant to this paragraph and the
15 preceding paragraph shall be reduced by the amount allocated
16 and disbursed under this paragraph in the preceding calendar
17 year. The Department shall prepare and certify to the
18 Comptroller for disbursement the allocations made in
19 accordance with this paragraph.

20 For the purpose of determining the local governmental unit
21 whose tax is applicable, a retail sale by a producer of coal or
22 other mineral mined in Illinois is a sale at retail at the
23 place where the coal or other mineral mined in Illinois is
24 extracted from the earth. This paragraph does not apply to coal
25 or other mineral when it is delivered or shipped by the seller
26 to the purchaser at a point outside Illinois so that the sale

1 is exempt under the United States Constitution as a sale in
2 interstate or foreign commerce.

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

7 An ordinance or resolution imposing or discontinuing a 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 June, whereupon the Department
11 shall proceed to administer and enforce this Section as of the
12 first day of September next following such adoption and filing.
13 Beginning January 1, 1992, an ordinance or resolution imposing
14 or discontinuing the tax hereunder or effecting a change in the
15 rate thereof shall be adopted and a certified copy thereof
16 filed with the Department on or before the first day of July,
17 whereupon the Department shall proceed to administer and
18 enforce this Section as of the first day of October next
19 following such adoption and filing. Beginning January 1, 1993,
20 an ordinance or resolution imposing or discontinuing the 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 October, whereupon the Department
24 shall proceed to administer and enforce this Section as of the
25 first day of January next following such adoption and filing.
26 Beginning April 1, 1998, an ordinance or resolution imposing or

1 discontinuing the tax hereunder or effecting a change in the
2 rate thereof shall either (i) be adopted and a certified copy
3 thereof filed with the Department on or before the first day of
4 April, whereupon the Department shall proceed to administer and
5 enforce this Section as of the first day of July next following
6 the adoption and filing; or (ii) be adopted and a certified
7 copy thereof filed with the Department on or before the first
8 day of October, whereupon the Department shall proceed to
9 administer and enforce this Section as of the first day of
10 January next following the adoption and filing.

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

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

19 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

20 (55 ILCS 5/5-1006.5)

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

23 (a) The county board of any county may impose a tax upon
24 all persons engaged in the business of selling tangible
25 personal property, other than personal property titled or

1 registered with an agency of this State's government, at retail
2 in the county on the gross receipts from the sales made in the
3 course of business to provide revenue to be used exclusively
4 for public safety, public facility, or transportation purposes
5 in that county (except as otherwise provided in this Section),
6 if a proposition for the tax has been submitted to the electors
7 of that county and approved by a majority of those voting on
8 the question. If imposed, this tax shall be imposed only in
9 one-quarter percent increments. By resolution, the county
10 board may order the proposition to be submitted at any
11 election. If the tax is imposed for transportation purposes for
12 expenditures for public highways or as authorized under the
13 Illinois Highway Code, the county board must publish notice of
14 the existence of its long-range highway transportation plan as
15 required or described in Section 5-301 of the Illinois Highway
16 Code and must make the plan publicly available prior to
17 approval of the ordinance or resolution imposing the tax. If
18 the tax is imposed for transportation purposes for expenditures
19 for passenger rail transportation, the county board must
20 publish notice of the existence of its long-range passenger
21 rail transportation plan and must make the plan publicly
22 available prior to approval of the ordinance or resolution
23 imposing the tax.

24 If a tax is imposed for public facilities purposes, then
25 the name of the project may be included in the proposition at
26 the discretion of the county board as determined in the

1 enabling resolution. For example, the "XXX Nursing Home" or the
2 "YYY Museum".

3 The county clerk shall certify the question to the proper
4 election authority, who shall submit the proposition at an
5 election in accordance with the general election law.

6 (1) The proposition for public safety purposes shall be
7 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)?"

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

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

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

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

26 As additional information on the ballot below the

1 question shall appear the following:

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

8 For the purposes of the paragraph, "public safety
9 purposes" means crime prevention, detention, fire
10 fighting, police, medical, ambulance, or other emergency
11 services.

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

13 Beginning on the January 1 or July 1, whichever is
14 first, that occurs not less than 30 days after May 31, 2015
15 (the effective date of Public Act 99-4), Adams County may
16 impose a public safety retailers' occupation tax and
17 service occupation tax at the rate of 0.25%, as provided in
18 the referendum approved by the voters on April 7, 2015,
19 notwithstanding the omission of the additional information
20 that is otherwise required to be printed on the ballot
21 below the question pursuant to this item (1).

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

24 "To pay for improvements to roads and other
25 transportation purposes, shall (name of county) be
26 authorized to impose an increase on its share of local

1 sales taxes by (insert rate)?"

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."

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

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

17 As additional information on the ballot below the
18 question shall appear the following:

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

25 For the purposes of this paragraph, transportation
26 purposes means construction, maintenance, operation, and

1 improvement of public highways, any other purpose for which
2 a county may expend funds under the Illinois Highway Code,
3 and passenger rail transportation.

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

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

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

10 As additional information on the ballot below the
11 question shall appear the following:

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

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

21 "To pay for public facilities purposes, shall (name of
22 county) be authorized to impose an increase on its share of
23 local sales taxes by (insert rate) for a period not to
24 exceed (insert number of years)?"

25 As additional information on the ballot below the
26 question shall appear the following:

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

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

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

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

23 This additional tax may not be imposed on the sales of food
24 for human consumption that is to be consumed off the premises
25 where it is sold (other than alcoholic beverages, soft drinks,
26 and food which has been prepared for immediate consumption) and

1 prescription and non-prescription medicines, drugs, medical
2 appliances and insulin, urine testing materials, syringes, and
3 needles used by diabetics. Beginning December 1, 2017, this tax
4 is not imposed on sales of aviation fuel unless the tax revenue
5 is expended for airport-related purposes. If the county does
6 not have an airport-related purpose to which it dedicates
7 aviation fuel tax revenue, then aviation fuel is excluded from
8 the tax. The county must comply with the certification
9 requirements for airport-related purposes under Section
10 5-1184. For purposes of this Act, "airport-related purposes"
11 has the meaning ascribed in Section 6z-20.2 of the State
12 Finance Act. This exclusion for aviation fuel only applies for
13 so long as the revenue use requirements of 49 U.S.C. §47107(b)
14 and 49 U.S.C. §47133 are binding on the county. The tax imposed
15 by a county under this Section and all civil penalties that may
16 be assessed as an incident of the tax shall be collected and
17 enforced by the Illinois Department of Revenue and deposited
18 into a special fund created for that purpose. The certificate
19 of registration that is issued by the Department to a retailer
20 under the Retailers' Occupation Tax Act shall permit the
21 retailer to engage in a business that is taxable without
22 registering separately with the Department under an ordinance
23 or resolution under this Section. The Department has full power
24 to administer and enforce this Section, to collect all taxes
25 and penalties due under this Section, to dispose of taxes and
26 penalties so collected in the manner provided in this Section,

1 and to determine all rights to credit memoranda arising on
2 account of the erroneous payment of a tax or penalty under this
3 Section. In the administration of and compliance with this
4 Section, the Department and persons who are subject to this
5 Section shall (i) have the same rights, remedies, privileges,
6 immunities, powers, and duties, (ii) be subject to the same
7 conditions, restrictions, limitations, penalties, and
8 definitions of terms, and (iii) employ the same modes of
9 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
10 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all
11 provisions contained in those Sections other than the State
12 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to
13 transaction returns and quarter monthly payments, and except
14 that the retailer's discount is not allowed for taxes paid on
15 aviation fuel that are deposited into the Local Government
16 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
17 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
18 of the Retailers' Occupation Tax Act and Section 3-7 of the
19 Uniform Penalty and Interest Act as if those provisions were
20 set forth in this Section.

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

1 schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this Section to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order 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 County Public Safety or Transportation
9 Retailers' Occupation Tax Fund.

10 (b) If a tax has been imposed under subsection (a), a
11 service occupation tax shall also be imposed at the same rate
12 upon all persons engaged, in the county, in the business of
13 making sales of service, who, as an incident to making those
14 sales of service, transfer tangible personal property within
15 the county as an incident to a sale of service. This tax may
16 not be imposed on sales of food for human consumption that is
17 to be consumed off the premises where it is sold (other than
18 alcoholic beverages, soft drinks, and food prepared for
19 immediate consumption) and prescription and non-prescription
20 medicines, drugs, medical appliances and insulin, urine
21 testing materials, syringes, and needles used by diabetics.
22 Beginning December 1, 2017, this tax is not imposed on sales of
23 aviation fuel unless the tax revenue is expended for
24 airport-related purposes. If the county does not have an
25 airport-related purpose to which it dedicates aviation fuel tax
26 revenue, then aviation fuel is excluded from the tax. The

1 county must comply with the certification requirements for
2 airport-related purposes under Section 5-1184. For purposes of
3 this Act, "airport-related purposes" has the meaning ascribed
4 in Section 6z-20.2 of the State Finance Act. This exclusion for
5 aviation fuel only applies for so long as the revenue use
6 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
7 binding on the county. The tax imposed under this subsection
8 and all civil penalties that may be assessed as an incident
9 thereof shall be collected and enforced by the Department of
10 Revenue. The Department has full power to administer and
11 enforce this subsection; to collect all taxes and penalties due
12 hereunder; to dispose of taxes and penalties so collected in
13 the manner hereinafter provided; and to determine all rights to
14 credit memoranda arising on account of the erroneous payment of
15 tax or penalty hereunder. In the administration of, and
16 compliance with this subsection, the Department and persons who
17 are subject to this paragraph shall (i) have the same rights,
18 remedies, privileges, immunities, powers, and duties, (ii) be
19 subject to the same conditions, restrictions, limitations,
20 penalties, exclusions, exemptions, and definitions of terms,
21 and (iii) employ the same modes of procedure as are prescribed
22 in Sections 2 (except that the reference to State in the
23 definition of supplier maintaining a place of business in this
24 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
25 respect to all provisions therein other than the State rate of
26 tax), 4 (except that the reference to the State shall be to the

1 county), 5, 7, 8 (except that the jurisdiction to which the tax
2 shall be a debt to the extent indicated in that Section 8 shall
3 be the county), 9 (except as to the disposition of taxes and
4 penalties collected, and except that the retailer's discount is
5 not allowed for taxes paid on aviation fuel that are deposited
6 into the Local Government Aviation Trust Fund), 10, 11, 12
7 (except the reference therein to Section 2b of the Retailers'
8 Occupation Tax Act), 13 (except that any reference to the State
9 shall mean the county), Section 15, 16, 17, 18, 19 and 20 of
10 the Service Occupation Tax Act and Section 3-7 of the Uniform
11 Penalty and Interest Act, as fully as if those provisions were
12 set forth herein.

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

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

1 Treasurer out of the County Public Safety or Transportation
2 Retailers' Occupation Fund.

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

7 (c) Except as otherwise provided in this paragraph, the ~~The~~
8 Department shall immediately pay over to the State Treasurer,
9 ex officio, as trustee, all taxes and penalties collected under
10 this Section to be deposited into the County Public Safety or
11 Transportation Retailers' Occupation Tax Fund, which shall be
12 an unappropriated trust fund held outside of the State
13 treasury. Taxes and penalties collected on aviation fuel sold
14 on or after December 1, 2017, shall be immediately paid over by
15 the Department to the State Treasurer, ex officio, as trustee,
16 for deposit into the Local Government Aviation Trust Fund. The
17 Department shall only pay moneys into the Local Government
18 Aviation Trust Fund under this Act for so long as the revenue
19 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
20 are binding on the county.

21 As soon as possible after the first day of each month,
22 beginning January 1, 2011, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
25 local sales tax increment, as defined in the Innovation
26 Development and Economy Act, collected under this Section

1 during the second preceding calendar month for sales within a
2 STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to the counties from which
7 retailers have paid taxes or penalties to the Department during
8 the second preceding calendar month. The amount to be paid to
9 each county, and deposited by the county into its special fund
10 created for the purposes of this Section, shall be the amount
11 (not including credit memoranda and not including taxes and
12 penalties collected on aviation fuel sold on or after December
13 1, 2017) collected under this Section during the second
14 preceding calendar month by the Department plus an amount the
15 Department determines is necessary to offset any amounts that
16 were erroneously paid to a different taxing body, and not
17 including (i) an amount equal to the amount of refunds made
18 during the second preceding calendar month by the Department on
19 behalf of the county, (ii) any amount that the Department
20 determines is necessary to offset any amounts that were payable
21 to a different taxing body but were erroneously paid to the
22 county, (iii) any amounts that are transferred to the STAR
23 Bonds Revenue Fund, and (iv) 2% of the remainder, which shall
24 be transferred into the Tax Compliance and Administration Fund.
25 The Department, at the time of each monthly disbursement to the
26 counties, shall prepare and certify to the State Comptroller

1 the amount to be transferred into the Tax Compliance and
2 Administration Fund under this subsection. Within 10 days after
3 receipt by the Comptroller of the disbursement certification to
4 the counties and the Tax Compliance and Administration Fund
5 provided for in this Section to be given to the Comptroller by
6 the Department, the Comptroller shall cause the orders to be
7 drawn for the respective amounts in accordance with directions
8 contained in the certification.

9 In addition to the disbursement required by the preceding
10 paragraph, an allocation shall be made in March of each year to
11 each county that received more than \$500,000 in disbursements
12 under the preceding paragraph in the preceding calendar year.
13 The allocation shall be in an amount equal to the average
14 monthly distribution made to each such county under the
15 preceding paragraph during the preceding calendar year
16 (excluding the 2 months of highest receipts). The distribution
17 made in March of each year subsequent to the year in which an
18 allocation was made pursuant to this paragraph and the
19 preceding paragraph shall be reduced by the amount allocated
20 and disbursed under this paragraph in the preceding calendar
21 year. The Department shall prepare and certify to the
22 Comptroller for disbursement the allocations made in
23 accordance with this paragraph.

24 A county may direct, by ordinance, that all or a portion of
25 the taxes and penalties collected under the Special County
26 Retailers' Occupation Tax For Public Safety or Transportation

1 be deposited into the Transportation Development Partnership
2 Trust Fund.

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

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

16 (e-5) If a county imposes a tax under this Section, the
17 county board may, by ordinance, discontinue or lower the rate
18 of the tax. If the county board lowers the tax rate or
19 discontinues the tax, a referendum must be held in accordance
20 with subsection (a) of this Section in order to increase the
21 rate of the tax or to reimpose the discontinued tax.

22 (f) Beginning April 1, 1998 and through December 31, 2013,
23 the results of any election authorizing a proposition to impose
24 a tax under this Section or effecting a change in the rate of
25 tax, or any ordinance lowering the rate or discontinuing the
26 tax, shall be certified by the county clerk and filed with the

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

8 Beginning January 1, 2014, the results of any election
9 authorizing a proposition to impose a tax under this Section or
10 effecting an increase in the rate of tax, along with the
11 ordinance adopted to impose the tax or increase the rate of the
12 tax, or any ordinance adopted to lower the rate or discontinue
13 the tax, shall be certified by the county clerk and filed with
14 the Illinois Department of Revenue either (i) on or before the
15 first day of May, whereupon the Department shall proceed to
16 administer and enforce the tax as of the first day of July next
17 following the adoption and filing; or (ii) on or before the
18 first day of October, whereupon the Department shall proceed to
19 administer and enforce the tax as of the first day of January
20 next following the adoption and filing.

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

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

4 (i) For purposes of this Section, "public safety" includes,
5 but is not limited to, crime prevention, detention, fire
6 fighting, police, medical, ambulance, or other emergency
7 services. The county may share tax proceeds received under this
8 Section for public safety purposes, including proceeds
9 received before August 4, 2009 (the effective date of Public
10 Act 96-124), with any fire protection district located in the
11 county. For the purposes of this Section, "transportation"
12 includes, but is not limited to, the construction, maintenance,
13 operation, and improvement of public highways, any other
14 purpose for which a county may expend funds under the Illinois
15 Highway Code, and passenger rail transportation. For the
16 purposes of this Section, "public facilities purposes"
17 includes, but is not limited to, the acquisition, development,
18 construction, reconstruction, rehabilitation, improvement,
19 financing, architectural planning, and installation of capital
20 facilities consisting of buildings, structures, and durable
21 equipment and for the acquisition and improvement of real
22 property and interest in real property required, or expected to
23 be required, in connection with the public facilities, for use
24 by the county for the furnishing of governmental services to
25 its citizens, including but not limited to museums and nursing
26 homes.

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

5 (Source: P.A. 99-4, eff. 5-31-15; 99-217, eff. 7-31-15; 99-642,
6 eff. 7-28-16; 100-23, eff. 7-6-17.)

7 (55 ILCS 5/5-1006.7)

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

9 (a) In any county, a tax shall be imposed upon all persons
10 engaged in the business of selling tangible personal property,
11 other than personal property titled or registered with an
12 agency of this State's government, at retail in the county on
13 the gross receipts from the sales made in the course of
14 business to provide revenue to be used exclusively for school
15 facility purposes (except as otherwise provided in this
16 Section) if a proposition for the tax has been submitted to the
17 electors of that county and approved by a majority of those
18 voting on the question as provided in subsection (c). The tax
19 under this Section shall be imposed only in one-quarter percent
20 increments and may not exceed 1%.

21 This additional tax may not be imposed on the sale of food
22 for human consumption that is to be consumed off the premises
23 where it is sold (other than alcoholic beverages, soft drinks,
24 and food that has been prepared for immediate consumption) and
25 prescription and non-prescription medicines, drugs, medical

1 appliances and insulin, urine testing materials, syringes and
2 needles used by diabetics. Beginning December 1, 2017, this tax
3 is not imposed on sales of aviation fuel unless the tax revenue
4 is expended for airport-related purposes. If the county does
5 not have an airport-related purpose to which it dedicates
6 aviation fuel tax revenue, then aviation fuel is excluded from
7 the tax. The county must comply with the certification
8 requirements for airport-related purposes under Section
9 5-1184. For purposes of this Act, "airport-related purposes"
10 has the meaning ascribed in Section 6z-20.2 of the State
11 Finance Act. This exclusion for aviation fuel only applies for
12 so long as the revenue use requirements of 49 U.S.C. §47107(b)
13 and 49 U.S.C. §47133 are binding on the county. The Department
14 of Revenue has full power to administer and enforce this
15 subsection, to collect all taxes and penalties due under this
16 subsection, to dispose of taxes and penalties so collected in
17 the manner provided in this subsection, and to determine all
18 rights to credit memoranda arising on account of the erroneous
19 payment of a tax or penalty under this subsection. The
20 Department shall deposit all taxes and penalties collected
21 under this subsection into a special fund created for that
22 purpose.

23 In the administration of and compliance with this
24 subsection, the Department and persons who are subject to this
25 subsection (i) have the same rights, remedies, privileges,
26 immunities, powers, and duties, (ii) are subject to the same

1 conditions, restrictions, limitations, penalties, and
2 definitions of terms, and (iii) shall employ the same modes of
3 procedure as are set forth in Sections 1 through 10, 2 through
4 2-70 (in respect to all provisions contained in those Sections
5 other than the State rate of tax), 2a through 2h, 3 (except as
6 to the disposition of taxes and penalties collected, and except
7 that the retailer's discount is not allowed for taxes paid on
8 aviation fuel that are deposited into the Local Government
9 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
10 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
11 of the Retailers' Occupation Tax Act and all provisions of the
12 Uniform Penalty and Interest Act as if those provisions were
13 set forth in this subsection.

14 The certificate of registration that is issued by the
15 Department to a retailer under the Retailers' Occupation Tax
16 Act permits the retailer to engage in a business that is
17 taxable without registering separately with the Department
18 under an ordinance or resolution under this subsection.

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

26 (b) If a tax has been imposed under subsection (a), then a

1 service occupation tax must also be imposed at the same rate
2 upon all persons engaged, in the county, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the county as an incident to a sale of service.

6 This tax may not be imposed on sales of food for human
7 consumption that is to be consumed off the premises where it is
8 sold (other than alcoholic beverages, soft drinks, and food
9 prepared for immediate consumption) and prescription and
10 non-prescription medicines, drugs, medical appliances and
11 insulin, urine testing materials, syringes, and needles used by
12 diabetics. Beginning December 1, 2017, this tax is not imposed
13 on sales of aviation fuel unless the tax revenue is expended
14 for airport-related purposes. If the county does not have an
15 airport-related purpose to which it dedicates aviation fuel tax
16 revenue, then aviation fuel is excluded from the tax. The
17 county must comply with the certification requirements for
18 airport-related purposes under Section 5-1184. For purposes of
19 this Act, "airport-related purposes" has the meaning ascribed
20 in Section 6z-20.2 of the State Finance Act. This exclusion for
21 aviation fuel only applies for so long as the revenue use
22 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
23 binding on the county.

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 Department and deposited into a

1 special fund created for that purpose. The Department has full
2 power to administer and enforce this subsection, to collect all
3 taxes and penalties due under this subsection, to dispose of
4 taxes and penalties so collected in the manner provided in this
5 subsection, and to determine all rights to credit memoranda
6 arising on account of the erroneous payment of a tax or penalty
7 under this subsection.

8 In the administration of and compliance with this
9 subsection, the Department and persons who are subject to this
10 subsection shall (i) have the same rights, remedies,
11 privileges, immunities, powers and duties, (ii) be subject to
12 the same conditions, restrictions, limitations, penalties and
13 definition of terms, and (iii) employ the same modes of
14 procedure as are set forth in Sections 2 (except that that
15 reference to State in the definition of supplier maintaining a
16 place of business in this State means the county), 2a through
17 2d, 3 through 3-50 (in respect to all provisions contained in
18 those Sections other than the State rate of tax), 4 (except
19 that the reference to the State shall be to the county), 5, 7,
20 8 (except that the jurisdiction to which the tax is a debt to
21 the extent indicated in that Section 8 is the county), 9
22 (except as to the disposition of taxes and penalties collected,
23 and except that the retailer's discount is not allowed for
24 taxes paid on aviation fuel that are deposited into the Local
25 Government Aviation Trust Fund), 10, 11, 12 (except the
26 reference therein to Section 2b of the Retailers' Occupation

1 Tax Act), 13 (except that any reference to the State means the
2 county), Section 15, 16, 17, 18, 19, and 20 of the Service
3 Occupation Tax Act and all provisions of the Uniform Penalty
4 and Interest Act, as fully as if those provisions were set
5 forth herein.

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

13 (c) The tax under this Section may not be imposed until the
14 question of imposing the tax has been submitted to the electors
15 of the county at a regular election and approved by a majority
16 of the electors voting on the question. For all regular
17 elections held prior to August 23, 2011 (the effective date of
18 Public Act 97-542), upon a resolution by the county board or a
19 resolution by school district boards that represent at least
20 51% of the student enrollment within the county, the county
21 board must certify the question to the proper election
22 authority in accordance with the Election Code.

23 For all regular elections held prior to August 23, 2011
24 (the effective date of Public Act 97-542), the election
25 authority must submit the question in substantially the
26 following form:

1 Shall (name of county) be authorized to impose a
2 retailers' occupation tax and a service occupation tax
3 (commonly referred to as a "sales tax") at a rate of
4 (insert rate) to be used exclusively for school facility
5 purposes?

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

7 If a majority of the electors voting on the question vote
8 in the affirmative, then the county may, thereafter, impose the
9 tax.

10 For all regular elections held on or after August 23, 2011
11 (the effective date of Public Act 97-542), the regional
12 superintendent of schools for the county must, upon receipt of
13 a resolution or resolutions of school district boards that
14 represent more than 50% of the student enrollment within the
15 county, certify the question to the proper election authority
16 for submission to the electors of the county at the next
17 regular election at which the question lawfully may be
18 submitted to the electors, all in accordance with the Election
19 Code.

20 For all regular elections held on or after August 23, 2011
21 (the effective date of Public Act 97-542), the election
22 authority must submit the question in substantially the
23 following form:

24 Shall a retailers' occupation tax and a service
25 occupation tax (commonly referred to as a "sales tax") be
26 imposed in (name of county) at a rate of (insert rate) to

1 be used exclusively for school facility purposes?

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

3 If a majority of the electors voting on the question vote
4 in the affirmative, then the tax shall be imposed at the rate
5 set forth in the question.

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

11 (d) Except as otherwise provided, the ~~The~~ Department shall
12 immediately pay over to the State Treasurer, ex officio, as
13 trustee, all taxes and penalties collected under this Section
14 to be deposited into the School Facility Occupation Tax Fund,
15 which shall be an unappropriated trust fund held outside the
16 State treasury. Taxes and penalties collected on aviation fuel
17 sold on or after December 1, 2017, shall be immediately paid
18 over by the Department to the State Treasurer, ex officio, as
19 trustee, for deposit into the Local Government Aviation Trust
20 Fund. The Department shall only pay moneys into the Local
21 Government Aviation Trust Fund under this Act for so long as
22 the revenue use requirements of 49 U.S.C. §47107(b) and 49
23 U.S.C. §47133 are binding on the county.

24 On or before the 25th day of each calendar month, the
25 Department shall prepare and certify to the Comptroller the
26 disbursement of stated sums of money to the regional

1 superintendents of schools in counties from which retailers or
2 servicemen have paid taxes or penalties to the Department
3 during the second preceding calendar month. The amount to be
4 paid to each regional superintendent of schools and disbursed
5 to him or her in accordance with Section 3-14.31 of the School
6 Code, is equal to the amount (not including credit memoranda
7 and not including taxes and penalties collected on aviation
8 fuel sold on or after December 1, 2017) collected from the
9 county under this Section during the second preceding calendar
10 month by the Department, (i) less 2% of that amount (except the
11 amount collected on aviation fuel sold on or after December 1,
12 2017), which shall be deposited into the Tax Compliance and
13 Administration Fund and shall be used by the Department,
14 subject to appropriation, to cover the costs of the Department
15 in administering and enforcing the provisions of this Section,
16 on behalf of the county, (ii) plus an amount that the
17 Department determines is necessary to offset any amounts that
18 were erroneously paid to a different taxing body; (iii) less an
19 amount equal to the amount of refunds made during the second
20 preceding calendar month by the Department on behalf of the
21 county; and (iv) less any amount that the Department determines
22 is necessary to offset any amounts that were payable to a
23 different taxing body but were erroneously paid to the county.
24 When certifying the amount of a monthly disbursement to a
25 regional superintendent of schools under this Section, the
26 Department shall increase or decrease the amounts by an amount

1 necessary to offset any miscalculation of previous
2 disbursements within the previous 6 months from the time a
3 miscalculation is discovered.

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

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

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

26 (f) Nothing in this Section may be construed to authorize a

1 tax to be imposed upon the privilege of engaging in any
2 business that under the Constitution of the United States may
3 not be made the subject of taxation by this State.

4 (g) If a county board imposes a tax under this Section
5 pursuant to a referendum held before August 23, 2011 (the
6 effective date of Public Act 97-542) at a rate below the rate
7 set forth in the question approved by a majority of electors of
8 that county voting on the question as provided in subsection
9 (c), then the county board may, by ordinance, increase the rate
10 of the tax up to the rate set forth in the question approved by
11 a majority of electors of that county voting on the question as
12 provided in subsection (c). If a county board imposes a tax
13 under this Section pursuant to a referendum held before August
14 23, 2011 (the effective date of Public Act 97-542), then the
15 board may, by ordinance, discontinue or reduce the rate of the
16 tax. If a tax is imposed under this Section pursuant to a
17 referendum held on or after August 23, 2011 (the effective date
18 of Public Act 97-542), then the county board may reduce or
19 discontinue the tax, but only in accordance with subsection
20 (h-5) of this Section. If, however, a school board issues bonds
21 that are secured by the proceeds of the tax under this Section,
22 then the county board may not reduce the tax rate or
23 discontinue the tax if that rate reduction or discontinuance
24 would adversely affect the school board's ability to pay the
25 principal and interest on those bonds as they become due or
26 necessitate the extension of additional property taxes to pay

1 the principal and interest on those bonds. If the county board
2 reduces the tax rate or discontinues the tax, then a referendum
3 must be held in accordance with subsection (c) of this Section
4 in order to increase the rate of the tax or to reimpose the
5 discontinued tax.

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

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

1 before the first day of October, whereupon the Department shall
2 proceed to administer and enforce the tax or change in the rate
3 as of the first day of January next following the filing.

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

22 (h-5) A county board in a county where a tax has been
23 imposed under this Section pursuant to a referendum held on or
24 after August 23, 2011 (the effective date of Public Act 97-542)
25 may, by ordinance or resolution, submit to the voters of the
26 county the question of reducing or discontinuing the tax. In

1 the ordinance or resolution, the county board shall certify the
2 question to the proper election authority in accordance with
3 the Election Code. The election authority must submit the
4 question in substantially the following form:

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

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

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

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

17 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;
18 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

19 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

20 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
21 The corporate authorities of a home rule county may impose a
22 tax upon all persons engaged, in such county, in the business
23 of making sales of service at the same rate of tax imposed
24 pursuant to Section 5-1006 of the selling price of all tangible
25 personal property transferred by such servicemen either in the

1 form of tangible personal property or in the form of real
2 estate as an incident to a sale of service. If imposed, such
3 tax shall only be imposed in 1/4% increments. On and after
4 September 1, 1991, this additional tax may not be imposed on
5 the sales of food for human consumption which is to be consumed
6 off the premises where it is sold (other than alcoholic
7 beverages, soft drinks and food which has been prepared for
8 immediate consumption) and prescription and nonprescription
9 medicines, drugs, medical appliances and insulin, urine
10 testing materials, syringes and needles used by diabetics.
11 Beginning December 1, 2017, this tax is not imposed on sales of
12 aviation fuel unless the tax revenue is expended for
13 airport-related purposes. If the county does not have an
14 airport-related purpose to which it dedicates aviation fuel tax
15 revenue, then aviation fuel is excluded from the tax. The
16 county must comply with the certification requirements for
17 airport-related purposes under Section 5-1184. For purposes of
18 this Act, "airport-related purposes" has the meaning ascribed
19 in Section 6z-20.2 of the State Finance Act. This exclusion for
20 aviation fuel only applies for so long as the revenue use
21 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
22 binding on the county. The changes made to this Section by this
23 amendatory Act of the 100th General Assembly are a denial and
24 limitation of home rule powers and functions under subsection
25 (g) of Section 6 of Article VII of the Illinois Constitution.
26 The tax imposed by a home rule county pursuant to this Section

1 and all civil penalties that may be assessed as an incident
2 thereof shall be collected and enforced by the State Department
3 of Revenue. The certificate of registration which is issued by
4 the Department to a retailer under the Retailers' Occupation
5 Tax Act or under the Service Occupation Tax Act shall permit
6 such registrant to engage in a business which is taxable under
7 any ordinance or resolution enacted pursuant to this Section
8 without registering separately with the Department under such
9 ordinance or resolution or under this Section. The Department
10 shall have full power to administer and enforce this Section;
11 to collect all taxes and penalties due hereunder; to dispose of
12 taxes and penalties so collected in the manner hereinafter
13 provided; and to determine all rights to credit memoranda
14 arising on account of the erroneous payment of tax or penalty
15 hereunder. In the administration of, and compliance with, this
16 Section the Department and persons who are subject to this
17 Section shall have the same rights, remedies, privileges,
18 immunities, powers and duties, and be subject to the same
19 conditions, restrictions, limitations, penalties and
20 definitions of terms, and employ the same modes of procedure,
21 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
22 respect to all provisions therein other than the State rate of
23 tax), 4 (except that the reference to the State shall be to the
24 taxing county), 5, 7, 8 (except that the jurisdiction to which
25 the tax shall be a debt to the extent indicated in that Section
26 8 shall be the taxing county), 9 (except as to the disposition

1 of taxes and penalties collected, and except that the returned
2 merchandise credit for this county tax may not be taken against
3 any State tax, and except that the retailer's discount is not
4 allowed for taxes paid on aviation fuel that are deposited into
5 the Local Government Aviation Trust Fund), 10, 11, 12 (except
6 the reference therein to Section 2b of the Retailers'
7 Occupation Tax Act), 13 (except that any reference to the State
8 shall mean the taxing county), the first paragraph of Section
9 15, 16, 17, 18, 19 and 20 of the Service 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 county pursuant to
13 this Section unless such county also imposes a tax at the same
14 rate pursuant to Section 5-1006.

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

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

1 and to the person named, in such notification from the
2 Department. Such refund shall be paid by the State Treasurer
3 out of the home rule county retailers' occupation tax fund.

4 Except as otherwise provided in this paragraph, the ~~The~~
5 Department shall forthwith pay over to the State Treasurer,
6 ex-officio, as trustee, all taxes and penalties collected
7 hereunder for deposit into the Home Rule County Retailers'
8 Occupation Tax Fund. Taxes and penalties collected on aviation
9 fuel sold on or after December 1, 2017, shall be immediately
10 paid over by the Department to the State Treasurer, ex officio,
11 as trustee, for deposit into the Local Government Aviation
12 Trust Fund. The Department shall only pay moneys into the Local
13 Government Aviation Trust Fund under this Act for so long as
14 the revenue use requirements of 49 U.S.C. §47107(b) and 49
15 U.S.C. §47133 are binding on the county.

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

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named counties, the
2 counties to be those from which suppliers and servicemen have
3 paid taxes or penalties hereunder to the Department during the
4 second preceding calendar month. The amount to be paid to each
5 county shall be the amount (not including credit memoranda and
6 not including taxes and penalties collected on aviation fuel
7 sold on or after December 1, 2017) collected hereunder during
8 the second preceding calendar month by the Department, and not
9 including an amount equal to the amount of refunds made during
10 the second preceding calendar month by the Department on behalf
11 of such county, and not including any amounts that are
12 transferred to the STAR Bonds Revenue Fund, less 2% of the
13 remainder, which the Department shall transfer into the Tax
14 Compliance and Administration Fund. The Department, at the time
15 of each monthly disbursement to the counties, shall prepare and
16 certify to the State Comptroller the amount to be transferred
17 into the Tax Compliance and Administration Fund under this
18 Section. Within 10 days after receipt, by the Comptroller, of
19 the disbursement certification to the counties and the Tax
20 Compliance and Administration Fund provided for in this Section
21 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 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in each year to each

1 county which received more than \$500,000 in disbursements under
2 the preceding paragraph in the preceding calendar year. The
3 allocation shall be in an amount equal to the average monthly
4 distribution made to each such county under the preceding
5 paragraph during the preceding calendar year (excluding the 2
6 months of highest receipts). The distribution made in March of
7 each year subsequent to the year in which an allocation was
8 made pursuant to this paragraph and the preceding paragraph
9 shall be reduced by the amount allocated and disbursed under
10 this paragraph in the preceding calendar year. The Department
11 shall prepare and certify to the Comptroller for disbursement
12 the allocations made in accordance with this paragraph.

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

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

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

21 This Section shall be known and may be cited as the Home
22 Rule County Service Occupation Tax Law.

23 (Source: P.A. 100-23, eff. 7-6-17.)

24 (55 ILCS 5/5-1008.5)

25 Sec. 5-1008.5. Use and occupation taxes.

1 (a) The Rock Island County Board may adopt a resolution
2 that authorizes a referendum on the question of whether the
3 county shall be authorized to impose a retailers' occupation
4 tax, a service occupation tax, and a use tax at a rate of 1/4 of
5 1% on behalf of the economic development activities of Rock
6 Island County and communities located within the county. The
7 county board shall certify the question to the proper election
8 authorities who shall submit the question to the voters of the
9 county at the next regularly scheduled election in accordance
10 with the general election law. The question shall be in
11 substantially the following form:

12 Shall Rock Island County be authorized to impose a
13 retailers' occupation tax, a service occupation tax, and a
14 use tax at the rate of 1/4 of 1% for the sole purpose of
15 economic development activities, including creation and
16 retention of job opportunities, support of affordable
17 housing opportunities, and enhancement of quality of life
18 improvements?

19 Votes shall be recorded as "yes" or "no". If a majority of
20 all votes cast on the proposition are in favor of the
21 proposition, the county is authorized to impose the tax.

22 (b) The county shall impose the retailers' occupation tax
23 upon all persons engaged in the business of selling tangible
24 personal property at retail in the county, at the rate approved
25 by referendum, on the gross receipts from the sales made in the
26 course of those businesses within the county. This additional

1 tax may not be imposed on the sale of food for human
2 consumption that is to be consumed off the premises where it is
3 sold (other than alcoholic beverages, soft drinks, and food
4 that has been prepared for immediate consumption) and
5 prescription and non-prescription medicines, drugs, medical
6 appliances and insulin, urine testing materials, syringes, and
7 needles used by diabetics. Beginning December 1, 2017, this tax
8 is not imposed on sales of aviation fuel unless the tax revenue
9 is expended for airport-related purposes. If the county does
10 not have an airport-related purpose to which it dedicates
11 aviation fuel tax revenue, then aviation fuel is excluded from
12 the tax. The county must comply with the certification
13 requirements for airport-related purposes under Section
14 5-1184. For purposes of this Act, "airport-related purposes"
15 has the meaning ascribed in Section 6z-20.2 of the State
16 Finance Act. This exclusion for aviation fuel only applies for
17 so long as the revenue use requirements of 49 U.S.C. §47107(b)
18 and 49 U.S.C. §47133 are binding on the county. The tax imposed
19 under this Section and all civil penalties that may be assessed
20 as an incident of the tax shall be collected and enforced by
21 the Department of Revenue. The Department has full power to
22 administer and enforce this Section; to collect all taxes and
23 penalties so collected in the manner provided in this Section;
24 and to determine all rights to credit memoranda arising on
25 account of the erroneous payment of tax or penalty under this
26 Section. In the administration of, and compliance with, this

1 Section, the Department and persons who are subject to this
2 Section shall (i) have the same rights, remedies, privileges,
3 immunities, powers and duties, (ii) be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions, and definitions of terms, and (iii) employ the same
6 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
7 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
8 respect to all provisions other than the State rate of tax),
9 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the disposition
10 of taxes and penalties collected and provisions related to
11 quarter monthly payments, and except that the retailer's
12 discount is not allowed for taxes paid on aviation fuel that
13 are deposited into the Local Government Aviation Trust Fund),
14 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
15 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
16 Tax Act and Section 3-7 of the Uniform Penalty and Interest
17 Act, as fully as if those provisions were set forth in this
18 subsection.

19 Persons subject to any tax imposed under this subsection
20 may reimburse themselves for their seller's tax liability by
21 separately stating the tax as an additional charge, which
22 charge may be stated in combination, in a single amount, with
23 State taxes that sellers are required to collect, in accordance
24 with bracket schedules prescribed by the Department.

25 Whenever the Department determines that a refund should be
26 made under this subsection to a claimant instead of issuing a

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

7 If a tax is imposed under this subsection (b), a tax shall
8 also be imposed at the same rate under subsections (c) and (d)
9 of this Section.

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

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

23 (c) If a tax has been imposed under subsection (b), a
24 service occupation tax shall also be imposed at the same rate
25 upon all persons engaged, in the county, in the business of
26 making sales of service, who, as an incident to making those

1 sales of service, transfer tangible personal property within
2 the county as an incident to a sale of service. This additional
3 tax may not be imposed on the sale of food for human
4 consumption that is to be consumed off the premises where it is
5 sold (other than alcoholic beverages, soft drinks, and food
6 that has been prepared for immediate consumption) and
7 prescription and non-prescription medicines, drugs, medical
8 appliances and insulin, urine testing materials, syringes, and
9 needles used by diabetics. Beginning December 1, 2017, this tax
10 is not imposed on sales of aviation fuel unless the tax revenue
11 is expended for airport-related purposes. If the county does
12 not have an airport-related purpose to which it dedicates
13 aviation fuel tax revenue, then aviation fuel is excluded from
14 the tax. The county must comply with the certification
15 requirements for airport-related purposes under Section
16 5-1184. For purposes of this Act, "airport-related purposes"
17 has the meaning ascribed in Section 6z-20.2 of the State
18 Finance Act. This exclusion for aviation fuel only applies for
19 so long as the revenue use requirements of 49 U.S.C. §47107(b)
20 and 49 U.S.C. §47133 are binding on the county. The tax imposed
21 under this subsection and all civil penalties that may be
22 assessed as an incident of the tax shall be collected and
23 enforced by the Department of Revenue. The Department has full
24 power to administer and enforce this paragraph; to collect all
25 taxes and penalties due under this Section; to dispose of taxes
26 and penalties so collected in the manner provided in this

1 Section; and to determine all rights to credit memoranda
2 arising on account of the erroneous payment of tax or penalty
3 under this Section. In the administration of, and compliance
4 with this paragraph, the Department and persons who are subject
5 to this paragraph shall (i) have the same rights, remedies,
6 privileges, immunities, powers, and duties, (ii) be subject to
7 the same conditions, restrictions, limitations, penalties,
8 exclusions, exemptions, and definitions of terms, and (iii)
9 employ the same modes of procedure as are prescribed in
10 Sections 2 (except that the reference to State in the
11 definition of supplier maintaining a place of business in this
12 State shall mean the county), 2a, 2b, 3 through 3-55 (in
13 respect to all provisions other than the State rate of tax), 4
14 (except that the reference to the State shall be to the
15 county), 5, 7, 8 (except that the jurisdiction to which the tax
16 shall be a debt to the extent indicated in that Section 8 shall
17 be the county), 9 (except as to the disposition of taxes and
18 penalties collected, and except that the returned merchandise
19 credit for this tax may not be taken against any State tax, and
20 except that the retailer's discount is not allowed for taxes
21 paid on aviation fuel that are deposited into the Local
22 Government Aviation Trust Fund), 11, 12 (except the reference
23 to Section 2b of the Retailers' Occupation Tax Act), 13 (except
24 that any reference to the State shall mean the county), 15, 16,
25 17, 18, 19 and 20 of the Service Occupation Tax Act and Section
26 3-7 of the Uniform Penalty and Interest Act, as fully as if

1 those provisions were set forth in this subsection.

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 by separately stating the tax as an
5 additional charge, which charge may be stated in combination,
6 in a single amount, with State tax that servicemen are
7 authorized to collect under the Service Use Tax Act, in
8 accordance with bracket schedules prescribed by the
9 Department.

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

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

22 (d) If a tax has been imposed under subsection (b), a use
23 tax shall also be imposed at the same rate upon the privilege
24 of using, in the county, any item of tangible personal property
25 that is purchased outside the county at retail from a retailer,
26 and that is titled or registered at a location within the

1 county with an agency of this State's government. This
2 additional tax may not be imposed on the sale of food for human
3 consumption that is to be consumed off the premises where it is
4 sold (other than alcoholic beverages, soft drinks, and food
5 that has been prepared for immediate consumption) and
6 prescription and non-prescription medicines, drugs, medical
7 appliances and insulin, urine testing materials, syringes, and
8 needles used by diabetics. "Selling price" is defined as in the
9 Use Tax Act. The tax shall be collected from persons whose
10 Illinois address for titling or registration purposes is given
11 as being in the county. The tax shall be collected by the
12 Department of Revenue for the county. The tax must be paid to
13 the State, or an exemption determination must be obtained from
14 the Department of Revenue, before the title or certificate of
15 registration for the property may be issued. The tax or proof
16 of exemption may be transmitted to the Department by way of the
17 State agency with which, or the State officer with whom, the
18 tangible personal property must be titled or registered if the
19 Department and the State agency or State officer determine that
20 this procedure will expedite the processing of applications for
21 title or registration.

22 The Department has full power to administer and enforce
23 this paragraph; to collect all taxes, penalties, and interest
24 due under this Section; to dispose of taxes, penalties, and
25 interest so collected in the manner provided in this Section;
26 and to determine all rights to credit memoranda or refunds

1 arising on account of the erroneous payment of tax, penalty, or
2 interest under this Section. In the administration of, and
3 compliance with, this subsection, the Department and persons
4 who are subject to this paragraph shall (i) have the same
5 rights, remedies, privileges, immunities, powers, and duties,
6 (ii) be subject to the same conditions, restrictions,
7 limitations, penalties, exclusions, exemptions, and
8 definitions of terms, and (iii) employ the same modes of
9 procedure as are prescribed in Sections 2 (except the
10 definition of "retailer maintaining a place of business in this
11 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
12 7, 8 (except that the jurisdiction to which the tax shall be a
13 debt to the extent indicated in that Section 8 shall be the
14 county), 9 (except provisions relating to quarter monthly
15 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
16 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
17 Interest Act, that are not inconsistent with this paragraph, as
18 fully as if those provisions were set forth in this subsection.

19 Whenever the Department determines that a refund should be
20 made under this subsection 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 tax fund referenced under paragraph (g) of
26 this Section.

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

10 (f) The results of any election authorizing a proposition
11 to impose a tax under this Section or effecting a change in the
12 rate of tax shall be certified by the proper election
13 authorities and filed with the Illinois Department on or before
14 the first day of October. In addition, an ordinance imposing,
15 discontinuing, or effecting a change in the rate of tax under
16 this Section shall be adopted and a certified copy of the
17 ordinance filed with the Department on or before the first day
18 of October. After proper receipt of the certifications, the
19 Department shall proceed to administer and enforce this Section
20 as of the first day of January next following the adoption and
21 filing.

22 (g) Except as otherwise provided in paragraph (g-2), the
23 ~~The~~ Department of Revenue shall, upon collecting any taxes and
24 penalties as provided in this Section, pay the taxes and
25 penalties over to the State Treasurer as trustee for the
26 county. The taxes and penalties shall be held in a trust fund

1 outside the State Treasury. On or before the 25th day of each
2 calendar month, the Department of Revenue shall prepare and
3 certify to the Comptroller of the State of Illinois the amount
4 to be paid to the county, which shall be the balance in the
5 fund, less any amount determined by the Department to be
6 necessary for the payment of refunds. Within 10 days after
7 receipt by the Comptroller of the certification of the amount
8 to be paid to the county, the Comptroller shall cause an order
9 to be drawn for payment for the amount in accordance with the
10 directions contained in the certification. Amounts received
11 from the tax imposed under this Section shall be used only for
12 the economic development activities of the county and
13 communities located within the county.

14 (g-2) Taxes and penalties collected on aviation fuel sold
15 on or after December 1, 2017, shall be immediately paid over by
16 the Department to the State Treasurer, ex officio, as trustee,
17 for deposit into the Local Government Aviation Trust Fund. The
18 Department shall only pay moneys into the Local Government
19 Aviation Trust Fund under this Act for so long as the revenue
20 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
21 are binding on the county.

22 (h) When certifying the amount of a monthly disbursement to
23 the county under this Section, the Department shall increase or
24 decrease the amounts by an amount necessary to offset any
25 miscalculation of previous disbursements. The offset amount
26 shall be the amount erroneously disbursed within the previous 6

1 months from the time a miscalculation is discovered.

2 (i) This Section may be cited as the Rock Island County Use
3 and Occupation Tax Law.

4 (Source: P.A. 90-415, eff. 8-15-97.)

5 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

6 Sec. 5-1009. Limitation on home rule powers. Except as
7 provided in Sections 5-1006, 5-1006.5, 5-1007 and 5-1008, on
8 and after September 1, 1990, no home rule county has the
9 authority to impose, pursuant to its home rule authority, a
10 retailer's occupation tax, service occupation tax, use tax,
11 sales tax or other tax on the use, sale or purchase of tangible
12 personal property based on the gross receipts from such sales
13 or the selling or purchase price of said tangible personal
14 property. Notwithstanding the foregoing, this Section does not
15 preempt any home rule imposed tax such as the following: (1) a
16 tax on alcoholic beverages, whether based on gross receipts,
17 volume sold or any other measurement; (2) a tax based on the
18 number of units of cigarettes or tobacco products; (3) a tax,
19 however measured, based on the use of a hotel or motel room or
20 similar facility; (4) a tax, however measured, on the sale or
21 transfer of real property; (5) a tax, however measured, on
22 lease receipts; (6) a tax on food prepared for immediate
23 consumption and on alcoholic beverages sold by a business which
24 provides for on premise consumption of said food or alcoholic
25 beverages; or (7) other taxes not based on the selling or

1 purchase price or gross receipts from the use, sale or purchase
2 of tangible personal property. This Section does not preempt a
3 home rule county from imposing a tax, however measured, on the
4 use, for consideration, of a parking lot, garage, or other
5 parking facility.

6 On and after December 1, 2017, no home rule county has the
7 authority to impose, pursuant to its home rule authority, a
8 tax, however measured, on sales of aviation fuel, as defined in
9 Section 3 of the Retailers' Occupation Tax Act, unless the tax
10 revenue is expended for airport-related purposes. For purposes
11 of this Section, "airport-related purposes" has the meaning
12 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
13 fuel shall be excluded from tax only for so long as the revenue
14 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133
15 are binding on the county.

16 This Section is a limitation, pursuant to subsection (g) of
17 Section 6 of Article VII of the Illinois Constitution, on the
18 power of home rule units to tax. The changes made to this
19 Section by this amendatory Act of the 100th General Assembly
20 are a denial and limitation of home rule powers and functions
21 under subsection (g) of Section 6 of Article VII of the
22 Illinois Constitution.

23 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

24 (55 ILCS 5/5-1035.1) (from Ch. 34, par. 5-1035.1)

25 Sec. 5-1035.1. County Motor Fuel Tax Law. The county board

1 of the counties of DuPage, Kane and McHenry may, by an
2 ordinance or resolution adopted by an affirmative vote of a
3 majority of the members elected or appointed to the county
4 board, impose a tax upon all persons engaged in the county in
5 the business of selling motor fuel, as now or hereafter defined
6 in the Motor Fuel Tax Law, at retail for the operation of motor
7 vehicles upon public highways or for the operation of
8 recreational watercraft upon waterways. The collection of a tax
9 under this Section based on gallonage of gasoline used for the
10 propulsion of any aircraft is prohibited, and the collection of
11 a tax based on gallonage of special fuel used for the
12 propulsion of any aircraft is prohibited on and after December
13 1, 2017. Kane County may exempt diesel fuel from the tax
14 imposed pursuant to this Section. The tax may be imposed, in
15 half-cent increments, at a rate not exceeding 4 cents per
16 gallon of motor fuel sold at retail within the county for the
17 purpose of use or consumption and not for the purpose of
18 resale. The proceeds from the tax shall be used by the county
19 solely for the purpose of operating, constructing and improving
20 public highways and waterways, and acquiring real property and
21 right-of-ways for public highways and waterways within the
22 county imposing the tax.

23 A tax imposed pursuant to this Section, and all civil
24 penalties that may be assessed as an incident thereof, shall be
25 administered, collected and enforced by the Illinois
26 Department of Revenue in the same manner as the tax imposed

1 under the Retailers' Occupation Tax Act, as now or hereafter
2 amended, insofar as may be practicable; except that in the
3 event of a conflict with the provisions of this Section, this
4 Section shall control. The Department of Revenue shall have
5 full power: to administer and enforce this Section; to collect
6 all taxes and penalties due hereunder; to dispose of taxes and
7 penalties so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda arising on account
9 of the erroneous payment of tax or penalty hereunder.

10 Whenever the Department determines that a refund shall be
11 made under this Section to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the order to be drawn for the
14 amount specified, and to the person named, in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the County Option Motor Fuel Tax Fund.

17 The Department shall forthwith pay over to the State
18 Treasurer, ex-officio, as trustee, all taxes and penalties
19 collected hereunder, which shall be deposited into the County
20 Option Motor Fuel Tax Fund, a special fund in the State
21 Treasury which is hereby created. On or before the 25th day of
22 each calendar month, the Department shall prepare and certify
23 to the State Comptroller the disbursement of stated sums of
24 money to named counties for which taxpayers 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 from retailers within the county during the second
3 preceding calendar month by the Department, but not including
4 an amount equal to the amount of refunds made during the second
5 preceding calendar month by the Department on behalf of the
6 county; less 2% of the balance, which sum shall be retained by
7 the State Treasurer to cover the costs incurred by the
8 Department in administering and enforcing the provisions of
9 this Section. The Department, at the time of each monthly
10 disbursement to the counties, shall prepare and certify to the
11 Comptroller the amount so retained by the State Treasurer,
12 which shall be transferred into the Tax Compliance and
13 Administration Fund.

14 A county may direct, by ordinance, that all or a portion of
15 the taxes and penalties collected under the County Option Motor
16 Fuel Tax shall be deposited into the Transportation Development
17 Partnership Trust Fund.

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

22 An ordinance or resolution imposing a tax hereunder or
23 effecting a change in the rate thereof shall be effective on
24 the first day of the second calendar month next following the
25 month in which the ordinance or resolution is adopted and a
26 certified copy thereof is filed with the Department of Revenue,

1 whereupon the Department of Revenue shall proceed to administer
2 and enforce this Section on behalf of the county as of the
3 effective date of the ordinance or resolution. Upon a change in
4 rate of a tax levied hereunder, or upon the discontinuance of
5 the tax, the county board of the county shall, on or not later
6 than 5 days after the effective date of the ordinance or
7 resolution discontinuing the tax or effecting a change in rate,
8 transmit to the Department of Revenue a certified copy of the
9 ordinance or resolution effecting the change or
10 discontinuance.

11 This Section shall be known and may be cited as the County
12 Motor Fuel Tax Law.

13 (Source: P.A. 98-1049, eff. 8-25-14.)

14 (55 ILCS 5/5-1184 new)

15 Sec. 5-1184. Certification for airport-related purposes.
16 On or before September 1, 2017, and on or before each April 1
17 and October 1 thereafter, each county must certify to the
18 Illinois Department of Transportation, in the form and manner
19 required by the Department, whether the county has an
20 airport-related purpose, which would allow any Retailers'
21 Occupation Tax and Service Occupation Tax imposed by the county
22 to include tax on aviation fuel. On or before October 1, 2017,
23 and on or before each May 1 and November 1 thereafter, the
24 Department of Transportation shall provide to the Department of
25 Revenue, a list of units of local government which have

1 certified to the Department of Transportation that they have
2 airport-related purposes, which would allow any Retailers'
3 Occupation Tax and Service Occupation Tax imposed by the units
4 of local government to include tax on aviation fuel. All
5 disputes regarding whether or not a unit of local government
6 has an airport-related purpose shall be resolved by the
7 Illinois Department of Transportation.

8 Section 45. The Illinois Municipal Code is amended by
9 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
10 8-11-1.7, 8-11-5, 8-11-6a, and 11-74.3-6 and by adding Section
11 8-11-22 as follows:

12 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

13 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
14 Act. The corporate authorities of a home rule municipality may
15 impose a tax upon all persons engaged in the business of
16 selling tangible personal property, other than an item of
17 tangible personal property titled or registered with an agency
18 of this State's government, at retail in the municipality on
19 the gross receipts from these sales made in the course of such
20 business. If imposed, the tax shall only be imposed in 1/4%
21 increments. On and after September 1, 1991, this additional tax
22 may not be imposed on the sales of food for human consumption
23 that is to be consumed off the premises where it is sold (other
24 than alcoholic beverages, soft drinks and food that has been

1 prepared for immediate consumption) and prescription and
2 nonprescription medicines, drugs, medical appliances and
3 insulin, urine testing materials, syringes and needles used by
4 diabetics. Beginning December 1, 2017, this tax is not imposed
5 on sales of aviation fuel unless the tax revenue is expended
6 for airport-related purposes. If a municipality does not have
7 an airport-related purpose to which it dedicates aviation fuel
8 tax revenue, then aviation fuel is excluded from the tax. Each
9 municipality must comply with the certification requirements
10 for airport-related purposes under Section 8-11-22. For
11 purposes of this Act, "airport-related purposes" has the
12 meaning ascribed in Section 6z-20.2 of the State Finance Act.
13 This exclusion for aviation fuel only applies for so long as
14 the revenue use requirements of 49 U.S.C. §47107(b) and 49
15 U.S.C. §47133 are binding on the municipality. The changes made
16 to this Section by this amendatory Act of the 100th General
17 Assembly are a denial and limitation of home rule powers and
18 functions under subsection (g) of Section 6 of Article VII of
19 the Illinois Constitution. The tax imposed by a home rule
20 municipality under this Section and all civil penalties that
21 may be assessed as an incident of the tax shall be collected
22 and enforced by the State Department of Revenue. The
23 certificate of registration that is issued by the Department to
24 a retailer under the Retailers' Occupation Tax Act shall permit
25 the retailer to engage in a business that is taxable under any
26 ordinance or resolution enacted pursuant to this Section

1 without registering separately with the Department under such
2 ordinance or resolution or under this Section. The Department
3 shall have full power to administer and enforce this Section;
4 to collect all taxes and penalties due hereunder; to dispose of
5 taxes and penalties so collected in the manner hereinafter
6 provided; and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of tax or penalty
8 hereunder. In the administration of, and compliance with, this
9 Section the Department and persons who are subject to this
10 Section shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties and
13 definitions of terms, and employ the same modes of procedure,
14 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,
15 1m, 1n, 2 through 2-65 (in respect to all provisions therein
16 other than the State rate of tax), 2c, 3 (except as to the
17 disposition of taxes and penalties collected, and except that
18 the retailer's discount is not allowed for taxes paid on
19 aviation fuel that are deposited into the Local Government
20 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
21 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
22 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth herein.

25 No tax may be imposed by a home rule municipality under
26 this Section unless the municipality also imposes a tax at the

1 same rate under Section 8-11-5 of this Act.

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

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order 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 home rule municipal retailers' occupation
16 tax fund.

17 Except as otherwise provided in this paragraph, the ~~The~~
18 Department shall immediately pay over to the State Treasurer,
19 ex officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the Home Rule Municipal Retailers'
21 Occupation Tax Fund. Taxes and penalties collected on aviation
22 fuel sold on or after December 1, 2017, shall be immediately
23 paid over by the Department to the State Treasurer, ex officio,
24 as trustee, for deposit into the Local Government Aviation
25 Trust Fund. The Department shall only pay moneys into the Local
26 Government Aviation Trust Fund under this Act for so long as

1 the revenue use requirements of 49 U.S.C. §47107(b) and 49
2 U.S.C. §47133 are binding on the State.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which retailers have paid
16 taxes or penalties hereunder to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 municipality shall be the amount (not including credit
19 memoranda and not including taxes and penalties collected on
20 aviation fuel sold on or after December 1, 2017) collected
21 hereunder during the second preceding calendar month by the
22 Department plus an amount the Department determines is
23 necessary to offset any amounts that were erroneously paid to a
24 different taxing body, and not including an amount equal to the
25 amount of refunds made during the second preceding calendar
26 month by the Department on behalf of such municipality, and not

1 including any amount that the Department determines is
2 necessary to offset any amounts that were payable to a
3 different taxing body but were erroneously paid to the
4 municipality, and not including any amounts that are
5 transferred to the STAR Bonds Revenue Fund, less 2% of the
6 remainder, which the Department shall transfer into the Tax
7 Compliance and Administration Fund. The Department, at the time
8 of each monthly disbursement to the municipalities, shall
9 prepare and certify to the State Comptroller the amount to be
10 transferred into the Tax Compliance and Administration Fund
11 under this Section. Within 10 days after receipt by the
12 Comptroller of the disbursement certification to the
13 municipalities and the Tax Compliance and Administration Fund
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 and in order to mitigate delays caused by
20 distribution procedures, an allocation shall, if requested, be
21 made within 10 days after January 14, 1991, and in November of
22 1991 and each year thereafter, to each municipality that
23 received more than \$500,000 during the preceding fiscal year,
24 (July 1 through June 30) whether collected by the municipality
25 or disbursed by the Department as required by this Section.
26 Within 10 days after January 14, 1991, participating

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

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

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

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

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

25 When certifying the amount of a monthly disbursement to a
26 municipality under this Section, the Department shall increase

1 or decrease the amount 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 Any unobligated balance remaining in the Municipal
6 Retailers' Occupation Tax Fund on December 31, 1989, which fund
7 was abolished by Public Act 85-1135, and all receipts of
8 municipal tax as a result of audits of liability periods prior
9 to January 1, 1990, shall be paid into the Local Government Tax
10 Fund for distribution as provided by this Section prior to the
11 enactment of Public Act 85-1135. All receipts of municipal tax
12 as a result of an assessment not arising from an audit, for
13 liability periods prior to January 1, 1990, shall be paid into
14 the Local Government Tax Fund for distribution before July 1,
15 1990, as provided by this Section prior to the enactment of
16 Public Act 85-1135; and on and after July 1, 1990, all such
17 receipts shall be distributed as provided in Section 6z-18 of
18 the State Finance Act.

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

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

24 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

1 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
2 Occupation Tax Act. The corporate authorities of a non-home
3 rule municipality may impose a tax upon all persons engaged in
4 the business of selling tangible personal property, other than
5 on an item of tangible personal property which is titled and
6 registered by an agency of this State's Government, at retail
7 in the municipality for expenditure on public infrastructure or
8 for property tax relief or both as defined in Section 8-11-1.2
9 if approved by referendum as provided in Section 8-11-1.1, of
10 the gross receipts from such sales made in the course of such
11 business. If the tax is approved by referendum on or after July
12 14, 2010 (the effective date of Public Act 96-1057), the
13 corporate authorities of a non-home rule municipality may,
14 until December 31, 2020, use the proceeds of the tax for
15 expenditure on municipal operations, in addition to or in lieu
16 of any expenditure on public infrastructure or for property tax
17 relief. The tax imposed may not be more than 1% and may be
18 imposed only in 1/4% increments. The tax may not be imposed on
19 the sale of food for human consumption that is to be consumed
20 off the premises where it is sold (other than alcoholic
21 beverages, soft drinks, and food that has been prepared for
22 immediate consumption) and prescription and nonprescription
23 medicines, drugs, medical appliances, and insulin, urine
24 testing materials, syringes, and needles used by diabetics.
25 Beginning December 1, 2017, this tax is not imposed on sales of
26 aviation fuel unless the tax revenue is expended for

1 airport-related purposes. If a municipality does not have an
2 airport-related purpose to which it dedicates aviation fuel tax
3 revenue, then aviation fuel is excluded from the tax. Each
4 municipality must comply with the certification requirements
5 for airport-related purposes under Section 8-11-22. For
6 purposes of this Act, "airport-related purposes" has the
7 meaning ascribed in Section 6z-20.2 of the State Finance Act.
8 This exclusion for aviation fuel only applies for so long as
9 the revenue use requirements of 49 U.S.C. §47107(b) and 49
10 U.S.C. §47133 are binding on the municipality. The tax imposed
11 by a municipality pursuant to this Section and all civil
12 penalties that may be assessed as an incident thereof shall be
13 collected and enforced by the State Department of Revenue. The
14 certificate of registration which is issued by the Department
15 to a retailer under the Retailers' Occupation Tax Act shall
16 permit such retailer to engage in a business which is taxable
17 under any ordinance or resolution enacted pursuant to this
18 Section without registering separately with the Department
19 under such ordinance or resolution or under this Section. The
20 Department shall have full power to administer and enforce this
21 Section; to collect all taxes and penalties due hereunder; to
22 dispose of taxes and penalties so collected in the manner
23 hereinafter provided, and to determine all rights to credit
24 memoranda, arising on account of the erroneous payment of tax
25 or penalty hereunder. In the administration of, and compliance
26 with, this Section, the Department and persons who are subject

1 to this Section shall have the same rights, remedies,
2 privileges, immunities, powers and duties, and be subject to
3 the same conditions, restrictions, limitations, penalties and
4 definitions of terms, and employ the same modes of procedure,
5 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
6 2 through 2-65 (in respect to all provisions therein other than
7 the State rate of tax), 2c, 3 (except as to the disposition of
8 taxes and penalties collected, and except that the retailer's
9 discount is not allowed for taxes paid on aviation fuel that
10 are deposited into the Local Government Aviation Trust Fund),
11 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,
12 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation
13 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
14 as fully as if those provisions were set forth herein.

15 No municipality may impose a tax under this Section unless
16 the municipality also imposes a tax at the same rate under
17 Section 8-11-1.4 of this Code.

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

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named, in such notification
4 from the Department. Such refund shall be paid by the State
5 Treasurer out of the non-home rule municipal retailers'
6 occupation tax fund.

7 Except as otherwise provided, the ~~The~~ Department shall
8 forthwith pay over to the State Treasurer, ex officio, as
9 trustee, all taxes and penalties collected hereunder for
10 deposit into the Non-Home Rule Municipal Retailers' Occupation
11 Tax Fund. Taxes and penalties collected on aviation fuel sold
12 on or after December 1, 2017, shall be immediately paid over by
13 the Department to the State Treasurer, ex officio, as trustee,
14 for deposit into the Local Government Aviation Trust Fund. The
15 Department shall only pay moneys into the Local Government
16 Aviation Trust Fund under this Act for so long as the revenue
17 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
18 are binding on the municipality.

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.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to named municipalities,
5 the municipalities to be those from which retailers have paid
6 taxes or penalties hereunder to the Department during the
7 second preceding calendar month. The amount to be paid to each
8 municipality shall be the amount (not including credit
9 memoranda and not including taxes and penalties collected on
10 aviation fuel sold on or after December 1, 2017) collected
11 hereunder during the second preceding calendar month by the
12 Department plus an amount the Department determines is
13 necessary to offset any amounts which were erroneously paid to
14 a different taxing body, and not including an amount equal to
15 the amount of refunds made during the second preceding calendar
16 month by the Department on behalf of such municipality, and not
17 including any amount which the Department determines is
18 necessary to offset any amounts which were payable to a
19 different taxing body but were erroneously paid to the
20 municipality, and not including any amounts that are
21 transferred to the STAR Bonds Revenue Fund, less 2% of the
22 remainder, which the Department shall transfer into the Tax
23 Compliance and Administration Fund. The Department, at the time
24 of each monthly disbursement to the municipalities, shall
25 prepare and certify to the State Comptroller the amount to be
26 transferred into the Tax Compliance and Administration Fund

1 under this Section. Within 10 days after receipt, by the
2 Comptroller, of the disbursement certification to the
3 municipalities and the Tax Compliance and Administration Fund
4 provided for in this Section to be given to the Comptroller by
5 the Department, the Comptroller shall cause the orders to be
6 drawn for the respective amounts in accordance with the
7 directions contained in such certification.

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

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

21 When certifying the amount of a monthly disbursement to a
22 municipality under this Section, the Department shall increase
23 or decrease such 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 The Department of Revenue shall implement this amendatory
2 Act of the 91st General Assembly so as to collect the tax on
3 and after January 1, 2002.

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

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

9 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

10 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

11 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
12 Tax Act. The corporate authorities of a non-home rule
13 municipality may impose a tax upon all persons engaged, in such
14 municipality, in the business of making sales of service for
15 expenditure on public infrastructure or for property tax relief
16 or both as defined in Section 8-11-1.2 if approved by
17 referendum as provided in Section 8-11-1.1, of the selling
18 price of all tangible personal property transferred by such
19 servicemen either in the form of tangible personal property or
20 in the form of real estate as an incident to a sale of service.
21 If the tax is approved by referendum on or after July 14, 2010
22 (the effective date of Public Act 96-1057), the corporate
23 authorities of a non-home rule municipality may, until December
24 31, 2020, use the proceeds of the tax for expenditure on
25 municipal operations, in addition to or in lieu of any

1 expenditure on public infrastructure or for property tax
2 relief. The tax imposed may not be more than 1% and may be
3 imposed only in 1/4% increments. The tax may not be imposed on
4 the sale of food for human consumption that is to be consumed
5 off the premises where it is sold (other than alcoholic
6 beverages, soft drinks, and food that has been prepared for
7 immediate consumption) and prescription and nonprescription
8 medicines, drugs, medical appliances, and insulin, urine
9 testing materials, syringes, and needles used by diabetics.
10 Beginning December 1, 2017, this tax is not imposed on sales of
11 aviation fuel unless the tax revenue is expended for
12 airport-related purposes. If a municipality does not have an
13 airport-related purpose to which it dedicates aviation fuel tax
14 revenue, then aviation fuel is excluded from the tax. Each
15 municipality must comply with the certification requirements
16 for airport-related purposes under Section 8-11-22. For
17 purposes of this Act, "airport-related purposes" has the
18 meaning ascribed in Section 6z-20.2 of the State Finance Act.
19 This exclusion for aviation fuel only applies for so long as
20 the revenue use requirements of 49 U.S.C. §47107(b) and 49
21 U.S.C. §47133 are binding on the municipality. The tax imposed
22 by a municipality pursuant to this Section and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the State Department of Revenue. The
25 certificate of registration which is issued by the Department
26 to a retailer under the Retailers' Occupation Tax Act or under

1 the Service Occupation Tax Act shall permit such registrant to
2 engage in a business which is taxable under any ordinance or
3 resolution enacted pursuant to this Section without
4 registering separately with the Department under such
5 ordinance or resolution or under this Section. The Department
6 shall have full power to administer and enforce this Section;
7 to collect all taxes and penalties due hereunder; to dispose of
8 taxes and penalties so collected in the manner hereinafter
9 provided, and to determine all rights to credit memoranda
10 arising on account of the erroneous payment of tax or penalty
11 hereunder. In the administration of, and compliance with, this
12 Section the Department and persons who are subject to this
13 Section shall have the same rights, remedies, privileges,
14 immunities, powers and duties, and be subject to the same
15 conditions, restrictions, limitations, penalties and
16 definitions of terms, and employ the same modes of procedure,
17 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
18 respect to all provisions therein other than the State rate of
19 tax), 4 (except that the reference to the State shall be to the
20 taxing municipality), 5, 7, 8 (except that the jurisdiction to
21 which the tax shall be a debt to the extent indicated in that
22 Section 8 shall be the taxing municipality), 9 (except as to
23 the disposition of taxes and penalties collected, and except
24 that the returned merchandise credit for this municipal tax may
25 not be taken against any State tax, and except that the
26 retailer's discount is not allowed for taxes paid on aviation

1 fuel that are deposited into the Local Government Aviation
2 Trust Fund), 10, 11, 12 (except the reference therein to
3 Section 2b of the Retailers' Occupation Tax Act), 13 (except
4 that any reference to the State shall mean the taxing
5 municipality), the first paragraph of Section 15, 16, 17, 18,
6 19 and 20 of the Service 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 No municipality may impose a tax under this Section unless
10 the municipality also imposes a tax at the same rate under
11 Section 8-11-1.3 of this Code.

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

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing credit
22 memorandum, the Department shall notify the State Comptroller,
23 who shall cause the order to be drawn for the amount specified,
24 and to the person named, in such notification from the
25 Department. Such refund shall be paid by the State Treasurer
26 out of the municipal retailers' occupation tax fund.

1 Except as otherwise provided in this paragraph, the ~~The~~
2 Department shall forthwith pay over to the State Treasurer, ex
3 officio, as trustee, all taxes and penalties collected
4 hereunder for deposit into the municipal retailers' occupation
5 tax fund. Taxes and penalties collected on aviation fuel sold
6 on or after December 1, 2017, shall be immediately paid over by
7 the Department to the State Treasurer, ex officio, as trustee,
8 for deposit into the Local Government Aviation Trust Fund. The
9 Department shall only pay moneys into the Local Government
10 Aviation Trust Fund under this Act for so long as the revenue
11 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
12 are binding on the municipality.

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

21 After the monthly transfer to the STAR Bonds Revenue Fund,
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 named municipalities,
25 the municipalities to be those from which suppliers and
26 servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The
2 amount to be paid to each municipality shall be the amount (not
3 including credit memoranda and not including taxes and
4 penalties collected on aviation fuel sold on or after December
5 1, 2017) collected hereunder during the second preceding
6 calendar month by the Department, and not including an amount
7 equal to the amount of refunds made during the second preceding
8 calendar month by the Department on behalf of such
9 municipality, and not including any amounts that are
10 transferred to the STAR Bonds Revenue Fund, less 2% of the
11 remainder, which the Department shall transfer into the Tax
12 Compliance and Administration Fund. The Department, at the time
13 of each monthly disbursement to the municipalities, shall
14 prepare and certify to the State Comptroller the amount to be
15 transferred into the Tax Compliance and Administration Fund
16 under this Section. Within 10 days after receipt, by the
17 Comptroller, of the disbursement certification to the
18 municipalities, the General Revenue Fund, and the Tax
19 Compliance and Administration Fund provided for in this Section
20 to be given to the Comptroller by the Department, the
21 Comptroller shall cause the orders to be drawn for the
22 respective amounts in accordance with the directions contained
23 in such certification.

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

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

5 As used in this Section, "municipal" or "municipality"
6 means or refers to a city, village or incorporated town,
7 including an incorporated town which has superseded a civil
8 township.

9 This Section shall be known and may be cited as the
10 "Non-Home Rule Municipal Service Occupation Tax Act".

11 (Source: P.A. 100-23, eff. 7-6-17.)

12 (65 ILCS 5/8-11-1.6)

13 Sec. 8-11-1.6. Non-home rule municipal retailers
14 occupation tax; municipalities between 20,000 and 25,000. The
15 corporate authorities of a non-home rule municipality with a
16 population of more than 20,000 but less than 25,000 that has,
17 prior to January 1, 1987, established a Redevelopment Project
18 Area that has been certified as a State Sales Tax Boundary and
19 has issued bonds or otherwise incurred indebtedness to pay for
20 costs in excess of \$5,000,000, which is secured in part by a
21 tax increment allocation fund, in accordance with the
22 provisions of Division 11-74.4 of this Code may, by passage of
23 an ordinance, impose a tax upon all persons engaged in the
24 business of selling tangible personal property, other than on
25 an item of tangible personal property that is titled and

1 registered by an agency of this State's Government, at retail
2 in the municipality. This tax may not be imposed on the sales
3 of 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. Beginning
9 December 1, 2017, this tax is not imposed on sales of aviation
10 fuel unless the tax revenue is expended for airport-related
11 purposes. If a municipality does not have an airport-related
12 purpose to which it dedicates aviation fuel tax revenue, then
13 aviation fuel is excluded from the tax. Each municipality must
14 comply with the certification requirements for airport-related
15 purposes under Section 8-11-22. For purposes of this Act,
16 "airport-related purposes" has the meaning ascribed in Section
17 6z-20.2 of the State Finance Act. This exclusion for aviation
18 fuel only applies for so long as the revenue use requirements
19 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
20 municipality. If imposed, the tax shall only be imposed in .25%
21 increments of the gross receipts from such sales made in the
22 course of business. Any tax imposed by a municipality under
23 this Section and all civil penalties that may be assessed as an
24 incident thereof shall be collected and enforced by the State
25 Department of Revenue. An ordinance imposing a tax hereunder or
26 effecting a change in the rate thereof shall be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of October, whereupon the Department shall
3 proceed to administer and enforce this Section as of the first
4 day of January next following such adoption and filing. The
5 certificate of registration that is issued by the Department to
6 a retailer under the Retailers' Occupation Tax Act shall permit
7 the retailer to engage in a business that is taxable under any
8 ordinance or resolution enacted under this Section without
9 registering separately with the Department under the ordinance
10 or resolution or under this Section. The Department shall have
11 full power to administer and enforce this Section, to collect
12 all taxes and penalties due hereunder, to dispose of taxes and
13 penalties so collected in the manner hereinafter provided, and
14 to determine all rights to credit memoranda, arising on account
15 of the erroneous payment of tax or penalty hereunder. In the
16 administration of, and compliance with this Section, the
17 Department and persons who are subject to this Section shall
18 have the same rights, remedies, privileges, immunities,
19 powers, and duties, and be subject to the same conditions,
20 restrictions, limitations, penalties, and definitions of
21 terms, and employ the same modes of procedure, as are
22 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
23 through 2-65 (in respect to all provisions therein other than
24 the State rate of tax), 2c, 3 (except as to the disposition of
25 taxes and penalties collected, and except that the retailer's
26 discount is not allowed for taxes paid on aviation fuel that

1 are deposited into the Local Government Aviation Trust Fund),
2 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,
3 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation
4 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
5 as fully as if those provisions were set forth herein.

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

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

16 Whenever the Department determines that a refund should be
17 made under this Section 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 Non-Home Rule Municipal Retailers'
23 Occupation Tax Fund, which is hereby created.

24 Except as otherwise provided in this paragraph, the ~~The~~
25 Department shall forthwith pay over to the State Treasurer, ex
26 officio, as trustee, all taxes and penalties collected

1 hereunder for deposit into the Non-Home Rule Municipal
2 Retailers' Occupation Tax Fund. Taxes and penalties collected
3 on aviation fuel sold on or after December 1, 2017, shall be
4 immediately paid over by the Department to the State Treasurer,
5 ex officio, as trustee, for deposit into the Local Government
6 Aviation Trust Fund. The Department shall only pay moneys into
7 the Local Government Aviation Trust Fund under this Act for so
8 long as the revenue use requirements of 49 U.S.C. §47107(b) and
9 49 U.S.C. §47133 are binding on the municipality.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda and not including taxes and penalties collected on

1 aviation fuel sold on or after December 1, 2017) 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 the municipality, and not
8 including any amount that the Department determines is
9 necessary to offset any amounts that were payable to a
10 different taxing body but were erroneously paid to the
11 municipality, and not including any amounts that are
12 transferred to the STAR Bonds Revenue Fund, less 2% of the
13 remainder, which the Department shall transfer into the Tax
14 Compliance and Administration Fund. The Department, at the time
15 of each monthly disbursement to the municipalities, shall
16 prepare and certify to the State Comptroller the amount to be
17 transferred into the Tax Compliance and Administration Fund
18 under this Section. Within 10 days after receipt by the
19 Comptroller of the disbursement certification to the
20 municipalities and the Tax Compliance and Administration Fund
21 provided for in this Section to be given to the Comptroller by
22 the Department, the Comptroller shall cause the orders to be
23 drawn for the respective amounts in accordance with the
24 directions contained in the certification.

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

1 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 the 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 As used in this Section, "municipal" and "municipality"
19 means a city, village, or incorporated town, including an
20 incorporated town that has superseded a civil township.

21 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
22 100-23, eff. 7-6-17; revised 10-3-17.)

23 (65 ILCS 5/8-11-1.7)

24 Sec. 8-11-1.7. Non-home rule municipal service occupation
25 tax; municipalities between 20,000 and 25,000. The corporate

1 authorities of a non-home rule municipality with a population
2 of more than 20,000 but less than 25,000 as determined by the
3 last preceding decennial census that has, prior to January 1,
4 1987, established a Redevelopment Project Area that has been
5 certified as a State Sales Tax Boundary and has issued bonds or
6 otherwise incurred indebtedness to pay for costs in excess of
7 \$5,000,000, which is secured in part by a tax increment
8 allocation fund, in accordance with the provisions of Division
9 11-74.4 of this Code may, by passage of an ordinance, impose a
10 tax upon all persons engaged in the municipality in the
11 business of making sales of service. If imposed, the tax shall
12 only be imposed in .25% increments of the selling price of all
13 tangible personal property transferred by such servicemen
14 either in the form of tangible personal property or in the form
15 of real estate as an incident to a sale of service. This tax
16 may not be imposed on the sales of food for human consumption
17 that is to be consumed off the premises where it is sold (other
18 than alcoholic beverages, soft drinks, and food that has been
19 prepared for immediate consumption) and prescription and
20 nonprescription medicines, drugs, medical appliances and
21 insulin, urine testing materials, syringes, and needles used by
22 diabetics. Beginning December 1, 2017, this tax is not imposed
23 on sales of aviation fuel unless the tax revenue is expended
24 for airport-related purposes. If a municipality does not have
25 an airport-related purpose to which it dedicates aviation fuel
26 tax revenue, then aviation fuel is excluded from the tax. Each

1 municipality must comply with the certification requirements
2 for airport-related purposes under Section 8-11-22. For
3 purposes of this Act, "airport-related purposes" has the
4 meaning ascribed in Section 6z-20.2 of the State Finance Act.
5 This exclusion for aviation fuel only applies for so long as
6 the revenue use requirements of 49 U.S.C. §47107(b) and 49
7 U.S.C. §47133 are binding on the municipality. The tax imposed
8 by a municipality under this Section ~~Sec.~~ and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. An
11 ordinance imposing a tax hereunder or effecting a change in the
12 rate thereof shall be adopted and a certified copy thereof
13 filed with the Department on or before the first day of
14 October, whereupon the Department shall proceed to administer
15 and enforce this Section as of the first day of January next
16 following such adoption and filing. The certificate of
17 registration that is issued by the Department to a retailer
18 under the Retailers' Occupation Tax Act or under the Service
19 Occupation Tax Act shall permit the registrant to engage in a
20 business that is taxable under any ordinance or resolution
21 enacted under this Section without registering separately with
22 the Department under the ordinance or resolution or under this
23 Section. The Department shall have full power to administer and
24 enforce this Section, to collect all taxes and penalties due
25 hereunder, to dispose of taxes and penalties so collected in a
26 manner hereinafter provided, and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of
2 tax or penalty hereunder. In the administration of and
3 compliance with this Section, the Department and persons who
4 are subject to this Section shall have the same rights,
5 remedies, privileges, immunities, powers, and duties, and be
6 subject to the same conditions, restrictions, limitations,
7 penalties and definitions of terms, and employ the same modes
8 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
9 through 3-50 (in respect to all provisions therein other than
10 the State rate of tax), 4 (except that the reference to the
11 State shall be to the taxing municipality), 5, 7, 8 (except
12 that the jurisdiction to which the tax shall be a debt to the
13 extent indicated in that Section 8 shall be the taxing
14 municipality), 9 (except as to the disposition of taxes and
15 penalties collected, and except that the returned merchandise
16 credit for this municipal tax may not be taken against any
17 State tax, and except that the retailer's discount is not
18 allowed for taxes paid on aviation fuel that are deposited into
19 the Local Government Aviation Trust Fund), 10, 11, 12, (except
20 the reference therein to Section 2b of the Retailers'
21 Occupation Tax Act), 13 (except that any reference to the State
22 shall mean the taxing municipality), the first paragraph of
23 Sections 15, 16, 17, 18, 19, and 20 of the Service Occupation
24 Tax Act and Section 3-7 of the Uniform Penalty and Interest
25 Act, as fully as if those provisions were set forth herein.

26 A tax may not be imposed by a municipality under this

1 Section unless the municipality also imposes a tax at the same
2 rate under Section 8-11-1.6 of this Act.

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

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing credit
12 memorandum, the Department shall notify the State Comptroller,
13 who shall cause the order to be drawn for the amount specified,
14 and to the person named, in such notification from the
15 Department. The refund shall be paid by the State Treasurer out
16 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

17 Except as otherwise provided in this paragraph, the ~~The~~
18 Department shall forthwith pay over to the State Treasurer, ex
19 officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the Non-Home Rule Municipal
21 Retailers' Occupation Tax Fund. Taxes and penalties collected
22 on aviation fuel sold on or after December 1, 2017, shall be
23 immediately paid over by the Department to the State Treasurer,
24 ex officio, as trustee, for deposit into the Local Government
25 Aviation Trust Fund. The Department shall only pay moneys into
26 the Local Government Aviation Trust Fund under this Act for so

1 long as the revenue use requirements of 49 U.S.C. §47107(b) and
2 49 U.S.C. §47133 are binding on the municipality.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which suppliers and
16 servicemen have paid taxes or penalties hereunder to the
17 Department during the second preceding calendar month. The
18 amount to be paid to each municipality shall be the amount (not
19 including credit memoranda and not including taxes and
20 penalties collected on aviation fuel sold on or after December
21 1, 2017) collected hereunder during the second preceding
22 calendar month by the Department, and not including an amount
23 equal to the amount of refunds made during the second preceding
24 calendar month by the Department on behalf of such
25 municipality, and not including any amounts that are
26 transferred to the STAR Bonds Revenue Fund, less 2% of the

1 remainder, which the Department shall transfer into the Tax
2 Compliance and Administration Fund. The Department, at the time
3 of each monthly disbursement to the municipalities, shall
4 prepare and certify to the State Comptroller the amount to be
5 transferred into the Tax Compliance and Administration Fund
6 under this Section. Within 10 days after receipt by the
7 Comptroller of the disbursement certification to the
8 municipalities, the Tax Compliance and Administration Fund,
9 and the General Revenue Fund, provided for in this Section to
10 be given to the Comptroller by the Department, the Comptroller
11 shall cause the orders to be drawn for the respective amounts
12 in accordance with the directions contained in the
13 certification.

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

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 (Source: P.A. 100-23, eff. 7-6-17; revised 10-3-17.)

1 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
2 Act. The corporate authorities of a home rule municipality may
3 impose a tax upon all persons engaged, in such municipality, in
4 the business of making sales of service at the same rate of tax
5 imposed pursuant to Section 8-11-1, of the selling price of all
6 tangible personal property transferred by such servicemen
7 either in the form of tangible personal property or in the form
8 of real estate as an incident to a sale of service. If imposed,
9 such tax shall only be imposed in 1/4% increments. On and after
10 September 1, 1991, this additional tax may not be imposed on
11 the sales of food for human consumption which is to be consumed
12 off the premises where it is sold (other than alcoholic
13 beverages, soft drinks and food which has been prepared for
14 immediate consumption) and prescription and nonprescription
15 medicines, drugs, medical appliances and insulin, urine
16 testing materials, syringes and needles used by diabetics.
17 Beginning December 1, 2017, this tax may not be imposed on
18 sales of aviation fuel unless the tax revenue is expended for
19 airport-related purposes. If a municipality does not have an
20 airport-related purpose to which it dedicates aviation fuel tax
21 revenue, then aviation fuel shall be excluded from tax. Each
22 municipality must comply with the certification requirements
23 for airport-related purposes under Section 8-11-22. For
24 purposes of this Act, "airport-related purposes" has the
25 meaning ascribed in Section 6z-20.2 of the State Finance Act.
26 This exception for aviation fuel only applies for so long as

1 the revenue use requirements of 49 U.S.C. §47107(b) and 49
2 U.S.C. §47133 are binding on the State. The changes made to
3 this Section by this amendatory Act of the 100th General
4 Assembly are a denial and limitation of home rule powers and
5 functions under subsection (g) of Section 6 of Article VII of
6 the Illinois Constitution. The tax imposed by a home rule
7 municipality pursuant to this Section and all civil penalties
8 that may be assessed as an incident thereof shall be collected
9 and enforced by the State Department of Revenue. The
10 certificate of registration which is issued by the Department
11 to a retailer under the Retailers' Occupation Tax Act or under
12 the Service Occupation Tax Act shall permit such registrant to
13 engage in a business which is taxable under any ordinance or
14 resolution enacted pursuant to this Section without
15 registering separately with the Department under such
16 ordinance or resolution or under this Section. The Department
17 shall have full power to administer and enforce this Section;
18 to collect all taxes and penalties due hereunder; to dispose of
19 taxes and penalties so collected in the manner hereinafter
20 provided, and to determine all rights to credit memoranda
21 arising on account of the erroneous payment of tax or penalty
22 hereunder. In the administration of, and compliance with, this
23 Section the Department and persons who are subject to this
24 Section shall have the same rights, remedies, privileges,
25 immunities, powers and duties, and be subject to the same
26 conditions, restrictions, limitations, penalties and

1 definitions of terms, and employ the same modes of procedure,
2 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
3 respect to all provisions therein other than the State rate of
4 tax), 4 (except that the reference to the State shall be to the
5 taxing municipality), 5, 7, 8 (except that the jurisdiction to
6 which the tax shall be a debt to the extent indicated in that
7 Section 8 shall be the taxing municipality), 9 (except as to
8 the disposition of taxes and penalties collected, and except
9 that the returned merchandise credit for this municipal tax may
10 not be taken against any State tax), 10, 11, 12 (except the
11 reference therein to Section 2b of the Retailers' Occupation
12 Tax Act), 13 (except that any reference to the State shall mean
13 the taxing municipality), the first paragraph of Section 15,
14 16, 17 (except that credit memoranda issued hereunder may not
15 be used to discharge any State tax liability), 18, 19 and 20 of
16 the Service Occupation Tax Act and Section 3-7 of the Uniform
17 Penalty and Interest Act, as fully as if those provisions were
18 set forth herein.

19 No tax may be imposed by a home rule municipality pursuant
20 to this Section unless such municipality also imposes a tax at
21 the same rate pursuant to Section 8-11-1 of this Act.

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

1 servicemen are authorized to collect under the Service Use Tax
2 Act, pursuant to such bracket schedules as the Department may
3 prescribe.

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

11 Except as otherwise provided in this paragraph, the ~~The~~
12 Department shall forthwith pay over to the State Treasurer,
13 ex-officio, as trustee, all taxes and penalties collected
14 hereunder for deposit into the Home Rule Municipal Retailers'
15 Occupation Tax Fund. Taxes and penalties collected on aviation
16 fuel sold on or after December 1, 2017, shall be immediately
17 paid over by the Department to the State Treasurer, ex officio,
18 as trustee, for deposit into the Local Government Aviation
19 Trust Fund. The Department shall only pay moneys into the State
20 Aviation Program Fund under this Act for so long as the revenue
21 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
22 are binding on the municipality.

23 As soon as possible after the first day of each month,
24 beginning January 1, 2011, upon certification of the Department
25 of Revenue, the Comptroller shall order transferred, and the
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the Innovation
2 Development and Economy Act, collected under this Section
3 during the second preceding calendar month for sales within a
4 STAR bond district.

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 to named municipalities,
9 the municipalities to be those from which suppliers and
10 servicemen have paid taxes or penalties hereunder to the
11 Department during the second preceding calendar month. The
12 amount to be paid to each municipality shall be the amount (not
13 including credit memoranda and not including taxes and
14 penalties collected on aviation fuel sold on or after December
15 1, 2017) collected hereunder during the second preceding
16 calendar month by the Department, and not including an amount
17 equal to the amount of refunds made during the second preceding
18 calendar month by the Department on behalf of such
19 municipality, and not including any amounts that are
20 transferred to the STAR Bonds Revenue Fund, less 2% of the
21 remainder, which the Department shall transfer into the Tax
22 Compliance and Administration Fund. The Department, at the time
23 of each monthly disbursement to the municipalities, shall
24 prepare and certify to the State Comptroller the amount to be
25 transferred into the Tax Compliance and Administration Fund
26 under this Section. Within 10 days after receipt, by the

1 Comptroller, of the disbursement certification to the
2 municipalities and the Tax Compliance and Administration Fund
3 provided for in this Section to be given to the Comptroller by
4 the Department, the Comptroller shall cause the orders to be
5 drawn for the respective amounts in accordance with the
6 directions contained in such certification.

7 In addition to the disbursement required by the preceding
8 paragraph and in order to mitigate delays caused by
9 distribution procedures, an allocation shall, if requested, be
10 made within 10 days after January 14, 1991, and in November of
11 1991 and each year thereafter, to each municipality that
12 received more than \$500,000 during the preceding fiscal year,
13 (July 1 through June 30) whether collected by the municipality
14 or disbursed by the Department as required by this Section.
15 Within 10 days after January 14, 1991, participating
16 municipalities shall notify the Department in writing of their
17 intent to participate. In addition, for the initial
18 distribution, participating municipalities shall certify to
19 the Department the amounts collected by the municipality for
20 each month under its home rule occupation and service
21 occupation tax during the period July 1, 1989 through June 30,
22 1990. The allocation within 10 days after January 14, 1991,
23 shall be in an amount equal to the monthly average of these
24 amounts, excluding the 2 months of highest receipts. Monthly
25 average for the period of July 1, 1990 through June 30, 1991
26 will be determined as follows: the amounts collected by the

1 municipality under its home rule occupation and service
2 occupation tax during the period of July 1, 1990 through
3 September 30, 1990, plus amounts collected by the Department
4 and paid to such municipality through June 30, 1991, excluding
5 the 2 months of highest receipts. The monthly average for each
6 subsequent period of July 1 through June 30 shall be an amount
7 equal to the monthly distribution made to each such
8 municipality under the preceding paragraph during this period,
9 excluding the 2 months of highest receipts. The distribution
10 made in November 1991 and each year thereafter under this
11 paragraph and the preceding paragraph shall be reduced by the
12 amount allocated and disbursed under this paragraph in the
13 preceding period of July 1 through June 30. The Department
14 shall prepare and certify to the Comptroller for disbursement
15 the allocations made in accordance with this paragraph.

16 Nothing in this Section shall be construed to authorize a
17 municipality to impose a tax upon the privilege of engaging in
18 any business which under the constitution of the United States
19 may 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 However, a municipality located in a county with a population
14 in excess of 3,000,000 that elected to become a home rule unit
15 at the general primary election in 1994 may adopt an ordinance
16 or resolution imposing the tax under this Section and file a
17 certified copy of the ordinance or resolution with the
18 Department on or before July 1, 1994. The Department shall then
19 proceed to administer and enforce this Section as of October 1,
20 1994. Beginning April 1, 1998, an ordinance or resolution
21 imposing or discontinuing the tax hereunder or effecting a
22 change in the rate thereof shall either (i) be adopted and a
23 certified copy thereof filed with the Department on or before
24 the first day of April, whereupon the Department shall proceed
25 to administer and enforce this Section as of the first day of
26 July next following the adoption and filing; or (ii) be adopted

1 and a certified copy thereof filed with the Department on or
2 before the first day of October, whereupon the Department shall
3 proceed to administer and enforce this Section as of the first
4 day of January next following the adoption and filing.

5 Any unobligated balance remaining in the Municipal
6 Retailers' Occupation Tax Fund on December 31, 1989, which fund
7 was abolished by Public Act 85-1135, and all receipts of
8 municipal tax as a result of audits of liability periods prior
9 to January 1, 1990, shall be paid into the Local Government Tax
10 Fund, for distribution as provided by this Section prior to the
11 enactment of Public Act 85-1135. All receipts of municipal tax
12 as a result of an assessment not arising from an audit, for
13 liability periods prior to January 1, 1990, shall be paid into
14 the Local Government Tax Fund for distribution before July 1,
15 1990, as provided by this Section prior to the enactment of
16 Public Act 85-1135, and on and after July 1, 1990, all such
17 receipts shall be distributed as provided in Section 6z-18 of
18 the State Finance Act.

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

22 This Section shall be known and may be cited as the Home
23 Rule Municipal Service Occupation Tax Act.

24 (Source: P.A. 100-23, eff. 7-6-17.)

1 Sec. 8-11-6a. Home rule municipalities; preemption of
2 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,
3 8-11-6, 8-11-6b, 8-11-6c, and 11-74.3-6 on and after September
4 1, 1990, no home rule municipality has the authority to impose,
5 pursuant to its home rule authority, a retailer's occupation
6 tax, service occupation tax, use tax, sales tax or other tax on
7 the use, sale or purchase of tangible personal property based
8 on the gross receipts from such sales or the selling or
9 purchase price of said tangible personal property.
10 Notwithstanding the foregoing, this Section does not preempt
11 any home rule imposed tax such as the following: (1) a tax on
12 alcoholic beverages, whether based on gross receipts, volume
13 sold or any other measurement; (2) a tax based on the number of
14 units of cigarettes or tobacco products (provided, however,
15 that a home rule municipality that has not imposed a tax based
16 on the number of units of cigarettes or tobacco products before
17 July 1, 1993, shall not impose such a tax after that date); (3)
18 a tax, however measured, based on the use of a hotel or motel
19 room or similar facility; (4) a tax, however measured, on the
20 sale or transfer of real property; (5) a tax, however measured,
21 on lease receipts; (6) a tax on food prepared for immediate
22 consumption and on alcoholic beverages sold by a business which
23 provides for on premise consumption of said food or alcoholic
24 beverages; or (7) other taxes not based on the selling or
25 purchase price or gross receipts from the use, sale or purchase
26 of tangible personal property. This Section does not preempt a

1 home rule municipality with a population of more than 2,000,000
2 from imposing a tax, however measured, on the use, for
3 consideration, of a parking lot, garage, or other parking
4 facility. This Section is not intended to affect any existing
5 tax on food and beverages prepared for immediate consumption on
6 the premises where the sale occurs, or any existing tax on
7 alcoholic beverages, or any existing tax imposed on the charge
8 for renting a hotel or motel room, which was in effect January
9 15, 1988, or any extension of the effective date of such an
10 existing tax by ordinance of the municipality imposing the tax,
11 which extension is hereby authorized, in any non-home rule
12 municipality in which the imposition of such a tax has been
13 upheld by judicial determination, nor is this Section intended
14 to preempt the authority granted by Public Act 85-1006. On and
15 after December 1, 2017, no home rule municipality has the
16 authority to impose, pursuant to its home rule authority, a
17 tax, however measured, on sales of aviation fuel, as defined in
18 Section 3 of the Retailers' Occupation Tax Act, unless the tax
19 revenue is expended for airport-related purposes. For purposes
20 of this Section, "airport-related purposes" has the meaning
21 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
22 fuel shall be excluded from tax only for so long as the revenue
23 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133
24 are binding on the municipality. This Section is a limitation,
25 pursuant to subsection (g) of Section 6 of Article VII of the
26 Illinois Constitution, on the power of home rule units to tax.

1 The changes made to this Section by this amendatory Act of the
2 100th General Assembly are a denial and limitation of home rule
3 powers and functions under subsection (g) of Section 6 of
4 Article VII of the Illinois Constitution.

5 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

6 (65 ILCS 5/8-11-22 new)

7 Sec. 8-11-22. Certification for airport-related purposes.
8 On or before September 1, 2017, and on or before each April 1
9 and October 1 thereafter, each municipality (and District in
10 the case of business district operating within a municipality)
11 must certify to the Department of Transportation, in the form
12 and manner required by the Department, whether the municipality
13 has an airport-related purpose, which would allow any
14 Retailers' Occupation Tax and Service Occupation Tax imposed by
15 the municipality to include tax on aviation fuel. On or before
16 October 1, 2017, and on or before each May 1 and November 1
17 thereafter, the Department of Transportation shall provide to
18 the Department of Revenue, a list of units of local government
19 which have certified to the Department of Transportation that
20 they have airport-related purposes, which would allow any
21 Retailers' Occupation Tax and Service Occupation Tax imposed by
22 the unit of local government to include tax on aviation fuel.
23 All disputes regarding whether or not a unit of local
24 government has an airport-related purpose shall be resolved by
25 the Department of Transportation.

1 (65 ILCS 5/11-74.3-6)

2 Sec. 11-74.3-6. Business district revenue and obligations;
3 business district tax allocation fund.

4 (a) If the corporate authorities of a municipality have
5 approved a business district plan, have designated a business
6 district, and have elected to impose a tax by ordinance
7 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
8 each year after the date of the approval of the ordinance but
9 terminating upon the date all business district project costs
10 and all obligations paying or reimbursing business district
11 project costs, if any, have been paid, but in no event later
12 than the dissolution date, all amounts generated by the
13 retailers' occupation tax and service occupation tax shall be
14 collected and the tax shall be enforced by the Department of
15 Revenue in the same manner as all retailers' occupation taxes
16 and service occupation taxes imposed in the municipality
17 imposing the tax and all amounts generated by the hotel
18 operators' occupation tax shall be collected and the tax shall
19 be enforced by the municipality in the same manner as all hotel
20 operators' occupation taxes imposed in the municipality
21 imposing the tax. The corporate authorities of the municipality
22 shall deposit the proceeds of the taxes imposed under
23 subsections (10) and (11) of Section 11-74.3-3 into a special
24 fund of the municipality called the "[Name of] Business
25 District Tax Allocation Fund" for the purpose of paying or

1 reimbursing business district project costs and obligations
2 incurred in the payment of those costs.

3 (b) The corporate authorities of a municipality that has
4 designated a business district under this Law may, by
5 ordinance, impose a Business District Retailers' Occupation
6 Tax upon all persons engaged in the business of selling
7 tangible personal property, other than an item of tangible
8 personal property titled or registered with an agency of this
9 State's government, at retail in the business district at a
10 rate not to exceed 1% of the gross receipts from the sales made
11 in the course of such business, to be imposed only in 0.25%
12 increments. The tax may not be imposed on food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks, and food
15 that has been prepared for immediate consumption),
16 prescription and nonprescription medicines, drugs, medical
17 appliances, modifications to a motor vehicle for the purpose of
18 rendering it usable by a person with a disability, and insulin,
19 urine testing materials, syringes, and needles used by
20 diabetics, for human use. Beginning December 1, 2017, this tax
21 is not imposed on sales of aviation fuel unless the tax revenue
22 is expended for airport-related purposes. If the District does
23 not have an airport-related purpose to which it dedicates
24 aviation fuel tax revenue, then aviation fuel is excluded from
25 the tax. Each municipality must comply with the certification
26 requirements for airport-related purposes under Section

1 8-11-22. For purposes of this Act, "airport-related purposes"
2 has the meaning ascribed in Section 6z-20.2 of the State
3 Finance Act. This exclusion for aviation fuel only applies for
4 so long as the revenue use requirements of 49 U.S.C. §47107(b)
5 and 49 U.S.C. §47133 are binding on the District.

6 The tax imposed under this subsection and all civil
7 penalties that may be assessed as an incident thereof shall be
8 collected and enforced by the Department of Revenue. The
9 certificate of registration that is issued by the Department to
10 a retailer under the Retailers' Occupation Tax Act shall permit
11 the retailer to engage in a business that is taxable under any
12 ordinance or resolution enacted pursuant to this subsection
13 without registering separately with the Department under such
14 ordinance or resolution or under this subsection. The
15 Department of Revenue shall have full power to administer and
16 enforce this subsection; to collect all taxes and penalties due
17 under this subsection in the manner hereinafter provided; and
18 to determine all rights to credit memoranda arising on account
19 of the erroneous payment of tax or penalty under this
20 subsection. In the administration of, and compliance with, this
21 subsection, the Department and persons who are subject to this
22 subsection 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 1, 1a through 1o, 2

1 through 2-65 (in respect to all provisions therein other than
2 the State rate of tax), 2c through 2h, 3 (except as to the
3 disposition of taxes and penalties collected, and except that
4 the retailer's discount is not allowed for taxes paid on
5 aviation fuel that are deposited into the Local Government
6 Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k,
7 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
8 Retailers' Occupation Tax Act and all provisions of the Uniform
9 Penalty and Interest Act, as fully as if those provisions were
10 set forth herein.

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

18 Whenever the Department determines that a refund should be
19 made under this subsection to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified and to the person named in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the business district retailers' occupation
25 tax fund.

26 Except as otherwise provided in this paragraph, the ~~The~~

1 Department shall immediately pay over to the State Treasurer,
2 ex officio, as trustee, all taxes, penalties, and interest
3 collected under this subsection for deposit into the business
4 district retailers' occupation tax fund. Taxes and penalties
5 collected on aviation fuel sold on or after December 1, 2017,
6 shall be immediately paid over by the Department to the State
7 Treasurer, ex officio, as trustee, for deposit into the Local
8 Government Aviation Trust Fund. The Department shall only pay
9 moneys into the Local Government Aviation Trust Fund under this
10 Act for so long as the revenue use requirements of 49 U.S.C.
11 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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 subsection
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 municipalities
24 from the business district retailers' occupation tax fund, the
25 municipalities to be those from which retailers have paid taxes
26 or penalties under this subsection to the Department during the

1 second preceding calendar month. The amount to be paid to each
2 municipality shall be the amount (not including credit
3 memoranda and not including taxes and penalties collected on
4 aviation fuel sold on or after December 1, 2017) collected
5 under this subsection during the second preceding calendar
6 month by the Department plus an amount the Department
7 determines is necessary to offset any amounts that were
8 erroneously paid to a different taxing body, and not including
9 an amount equal to the amount of refunds made during the second
10 preceding calendar month by the Department, less 2% of that
11 amount (except the amount collected on aviation fuel sold on or
12 after December 1, 2017), which shall be deposited into the Tax
13 Compliance and Administration Fund and shall be used by the
14 Department, subject to appropriation, to cover the costs of the
15 Department in administering and enforcing the provisions of
16 this subsection, on behalf of such municipality, and not
17 including any amount that the Department determines is
18 necessary to offset any amounts that were payable to a
19 different taxing body but were erroneously paid to the
20 municipality, and not including any amounts that are
21 transferred to the STAR Bonds Revenue Fund. Within 10 days
22 after receipt by the Comptroller of the disbursement
23 certification to the municipalities provided for in this
24 subsection to be given to the Comptroller by the Department,
25 the Comptroller shall cause the orders to be drawn for the
26 respective amounts in accordance with the directions contained

1 in the certification. The proceeds of the tax paid to
2 municipalities under this subsection shall be deposited into
3 the Business District Tax Allocation Fund by the municipality.

4 An ordinance imposing or discontinuing the tax under this
5 subsection or effecting a change in the rate thereof shall
6 either (i) be adopted and a certified copy thereof filed with
7 the Department on or before the first day of April, whereupon
8 the Department, if all other requirements of this subsection
9 are met, shall proceed to administer and enforce this
10 subsection as of the first day of July next following the
11 adoption and filing; or (ii) be adopted and a certified copy
12 thereof filed with the Department on or before the first day of
13 October, whereupon, if all other requirements of this
14 subsection are met, the Department shall proceed to administer
15 and enforce this subsection as of the first day of January next
16 following the adoption and filing.

17 The Department of Revenue shall not administer or enforce
18 an ordinance imposing, discontinuing, or changing the rate of
19 the tax under this subsection, until the municipality also
20 provides, in the manner prescribed by the Department, the
21 boundaries of the business district and each address in the
22 business district in such a way that the Department can
23 determine by its address whether a business is located in the
24 business district. The municipality must provide this boundary
25 and address information to the Department on or before April 1
26 for administration and enforcement of the tax under this

1 subsection by the Department beginning on the following July 1
2 and on or before October 1 for administration and enforcement
3 of the tax under this subsection by the Department beginning on
4 the following January 1. The Department of Revenue shall not
5 administer or enforce any change made to the boundaries of a
6 business district or address change, addition, or deletion
7 until the municipality reports the boundary change or address
8 change, addition, or deletion to the Department in the manner
9 prescribed by the Department. The municipality must provide
10 this boundary change information or address change, addition,
11 or deletion to the Department on or before April 1 for
12 administration and enforcement by the Department of the change
13 beginning on the following July 1 and on or before October 1
14 for administration and enforcement by the Department of the
15 change beginning on the following January 1. The retailers in
16 the business district shall be responsible for charging the tax
17 imposed under this subsection. If a retailer is incorrectly
18 included or excluded from the list of those required to collect
19 the tax under this subsection, both the Department of Revenue
20 and the retailer shall be held harmless if they reasonably
21 relied on information provided by the municipality.

22 A municipality that imposes the tax under this subsection
23 must submit to the Department of Revenue any other information
24 as the Department may require for the administration and
25 enforcement of the tax.

26 When certifying the amount of a monthly disbursement to a

1 municipality under this subsection, the Department shall
2 increase or decrease the amount by an amount necessary to
3 offset any misallocation of previous disbursements. The offset
4 amount shall be the amount erroneously disbursed within the
5 previous 6 months from the time a misallocation is discovered.

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

10 If a tax is imposed under this subsection (b), a tax shall
11 also be imposed under subsection (c) of this Section.

12 (c) If a tax has been imposed under subsection (b), a
13 Business District Service Occupation Tax shall also be imposed
14 upon all persons engaged, in the business district, in the
15 business of making sales of service, who, as an incident to
16 making those sales of service, transfer tangible personal
17 property within the business district, either in the form of
18 tangible personal property or in the form of real estate as an
19 incident to a sale of service. The tax shall be imposed at the
20 same rate as the tax imposed in subsection (b) and shall not
21 exceed 1% of the selling price of tangible personal property so
22 transferred within the business district, to be imposed only in
23 0.25% increments. The tax may not be imposed on food for human
24 consumption that is to be consumed off the premises where it is
25 sold (other than alcoholic beverages, soft drinks, and food
26 that has been prepared for immediate consumption),

1 prescription and nonprescription medicines, drugs, medical
2 appliances, modifications to a motor vehicle for the purpose of
3 rendering it usable by a person with a disability, and insulin,
4 urine testing materials, syringes, and needles used by
5 diabetics, for human use. Beginning December 1, 2017, this tax
6 is not imposed on sales of aviation fuel unless the tax revenue
7 is expended for airport-related purposes. If the District does
8 not have an airport-related purpose to which it dedicates
9 aviation fuel tax revenue, then aviation fuel is excluded from
10 the tax. Each municipality must comply with the certification
11 requirements for airport-related purposes under Section
12 8-11-22. For purposes of this Act, "airport-related purposes"
13 has the meaning ascribed in Section 6z-20.2 of the State
14 Finance Act. This exclusion for aviation fuel only applies for
15 so long as the revenue use requirements of 49 U.S.C. §47107(b)
16 and 49 U.S.C. §47133 are binding on the District.

17 The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident thereof shall be
19 collected and enforced by the Department of Revenue. The
20 certificate of registration which is issued by the Department
21 to a retailer under the Retailers' Occupation Tax Act or under
22 the Service Occupation Tax Act shall permit such registrant to
23 engage in a business which is taxable under any ordinance or
24 resolution enacted pursuant to this subsection without
25 registering separately with the Department under such
26 ordinance or resolution or under this subsection. The

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

1 of Section 15, and Sections 16, 17, 18, 19 and 20 of the
2 Service Occupation Tax Act and all provisions of the Uniform
3 Penalty and Interest Act, as fully as if those provisions were
4 set forth herein.

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

13 Whenever the Department determines that a refund should be
14 made under this subsection to a claimant instead of issuing
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the order to be drawn for the
17 amount specified, and to the person named, in such notification
18 from the Department. Such refund shall be paid by the State
19 Treasurer out of the business district retailers' occupation
20 tax fund.

21 Except as otherwise provided in this paragraph, the ~~The~~
22 Department shall forthwith pay over to the State Treasurer,
23 ex-officio, as trustee, all taxes, penalties, and interest
24 collected under this subsection for deposit into the business
25 district retailers' occupation tax fund. Taxes and penalties
26 collected on aviation fuel sold on or after December 1, 2017,

1 shall be immediately paid over by the Department to the State
2 Treasurer, ex officio, as trustee, for deposit into the Local
3 Government Aviation Trust Fund. The Department shall only pay
4 moneys into the Local Government Aviation Trust Fund under this
5 Act for so long as the revenue use requirements of 49 U.S.C.
6 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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 subsection
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 from the business district retailers' occupation tax fund, the
20 municipalities to be those from which suppliers and servicemen
21 have paid taxes or penalties under this subsection to the
22 Department during the second preceding calendar month. The
23 amount to be paid to each municipality shall be the amount (not
24 including credit memoranda and not including taxes and
25 penalties collected on aviation fuel sold on or after December
26 1, 2017) collected under this subsection during the second

1 preceding calendar month by the Department, less 2% of that
2 amount (except the amount collected on aviation fuel sold on or
3 after December 1, 2017), which shall be deposited into the Tax
4 Compliance and Administration Fund and shall be used by the
5 Department, subject to appropriation, to cover the costs of the
6 Department in administering and enforcing the provisions of
7 this subsection, and not including an amount equal to the
8 amount of refunds made during the second preceding calendar
9 month by the Department on behalf of such municipality, and not
10 including any amounts that are transferred to the STAR Bonds
11 Revenue Fund. Within 10 days after receipt, by the Comptroller,
12 of the disbursement certification to the municipalities,
13 provided for in this subsection to be given to the Comptroller
14 by the Department, the Comptroller shall cause the orders to be
15 drawn for the respective amounts in accordance with the
16 directions contained in such certification. The proceeds of the
17 tax paid to municipalities under this subsection shall be
18 deposited into the Business District Tax Allocation Fund by the
19 municipality.

20 An ordinance imposing or discontinuing the tax under this
21 subsection or effecting a change in the rate thereof shall
22 either (i) be adopted and a certified copy thereof filed with
23 the Department on or before the first day of April, whereupon
24 the Department, if all other requirements of this subsection
25 are met, shall proceed to administer and enforce this
26 subsection as of the first day of July next following the

1 adoption and filing; or (ii) be adopted and a certified copy
2 thereof filed with the Department on or before the first day of
3 October, whereupon, if all other conditions of this subsection
4 are met, the Department shall proceed to administer and enforce
5 this subsection as of the first day of January next following
6 the adoption and filing.

7 The Department of Revenue shall not administer or enforce
8 an ordinance imposing, discontinuing, or changing the rate of
9 the tax under this subsection, until the municipality also
10 provides, in the manner prescribed by the Department, the
11 boundaries of the business district in such a way that the
12 Department can determine by its address whether a business is
13 located in the business district. The municipality must provide
14 this boundary and address information to the Department on or
15 before April 1 for administration and enforcement of the tax
16 under this subsection by the Department beginning on the
17 following July 1 and on or before October 1 for administration
18 and enforcement of the tax under this subsection by the
19 Department beginning on the following January 1. The Department
20 of Revenue shall not administer or enforce any change made to
21 the boundaries of a business district or address change,
22 addition, or deletion until the municipality reports the
23 boundary change or address change, addition, or deletion to the
24 Department in the manner prescribed by the Department. The
25 municipality must provide this boundary change information or
26 address change, addition, or deletion to the Department on or

1 before April 1 for administration and enforcement by the
2 Department of the change beginning on the following July 1 and
3 on or before October 1 for administration and enforcement by
4 the Department of the change beginning on the following January
5 1. The retailers in the business district shall be responsible
6 for charging the tax imposed under this subsection. If a
7 retailer is incorrectly included or excluded from the list of
8 those required to collect the tax under this subsection, both
9 the Department of Revenue and the retailer shall be held
10 harmless if they reasonably relied on information provided by
11 the municipality.

12 A municipality that imposes the tax under this subsection
13 must submit to the Department of Revenue any other information
14 as the Department may require for the administration and
15 enforcement of the tax.

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

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

22 (d) By ordinance, a municipality that has designated a
23 business district under this Law may impose an occupation tax
24 upon all persons engaged in the business district in the
25 business of renting, leasing, or letting rooms in a hotel, as
26 defined in the Hotel Operators' Occupation Tax Act, at a rate

1 not to exceed 1% of the gross rental receipts from the renting,
2 leasing, or letting of hotel rooms within the business
3 district, to be imposed only in 0.25% increments, excluding,
4 however, from gross rental receipts the proceeds of renting,
5 leasing, or letting to permanent residents of a hotel, as
6 defined in the Hotel Operators' Occupation Tax Act, and
7 proceeds from the tax imposed under subsection (c) of Section
8 13 of the Metropolitan Pier and Exposition Authority Act.

9 The tax imposed by the municipality under this subsection
10 and all civil penalties that may be assessed as an incident to
11 that tax shall be collected and enforced by the municipality
12 imposing the tax. The municipality shall have full power to
13 administer and enforce this subsection, to collect all taxes
14 and penalties due under this subsection, to dispose of taxes
15 and penalties so collected in the manner provided in this
16 subsection, and to determine all rights to credit memoranda
17 arising on account of the erroneous payment of tax or penalty
18 under this subsection. In the administration of and compliance
19 with this subsection, the municipality and persons who are
20 subject to this subsection shall have the same rights,
21 remedies, privileges, immunities, powers, and duties, shall be
22 subject to the same conditions, restrictions, limitations,
23 penalties, and definitions of terms, and shall employ the same
24 modes of procedure as are employed with respect to a tax
25 adopted by the municipality under Section 8-3-14 of this Code.

26 Persons subject to any tax imposed under the authority

1 granted in this subsection may reimburse themselves for their
2 tax liability for that tax by separately stating that tax as an
3 additional charge, which charge may be stated in combination,
4 in a single amount, with State taxes imposed under the Hotel
5 Operators' Occupation Tax Act, and with any other tax.

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

10 The proceeds of the tax imposed under this subsection shall
11 be deposited into the Business District Tax Allocation Fund.

12 (e) Obligations secured by the Business District Tax
13 Allocation Fund may be issued to provide for the payment or
14 reimbursement of business district project costs. Those
15 obligations, when so issued, shall be retired in the manner
16 provided in the ordinance authorizing the issuance of those
17 obligations by the receipts of taxes imposed pursuant to
18 subsections (10) and (11) of Section 11-74.3-3 and by other
19 revenue designated or pledged by the municipality. A
20 municipality may in the ordinance pledge, for any period of
21 time up to and including the dissolution date, all or any part
22 of the funds in and to be deposited in the Business District
23 Tax Allocation Fund to the payment of business district project
24 costs and obligations. Whenever a municipality pledges all of
25 the funds to the credit of a business district tax allocation
26 fund to secure obligations issued or to be issued to pay or

1 reimburse business district project costs, the municipality
2 may specifically provide that funds remaining to the credit of
3 such business district tax allocation fund after the payment of
4 such obligations shall be accounted for annually and shall be
5 deemed to be "surplus" funds, and such "surplus" funds shall be
6 expended by the municipality for any business district project
7 cost as approved in the business district plan. Whenever a
8 municipality pledges less than all of the monies to the credit
9 of a business district tax allocation fund to secure
10 obligations issued or to be issued to pay or reimburse business
11 district project costs, the municipality shall provide that
12 monies to the credit of the business district tax allocation
13 fund and not subject to such pledge or otherwise encumbered or
14 required for payment of contractual obligations for specific
15 business district project costs shall be calculated annually
16 and shall be deemed to be "surplus" funds, and such "surplus"
17 funds shall be expended by the municipality for any business
18 district project cost as approved in the business district
19 plan.

20 No obligation issued pursuant to this Law and secured by a
21 pledge of all or any portion of any revenues received or to be
22 received by the municipality from the imposition of taxes
23 pursuant to subsection (10) of Section 11-74.3-3, shall be
24 deemed to constitute an economic incentive agreement under
25 Section 8-11-20, notwithstanding the fact that such pledge
26 provides for the sharing, rebate, or payment of retailers'

1 occupation taxes or service occupation taxes imposed pursuant
2 to subsection (10) of Section 11-74.3-3 and received or to be
3 received by the municipality from the development or
4 redevelopment of properties in the business district.

5 Without limiting the foregoing in this Section, the
6 municipality may further secure obligations secured by the
7 business district tax allocation fund with a pledge, for a
8 period not greater than the term of the obligations and in any
9 case not longer than the dissolution date, of any part or any
10 combination of the following: (i) net revenues of all or part
11 of any business district project; (ii) taxes levied or imposed
12 by the municipality on any or all property in the municipality,
13 including, specifically, taxes levied or imposed by the
14 municipality in a special service area pursuant to the Special
15 Service Area Tax Law; (iii) the full faith and credit of the
16 municipality; (iv) a mortgage on part or all of the business
17 district project; or (v) any other taxes or anticipated
18 receipts that the municipality may lawfully pledge.

19 Such obligations may be issued in one or more series, bear
20 such date or dates, become due at such time or times as therein
21 provided, but in any case not later than (i) 20 years after the
22 date of issue or (ii) the dissolution date, whichever is
23 earlier, bear interest payable at such intervals and at such
24 rate or rates as set forth therein, except as may be limited by
25 applicable law, which rate or rates may be fixed or variable,
26 be in such denominations, be in such form, either coupon,

1 registered, or book-entry, carry such conversion, registration
2 and exchange privileges, be subject to defeasance upon such
3 terms, have such rank or priority, be executed in such manner,
4 be payable in such medium or payment at such place or places
5 within or without the State, make provision for a corporate
6 trustee within or without the State with respect to such
7 obligations, prescribe the rights, powers, and duties thereof
8 to be exercised for the benefit of the municipality and the
9 benefit of the owners of such obligations, provide for the
10 holding in trust, investment, and use of moneys, funds, and
11 accounts held under an ordinance, provide for assignment of and
12 direct payment of the moneys to pay such obligations or to be
13 deposited into such funds or accounts directly to such trustee,
14 be subject to such terms of redemption with or without premium,
15 and be sold at such price, all as the corporate authorities
16 shall determine. No referendum approval of the electors shall
17 be required as a condition to the issuance of obligations
18 pursuant to this Law except as provided in this Section.

19 In the event the municipality authorizes the issuance of
20 obligations pursuant to the authority of this Law secured by
21 the full faith and credit of the municipality, or pledges ad
22 valorem taxes pursuant to this subsection, which obligations
23 are other than obligations which may be issued under home rule
24 powers provided by Section 6 of Article VII of the Illinois
25 Constitution or which ad valorem taxes are other than ad
26 valorem taxes which may be pledged under home rule powers

1 provided by Section 6 of Article VII of the Illinois
2 Constitution or which are levied in a special service area
3 pursuant to the Special Service Area Tax Law, the ordinance
4 authorizing the issuance of those obligations or pledging those
5 taxes shall be published within 10 days after the ordinance has
6 been adopted, in a newspaper having a general circulation
7 within the municipality. The publication of the ordinance shall
8 be accompanied by a notice of (i) the specific number of voters
9 required to sign a petition requesting the question of the
10 issuance of the obligations or pledging such ad valorem taxes
11 to be submitted to the electors; (ii) the time within which the
12 petition must be filed; and (iii) the date of the prospective
13 referendum. The municipal clerk shall provide a petition form
14 to any individual requesting one.

15 If no petition is filed with the municipal clerk, as
16 hereinafter provided in this Section, within 21 days after the
17 publication of the ordinance, the ordinance shall be in effect.
18 However, if within that 21-day period a petition is filed with
19 the municipal clerk, signed by electors numbering not less than
20 15% of the number of electors voting for the mayor or president
21 at the last general municipal election, asking that the
22 question of issuing obligations using full faith and credit of
23 the municipality as security for the cost of paying or
24 reimbursing business district project costs, or of pledging
25 such ad valorem taxes for the payment of those obligations, or
26 both, be submitted to the electors of the municipality, the

1 municipality shall not be authorized to issue obligations of
2 the municipality using the full faith and credit of the
3 municipality as security or pledging such ad valorem taxes for
4 the payment of those obligations, or both, until the
5 proposition has been submitted to and approved by a majority of
6 the voters voting on the proposition at a regularly scheduled
7 election. The municipality shall certify the proposition to the
8 proper election authorities for submission in accordance with
9 the general election law.

10 The ordinance authorizing the obligations may provide that
11 the obligations shall contain a recital that they are issued
12 pursuant to this Law, which recital shall be conclusive
13 evidence of their validity and of the regularity of their
14 issuance.

15 In the event the municipality authorizes issuance of
16 obligations pursuant to this Law secured by the full faith and
17 credit of the municipality, the ordinance authorizing the
18 obligations may provide for the levy and collection of a direct
19 annual tax upon all taxable property within the municipality
20 sufficient to pay the principal thereof and interest thereon as
21 it matures, which levy may be in addition to and exclusive of
22 the maximum of all other taxes authorized to be levied by the
23 municipality, which levy, however, shall be abated to the
24 extent that monies from other sources are available for payment
25 of the obligations and the municipality certifies the amount of
26 those monies available to the county clerk.

1 A certified copy of the ordinance shall be filed with the
2 county clerk of each county in which any portion of the
3 municipality is situated, and shall constitute the authority
4 for the extension and collection of the taxes to be deposited
5 in the business district tax allocation fund.

6 A municipality may also issue its obligations to refund, in
7 whole or in part, obligations theretofore issued by the
8 municipality under the authority of this Law, whether at or
9 prior to maturity. However, the last maturity of the refunding
10 obligations shall not be expressed to mature later than the
11 dissolution date.

12 In the event a municipality issues obligations under home
13 rule powers or other legislative authority, the proceeds of
14 which are pledged to pay or reimburse business district project
15 costs, the municipality may, if it has followed the procedures
16 in conformance with this Law, retire those obligations from
17 funds in the business district tax allocation fund in amounts
18 and in such manner as if those obligations had been issued
19 pursuant to the provisions of this Law.

20 No obligations issued pursuant to this Law shall be
21 regarded as indebtedness of the municipality issuing those
22 obligations or any other taxing district for the purpose of any
23 limitation imposed by law.

24 Obligations issued pursuant to this Law shall not be
25 subject to the provisions of the Bond Authorization Act.

26 (f) When business district project costs, including,

1 without limitation, all obligations paying or reimbursing
2 business district project costs have been paid, any surplus
3 funds then remaining in the Business District Tax Allocation
4 Fund shall be distributed to the municipal treasurer for
5 deposit into the general corporate fund of the municipality.
6 Upon payment of all business district project costs and
7 retirement of all obligations paying or reimbursing business
8 district project costs, but in no event more than 23 years
9 after the date of adoption of the ordinance imposing taxes
10 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
11 municipality shall adopt an ordinance immediately rescinding
12 the taxes imposed pursuant to subsection (10) or (11) of
13 Section 11-74.3-3.

14 (Source: P.A. 99-143, eff. 7-27-15.)

15 Section 50. The Civic Center Code is amended by changing
16 Section 245-12 as follows:

17 (70 ILCS 200/245-12)

18 Sec. 245-12. Use and occupation taxes.

19 (a) The Authority may adopt a resolution that authorizes a
20 referendum on the question of whether the Authority shall be
21 authorized to impose a retailers' occupation tax, a service
22 occupation tax, and a use tax in one-quarter percent increments
23 at a rate not to exceed 1%. The Authority shall certify the
24 question to the proper election authorities who shall submit

1 the question to the voters of the metropolitan area at the next
2 regularly scheduled election in accordance with the general
3 election law. The question shall be in substantially the
4 following form:

5 "Shall the Salem Civic Center Authority be authorized to
6 impose a retailers' occupation tax, a service occupation
7 tax, and a use tax at the rate of (rate) for the sole
8 purpose of obtaining funds for the support, construction,
9 maintenance, or financing of a facility of the Authority?"

10 Votes shall be recorded as "yes" or "no". If a majority of
11 all votes cast on the proposition are in favor of the
12 proposition, the Authority is authorized to impose the tax.

13 (b) The Authority shall impose the retailers' occupation
14 tax upon all persons engaged in the business of selling
15 tangible personal property at retail in the metropolitan area,
16 at the rate approved by referendum, on the gross receipts from
17 the sales made in the course of such business within the
18 metropolitan area. Beginning December 1, 2017, this tax is not
19 imposed on sales of aviation fuel unless the tax revenue is
20 expended for airport-related purposes. If the Authority does
21 not have an airport-related purpose to which it dedicates
22 aviation fuel tax revenue, then aviation fuel is excluded from
23 the tax. For purposes of this Act, "airport-related purposes"
24 has the meaning ascribed in Section 6z-20.2 of the State
25 Finance Act. This exclusion for aviation fuel only applies for
26 so long as the revenue use requirements of 49 U.S.C. §47107(b)

1 and 49 U.S.C. §47133 are binding on the Authority.

2 On or before September 1, 2017, and on or before each April
3 1 and October 1 thereafter, the Authority must certify to the
4 Department of Transportation, in the form and manner required
5 by the Department, whether the Authority has an airport-related
6 purpose, which would allow any Retailers' Occupation Tax and
7 Service Occupation Tax imposed by the Authority to include tax
8 on aviation fuel. On or before October 1, 2017, and on or
9 before each May 1 and November 1 thereafter, the Department of
10 Transportation shall provide to the Department of Revenue, a
11 list of units of local government which have certified to the
12 Department of Transportation that they have airport-related
13 purposes, which would allow any Retailers' Occupation Tax and
14 Service Occupation Tax imposed by the unit of local government
15 to include tax on aviation fuel. All disputes regarding whether
16 or not a unit of local government has an airport-related
17 purpose shall be resolved by the Department of Transportation.

18 The tax imposed under this Section and all civil penalties
19 that may be assessed as an incident thereof shall be collected
20 and enforced by the Department of Revenue. The Department has
21 full power to administer and enforce this Section; to collect
22 all taxes and penalties so collected in the manner provided in
23 this Section; and to determine all rights to credit memoranda
24 arising on account of the erroneous payment of tax or penalty
25 hereunder. In the administration of, and compliance with, this
26 Section, the Department and persons who are subject to this

1 Section shall (i) have the same rights, remedies, privileges,
2 immunities, powers and duties, (ii) be subject to the same
3 conditions, restrictions, limitations, penalties, exclusions,
4 exemptions, and definitions of terms, and (iii) employ the same
5 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
6 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
7 respect to all provisions therein other than the State rate of
8 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the
9 disposition of taxes and penalties collected and provisions
10 related to quarter monthly payments, and except that the
11 retailer's discount is not allowed for taxes paid on aviation
12 fuel that are deposited into the Local Government Aviation
13 Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l,
14 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
15 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
16 Penalty and Interest Act, as fully as if those provisions were
17 set forth in this subsection.

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

24 Whenever the Department determines that a refund should be
25 made under this subsection to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the
2 amount specified, and to the person named, in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the tax fund referenced under paragraph (g) of
5 this Section.

6 If a tax is imposed under this subsection (b), a tax shall
7 also be imposed at the same rate under subsections (c) and (d)
8 of this Section.

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

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

22 (c) If a tax has been imposed under subsection (b), a
23 service occupation tax shall also be imposed at the same rate
24 upon all persons engaged, in the metropolitan area, in the
25 business of making sales of service, who, as an incident to
26 making those sales of service, transfer tangible personal

1 property within the metropolitan area as an incident to a sale
2 of service. The tax imposed under this subsection and all civil
3 penalties that may be assessed as an incident thereof shall be
4 collected and enforced by the Department of Revenue.

5 Beginning December 1, 2017, this tax is not imposed on
6 sales of aviation fuel unless the tax revenue is expended for
7 airport-related purposes. If the Authority does not have an
8 airport-related purpose to which it dedicates aviation fuel tax
9 revenue, then aviation fuel is excluded from the tax. On or
10 before September 1, 2017, and on or before each April 1 and
11 October 1 thereafter, the Authority must certify to the
12 Department of Transportation, in the form and manner required
13 by the Department, whether the Authority has an airport-related
14 purpose, which would allow any Retailers' Occupation Tax and
15 Service Occupation Tax imposed by the Authority to include tax
16 on aviation fuel. On or before October 1, 2017, and on or
17 before each May 1 and November 1 thereafter, the Department of
18 Transportation shall provide to the Department of Revenue, a
19 list of units of local government which have certified to the
20 Department of Transportation that they have airport-related
21 purposes, which would allow any Retailers' Occupation Tax and
22 Service Occupation Tax imposed by the unit of local government
23 to include tax on aviation fuel. All disputes regarding whether
24 or not a unit of local government has an airport-related
25 purpose shall be resolved by the Department of Transportation.

26 The Department has full power to administer and enforce

1 this paragraph; to collect all taxes and penalties due
2 hereunder; to dispose of taxes and penalties so collected in
3 the manner hereinafter provided; and to determine all rights to
4 credit memoranda arising on account of the erroneous payment of
5 tax or penalty hereunder. In the administration of, and
6 compliance with this paragraph, the Department and persons who
7 are subject to this paragraph shall (i) have the same rights,
8 remedies, privileges, immunities, powers, and duties, (ii) be
9 subject to the same conditions, restrictions, limitations,
10 penalties, exclusions, exemptions, and definitions of terms,
11 and (iii) employ the same modes of procedure as are prescribed
12 in Sections 2 (except that the reference to State in the
13 definition of supplier maintaining a place of business in this
14 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
15 (in respect to all provisions therein other than the State rate
16 of tax), 4 (except that the reference to the State shall be to
17 the Authority), 5, 7, 8 (except that the jurisdiction to which
18 the tax shall be a debt to the extent indicated in that Section
19 8 shall be the Authority), 9 (except as to the disposition of
20 taxes and penalties collected, and except that the returned
21 merchandise credit for this tax may not be taken against any
22 State tax, and except that the retailer's discount is not
23 allowed for taxes paid on aviation fuel that are deposited into
24 the Local Government Aviation Trust Fund), 11, 12 (except the
25 reference therein to Section 2b of the Retailers' Occupation
26 Tax Act), 13 (except that any reference to the State shall mean

1 the Authority), 15, 16, 17, 18, 19 and 20 of the Service
2 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
3 Interest Act, as fully as if those provisions were set forth
4 herein.

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

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

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

25 (d) If a tax has been imposed under subsection (b), a use
26 tax shall also be imposed at the same rate upon the privilege

1 of using, in the metropolitan area, any item of tangible
2 personal property that is purchased outside the metropolitan
3 area at retail from a retailer, and that is titled or
4 registered at a location within the metropolitan area with an
5 agency of this State's government. "Selling price" is defined
6 as in the Use Tax Act. The tax shall be collected from persons
7 whose Illinois address for titling or registration purposes is
8 given as being in the metropolitan area. The tax shall be
9 collected by the Department of Revenue for the Authority. The
10 tax must be paid to the State, or an exemption determination
11 must be obtained from the Department of Revenue, before the
12 title or certificate of registration for the property may be
13 issued. The tax or proof of exemption may be transmitted to the
14 Department by way of the State agency with which, or the State
15 officer with whom, the tangible personal property must be
16 titled or registered if the Department and the State agency or
17 State officer determine that this procedure will expedite the
18 processing of applications for title or registration.

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

1 shall (i) have the same rights, remedies, privileges,
2 immunities, powers, and duties, (ii) be subject to the same
3 conditions, restrictions, limitations, penalties, exclusions,
4 exemptions, and definitions of terms, and (iii) employ the same
5 modes of procedure as are prescribed in Sections 2 (except the
6 definition of "retailer maintaining a place of business in this
7 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
8 7, 8 (except that the jurisdiction to which the tax shall be a
9 debt to the extent indicated in that Section 8 shall be the
10 Authority), 9 (except provisions relating to quarter monthly
11 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
12 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
13 Interest Act, that are not inconsistent with this paragraph, as
14 fully as if those provisions were set forth herein.

15 Whenever the Department determines that a refund should be
16 made under this subsection 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 tax fund referenced under paragraph (g) of
22 this Section.

23 (e) A certificate of registration issued by the State
24 Department of Revenue to a retailer under the Retailers'
25 Occupation Tax Act or under the Service Occupation Tax Act
26 shall permit the registrant to engage in a business that is

1 taxed under the tax imposed under paragraphs (b), (c), or (d)
2 of this Section and no additional registration shall be
3 required. A certificate issued under the Use Tax Act or the
4 Service Use Tax Act shall be applicable with regard to any tax
5 imposed under paragraph (c) of this Section.

6 (f) The results of any election authorizing a proposition
7 to impose a tax under this Section or effecting a change in the
8 rate of tax shall be certified by the proper election
9 authorities and filed with the Illinois Department on or before
10 the first day of April. In addition, an ordinance imposing,
11 discontinuing, or effecting a change in the rate of tax under
12 this Section shall be adopted and a certified copy thereof
13 filed with the Department on or before the first day of April.
14 After proper receipt of such certifications, the Department
15 shall proceed to administer and enforce this Section as of the
16 first day of July next following such adoption and filing.

17 (g) Except as otherwise provided, the ~~The~~ Department of
18 Revenue shall, upon collecting any taxes and penalties as
19 provided in this Section, pay the taxes and penalties over to
20 the State Treasurer as trustee for the Authority. The taxes and
21 penalties shall be held in a trust fund outside the State
22 Treasury. Taxes and penalties collected on aviation fuel sold
23 on or after December 1, 2017, shall be immediately paid over by
24 the Department to the State Treasurer, ex officio, as trustee,
25 for deposit into the Local Government Aviation Trust Fund. The
26 Department shall only pay moneys into the State Aviation

1 Program Fund under this Act for so long as the revenue use
2 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
3 binding on the District. On or before the 25th day of each
4 calendar month, the Department of Revenue shall prepare and
5 certify to the Comptroller of the State of Illinois the amount
6 to be paid to the Authority, which shall be the balance in the
7 fund, less any amount determined by the Department to be
8 necessary for the payment of refunds and not including taxes
9 and penalties collected on aviation fuel sold on or after
10 December 1, 2017. Within 10 days after receipt by the
11 Comptroller of the certification of the amount to be paid to
12 the Authority, the Comptroller shall cause an order to be drawn
13 for payment for the amount in accordance with the directions
14 contained in the certification. Amounts received from the tax
15 imposed under this Section shall be used only for the support,
16 construction, maintenance, or financing of a facility of the
17 Authority.

18 (h) When certifying the amount of a monthly disbursement to
19 the Authority under this Section, the Department shall increase
20 or decrease the amounts by an amount necessary to offset any
21 miscalculation of previous disbursements. The offset amount
22 shall be the amount erroneously disbursed within the previous 6
23 months from the time a miscalculation is discovered.

24 (i) This Section may be cited as the Salem Civic Center Use
25 and Occupation Tax Law.

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

1 Section 55. The Flood Prevention District Act is amended by
2 changing Section 25 as follows:

3 (70 ILCS 750/25)

4 Sec. 25. Flood prevention retailers' and service
5 occupation taxes.

6 (a) If the Board of Commissioners of a flood prevention
7 district determines that an emergency situation exists
8 regarding levee repair or flood prevention, and upon an
9 ordinance confirming the determination adopted by the
10 affirmative vote of a majority of the members of the county
11 board of the county in which the district is situated, the
12 county may impose a flood prevention retailers' occupation tax
13 upon all persons engaged in the business of selling tangible
14 personal property at retail within the territory of the
15 district to provide revenue to pay the costs of providing
16 emergency levee repair and flood prevention and to secure the
17 payment of bonds, notes, and other evidences of indebtedness
18 issued under this Act for a period not to exceed 25 years or as
19 required to repay the bonds, notes, and other evidences of
20 indebtedness issued under this Act. The tax rate shall be 0.25%
21 of the gross receipts from all taxable sales made in the course
22 of that business. Beginning December 1, 2017, this tax is not
23 imposed on sales of aviation fuel unless the tax revenue is
24 expended for airport-related purposes. If the District does not

1 have an airport-related purpose to which it dedicates aviation
2 fuel tax revenue, then aviation fuel is excluded from the tax.
3 The County must comply with the certification requirements for
4 airport-related purposes under Section 5-1184 of the Counties
5 Code.

6 For purposes of this Act, "airport-related purposes" has
7 the meaning ascribed in Section 6z-20.2 of the State Finance
8 Act. This exclusion for aviation fuel only applies for so long
9 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
10 U.S.C. §47133 are binding on the District.

11 The tax imposed under this Section and all civil penalties
12 that may be assessed as an incident thereof shall be collected
13 and enforced by the State Department of Revenue. The Department
14 shall have full power to administer and enforce this Section;
15 to collect all taxes and penalties so collected in the manner
16 hereinafter provided; and to determine all rights to credit
17 memoranda arising on account of the erroneous payment of tax or
18 penalty hereunder.

19 In the administration of and compliance with this
20 subsection, the Department and persons who are subject to this
21 subsection (i) have the same rights, remedies, privileges,
22 immunities, powers, and duties, (ii) are subject to the same
23 conditions, restrictions, limitations, penalties, and
24 definitions of terms, and (iii) shall employ the same modes of
25 procedure as are set forth in Sections 1 through 10, 2 through
26 2-70 (in respect to all provisions contained in those Sections

1 other than the State rate of tax), 2a through 2h, 3 (except as
2 to the disposition of taxes and penalties collected, and except
3 that the retailer's discount is not allowed for taxes paid on
4 aviation fuel that are deposited into the Local Government
5 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
6 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
7 Retailers' Occupation Tax Act and all provisions of the Uniform
8 Penalty and Interest Act as if those provisions were set forth
9 in this subsection.

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

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

19 (b) If a tax has been imposed under subsection (a), a flood
20 prevention service occupation tax shall also be imposed upon
21 all persons engaged within the territory of the district in the
22 business of making sales of service, who, as an incident to
23 making the sales of service, transfer tangible personal
24 property, either in the form of tangible personal property or
25 in the form of real estate as an incident to a sale of service
26 to provide revenue to pay the costs of providing emergency

1 levee repair and flood prevention and to secure the payment of
2 bonds, notes, and other evidences of indebtedness issued under
3 this Act for a period not to exceed 25 years or as required to
4 repay the bonds, notes, and other evidences of indebtedness.
5 The tax rate shall be 0.25% of the selling price of all
6 tangible personal property transferred. Beginning December 1,
7 2017, this tax is not imposed on sales of aviation fuel unless
8 the tax revenue is expended for airport-related purposes. If
9 the District does not have an airport-related purpose to which
10 it dedicates aviation fuel tax revenue, then aviation fuel is
11 excluded from the tax. The County must comply with the
12 certification requirements for airport-related purposes under
13 Section 5-1184 of the Counties Code. For purposes of this Act,
14 "airport-related purposes" has the meaning ascribed in Section
15 6z-20.2 of the State Finance Act. This exclusion for aviation
16 fuel only applies for so long as the revenue use requirements
17 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
18 District.

19 The tax imposed under this subsection and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 subsection; to collect all taxes and penalties due hereunder;
24 to dispose of taxes and penalties collected in the manner
25 hereinafter provided; and to determine all rights to credit
26 memoranda arising on account of the erroneous payment of tax or

1 penalty hereunder.

2 In the administration of and compliance with this
3 subsection, the Department and persons who are subject to this
4 subsection shall (i) have the same rights, remedies,
5 privileges, immunities, powers, and duties, (ii) be subject to
6 the same conditions, restrictions, limitations, penalties, and
7 definitions of terms, and (iii) employ the same modes of
8 procedure as are set forth in Sections 2 (except that the
9 reference to State in the definition of supplier maintaining a
10 place of business in this State means the district), 2a through
11 2d, 3 through 3-50 (in respect to all provisions contained in
12 those Sections other than the State rate of tax), 4 (except
13 that the reference to the State shall be to the district), 5,
14 7, 8 (except that the jurisdiction to which the tax is a debt
15 to the extent indicated in that Section 8 is the district), 9
16 (except as to the disposition of taxes and penalties collected,
17 and except that the retailer's discount is not allowed for
18 taxes paid on aviation fuel that are deposited into the Local
19 Government Aviation Trust Fund), 10, 11, 12 (except the
20 reference therein to Section 2b of the Retailers' Occupation
21 Tax Act), 13 (except that any reference to the State means the
22 district), Section 15, 16, 17, 18, 19, and 20 of the Service
23 Occupation Tax Act and all provisions of the Uniform Penalty
24 and Interest Act, as fully as if those provisions were set
25 forth herein.

26 Persons subject to any tax imposed under the authority

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

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

17 (d) Nothing in this Section shall be construed to authorize
18 the district 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 (e) The certificate of registration that is issued by the
22 Department to a retailer under the Retailers' Occupation Tax
23 Act or a serviceman under the Service Occupation Tax Act
24 permits the retailer or serviceman to engage in a business that
25 is taxable without registering separately with the Department
26 under an ordinance or resolution under this Section.

1 (f) Except as otherwise provided, the ~~The~~ Department shall
2 immediately pay over to the State Treasurer, ex officio, as
3 trustee, all taxes and penalties collected under this Section
4 to be deposited into the Flood Prevention Occupation Tax Fund,
5 which shall be an unappropriated trust fund held outside the
6 State treasury. Taxes and penalties collected on aviation fuel
7 sold on or after December 1, 2017, shall be immediately paid
8 over by the Department to the State Treasurer, ex officio, as
9 trustee, for deposit into the Local Government Aviation Trust
10 Fund. The Department shall only pay moneys into the State
11 Aviation Program Fund under this Act for so long as the revenue
12 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
13 are binding on the District.

14 On or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to the counties from which
17 retailers or servicemen have paid taxes or penalties to the
18 Department during the second preceding calendar month. The
19 amount to be paid to each county is equal to the amount (not
20 including credit memoranda and not including taxes and
21 penalties collected on aviation fuel sold on or after December
22 1, 2017) collected from the county under this Section during
23 the second preceding calendar month by the Department, (i) less
24 2% of that amount (except the amount collected on aviation fuel
25 sold on or after December 1, 2017), which shall be deposited
26 into the Tax Compliance and Administration Fund and shall be

1 used by the Department in administering and enforcing the
2 provisions of this Section on behalf of the county, (ii) plus
3 an amount that the Department determines is necessary to offset
4 any amounts that were erroneously paid to a different taxing
5 body; (iii) less an amount equal to the amount of refunds made
6 during the second preceding calendar month by the Department on
7 behalf of the county; and (iv) less 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 county. When certifying the amount of a monthly
11 disbursement to a county under this Section, the Department
12 shall increase or decrease the amounts by an amount necessary
13 to offset any miscalculation of previous disbursements within
14 the previous 6 months from the time a miscalculation is
15 discovered.

16 Within 10 days after receipt by the Comptroller from the
17 Department of the disbursement certification to the counties
18 provided for in this Section, the Comptroller shall cause the
19 orders to be drawn for the respective amounts in accordance
20 with directions contained in the certification.

21 If the Department determines that a refund should be made
22 under this Section to a claimant instead of issuing a credit
23 memorandum, then the Department shall notify the Comptroller,
24 who shall cause the order to be drawn for the amount specified
25 and to the person named in the notification from the
26 Department. The refund shall be paid by the Treasurer out of

1 the Flood Prevention Occupation Tax Fund.

2 (g) If a county imposes a tax under this Section, then the
3 county board shall, by ordinance, discontinue the tax upon the
4 payment of all indebtedness of the flood prevention district.
5 The tax shall not be discontinued until all indebtedness of the
6 District has been paid.

7 (h) Any ordinance imposing the tax under this Section, or
8 any ordinance that discontinues the tax, must be certified by
9 the county clerk and filed with the Illinois Department of
10 Revenue either (i) on or before the first day of April,
11 whereupon the Department shall proceed to administer and
12 enforce the tax or change in the rate as of the first day of
13 July next following the filing; or (ii) on or before the first
14 day of October, whereupon the Department shall proceed to
15 administer and enforce the tax or change in the rate as of the
16 first day of January next following the filing.

17 (j) County Flood Prevention Occupation Tax Fund. All
18 proceeds received by a county from a tax distribution under
19 this Section must be maintained in a special fund known as the
20 [name of county] flood prevention occupation tax fund. The
21 county shall, at the direction of the flood prevention
22 district, use moneys in the fund to pay the costs of providing
23 emergency levee repair and flood prevention and to pay bonds,
24 notes, and other evidences of indebtedness issued under this
25 Act.

26 (k) This Section may be cited as the Flood Prevention

1 Occupation Tax Law.

2 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;
3 99-642, eff. 7-28-16.)

4 Section 60. The Metro-East Park and Recreation District Act
5 is amended by changing Section 30 as follows:

6 (70 ILCS 1605/30)

7 Sec. 30. Taxes.

8 (a) The board shall impose a tax upon all persons engaged
9 in the business of selling tangible personal property, other
10 than personal property titled or registered with an agency of
11 this State's government, at retail in the District on the gross
12 receipts from the sales made in the course of business. This
13 tax shall be imposed only at the rate of one-tenth of one per
14 cent.

15 This additional tax may not be imposed on the sales of food
16 for human consumption that is to be consumed off the premises
17 where it is sold (other than alcoholic beverages, soft drinks,
18 and food which has been prepared for immediate consumption) and
19 prescription and non-prescription medicines, drugs, medical
20 appliances, and insulin, urine testing materials, syringes,
21 and needles used by diabetics. Beginning December 1, 2017, this
22 tax is not imposed on sales of aviation fuel unless the tax
23 revenue is expended for airport-related purposes. If the
24 District does not have an airport-related purpose to which it

1 dedicates aviation fuel tax revenue, then aviation fuel shall
2 be excluded from tax. For purposes of this Act,
3 "airport-related purposes" has the meaning ascribed in Section
4 6z-20.2 of the State Finance Act. This exception for aviation
5 fuel only applies for so long as the revenue use requirements
6 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
7 District.

8 On or before September 1, 2017, and on or before each April
9 1 and October 1 thereafter, the Board must certify to the
10 Department of Transportation, in the form and manner required
11 by the Department, whether the District has an airport-related
12 purpose, which would allow any Retailers' Occupation Tax and
13 Service Occupation Tax imposed by the District to include tax
14 on aviation fuel. On or before October 1, 2017, and on or
15 before each May 1 and November 1 thereafter, the Department of
16 Transportation shall provide to the Department of Revenue, a
17 list of units of local government which have certified to the
18 Department of Transportation that they have airport-related
19 purposes, which would allow any Retailers' Occupation Tax and
20 Service Occupation Tax imposed by the unit of local government
21 to include tax on aviation fuel. All disputes regarding whether
22 or not a unit of local government has an airport-related
23 purpose shall be resolved by the Department of Transportation.

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

1 The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act shall permit the retailer to engage in a business that is
4 taxable without registering separately with the Department
5 under an ordinance or resolution under this Section. The
6 Department has full power to administer and enforce this
7 Section, to collect all taxes and penalties due under this
8 Section, to dispose of taxes and penalties so collected in the
9 manner provided in this Section, and to determine all rights to
10 credit memoranda arising on account of the erroneous payment of
11 a tax or penalty under this Section. In the administration of
12 and compliance with this Section, the Department and persons
13 who are subject to this Section shall (i) have the same rights,
14 remedies, privileges, immunities, powers, and duties, (ii) be
15 subject to the same conditions, restrictions, limitations,
16 penalties, and definitions of terms, and (iii) employ the same
17 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
18 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect
19 to all provisions contained in those Sections other than the
20 State rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3
21 (except provisions relating to transaction returns and quarter
22 monthly payments, and except that the retailer's discount is
23 not allowed for taxes paid on aviation fuel that are deposited
24 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,
25 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
26 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act

1 and the Uniform Penalty and Interest Act as if those provisions
2 were set forth in this Section.

3 Persons subject to any tax imposed under the authority
4 granted in this Section may reimburse themselves for their
5 sellers' tax liability by separately stating the tax as an
6 additional charge, which charge may be stated in combination,
7 in a single amount, with State tax which sellers are required
8 to collect under the Use Tax Act, pursuant to such bracketed
9 schedules as the Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the order to be drawn for the
14 amount specified and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the State Metro-East Park and Recreation
17 District Fund.

18 (b) If a tax has been imposed under subsection (a), a
19 service occupation tax shall also be imposed at the same rate
20 upon all persons engaged, in the District, in the business of
21 making sales of service, who, as an incident to making those
22 sales of service, transfer tangible personal property within
23 the District as an incident to a sale of service. This tax may
24 not be imposed on sales of food for human consumption that is
25 to be consumed off the premises where it is sold (other than
26 alcoholic beverages, soft drinks, and food prepared for

1 immediate consumption) and prescription and non-prescription
2 medicines, drugs, medical appliances, and insulin, urine
3 testing materials, syringes, and needles used by diabetics.
4 Beginning December 1, 2017, this tax may not be imposed on
5 sales of aviation fuel unless the tax revenue is expended for
6 airport-related purposes. If the District does not have an
7 airport-related purpose to which it dedicates aviation fuel tax
8 revenue, then aviation fuel shall be excluded from tax. For
9 purposes of this Act, "airport-related purposes" has the
10 meaning ascribed in Section 6z-20.2 of the State Finance Act.
11 This exception for aviation fuel only applies for so long as
12 the revenue use requirements of 49 U.S.C. §47107(b) and 49
13 U.S.C. §47133 are binding on the District.

14 On or before September 1, 2017, and on or before each April
15 1 and October 1 thereafter, the Board must certify to the
16 Department of Transportation, in the form and manner required
17 by the Department, whether the District has an airport-related
18 purpose, which would allow any Retailers' Occupation Tax and
19 Service Occupation Tax imposed by the District to include tax
20 on aviation fuel. On or before October 1, 2017, and on or
21 before each May 1 and November 1 thereafter, the Department of
22 Transportation shall provide to the Department of Revenue, a
23 list of units of local government which have certified to the
24 Department of Transportation that they have airport-related
25 purposes, which would allow any Retailers' Occupation Tax and
26 Service Occupation Tax imposed by the unit of local government

1 to include tax on aviation fuel. All disputes regarding whether
2 or not a unit of local government has an airport-related
3 purpose shall be resolved by the Department of Transportation.

4 The tax imposed under this subsection and all civil
5 penalties that may be assessed as an incident thereof shall be
6 collected and enforced by the Department of Revenue. The
7 Department has full power to administer and enforce this
8 subsection; to collect all taxes and penalties due hereunder;
9 to dispose of taxes and penalties so collected in the manner
10 hereinafter provided; and to determine all rights to credit
11 memoranda arising on account of the erroneous payment of tax or
12 penalty hereunder. In the administration of, and compliance
13 with this subsection, the Department and persons who are
14 subject to this paragraph shall (i) have the same rights,
15 remedies, privileges, immunities, powers, and duties, (ii) be
16 subject to the same conditions, restrictions, limitations,
17 penalties, exclusions, exemptions, and definitions of terms,
18 and (iii) employ the same modes of procedure as are prescribed
19 in Sections 2 (except that the reference to State in the
20 definition of supplier maintaining a place of business in this
21 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in
22 respect to all provisions therein other than the State rate of
23 tax), 4 (except that the reference to the State shall be to the
24 District), 5, 7, 8 (except that the jurisdiction to which the
25 tax shall be a debt to the extent indicated in that Section 8
26 shall be the District), 9 (except as to the disposition of

1 taxes and penalties collected, and except that the retailer's
2 discount is not allowed for taxes paid on aviation fuel that
3 are deposited into the Local Government Aviation Trust Fund),
4 10, 11, 12 (except the reference therein to Section 2b of the
5 Retailers' Occupation Tax Act), 13 (except that any reference
6 to the State shall mean the District), Sections 15, 16, 17, 18,
7 19 and 20 of the Service Occupation Tax Act and the Uniform
8 Penalty and Interest Act, as fully as if those provisions were
9 set forth herein.

10 Persons subject to any tax imposed under the authority
11 granted in this subsection may reimburse themselves for their
12 serviceman's 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 that servicemen are
15 authorized to collect under the Service Use Tax Act, in
16 accordance with such bracket schedules as the Department may
17 prescribe.

18 Whenever the Department determines that a refund should be
19 made under this subsection to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the warrant to be drawn for the
22 amount specified, and to the person named, in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the State Metro-East Park and Recreation
25 District Fund.

26 Nothing in this subsection shall be construed to authorize

1 the board to impose a tax upon the privilege of engaging in any
2 business which under the Constitution of the United States may
3 not be made the subject of taxation by the State.

4 (c) Except as otherwise provided in this paragraph, the ~~The~~
5 Department shall immediately pay over to the State Treasurer,
6 ex officio, as trustee, all taxes and penalties collected under
7 this Section to be deposited into the State Metro-East Park and
8 Recreation District Fund, which shall be an unappropriated
9 trust fund held outside of the State treasury. Taxes and
10 penalties collected on aviation fuel sold on or after December
11 1, 2017, shall be immediately paid over by the Department to
12 the State Treasurer, ex officio, as trustee, for deposit into
13 the Local Government Aviation Trust Fund. The Department shall
14 only pay moneys into the State Aviation Program Fund under this
15 Act for so long as the revenue use requirements of 49 U.S.C.
16 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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

1 definition of "local sales taxes" under the Innovation
2 Development and Economy Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money pursuant to Section 35 of
7 this Act to the District from which retailers have paid taxes
8 or penalties to the Department during the second preceding
9 calendar month. The amount to be paid to the District shall be
10 the amount (not including credit memoranda and not including
11 taxes and penalties collected on aviation fuel sold on or after
12 December 1, 2017) collected under this Section during the
13 second preceding calendar month by the Department plus an
14 amount the Department determines is necessary to offset any
15 amounts that were erroneously paid to a different taxing body,
16 and not including (i) an amount equal to the amount of refunds
17 made during the second preceding calendar month by the
18 Department on behalf of the District, (ii) any amount that the
19 Department determines is necessary to offset any amounts that
20 were payable to a different taxing body but were erroneously
21 paid to the District, (iii) any amounts that are transferred to
22 the STAR Bonds Revenue Fund, and (iv) 2% of the remainder,
23 which the Department shall transfer into the Tax Compliance and
24 Administration Fund. The Department, at the time of each
25 monthly disbursement to the District, shall prepare and certify
26 to the State Comptroller the amount to be transferred into the

1 Tax Compliance and Administration Fund under this subsection.
2 Within 10 days after receipt by the Comptroller of the
3 disbursement certification to the District and the Tax
4 Compliance and Administration Fund provided for in this Section
5 to be given to the Comptroller by the Department, the
6 Comptroller shall cause the orders to be drawn for the
7 respective amounts in accordance with directions contained in
8 the certification.

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

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

22 (f) An ordinance imposing a tax under this Section or an
23 ordinance extending the imposition of a tax to an additional
24 county or counties shall be certified by the board and filed
25 with the Department of Revenue either (i) on or before the
26 first day of April, whereupon the Department shall proceed to

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

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

12 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

13 Section 65. The Local Mass Transit District Act is amended
14 by changing Section 5.01 as follows:

15 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

16 Sec. 5.01. Metro East Mass Transit District; use and
17 occupation taxes.

18 (a) The Board of Trustees of any Metro East Mass Transit
19 District may, by ordinance adopted with the concurrence of
20 two-thirds of the then trustees, impose throughout the District
21 any or all of the taxes and fees provided in this Section.
22 Except as otherwise provided, all ~~All~~ taxes and fees imposed
23 under this Section shall be used only for public mass
24 transportation systems, and the amount used to provide mass

1 transit service to unserved areas of the District shall be in
2 the same proportion to the total proceeds as the number of
3 persons residing in the unserved areas is to the total
4 population of the District. Except as otherwise provided in
5 this Act, taxes imposed under this Section and civil penalties
6 imposed incident thereto shall be collected and enforced by the
7 State Department of Revenue. The Department shall have the
8 power to administer and enforce the taxes and to determine all
9 rights for refunds for erroneous payments of the taxes.

10 (b) The Board may impose a Metro East Mass Transit District
11 Retailers' Occupation Tax upon all persons engaged in the
12 business of selling tangible personal property at retail in the
13 district at a rate of 1/4 of 1%, or as authorized under
14 subsection (d-5) of this Section, of the gross receipts from
15 the sales made in the course of such business within the
16 district, except that the rate of tax imposed under this
17 Section on sales of aviation fuel on or after December 1, 2017
18 shall be 0.25% in Madison County unless the Metro-East Mass
19 Transit District in Madison County has an "airport-related
20 purpose" and any additional amount authorized under subsection
21 (d-5) is expended for airport-related purposes. If there is no
22 airport-related purpose to which aviation fuel tax revenue is
23 dedicated, then aviation fuel is excluded from any future
24 increase in the tax. The rate in St. Clair County shall be
25 0.25% unless the Metro-East Mass Transit District in St. Clair
26 County has an "airport-related purpose" and the additional

1 0.50% of the 0.75% tax on aviation fuel imposed in that County
2 is expended for airport-related purposes. If there is no
3 airport-related purpose to which aviation fuel tax revenue is
4 dedicated, then aviation fuel is excluded from the tax.

5 On or before September 1, 2017, and on or before each April
6 1 and October 1 thereafter, each Metro-East Mass Transit
7 District and Madison and St. Clair Counties must certify to the
8 Department of Transportation, in the form and manner required
9 by the Department, whether they have an airport-related
10 purpose, which would allow any Retailers' Occupation Tax and
11 Service Occupation Tax imposed under this Act to include tax on
12 aviation fuel. On or before October 1, 2017, and on or before
13 each May 1 and November 1 thereafter, the Department of
14 Transportation shall provide to the Department of Revenue, a
15 list of units of local government which have certified to the
16 Department of Transportation that they have airport-related
17 purposes, which would allow any Retailers' Occupation Tax and
18 Service Occupation Tax imposed by the unit of local government
19 to include tax on aviation fuel. All disputes regarding whether
20 or not a unit of local government has an airport-related
21 purpose shall be resolved by the Department of Transportation.

22 For purposes of this Act, "airport-related purposes" has
23 the meaning ascribed in Section 6z-20.2 of the State Finance
24 Act. This exclusion for aviation fuel only applies for so long
25 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
26 U.S.C. §47133 are binding on the District.

1 The tax imposed under this Section and all civil penalties
2 that may be assessed as an incident thereof shall be collected
3 and enforced by the State Department of Revenue. The Department
4 shall have full power to administer and enforce this Section;
5 to collect all taxes and penalties so collected in the manner
6 hereinafter provided; and to determine all rights to credit
7 memoranda arising on account of the erroneous payment of tax or
8 penalty hereunder. In the administration of, and compliance
9 with, this Section, the Department and persons who are subject
10 to this Section shall have the same rights, remedies,
11 privileges, immunities, powers and duties, and be subject to
12 the same conditions, restrictions, limitations, penalties,
13 exclusions, exemptions and definitions of terms and employ the
14 same modes of procedure, as are prescribed in Sections 1, 1a,
15 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
16 provisions therein other than the State rate of tax), 2c, 3
17 (except as to the disposition of taxes and penalties collected,
18 and except that the retailer's discount is not allowed for
19 taxes paid on aviation fuel that are deposited into the Local
20 Government Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g,
21 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13,
22 and 14 of the Retailers' Occupation Tax Act and Section 3-7 of
23 the Uniform Penalty and Interest Act, as fully as if those
24 provisions were set forth herein.

25 Persons subject to any tax imposed under the Section may
26 reimburse themselves for their seller's tax liability

1 hereunder by separately stating the tax as an additional
2 charge, which charge may be stated in combination, in a single
3 amount, with State taxes that sellers are required to collect
4 under the Use Tax Act, in accordance with such bracket
5 schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section 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 the Metro East Mass Transit District tax fund
13 established under paragraph (h) of this Section.

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

16 For the purpose of determining whether a tax authorized
17 under this Section is applicable, a retail sale, by a producer
18 of coal or other mineral mined in Illinois, is a sale at retail
19 at the place where the coal or other mineral mined in Illinois
20 is extracted from the earth. This paragraph does not apply to
21 coal or other mineral when it is delivered or shipped by the
22 seller to the purchaser at a point outside Illinois so that the
23 sale is exempt under the Federal Constitution as a sale in
24 interstate or foreign commerce.

25 No tax shall be imposed or collected under this subsection
26 on the sale of a motor vehicle in this State to a resident of

1 another state if that motor vehicle will not be titled in this
2 State.

3 Nothing in this Section shall be construed to authorize the
4 Metro East Mass Transit District to impose a tax upon the
5 privilege of engaging in any business which under the
6 Constitution of the United States may not be made the subject
7 of taxation by this State.

8 (c) If a tax has been imposed under subsection (b), a Metro
9 East Mass Transit District Service Occupation Tax shall also be
10 imposed upon all persons engaged, in the district, in the
11 business of making sales of service, who, as an incident to
12 making those sales of service, transfer tangible personal
13 property within the District, either in the form of tangible
14 personal property or in the form of real estate as an incident
15 to a sale of service. The tax rate shall be 1/4%, or as
16 authorized under subsection (d-5) of this Section, of the
17 selling price of tangible personal property so transferred
18 within the district, except that the rate of tax imposed in
19 these Counties under this Section on sales of aviation fuel on
20 or after December 1, 2017 shall be 0.25% in Madison County
21 unless the Metro-East Mass Transit District in Madison County
22 has an "airport-related purpose" and any additional amount
23 authorized under subsection (d-5) is expended for
24 airport-related purposes. If there is no airport-related
25 purpose to which aviation fuel tax revenue is dedicated, then
26 aviation fuel is excluded from any future increase in the tax.

1 The rate in St. Clair County shall be 0.25% unless the
2 Metro-East Mass Transit District in St. Clair County has an
3 "airport-related purpose" and the additional 0.50% of the 0.75%
4 tax on aviation fuel is expended for airport-related purposes.
5 If there is no airport-related purpose to which aviation fuel
6 tax revenue is dedicated, then aviation fuel is excluded from
7 the tax.

8 On or before September 1, 2017, and on or before each April
9 1 and October 1 thereafter, each Metro-East Mass Transit
10 District and Madison and St. Clair Counties must certify to the
11 Department of Transportation, in the form and manner required
12 by the Department, whether they have an airport-related
13 purpose, which would allow any Retailers' Occupation Tax and
14 Service Occupation Tax imposed under this Act to include tax on
15 aviation fuel. On or before October 1, 2017, and on or before
16 each May 1 and November 1 thereafter, the Department of
17 Transportation shall provide to the Department of Revenue, a
18 list of units of local government which have certified to the
19 Department of Transportation that they have airport-related
20 purposes, which would allow any Retailers' Occupation Tax and
21 Service Occupation Tax imposed by the unit of local government
22 to include tax on aviation fuel. All disputes regarding whether
23 or not a unit of local government has an airport-related
24 purpose shall be resolved by the Department of Transportation.

25 For purposes of this Act, "airport-related purposes" has
26 the meaning ascribed in Section 6z-20.2 of the State Finance

1 Act. This exclusion for aviation fuel only applies for so long
2 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
3 U.S.C. §47133 are binding on the District.

4 The tax imposed under this paragraph and all civil
5 penalties that may be assessed as an incident thereof shall be
6 collected and enforced by the State Department of Revenue. The
7 Department shall have full power to administer and enforce this
8 paragraph; to collect all taxes and penalties due hereunder; to
9 dispose of taxes and penalties so collected in the manner
10 hereinafter provided; and to determine all rights to credit
11 memoranda arising on account of the erroneous payment of tax or
12 penalty hereunder. In the administration of, and compliance
13 with this paragraph, the Department and persons who are subject
14 to this paragraph shall have the same rights, remedies,
15 privileges, immunities, powers and duties, and be subject to
16 the same conditions, restrictions, limitations, penalties,
17 exclusions, exemptions and definitions of terms and employ the
18 same modes of procedure as are prescribed in Sections 1a-1, 2
19 (except that the reference to State in the definition of
20 supplier maintaining a place of business in this State shall
21 mean the Authority), 2a, 3 through 3-50 (in respect to all
22 provisions therein other than the State rate of tax), 4 (except
23 that the reference to the State shall be to the Authority), 5,
24 7, 8 (except that the jurisdiction to which the tax shall be a
25 debt to the extent indicated in that Section 8 shall be the
26 District), 9 (except as to the disposition of taxes and

1 penalties collected, and except that the returned merchandise
2 credit for this tax may not be taken against any State tax, and
3 except that the retailer's discount is not allowed for taxes
4 paid on aviation fuel that are deposited into the Local
5 Government Aviation Trust Fund), 10, 11, 12 (except the
6 reference therein to Section 2b of the Retailers' Occupation
7 Tax Act), 13 (except that any reference to the State shall mean
8 the District), the first paragraph of Section 15, 16, 17, 18,
9 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
10 the Uniform Penalty and Interest Act, as fully as if those
11 provisions were set forth herein.

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

20 Whenever the Department determines that a refund should be
21 made under this paragraph to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the warrant to be drawn for the
24 amount specified, and to the person named, in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the Metro East Mass Transit District tax fund

1 established under paragraph (h) of this Section.

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

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

1 processing of applications for title or registration.

2 The Department shall have full power to administer and
3 enforce this paragraph; to collect all taxes, penalties and
4 interest due hereunder; to dispose of taxes, penalties and
5 interest so collected in the manner hereinafter provided; and
6 to determine all rights to credit memoranda or refunds arising
7 on account of the erroneous payment of tax, penalty or interest
8 hereunder. In the administration of, and compliance with, this
9 paragraph, the Department and persons who are subject to this
10 paragraph shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties, exclusions,
13 exemptions and definitions of terms and employ the same modes
14 of procedure, as are prescribed in Sections 2 (except the
15 definition of "retailer maintaining a place of business in this
16 State"), 3 through 3-80 (except provisions pertaining to the
17 State rate of tax, and except provisions concerning collection
18 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
19 19 (except the portions pertaining to claims by retailers and
20 except the last paragraph concerning refunds), 20, 21 and 22 of
21 the Use Tax Act and Section 3-7 of the Uniform Penalty and
22 Interest Act, that are not inconsistent with this paragraph, as
23 fully as if those provisions were set forth herein.

24 Whenever the Department determines that a refund should be
25 made under this paragraph to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified, and to the person named, in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Metro East Mass Transit District tax fund
5 established under paragraph (h) of this Section.

6 (d-5) (A) The county board of any county participating in
7 the Metro East Mass Transit District may authorize, by
8 ordinance, a referendum on the question of whether the tax
9 rates for the Metro East Mass Transit District Retailers'
10 Occupation Tax, the Metro East Mass Transit District Service
11 Occupation Tax, and the Metro East Mass Transit District Use
12 Tax for the District should be increased from 0.25% to 0.75%.
13 Upon adopting the ordinance, the county board shall certify the
14 proposition to the proper election officials who shall submit
15 the proposition to the voters of the District at the next
16 election, in accordance with the general election law.

17 The proposition shall be in substantially the following
18 form:

19 Shall the tax rates for the Metro East Mass Transit
20 District Retailers' Occupation Tax, the Metro East Mass
21 Transit District Service Occupation Tax, and the Metro East
22 Mass Transit District Use Tax be increased from 0.25% to
23 0.75%?

24 (B) Two thousand five hundred electors of any Metro East
25 Mass Transit District may petition the Chief Judge of the
26 Circuit Court, or any judge of that Circuit designated by the

1 Chief Judge, in which that District is located to cause to be
2 submitted to a vote of the electors the question whether the
3 tax rates for the Metro East Mass Transit District Retailers'
4 Occupation Tax, the Metro East Mass Transit District Service
5 Occupation Tax, and the Metro East Mass Transit District Use
6 Tax for the District should be increased from 0.25% to 0.75%.

7 Upon submission of such petition the court shall set a date
8 not less than 10 nor more than 30 days thereafter for a hearing
9 on the sufficiency thereof. Notice of the filing of such
10 petition and of such date shall be given in writing to the
11 District and the County Clerk at least 7 days before the date
12 of such hearing.

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

16 The form of the petition shall be in substantially the
17 following form: To the Circuit Court of the County of (name of
18 county):

19 We, the undersigned electors of the (name of transit
20 district), respectfully petition your honor to submit to a
21 vote of the electors of (name of transit district) the
22 following proposition:

23 Shall the tax rates for the Metro East Mass Transit
24 District Retailers' Occupation Tax, the Metro East Mass
25 Transit District Service Occupation Tax, and the Metro East
26 Mass Transit District Use Tax be increased from 0.25% to

1 0.75%?

2 Name Address, with Street and Number.

3

4

5 (C) The votes shall be recorded as "YES" or "NO". If a
6 majority of all votes cast on the proposition are for the
7 increase in the tax rates, the Metro East Mass Transit District
8 shall begin imposing the increased rates in the District, and
9 the Department of Revenue shall begin collecting the increased
10 amounts, as provided under this Section. An ordinance imposing
11 or discontinuing a tax hereunder or effecting a change in the
12 rate thereof shall be adopted and a certified copy thereof
13 filed with the Department on or before the first day of
14 October, whereupon the Department shall proceed to administer
15 and enforce this Section as of the first day of January next
16 following the adoption and filing, or on or before the first
17 day of April, whereupon the Department shall proceed to
18 administer and enforce this Section as of the first day of July
19 next following the adoption and filing.

20 (D) If the voters have approved a referendum under this
21 subsection, before November 1, 1994, to increase the tax rate
22 under this subsection, the Metro East Mass Transit District
23 Board of Trustees may adopt by a majority vote an ordinance at
24 any time before January 1, 1995 that excludes from the rate
25 increase tangible personal property that is titled or
26 registered with an agency of this State's government. The

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

1 is titled or registered with an agency of this State's
2 government. The ordinance excluding titled or registered
3 tangible personal property from the rate increase shall be
4 adopted, and a certified copy of that ordinance shall be filed
5 with the Department on or before October 1, whereupon the
6 Department shall administer and enforce this exclusion from the
7 rate increase as of the following January 1, or on or before
8 April 1, whereupon the Department shall administer and enforce
9 this exclusion from the rate increase as of the following July
10 1. The Board of Trustees of any Metro East Mass Transit
11 District may never reimpose a previously excluded tax rate
12 increase on tangible personal property titled or registered
13 with an agency of this State's government.

14 (d-6) If the Board of Trustees of any Metro East Mass
15 Transit District has imposed a rate increase under subsection
16 (d-5) and filed an ordinance with the Department of Revenue
17 excluding titled property from the higher rate, then that Board
18 may, by ordinance adopted with the concurrence of two-thirds of
19 the then trustees, impose throughout the District a fee. The
20 fee on the excluded property shall not exceed \$20 per retail
21 transaction or an amount equal to the amount of tax excluded,
22 whichever is less, on tangible personal property that is titled
23 or registered with an agency of this State's government.
24 Beginning July 1, 2004, the fee shall apply only to titled
25 property that is subject to either the Metro East Mass Transit
26 District Retailers' Occupation Tax or the Metro East Mass

1 Transit District Service Occupation Tax. No fee shall be
2 imposed or collected under this subsection on the sale of a
3 motor vehicle in this State to a resident of another state if
4 that motor vehicle will not be titled in this State.

5 (d-7) Until June 30, 2004, if a fee has been imposed under
6 subsection (d-6), a fee shall also be imposed upon the
7 privilege of using, in the district, any item of tangible
8 personal property that is titled or registered with any agency
9 of this State's government, in an amount equal to the amount of
10 the fee imposed under subsection (d-6).

11 (d-7.1) Beginning July 1, 2004, any fee imposed by the
12 Board of Trustees of any Metro East Mass Transit District under
13 subsection (d-6) and all civil penalties that may be assessed
14 as an incident of the fees shall be collected and enforced by
15 the State Department of Revenue. Reference to "taxes" in this
16 Section shall be construed to apply to the administration,
17 payment, and remittance of all fees under this Section. For
18 purposes of any fee imposed under subsection (d-6), 4% of the
19 fee, penalty, and interest received by the Department in the
20 first 12 months that the fee is collected and enforced by the
21 Department and 2% of the fee, penalty, and interest following
22 the first 12 months (except the amount collected on aviation
23 fuel sold on or after December 1, 2017) shall be deposited into
24 the Tax Compliance and Administration Fund and shall be used by
25 the Department, subject to appropriation, to cover the costs of
26 the Department. No retailers' discount shall apply to any fee

1 imposed under subsection (d-6).

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

6 (d-9) (Blank).

7 (d-10) (Blank).

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

17 (f) (Blank).

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

1 the first day of July, whereupon the Department shall proceed
2 to administer and enforce this Section as of the first day of
3 October next following such adoption and filing. Beginning
4 January 1, 1993, except as provided in subsection (d-5) of this
5 Section, an ordinance or resolution imposing or discontinuing
6 the tax hereunder shall be adopted and a certified copy thereof
7 filed with the Department on or before the first day of
8 October, whereupon the Department shall proceed to administer
9 and enforce this Section as of the first day of January next
10 following such adoption and filing, or, beginning January 1,
11 2004, on or before the first day of April, whereupon the
12 Department shall proceed to administer and enforce this Section
13 as of the first day of July next following the adoption and
14 filing.

15 (h) Except as provided in subsection (d-7.1), the State
16 Department of Revenue shall, upon collecting any taxes as
17 provided in this Section, pay the taxes over to the State
18 Treasurer as trustee for the District. The taxes shall be held
19 in a trust fund outside the State Treasury. Taxes and penalties
20 collected in St. Clair Counties on aviation fuel sold on or
21 after December 1, 2017 from the 0.50% of the .75% rate shall be
22 immediately paid over by the Department to the State Treasurer,
23 ex officio, as trustee, for deposit into the Local Government
24 Aviation Trust Fund. The Department shall only pay moneys into
25 the Local Government Aviation Trust Fund under this Act for so
26 long as the revenue use requirements of 49 U.S.C. §47107(b) and

1 49 U.S.C. §47133 are binding on the District.

2 As soon as possible after the first day of each month,
3 beginning January 1, 2011, upon certification of the Department
4 of Revenue, the Comptroller shall order transferred, and the
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
6 local sales tax increment, as defined in the Innovation
7 Development and Economy Act, collected under this Section
8 during the second preceding calendar month for sales within a
9 STAR bond district. The Department shall make this
10 certification only if the local mass transit district imposes a
11 tax on real property as provided in the definition of "local
12 sales taxes" under the Innovation Development and Economy Act.

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the State
15 Department of Revenue shall prepare and certify to the
16 Comptroller of the State of Illinois the amount to be paid to
17 the District, which shall be the amount (not including credit
18 memoranda and not including taxes and penalties collected on
19 aviation fuel sold on or after December 1, 2017) collected
20 under this Section during the second preceding calendar month
21 by the Department plus an amount the Department determines is
22 necessary to offset any amounts that were erroneously paid to a
23 different taxing body, and not including any amount equal to
24 the amount of refunds made during the second preceding calendar
25 month by the Department on behalf of the District, and not
26 including any amount that the Department determines is

1 necessary to offset any amounts that were payable to a
2 different taxing body but were erroneously paid to the
3 District, and less any amounts that are transferred to the STAR
4 Bonds Revenue Fund, less 2% of the remainder, which the
5 Department shall transfer into the Tax Compliance and
6 Administration Fund. The Department, at the time of each
7 monthly disbursement to the District, shall prepare and certify
8 to the State Comptroller the amount to be transferred into the
9 Tax Compliance and Administration Fund under this subsection.
10 Within 10 days after receipt by the Comptroller of the
11 certification of the amount to be paid to the District and the
12 Tax Compliance and Administration Fund, the Comptroller shall
13 cause an order to be drawn for payment for the amount in
14 accordance with the direction in the certification.

15 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

16 Section 70. The Regional Transportation Authority Act is
17 amended by changing Sections 4.03 and 4.03.3 as follows:

18 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

19 Sec. 4.03. Taxes.

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

1 imposed under this Section and civil penalties imposed incident
2 thereto shall be collected and enforced by the State Department
3 of Revenue. The Department shall have the power to administer
4 and enforce the taxes and to determine all rights for refunds
5 for erroneous payments of the taxes. Nothing in Public Act
6 95-708 is intended to invalidate any taxes currently imposed by
7 the Authority. The increased vote requirements to impose a tax
8 shall only apply to actions taken after January 1, 2008 (the
9 effective date of Public Act 95-708).

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

1 motor fuel in the metropolitan region, at rates as limited by
2 this Section.

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

10 (d) The Board may impose a motor vehicle parking tax upon
11 the privilege of parking motor vehicles at off-street parking
12 facilities in the metropolitan region at which a fee is
13 charged, and may provide for reasonable classifications in and
14 exemptions to the tax, for administration and enforcement
15 thereof and for civil penalties and refunds thereunder and may
16 provide criminal penalties thereunder, the maximum penalties
17 not to exceed the maximum criminal penalties provided in the
18 Retailers' Occupation Tax Act. The Authority may collect and
19 enforce the tax itself or by contract with any unit of local
20 government. The State Department of Revenue shall have no
21 responsibility for the collection and enforcement unless the
22 Department agrees with the Authority to undertake the
23 collection and enforcement. As used in this paragraph, the term
24 "parking facility" means a parking area or structure having
25 parking spaces for more than 2 vehicles at which motor vehicles
26 are permitted to park in return for an hourly, daily, or other

1 periodic fee, whether publicly or privately owned, but does not
2 include parking spaces on a public street, the use of which is
3 regulated by parking meters.

4 (e) The Board may impose a Regional Transportation
5 Authority Retailers' Occupation Tax upon all persons engaged in
6 the business of selling tangible personal property at retail in
7 the metropolitan region. In Cook County the tax rate shall be
8 1.25% of the gross receipts from sales of food for human
9 consumption that is to be consumed off the premises where it is
10 sold (other than alcoholic beverages, soft drinks and food that
11 has been prepared for immediate consumption) and prescription
12 and nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used by
14 diabetics, and 1% of the gross receipts from other taxable
15 sales made in the course of that business. In DuPage, Kane,
16 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
17 of the gross receipts from all taxable sales made in the course
18 of that business except that the rate of tax imposed in these
19 Counties under this Section on sales of aviation fuel on or
20 after December 1, 2017 shall be 0.25% unless the Regional
21 Transportation Authority in DuPage, Kane, Lake, McHenry and
22 Will Counties has an "airport-related purpose" and the
23 additional 0.50% of the 0.75% tax on aviation fuel is expended
24 for airport-related purposes. If there is no airport-related
25 purpose to which aviation fuel tax revenue is dedicated, then
26 aviation fuel is excluded from the tax.

1 On or before September 1, 2017, and on or before each April
2 1 and October 1 thereafter, the Authority and Cook, DuPage,
3 Kane, Lake, McHenry, and Will Counties must certify to the
4 Department of Transportation, in the form and manner required
5 by the Department, whether they have an airport-related
6 purpose, which would allow any Retailers' Occupation Tax and
7 Service Occupation Tax imposed under this Act to include tax on
8 aviation fuel. On or before October 1, 2017, and on or before
9 each May 1 and November 1 thereafter, the Department of
10 Transportation shall provide to the Department of Revenue, a
11 list of units of local government which have certified to the
12 Department of Transportation that they have airport-related
13 purposes, which would allow any Retailers' Occupation Tax and
14 Service Occupation Tax imposed by the unit of local government
15 to include tax on aviation fuel. All disputes regarding whether
16 or not a unit of local government has an airport-related
17 purpose shall be resolved by the Department of Transportation.

18 For purposes of this Act, "airport-related purposes" has
19 the meaning ascribed in Section 6z-20.2 of the State Finance
20 Act. This exclusion for aviation fuel only applies for so long
21 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
22 U.S.C. §47133 are binding on the Authority.

23 The tax imposed under this Section and all civil penalties
24 that may be assessed as an incident thereof shall be collected
25 and enforced by the State Department of Revenue. The Department
26 shall have full power to administer and enforce this Section;

1 to collect all taxes and penalties so collected in the manner
2 hereinafter provided; and to determine all rights to credit
3 memoranda arising on account of the erroneous payment of tax or
4 penalty hereunder. In the administration of, and compliance
5 with this Section, the Department and persons who are subject
6 to this Section shall have the same rights, remedies,
7 privileges, immunities, powers and duties, and be subject to
8 the same conditions, restrictions, limitations, penalties,
9 exclusions, exemptions and definitions of terms, and employ the
10 same modes of procedure, as are prescribed in Sections 1, 1a,
11 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
12 provisions therein other than the State rate of tax), 2c, 3
13 (except as to the disposition of taxes and penalties collected,
14 and except that the retailer's discount is not allowed for
15 taxes paid on aviation fuel that are deposited into the Local
16 Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
17 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
18 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
19 the Uniform Penalty and Interest Act, as fully as if those
20 provisions were set forth herein.

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

1 bracket schedules the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this Section 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 Regional Transportation Authority tax fund
9 established under paragraph (n) of this Section.

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

12 For the purpose of determining whether a tax authorized
13 under this Section is applicable, a retail sale by a producer
14 of coal or other 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 paragraph does not apply to
17 coal or other 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 Federal Constitution as a sale in
20 interstate or foreign commerce.

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

25 Nothing in this Section shall be construed to authorize the
26 Regional Transportation Authority to impose a tax upon the

1 privilege of engaging in any business that under the
2 Constitution of the United States may not be made the subject
3 of taxation by this State.

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

1 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
2 of the selling price of all tangible personal property
3 transferred except that the rate of tax imposed in these
4 Counties under this Section on sales of aviation fuel on or
5 after December 1, 2017 shall be 0.25% unless the Regional
6 Transportation Authority in DuPage, Kane, Lake, McHenry and
7 Will Counties has an "airport-related purpose" and the
8 additional 0.50% of the 0.75% tax on aviation fuel is expended
9 for airport-related purposes. If there is no airport-related
10 purpose to which aviation fuel tax revenue is dedicated, then
11 aviation fuel is excluded from the tax.

12 On or before September 1, 2017, and on or before each April
13 1 and October 1 thereafter, the Authority and Cook, DuPage,
14 Kane, Lake, McHenry, and Will Counties must certify to the
15 Department of Transportation, in the form and manner required
16 by the Department, whether they have an airport-related
17 purpose, which would allow any Retailers' Occupation Tax and
18 Service Occupation Tax imposed under this Act to include tax on
19 aviation fuel. On or before October 1, 2017, and on or before
20 each May 1 and November 1 thereafter, the Department of
21 Transportation shall provide to the Department of Revenue, a
22 list of units of local government which have certified to the
23 Department of Transportation that they have airport-related
24 purposes, which would allow any Retailers' Occupation Tax and
25 Service Occupation Tax imposed by the unit of local government
26 to include tax on aviation fuel. All disputes regarding whether

1 or not a unit of local government has an airport-related
2 purpose shall be resolved by the Department of Transportation.

3 For purposes of this Act, "airport-related purposes" has
4 the meaning ascribed in Section 6z-20.2 of the State Finance
5 Act. This exclusion for aviation fuel only applies for so long
6 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
7 U.S.C. §47133 are binding on the Authority.

8 The tax imposed under this paragraph and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. The
11 Department shall have full power to administer and enforce this
12 paragraph; to collect all taxes and penalties due hereunder; to
13 dispose of taxes and penalties collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax or
16 penalty hereunder. In the administration of and compliance with
17 this paragraph, the Department and persons who are subject to
18 this paragraph shall have the same rights, remedies,
19 privileges, immunities, powers and duties, and be subject to
20 the same conditions, restrictions, limitations, penalties,
21 exclusions, exemptions and definitions of terms, and employ the
22 same modes of procedure, as are prescribed in Sections 1a-1, 2,
23 2a, 3 through 3-50 (in respect to all provisions therein other
24 than the State rate of tax), 4 (except that the reference to
25 the State shall be to the Authority), 5, 7, 8 (except that the
26 jurisdiction to which the tax shall be a debt to the extent

1 indicated in that Section 8 shall be the Authority), 9 (except
2 as to the disposition of taxes and penalties collected, and
3 except that the returned merchandise credit for this tax may
4 not be taken against any State tax, and except that the
5 retailer's discount is not allowed for taxes paid on aviation
6 fuel that are deposited into the Local Government Aviation
7 Trust Fund), 10, 11, 12 (except the reference therein to
8 Section 2b of the Retailers' Occupation Tax Act), 13 (except
9 that any reference to the State shall mean the Authority), the
10 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
11 Service Occupation Tax Act and Section 3-7 of the Uniform
12 Penalty and Interest Act, as fully as if those provisions were
13 set forth herein.

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

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

1 Treasurer out of the Regional Transportation Authority tax fund
2 established under paragraph (n) of this Section.

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

7 (g) If a tax has been imposed under paragraph (e), a tax
8 shall also be imposed upon the privilege of using in the
9 metropolitan region, any item of tangible personal property
10 that is purchased outside the metropolitan region at retail
11 from a retailer, and that is titled or registered with an
12 agency of this State's government. In Cook County the tax rate
13 shall be 1% of the selling price of the tangible personal
14 property, as "selling price" is defined in the Use Tax Act. In
15 DuPage, Kane, Lake, McHenry and Will counties the tax rate
16 shall be 0.75% of the selling price of the tangible personal
17 property, as "selling price" is defined in the Use Tax Act. The
18 tax shall be collected from persons whose Illinois address for
19 titling or registration purposes is given as being in the
20 metropolitan region. The tax shall be collected by the
21 Department of Revenue for the Regional Transportation
22 Authority. The tax must be paid to the State, or an exemption
23 determination must be obtained from the Department of Revenue,
24 before the title or certificate of registration for the
25 property may be issued. The tax or proof of exemption may be
26 transmitted to the Department by way of the State agency with

1 which, or the State officer with whom, the tangible personal
2 property must be titled or registered if the Department and the
3 State agency or State officer determine that this procedure
4 will expedite the processing of applications for title or
5 registration.

6 The Department shall have full power to administer and
7 enforce this paragraph; to collect all taxes, penalties and
8 interest due hereunder; to dispose of taxes, penalties and
9 interest collected in the manner hereinafter provided; and to
10 determine all rights to credit memoranda or refunds arising on
11 account of the erroneous payment of tax, penalty or interest
12 hereunder. In the administration of and compliance with this
13 paragraph, the Department and persons who are subject to this
14 paragraph shall have the same rights, remedies, privileges,
15 immunities, powers and duties, and be subject to the same
16 conditions, restrictions, limitations, penalties, exclusions,
17 exemptions and definitions of terms and employ the same modes
18 of procedure, as are prescribed in Sections 2 (except the
19 definition of "retailer maintaining a place of business in this
20 State"), 3 through 3-80 (except provisions pertaining to the
21 State rate of tax, and except provisions concerning collection
22 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
23 19 (except the portions pertaining to claims by retailers and
24 except the last paragraph concerning refunds), 20, 21 and 22 of
25 the Use Tax Act, and are not inconsistent with this paragraph,
26 as fully as if those provisions were set forth herein.

1 Whenever the Department determines that a refund should be
2 made under this paragraph 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 Regional Transportation Authority tax fund
8 established under paragraph (n) of this Section.

9 (h) The Authority may impose a replacement vehicle tax of
10 \$50 on any passenger car as defined in Section 1-157 of the
11 Illinois Vehicle Code purchased within the metropolitan region
12 by or on behalf of an insurance company to replace a passenger
13 car of an insured person in settlement of a total loss claim.
14 The tax imposed may not become effective before the first day
15 of the month following the passage of the ordinance imposing
16 the tax and receipt of a certified copy of the ordinance by the
17 Department of Revenue. The Department of Revenue shall collect
18 the tax for the Authority in accordance with Sections 3-2002
19 and 3-2003 of the Illinois Vehicle Code.

20 Except as otherwise provided in this paragraph, the ~~The~~
21 Department shall immediately pay over to the State Treasurer,
22 ex officio, as trustee, all taxes collected hereunder. Taxes
23 and penalties collected in DuPage, Kane, Lake, McHenry and Will
24 Counties on aviation fuel sold on or after December 1, 2017
25 from the 0.50% of the 0.75% rate shall be immediately paid over
26 by the Department to the State Treasurer, ex officio, as

1 trustee, for deposit into the Local Government Aviation Trust
2 Fund. The Department shall only pay moneys into the Local
3 Government Aviation Trust Fund under this Act for so long as
4 the revenue use requirements of 49 U.S.C. §47107(b) and 49
5 U.S.C. §47133 are binding on the Authority.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the Authority. The
18 amount to be paid to the Authority shall be the amount
19 collected hereunder during the second preceding calendar month
20 by the Department, less any amount determined by the Department
21 to be necessary for the payment of refunds, and less any
22 amounts that are transferred to the STAR Bonds Revenue Fund.
23 Within 10 days after receipt by the Comptroller of the
24 disbursement certification to the Authority provided for in
25 this Section to be given to the Comptroller by the Department,
26 the Comptroller shall cause the orders to be drawn for that

1 amount in accordance with the directions contained in the
2 certification.

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

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

14 (k) The provisions of any tax imposed under paragraph (c)
15 of this Section shall conform as closely as may be practicable
16 to the provisions of the Use Tax Act, including without
17 limitation conformity as to penalties with respect to the tax
18 imposed and as to the powers of the State Department of Revenue
19 to promulgate and enforce rules and regulations relating to the
20 administration and enforcement of the provisions of the tax
21 imposed. The taxes shall be imposed only on use within the
22 metropolitan region and at rates as provided in the paragraph.

23 (l) The Board in imposing any tax as provided in paragraphs
24 (b) and (c) of this Section, shall, after seeking the advice of
25 the State Department of Revenue, provide means for retailers,
26 users or purchasers of motor fuel for purposes other than those

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

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

1 administer and enforce this Section as of the first day of the
2 first month to occur not less than 60 days following such
3 adoption and filing. Any ordinance or resolution of the
4 Authority imposing a tax under this Section and in effect on
5 August 1, 2007 shall remain in full force and effect and shall
6 be administered by the Department of Revenue under the terms
7 and conditions and rates of tax established by such ordinance
8 or resolution until the Department begins administering and
9 enforcing an increased tax under this Section as authorized by
10 Public Act 95-708. The tax rates authorized by Public Act
11 95-708 are effective only if imposed by ordinance of the
12 Authority.

13 (n) Except as otherwise provided in this subsection (n),
14 the State Department of Revenue shall, upon collecting any
15 taxes as provided in this Section, pay the taxes over to the
16 State Treasurer as trustee for the Authority. The taxes shall
17 be held in a trust fund outside the State Treasury. On or
18 before the 25th day of each calendar month, the State
19 Department of Revenue shall prepare and certify to the
20 Comptroller of the State of Illinois and to the Authority (i)
21 the amount of taxes collected in each County other than Cook
22 County in the metropolitan region, (ii) the amount of taxes
23 collected within the City of Chicago, and (iii) the amount
24 collected in that portion of Cook County outside of Chicago,
25 each amount less the amount necessary for the payment of
26 refunds to taxpayers located in those areas described in items

1 (i), (ii), and (iii), and less 2% of the remainder, which shall
2 be transferred from the trust fund into the Tax Compliance and
3 Administration Fund. The Department, at the time of each
4 monthly disbursement to the Authority, shall prepare and
5 certify to the State Comptroller the amount to be transferred
6 into the Tax Compliance and Administration Fund under this
7 subsection. Within 10 days after receipt by the Comptroller of
8 the certification of the amounts, the Comptroller shall cause
9 an order to be drawn for the transfer of the amount certified
10 into the Tax Compliance and Administration Fund and the payment
11 of two-thirds of the amounts certified in item (i) of this
12 subsection to the Authority and one-third of the amounts
13 certified in item (i) of this subsection to the respective
14 counties other than Cook County and the amount certified in
15 items (ii) and (iii) of this subsection to the Authority.

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

1 disbursed under this paragraph in the preceding calendar year.
2 The Department of Revenue shall prepare and certify to the
3 Comptroller for disbursement the allocations made in
4 accordance with this paragraph.

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

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

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

25 (q) Any existing rights, remedies and obligations
26 (including enforcement by the Regional Transportation

1 Authority) arising under any tax imposed under paragraphs (b),
2 (c) or (d) of this Section shall not be affected by the
3 imposition of a tax under paragraphs (e), (f) or (g) of this
4 Section.

5 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;
6 99-642, eff. 7-28-16; 100-23, eff. 7-6-17.)

7 (70 ILCS 3615/4.03.3)

8 Sec. 4.03.3. Distribution of Revenues. This Section
9 applies only after the Department begins administering and
10 enforcing an increased tax under Section 4.03(m) as authorized
11 by this amendatory Act of the 95th General Assembly. After
12 providing for payment of its obligations with respect to bonds
13 and notes issued under the provisions of Section 4.04 and
14 obligations related to those bonds and notes, the Authority
15 shall disburse the remaining proceeds from taxes it has
16 received from the Department of Revenue under this Article IV
17 and the remaining proceeds it has received from the State under
18 Section 4.09(a) as follows:

19 (a) With respect to taxes imposed by the Authority under
20 Section 4.03, after withholding 15% of 80% of the receipts from
21 those taxes collected in Cook County at a rate of 1.25%, 15% of
22 75% of the receipts from those taxes collected in Cook County
23 at the rate of 1%, 15% of one-half of the receipts from those
24 taxes collected in DuPage, Kane, Lake, McHenry, and Will
25 Counties, and 15% of money received by the Authority from the

1 Regional Transportation Authority Occupation and Use Tax
2 Replacement Fund or from the Regional Transportation Authority
3 tax fund created in Section 4.03(n), the Board shall allocate
4 the proceeds and money remaining to the Service Boards as
5 follows:

6 (1) an amount equal to (i) 85% of 80% of the receipts
7 from those taxes collected within the City of Chicago at a
8 rate of 1.25%, (ii) 85% of 75% of the receipts from those
9 taxes collected in the City of Chicago at the rate of 1%,
10 and (iii) 85% of the money received by the Authority on
11 account of transfers to the Regional Transportation
12 Authority Occupation and Use Tax Replacement Fund or to the
13 Regional Transportation Authority tax fund created in
14 Section 4.03(n) from the County and Mass Transit District
15 Fund attributable to retail sales within the City of
16 Chicago shall be allocated to the Chicago Transit
17 Authority;

18 (2) an amount equal to (i) 85% of 80% of the receipts
19 from those taxes collected within Cook County outside of
20 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
21 the receipts from those taxes collected within Cook County
22 outside the City of Chicago at a rate of 1%, and (iii) 85%
23 of the money received by the Authority on account of
24 transfers to the Regional Transportation Authority
25 Occupation and Use Tax Replacement Fund or to the Regional
26 Transportation Authority tax fund created in Section

1 4.03(n) from the County and Mass Transit District Fund
2 attributable to retail sales within Cook County outside of
3 the City of Chicago shall be allocated 30% to the Chicago
4 Transit Authority, 55% to the Commuter Rail Board, and 15%
5 to the Suburban Bus Board; and

6 (3) an amount equal to 85% of one-half of the receipts
7 from the taxes collected within the Counties of DuPage,
8 Kane, Lake, McHenry, and Will shall be allocated 70% to the
9 Commuter Rail Board and 30% to the Suburban Bus Board.

10 (b) Moneys received by the Authority on account of
11 transfers to the Regional Transportation Authority Occupation
12 and Use Tax Replacement Fund from the State and Local Sales Tax
13 Reform Fund shall be allocated among the Authority and the
14 Service Boards as follows: 15% of such moneys shall be retained
15 by the Authority and the remaining 85% shall be transferred to
16 the Service Boards as soon as may be practicable after the
17 Authority receives payment. Moneys which are distributable to
18 the Service Boards pursuant to the preceding sentence shall be
19 allocated among the Service Boards on the basis of each Service
20 Board's distribution ratio. The term "distribution ratio"
21 means, for purposes of this subsection (b), the ratio of the
22 total amount distributed to a Service Board pursuant to
23 subsection (a) of Section 4.03.3 for the immediately preceding
24 calendar year to the total amount distributed to all of the
25 Service Boards pursuant to subsection (a) of Section 4.03.3 for
26 the immediately preceding calendar year.

1 (c) (i) 20% of the receipts from those taxes collected in
2 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
3 of the receipts from those taxes collected in Cook County under
4 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
5 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
6 Counties under Section 4.03, and (iv) amounts received from the
7 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
8 of Section 4.09 (a) (3) shall be allocated as follows: the
9 amount required to be deposited into the ADA Paratransit Fund
10 described in Section 2.01d, the amount required to be deposited
11 into the Suburban Community Mobility Fund described in Section
12 2.01e, and the amount required to be deposited into the
13 Innovation, Coordination and Enhancement Fund described in
14 Section 2.01c, and the balance shall be allocated 48% to the
15 Chicago Transit Authority, 39% to the Commuter Rail Board, and
16 13% to the Suburban Bus Board.

17 (d) Amounts received from the State under Section 4.09
18 (a) (3) (iv) shall be distributed 100% to the Chicago Transit
19 Authority.

20 (e) With respect to those taxes collected in DuPage, Kane,
21 Lake, McHenry, and Will Counties and paid directly to the
22 counties under Section 4.03, the County Board of each county
23 shall use those amounts to fund operating and capital costs of
24 public safety and public transportation services or facilities
25 or to fund operating, capital, right-of-way, construction, and
26 maintenance costs of other transportation purposes, including

1 road, bridge, public safety, and transit purposes intended to
2 improve mobility or reduce congestion in the county. The
3 receipt of funding by such counties pursuant to this paragraph
4 shall not be used as the basis for reducing any funds that such
5 counties would otherwise have received from the State of
6 Illinois, any agency or instrumentality thereof, the
7 Authority, or the Service Boards.

8 (f) The Authority by ordinance adopted by 12 of its then
9 Directors shall apportion to the Service Boards funds provided
10 by the State of Illinois under Section 4.09(a)(1) as it shall
11 determine and shall make payment of the amounts to each Service
12 Board as soon as may be practicable upon their receipt provided
13 the Authority has adopted a balanced budget as required by
14 Section 4.01 and further provided the Service Board is in
15 compliance with the requirements in Section 4.11.

16 (g) Beginning January 1, 2009, before making any payments,
17 transfers, or expenditures under this Section to a Service
18 Board, the Authority must first comply with Section 4.02a or
19 4.02b of this Act, whichever may be applicable.

20 (h) Moneys may be appropriated from the Public
21 Transportation Fund to the Office of the Executive Inspector
22 General for the costs incurred by the Executive Inspector
23 General while serving as the inspector general for the
24 Authority and each of the Service Boards. Beginning December
25 31, 2012, and each year thereafter, the Office of the Executive
26 Inspector General shall annually report to the General Assembly

1 the expenses incurred while serving as the inspector general
2 for the Authority and each of the Service Boards.

3 (Source: P.A. 97-399, eff. 8-16-11; 97-641, eff. 12-19-11.)

4 Section 75. 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) YES

23 impose (state type of tax or -----

24 taxes to be imposed) at the 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, and except that the retailer's
13 discount is not allowed for taxes paid on aviation fuel sold on
14 or after December 1, 2017), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,
15 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and
16 13 of the Retailers' Occupation Tax Act and Section 3-7 of the
17 Uniform Penalty and Interest Act, as fully as if those
18 provisions were set forth herein.

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

1 Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this paragraph 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 a county water commission tax fund established
9 under subsection ~~paragraph~~ (g) of this Section.

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

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

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

25 Nothing in this paragraph shall be construed to authorize a
26 county water commission to impose a tax upon the privilege of

1 engaging in any business which under the Constitution of the
2 United States may not be made the subject of taxation by this
3 State.

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

1 the reference to State in the definition of supplier
2 maintaining a place of business in this State shall mean the
3 territory of the commission), 2a, 3 through 3-50 (in respect to
4 all provisions therein other than the State rate of tax except
5 that food for human consumption that is to be consumed off the
6 premises where it is sold (other than alcoholic beverages, soft
7 drinks, and food that has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances and insulin, urine testing
10 materials, syringes, and needles used by diabetics, for human
11 use, shall not be subject to tax hereunder), 4 (except that the
12 reference to the State shall be to the territory of the
13 commission), 5, 7, 8 (except that the jurisdiction to which the
14 tax shall be a debt to the extent indicated in that Section 8
15 shall be the commission), 9 (except as to the disposition of
16 taxes and penalties collected and except that the returned
17 merchandise credit for this tax may not be taken against any
18 State tax, and except that the retailer's discount is not
19 allowed for taxes paid on aviation fuel sold on or after
20 December 1, 2017), 10, 11, 12 (except the reference therein to
21 Section 2b of the Retailers' Occupation Tax Act), 13 (except
22 that any reference to the State shall mean the territory of the
23 commission), the first paragraph of Section 15, 15.5, 16, 17,
24 18, 19, and 20 of the Service Occupation Tax Act as fully as if
25 those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this paragraph may reimburse themselves for their
2 serviceman's tax liability hereunder by separately stating the
3 tax as an additional charge, which charge may be stated in
4 combination, in a single amount, with State tax that servicemen
5 are authorized to collect under the Service Use Tax Act, and
6 any tax for which servicemen may be liable under subsection (f)
7 of Section 4.03 of the Regional Transportation Authority Act,
8 in accordance with such bracket schedules as the Department may
9 prescribe.

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

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

23 (d) If a tax has been imposed under subsection (b), a tax
24 shall also be imposed upon the privilege of using, in the
25 territory of the commission, any item of tangible personal
26 property that is purchased outside the territory at retail from

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

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

1 privileges, immunities, powers, and duties, and be subject to
2 the same conditions, restrictions, limitations, penalties,
3 exclusions, exemptions, and definitions of terms and employ the
4 same modes of procedure, as are prescribed in Sections 2
5 (except the definition of "retailer maintaining a place of
6 business in this State"), 3 through 3-80 (except provisions
7 pertaining to the State rate of tax, and except provisions
8 concerning collection or refunding of the tax by retailers, and
9 except that food for human consumption that is to be consumed
10 off the premises where it is sold (other than alcoholic
11 beverages, soft drinks, and food that has been prepared for
12 immediate consumption) and prescription and nonprescription
13 medicines, drugs, medical appliances and insulin, urine
14 testing materials, syringes, and needles used by diabetics, for
15 human use, shall not be subject to tax hereunder), 4, 11, 12,
16 12a, 14, 15, 19 (except the portions pertaining to claims by
17 retailers and except the last paragraph concerning refunds),
18 20, 21, and 22 of the Use Tax Act and Section 3-7 of the Uniform
19 Penalty and Interest Act that are not inconsistent with this
20 paragraph, as fully as if those provisions were set forth
21 herein.

22 Whenever the Department determines that a refund should be
23 made under this paragraph 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 a county water commission tax fund established
3 under subsection ~~paragraph~~ (g) of this Section.

4 (e) A certificate of registration issued by the State
5 Department of Revenue to a retailer under the Retailers'
6 Occupation Tax Act or under the Service Occupation Tax Act
7 shall permit the registrant to engage in a business that is
8 taxed under the tax imposed under subsection ~~paragraphs~~ (b),
9 (c), l or (d) of this Section and no additional registration
10 shall be required under the tax. A certificate issued under the
11 Use Tax Act or the Service Use Tax Act shall be applicable with
12 regard to any tax imposed under subsection ~~paragraph~~ (c) of
13 this Section.

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

1 discontinuing the tax hereunder shall be adopted and a
2 certified copy thereof filed with the Department on or before
3 the first day of October, whereupon the Department shall
4 proceed to administer and enforce this Section as of the first
5 day of January next following such adoption and filing.

6 (g) The State Department of Revenue shall, upon collecting
7 any taxes as provided in this Section, pay the taxes over to
8 the State Treasurer as trustee for the commission. The taxes
9 shall be held in a trust fund outside the State Treasury.

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

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

1 including any amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of the commission, and not including any amount that the
4 Department determines is necessary to offset any amounts that
5 were payable to a different taxing body but were erroneously
6 paid to the commission, and less any amounts that are
7 transferred to the STAR Bonds Revenue Fund, less 2% of the
8 remainder, which shall be transferred into the Tax Compliance
9 and Administration Fund. The Department, at the time of each
10 monthly disbursement to the commission, shall prepare and
11 certify to the State Comptroller the amount to be transferred
12 into the Tax Compliance and Administration Fund under this
13 subsection. Within 10 days after receipt by the Comptroller of
14 the certification of the amount to be paid to the commission
15 and the Tax Compliance and Administration Fund, the Comptroller
16 shall cause an order to be drawn for the payment for the amount
17 in accordance with the direction in the certification.

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

22 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
23 100-23, eff. 7-6-17; revised 10-3-17.)

24 Section 80. The Environmental Impact Fee Law is amended by
25 changing Sections 315 and 320 as follows:

1 (415 ILCS 125/315)

2 (Section scheduled to be repealed on January 1, 2025)

3 Sec. 315. Fee on receivers of fuel for sale or use;
4 collection and reporting. A person that is required to pay the
5 fee imposed by this Law shall pay the fee to the Department by
6 return showing all fuel purchased, acquired, or received and
7 sold, distributed or used during the preceding calendar month,
8 including losses of fuel as the result of evaporation or
9 shrinkage due to temperature variations, and such other
10 reasonable information as the Department may require. Losses of
11 fuel as the result of evaporation or shrinkage due to
12 temperature variations may not exceed 1% of the total gallons
13 in storage at the beginning of the month, plus the receipts of
14 gallonage during the month, minus the gallonage remaining in
15 storage at the end of the month. Any loss reported that is in
16 excess of this amount shall be subject to the fee imposed by
17 Section 310 of this Law. On and after July 1, 2001, for each
18 6-month period January through June, net losses of fuel (for
19 each category of fuel that is required to be reported on a
20 return) as the result of evaporation or shrinkage due to
21 temperature variations may not exceed 1% of the total gallons
22 in storage at the beginning of each January, plus the receipts
23 of gallonage each January through June, minus the gallonage
24 remaining in storage at the end of each June. On and after July
25 1, 2001, for each 6-month period July through December, net

1 losses of fuel (for each category of fuel that is required to
2 be reported on a return) as the result of evaporation or
3 shrinkage due to temperature variations may not exceed 1% of
4 the total gallons in storage at the beginning of each July,
5 plus the receipts of gallonage each July through December,
6 minus the gallonage remaining in storage at the end of each
7 December. Any net loss reported that is in excess of this
8 amount shall be subject to the fee imposed by Section 310 of
9 this Law. For purposes of this Section, "net loss" means the
10 number of gallons gained through temperature variations minus
11 the number of gallons lost through temperature variations or
12 evaporation for each of the respective 6-month periods.

13 The return shall be prescribed by the Department and shall
14 be filed between the 1st and 20th days of each calendar month.
15 The Department may, in its discretion, combine the return filed
16 under this Law with the return filed under Section 2b of the
17 Motor Fuel Tax Law. If the return is timely filed, the receiver
18 may take a discount of 2% through June 30, 2003 and 1.75%
19 thereafter to reimburse himself for the expenses incurred in
20 keeping records, preparing and filing returns, collecting and
21 remitting the fee, and supplying data to the Department on
22 request. However, the discount applies only to the amount of
23 the fee payment that accompanies a return that is timely filed
24 in accordance with this Section. The discount is not permitted
25 on fees paid on aviation fuel sold or used on and after
26 December 1, 2017. This exception for aviation fuel only applies

1 for so long as the revenue use requirements of 49 U.S.C. §47017
2 (b) and 49 U.S.C. §47133 are binding on the State.

3 Beginning on January 1, 2018, each retailer required or
4 authorized to collect the fee imposed by this Act on aviation
5 fuel at retail in this State during the preceding calendar
6 month shall, instead of reporting and paying tax on aviation
7 fuel as otherwise required by this Section, file an aviation
8 fuel tax return with the Department, on or before the twentieth
9 day of each calendar month. The requirements related to the
10 return shall be as otherwise provided in this Section.
11 Notwithstanding any other provisions of this Act to the
12 contrary, retailers collecting fees on aviation fuel shall file
13 all aviation fuel tax returns and shall make all aviation fuel
14 fee payments by electronic means in the manner and form
15 required by the Department. For purposes of this paragraph,
16 "aviation fuel" means a product that is intended for use or
17 offered for sale as fuel for an aircraft.

18 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

19 (415 ILCS 125/320)

20 (Section scheduled to be repealed on January 1, 2025)

21 Sec. 320. Deposit of fee receipts. Except as otherwise
22 provided in this paragraph, all ~~All~~ money received by the
23 Department under this Law shall be deposited in the Underground
24 Storage Tank Fund created by Section 57.11 of the Environmental
25 Protection Act. All money received for aviation fuel by the

1 Department under this Law on or after December 1, 2017, shall
2 be immediately paid over by the Department to the State
3 Aviation Program Fund. The Department shall only pay such
4 moneys into the State Aviation Program Fund under this Act for
5 so long as the revenue use requirements of 49 U.S.C. §47107(b)
6 and 49 U.S.C. §47133 are binding on the State. For purposes of
7 this section, "aviation fuel" means a product that is intended
8 for use or offered for sale as fuel for an aircraft.

9 (Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96; 90-14,
10 eff. 7-1-97.)

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