



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

**HB4228**

by Rep. David Harris

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the State Finance Act. Creates the State Aviation Program Fund, the Local Government Aviation Trust Fund, and the Aviation Fuel Sales Tax Refund Fund. Provides that moneys in the State Aviation Program Fund and the Local Government Aviation Trust Fund shall be used by the Department of Transportation for the purposes of administering a State Aviation Program. Provides that the State Aviation Program shall include grants to units of local government for airport-related purposes. Provides that moneys in the Aviation Fuel Sales Tax Refund Fund shall be used by the Department of Revenue to pay refunds. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act to provide that the local share of moneys received from the tax paid on aviation fuel shall be deposited into those Funds. Amends the Motor Fuel Tax Law. Provides that aviation fuel sold or used on or after June 23, 2018 shall be deposited into the State Aviation Program Fund. Amends the Innovation Development and Economy Act, the Counties Code, the Illinois Municipal Code, the Civic Center Code, the Flood Prevention District Act, the Metro-East Park and Recreation District Act, the Local Mass Transit District Act, the Regional Transportation Authority Act, and the Water Commission Act of 1985. Prohibits certain local retailers' occupation taxes on aviation fuel unless the unit of local government has an airport-related purpose. Provides that the proceeds from those taxes on aviation fuel shall be deposited into the Local Government Aviation Trust Fund. Amends the Illinois Municipal Code. Contains provisions concerning a Residential Sound Insulation Program. Effective immediately.

LRB100 16566 HLH 31698 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

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)

14 Sec. 6z-20.1. The State Aviation Program Fund.

15 (a) The State Aviation Program Fund is created as a special  
16 fund in the State Treasury. Proceeds from use and occupation  
17 taxes generated from the sale of aviation fuel shall be  
18 deposited into the Fund. Moneys in the Fund shall be used by  
19 the Department of Transportation for the purposes of  
20 administering a State Aviation Program. Subject to

1 appropriation, moneys in the Fund shall be used for the  
2 purposes of distributing grants to units of local government  
3 for airport-related purposes. Each purchaser of aviation fuel  
4 in the State shall, at the time of purchase, designate an  
5 airport in the State at which the aviation fuel will be used.  
6 Moneys shall be distributed on a quarterly basis directly to  
7 units of local government containing those airports in  
8 accordance with the designation made by the purchaser.

9 (b) For grants to a municipality with a population of over  
10 500,000, "airport-related purposes" means: (1) the replacement  
11 of sound-reducing windows and doors installed under the  
12 Residential Sound Insulation Program; and (2) in-home air  
13 quality testing in residences in which windows or doors were  
14 installed under the Residential Sound Insulation Program.

15 (c) For grants to a unit of government other than a  
16 municipality with a population of over 500,000,  
17 "airport-related purposes" means the capital or operating  
18 costs of: (1) an airport; (2) a local airport system; or (3)  
19 any other local facility that is owned or operated by the  
20 person or entity that owns or operates the airport that is  
21 directly and substantially related to the air transportation of  
22 passengers or property as provided in 49 U.S.C. §47133.

23 (30 ILCS 105/6z-20.2 new)

24 Sec. 6z-20.2. The Local Government Aviation Trust Fund. The  
25 Local Government Aviation Trust Fund is created as a trust fund

1 in the State Treasury. Moneys in the Trust Fund shall be used  
2 by units of local government for airport-related purposes. For  
3 purposes of this Section, "airport-related purposes" means the  
4 capital or operating costs of: (1) an airport;(2) a local  
5 airport system; or (3) any other local facility that is owned  
6 or operated by the person or entity that owns or operates the  
7 airport that is directly and substantially related to the air  
8 transportation of passengers or property as provided in 49  
9 U.S.C. §47133.

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

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 named units of local  
18 government, the units of local government to be those from  
19 which retailers or servicemen have paid tax or penalties to the  
20 Department during the second preceding calendar month on sales  
21 of aviation fuel. The amount to be paid to each unit of local  
22 government shall be the amount (not including credit memoranda)  
23 collected during the second preceding calendar month by the  
24 Department and paid into the Local Government Aviation Trust  
25 Fund, plus an amount the Department determines is necessary to  
26 offset any amounts which were erroneously paid to a different

1 taxing body, and not including an amount equal to the amount of  
2 refunds made during the second preceding calendar month by the  
3 Department, and not including any amount which the Department  
4 determines is necessary to offset any amounts which are payable  
5 to a different taxing body but were erroneously paid to the  
6 unit of local government. Within 10 days after receipt by the  
7 Comptroller of the certification for disbursement to the units  
8 of local government, provided for in this Section to be given  
9 to the Comptroller by the Department, the Comptroller shall  
10 cause the orders to be drawn for the respective amounts in  
11 accordance with the directions contained in the certification.

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

18 (30 ILCS 105/6z-20.3 new)

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

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

1 Use Tax Act, Section 17 of the Service Use Tax Act, Section 17  
2 of the Service Occupation Tax Act, and Section 6 of the  
3 Retailers' Occupation Tax Act.

4 (b) Moneys in the Aviation Fuel Sales Tax Refund Fund shall  
5 be expended exclusively for the purpose of paying refunds  
6 pursuant to this Section.

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

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

22 This Section shall constitute an irrevocable and  
23 continuing appropriation from the Aviation Fuel Sales Tax  
24 Refund Fund for the purpose of paying refunds in accordance  
25 with the provisions of this Section.

1 Section 10. The Use Tax Act is amended by changing Sections  
2 9 and 19 as follows:

3 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

4 (Text of Section before amendment by P.A. 100-363)

5 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
6 and trailers that are required to be registered with an agency  
7 of this State, each retailer required or authorized to collect  
8 the tax imposed by this Act shall pay to the Department the  
9 amount of such tax (except as otherwise provided) at the time  
10 when he is required to file his return for the period during  
11 which such tax was collected, less a discount of 2.1% prior to  
12 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
13 per calendar year, whichever is greater, which is allowed to  
14 reimburse the retailer for expenses incurred in collecting the  
15 tax, keeping records, preparing and filing returns, remitting  
16 the tax and supplying data to the Department on request. The  
17 discount under this Section is not allowed for taxes paid on  
18 aviation fuel that are deposited into the State Aviation  
19 Program Fund under this Act. In the case of retailers who  
20 report and pay the tax on a transaction by transaction basis,  
21 as provided in this Section, such discount shall be taken with  
22 each such tax remittance instead of when such retailer files  
23 his periodic return. The discount allowed under this Section is  
24 allowed only for returns that are filed in the manner required  
25 by this Act. The Department may disallow the discount for

1 retailers whose certificate of registration is revoked at the  
2 time the return is filed, but only if the Department's decision  
3 to revoke the certificate of registration has become final. A  
4 retailer need not remit that part of any tax collected by him  
5 to the extent that he is required to remit and does remit the  
6 tax imposed by the Retailers' Occupation Tax Act, with respect  
7 to the sale of the same property.

8 Where such tangible personal property is sold under a  
9 conditional sales contract, or under any other form of sale  
10 wherein the payment of the principal sum, or a part thereof, is  
11 extended beyond the close of the period for which the return is  
12 filed, the retailer, in collecting the tax (except as to motor  
13 vehicles, watercraft, aircraft, and trailers that are required  
14 to be registered with an agency of this State), may collect for  
15 each tax return period, only the tax applicable to that part of  
16 the selling price actually received during such tax return  
17 period.

18 Except as provided in this Section, on or before the  
19 twentieth day of each calendar month, such retailer shall file  
20 a return for the preceding calendar month. Such return shall be  
21 filed on forms prescribed by the Department and shall furnish  
22 such information as the Department may reasonably require. On  
23 and after January 1, 2018, except for returns for motor  
24 vehicles, watercraft, aircraft, and trailers that are required  
25 to be registered with an agency of this State, with respect to  
26 retailers whose annual gross receipts average \$20,000 or more,



1 all returns required to be filed pursuant to this Act shall be  
2 filed electronically. Retailers who demonstrate that they do  
3 not have access to the Internet or demonstrate hardship in  
4 filing electronically may petition the Department to waive the  
5 electronic filing requirement.

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;
- 25 5-5. The signature of the taxpayer; and
- 26 6. Such other reasonable information as the Department

1           may require.

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

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

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

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

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

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

25 If any such payment provided for in this Section exceeds  
26 the taxpayer's liabilities under this Act, the Retailers'

1 Occupation Tax Act, the Service Occupation Tax Act and the  
2 Service Use Tax Act, as shown by an original monthly return,  
3 the Department shall issue to the taxpayer a credit memorandum  
4 no later than 30 days after the date of payment, which  
5 memorandum may be submitted by the taxpayer to the Department  
6 in payment of tax liability subsequently to be remitted by the  
7 taxpayer to the Department or be assigned by the taxpayer to a  
8 similar taxpayer under this Act, the Retailers' Occupation Tax  
9 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
10 in accordance with reasonable rules and regulations to be  
11 prescribed by the Department, except that if such excess  
12 payment is shown on an original monthly return and is made  
13 after December 31, 1986, no credit memorandum shall be issued,  
14 unless requested by the taxpayer. If no such request is made,  
15 the taxpayer may credit such excess payment against tax  
16 liability subsequently to be remitted by the taxpayer to the  
17 Department under this Act, the Retailers' Occupation Tax Act,  
18 the Service Occupation Tax Act or the Service Use Tax Act, in  
19 accordance with reasonable rules and regulations prescribed by  
20 the Department. If the Department subsequently determines that  
21 all or any part of the credit taken was not actually due to the  
22 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
23 be reduced by 2.1% or 1.75% of the difference between the  
24 credit taken and that actually due, and the taxpayer shall be  
25 liable for penalties and interest on such difference.

26 If the retailer is otherwise required to file a monthly



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

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

17 Such quarter annual and annual returns, as to form and  
18 substance, shall be subject to the same requirements as monthly  
19 returns.

20 Notwithstanding any other provision in this Act concerning  
21 the time within which a retailer may file his return, in the  
22 case of any retailer who ceases to engage in a kind of business  
23 which makes him responsible for filing returns under this Act,  
24 such retailer shall file a final return under this Act with the  
25 Department not more than one month after discontinuing such  
26 business.

1           In addition, with respect to motor vehicles, watercraft,  
2           aircraft, and trailers that are required to be registered with  
3           an agency of this State, every retailer selling this kind of  
4           tangible personal property shall file, with the Department,  
5           upon a form to be prescribed and supplied by the Department, a  
6           separate return for each such item of tangible personal  
7           property which the retailer sells, except that if, in the same  
8           transaction, (i) a retailer of aircraft, watercraft, motor  
9           vehicles or trailers transfers more than one aircraft,  
10          watercraft, motor vehicle or trailer to another aircraft,  
11          watercraft, motor vehicle or trailer retailer for the purpose  
12          of resale or (ii) a retailer of aircraft, watercraft, motor  
13          vehicles, or trailers transfers more than one aircraft,  
14          watercraft, motor vehicle, or trailer to a purchaser for use as  
15          a qualifying rolling stock as provided in Section 3-55 of this  
16          Act, then that seller may report the transfer of all the  
17          aircraft, watercraft, motor vehicles or trailers involved in  
18          that transaction to the Department on the same uniform  
19          invoice-transaction reporting return form. For purposes of  
20          this Section, "watercraft" means a Class 2, Class 3, or Class 4  
21          watercraft as defined in Section 3-2 of the Boat Registration  
22          and Safety Act, a personal watercraft, or any boat equipped  
23          with an inboard motor.

24          The transaction reporting return in the case of motor  
25          vehicles or trailers that are required to be registered with an  
26          agency of this State, shall be the same document as the Uniform

1 Invoice referred to in Section 5-402 of the Illinois Vehicle  
2 Code and must show the name and address of the seller; the name  
3 and address of the purchaser; the amount of the selling price  
4 including the amount allowed by the retailer for traded-in  
5 property, if any; the amount allowed by the retailer for the  
6 traded-in tangible personal property, if any, to the extent to  
7 which Section 2 of this Act allows an exemption for the value  
8 of traded-in property; the balance payable after deducting such  
9 trade-in allowance from the total selling price; the amount of  
10 tax due from the retailer with respect to such transaction; the  
11 amount of tax collected from the purchaser by the retailer on  
12 such transaction (or satisfactory evidence that such tax is not  
13 due in that particular instance, if that is claimed to be the  
14 fact); the place and date of the sale; a sufficient  
15 identification of the property sold; such other information as  
16 is required in Section 5-402 of the Illinois Vehicle Code, and  
17 such other information as the Department may reasonably  
18 require.

19 The transaction reporting return in the case of watercraft  
20 and aircraft must show the name and address of the seller; the  
21 name and address of the purchaser; the amount of the selling  
22 price including the amount allowed by the retailer for  
23 traded-in property, if any; the amount allowed by the retailer  
24 for the traded-in tangible personal property, if any, to the  
25 extent to which Section 2 of this Act allows an exemption for  
26 the value of traded-in property; the balance payable after

1 deducting such trade-in allowance from the total selling price;  
2 the amount of tax due from the retailer with respect to such  
3 transaction; the amount of tax collected from the purchaser by  
4 the retailer on such transaction (or satisfactory evidence that  
5 such tax is not due in that particular instance, if that is  
6 claimed to be the fact); the place and date of the sale, a  
7 sufficient identification of the property sold, and such other  
8 information as the Department may reasonably require.

9       Such transaction reporting return shall be filed not later  
10 than 20 days after the date of delivery of the item that is  
11 being sold, but may be filed by the retailer at any time sooner  
12 than that if he chooses to do so. The transaction reporting  
13 return and tax remittance or proof of exemption from the tax  
14 that is imposed by this Act may be transmitted to the  
15 Department by way of the State agency with which, or State  
16 officer with whom, the tangible personal property must be  
17 titled or registered (if titling or registration is required)  
18 if the Department and such agency or State officer determine  
19 that this procedure will expedite the processing of  
20 applications for title or registration.

21       With each such transaction reporting return, the retailer  
22 shall remit the proper amount of tax due (or shall submit  
23 satisfactory evidence that the sale is not taxable if that is  
24 the case), to the Department or its agents, whereupon the  
25 Department shall issue, in the purchaser's name, a tax receipt  
26 (or a certificate of exemption if the Department is satisfied

1 that the particular sale is tax exempt) which such purchaser  
2 may submit to the agency with which, or State officer with  
3 whom, he must title or register the tangible personal property  
4 that is involved (if titling or registration is required) in  
5 support of such purchaser's application for an Illinois  
6 certificate or other evidence of title or registration to such  
7 tangible personal property.

8 No retailer's failure or refusal to remit tax under this  
9 Act precludes a user, who has paid the proper tax to the  
10 retailer, from obtaining his certificate of title or other  
11 evidence of title or registration (if titling or registration  
12 is required) upon satisfying the Department that such user has  
13 paid the proper tax (if tax is due) to the retailer. The  
14 Department shall adopt appropriate rules to carry out the  
15 mandate of this paragraph.

16 If the user who would otherwise pay tax to the retailer  
17 wants the transaction reporting return filed and the payment of  
18 tax or proof of exemption made to the Department before the  
19 retailer is willing to take these actions and such user has not  
20 paid the tax to the retailer, such user may certify to the fact  
21 of such delay by the retailer, and may (upon the Department  
22 being satisfied of the truth of such certification) transmit  
23 the information required by the transaction reporting return  
24 and the remittance for tax or proof of exemption directly to  
25 the Department and obtain his tax receipt or exemption  
26 determination, in which event the transaction reporting return

1 and tax remittance (if a tax payment was required) shall be  
2 credited by the Department to the proper retailer's account  
3 with the Department, but without the 2.1% or 1.75% discount  
4 provided for in this Section being allowed. When the user pays  
5 the tax directly to the Department, he shall pay the tax in the  
6 same amount and in the same form in which it would be remitted  
7 if the tax had been remitted to the Department by the retailer.

8 Where a retailer collects the tax with respect to the  
9 selling price of tangible personal property which he sells and  
10 the purchaser thereafter returns such tangible personal  
11 property and the retailer refunds the selling price thereof to  
12 the purchaser, such retailer shall also refund, to the  
13 purchaser, the tax so collected from the purchaser. When filing  
14 his return for the period in which he refunds such tax to the  
15 purchaser, the retailer may deduct the amount of the tax so  
16 refunded by him to the purchaser from any other use tax which  
17 such retailer may be required to pay or remit to the  
18 Department, as shown by such return, if the amount of the tax  
19 to be deducted was previously remitted to the Department by  
20 such retailer. If the retailer has not previously remitted the  
21 amount of such tax to the Department, he is entitled to no  
22 deduction under this Act upon refunding such tax to the  
23 purchaser.

24 Any retailer filing a return under this Section shall also  
25 include (for the purpose of paying tax thereon) the total tax  
26 covered by such return upon the selling price of tangible

1 personal property purchased by him at retail from a retailer,  
2 but as to which the tax imposed by this Act was not collected  
3 from the retailer filing such return, and such retailer shall  
4 remit the amount of such tax to the Department when filing such  
5 return.

6 If experience indicates such action to be practicable, the  
7 Department may prescribe and furnish a combination or joint  
8 return which will enable retailers, who are required to file  
9 returns hereunder and also under the Retailers' Occupation Tax  
10 Act, to furnish all the return information required by both  
11 Acts on the one form.

12 Where the retailer has more than one business registered  
13 with the Department under separate registration under this Act,  
14 such retailer may not file each return that is due as a single  
15 return covering all such registered businesses, but shall file  
16 separate returns for each such registered business.

17 Beginning January 1, 1990, each month the Department shall  
18 pay into the State and Local Sales Tax Reform Fund, a special  
19 fund in the State Treasury which is hereby created, the net  
20 revenue realized for the preceding month from the 1% tax on  
21 sales of food for human consumption which is to be consumed off  
22 the premises where it is sold (other than alcoholic beverages,  
23 soft drinks and food which has been prepared for immediate  
24 consumption) and prescription and nonprescription medicines,  
25 drugs, medical appliances, products classified as Class III  
26 medical devices by the United States Food and Drug

1 Administration that are used for cancer treatment pursuant to a  
2 prescription, as well as any accessories and components related  
3 to those devices, and insulin, urine testing materials,  
4 syringes and needles used by diabetics.

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

12 Beginning January 1, 1990, each month the Department shall  
13 pay into the State and Local Sales Tax Reform Fund, a special  
14 fund in the State Treasury, 20% of the net revenue realized for  
15 the preceding month from the 6.25% general rate on the selling  
16 price of tangible personal property, other than (i) tangible  
17 personal property which is purchased outside Illinois at retail  
18 from a retailer and which is titled or registered by an agency  
19 of this State's government and (ii) aviation fuel sold on or  
20 after June 23, 2018. 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 aviation fuel sold on or after June 23, 2018, each  
24 month the Department shall pay into the State Aviation Program  
25 Fund 20% of the net revenue realized for the preceding month  
26 from the 6.25% general rate on the selling price of aviation



1 fuel, less an amount estimated by the Department to be required  
2 for refunds of the 20% portion of the tax on aviation fuel  
3 under this Act, which amount shall be deposited into the  
4 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
5 pay moneys into the State Aviation Program Fund and the  
6 Aviation Fuels Sales Tax Refund Fund under this Act for so long  
7 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
8 U.S.C. §47133 are binding on the State.

9       Beginning August 1, 2000, each month the Department shall  
10 pay into the State and Local Sales Tax Reform Fund 100% of the  
11 net revenue realized for the preceding month from the 1.25%  
12 rate on the selling price of motor fuel and gasohol. Beginning  
13 September 1, 2010, each month the Department shall pay into the  
14 State and Local Sales Tax Reform Fund 100% of the net revenue  
15 realized for the preceding month from the 1.25% rate on the  
16 selling price of sales tax holiday items.

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

24       Beginning October 1, 2009, each month the Department shall  
25 pay into the Capital Projects Fund an amount that is equal to  
26 an amount estimated by the Department to represent 80% of the

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

5 Beginning July 1, 2011, each month the Department shall pay  
6 into the Clean Air Act Permit Fund 80% of the net revenue  
7 realized for the preceding month from the 6.25% general rate on  
8 the selling price of sorbents used in Illinois in the process  
9 of sorbent injection as used to comply with the Environmental  
10 Protection Act or the federal Clean Air Act, but the total  
11 payment into the Clean Air Act Permit Fund under this Act and  
12 the Retailers' Occupation Tax Act shall not exceed \$2,000,000  
13 in any fiscal year.

14 Beginning July 1, 2013, each month the Department shall pay  
15 into the Underground Storage Tank Fund from the proceeds  
16 collected under this Act, the Service Use Tax Act, the Service  
17 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
18 amount equal to the average monthly deficit in the Underground  
19 Storage Tank Fund during the prior year, as certified annually  
20 by the Illinois Environmental Protection Agency, but the total  
21 payment into the Underground Storage Tank Fund under this Act,  
22 the Service Use Tax Act, the Service Occupation Tax Act, and  
23 the Retailers' Occupation Tax Act shall not exceed \$18,000,000  
24 in any State fiscal year. As used in this paragraph, the  
25 "average monthly deficit" shall be equal to the difference  
26 between the average monthly claims for payment by the fund and

1 the average monthly revenues deposited into the fund, excluding  
2 payments made pursuant to this paragraph.

3 Beginning July 1, 2015, of the remainder of the moneys  
4 received by the Department under this Act, the Service Use Tax  
5 Act, the Service Occupation Tax Act, and the Retailers'  
6 Occupation Tax Act, each month the Department shall deposit  
7 \$500,000 into the State Crime Laboratory Fund.

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

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

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

21 Subject to payment of amounts into the Build Illinois Fund  
22 as provided in the preceding paragraph or in any amendment  
23 thereto hereafter enacted, the following specified monthly  
24 installment of the amount requested in the certificate of the  
25 Chairman of the Metropolitan Pier and Exposition Authority  
26 provided under Section 8.25f of the State Finance Act, but not

1 in excess of the sums designated as "Total Deposit", shall be  
2 deposited in the aggregate from collections under Section 9 of  
3 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
4 9 of the Service Occupation Tax Act, and Section 3 of the  
5 Retailers' Occupation Tax Act into the McCormick Place  
6 Expansion Project Fund in the specified fiscal years.

7	Fiscal Year	Total Deposit
8	1993	\$0
9	1994	53,000,000
10	1995	58,000,000
11	1996	61,000,000
12	1997	64,000,000
13	1998	68,000,000
14	1999	71,000,000
15	2000	75,000,000
16	2001	80,000,000
17	2002	93,000,000
18	2003	99,000,000
19	2004	103,000,000
20	2005	108,000,000
21	2006	113,000,000
22	2007	119,000,000
23	2008	126,000,000
24	2009	132,000,000
25	2010	139,000,000
26	2011	146,000,000

1	2012	153,000,000
2	2013	161,000,000
3	2014	170,000,000
4	2015	179,000,000
5	2016	189,000,000
6	2017	199,000,000
7	2018	210,000,000
8	2019	221,000,000
9	2020	233,000,000
10	2021	246,000,000
11	2022	260,000,000
12	2023	275,000,000
13	2024	275,000,000
14	2025	275,000,000
15	2026	279,000,000
16	2027	292,000,000
17	2028	307,000,000
18	2029	322,000,000
19	2030	338,000,000
20	2031	350,000,000
21	2032	350,000,000

22                   and  
23                    each fiscal year  
24           thereafter that bonds  
25           are outstanding under  
26           Section 13.2 of the

1 Metropolitan Pier and  
2 Exposition Authority Act,  
3 but not after fiscal year 2060.

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

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the



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

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

20 Subject to payment of amounts into the Build Illinois Fund,  
21 the McCormick Place Expansion Project Fund, the Illinois Tax  
22 Increment Fund, and the Energy Infrastructure Fund pursuant to  
23 the preceding paragraphs or in any amendments to this Section  
24 hereafter enacted, beginning on the first day of the first  
25 calendar month to occur on or after August 26, 2014 (the  
26 effective date of Public Act 98-1098), each month, from the

1 collections made under Section 9 of the Use Tax Act, Section 9  
2 of the Service Use Tax Act, Section 9 of the Service Occupation  
3 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
4 the Department shall pay into the Tax Compliance and  
5 Administration Fund, to be used, subject to appropriation, to  
6 fund additional auditors and compliance personnel at the  
7 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
8 the cash receipts collected during the preceding fiscal year by  
9 the Audit Bureau of the Department under the Use Tax Act, the  
10 Service Use Tax Act, the Service Occupation Tax Act, the  
11 Retailers' Occupation Tax Act, and associated local occupation  
12 and use taxes administered by the Department (except the amount  
13 collected on aviation fuel sold on or after June 23, 2018).

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

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

1 Net revenue realized for a month shall be the revenue  
2 collected by the State pursuant to this Act, less the amount  
3 paid out during that month as refunds to taxpayers for  
4 overpayment of liability.

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

12 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
13 99-933, eff. 1-27-17; 100-303, eff. 8-24-17.)

14 (Text of Section after amendment by P.A. 100-363)

15 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
16 and trailers that are required to be registered with an agency  
17 of this State, each retailer required or authorized to collect  
18 the tax imposed by this Act shall pay to the Department the  
19 amount of such tax (except as otherwise provided) at the time  
20 when he is required to file his return for the period during  
21 which such tax was collected, less a discount of 2.1% prior to  
22 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
23 per calendar year, whichever is greater, which is allowed to  
24 reimburse the retailer for expenses incurred in collecting the  
25 tax, keeping records, preparing and filing returns, remitting

1 the tax and supplying data to the Department on request. The  
2 discount under this Section is not allowed for taxes paid on  
3 aviation fuel that are deposited into the State Aviation  
4 Program Fund under this Act. In the case of retailers who  
5 report and pay the tax on a transaction by transaction basis,  
6 as provided in this Section, such discount shall be taken with  
7 each such tax remittance instead of when such retailer files  
8 his periodic return. The discount allowed under this Section is  
9 allowed only for returns that are filed in the manner required  
10 by this Act. The Department may disallow the discount for  
11 retailers whose certificate of registration is revoked at the  
12 time the return is filed, but only if the Department's decision  
13 to revoke the certificate of registration has become final. A  
14 retailer need not remit that part of any tax collected by him  
15 to the extent that he is required to remit and does remit the  
16 tax imposed by the Retailers' Occupation Tax Act, with respect  
17 to the sale of the same property.

18 Where such tangible personal property is sold under a  
19 conditional sales contract, or under any other form of sale  
20 wherein the payment of the principal sum, or a part thereof, is  
21 extended beyond the close of the period for which the return is  
22 filed, the retailer, in collecting the tax (except as to motor  
23 vehicles, watercraft, aircraft, and trailers that are required  
24 to be registered with an agency of this State), may collect for  
25 each tax return period, only the tax applicable to that part of  
26 the selling price actually received during such tax return

1 period.

2 Except as provided in this Section, on or before the  
3 twentieth day of each calendar month, such retailer shall file  
4 a return for the preceding calendar month. Such return shall be  
5 filed on forms prescribed by the Department and shall furnish  
6 such information as the Department may reasonably require. On  
7 and after January 1, 2018, except for returns for motor  
8 vehicles, watercraft, aircraft, and trailers that are required  
9 to be registered with an agency of this State, with respect to  
10 retailers whose annual gross receipts average \$20,000 or more,  
11 all returns required to be filed pursuant to this Act shall be  
12 filed electronically. Retailers who demonstrate that they do  
13 not have access to the Internet or demonstrate hardship in  
14 filing electronically may petition the Department to waive the  
15 electronic filing requirement.

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

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

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

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

8           5. The amount of tax due;

9           5-5. The signature of the taxpayer; and

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

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

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

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

1 Section 2505-210 of the Department of Revenue Law shall make  
2 all payments required by rules of the Department by electronic  
3 funds transfer.

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

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

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

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

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



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

1 actual liability for the month or 26.25% of the taxpayer's  
2 liability for the same calendar month of the preceding year. If  
3 the month during which such tax liability is incurred begins on  
4 or after January 1, 1988, and prior to January 1, 1989, or  
5 begins on or after January 1, 1996, each payment shall be in an  
6 amount equal to 22.5% of the taxpayer's actual liability for  
7 the month or 25% of the taxpayer's liability for the same  
8 calendar month of the preceding year. If the month during which  
9 such tax liability is incurred begins on or after January 1,  
10 1989, and prior to January 1, 1996, each payment shall be in an  
11 amount equal to 22.5% of the taxpayer's actual liability for  
12 the month or 25% of the taxpayer's liability for the same  
13 calendar month of the preceding year or 100% of the taxpayer's  
14 actual liability for the quarter monthly reporting period. The  
15 amount of such quarter monthly payments shall be credited  
16 against the final tax liability of the taxpayer's return for  
17 that month. Before October 1, 2000, once applicable, the  
18 requirement of the making of quarter monthly payments to the  
19 Department shall continue until such taxpayer's average  
20 monthly liability to the Department during the preceding 4  
21 complete calendar quarters (excluding the month of highest  
22 liability and the month of lowest liability) is less than  
23 \$9,000, or until such taxpayer's average monthly liability to  
24 the Department as computed for each calendar quarter of the 4  
25 preceding complete calendar quarter period is less than  
26 \$10,000. However, if a taxpayer can show the Department that a

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

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

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

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

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

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

1           Such quarter annual and annual returns, as to form and  
2 substance, shall be subject to the same requirements as monthly  
3 returns.

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

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

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

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

1 such other information as the Department may reasonably  
2 require.

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

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



1 titled or registered (if titling or registration is required)  
2 if the Department and such agency or State officer determine  
3 that this procedure will expedite the processing of  
4 applications for title or registration.

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

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

26 If the user who would otherwise pay tax to the retailer

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

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

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

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

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

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

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

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

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

1 personal property which is purchased outside Illinois at retail  
2 from a retailer and which is titled or registered by an agency  
3 of this State's government and (ii) aviation fuel sold on or  
4 after June 23, 2018. This exception for aviation fuel only  
5 applies for so long as the revenue use requirements of 49  
6 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the State.

7 For aviation fuel sold on or after June 23, 2018, each  
8 month the Department shall pay into the State Aviation Program  
9 Fund 20% of the net revenue realized for the preceding month  
10 from the 6.25% general rate on the selling price of aviation  
11 fuel, less an amount estimated by the Department to be required  
12 for refunds of the 20% portion of the tax on aviation fuel  
13 under this Act, which amount shall be deposited into the  
14 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
15 pay moneys into the State Aviation Program Fund and the  
16 Aviation Fuels Sales Tax Refund Fund under this Act for so long  
17 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
18 U.S.C. §47133 are binding on the State.

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

1           Beginning January 1, 1990, each month the Department shall  
2 pay into the Local Government Tax Fund 16% of the net revenue  
3 realized for the preceding month from the 6.25% general rate on  
4 the selling price of tangible personal property which is  
5 purchased outside Illinois at retail from a retailer and which  
6 is titled or registered by an agency of this State's  
7 government.

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

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

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

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

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

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

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



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

1 preceding sentence. The moneys received by the Department  
2 pursuant to this Act and required to be deposited into the  
3 Build Illinois Fund are subject to the pledge, claim and charge  
4 set forth in Section 12 of the Build Illinois Bond Act.

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

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

1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	246,000,000
21	2022	260,000,000
22	2023	275,000,000
23	2024	275,000,000
24	2025	275,000,000
25	2026	279,000,000
26	2027	292,000,000

1	2028	307,000,000
2	2029	322,000,000
3	2030	338,000,000
4	2031	350,000,000
5	2032	350,000,000

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

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

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 July 1, 1993 and ending on September 30,  
13 2013, the Department shall each month pay into the Illinois Tax  
14 Increment Fund 0.27% of 80% of the net revenue realized for the  
15 preceding month from the 6.25% general rate on the selling  
16 price of tangible personal property.

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

1 generating facility certified pursuant to Section 605-332 of  
2 the Department of Commerce and Economic Opportunity Law of the  
3 Civil Administrative Code of Illinois.

4 Subject to payment of amounts into the Build Illinois Fund,  
5 the McCormick Place Expansion Project Fund, the Illinois Tax  
6 Increment Fund, and the Energy Infrastructure Fund pursuant to  
7 the preceding paragraphs or in any amendments to this Section  
8 hereafter enacted, beginning on the first day of the first  
9 calendar month to occur on or after August 26, 2014 (the  
10 effective date of Public Act 98-1098), each month, from the  
11 collections made under Section 9 of the Use Tax Act, Section 9  
12 of the Service Use Tax Act, Section 9 of the Service Occupation  
13 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
14 the Department shall pay into the Tax Compliance and  
15 Administration Fund, to be used, subject to appropriation, to  
16 fund additional auditors and compliance personnel at the  
17 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
18 the cash receipts collected during the preceding fiscal year by  
19 the Audit Bureau of the Department under the Use Tax Act, the  
20 Service Use Tax Act, the Service Occupation Tax Act, the  
21 Retailers' Occupation Tax Act, and associated local occupation  
22 and use taxes administered by the Department (except the amount  
23 collected on aviation fuel sold on or after June 23, 2018).

24 Subject to payments of amounts into the Build Illinois  
25 Fund, the McCormick Place Expansion Project Fund, the Illinois  
26 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax

1 Compliance and Administration Fund as provided in this Section,  
2 beginning on July 1, 2018 the Department shall pay each month  
3 into the Downstate Public Transportation Fund the moneys  
4 required to be so paid under Section 2-3 of the Downstate  
5 Public Transportation Act.

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

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

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

23 For greater simplicity of administration, manufacturers,  
24 importers and wholesalers whose products are sold at retail in  
25 Illinois by numerous retailers, and who wish to do so, may  
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to such  
2 sales, if the retailers who are affected do not make written  
3 objection to the Department to this arrangement.

4 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
5 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.  
6 7-1-18; revised 10-20-17.)

7 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

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



1 the retailer made to the Department and did not collect from  
2 anyone else), or unless it shall appear that he or she or his  
3 or her legal representative has unconditionally repaid such  
4 amount to his vendee (1) who bore the burden thereof and has  
5 not shifted such burden directly or indirectly in any manner  
6 whatsoever; (2) who, if he has shifted such burden, has repaid  
7 unconditionally such amount to his or her own vendee, and (3)  
8 who is not entitled to receive any reimbursement therefor from  
9 any other source than from his vendor, nor to be relieved of  
10 such burden in any other manner whatsoever. If it shall appear  
11 that an amount of tax has been paid in error hereunder by the  
12 purchaser to a retailer, who retained such tax as reimbursement  
13 for his or her tax liability on the same sale under the  
14 Retailers' Occupation Tax Act, and who remitted the amount  
15 involved to the Department under the Retailers' Occupation Tax  
16 Act, whether such amount be paid through a mistake of fact or  
17 an error of law, the procedure for recovering such tax shall be  
18 that prescribed in Sections 6, 6a, 6b and 6c of the Retailers'  
19 Occupation Tax Act.

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

23 Any claim filed hereunder shall be filed upon a form  
24 prescribed and furnished by the Department. The claim shall be  
25 signed by the claimant (or by the claimant's legal  
26 representative if the claimant shall have died or become a

1 person under legal disability), or by a duly authorized agent  
2 of the claimant or his or her legal representative.

3 A claim for credit or refund shall be considered to have  
4 been filed with the Department on the date upon which it is  
5 received by the Department. Upon receipt of any claim for  
6 credit or refund filed under this Act, any officer or employee  
7 of the Department, authorized in writing by the Director of  
8 Revenue to acknowledge receipt of such claims on behalf of the  
9 Department, shall execute on behalf of the Department, and  
10 shall deliver or mail to the claimant or his duly authorized  
11 agent, a written receipt, acknowledging that the claim has been  
12 filed with the Department, describing the claim in sufficient  
13 detail to identify it and stating the date upon which the claim  
14 was received by the Department. Such written receipt shall be  
15 prima facie evidence that the Department received the claim  
16 described in such receipt and shall be prima facie evidence of  
17 the date when such claim was received by the Department. In the  
18 absence of such a written receipt, the records of the  
19 Department as to when the claim was received by the Department,  
20 or as to whether or not the claim was received at all by the  
21 Department, shall be deemed to be prima facie correct upon  
22 these questions in the event of any dispute between the  
23 claimant (or his or her legal representative) and the  
24 Department concerning these questions.

25 In case the Department determines that the claimant is  
26 entitled to a refund, such refund shall be made only from the

1 Aviation Fuel Sales Tax Refund Fund or from such appropriation  
2 as may be available for that purpose, as appropriate. If it  
3 appears unlikely that the amount available ~~appropriated~~ would  
4 permit everyone having a claim allowed during the period  
5 covered by such appropriation or from the Aviation Fuel Sales  
6 Tax Refund Fund, as appropriate, to elect to receive a cash  
7 refund, the Department, by rule or regulation, shall provide  
8 for the payment of refunds in hardship cases and shall define  
9 what types of cases qualify as hardship cases.

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

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

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

3           (35 ILCS 110/9) (from Ch. 120, par. 439.39)

4           (Text of Section before amendment by P.A. 100-363)

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

1 imposed by the Service Occupation Tax Act with respect to his  
2 sale of service involving the incidental transfer by him of the  
3 same property.

4 Except as provided hereinafter in this Section, on or  
5 before the twentieth day of each calendar month, such  
6 serviceman shall file a return for the preceding calendar month  
7 in accordance with reasonable Rules and Regulations to be  
8 promulgated by the Department. Such return shall be filed on a  
9 form prescribed by the Department and shall contain such  
10 information as the Department may reasonably require. On and  
11 after January 1, 2018, with respect to servicemen whose annual  
12 gross receipts average \$20,000 or more, all returns required to  
13 be filed pursuant to this Act shall be filed electronically.  
14 Servicemen who demonstrate that they do not have access to the  
15 Internet or demonstrate hardship in filing electronically may  
16 petition the Department to waive the electronic filing  
17 requirement.

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

- 25 1. The name of the seller;
- 26 2. The address of the principal place of business from

1 which he engages in business as a serviceman in this State;

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

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

8 5. The amount of tax due;

9 5-5. The signature of the taxpayer; and

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

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

1 offered for sale as fuel for an aircraft.

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

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

1 a tax liability in the amount set forth in subsection (b) of  
2 Section 2505-210 of the Department of Revenue Law shall make  
3 all payments required by rules of the Department by electronic  
4 funds transfer.

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

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

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

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

20 If the serviceman is otherwise required to file a monthly  
21 return and if the serviceman's average monthly tax liability to  
22 the Department does not exceed \$200, the Department may  
23 authorize his returns to be filed on a quarter annual basis,  
24 with the return for January, February and March of a given year  
25 being due by April 20 of such year; with the return for April,  
26 May and June of a given year being due by July 20 of such year;



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

5 If the serviceman is otherwise required to file a monthly  
6 or quarterly return and if the serviceman's average monthly tax  
7 liability to the Department does not exceed \$50, the Department  
8 may authorize his returns to be filed on an annual basis, with  
9 the return for a given year being due by January 20 of the  
10 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 Where a serviceman collects the tax with respect to the  
22 selling price of property which he sells and the purchaser  
23 thereafter returns such property and the serviceman refunds the  
24 selling price thereof to the purchaser, such serviceman shall  
25 also refund, to the purchaser, the tax so collected from the  
26 purchaser. When filing his return for the period in which he

1 refunds such tax to the purchaser, the serviceman may deduct  
2 the amount of the tax so refunded by him to the purchaser from  
3 any other Service Use Tax, Service Occupation Tax, retailers'  
4 occupation tax or use tax which such serviceman may be required  
5 to pay or remit to the Department, as shown by such return,  
6 provided that the amount of the tax to be deducted shall  
7 previously have been remitted to the Department by such  
8 serviceman. If the serviceman shall not previously have  
9 remitted the amount of such tax to the Department, he shall be  
10 entitled to no deduction hereunder upon refunding such tax to  
11 the purchaser.

12 Any serviceman filing a return hereunder shall also include  
13 the total tax upon the selling price of tangible personal  
14 property purchased for use by him as an incident to a sale of  
15 service, and such serviceman shall remit the amount of such tax  
16 to the Department when filing such return.

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

23 Where the serviceman has more than one business registered  
24 with the Department under separate registration hereunder,  
25 such serviceman shall not file each return that is due as a  
26 single return covering all such registered businesses, but

1 shall file separate returns for each such registered business.

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

15 Beginning January 1, 1990, each month the Department shall  
16 pay into the State and Local Sales Tax Reform Fund 20% of the  
17 net revenue realized for the preceding month from the 6.25%  
18 general rate on transfers of tangible personal property, other  
19 than (i) tangible personal property which is purchased outside  
20 Illinois at retail from a retailer and which is titled or  
21 registered by an agency of this State's government and (ii)  
22 aviation fuel sold on or after June 23, 2018. This exception  
23 for aviation fuel only applies for so long as the revenue use  
24 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
25 binding on the State.

26 For aviation fuel sold on or after June 23, 2018, each

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

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

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

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 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 Use Tax Act, the Service Occupation Tax Act, and the  
6 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in  
7 any State fiscal year. As used in this paragraph, the "average  
8 monthly deficit" shall be equal to the difference between the  
9 average monthly claims for payment by the fund and the average  
10 monthly revenues deposited into the fund, excluding payments  
11 made pursuant to this paragraph.

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

	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



1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	246,000,000
21	2022	260,000,000
22	2023	275,000,000
23	2024	275,000,000
24	2025	275,000,000
25	2026	279,000,000
26	2027	292,000,000

1	2028	307,000,000
2	2029	322,000,000
3	2030	338,000,000
4	2031	350,000,000
5	2032	350,000,000

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

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

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 July 1, 1993 and ending on September 30,  
13 2013, the Department shall each month pay into the Illinois Tax  
14 Increment Fund 0.27% of 80% of the net revenue realized for the  
15 preceding month from the 6.25% general rate on the selling  
16 price of tangible personal property.

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

1 generating facility certified pursuant to Section 605-332 of  
2 the Department of Commerce and Economic Opportunity Law of the  
3 Civil Administrative Code of Illinois.

4 Subject to payment of amounts into the Build Illinois Fund,  
5 the McCormick Place Expansion Project Fund, the Illinois Tax  
6 Increment Fund, and the Energy Infrastructure Fund pursuant to  
7 the preceding paragraphs or in any amendments to this Section  
8 hereafter enacted, beginning on the first day of the first  
9 calendar month to occur on or after August 26, 2014 (the  
10 effective date of Public Act 98-1098 ~~this amendatory Act of the~~  
11 ~~98th General Assembly~~, each month, from the collections made  
12 under Section 9 of the Use Tax Act, Section 9 of the Service  
13 Use Tax Act, Section 9 of the Service Occupation Tax Act, and  
14 Section 3 of the Retailers' Occupation Tax Act, the Department  
15 shall pay into the Tax Compliance and Administration Fund, to  
16 be used, subject to appropriation, to fund additional auditors  
17 and compliance personnel at the Department of Revenue, an  
18 amount equal to 1/12 of 5% of 80% of the cash receipts  
19 collected during the preceding fiscal year by the Audit Bureau  
20 of the Department under the Use Tax Act, the Service Use Tax  
21 Act, the Service Occupation Tax Act, the Retailers' Occupation  
22 Tax Act, and associated local occupation and use taxes  
23 administered by the Department (except the amount collected on  
24 aviation fuel sold on or after June 23, 2018).

25 Of the remainder of the moneys received by the Department  
26 pursuant to this Act, 75% thereof shall be paid into the

1 General Revenue Fund of the State Treasury and 25% shall be  
2 reserved in a special account and used only for the transfer to  
3 the Common School Fund as part of the monthly transfer from the  
4 General Revenue Fund in accordance with Section 8a of the State  
5 Finance Act.

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

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

17 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
18 100-303, eff. 8-24-17; revised 10-26-17.)

19 (Text of Section after amendment by P.A. 100-363)

20 Sec. 9. Each serviceman required or authorized to collect  
21 the tax herein imposed shall pay to the Department the amount  
22 of such tax (except as otherwise provided) at the time when he  
23 is required to file his return for the period during which such  
24 tax was collected, less a discount of 2.1% prior to January 1,  
25 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar

1 year, whichever is greater, which is allowed to reimburse the  
2 serviceman for expenses incurred in collecting the tax, keeping  
3 records, preparing and filing returns, remitting the tax and  
4 supplying data to the Department on request. The discount under  
5 this Section is not allowed for taxes paid on aviation fuel  
6 that are deposited into the State Aviation Program Fund under  
7 this Act. The discount allowed under this Section is allowed  
8 only for returns that are filed in the manner required by this  
9 Act. The Department may disallow the discount for servicemen  
10 whose certificate of registration is revoked at the time the  
11 return is filed, but only if the Department's decision to  
12 revoke the certificate of registration has become final. A  
13 serviceman need not remit that part of any tax collected by him  
14 to the extent that he is required to pay and does pay the tax  
15 imposed by the Service Occupation Tax Act with respect to his  
16 sale of service involving the incidental transfer by him of the  
17 same property.

18 Except as provided hereinafter in this Section, on or  
19 before the twentieth day of each calendar month, such  
20 serviceman shall file a return for the preceding calendar month  
21 in accordance with reasonable Rules and Regulations to be  
22 promulgated by the Department. Such return shall be filed on a  
23 form prescribed by the Department and shall contain such  
24 information as the Department may reasonably require. On and  
25 after January 1, 2018, with respect to servicemen whose annual  
26 gross receipts average \$20,000 or more, all returns required to

1 be filed pursuant to this Act shall be filed electronically.  
2 Servicemen who demonstrate that they do not have access to the  
3 Internet or demonstrate hardship in filing electronically may  
4 petition the Department to waive the electronic filing  
5 requirement.

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 business as a serviceman in this State;
- 16 3. The total amount of taxable receipts received by him  
17 during the preceding calendar month, including receipts  
18 from charge and time sales, but less all deductions allowed  
19 by law;
- 20 4. The amount of credit provided in Section 2d of this  
21 Act;
- 22 5. The amount of tax due;
- 23 5-5. The signature of the taxpayer; and
- 24 6. Such other reasonable information as the Department  
25 may require.

26 Beginning on January 1, 2018, each serviceman required or

1 authorized to collect the tax imposed by this Act on aviation  
2 fuel transferred as an incident of a sale of service in this  
3 State during the preceding calendar month shall, instead of  
4 reporting and paying tax on aviation fuel as otherwise required  
5 by this Section, report and pay the tax by filing an aviation  
6 fuel tax return with the Department on or before the twentieth  
7 day of each calendar month. The requirements related to the  
8 return shall be as otherwise provided in this Section.  
9 Notwithstanding any other provisions of this Act to the  
10 contrary, servicemen collecting tax on aviation fuel shall file  
11 all aviation fuel tax returns and shall make all aviation fuel  
12 tax payments by electronic means in the manner and form  
13 required by the Department. For purposes of this paragraph,  
14 "aviation fuel" means a product that is intended for use or  
15 offered for sale as fuel for an aircraft.

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

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



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

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

24 Any taxpayer not required to make payments by electronic  
25 funds transfer may make payments by electronic funds transfer  
26 with the permission of the Department.

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

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

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

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

25 Such quarter annual and annual returns, as to form and  
26 substance, shall be subject to the same requirements as monthly

1 returns.

2 Notwithstanding any other provision in this Act concerning  
3 the time within which a serviceman may file his return, in the  
4 case of any serviceman who ceases to engage in a kind of  
5 business which makes him responsible for filing returns under  
6 this Act, such serviceman shall file a final return under this  
7 Act with the Department not more than 1 month after  
8 discontinuing such business.

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

26 Any serviceman filing a return hereunder shall also include

1 the total tax upon the selling price of tangible personal  
2 property purchased for use by him as an incident to a sale of  
3 service, and such serviceman shall remit the amount of such tax  
4 to the Department when filing such return.

5 If experience indicates such action to be practicable, the  
6 Department may prescribe and furnish a combination or joint  
7 return which will enable servicemen, who are required to file  
8 returns hereunder and also under the Service Occupation Tax  
9 Act, to furnish all the return information required by both  
10 Acts on the one form.

11 Where the serviceman has more than one business registered  
12 with the Department under separate registration hereunder,  
13 such serviceman shall not file each return that is due as a  
14 single return covering all such registered businesses, but  
15 shall file separate returns for each such registered business.

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

1 components related to those devices, and insulin, urine testing  
2 materials, syringes and needles used by diabetics.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the State and Local Sales Tax Reform Fund 20% of the  
5 net revenue realized for the preceding month from the 6.25%  
6 general rate on transfers of tangible personal property, other  
7 than (i) tangible personal property which is purchased outside  
8 Illinois at retail from a retailer and which is titled or  
9 registered by an agency of this State's government and (ii)  
10 aviation fuel sold on or after June 23, 2018. This exception  
11 for aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
13 binding on the State.

14 For aviation fuel sold on or after June 23, 2018, each  
15 month the Department shall pay into the State Aviation Program  
16 Fund 20% of the net revenue realized for the preceding month  
17 from the 6.25% general rate on the selling price of aviation  
18 fuel, less an amount estimated by the Department to be required  
19 for refunds of the 20% portion of the tax on aviation fuel  
20 under this Act, which amount shall be deposited into the  
21 Aviation fuel Sales Tax Refund Fund. The Department shall only  
22 pay moneys into the State Aviation Program Fund and the  
23 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
24 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
25 U.S.C. §47133 are binding on the State.

26 Beginning August 1, 2000, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund 100% of the  
2 net revenue realized for the preceding month from the 1.25%  
3 rate on the selling price of motor fuel and gasohol.

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

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

26 Beginning July 1, 2015, of the remainder of the moneys

1 received by the Department under the Use Tax Act, this Act, the  
2 Service Occupation Tax Act, and the Retailers' Occupation Tax  
3 Act, each month the Department shall deposit \$500,000 into the  
4 State Crime Laboratory Fund.

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

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



1 aggregate of the moneys deposited in the Build Illinois Bond  
2 Account in the Build Illinois Fund in such month shall be less  
3 than the amount required to be transferred in such month from  
4 the Build Illinois Bond Account to the Build Illinois Bond  
5 Retirement and Interest Fund pursuant to Section 13 of the  
6 Build Illinois Bond Act, an amount equal to such deficiency  
7 shall be immediately paid from other moneys received by the  
8 Department pursuant to the Tax Acts to the Build Illinois Fund;  
9 provided, however, that any amounts paid to the Build Illinois  
10 Fund in any fiscal year pursuant to this sentence shall be  
11 deemed to constitute payments pursuant to clause (b) of the  
12 preceding sentence and shall reduce the amount otherwise  
13 payable for such fiscal year pursuant to clause (b) of the  
14 preceding sentence. The moneys received by the Department  
15 pursuant to this Act and required to be deposited into the  
16 Build Illinois Fund are subject to the pledge, claim and charge  
17 set forth in Section 12 of the Build Illinois Bond Act.

18 Subject to payment of amounts into the Build Illinois Fund  
19 as provided in the preceding paragraph or in any amendment  
20 thereto hereafter enacted, the following specified monthly  
21 installment of the amount requested in the certificate of the  
22 Chairman of the Metropolitan Pier and Exposition Authority  
23 provided under Section 8.25f of the State Finance Act, but not  
24 in excess of the sums designated as "Total Deposit", shall be  
25 deposited in the aggregate from collections under Section 9 of  
26 the Use Tax Act, Section 9 of the Service Use Tax Act, Section

1 9 of the Service Occupation Tax Act, and Section 3 of the  
2 Retailers' Occupation Tax Act into the McCormick Place  
3 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
4		
5	1993	\$0
6	1994	53,000,000
7	1995	58,000,000
8	1996	61,000,000
9	1997	64,000,000
10	1998	68,000,000
11	1999	71,000,000
12	2000	75,000,000
13	2001	80,000,000
14	2002	93,000,000
15	2003	99,000,000
16	2004	103,000,000
17	2005	108,000,000
18	2006	113,000,000
19	2007	119,000,000
20	2008	126,000,000
21	2009	132,000,000
22	2010	139,000,000
23	2011	146,000,000
24	2012	153,000,000
25	2013	161,000,000

1	2014	170,000,000
2	2015	179,000,000
3	2016	189,000,000
4	2017	199,000,000
5	2018	210,000,000
6	2019	221,000,000
7	2020	233,000,000
8	2021	246,000,000
9	2022	260,000,000
10	2023	275,000,000
11	2024	275,000,000
12	2025	275,000,000
13	2026	279,000,000
14	2027	292,000,000
15	2028	307,000,000
16	2029	322,000,000
17	2030	338,000,000
18	2031	350,000,000
19	2032	350,000,000

20                   and

21                    each fiscal year

22                   thereafter that bonds

23                   are outstanding under

24                   Section 13.2 of the

25                   Metropolitan Pier and

26                   Exposition Authority Act,

1 but not after fiscal year 2060.

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

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

23 Subject to payment of amounts into the Build Illinois Fund  
24 and the McCormick Place Expansion Project Fund pursuant to the  
25 preceding paragraphs or in any amendments thereto hereafter  
26 enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois Tax  
2 Increment Fund 0.27% of 80% of the net revenue realized for the  
3 preceding month from the 6.25% general rate on the selling  
4 price of tangible personal property.

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

18 Subject to payment of amounts into the Build Illinois Fund,  
19 the McCormick Place Expansion Project Fund, the Illinois Tax  
20 Increment Fund, and the Energy Infrastructure Fund pursuant to  
21 the preceding paragraphs or in any amendments to this Section  
22 hereafter enacted, beginning on the first day of the first  
23 calendar month to occur on or after August 26, 2014 (the  
24 effective date of Public Act 98-1098 ~~this amendatory Act of the~~  
25 ~~98th General Assembly~~, each month, from the collections made  
26 under Section 9 of the Use Tax Act, Section 9 of the Service

1 Use Tax Act, Section 9 of the Service Occupation Tax Act, and  
2 Section 3 of the Retailers' Occupation Tax Act, the Department  
3 shall pay into the Tax Compliance and Administration Fund, to  
4 be used, subject to appropriation, to fund additional auditors  
5 and compliance personnel at the Department of Revenue, an  
6 amount equal to 1/12 of 5% of 80% of the cash receipts  
7 collected during the preceding fiscal year by the Audit Bureau  
8 of the Department under the Use Tax Act, the Service Use Tax  
9 Act, the Service Occupation Tax Act, the Retailers' Occupation  
10 Tax Act, and associated local occupation and use taxes  
11 administered by the Department (except the amount collected on  
12 aviation fuel sold on or after June 23, 2018).

13 Subject to payments of amounts into the Build Illinois  
14 Fund, the McCormick Place Expansion Project Fund, the Illinois  
15 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
16 Compliance and Administration Fund as provided in this Section,  
17 beginning on July 1, 2018 the Department shall pay each month  
18 into the Downstate Public Transportation Fund the moneys  
19 required to be so paid under Section 2-3 of the Downstate  
20 Public Transportation Act.

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

1 Finance Act.

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

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

13 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
14 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; revised  
15 10-26-17.)

16 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

17 Sec. 17. If it shall appear that an amount of tax or  
18 penalty or interest has been paid in error hereunder to the  
19 Department by a purchaser, as distinguished from the  
20 serviceman, whether such amount be paid through a mistake of  
21 fact or an error of law, such purchaser may file a claim for  
22 credit or refund with the Department. If it shall appear that  
23 an amount of tax or penalty or interest has been paid in error  
24 to the Department hereunder by a serviceman who is required or  
25 authorized to collect and remit the Service Use Tax, whether

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

26 Any credit or refund that is allowed under this Section



1 shall bear interest at the rate and in the manner specified in  
2 the Uniform Penalty and Interest Act.

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

9 A claim for credit or refund shall be considered to have  
10 been filed with the Department on the date upon which it is  
11 received by the Department. Upon receipt of any claim for  
12 credit or refund filed under this Act, any officer or employee  
13 of the Department, authorized in writing by the Director of  
14 Revenue to acknowledge receipt of such claims on behalf of the  
15 Department, shall execute on behalf of the Department, and  
16 shall deliver or mail to the claimant or his duly authorized  
17 agent, a written receipt, acknowledging that the claim has been  
18 filed with the Department, describing the claim in sufficient  
19 detail to identify it and stating the date upon which the claim  
20 was received by the Department. Such written receipt shall be  
21 prima facie evidence that the Department received the claim  
22 described in such receipt and shall be prima facie evidence of  
23 the date when such claim was received by the Department. In the  
24 absence of such a written receipt, the records of the  
25 Department as to when the claim was received by the Department,  
26 or as to whether or not the claim was received at all by the

1 Department, shall be deemed to be prima facie correct upon  
2 these questions in the event of any dispute between the  
3 claimant (or his or her legal representative) and the  
4 Department concerning these questions.

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

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

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

19 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

20 (Text of Section before amendment by P.A. 100-363)

21 Sec. 9. Each serviceman required or authorized to collect  
22 the tax herein imposed shall pay to the Department the amount  
23 of such tax at the time when he is required to file his return  
24 for the period during which such tax was collectible, less a

1 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
2 after January 1, 1990, or \$5 per calendar year, whichever is  
3 greater, which is allowed to reimburse the serviceman for  
4 expenses incurred in collecting the tax, keeping records,  
5 preparing and filing returns, remitting the tax and supplying  
6 data to the Department on request. The discount under this  
7 Section is not allowed for taxes paid on aviation fuel that are  
8 deposited into the State Aviation Program Fund under this Act.

9 The discount allowed under this Section is allowed only for  
10 returns that are filed in the manner required by this Act. The  
11 Department may disallow the discount for servicemen whose  
12 certificate of registration is revoked at the time the return  
13 is filed, but only if the Department's decision to revoke the  
14 certificate of registration has become final.

15 Where such tangible personal property is sold under a  
16 conditional sales contract, or under any other form of sale  
17 wherein the payment of the principal sum, or a part thereof, is  
18 extended beyond the close of the period for which the return is  
19 filed, the serviceman, in collecting the tax may collect, for  
20 each tax return period, only the tax applicable to the part of  
21 the selling price actually received during such tax return  
22 period.

23 Except as provided hereinafter in this Section, on or  
24 before the twentieth day of each calendar month, such  
25 serviceman shall file a return for the preceding calendar month  
26 in accordance with reasonable rules and regulations to be

1 promulgated by the Department of Revenue. Such return shall be  
2 filed on a form prescribed by the Department and shall contain  
3 such information as the Department may reasonably require. On  
4 and after January 1, 2018, with respect to servicemen whose  
5 annual gross receipts average \$20,000 or more, all returns  
6 required to be filed pursuant to this Act shall be filed  
7 electronically. Servicemen who demonstrate that they do not  
8 have access to the Internet or demonstrate hardship in filing  
9 electronically may petition the Department to waive the  
10 electronic filing requirement.

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

18 1. The name of the seller;

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

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

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

- 1           5. The amount of tax due;
- 2           5-5. The signature of the taxpayer; and
- 3           6. Such other reasonable information as the Department
- 4           may require.

5           Beginning on January 1, 2018, each serviceman required or

6           authorized to collect the tax herein imposed on aviation fuel

7           acquired as an incident to the purchase of a service in this

8           State during the preceding calendar month shall, instead of

9           reporting and paying tax as otherwise required by this Section,

10          file an aviation fuel tax return with the Department on or

11          before the twentieth day of each calendar month. The

12          requirements related to the return shall be as otherwise

13          provided in this Section. Notwithstanding any other provisions

14          of this Act to the contrary, servicemen transferring aviation

15          fuel incident to sales of service shall file all aviation fuel

16          tax returns and shall make all aviation fuel tax payments by

17          electronic means in the manner and form required by the

18          Department. For purposes of this paragraph, "aviation fuel"

19          means a product that is intended for use or offered for sale as

20          fuel for an aircraft.

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

22          the proper notice and demand for signature by the Department,

23          the return shall be considered valid and any amount shown to be

24          due on the return shall be deemed assessed.

25          Prior to October 1, 2003, and on and after September 1,

26          2004 a serviceman may accept a Manufacturer's Purchase Credit

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

20 If the serviceman's average monthly tax liability to the  
21 Department does not exceed \$200, the Department may authorize  
22 his returns to be filed on a quarter annual basis, with the  
23 return for January, February and March of a given year being  
24 due by April 20 of such year; with the return for April, May  
25 and June of a given year being due by July 20 of such year; with  
26 the return for July, August and September of a given year being

1 due by October 20 of such year, and with the return for  
2 October, November and December of a given year being due by  
3 January 20 of the following year.

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

8 Such quarter annual and annual returns, as to form and  
9 substance, shall be subject to the same requirements as monthly  
10 returns.

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

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

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

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

22 Any taxpayer not required to make payments by electronic  
23 funds transfer may make payments by electronic funds transfer  
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds  
26 transfer and any taxpayers authorized to voluntarily make



1 payments by electronic funds transfer shall make those payments  
2 in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to  
4 effectuate a program of electronic funds transfer and the  
5 requirements of this Section.

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

23 If experience indicates such action to be practicable, the  
24 Department may prescribe and furnish a combination or joint  
25 return which will enable servicemen, who are required to file  
26 returns hereunder and also under the Retailers' Occupation Tax

1 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
2 the return information required by all said Acts on the one  
3 form.

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

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

21 Beginning January 1, 1990, each month the Department shall  
22 pay into the County and Mass Transit District Fund 4% of the  
23 revenue realized for the preceding month from the 6.25% general  
24 rate on sales of tangible personal property other than aviation  
25 fuel sold on or after June 23, 2018. This exception for  
26 aviation fuel only applies for so long as the revenue use

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

3 For aviation fuel sold on or after June 23, 2018, each  
4 month the Department shall pay into the State Aviation Program  
5 Fund 4% of the net revenue realized for the preceding month  
6 from the 6.25% general rate on the selling price of aviation  
7 fuel, less an amount estimated by the Department to be required  
8 for refunds of the 4% portion of the tax on aviation fuel under  
9 this Act, which amount shall be deposited into the Aviation  
10 Fuel Sales Tax Refund Fund. The Department shall only pay  
11 moneys into the State Aviation Program Fund and the Aviation  
12 Fuel Sales Tax Refund Fund under this Act for so long as the  
13 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.  
14 §47133 are binding on the State.

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

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the Local Government Tax Fund 16% of the revenue  
21 realized for the preceding month from the 6.25% general rate on  
22 transfers of tangible personal property other than aviation  
23 fuel sold on or after June 23, 2018. This exception for  
24 aviation fuel only applies for so long as the revenue use  
25 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
26 binding on the State.

1       For aviation fuel sold on or after June 23, 2018, each  
2 month the Department shall pay into the State Aviation Program  
3 Fund 16% of the net revenue realized for the preceding month  
4 from the 6.25% general rate on the selling price of aviation  
5 fuel, less an amount estimated by the Department to be required  
6 for refunds of the 16% portion of the tax on aviation fuel  
7 under this Act, which amount shall be deposited into the  
8 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
9 pay moneys into the State Aviation Program Fund and the  
10 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
11 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
12 U.S.C. §47133 are binding on the State.

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

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

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

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

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

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

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

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

1 preceding sentence. The moneys received by the Department  
 2 pursuant to this Act and required to be deposited into the  
 3 Build Illinois Fund are subject to the pledge, claim and charge  
 4 set forth in Section 12 of the Build Illinois Bond Act.

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

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



1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 has been deposited.

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

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

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 with the receipt of the first report of  
22 taxes paid by an eligible business and continuing for a 25-year  
23 period, the Department shall each month pay into the Energy  
24 Infrastructure Fund 80% of the net revenue realized from the  
25 6.25% general rate on the selling price of Illinois-mined coal  
26 that was sold to an eligible business. For purposes of this

1 paragraph, the term "eligible business" means a new electric  
2 generating facility certified pursuant to Section 605-332 of  
3 the Department of Commerce and Economic Opportunity Law of the  
4 Civil Administrative Code of Illinois.

5 Subject to payment of amounts into the Build Illinois Fund,  
6 the McCormick Place Expansion Project Fund, the Illinois Tax  
7 Increment Fund, and the Energy Infrastructure Fund pursuant to  
8 the preceding paragraphs or in any amendments to this Section  
9 hereafter enacted, beginning on the first day of the first  
10 calendar month to occur on or after August 26, 2014 (the  
11 effective date of Public Act 98-1098) ~~this amendatory Act of~~  
12 ~~the 98th General Assembly~~, each month, from the collections  
13 made under Section 9 of the Use Tax Act, Section 9 of the  
14 Service Use Tax Act, Section 9 of the Service Occupation Tax  
15 Act, and Section 3 of the Retailers' Occupation Tax Act, the  
16 Department shall pay into the Tax Compliance and Administration  
17 Fund, to be used, subject to appropriation, to fund additional  
18 auditors and compliance personnel at the Department of Revenue,  
19 an amount equal to 1/12 of 5% of 80% of the cash receipts  
20 collected during the preceding fiscal year by the Audit Bureau  
21 of the Department under the Use Tax Act, the Service Use Tax  
22 Act, the Service Occupation Tax Act, the Retailers' Occupation  
23 Tax Act, and associated local occupation and use taxes  
24 administered by the Department (except the amount collected on  
25 aviation fuel sold on or after June 23, 2018).

26 Of the remainder of the moneys received by the Department

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

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

1 helpful in determining the accuracy of the monthly, quarterly  
2 or annual returns filed by such taxpayer as hereinbefore  
3 provided for in this Section.

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

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

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

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

25 The foregoing portion of this Section concerning the filing  
26 of an annual information return shall not apply to a serviceman

1 who is not required to file an income tax return with the  
2 United States Government.

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

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

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

22 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
23 100-303, eff. 8-24-17; revised 10-31-17)

24 (Text of Section after amendment by P.A. 100-363)

25 Sec. 9. Each serviceman required or authorized to collect

1 the tax herein imposed shall pay to the Department the amount  
2 of such tax at the time when he is required to file his return  
3 for the period during which such tax was collectible, less a  
4 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
5 after January 1, 1990, or \$5 per calendar year, whichever is  
6 greater, which is allowed to reimburse the serviceman for  
7 expenses incurred in collecting the tax, keeping records,  
8 preparing and filing returns, remitting the tax and supplying  
9 data to the Department on request. The discount under this  
10 Section is not allowed for taxes paid on aviation fuel that are  
11 deposited into the State Aviation Program Fund under this Act.

12 The discount allowed under this Section is allowed only for  
13 returns that are filed in the manner required by this Act. The  
14 Department may disallow the discount for servicemen whose  
15 certificate of registration is revoked at the time the return  
16 is filed, but only if the Department's decision to revoke the  
17 certificate of registration has become final.

18 Where such tangible personal property is sold under a  
19 conditional sales contract, or under any other form of sale  
20 wherein the payment of the principal sum, or a part thereof, is  
21 extended beyond the close of the period for which the return is  
22 filed, the serviceman, in collecting the tax may collect, for  
23 each tax return period, only the tax applicable to the part of  
24 the selling price actually received during such tax return  
25 period.

26 Except as provided hereinafter in this Section, on or



1 before the twentieth day of each calendar month, such  
2 serviceman shall file a return for the preceding calendar month  
3 in accordance with reasonable rules and regulations to be  
4 promulgated by the Department of Revenue. Such return shall be  
5 filed on a form prescribed by the Department and shall contain  
6 such information as the Department may reasonably require. On  
7 and after January 1, 2018, with respect to servicemen whose  
8 annual gross receipts average \$20,000 or more, all returns  
9 required to be filed pursuant to this Act shall be filed  
10 electronically. Servicemen who demonstrate that they do not  
11 have access to the Internet or demonstrate hardship in filing  
12 electronically may petition the Department to waive the  
13 electronic filing requirement.

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 June 23, 2018. 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 June 23, 2018, 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 June 23, 2018. 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 June 23, 2018, 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.

	Fiscal Year	Total 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 August 26, 2014 (the  
14 effective date of Public Act 98-1098) ~~this amendatory Act of~~  
15 ~~the 98th General Assembly~~, each month, from the collections  
16 made under Section 9 of the Use Tax Act, Section 9 of the  
17 Service Use Tax Act, Section 9 of the Service Occupation Tax  
18 Act, and Section 3 of the Retailers' Occupation Tax Act, the  
19 Department shall pay into the Tax Compliance and Administration  
20 Fund, to be used, subject to appropriation, to fund additional  
21 auditors and compliance personnel at the Department of Revenue,  
22 an amount equal to 1/12 of 5% of 80% of the cash receipts  
23 collected during the preceding fiscal year by the Audit Bureau  
24 of the Department under the Use Tax Act, the Service Use Tax  
25 Act, the Service Occupation Tax Act, the Retailers' Occupation  
26 Tax Act, and associated local occupation and use taxes

1 administered by the Department (except the amount collected on  
2 aviation fuel sold on or after June 23, 2018).

3 Subject to payments of amounts into the Build Illinois  
4 Fund, the McCormick Place Expansion Project Fund, the Illinois  
5 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
6 Compliance and Administration Fund as provided in this Section,  
7 beginning on July 1, 2018 the Department shall pay each month  
8 into the Downstate Public Transportation Fund the moneys  
9 required to be so paid under Section 2-3 of the Downstate  
10 Public Transportation Act.

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

18 The Department may, upon separate written notice to a  
19 taxpayer, require the taxpayer to prepare and file with the  
20 Department on a form prescribed by the Department within not  
21 less than 60 days after receipt of the notice an annual  
22 information return for the tax year specified in the notice.  
23 Such annual return to the Department shall include a statement  
24 of gross receipts as shown by the taxpayer's last Federal  
25 income tax return. If the total receipts of the business as  
26 reported in the Federal income tax return do not agree with the

1 gross receipts reported to the Department of Revenue for the  
2 same period, the taxpayer shall attach to his annual return a  
3 schedule showing a reconciliation of the 2 amounts and the  
4 reasons for the difference. The taxpayer's annual return to the  
5 Department shall also disclose the cost of goods sold by the  
6 taxpayer during the year covered by such return, opening and  
7 closing inventories of such goods for such year, cost of goods  
8 used from stock or taken from stock and given away by the  
9 taxpayer during such year, pay roll information of the  
10 taxpayer's business during such year and any additional  
11 reasonable information which the Department deems would be  
12 helpful in determining the accuracy of the monthly, quarterly  
13 or annual returns filed by such taxpayer as hereinbefore  
14 provided for in this Section.

15 If the annual information return required by this Section  
16 is not filed when and as required, the taxpayer shall be liable  
17 as follows:

18 (i) Until January 1, 1994, the taxpayer shall be liable  
19 for a penalty equal to 1/6 of 1% of the tax due from such  
20 taxpayer under this Act during the period to be covered by  
21 the annual return for each month or fraction of a month  
22 until such return is filed as required, the penalty to be  
23 assessed and collected in the same manner as any other  
24 penalty provided for in this Act.

25 (ii) On and after January 1, 1994, the taxpayer shall  
26 be liable for a penalty as described in Section 3-4 of the

1 Uniform Penalty and Interest Act.

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

10 The foregoing portion of this Section concerning the filing  
11 of an annual information return shall not apply to a serviceman  
12 who is not required to file an income tax return with the  
13 United States Government.

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 For greater simplicity of administration, it shall be  
26 permissible for manufacturers, importers and wholesalers whose

1 products are sold by numerous servicemen in Illinois, and who  
2 wish to do so, to assume the responsibility for accounting and  
3 paying to the Department all tax accruing under this Act with  
4 respect to such sales, if the servicemen who are affected do  
5 not make written objection to the Department to this  
6 arrangement.

7 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
8 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; revised  
9 10-31-17.)

10 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

11 Sec. 17. If it shall appear that an amount of tax or  
12 penalty or interest has been paid in error hereunder directly  
13 to the Department by a serviceman, whether such amount be paid  
14 through a mistake of fact or an error of law, such serviceman  
15 may file a claim for credit or refund with the Department. If  
16 it shall appear that an amount of tax or penalty or interest  
17 has been paid in error to the Department hereunder by a  
18 supplier who is required or authorized to collect and remit the  
19 Service Occupation Tax, whether such amount be paid through a  
20 mistake of fact or an error of law, such supplier may file a  
21 claim for credit or refund with the Department, provided that  
22 no credit shall be allowed nor any refund made for any amount  
23 paid by any such supplier unless it shall appear that he bore  
24 the burden of such amount and did not shift the burden thereof  
25 to anyone else (as in the case of a duplicated tax payment

1 which the supplier made to the Department and did not collect  
2 from anyone else), or unless it shall appear that he or his  
3 legal representative has unconditionally repaid such amount to  
4 his 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 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 supplier, nor to be relieved of such  
10 burden in any other manner whatsoever.

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

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

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

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

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

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

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

4 (35 ILCS 120/3) (from Ch. 120, par. 442)

5 (Text of Section before amendment by P.A. 100-363)

6 Sec. 3. Except as provided in this Section, on or before  
7 the twentieth day of each calendar month, every person engaged  
8 in the business of selling tangible personal property at retail  
9 in this State during the preceding calendar month shall file a  
10 return with the Department, stating:

11 1. The name of the seller;

12 2. His residence address and the address of his  
13 principal place of business and the address of the  
14 principal place of business (if that is a different  
15 address) from which he engages in the business of selling  
16 tangible personal property at retail in this State;

17 3. Total amount of receipts received by him during the  
18 preceding calendar month or quarter, as the case may be,  
19 from sales of tangible personal property, and from services  
20 furnished, by him during such preceding calendar month or  
21 quarter;

22 4. Total amount received by him during the preceding  
23 calendar month or quarter on charge and time sales of  
24 tangible personal property, and from services furnished,



1 by him prior to the month or quarter for which the return  
2 is filed;

3 5. Deductions allowed by law;

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

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

9 8. The amount of tax due;

10 9. The signature of the taxpayer; and

11 10. Such other reasonable information as the  
12 Department may require.

13 On and after January 1, 2018, except for returns for motor  
14 vehicles, watercraft, aircraft, and trailers that are required  
15 to be registered with an agency of this State, with respect to  
16 retailers whose annual gross receipts average \$20,000 or more,  
17 all returns required to be filed pursuant to this Act shall be  
18 filed electronically. Retailers who demonstrate that they do  
19 not have access to the Internet or demonstrate hardship in  
20 filing electronically may petition the Department to waive the  
21 electronic filing requirement.

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

26 Each return shall be accompanied by the statement of

1 prepaid tax issued pursuant to Section 2e for which credit is  
2 claimed.

3 Prior to October 1, 2003, and on and after September 1,  
4 2004 a retailer may accept a Manufacturer's Purchase Credit  
5 certification from a purchaser in satisfaction of Use Tax as  
6 provided in Section 3-85 of the Use Tax Act if the purchaser  
7 provides the appropriate documentation as required by Section  
8 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
9 certification, accepted by a retailer prior to October 1, 2003  
10 and on and after September 1, 2004 as provided in Section 3-85  
11 of the Use Tax Act, may be used by that retailer to satisfy  
12 Retailers' Occupation Tax liability in the amount claimed in  
13 the certification, not to exceed 6.25% of the receipts subject  
14 to 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  
18 Purchaser Credit reported on annual returns due on or after  
19 January 1, 2005 will be disallowed for periods prior to  
20 September 1, 2004. No Manufacturer's Purchase Credit may be  
21 used after September 30, 2003 through August 31, 2004 to  
22 satisfy any tax liability imposed under this Act, including any  
23 audit liability.

24 The Department may require returns to be filed on a  
25 quarterly basis. If so required, a return for each calendar  
26 quarter shall be filed on or before the twentieth day of the

1 calendar month following the end of such calendar quarter. The  
2 taxpayer shall also file a return with the Department for each  
3 of the first two months of each calendar quarter, on or before  
4 the twentieth day of the following calendar month, stating:

5 1. The name of the seller;

6 2. The address of the principal place of business from  
7 which he engages in the business of selling tangible  
8 personal property at retail in this State;

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

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

16 5. The amount of tax due; and

17 6. Such other reasonable information as the Department  
18 may require.

19 Beginning on January 1, 2018, every person engaged in the  
20 business of selling aviation fuel at retail in this State  
21 during the preceding calendar month shall, instead of reporting  
22 and paying tax as otherwise required by this Section, file an  
23 aviation fuel tax return with the Department on or before the  
24 twentieth day of each calendar month. The requirements related  
25 to the return shall be as otherwise provided in this Section.  
26 Notwithstanding any other provisions of this Act to the

1 contrary, retailers selling aviation fuel shall file all  
2 aviation fuel tax returns and shall make all aviation fuel tax  
3 payments by electronic means in the manner and form required by  
4 the Department. For purposes of this paragraph, "aviation fuel"  
5 means a product that is intended for use or offered for sale as  
6 fuel for an aircraft.

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

21       Beginning on October 1, 2003, every distributor, importing  
22 distributor, and manufacturer of alcoholic liquor as defined in  
23 the Liquor Control Act of 1934, shall file a statement with the  
24 Department of Revenue, no later than the 10th day of the month  
25 for the preceding month during which transactions occurred, by  
26 electronic means, showing the total amount of gross receipts

1 from the sale of alcoholic liquor sold or distributed during  
2 the preceding month to purchasers; identifying the purchaser to  
3 whom it was sold or distributed; the purchaser's tax  
4 registration number; and such other information reasonably  
5 required by the Department. A distributor, importing  
6 distributor, or manufacturer of alcoholic liquor must  
7 personally deliver, mail, or provide by electronic means to  
8 each retailer listed on the monthly statement a report  
9 containing a cumulative total of that distributor's, importing  
10 distributor's, or manufacturer's total sales of alcoholic  
11 liquor to that retailer no later than the 10th day of the month  
12 for the preceding month during which the transaction occurred.  
13 The distributor, importing distributor, or manufacturer shall  
14 notify the retailer as to the method by which the distributor,  
15 importing distributor, or manufacturer will provide the sales  
16 information. If the retailer is unable to receive the sales  
17 information by electronic means, the distributor, importing  
18 distributor, or manufacturer shall furnish the sales  
19 information by personal delivery or by mail. For purposes of  
20 this paragraph, the term "electronic means" includes, but is  
21 not limited to, the use of a secure Internet website, e-mail,  
22 or facsimile.

23 If a total amount of less than \$1 is payable, refundable or  
24 creditable, such amount shall be disregarded if it is less than  
25 50 cents and shall be increased to \$1 if it is 50 cents or more.

26 Beginning October 1, 1993, a taxpayer who has an average

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

25 Before August 1 of each year beginning in 1993, the  
26 Department shall notify all taxpayers required to make payments

1 by electronic funds transfer. All taxpayers required to make  
2 payments by electronic funds transfer shall make those payments  
3 for a minimum of one year beginning on October 1.

4 Any taxpayer not required to make payments by electronic  
5 funds transfer may make payments by electronic funds transfer  
6 with the permission of the Department.

7 All taxpayers required to make payment by electronic funds  
8 transfer and any taxpayers authorized to voluntarily make  
9 payments by electronic funds transfer shall make those payments  
10 in the manner authorized by the Department.

11 The Department shall adopt such rules as are necessary to  
12 effectuate a program of electronic funds transfer and the  
13 requirements of this Section.

14 Any amount which is required to be shown or reported on any  
15 return or other document under this Act shall, if such amount  
16 is not a whole-dollar amount, be increased to the nearest  
17 whole-dollar amount in any case where the fractional part of a  
18 dollar is 50 cents or more, and decreased to the nearest  
19 whole-dollar amount where the fractional part of a dollar is  
20 less than 50 cents.

21 If the retailer is otherwise required to file a monthly  
22 return and if the retailer's average monthly tax liability to  
23 the Department does not exceed \$200, the Department may  
24 authorize his returns to be filed on a quarter annual basis,  
25 with the return for January, February and March of a given year  
26 being due by April 20 of such year; with the return for April,

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

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

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

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

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



1           In addition, with respect to motor vehicles, watercraft,  
2           aircraft, and trailers that are required to be registered with  
3           an agency of this State, every retailer selling this kind of  
4           tangible personal property shall file, with the Department,  
5           upon a form to be prescribed and supplied by the Department, a  
6           separate return for each such item of tangible personal  
7           property which the retailer sells, except that if, in the same  
8           transaction, (i) a retailer of aircraft, watercraft, motor  
9           vehicles or trailers transfers more than one aircraft,  
10          watercraft, motor vehicle or trailer to another aircraft,  
11          watercraft, motor vehicle retailer or trailer retailer for the  
12          purpose of resale or (ii) a retailer of aircraft, watercraft,  
13          motor vehicles, or trailers transfers more than one aircraft,  
14          watercraft, motor vehicle, or trailer to a purchaser for use as  
15          a qualifying rolling stock as provided in Section 2-5 of this  
16          Act, then that seller may report the transfer of all aircraft,  
17          watercraft, motor vehicles or trailers involved in that  
18          transaction to the Department on the same uniform  
19          invoice-transaction reporting return form. For purposes of  
20          this Section, "watercraft" means a Class 2, Class 3, or Class 4  
21          watercraft as defined in Section 3-2 of the Boat Registration  
22          and Safety Act, a personal watercraft, or any boat equipped  
23          with an inboard motor.

24          Any retailer who sells only motor vehicles, watercraft,  
25          aircraft, or trailers that are required to be registered with  
26          an agency of this State, so that all retailers' occupation tax

1 liability is required to be reported, and is reported, on such  
2 transaction reporting returns and who is not otherwise required  
3 to file monthly or quarterly returns, need not file monthly or  
4 quarterly returns. However, those retailers shall be required  
5 to file returns on an annual basis.

6 The transaction reporting return, in the case of motor  
7 vehicles or trailers that are required to be registered with an  
8 agency of this State, shall be the same document as the Uniform  
9 Invoice referred to in Section 5-402 of The Illinois Vehicle  
10 Code and must show the name and address of the seller; the name  
11 and address of the purchaser; the amount of the selling price  
12 including the amount allowed by the retailer for traded-in  
13 property, if any; the amount allowed by the retailer for the  
14 traded-in tangible personal property, if any, to the extent to  
15 which Section 1 of this Act allows an exemption for the value  
16 of traded-in property; the balance payable after deducting such  
17 trade-in allowance from the total selling price; the amount of  
18 tax due from the retailer with respect to such transaction; the  
19 amount of tax collected from the purchaser by the retailer on  
20 such transaction (or satisfactory evidence that such tax is not  
21 due in that particular instance, if that is claimed to be the  
22 fact); the place and date of the sale; a sufficient  
23 identification of the property sold; such other information as  
24 is required in Section 5-402 of The Illinois Vehicle Code, and  
25 such other information as the Department may reasonably  
26 require.

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

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

1 expedite the processing of applications for title or  
2 registration.

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

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

24 If the user who would otherwise pay tax to the retailer  
25 wants the transaction reporting return filed and the payment of  
26 the tax or proof of exemption made to the Department before the

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

16 Refunds made by the seller during the preceding return  
17 period to purchasers, on account of tangible personal property  
18 returned to the seller, shall be allowed as a deduction under  
19 subdivision 5 of his monthly or quarterly return, as the case  
20 may be, in case the seller had theretofore included the  
21 receipts from the sale of such tangible personal property in a  
22 return filed by him and had paid the tax imposed by this Act  
23 with respect to such receipts.

24 Where the seller is a corporation, the return filed on  
25 behalf of such corporation shall be signed by the president,  
26 vice-president, secretary or treasurer or by the properly

1 accredited agent of such corporation.

2 Where the seller is a limited liability company, the return  
3 filed on behalf of the limited liability company shall be  
4 signed by a manager, member, or properly accredited agent of  
5 the limited liability company.

6 Except as provided in this Section, the retailer filing the  
7 return under this Section shall, at the time of filing such  
8 return, pay to the Department the amount of tax imposed by this  
9 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
10 on and after January 1, 1990, or \$5 per calendar year,  
11 whichever is greater, which is allowed to reimburse the  
12 retailer for the expenses incurred in keeping records,  
13 preparing and filing returns, remitting the tax and supplying  
14 data to the Department on request. The discount under this  
15 Section is not allowed for taxes paid on aviation fuel that are  
16 deposited into the State Aviation Program Fund under this Act.

17 Any prepayment made pursuant to Section 2d of this Act shall be  
18 included in the amount on which such 2.1% or 1.75% discount is  
19 computed. In the case of retailers who report and pay the tax  
20 on a transaction by transaction basis, as provided in this  
21 Section, such discount shall be taken with each such tax  
22 remittance instead of when such retailer files his periodic  
23 return. The discount allowed under this Section is allowed only  
24 for returns that are filed in the manner required by this Act.  
25 The Department may disallow the discount for retailers whose  
26 certificate of registration is revoked at the time the return

1 is filed, but only if the Department's decision to revoke the  
2 certificate of registration has become final.

3 Before October 1, 2000, if the taxpayer's average monthly  
4 tax liability to the Department under this Act, the Use Tax  
5 Act, the Service Occupation Tax Act, and the Service Use Tax  
6 Act, excluding any liability for prepaid sales tax to be  
7 remitted in accordance with Section 2d of this Act, was \$10,000  
8 or more during the preceding 4 complete calendar quarters, he  
9 shall file a return with the Department each month by the 20th  
10 day of the month next following the month during which such tax  
11 liability is incurred and shall make payments to the Department  
12 on or before the 7th, 15th, 22nd and last day of the month  
13 during which such liability is incurred. On and after October  
14 1, 2000, if the taxpayer's average monthly tax liability to the  
15 Department under this Act, the Use Tax Act, the Service  
16 Occupation Tax Act, and the Service Use Tax Act, excluding any  
17 liability for prepaid sales tax to be remitted in accordance  
18 with Section 2d of this Act, was \$20,000 or more during the  
19 preceding 4 complete calendar quarters, he shall file a return  
20 with the Department each month by the 20th day of the month  
21 next following the month during which such tax liability is  
22 incurred and shall make payment to the Department on or before  
23 the 7th, 15th, 22nd and last day of the month during which such  
24 liability is incurred. If the month during which such tax  
25 liability is incurred began prior to January 1, 1985, each  
26 payment shall be in an amount equal to 1/4 of the taxpayer's

1 actual liability for the month or an amount set by the  
2 Department not to exceed 1/4 of the average monthly liability  
3 of the taxpayer to the Department for the preceding 4 complete  
4 calendar quarters (excluding the month of highest liability and  
5 the month of lowest liability in such 4 quarter period). If the  
6 month during which such tax liability is incurred begins on or  
7 after January 1, 1985 and prior to January 1, 1987, each  
8 payment shall be in an amount equal to 22.5% of the taxpayer's  
9 actual liability for the month or 27.5% of the taxpayer's  
10 liability for the same calendar month of the preceding year. If  
11 the month during which such tax liability is incurred begins on  
12 or after January 1, 1987 and prior to January 1, 1988, each  
13 payment shall be in an amount equal to 22.5% of the taxpayer's  
14 actual liability for the month or 26.25% of the taxpayer's  
15 liability for the same calendar month of the preceding year. If  
16 the month during which such tax liability is incurred begins on  
17 or after January 1, 1988, and prior to January 1, 1989, or  
18 begins on or after January 1, 1996, each payment shall be in an  
19 amount equal to 22.5% of the taxpayer's actual liability for  
20 the month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year. If the month during which  
22 such tax liability is incurred begins on or after January 1,  
23 1989, and prior to January 1, 1996, each payment shall be in an  
24 amount equal to 22.5% of the taxpayer's actual liability for  
25 the month or 25% of the taxpayer's liability for the same  
26 calendar month of the preceding year or 100% of the taxpayer's



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

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

26 The provisions of this paragraph apply before October 1,

1 2001. Without regard to whether a taxpayer is required to make  
2 quarter monthly payments as specified above, any taxpayer who  
3 is required by Section 2d of this Act to collect and remit  
4 prepaid taxes and has collected prepaid taxes which average in  
5 excess of \$25,000 per month during the preceding 2 complete  
6 calendar quarters, shall file a return with the Department as  
7 required by Section 2f and shall make payments to the  
8 Department on or before the 7th, 15th, 22nd and last day of the  
9 month during which such liability is incurred. If the month  
10 during which such tax liability is incurred began prior to  
11 September 1, 1985 (the effective date of Public Act 84-221),  
12 each payment shall be in an amount not less than 22.5% of the  
13 taxpayer's actual liability under Section 2d. If the month  
14 during which such tax liability is incurred begins on or after  
15 January 1, 1986, each payment shall be in an amount equal to  
16 22.5% of the taxpayer's actual liability for the month or 27.5%  
17 of the taxpayer's liability for the same calendar month of the  
18 preceding calendar year. If the month during which such tax  
19 liability is incurred begins on or after 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 26.25% of the taxpayer's  
22 liability for the same calendar month of the preceding year.  
23 The amount of such quarter monthly payments shall be credited  
24 against the final tax liability of the taxpayer's return for  
25 that month filed under this Section or Section 2f, as the case  
26 may be. Once applicable, the requirement of the making of

1 quarter monthly payments to the Department pursuant to this  
2 paragraph shall continue until such taxpayer's average monthly  
3 prepaid tax collections during the preceding 2 complete  
4 calendar quarters is \$25,000 or less. If any such quarter  
5 monthly payment is not paid at the time or in the amount  
6 required, the taxpayer shall be liable for penalties and  
7 interest on such difference, except insofar as the taxpayer has  
8 previously made payments for that month in excess of the  
9 minimum payments previously due.

10 The provisions of this paragraph apply on and after October  
11 1, 2001. Without regard to whether a taxpayer is required to  
12 make quarter monthly payments as specified above, any taxpayer  
13 who is required by Section 2d of this Act to collect and remit  
14 prepaid taxes and has collected prepaid taxes that average in  
15 excess of \$20,000 per month during the preceding 4 complete  
16 calendar quarters shall file a return with the Department as  
17 required by Section 2f and shall make payments to the  
18 Department on or before the 7th, 15th, 22nd and last day of the  
19 month during which the liability is incurred. Each payment  
20 shall be in an amount equal to 22.5% of the taxpayer's actual  
21 liability for the month or 25% of the taxpayer's liability for  
22 the same calendar month of the preceding year. The amount of  
23 the quarter monthly payments shall be credited against the  
24 final tax liability of the taxpayer's return for that month  
25 filed under this Section or Section 2f, as the case may be.  
26 Once applicable, the requirement of the making of quarter

1 monthly payments to the Department pursuant to this paragraph  
2 shall continue until the taxpayer's average monthly prepaid tax  
3 collections during the preceding 4 complete calendar quarters  
4 (excluding the month of highest liability and the month of  
5 lowest liability) is less than \$19,000 or until such taxpayer's  
6 average monthly liability to the Department as computed for  
7 each calendar quarter of the 4 preceding complete calendar  
8 quarters is less than \$20,000. If any such quarter monthly  
9 payment is not paid at the time or in the amount required, the  
10 taxpayer shall be liable for penalties and interest on such  
11 difference, except insofar as the taxpayer has previously made  
12 payments for that month in excess of the minimum payments  
13 previously due.

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

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

10 If a retailer of motor fuel is entitled to a credit under  
11 Section 2d of this Act which exceeds the taxpayer's liability  
12 to the Department under this Act for the month which the  
13 taxpayer is filing a return, the Department shall issue the  
14 taxpayer a credit memorandum for the excess.

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

1 to those devices, and insulin, urine testing materials,  
2 syringes and needles used by diabetics.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the County and Mass Transit District Fund, a special  
5 fund in the State treasury which is hereby created, 4% of the  
6 net revenue realized for the preceding month from the 6.25%  
7 general rate other than aviation fuel sold on or after June 23,  
8 2018. This exception 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 State.

11 For aviation fuel sold on or after June 23, 2018, each  
12 month the Department shall pay into the State Aviation Program  
13 Fund 4% of the net revenue realized for the preceding month  
14 from the 6.25% general rate on the selling price of aviation  
15 fuel, less an amount estimated by the Department to be required  
16 for refunds of the 4% portion of the tax on aviation fuel under  
17 this Act, which amount shall be deposited into the Aviation  
18 fuel Sales Tax Refund Fund. The Department shall only pay  
19 moneys into the State Aviation Program Fund and the Aviation  
20 Fuel Sales Tax Refund Fund under this Act for so long as the  
21 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.  
22 §47133 are binding on the State.

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

1 September 1, 2010, each month the Department shall pay into the  
2 County and Mass Transit District Fund 20% of the net revenue  
3 realized for the preceding month from the 1.25% rate on the  
4 selling price of sales tax holiday items.

5 Beginning January 1, 1990, each month the Department shall  
6 pay into the Local Government Tax Fund 16% of the net revenue  
7 realized for the preceding month from the 6.25% general rate on  
8 the selling price of tangible personal property other than  
9 aviation fuel sold on or after June 23, 2018. This exception  
10 for aviation fuel only applies for so long as the revenue use  
11 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
12 binding on the State.

13 For aviation fuel sold on or after June 23, 2018, each  
14 month the Department shall pay into the State Aviation Program  
15 Fund 16% of the net revenue realized for the preceding month  
16 from the 6.25% general rate on the selling price of aviation  
17 fuel, less an amount estimated by the Department to be required  
18 for refunds of the 16% portion of the tax on aviation fuel  
19 under this Act, which amount shall be deposited into the  
20 Aviation fuel Sales Tax Refund Fund. The Department shall only  
21 pay moneys into the State Aviation Program Fund and the  
22 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
23 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
24 U.S.C. §47133 are binding on the State.

25 Beginning August 1, 2000, each month the Department shall  
26 pay into the Local Government Tax Fund 80% of the net revenue



1 realized for the preceding month from the 1.25% rate on the  
2 selling price of motor fuel and gasohol. Beginning September 1,  
3 2010, each month the Department shall pay into the Local  
4 Government Tax Fund 80% of the net revenue realized for the  
5 preceding month from the 1.25% rate on the selling price of  
6 sales tax holiday items.

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

22 Beginning July 1, 2013, each month the Department shall pay  
23 into the Underground Storage Tank Fund from the proceeds  
24 collected under this Act, the Use Tax Act, the Service Use Tax  
25 Act, and the Service Occupation Tax Act an amount equal to the  
26 average monthly deficit in the Underground Storage Tank Fund

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

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

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

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

10	Fiscal Year	Annual Specified Amount
11	1986	\$54,800,000
12	1987	\$76,650,000
13	1988	\$80,480,000
14	1989	\$88,510,000
15	1990	\$115,330,000
16	1991	\$145,470,000
17	1992	\$182,730,000
18	1993	\$206,520,000;

19 and means the Certified Annual Debt Service Requirement (as  
20 defined in Section 13 of the Build Illinois Bond Act) or the  
21 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
22 each fiscal year thereafter; and further provided, that if on  
23 the last business day of any month the sum of (1) the Tax Act  
24 Amount required to be deposited into the Build Illinois Bond  
25 Account in the Build Illinois Fund during such month and (2)  
26 the amount transferred to the Build Illinois Fund from the

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

1 in such month from the Build Illinois Bond Account to the Build  
2 Illinois Bond Retirement and Interest Fund pursuant to Section  
3 13 of the Build Illinois Bond Act, an amount equal to such  
4 deficiency shall be immediately paid from other moneys received  
5 by the Department pursuant to the Tax Acts to the Build  
6 Illinois Fund; provided, however, that any amounts paid to the  
7 Build Illinois Fund in any fiscal year pursuant to this  
8 sentence shall be deemed to constitute payments pursuant to  
9 clause (b) of the first sentence of this paragraph and shall  
10 reduce the amount otherwise payable for such fiscal year  
11 pursuant to that clause (b). The moneys received by the  
12 Department pursuant to this Act and required to be deposited  
13 into the Build Illinois Fund are subject to the pledge, claim  
14 and charge set forth in Section 12 of the Build Illinois Bond  
15 Act.

16 Subject to payment of amounts into the Build Illinois Fund  
17 as provided in the preceding paragraph or in any amendment  
18 thereto hereafter enacted, the following specified monthly  
19 installment of the amount requested in the certificate of the  
20 Chairman of the Metropolitan Pier and Exposition Authority  
21 provided under Section 8.25f of the State Finance Act, but not  
22 in excess of sums designated as "Total Deposit", shall be  
23 deposited in the aggregate from collections under Section 9 of  
24 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
25 9 of the Service Occupation Tax Act, and Section 3 of the  
26 Retailers' Occupation Tax Act into the McCormick Place

1 Expansion Project Fund in the specified fiscal years.

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	246,000,000
7	2022	260,000,000
8	2023	275,000,000
9	2024	275,000,000
10	2025	275,000,000
11	2026	279,000,000
12	2027	292,000,000
13	2028	307,000,000
14	2029	322,000,000
15	2030	338,000,000
16	2031	350,000,000
17	2032	350,000,000

18 and

19 each fiscal year

20 thereafter that bonds

21 are outstanding under

22 Section 13.2 of the

23 Metropolitan Pier and

24 Exposition Authority Act,

25 but not after fiscal year 2060.

26 Beginning July 20, 1993 and in each month of each fiscal

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

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

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 July 1, 1993 and ending on September 30,  
25 2013, the Department shall each month pay into the Illinois Tax  
26 Increment Fund 0.27% of 80% of the net revenue realized for the



1 preceding month from the 6.25% general rate on the selling  
2 price of tangible personal property.

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

16 Subject to payment of amounts into the Build Illinois Fund,  
17 the McCormick Place Expansion Project Fund, the Illinois Tax  
18 Increment Fund, and the Energy Infrastructure Fund pursuant to  
19 the preceding paragraphs or in any amendments to this Section  
20 hereafter enacted, beginning on the first day of the first  
21 calendar month to occur on or after August 26, 2014 (the  
22 effective date of Public Act 98-1098), each month, from the  
23 collections made under Section 9 of the Use Tax Act, Section 9  
24 of the Service Use Tax Act, Section 9 of the Service Occupation  
25 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
26 the Department shall pay into the Tax Compliance and

1 Administration Fund, to be used, subject to appropriation, to  
2 fund additional auditors and compliance personnel at the  
3 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
4 the cash receipts collected during the preceding fiscal year by  
5 the Audit Bureau of the Department under the Use Tax Act, the  
6 Service Use Tax Act, the Service Occupation Tax Act, the  
7 Retailers' Occupation Tax Act, and associated local occupation  
8 and use taxes administered by the Department (except the amount  
9 collected on aviation fuel sold on or after June 23, 2018).

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

16 The Department may, upon separate written notice to a  
17 taxpayer, require the taxpayer to prepare and file with the  
18 Department on a form prescribed by the Department within not  
19 less than 60 days after receipt of the notice an annual  
20 information return for the tax year specified in the notice.  
21 Such annual return to the Department shall include a statement  
22 of gross receipts as shown by the retailer's last Federal  
23 income tax return. If the total receipts of the business as  
24 reported in the Federal income tax return do not agree with the  
25 gross receipts reported to the Department of Revenue for the  
26 same period, the retailer shall attach to his annual return a

1 schedule showing a reconciliation of the 2 amounts and the  
2 reasons for the difference. The retailer's annual return to the  
3 Department shall also disclose the cost of goods sold by the  
4 retailer during the year covered by such return, opening and  
5 closing inventories of such goods for such year, costs of goods  
6 used from stock or taken from stock and given away by the  
7 retailer during such year, payroll information of the  
8 retailer's business during such year and any additional  
9 reasonable information which the Department deems would be  
10 helpful in determining the accuracy of the monthly, quarterly  
11 or annual returns filed by such retailer as provided for in  
12 this Section.

13 If the annual information return required by this Section  
14 is not filed when and as required, the taxpayer shall be liable  
15 as follows:

16 (i) Until January 1, 1994, the taxpayer shall be liable  
17 for a penalty equal to 1/6 of 1% of the tax due from such  
18 taxpayer under this Act during the period to be covered by  
19 the annual return for each month or fraction of a month  
20 until such return is filed as required, the penalty to be  
21 assessed and collected in the same manner as any other  
22 penalty provided for in this Act.

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

26 The chief executive officer, proprietor, owner or highest

1 ranking manager shall sign the annual return to certify the  
2 accuracy of the information contained therein. Any person who  
3 willfully signs the annual return containing false or  
4 inaccurate information shall be guilty of perjury and punished  
5 accordingly. The annual return form prescribed by the  
6 Department shall include a warning that the person signing the  
7 return may be liable for perjury.

8 The provisions of this Section concerning the filing of an  
9 annual information return do not apply to a retailer who is not  
10 required to file an income tax return with the United States  
11 Government.

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

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

23 For greater simplicity of administration, manufacturers,  
24 importers and wholesalers whose products are sold at retail in  
25 Illinois by numerous retailers, and who wish to do so, may  
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to such  
2 sales, if the retailers who are affected do not make written  
3 objection to the Department to this arrangement.

4 Any person who promotes, organizes, provides retail  
5 selling space for concessionaires or other types of sellers at  
6 the Illinois State Fair, DuQuoin State Fair, county fairs,  
7 local fairs, art shows, flea markets and similar exhibitions or  
8 events, including any transient merchant as defined by Section  
9 2 of the Transient Merchant Act of 1987, is required to file a  
10 report with the Department providing the name of the merchant's  
11 business, the name of the person or persons engaged in  
12 merchant's business, the permanent address and Illinois  
13 Retailers Occupation Tax Registration Number of the merchant,  
14 the dates and location of the event and other reasonable  
15 information that the Department may require. The report must be  
16 filed not later than the 20th day of the month next following  
17 the month during which the event with retail sales was held.  
18 Any person who fails to file a report required by this Section  
19 commits a business offense and is subject to a fine not to  
20 exceed \$250.

21 Any person engaged in the business of selling tangible  
22 personal property at retail as a concessionaire or other type  
23 of seller at the Illinois State Fair, county fairs, art shows,  
24 flea markets and similar exhibitions or events, or any  
25 transient merchants, as defined by Section 2 of the Transient  
26 Merchant Act of 1987, may be required to make a daily report of

1 the amount of such sales to the Department and to make a daily  
2 payment of the full amount of tax due. The Department shall  
3 impose this requirement when it finds that there is a  
4 significant risk of loss of revenue to the State at such an  
5 exhibition or event. Such a finding shall be based on evidence  
6 that a substantial number of concessionaires or other sellers  
7 who are not residents of Illinois will be engaging in the  
8 business of selling tangible personal property at retail at the  
9 exhibition or event, or other evidence of a significant risk of  
10 loss of revenue to the State. The Department shall notify  
11 concessionaires and other sellers affected by the imposition of  
12 this requirement. In the absence of notification by the  
13 Department, the concessionaires and other sellers shall file  
14 their returns as otherwise required in this Section.

15 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
16 99-933, eff. 1-27-17; 100-303, eff. 8-24-17.)

17 (Text of Section after amendment by P.A. 100-363)

18 Sec. 3. Except as provided in this Section, on or before  
19 the twentieth day of each calendar month, every person engaged  
20 in the business of selling tangible personal property at retail  
21 in this State during the preceding calendar month shall file a  
22 return with the Department, stating:

23 1. The name of the seller;

24 2. His residence address and the address of his  
25 principal place of business and the address of the

1 principal place of business (if that is a different  
2 address) from which he engages in the business of selling  
3 tangible personal property at retail in this State;

4 3. Total amount of receipts received by him during the  
5 preceding calendar month or quarter, as the case may be,  
6 from sales of tangible personal property, and from services  
7 furnished, by him during such preceding calendar month or  
8 quarter;

9 4. Total amount received by him during the preceding  
10 calendar month or quarter on charge and time sales of  
11 tangible personal property, and from services furnished,  
12 by him prior to the month or quarter for which the return  
13 is filed;

14 5. Deductions allowed by law;

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

18 7. The amount of credit provided in Section 2d of this  
19 Act;

20 8. The amount of tax due;

21 9. The signature of the taxpayer; and

22 10. Such other reasonable information as the  
23 Department may require.

24 On and after January 1, 2018, except for returns for motor  
25 vehicles, watercraft, aircraft, and trailers that are required  
26 to be registered with an agency of this State, with respect to

1 retailers whose annual gross receipts average \$20,000 or more,  
2 all returns required to be filed pursuant to this Act shall be  
3 filed electronically. Retailers who demonstrate that they do  
4 not have access to the Internet or demonstrate hardship in  
5 filing electronically may petition the Department to waive the  
6 electronic filing requirement.

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

11 Each return shall be accompanied by the statement of  
12 prepaid tax issued pursuant to Section 2e for which credit is  
13 claimed.

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



1 this Act after October 20, 2003 for reporting periods prior to  
2 September 1, 2004 shall be disallowed. Manufacturer's  
3 Purchaser Credit reported on annual returns due on or after  
4 January 1, 2005 will be disallowed for periods prior to  
5 September 1, 2004. No Manufacturer's Purchase Credit may be  
6 used after September 30, 2003 through August 31, 2004 to  
7 satisfy any tax liability imposed under this Act, including any  
8 audit liability.

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

16 1. The name of the seller;

17 2. The address of the principal place of business from  
18 which he engages in the business of selling tangible  
19 personal property at retail in this State;

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

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

1           5. The amount of tax due; and

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

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

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

1 statement be filed in an electronic or telephonic format. Such  
2 rules may provide for exceptions from the filing requirements  
3 of this paragraph. For the purposes of this paragraph, the term  
4 "alcoholic liquor" shall have the meaning prescribed in the  
5 Liquor Control Act of 1934.

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

1 information. If the retailer is unable to receive the sales  
2 information by electronic means, the distributor, importing  
3 distributor, or manufacturer shall furnish the sales  
4 information by personal delivery or by mail. For purposes of  
5 this paragraph, the term "electronic means" includes, but is  
6 not limited to, the use of a secure Internet website, e-mail,  
7 or facsimile.

8 If a total amount of less than \$1 is payable, refundable or  
9 creditable, such amount shall be disregarded if it is less than  
10 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

15 Any taxpayer not required to make payments by electronic  
16 funds transfer may make payments by electronic funds transfer  
17 with the permission of the Department.

18 All taxpayers required to make payment by electronic funds  
19 transfer and any taxpayers authorized to voluntarily make  
20 payments by electronic funds transfer shall make those payments  
21 in the manner authorized by the Department.

22 The Department shall adopt such rules as are necessary to  
23 effectuate a program of electronic funds transfer and the  
24 requirements of this Section.

25 Any amount which is required to be shown or reported on any  
26 return or other document under this Act shall, if such amount

1 is not a whole-dollar amount, be increased to the nearest  
2 whole-dollar amount in any case where the fractional part of a  
3 dollar is 50 cents or more, and decreased to the nearest  
4 whole-dollar amount where the fractional part of a dollar is  
5 less than 50 cents.

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

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

23 Such quarter annual and annual returns, as to form and  
24 substance, shall be subject to the same requirements as monthly  
25 returns.

26 Notwithstanding any other provision in this Act concerning

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

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

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

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

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

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



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

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

1 information as the Department may reasonably require.

2 Such transaction reporting return shall be filed not later  
3 than 20 days after the day of delivery of the item that is  
4 being sold, but may be filed by the retailer at any time sooner  
5 than that if he chooses to do so. The transaction reporting  
6 return and tax remittance or proof of exemption from the  
7 Illinois use tax may be transmitted to the Department by way of  
8 the State agency with which, or State officer with whom the  
9 tangible personal property must be titled or registered (if  
10 titling or registration is required) if the Department and such  
11 agency or State officer determine that this procedure will  
12 expedite the processing of applications for title or  
13 registration.

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

1           No retailer's failure or refusal to remit tax under this  
2 Act precludes a user, who has paid the proper tax to the  
3 retailer, from obtaining his certificate of title or other  
4 evidence of title or registration (if titling or registration  
5 is required) upon satisfying the Department that such user has  
6 paid the proper tax (if tax is due) to the retailer. The  
7 Department shall adopt appropriate rules to carry out the  
8 mandate of this paragraph.

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

1 Refunds made by the seller during the preceding return  
2 period to purchasers, on account of tangible personal property  
3 returned to the seller, shall be allowed as a deduction under  
4 subdivision 5 of his monthly or quarterly return, as the case  
5 may be, in case the seller had theretofore included the  
6 receipts from the sale of such tangible personal property in a  
7 return filed by him and had paid the tax imposed by this Act  
8 with respect to such receipts.

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

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

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

1 deposited into the State Aviation Program Fund under this Act.

2 Any prepayment made pursuant to Section 2d of this Act shall be  
3 included in the amount on which such 2.1% or 1.75% discount is  
4 computed. In the case of retailers who report and pay the tax  
5 on a transaction by transaction basis, as provided in this  
6 Section, such discount shall be taken with each such tax  
7 remittance instead of when such retailer files his periodic  
8 return. The discount allowed under this Section is allowed only  
9 for returns that are filed in the manner required by this Act.  
10 The Department may disallow the discount for retailers whose  
11 certificate of registration is revoked at the time the return  
12 is filed, but only if the Department's decision to revoke the  
13 certificate of registration has become final.

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

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

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

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



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

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

1 22.5% of the taxpayer's actual liability for the month or 27.5%  
2 of the taxpayer's liability for the same calendar month of the  
3 preceding calendar year. If the month during which such tax  
4 liability is incurred begins on or after January 1, 1987, each  
5 payment shall be in an amount equal to 22.5% of the taxpayer's  
6 actual liability for the month or 26.25% of the taxpayer's  
7 liability for the same calendar month of the preceding year.  
8 The amount of such quarter monthly payments shall be credited  
9 against the final tax liability of the taxpayer's return for  
10 that month filed under this Section or Section 2f, as the case  
11 may be. Once applicable, the requirement of the making of  
12 quarter monthly payments to the Department pursuant to this  
13 paragraph shall continue until such taxpayer's average monthly  
14 prepaid tax collections during the preceding 2 complete  
15 calendar quarters is \$25,000 or less. If any such quarter  
16 monthly payment is not paid at the time or in the amount  
17 required, the taxpayer shall be liable for penalties and  
18 interest on such difference, except insofar as the taxpayer has  
19 previously made payments for that month in excess of the  
20 minimum payments previously due.

21 The provisions of this paragraph apply on and after October  
22 1, 2001. Without regard to whether a taxpayer is required to  
23 make quarter monthly payments as specified above, any taxpayer  
24 who is required by Section 2d of this Act to collect and remit  
25 prepaid taxes and has collected prepaid taxes that average in  
26 excess of \$20,000 per month during the preceding 4 complete

1 calendar quarters shall file a return with the Department as  
2 required by Section 2f and shall make payments to the  
3 Department on or before the 7th, 15th, 22nd and last day of the  
4 month during which the liability is incurred. Each payment  
5 shall be in an amount equal to 22.5% of the taxpayer's actual  
6 liability for the month or 25% of the taxpayer's liability for  
7 the same calendar month of the preceding year. The amount of  
8 the quarter monthly payments shall be credited against the  
9 final tax liability of the taxpayer's return for that month  
10 filed under this Section or Section 2f, as the case may be.  
11 Once applicable, the requirement of the making of quarter  
12 monthly payments to the Department pursuant to this paragraph  
13 shall continue until the taxpayer's average monthly prepaid tax  
14 collections during the preceding 4 complete calendar quarters  
15 (excluding the month of highest liability and the month of  
16 lowest liability) is less than \$19,000 or until such taxpayer's  
17 average monthly liability to the Department as computed for  
18 each calendar quarter of the 4 preceding complete calendar  
19 quarters is less than \$20,000. If any such quarter monthly  
20 payment is not paid at the time or in the amount required, the  
21 taxpayer shall be liable for penalties and interest on such  
22 difference, except insofar as the taxpayer has previously made  
23 payments for that month in excess of the minimum payments  
24 previously due.

25 If any payment provided for in this Section exceeds the  
26 taxpayer's liabilities under this Act, the Use Tax Act, the

1 Service Occupation Tax Act and the Service Use Tax Act, as  
2 shown on an original monthly return, the Department shall, if  
3 requested by the taxpayer, issue to the taxpayer a credit  
4 memorandum no later than 30 days after the date of payment. The  
5 credit evidenced by such credit memorandum may be assigned by  
6 the taxpayer to a similar taxpayer under this Act, the Use Tax  
7 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
8 in accordance with reasonable rules and regulations to be  
9 prescribed by the Department. If no such request is made, the  
10 taxpayer may credit such excess payment against tax liability  
11 subsequently to be remitted to the Department under this Act,  
12 the Use Tax Act, the Service Occupation Tax Act or the Service  
13 Use Tax Act, in accordance with reasonable rules and  
14 regulations prescribed by the Department. If the Department  
15 subsequently determined that all or any part of the credit  
16 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
17 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
18 of the difference between the credit taken and that actually  
19 due, and that taxpayer shall be liable for penalties and  
20 interest on such difference.

21 If a retailer of motor fuel is entitled to a credit under  
22 Section 2d of this Act which exceeds the taxpayer's liability  
23 to the Department under this Act for the month which the  
24 taxpayer is filing a return, the Department shall issue the  
25 taxpayer a credit memorandum for the excess.

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

1 pay into the Local Government Tax Fund, a special fund in the  
2 State treasury which is hereby created, the net revenue  
3 realized for the preceding month from the 1% tax on sales of  
4 food for human consumption which is to be consumed off the  
5 premises where it is sold (other than alcoholic beverages, soft  
6 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, a special  
16 fund in the State treasury which is hereby created, 4% of the  
17 net revenue realized for the preceding month from the 6.25%  
18 general rate other than aviation fuel sold on or after June 23,  
19 2018. This exception for aviation fuel only applies for so long  
20 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
21 U.S.C. §47133 are binding on the State.

22 For aviation fuel sold on or after June 23, 2018, each  
23 month the Department shall pay into the State Aviation Program  
24 Fund 4% of the net revenue realized for the preceding month  
25 from the 6.25% general rate on the selling price of aviation  
26 fuel, less an amount estimated by the Department to be required

1 for refunds of the 4% portion of the tax on aviation fuel under  
2 this Act, which amount shall be deposited into the Aviation  
3 fuel Sales Tax Refund Fund. The Department shall only pay  
4 moneys into the State Aviation Program Fund and the Aviation  
5 Fuel Sales Tax Refund Fund under this Act for so long as the  
6 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.  
7 §47133 are binding on the State.

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

16 Beginning January 1, 1990, each month the Department shall  
17 pay into the Local Government Tax Fund 16% of the net revenue  
18 realized for the preceding month from the 6.25% general rate on  
19 the selling price of tangible personal property other than  
20 aviation fuel sold on or after June 23, 2018. This exception  
21 for 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 State.

24 For aviation fuel sold on or after June 23, 2018, each  
25 month the Department shall pay into the State Aviation Program  
26 Fund 16% of the net revenue realized for the preceding month

1 from the 6.25% general rate on the selling price of aviation  
2 fuel, less an amount estimated by the Department to be required  
3 for refunds of the 16% portion of the tax on aviation fuel  
4 under this Act, which amount shall be deposited into the  
5 Aviation fuel Sales Tax Refund Fund. The Department shall only  
6 pay moneys into the State Aviation Program Fund and the  
7 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
8 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
9 U.S.C. §47133 are binding on the State.

10       Beginning August 1, 2000, each month the Department shall  
11 pay into the Local Government Tax Fund 80% of the net revenue  
12 realized for the preceding month from the 1.25% rate on the  
13 selling price of motor fuel and gasohol. Beginning September 1,  
14 2010, each month the Department shall pay into the Local  
15 Government Tax Fund 80% of the net revenue realized for the  
16 preceding month from the 1.25% rate on the selling price of  
17 sales tax holiday items.

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

25       Beginning July 1, 2011, each month the Department shall pay  
26 into the Clean Air Act Permit Fund 80% of the net revenue

1 realized for the preceding month from the 6.25% general rate on  
2 the selling price of sorbents used in Illinois in the process  
3 of sorbent injection as used to comply with the Environmental  
4 Protection Act or the federal Clean Air Act, but the total  
5 payment into the Clean Air Act Permit Fund under this Act and  
6 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

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

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



1           Of the remainder of the moneys received by the Department  
2 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
3 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
4 and after July 1, 1989, 3.8% thereof shall be paid into the  
5 Build Illinois Fund; provided, however, that if in any fiscal  
6 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
7 may be, of the moneys received by the Department and required  
8 to be paid into the Build Illinois Fund pursuant to this Act,  
9 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
10 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
11 being hereinafter called the "Tax Acts" and such aggregate of  
12 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
13 called the "Tax Act Amount", and (2) the amount transferred to  
14 the Build Illinois Fund from the State and Local Sales Tax  
15 Reform Fund shall be less than the Annual Specified Amount (as  
16 hereinafter defined), an amount equal to the difference shall  
17 be immediately paid into the Build Illinois Fund from other  
18 moneys received by the Department pursuant to the Tax Acts; the  
19 "Annual Specified Amount" means the amounts specified below for  
20 fiscal years 1986 through 1993:

21	Fiscal Year	Annual Specified Amount
22	1986	\$54,800,000
23	1987	\$76,650,000
24	1988	\$80,480,000
25	1989	\$88,510,000
26	1990	\$115,330,000

1	1991	\$145,470,000
2	1992	\$182,730,000
3	1993	\$206,520,000;

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

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

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

	Fiscal Year	Total Deposit
13		
14	1993	\$0
15	1994	53,000,000
16	1995	58,000,000
17	1996	61,000,000
18	1997	64,000,000
19	1998	68,000,000
20	1999	71,000,000
21	2000	75,000,000
22	2001	80,000,000
23	2002	93,000,000
24	2003	99,000,000
25	2004	103,000,000

1	2005	108,000,000
2	2006	113,000,000
3	2007	119,000,000
4	2008	126,000,000
5	2009	132,000,000
6	2010	139,000,000
7	2011	146,000,000
8	2012	153,000,000
9	2013	161,000,000
10	2014	170,000,000
11	2015	179,000,000
12	2016	189,000,000
13	2017	199,000,000
14	2018	210,000,000
15	2019	221,000,000
16	2020	233,000,000
17	2021	246,000,000
18	2022	260,000,000
19	2023	275,000,000
20	2024	275,000,000
21	2025	275,000,000
22	2026	279,000,000
23	2027	292,000,000
24	2028	307,000,000
25	2029	322,000,000
26	2030	338,000,000

1                                   2031                                   350,000,000

2                                   2032                                   350,000,000

3                                   and

4                                   each fiscal year

5                                   thereafter that bonds

6                                   are outstanding under

7                                   Section 13.2 of the

8                                   Metropolitan Pier and

9                                   Exposition Authority Act,

10                                  but not after fiscal year 2060.

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

24                                  Subject to payment of amounts into the Capital Projects  
25                                  Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois  
26                                  Fund, and the McCormick Place Expansion Project Fund pursuant

1 to the preceding paragraphs or in any amendments thereto  
2 hereafter enacted, the Department shall each month deposit into  
3 the Aviation Fuel Sales Tax Refund Fund an amount estimated by  
4 the Department to be required for refunds of the 80% portion of  
5 the tax on aviation fuel under this Act.

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

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

1           Subject to payment of amounts into the Build Illinois Fund,  
2 the McCormick Place Expansion Project Fund, the Illinois Tax  
3 Increment Fund, and the Energy Infrastructure Fund pursuant to  
4 the preceding paragraphs or in any amendments to this Section  
5 hereafter enacted, beginning on the first day of the first  
6 calendar month to occur on or after August 26, 2014 (the  
7 effective date of Public Act 98-1098), each month, from the  
8 collections made under Section 9 of the Use Tax Act, Section 9  
9 of the Service Use Tax Act, Section 9 of the Service Occupation  
10 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
11 the Department shall pay into the Tax Compliance and  
12 Administration Fund, to be used, subject to appropriation, to  
13 fund additional auditors and compliance personnel at the  
14 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
15 the cash receipts collected during the preceding fiscal year by  
16 the Audit Bureau of the Department under the Use Tax Act, the  
17 Service Use Tax Act, the Service Occupation Tax Act, the  
18 Retailers' Occupation Tax Act, and associated local occupation  
19 and use taxes administered by the Department (except the amount  
20 collected on aviation fuel sold on or after June 23, 2018).

21           Subject to payments of amounts into the Build Illinois  
22 Fund, the McCormick Place Expansion Project Fund, the Illinois  
23 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
24 Compliance and Administration Fund as provided in this Section,  
25 beginning on July 1, 2018 the Department shall pay each month  
26 into the Downstate Public Transportation Fund the moneys



1 required to be so paid under Section 2-3 of the Downstate  
2 Public Transportation Act.

3 Of the remainder of the moneys received by the Department  
4 pursuant to this Act, 75% thereof shall be paid into the State  
5 Treasury and 25% shall be reserved in a special account and  
6 used only for the transfer to the Common School Fund as part of  
7 the monthly transfer from the General Revenue Fund in  
8 accordance with Section 8a of the State Finance 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 retailer'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 retailer shall attach to his annual return a  
20 schedule showing a reconciliation of the 2 amounts and the  
21 reasons for the difference. The retailer's annual return to the  
22 Department shall also disclose the cost of goods sold by the  
23 retailer during the year covered by such return, opening and  
24 closing inventories of such goods for such year, costs of goods  
25 used from stock or taken from stock and given away by the  
26 retailer during such year, payroll information of the

1 retailer'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 retailer as provided for in  
5 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 provisions of this Section concerning the filing of an  
2 annual information return do not apply to a retailer who is not  
3 required to file an income tax return with the United States  
4 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, manufacturers,  
17 importers and wholesalers whose products are sold at retail in  
18 Illinois by numerous retailers, and who wish to do so, may  
19 assume the responsibility for accounting and paying to the  
20 Department all tax accruing under this Act with respect to such  
21 sales, if the retailers who are affected do not make written  
22 objection to the Department to this arrangement.

23           Any person who promotes, organizes, provides retail  
24 selling space for concessionaires or other types of sellers at  
25 the Illinois State Fair, DuQuoin State Fair, county fairs,  
26 local fairs, art shows, flea markets and similar exhibitions or

1 events, including any transient merchant as defined by Section  
2 of the Transient Merchant Act of 1987, is required to file a  
3 report with the Department providing the name of the merchant's  
4 business, the name of the person or persons engaged in  
5 merchant's business, the permanent address and Illinois  
6 Retailers Occupation Tax Registration Number of the merchant,  
7 the dates and location of the event and other reasonable  
8 information that the Department may require. The report must be  
9 filed not later than the 20th day of the month next following  
10 the month during which the event with retail sales was held.  
11 Any person who fails to file a report required by this Section  
12 commits a business offense and is subject to a fine not to  
13 exceed \$250.

14 Any person engaged in the business of selling tangible  
15 personal property at retail as a concessionaire or other type  
16 of seller at the Illinois State Fair, county fairs, art shows,  
17 flea markets and similar exhibitions or events, or any  
18 transient merchants, as defined by Section 2 of the Transient  
19 Merchant Act of 1987, may be required to make a daily report of  
20 the amount of such sales to the Department and to make a daily  
21 payment of the full amount of tax due. The Department shall  
22 impose this requirement when it finds that there is a  
23 significant risk of loss of revenue to the State at such an  
24 exhibition or event. Such a finding shall be based on evidence  
25 that a substantial number of concessionaires or other sellers  
26 who are not residents of Illinois will be engaging in the

1 business of selling tangible personal property at retail at the  
2 exhibition or event, or other evidence of a significant risk of  
3 loss of revenue to the State. The Department shall notify  
4 concessionaires and other sellers affected by the imposition of  
5 this requirement. In the absence of notification by the  
6 Department, the concessionaires and other sellers shall file  
7 their returns as otherwise required in this Section.

8 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
9 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.  
10 7-1-18; revised 10-27-17.)

11 (35 ILCS 120/6) (from Ch. 120, par. 445)

12 Sec. 6. Credit memorandum or refund. If it appears, after  
13 claim therefor filed with the Department, that an amount of tax  
14 or penalty or interest has been paid which was not due under  
15 this Act, whether as the result of a mistake of fact or an  
16 error of law, except as hereinafter provided, then the  
17 Department shall issue a credit memorandum or refund to the  
18 person who made the erroneous payment or, if that person died  
19 or became a person under legal disability, to his or her legal  
20 representative, as such. For purposes of this Section, the tax  
21 is deemed to be erroneously paid by a retailer when the  
22 manufacturer of a motor vehicle sold by the retailer accepts  
23 the return of that automobile and refunds to the purchaser the  
24 selling price of that vehicle as provided in the New Vehicle  
25 Buyer Protection Act. When a motor vehicle is returned for a

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

1 Commission Act of 1985, subsections (b), (c) and (d) of Section  
2 5.01 of the Local Mass Transit District Act, or subsections  
3 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
4 Authority Act, and the amount thereof applied by the Department  
5 against any tax or penalty or interest due or to become due  
6 under this Act or under the Use Tax Act, the Service Occupation  
7 Tax Act, the Service Use Tax Act, any local occupation or use  
8 tax administered by the Department, Section 4 of the Water  
9 Commission Act of 1985, subsections (b), (c) and (d) of Section  
10 5.01 of the Local Mass Transit District Act, or subsections  
11 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
12 Authority Act, from such assignee. However, as to any claim for  
13 credit or refund filed with the Department on and after each  
14 January 1 and July 1 no amount of tax or penalty or interest  
15 erroneously paid (either in total or partial liquidation of a  
16 tax or penalty or amount of interest under this Act) more than  
17 3 years prior to such January 1 and July 1, respectively, shall  
18 be credited or refunded, except that if both the Department and  
19 the taxpayer have agreed to an extension of time to issue a  
20 notice of tax liability as provided in Section 4 of this Act,  
21 such claim may be filed at any time prior to the expiration of  
22 the period agreed upon.

23 No claim may be allowed for any amount paid to the  
24 Department, whether paid voluntarily or involuntarily, if paid  
25 in total or partial liquidation of an assessment which had  
26 become final before the claim for credit or refund to recover

1 the amount so paid is filed with the Department, or if paid in  
2 total or partial liquidation of a judgment or order of court.  
3 No credit may be allowed or refund made for any amount paid by  
4 or collected from any claimant unless it appears (a) that the  
5 claimant bore the burden of such amount and has not been  
6 relieved thereof nor reimbursed therefor and has not shifted  
7 such burden directly or indirectly through inclusion of such  
8 amount in the price of the tangible personal property sold by  
9 him or her or in any manner whatsoever; and that no  
10 understanding or agreement, written or oral, exists whereby he  
11 or she or his or her legal representative may be relieved of  
12 the burden of such amount, be reimbursed therefor or may shift  
13 the burden thereof; or (b) that he or she or his or her legal  
14 representative has repaid unconditionally such amount to his or  
15 her vendee (1) who bore the burden thereof and has not shifted  
16 such burden directly or indirectly, in any manner whatsoever;  
17 (2) who, if he or she has shifted such burden, has repaid  
18 unconditionally such amount to his own vendee; and (3) who is  
19 not entitled to receive any reimbursement therefor from any  
20 other source than from his or her vendor, nor to be relieved of  
21 such burden in any manner whatsoever. No credit may be allowed  
22 or refund made for any amount paid by or collected from any  
23 claimant unless it appears that the claimant has  
24 unconditionally repaid, to the purchaser, any amount collected  
25 from the purchaser and retained by the claimant with respect to  
26 the same transaction under the Use Tax Act.



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

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

15 If a retailer who has failed to pay retailers' occupation  
16 tax on gross receipts from retail sales is required by the  
17 Department to pay such tax, such retailer, without filing any  
18 formal claim with the Department, shall be allowed to take  
19 credit against such retailers' occupation tax liability to the  
20 extent, if any, to which such retailer has paid an amount  
21 equivalent to retailers' occupation tax or has paid use tax in  
22 error to his or her vendor or vendors of the same tangible  
23 personal property which such retailer bought for resale and did  
24 not first use before selling it, and no penalty or interest  
25 shall be charged to such retailer on the amount of such credit.  
26 However, when such credit is allowed to the retailer by the

1 Department, the vendor is precluded from refunding any of that  
2 tax to the retailer and filing a claim for credit or refund  
3 with respect thereto with the Department. The provisions of  
4 this amendatory Act shall be applied retroactively, regardless  
5 of the date of the transaction.

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

7 (35 ILCS 120/11) (from Ch. 120, par. 450)

8 Sec. 11. All information received by the Department from  
9 returns filed under this Act, or from any investigation  
10 conducted under this Act, shall be confidential, except for  
11 official purposes, and any person who divulges any such  
12 information in any manner, except in accordance with a proper  
13 judicial order or as otherwise provided by law, shall be guilty  
14 of a Class B misdemeanor with a fine not to exceed \$7,500.

15 Nothing in this Act prevents the Director of Revenue from  
16 publishing or making available to the public the names and  
17 addresses of persons filing returns under this Act, or  
18 reasonable statistics concerning the operation of the tax by  
19 grouping the contents of returns so the information in any  
20 individual return is not disclosed.

21 Nothing in this Act prevents the Director of Revenue from  
22 divulging to the United States Government or the government of  
23 any other state, or any officer or agency thereof, for  
24 exclusively official purposes, information received by the  
25 Department in administering this Act, provided that such other

1 governmental agency agrees to divulge requested tax  
2 information to the Department.

3 The Department's furnishing of information derived from a  
4 taxpayer's return or from an investigation conducted under this  
5 Act to the surety on a taxpayer's bond that has been furnished  
6 to the Department under this Act, either to provide notice to  
7 such surety of its potential liability under the bond or, in  
8 order to support the Department's demand for payment from such  
9 surety under the bond, is an official purpose within the  
10 meaning of this Section.

11 The furnishing upon request of information obtained by the  
12 Department from returns filed under this Act or investigations  
13 conducted under this Act to the Illinois Liquor Control  
14 Commission for official use is deemed to be an official purpose  
15 within the meaning of this Section.

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

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

24 Where an appeal or a protest has been filed on behalf of a  
25 taxpayer, the furnishing upon request of the attorney for the  
26 taxpayer of returns filed by the taxpayer and information

1 related thereto under this Act is deemed to be an official  
2 purpose within the meaning of this Section.

3       The furnishing of financial information to a municipality  
4 or county, upon request of the chief executive officer thereof,  
5 is an official purpose within the meaning of this Section,  
6 provided the municipality or county agrees in writing to the  
7 requirements of this Section. Information provided to  
8 municipalities and counties under this paragraph shall be  
9 limited to: (1) the business name; (2) the business address;  
10 (3) the standard classification number assigned to the  
11 business; (4) net revenue distributed to the requesting  
12 municipality or county that is directly related to the  
13 requesting municipality's or county's local share of the  
14 proceeds under the Use Tax Act, the Service Use Tax Act, the  
15 Service Occupation Tax Act, and the Retailers' Occupation Tax  
16 Act distributed from the Local Government Tax Fund, and, if  
17 applicable, any locally imposed retailers' occupation tax or  
18 service occupation tax; and (5) a listing of all businesses  
19 within the requesting municipality or county by account  
20 identification number and address. On and after July 1, 2015,  
21 the furnishing of financial information to municipalities and  
22 counties under this paragraph may be by electronic means.

23       Information so provided shall be subject to all  
24 confidentiality provisions of this Section. The written  
25 agreement shall provide for reciprocity, limitations on  
26 access, disclosure, and procedures for requesting information.

1           The Department may make available to the Board of Trustees  
2 of any Metro East Mass Transit District information contained  
3 on transaction reporting returns required to be filed under  
4 Section 3 of this Act that report sales made within the  
5 boundary of the taxing authority of that Metro East Mass  
6 Transit District, as provided in Section 5.01 of the Local Mass  
7 Transit District Act. The disclosure shall be made pursuant to  
8 a written agreement between the Department and the Board of  
9 Trustees of a Metro East Mass Transit District, which is an  
10 official purpose within the meaning of this Section. The  
11 written agreement between the Department and the Board of  
12 Trustees of a Metro East Mass Transit District shall provide  
13 for reciprocity, limitations on access, disclosure, and  
14 procedures for requesting information. Information so provided  
15 shall be subject to all confidentiality provisions of this  
16 Section.

17           The Director may make available to any State agency,  
18 including the Illinois Supreme Court, which licenses persons to  
19 engage in any occupation, information that a person licensed by  
20 such agency has failed to file returns under this Act or pay  
21 the tax, penalty and interest shown therein, or has failed to  
22 pay any final assessment of tax, penalty or interest due under  
23 this Act. The Director may make available to any State agency,  
24 including the Illinois Supreme Court, information regarding  
25 whether a bidder, contractor, or an affiliate of a bidder or  
26 contractor has failed to collect and remit Illinois Use tax on

1 sales into Illinois, or any tax under this Act or pay the tax,  
2 penalty, and interest shown therein, or has failed to pay any  
3 final assessment of tax, penalty, or interest due under this  
4 Act, for the limited purpose of enforcing bidder and contractor  
5 certifications. The Director may make available to units of  
6 local government and school districts that require bidder and  
7 contractor certifications, as set forth in Sections 50-11 and  
8 50-12 of the Illinois Procurement Code, information regarding  
9 whether a bidder, contractor, or an affiliate of a bidder or  
10 contractor has failed to collect and remit Illinois Use tax on  
11 sales into Illinois, file returns under this Act, or pay the  
12 tax, penalty, and interest shown therein, or has failed to pay  
13 any final assessment of tax, penalty, or interest due under  
14 this Act, for the limited purpose of enforcing bidder and  
15 contractor certifications. For purposes of this Section, the  
16 term "affiliate" means any entity that (1) directly,  
17 indirectly, or constructively controls another entity, (2) is  
18 directly, indirectly, or constructively controlled by another  
19 entity, or (3) is subject to the control of a common entity.  
20 For purposes of this Section, an entity controls another entity  
21 if it owns, directly or individually, more than 10% of the  
22 voting securities of that entity. As used in this Section, the  
23 term "voting security" means a security that (1) confers upon  
24 the holder the right to vote for the election of members of the  
25 board of directors or similar governing body of the business or  
26 (2) is convertible into, or entitles the holder to receive upon

1 its exercise, a security that confers such a right to vote. A  
2 general partnership interest is a voting security.

3 The Director may make available to any State agency,  
4 including the Illinois Supreme Court, units of local  
5 government, and school districts, information regarding  
6 whether a bidder or contractor is an affiliate of a person who  
7 is not collecting and remitting Illinois Use taxes for the  
8 limited purpose of enforcing bidder and contractor  
9 certifications.

10 The Director may also make available to the Secretary of  
11 State information that a limited liability company, which has  
12 filed articles of organization with the Secretary of State, or  
13 corporation which has been issued a certificate of  
14 incorporation by the Secretary of State has failed to file  
15 returns under this Act or pay the tax, penalty and interest  
16 shown therein, or has failed to pay any final assessment of  
17 tax, penalty or interest due under this Act. An assessment is  
18 final when all proceedings in court for review of such  
19 assessment have terminated or the time for the taking thereof  
20 has expired without such proceedings being instituted.

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

26 (1) The names, addresses, and identification numbers

1 of the taxpayer, related entities, and employees.

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

7 The Director shall determine the appropriate extent of the  
8 deletions allowed in paragraph (2). In the event the taxpayer  
9 does not submit deletions, the Director shall make only the  
10 deletions specified in paragraph (1).

11 The Director shall make available for public inspection and  
12 publication an administrative decision within 180 days after  
13 the issuance of the administrative decision. The term  
14 "administrative decision" has the same meaning as defined in  
15 Section 3-101 of Article III of the Code of Civil Procedure.  
16 Costs collected under this Section shall be paid into the Tax  
17 Compliance and Administration Fund.

18 Nothing contained in this Act shall prevent the Director  
19 from divulging information to any person pursuant to a request  
20 or authorization made by the taxpayer or by an authorized  
21 representative of the taxpayer.

22 The furnishing of information obtained by the Department  
23 from returns filed under this amendatory Act of the 100th  
24 General Assembly to the Department of Transportation for  
25 purposes of compliance with this amendatory Act of the 100th  
26 General Assembly regarding aviation fuel is deemed to be an



1 official purpose within the meaning of this Section.

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

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

5 (35 ILCS 505/2) (from Ch. 120, par. 418)

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

9 (a) Prior to August 1, 1989, the tax is imposed at the rate  
10 of 13 cents per gallon on all motor fuel used in motor vehicles  
11 operating on the public highways and recreational type  
12 watercraft operating upon the waters of this State. Beginning  
13 on August 1, 1989 and until January 1, 1990, the rate of the  
14 tax imposed in this paragraph shall be 16 cents per gallon.  
15 Beginning January 1, 1990, the rate of tax imposed in this  
16 paragraph, including the tax on compressed natural gas, shall  
17 be 19 cents per gallon.

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

1 (c) A tax is imposed upon the privilege of engaging in the  
2 business of selling motor fuel as a retailer or reseller on all  
3 motor fuel used in motor vehicles operating on the public  
4 highways and recreational type watercraft operating upon the  
5 waters of this State: (1) at the rate of 3 cents per gallon on  
6 motor fuel owned or possessed by such retailer or reseller at  
7 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per  
8 gallon on motor fuel owned or possessed by such retailer or  
9 reseller at 12:01 A.M. on January 1, 1990.

10 Retailers and resellers who are subject to this additional  
11 tax shall be required to inventory such motor fuel and pay this  
12 additional tax in a manner prescribed by the Department of  
13 Revenue.

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

17 (d) Except as provided in Section 2a, the collection of a  
18 tax based on gallonage of gasoline used for the propulsion of  
19 any aircraft is prohibited on and after October 1, 1979, and  
20 the collection of a tax based on gallonage of special fuel used  
21 for the propulsion of any aircraft is prohibited on and after  
22 June 23, 2018.

23 (e) The collection of a tax, based on gallonage of all  
24 products commonly or commercially known or sold as 1-K  
25 kerosene, regardless of its classification or uses, is  
26 prohibited (i) on and after July 1, 1992 until December 31,

1 1999, except when the 1-K kerosene is either: (1) delivered  
2 into bulk storage facilities of a bulk user, or (2) delivered  
3 directly into the fuel supply tanks of motor vehicles and (ii)  
4 on and after January 1, 2000. Beginning on January 1, 2000, the  
5 collection of a tax, based on gallonage of all products  
6 commonly or commercially known or sold as 1-K kerosene,  
7 regardless of its classification or uses, is prohibited except  
8 when the 1-K kerosene is delivered directly into a storage tank  
9 that is located at a facility that has withdrawal facilities  
10 that are readily accessible to and are capable of dispensing  
11 1-K kerosene into the fuel supply tanks of motor vehicles. For  
12 purposes of this subsection (e), a facility is considered to  
13 have withdrawal facilities that are not "readily accessible to  
14 and capable of dispensing 1-K kerosene into the fuel supply  
15 tanks of motor vehicles" only if the 1-K kerosene is delivered  
16 from: (i) a dispenser hose that is short enough so that it will  
17 not reach the fuel supply tank of a motor vehicle or (ii) a  
18 dispenser that is enclosed by a fence or other physical barrier  
19 so that a vehicle cannot pull alongside the dispenser to permit  
20 fueling.

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

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

1 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

2 Sec. 2b. In addition to the tax collection and reporting  
3 responsibilities imposed elsewhere in this Act, a person who is  
4 required to pay the tax imposed by Section 2a of this Act shall  
5 pay the tax to the Department by return showing all fuel  
6 purchased, acquired or received and sold, distributed or used  
7 during the preceding calendar month including losses of fuel as  
8 the result of evaporation or shrinkage due to temperature  
9 variations, and such other reasonable information as the  
10 Department may require. Losses of fuel as the result of  
11 evaporation or shrinkage due to temperature variations may not  
12 exceed 1% of the total gallons in storage at the beginning of  
13 the month, plus the receipts of gallonage during the month,  
14 minus the gallonage remaining in storage at the end of the  
15 month. Any loss reported that is in excess of this amount shall  
16 be subject to the tax imposed by Section 2a of this Law. On and  
17 after July 1, 2001, for each 6-month period January through  
18 June, net losses of fuel (for each category of fuel that is  
19 required to be reported on a return) as the result of  
20 evaporation or shrinkage due to temperature variations may not  
21 exceed 1% of the total gallons in storage at the beginning of  
22 each January, plus the receipts of gallonage each January  
23 through June, minus the gallonage remaining in storage at the  
24 end of each June. On and after July 1, 2001, for each 6-month  
25 period July through December, net losses of fuel (for each  
26 category of fuel that is required to be reported on a return)

1 as the result of evaporation or shrinkage due to temperature  
2 variations may not exceed 1% of the total gallons in storage at  
3 the beginning of each July, plus the receipts of gallonage each  
4 July through December, minus the gallonage remaining in storage  
5 at the end of each December. Any net loss reported that is in  
6 excess of this amount shall be subject to the tax imposed by  
7 Section 2a of this Law. For purposes of this Section, "net  
8 loss" means the number of gallons gained through temperature  
9 variations minus the number of gallons lost through temperature  
10 variations or evaporation for each of the respective 6-month  
11 periods.

12 The return shall be prescribed by the Department and shall  
13 be filed between the 1st and 20th days of each calendar month.  
14 The Department may, in its discretion, combine the returns  
15 filed under this Section, Section 5, and Section 5a of this  
16 Act. The return must be accompanied by appropriate  
17 computer-generated magnetic media supporting schedule data in  
18 the format required by the Department, unless, as provided by  
19 rule, the Department grants an exception upon petition of a  
20 taxpayer. If the return is filed timely, the seller shall take  
21 a discount of 2% through June 30, 2003 and 1.75% thereafter  
22 which is allowed to reimburse the seller for the expenses  
23 incurred in keeping records, preparing and filing returns,  
24 collecting and remitting the tax and supplying data to the  
25 Department on request. The discount, however, shall be  
26 applicable only to the amount of payment which accompanies a

1 return that is filed timely in accordance with this Section.  
2 The discount under this Section is not allowed for taxes paid  
3 on aviation fuel that are deposited into the State Aviation  
4 Program Fund under this Act.

5 Beginning on January 1, 2018, each person who is required  
6 to pay the tax imposed under Section 2a of this Act on aviation  
7 fuel sold or used in this State during the preceding calendar  
8 month shall, instead of reporting and paying tax on aviation  
9 fuel as otherwise required by this Section, report and pay such  
10 tax on a separate aviation fuel tax return, on or before the  
11 twentieth day of each calendar month. The requirements related  
12 to the return shall be as otherwise provided in this Section.  
13 Notwithstanding any other provisions of this Act to the  
14 contrary, a person required to pay the tax imposed by Section  
15 2a of this Act on aviation fuel shall file all aviation fuel  
16 tax returns and shall make all aviation fuel tax payments by  
17 electronic means in the manner and form required by the  
18 Department. For purposes of this paragraph, "aviation fuel"  
19 means a product that is intended for use or offered for sale as  
20 fuel for an aircraft.

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

22 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

23 Sec. 8a. All money received by the Department under Section  
24 2a of this Act, except money received from taxes on aviation  
25 fuel sold or used on or after June 23, 2018, shall be deposited

1 in the Underground Storage Tank Fund created by Section 57.11  
2 of the Environmental Protection Act, as now or hereafter  
3 amended. All money received by the Department under Section 2a  
4 of this Act for aviation fuel sold or used on or after June 23,  
5 2018, shall be deposited into the State Aviation Program Fund.  
6 This exception for aviation fuel only applies for so long as  
7 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
8 U.S.C. §47133 are binding on the State. For purposes of this  
9 section, "aviation fuel" means a product that is intended for  
10 use or offered for sale as fuel for an aircraft.

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

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

14 (50 ILCS 470/10)

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

18 "Base year" means the calendar year immediately prior to  
19 the calendar year in which the STAR bond district is  
20 established.

21 "Commence work" means the manifest commencement of actual  
22 operations on the development site, such as, erecting a  
23 building, general on-site and off-site grading and utility  
24 installations, commencing design and construction

1 documentation, ordering lead-time materials, excavating the  
2 ground to lay a foundation or a basement, or work of like  
3 description which a reasonable person would recognize as being  
4 done with the intention and purpose to continue work until the  
5 project is completed.

6 "County" means the county in which a proposed STAR bond  
7 district is located.

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

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

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



1 retail store.

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

8 "Developer" means any individual, corporation, trust,  
9 estate, partnership, limited liability partnership, limited  
10 liability company, or other entity. The term does not include a  
11 not-for-profit entity, political subdivision, or other agency  
12 or instrumentality of the State.

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

16 "Economic impact study" means a study conducted by an  
17 independent economist to project the financial benefit of the  
18 proposed STAR bond project to the local, regional, and State  
19 economies, consider the proposed adverse impacts on similar  
20 projects and businesses, as well as municipalities within the  
21 projected market area, and draw conclusions about the net  
22 effect of the proposed STAR bond project on the local,  
23 regional, and State economies. A copy of the economic impact  
24 study shall be provided to the Director for review.

25 "Eligible area" means any improved or vacant area that (i)  
26 is contiguous and is not, in the aggregate, less than 250 acres

1 nor more than 500 acres which must include only parcels of real  
2 property directly and substantially benefited by the proposed  
3 STAR bond district plan, (ii) is adjacent to a federal  
4 interstate highway, (iii) is within one mile of 2 State  
5 highways, (iv) is within one mile of an entertainment user, or  
6 a major or minor league sports stadium or other similar  
7 entertainment venue that had an initial capital investment of  
8 at least \$20,000,000, and (v) includes land that was previously  
9 surface or strip mined. The area may be bisected by streets,  
10 highways, roads, alleys, railways, bike paths, streams,  
11 rivers, and other waterways and still be deemed contiguous. In  
12 addition, in order to constitute an eligible area one of the  
13 following requirements must be satisfied and all of which are  
14 subject to the review and approval of the Director as provided  
15 in subsection (d) of Section 15:

16 (a) the governing body of the political subdivision  
17 shall have determined that the area meets the requirements  
18 of a "blighted area" as defined under the Tax Increment  
19 Allocation Redevelopment Act; or

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

24 (c) the governing body of the political subdivision  
25 shall make the following findings:

26 (i) that the vacant portions of the area have

1 remained vacant for at least one year, or that any  
2 building located on a vacant portion of the property  
3 was demolished within the last year and that the  
4 building would have qualified under item (ii) of this  
5 subsection;

6 (ii) if portions of the area are currently  
7 developed, that the use, condition, and character of  
8 the buildings on the property are not consistent with  
9 the purposes set forth in Section 5;

10 (iii) that the STAR bond district is expected to  
11 create or retain job opportunities within the  
12 political subdivision;

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

15 (v) that without the availability of STAR bonds,  
16 the projects described in the STAR bond district plan  
17 would not be possible;

18 (vi) that the master developer meets high  
19 standards of creditworthiness and financial strength  
20 as demonstrated by one or more of the following: (i)  
21 corporate debenture ratings of BBB or higher by  
22 Standard & Poor's Corporation or Baa or higher by  
23 Moody's Investors Service, Inc.; (ii) a letter from a  
24 financial institution with assets of \$10,000,000 or  
25 more attesting to the financial strength of the master  
26 developer; or (iii) specific evidence of equity

1 financing for not less than 10% of the estimated total  
2 STAR bond project costs;

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

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

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

9 "Entertainment user" means an owner, operator, licensee,  
10 co-developer, subdeveloper, or tenant that operates a business  
11 within a STAR bond district that has a primary use of providing  
12 a venue for entertainment attractions, rides, or other  
13 activities oriented toward the entertainment and amusement of  
14 its patrons, occupies at least 20 acres of land in the STAR  
15 bond district, and makes an initial capital investment,  
16 including project costs and other direct and indirect costs, of  
17 not less than \$25,000,000 for that venue.

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

20 "Infrastructure" means the public improvements and private  
21 improvements that serve the public purposes set forth in  
22 Section 5 of this Act and that benefit the STAR bond district  
23 or any STAR bond projects, including, but not limited to,  
24 streets, drives and driveways, traffic and directional signs  
25 and signals, parking lots and parking facilities,  
26 interchanges, highways, sidewalks, bridges, underpasses and

1 overpasses, bike and walking trails, sanitary storm sewers and  
2 lift stations, drainage conduits, channels, levees, canals,  
3 storm water detention and retention facilities, utilities and  
4 utility connections, water mains and extensions, and street and  
5 parking lot lighting and connections.

6 "Local sales taxes" means any locally imposed taxes  
7 received by a municipality, county, or other local governmental  
8 entity arising from sales by retailers and servicemen within a  
9 STAR bond district, including business district sales taxes and  
10 STAR bond occupation taxes, and that portion of the net revenue  
11 realized under the Retailers' Occupation Tax Act, the Use Tax  
12 Act, the Service Use Tax Act, and the Service Occupation Tax  
13 Act from transactions at places of business located within a  
14 STAR bond district that is deposited into the Local Government  
15 Tax Fund and the County and Mass Transit District Fund. For the  
16 purpose of this Act, "local sales taxes" does not include (i)  
17 any taxes authorized pursuant to the Local Mass Transit  
18 District Act or the Metro-East Park and Recreation District Act  
19 for so long as the applicable taxing district does not impose a  
20 tax on real property, (ii) county school facility occupation  
21 taxes imposed pursuant to Section 5-1006.7 of the Counties  
22 Code, or (iii) any taxes authorized under the Flood Prevention  
23 District Act.

24 "Local sales tax increment" means, except as otherwise  
25 provided in this Section, with respect to local sales taxes  
26 administered by the Illinois Department of Revenue, (i) all of

1 the local sales tax paid by destination users, destination  
2 hotels, and entertainment users that is in excess of the local  
3 sales tax paid by destination users, destination hotels, and  
4 entertainment users for the same month in the base year, as  
5 determined by the Illinois Department of Revenue, (ii) in the  
6 case of a municipality forming a STAR bond district that is  
7 wholly within the corporate boundaries of the municipality and  
8 in the case of a municipality and county forming a STAR bond  
9 district that is only partially within such municipality, that  
10 portion of the local sales tax paid by taxpayers that are not  
11 destination users, destination hotels, or entertainment users  
12 that is in excess of the local sales tax paid by taxpayers that  
13 are not destination users, destination hotels, or  
14 entertainment users for the same month in the base year, as  
15 determined by the Illinois Department of Revenue, and (iii) in  
16 the case of a county in which a STAR bond district is formed  
17 that is wholly within a municipality, that portion of the local  
18 sales tax paid by taxpayers that are not destination users,  
19 destination hotels, or entertainment users that is in excess of  
20 the local sales tax paid by taxpayers that are not destination  
21 users, destination hotels, or entertainment users for the same  
22 month in the base year, as determined by the Illinois  
23 Department of Revenue, but only if the corporate authorities of  
24 the county adopts an ordinance, and files a copy with the  
25 Department within the same time frames as required for STAR  
26 bond occupation taxes under Section 31, that designates the

1 taxes referenced in this clause (iii) as part of the local  
2 sales tax increment under this Act. "Local sales tax increment"  
3 means, with respect to local sales taxes administered by a  
4 municipality, county, or other unit of local government, that  
5 portion of the local sales tax that is in excess of the local  
6 sales tax for the same month in the base year, as determined by  
7 the respective municipality, county, or other unit of local  
8 government. If any portion of local sales taxes are, at the  
9 time of formation of a STAR bond district, already subject to  
10 tax increment financing under the Tax Increment Allocation  
11 Redevelopment Act, then the local sales tax increment for such  
12 portion shall be frozen at the base year established in  
13 accordance with this Act, and all future incremental increases  
14 shall be included in the "local sales tax increment" under this  
15 Act. Any party otherwise entitled to receipt of incremental  
16 local sales tax revenues through an existing tax increment  
17 financing district shall be entitled to continue to receive  
18 such revenues up to the amount frozen in the base year. Nothing  
19 in this Act shall affect the prior qualification of existing  
20 redevelopment project costs incurred that are eligible for  
21 reimbursement under the Tax Increment Allocation Redevelopment  
22 Act. In such event, prior to approving a STAR bond district,  
23 the political subdivision forming the STAR bond district shall  
24 take such action as is necessary, including amending the  
25 existing tax increment financing district redevelopment plan,  
26 to carry out the provisions of this Act. The Illinois

1 Department of Revenue shall allocate the local sales tax  
2 increment only if the local sales tax is administered by the  
3 Department. "Local sales tax increment" does not include taxes  
4 and penalties collected on aviation fuel, as defined in Section  
5 3 of the Retailers' Occupation Tax, sold on or after June 23,  
6 2018.

7 "Market study" means a study to determine the ability of  
8 the proposed STAR bond project to gain market share locally and  
9 regionally and to remain profitable past the term of repayment  
10 of STAR bonds.

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

26 "Master development agreement" means an agreement between



1 the master developer and the political subdivision to govern a  
2 STAR bond district and any STAR bond projects.

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

5 "Pledged STAR revenues" means those sales tax and revenues  
6 and other sources of funds pledged to pay debt service on STAR  
7 bonds or to pay project costs pursuant to Section 30.  
8 Notwithstanding any provision to the contrary, the following  
9 revenues shall not constitute pledged STAR revenues or be  
10 available to pay principal and interest on STAR bonds: any  
11 State sales tax increment or local sales tax increment from a  
12 retail entity initiating operations in a STAR bond district  
13 while terminating operations at another Illinois location  
14 within 25 miles of the STAR bond district. For purposes of this  
15 paragraph, "terminating operations" means a closing of a retail  
16 operation that is directly related to the opening of the same  
17 operation or like retail entity owned or operated by more than  
18 50% of the original ownership in a STAR bond district within  
19 one year before or after initiating operations in the STAR bond  
20 district, but it does not mean closing an operation for reasons  
21 beyond the control of the retail entity, as documented by the  
22 retail entity, subject to a reasonable finding by the  
23 municipality (or county if such retail operation is not located  
24 within a municipality) in which the terminated operations were  
25 located that the closed location contained inadequate space,  
26 had become economically obsolete, or was no longer a viable

1 location for the retailer or serviceman.

2 "Political subdivision" means a municipality or county  
3 which undertakes to establish a STAR bond district pursuant to  
4 the provisions of this Act.

5 "Project costs" means and includes the sum total of all  
6 costs incurred or estimated to be incurred on or following the  
7 date of establishment of a STAR bond district that are  
8 reasonable or necessary to implement a STAR bond district plan  
9 or any STAR bond project plans, or both, including costs  
10 incurred for public improvements and private improvements that  
11 serve the public purposes set forth in Section 5 of this Act.  
12 Such costs include without limitation the following:

13 (a) costs of studies, surveys, development of plans and  
14 specifications, formation, implementation, and  
15 administration of a STAR bond district, STAR bond district  
16 plan, any STAR bond projects, or any STAR bond project  
17 plans, including, but not limited to, staff and  
18 professional service costs for architectural, engineering,  
19 legal, financial, planning, or other services, provided  
20 however that no charges for professional services may be  
21 based on a percentage of the tax increment collected and no  
22 contracts for professional services, excluding  
23 architectural and engineering services, may be entered  
24 into if the terms of the contract extend beyond a period of  
25 3 years;

26 (b) property assembly costs, including, but not

1 limited to, acquisition of land and other real property or  
2 rights or interests therein, located within the boundaries  
3 of a STAR bond district, demolition of buildings, site  
4 preparation, site improvements that serve as an engineered  
5 barrier addressing ground level or below ground  
6 environmental contamination, including, but not limited  
7 to, parking lots and other concrete or asphalt barriers,  
8 the clearing and grading of land, and importing additional  
9 soil and fill materials, or removal of soil and fill  
10 materials from the site;

11 (c) subject to paragraph (d), costs of buildings and  
12 other vertical improvements that are located within the  
13 boundaries of a STAR bond district and owned by a political  
14 subdivision or other public entity, including without  
15 limitation police and fire stations, educational  
16 facilities, and public restrooms and rest areas;

17 (c-1) costs of buildings and other vertical  
18 improvements that are located within the boundaries of a  
19 STAR bond district and owned by a destination user or  
20 destination hotel; except that only 2 destination users in  
21 a STAR bond district and one destination hotel are eligible  
22 to include the cost of those vertical improvements as  
23 project costs;

24 (c-5) costs of buildings; rides and attractions, which  
25 include carousels, slides, roller coasters, displays,  
26 models, towers, works of art, and similar theme and

1 amusement park improvements; and other vertical  
2 improvements that are located within the boundaries of a  
3 STAR bond district and owned by an entertainment user;  
4 except that only one entertainment user in a STAR bond  
5 district is eligible to include the cost of those vertical  
6 improvements as project costs;

7 (d) costs of the design and construction of  
8 infrastructure and public works located within the  
9 boundaries of a STAR bond district that are reasonable or  
10 necessary to implement a STAR bond district plan or any  
11 STAR bond project plans, or both, except that project costs  
12 shall not include the cost of constructing a new municipal  
13 public building principally used to provide offices,  
14 storage space, or conference facilities or vehicle  
15 storage, maintenance, or repair for administrative, public  
16 safety, or public works personnel and that is not intended  
17 to replace an existing public building unless the political  
18 subdivision makes a reasonable determination in a STAR bond  
19 district plan or any STAR bond project plans, supported by  
20 information that provides the basis for that  
21 determination, that the new municipal building is required  
22 to meet an increase in the need for public safety purposes  
23 anticipated to result from the implementation of the STAR  
24 bond district plan or any STAR bond project plans;

25 (e) costs of the design and construction of the  
26 following improvements located outside the boundaries of a

1 STAR bond district, provided that the costs are essential  
2 to further the purpose and development of a STAR bond  
3 district plan and either (i) part of and connected to  
4 sewer, water, or utility service lines that physically  
5 connect to the STAR bond district or (ii) significant  
6 improvements for adjacent offsite highways, streets,  
7 roadways, and interchanges that are approved by the  
8 Illinois Department of Transportation. No other cost of  
9 infrastructure and public works improvements located  
10 outside the boundaries of a STAR bond district may be  
11 deemed project costs;

12 (f) costs of job training and retraining projects,  
13 including the cost of "welfare to work" programs  
14 implemented by businesses located within a STAR bond  
15 district;

16 (g) financing costs, including, but not limited to, all  
17 necessary and incidental expenses related to the issuance  
18 of obligations and which may include payment of interest on  
19 any obligations issued hereunder including interest  
20 accruing during the estimated period of construction of any  
21 improvements in a STAR bond district or any STAR bond  
22 projects for which such obligations are issued and for not  
23 exceeding 36 months thereafter and including reasonable  
24 reserves related thereto;

25 (h) to the extent the political subdivision by written  
26 agreement accepts and approves the same, all or a portion

1 of a taxing district's capital costs resulting from a STAR  
2 bond district or STAR bond projects necessarily incurred or  
3 to be incurred within a taxing district in furtherance of  
4 the objectives of a STAR bond district plan or STAR bond  
5 project plans;

6 (i) interest cost incurred by a developer for project  
7 costs related to the acquisition, formation,  
8 implementation, development, construction, and  
9 administration of a STAR bond district, STAR bond district  
10 plan, STAR bond projects, or any STAR bond project plans  
11 provided that:

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

16 (ii) the total of such interest payments paid  
17 pursuant to this Act may not exceed 30% of the total  
18 cost paid or incurred by the developer for a STAR bond  
19 district or STAR bond projects, plus project costs,  
20 excluding any property assembly costs incurred by a  
21 political subdivision pursuant to this Act;

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

24 (k) costs of landscaping and plantings, retaining  
25 walls and fences, man-made lakes and ponds, shelters,  
26 benches, lighting, and similar amenities located within

1 the boundaries of a STAR bond district;

2 (l) costs of mounted building signs, site monument, and  
3 pylon signs located within the boundaries of a STAR bond  
4 district; or

5 (m) if included in the STAR bond district plan and  
6 approved in writing by the Director, salaries or a portion  
7 of salaries for local government employees to the extent  
8 the same are directly attributable to the work of such  
9 employees on the establishment and management of a STAR  
10 bond district or any STAR bond projects.

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

13 (i) the cost of construction of buildings that are  
14 privately owned or owned by a municipality and leased to a  
15 developer or retail user for non-entertainment retail  
16 uses;

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

19 (iii) property taxes for property located in the STAR  
20 bond district;

21 (iv) lobbying costs; and

22 (v) general overhead or administrative costs of the  
23 political subdivision that would still have been incurred  
24 by the political subdivision if the political subdivision  
25 had not established a STAR bond district.

26 "Project development agreement" means any one or more

1 agreements, including any amendments thereto, between a master  
2 developer and any co-developer or subdeveloper in connection  
3 with a STAR bond project, which project development agreement  
4 may include the political subdivision as a party.

5 "Projected market area" means any area within the State in  
6 which a STAR bond district or STAR bond project is projected to  
7 have a significant fiscal or market impact as determined by the  
8 Director.

9 "Resolution" means a resolution, order, ordinance, or  
10 other appropriate form of legislative action of a political  
11 subdivision or other applicable public entity approved by a  
12 vote of a majority of a quorum at a meeting of the governing  
13 body of the political subdivision or applicable public entity.

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

18 "STAR bond district" means the specific area declared to be  
19 an eligible area as determined by the political subdivision,  
20 and approved by the Director, in which the political  
21 subdivision may develop one or more STAR bond projects.

22 "STAR bond district plan" means the preliminary or  
23 conceptual plan that generally identifies the proposed STAR  
24 bond project areas and identifies in a general manner the  
25 buildings, facilities, and improvements to be constructed or  
26 improved in each STAR bond project area.



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

3 "STAR bond project area" means the geographic area within a  
4 STAR bond district in which there may be one or more STAR bond  
5 projects.

6 "STAR bond project plan" means the written plan adopted by  
7 a political subdivision for the development of a STAR bond  
8 project in a STAR bond district; the plan may include, but is  
9 not limited to, (i) project costs incurred prior to the date of  
10 the STAR bond project plan and estimated future STAR bond  
11 project costs, (ii) proposed sources of funds to pay those  
12 costs, (iii) the nature and estimated term of any obligations  
13 to be issued by the political subdivision to pay those costs,  
14 (iv) the most recent equalized assessed valuation of the STAR  
15 bond project area, (v) an estimate of the equalized assessed  
16 valuation of the STAR bond district or applicable project area  
17 after completion of a STAR bond project, (vi) a general  
18 description of the types of any known or proposed developers,  
19 users, or tenants of the STAR bond project or projects included  
20 in the plan, (vii) a general description of the type,  
21 structure, and character of the property or facilities to be  
22 developed or improved, (viii) a description of the general land  
23 uses to apply to the STAR bond project, and (ix) a general  
24 description or an estimate of the type, class, and number of  
25 employees to be employed in the operation of the STAR bond  
26 project.

1 "State sales tax" means all of the net revenue realized  
2 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
3 Service Use Tax Act, and the Service Occupation Tax Act from  
4 transactions at places of business located within a STAR bond  
5 district, excluding that portion of the net revenue realized  
6 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
7 Service Use Tax Act, and the Service Occupation Tax Act from  
8 transactions at places of business located within a STAR bond  
9 district that is deposited into the Local Government Tax Fund  
10 and the County and Mass Transit District Fund.

11 "State sales tax increment" means (i) 100% of that portion  
12 of the State sales tax that is in excess of the State sales tax  
13 for the same month in the base year, as determined by the  
14 Department of Revenue, from transactions at up to 2 destination  
15 users, one destination hotel, and one entertainment user  
16 located within a STAR bond district, which destination users,  
17 destination hotel, and entertainment user shall be designated  
18 by the master developer and approved by the political  
19 subdivision and the Director in conjunction with the applicable  
20 STAR bond project approval, and (ii) 25% of that portion of the  
21 State sales tax that is in excess of the State sales tax for  
22 the same month in the base year, as determined by the  
23 Department of Revenue, from all other transactions within a  
24 STAR bond district. If any portion of State sales taxes are, at  
25 the time of formation of a STAR bond district, already subject  
26 to tax increment financing under the Tax Increment Allocation

1 Redevelopment Act, then the State 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 State sales tax increment under this  
5 Act. Any party otherwise entitled to receipt of incremental  
6 State 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.

17 "Substantial change" means a change wherein the proposed  
18 STAR bond project plan differs substantially in size, scope, or  
19 use from the approved STAR bond district plan or STAR bond  
20 project plan.

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

24 "Total development costs" means the aggregate public and  
25 private investment in a STAR bond district, including project  
26 costs and other direct and indirect costs related to the

1 development of the STAR bond district.

2 "Traditional retail use" means the operation of a business  
3 that derives at least 90% of its annual gross revenue from  
4 sales at retail, as that phrase is defined by Section 1 of the  
5 Retailers' Occupation Tax Act, but does not include the  
6 operations of destination users, entertainment users,  
7 restaurants, hotels, retail uses within hotels, or any other  
8 non-retail uses.

9 "Vacant" means that portion of the land in a proposed STAR  
10 bond district that is not occupied by a building, facility, or  
11 other vertical improvement.

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

13 (50 ILCS 470/31)

14 Sec. 31. STAR bond occupation taxes.

15 (a) If the corporate authorities of a political subdivision  
16 have established a STAR bond district and have elected to  
17 impose a tax by ordinance pursuant to subsection (b) or (c) of  
18 this Section, each year after the date of the adoption of the  
19 ordinance and until all STAR bond project costs and all  
20 political subdivision obligations financing the STAR bond  
21 project costs, if any, have been paid in accordance with the  
22 STAR bond project plans, but in no event longer than the  
23 maximum maturity date of the last of the STAR bonds issued for  
24 projects in the STAR bond district, all amounts generated by  
25 the retailers' occupation tax and service occupation tax shall

1 be collected and the tax shall be enforced by the Department of  
2 Revenue in the same manner as all retailers' occupation taxes  
3 and service occupation taxes imposed in the political  
4 subdivision imposing the tax. The corporate authorities of the  
5 political subdivision shall deposit the proceeds of the taxes  
6 imposed under subsections (b) and (c) into either (i) a special  
7 fund held by the corporate authorities of the political  
8 subdivision called the STAR Bonds Tax Allocation Fund for the  
9 purpose of paying STAR bond project costs and obligations  
10 incurred in the payment of those costs if such taxes are  
11 designated as pledged STAR revenues by resolution or ordinance  
12 of the political subdivision or (ii) the political  
13 subdivision's general corporate fund if such taxes are not  
14 designated as pledged STAR revenues by resolution or ordinance.

15 The tax imposed under this Section by a municipality may be  
16 imposed only on the portion of a STAR bond district that is  
17 within the boundaries of the municipality. For any part of a  
18 STAR bond district that lies outside of the boundaries of that  
19 municipality, the municipality in which the other part of the  
20 STAR bond district lies (or the county, in cases where a  
21 portion of the STAR bond district lies in the unincorporated  
22 area of a county) is authorized to impose the tax under this  
23 Section on that part of the STAR bond district.

24 (b) The corporate authorities of a political subdivision  
25 that has established a STAR bond district under this Act may,  
26 by ordinance or resolution, impose a STAR Bond Retailers'

1 Occupation Tax upon all persons engaged in the business of  
2 selling tangible personal property, other than an item of  
3 tangible personal property titled or registered with an agency  
4 of this State's government, at retail in the STAR bond district  
5 at a rate not to exceed 1% of the gross receipts from the sales  
6 made in the course of that business, to be imposed only in  
7 0.25% increments. The tax may not be imposed on food for human  
8 consumption that is to be consumed off the premises where it is  
9 sold (other than alcoholic beverages, soft drinks, and food  
10 that has been prepared for immediate consumption),  
11 prescription and nonprescription medicines, drugs, medical  
12 appliances, modifications to a motor vehicle for the purpose of  
13 rendering it usable by a person with a disability, and insulin,  
14 urine testing materials, syringes, and needles used by  
15 diabetics, for human use. Beginning June 23, 2018, this tax is  
16 not imposed on sales of aviation fuel unless the tax revenue is  
17 expended for airport-related purposes. If the District does not  
18 have an airport-related purpose to which aviation fuel tax  
19 revenue is dedicated, then aviation fuel is excluded from the  
20 tax. The municipality must comply with the certification  
21 requirements for airport-related purposes under Section  
22 8-11-22 of the Illinois Municipal Code. For purposes of this  
23 Act, "airport-related purposes" has the meaning ascribed in  
24 Section 6z-20.2 of the State Finance Act. This exclusion for  
25 aviation fuel only applies for so long as the revenue use  
26 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are

1 binding on the District.

2       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. 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 pursuant to this subsection  
9 without registering separately with the Department under such  
10 ordinance or resolution or under this subsection. The  
11 Department of Revenue shall have full power to administer and  
12 enforce this subsection, to collect all taxes and penalties due  
13 under this subsection 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 under this  
16 subsection. In the administration of, and compliance with, this  
17 subsection, the Department and persons who are subject to this  
18 subsection shall have the same rights, remedies, privileges,  
19 immunities, powers, and duties, and be subject to the same  
20 conditions, restrictions, limitations, penalties, exclusions,  
21 exemptions, and definitions of terms and employ the same modes  
22 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
23 through 2-65 (in respect to all provisions therein other than  
24 the State rate of tax), 2c through 2h, 3 (except as to the  
25 disposition of taxes and penalties collected, and except that  
26 the retailer's discount is not allowed for taxes paid on

1 aviation fuel that are deposited into the Local Government  
2 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,  
3 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
4 Retailers' Occupation Tax Act and all provisions of the Uniform  
5 Penalty and Interest Act, as fully as if those provisions were  
6 set forth herein.

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

9 (c) If a tax has been imposed under subsection (b), a STAR  
10 Bond Service Occupation Tax shall also be imposed upon all  
11 persons engaged, in the STAR bond district, in the business of  
12 making sales of service, who, as an incident to making those  
13 sales of service, transfer tangible personal property within  
14 the STAR bond district, either in the form of tangible personal  
15 property or in the form of real estate as an incident to a sale  
16 of service. The tax shall be imposed at the same rate as the  
17 tax imposed in subsection (b) and shall not exceed 1% of the  
18 selling price of tangible personal property so transferred  
19 within the STAR bond district, to be imposed only in 0.25%  
20 increments. The tax may not be imposed on food for human  
21 consumption that is to be consumed off the premises where it is  
22 sold (other than alcoholic beverages, soft drinks, and food  
23 that has been prepared for immediate consumption),  
24 prescription and nonprescription medicines, drugs, medical  
25 appliances, modifications to a motor vehicle for the purpose of  
26 rendering it usable by a person with a disability, and insulin,



1 urine testing materials, syringes, and needles used by  
2 diabetics, for human use. Beginning June 23, 2018, this tax is  
3 not imposed on sales of aviation fuel unless the tax revenue is  
4 expended for airport-related purposes. If the District does not  
5 have an airport-related purpose to which aviation fuel tax  
6 revenue is dedicated, then aviation fuel is excluded from the  
7 tax. The municipality must comply with the certification  
8 requirements for airport-related purposes under Section  
9 8-11-22 of the Illinois Municipal Code. For purposes of this  
10 Act, "airport-related purposes" has the meaning ascribed in  
11 Section 6z-20.2 of the State Finance Act. This exclusion for  
12 aviation fuel only applies for so long as the revenue use  
13 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
14 binding on the District.

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

1 under this subsection, to dispose of taxes and penalties so  
2 collected in the manner hereinafter provided, and to determine  
3 all rights to credit memoranda arising on account of the  
4 erroneous payment of tax or penalty under this subsection. In  
5 the administration of, and compliance with this subsection, the  
6 Department and persons who are subject to this subsection shall  
7 have the same rights, remedies, privileges, immunities,  
8 powers, and duties, and be subject to the same conditions,  
9 restrictions, limitations, penalties, exclusions, exemptions,  
10 and definitions of terms and employ the same modes of procedure  
11 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
12 (in respect to all provisions therein other than the State rate  
13 of tax), 4 (except that the reference to the State shall be to  
14 the STAR bond district), 5, 7, 8 (except that the jurisdiction  
15 to which the tax shall be a debt to the extent indicated in  
16 that Section 8 shall be the political subdivision), 9 (except  
17 as to the disposition of taxes and penalties collected, and  
18 except that the returned merchandise credit for this tax may  
19 not be taken against any State tax, and except that the  
20 retailer's discount is not allowed for taxes paid on aviation  
21 fuel that are deposited into the Local Government Aviation  
22 Trust Fund), 10, 11, 12 (except the reference therein to  
23 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
24 that any reference to the State shall mean the political  
25 subdivision), the first paragraph of Section 15, and Sections  
26 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all

1 provisions of the Uniform Penalty and Interest Act, as fully as  
2 if those provisions were set forth herein.

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

5 (d) Persons subject to any tax imposed under this Section  
6 may reimburse themselves for their seller's tax liability under  
7 this Section by separately stating the tax as an additional  
8 charge, which charge may be stated in combination, in a single  
9 amount, with State taxes that sellers are required to collect  
10 under the Use Tax Act, in accordance with such bracket  
11 schedules as the Department may prescribe.

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified and to the person named in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the STAR Bond Retailers' Occupation Tax Fund.

19 Except as otherwise provided in this paragraph, the ~~The~~  
20 Department shall immediately pay over to the State Treasurer,  
21 ex officio, as trustee, all taxes, penalties, and interest  
22 collected under this Section for deposit into the STAR Bond  
23 Retailers' Occupation Tax Fund. Taxes and penalties collected  
24 on aviation fuel sold on or after June 23, 2018, shall be  
25 immediately paid over by the Department to the State Treasurer,  
26 ex officio, as trustee, for deposit into the Local Government

1 Aviation Trust Fund. The Department shall only pay moneys into  
2 the Local Government Aviation Trust Fund under this Act for so  
3 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
4 49 U.S.C. §47133 are binding on the District. On or before the  
5 25th day of each calendar month, the Department shall prepare  
6 and certify to the Comptroller the disbursement of stated sums  
7 of money to named political subdivisions from the STAR Bond  
8 Retailers' Occupation Tax Fund, the political subdivisions to  
9 be those from which retailers have paid taxes or penalties  
10 under this Section to the Department during the second  
11 preceding calendar month. The amount to be paid to each  
12 political subdivision shall be the amount (not including credit  
13 memoranda and not including taxes and penalties collected on  
14 aviation fuel sold on or after June 23, 2018) collected under  
15 this Section during the second preceding calendar month by the  
16 Department plus an amount the Department determines is  
17 necessary to offset any amounts that were erroneously paid to a  
18 different taxing body, and not including an amount equal to the  
19 amount of refunds made during the second preceding calendar  
20 month by the Department, less 3% of that amount, which shall be  
21 deposited into the Tax Compliance and Administration Fund and  
22 shall be used by the Department, subject to appropriation, to  
23 cover the costs of the Department in administering and  
24 enforcing the provisions of this Section, on behalf of such  
25 political subdivision, and not including any amount that the  
26 Department determines is necessary to offset any amounts that

1 were payable to a different taxing body but were erroneously  
2 paid to the political subdivision. Within 10 days after receipt  
3 by the Comptroller of the disbursement certification to the  
4 political subdivisions provided for in this Section to be given  
5 to the Comptroller by the Department, the Comptroller shall  
6 cause the orders to be drawn for the respective amounts in  
7 accordance with the directions contained in the certification.  
8 The proceeds of the tax paid to political subdivisions under  
9 this Section shall be deposited into either (i) the STAR Bonds  
10 Tax Allocation Fund by the political subdivision if the  
11 political subdivision has designated them as pledged STAR  
12 revenues by resolution or ordinance or (ii) the political  
13 subdivision's general corporate fund if the political  
14 subdivision has not designated them as pledged STAR revenues.

15 An ordinance or resolution imposing or discontinuing the  
16 tax under this Section or effecting a change in the rate  
17 thereof shall either (i) be adopted and a certified copy  
18 thereof filed with the Department on or before the first day of  
19 April, whereupon the Department, if all other requirements of  
20 this Section are met, shall proceed to administer and enforce  
21 this Section as of the first day of July next following the  
22 adoption and filing; or (ii) be adopted and a certified copy  
23 thereof filed with the Department on or before the first day of  
24 October, whereupon, if all other requirements of this Section  
25 are met, the Department shall proceed to administer and enforce  
26 this Section as of the first day of January next following the

1 adoption and filing.

2       The Department of Revenue shall not administer or enforce  
3 an ordinance imposing, discontinuing, or changing the rate of  
4 the tax under this Section until the political subdivision also  
5 provides, in the manner prescribed by the Department, the  
6 boundaries of the STAR bond district and each address in the  
7 STAR bond district in such a way that the Department can  
8 determine by its address whether a business is located in the  
9 STAR bond district. The political subdivision must provide this  
10 boundary and address information to the Department on or before  
11 April 1 for administration and enforcement of the tax under  
12 this Section by the Department beginning on the following July  
13 1 and on or before October 1 for administration and enforcement  
14 of the tax under this Section by the Department beginning on  
15 the following January 1. The Department of Revenue shall not  
16 administer or enforce any change made to the boundaries of a  
17 STAR bond district or any address change, addition, or deletion  
18 until the political subdivision reports the boundary change or  
19 address change, addition, or deletion to the Department in the  
20 manner prescribed by the Department. The political subdivision  
21 must provide this boundary change or address change, addition,  
22 or deletion information to the Department on or before April 1  
23 for administration and enforcement by the Department of the  
24 change, addition, or deletion beginning on the following July 1  
25 and on or before October 1 for administration and enforcement  
26 by the Department of the change, addition, or deletion

1 beginning on the following January 1. The retailers in the STAR  
2 bond district shall be responsible for charging the tax imposed  
3 under this Section. If a retailer is incorrectly included or  
4 excluded from the list of those required to collect the tax  
5 under this Section, both the Department of Revenue and the  
6 retailer shall be held harmless if they reasonably relied on  
7 information provided by the political subdivision.

8 A political subdivision that imposes the tax under this  
9 Section must submit to the Department of Revenue any other  
10 information as the Department may require that is necessary for  
11 the administration and enforcement of the tax.

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

18 Nothing in this Section shall be construed to authorize the  
19 political subdivision 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 this  
22 State.

23 (e) When STAR bond project costs, including, without  
24 limitation, all political subdivision obligations financing  
25 STAR bond project costs, have been paid, any surplus funds then  
26 remaining in the STAR Bonds Tax Allocation Fund shall be

1 distributed to the treasurer of the political subdivision for  
2 deposit into the political subdivision's general corporate  
3 fund. Upon payment of all STAR bond project costs and  
4 retirement of obligations, but in no event later than the  
5 maximum maturity date of the last of the STAR bonds issued in  
6 the STAR bond district, the political subdivision shall adopt  
7 an ordinance immediately rescinding the taxes imposed pursuant  
8 to this Section and file a certified copy of the ordinance with  
9 the Department in the form and manner as described in this  
10 Section.

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

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

15 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

16 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
17 Law. Any county that is a home rule unit may impose a tax upon  
18 all persons engaged in the business of selling tangible  
19 personal property, other than an item of tangible personal  
20 property titled or registered with an agency of this State's  
21 government, at retail in the county on the gross receipts from  
22 such sales made in the course of their business. If imposed,  
23 this tax shall only be imposed in 1/4% increments. On and after  
24 September 1, 1991, this additional tax may not be imposed on



1 the sales of food for human consumption which is to be consumed  
2 off the premises where it is sold (other than alcoholic  
3 beverages, soft drinks and food which has been prepared for  
4 immediate consumption) and prescription and nonprescription  
5 medicines, drugs, medical appliances and insulin, urine  
6 testing materials, syringes and needles used by diabetics.  
7 Beginning June 23, 2018, this tax is not imposed on sales of  
8 aviation fuel unless the tax revenue is expended for  
9 airport-related purposes. If the county does not have an  
10 airport-related purpose to which it dedicates aviation fuel tax  
11 revenue, then aviation fuel is excluded from the tax. The  
12 county must comply with the certification requirements for  
13 airport-related purposes under Section 5-1184. For purposes of  
14 this Act, "airport-related purposes" has the meaning ascribed  
15 in Section 6z-20.2 of the State Finance Act. This exclusion for  
16 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 county. The changes made to this Section by this  
19 amendatory Act of the 100th General Assembly are a denial and  
20 limitation of home rule powers and functions under subsection  
21 (g) of Section 6 of Article VII of the Illinois Constitution.  
22 The tax imposed by a home rule county pursuant to this Section  
23 and all civil penalties that may be assessed as an incident  
24 thereof shall be collected and enforced by the State Department  
25 of Revenue. The certificate of registration that is issued by  
26 the Department to a retailer under the Retailers' Occupation

1 Tax Act shall permit the retailer to engage in a business that  
2 is taxable under any ordinance or resolution enacted pursuant  
3 to this Section without registering separately with the  
4 Department under such ordinance or resolution or under this  
5 Section. The Department shall have full power to administer and  
6 enforce this Section; to collect all taxes and penalties due  
7 hereunder; to dispose of taxes and penalties so collected in  
8 the manner hereinafter provided; and to determine all rights to  
9 credit memoranda arising on account of the erroneous payment of  
10 tax or penalty hereunder. In the administration of, and  
11 compliance with, this Section, the Department and persons who  
12 are subject to this Section shall have the same rights,  
13 remedies, privileges, immunities, powers and duties, and be  
14 subject to the same conditions, restrictions, limitations,  
15 penalties and definitions of terms, and employ the same modes  
16 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
17 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
18 provisions therein other than the State rate of tax), 4, 5, 5a,  
19 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
20 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act  
21 and Section 3-7 of the Uniform Penalty and Interest Act, as  
22 fully as if those provisions were set forth herein.

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

26 Persons subject to any tax imposed pursuant to the

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

7 Whenever the Department determines that a refund should be  
8 made under this Section to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the order to be drawn for the  
11 amount specified and to the person named in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the home rule county retailers' occupation tax  
14 fund.

15 Except as otherwise provided in this paragraph, the ~~The~~  
16 Department shall forthwith pay over to the State Treasurer, ex  
17 officio, as trustee, all taxes and penalties collected  
18 hereunder for deposit into the Home Rule County Retailers'  
19 Occupation Tax Fund. Taxes and penalties collected on aviation  
20 fuel sold on or after June 23, 2018, shall be immediately paid  
21 over by the Department to the State Treasurer, ex officio, as  
22 trustee, for deposit into the Local Government Aviation Trust  
23 Fund. The Department shall only pay moneys into the Local  
24 Government Aviation Trust Fund under this Act for so long as  
25 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
26 U.S.C. §47133 are binding on the county.

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

9           After the monthly transfer to the STAR Bonds Revenue Fund,  
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 counties, the  
13 counties to be those from which retailers have paid taxes or  
14 penalties hereunder to the Department during the second  
15 preceding calendar month. The amount to be paid to each county  
16 shall be the amount (not including credit memoranda and not  
17 including taxes and penalties collected on aviation fuel sold  
18 on or after June 23, 2018) collected hereunder during the  
19 second preceding calendar month by the Department plus an  
20 amount the Department determines is necessary to offset any  
21 amounts that were erroneously paid to a different taxing body,  
22 and not including an amount equal to the amount of refunds made  
23 during the second preceding calendar month by the Department on  
24 behalf of such county, and not including any amount which the  
25 Department determines is necessary to offset any amounts which  
26 were payable to a different taxing body but were erroneously

1 paid to the county, and not including any amounts that are  
2 transferred to the STAR Bonds Revenue Fund, less 2% of the  
3 remainder, which the Department shall transfer into the Tax  
4 Compliance and Administration Fund. The Department, at the time  
5 of each monthly disbursement to the counties, shall prepare and  
6 certify to the State Comptroller the amount to be transferred  
7 into the Tax Compliance and Administration Fund under this  
8 Section. Within 10 days after receipt, by the Comptroller, of  
9 the disbursement certification to the counties and the Tax  
10 Compliance and Administration Fund provided for in this Section  
11 to be given to the Comptroller by the Department, the  
12 Comptroller shall cause the orders to be drawn for the  
13 respective amounts in accordance with the directions contained  
14 in the certification.

15 In addition to the disbursement required by the preceding  
16 paragraph, an allocation shall be made in March of each year to  
17 each county that received more than \$500,000 in disbursements  
18 under the preceding paragraph in the preceding calendar year.  
19 The allocation shall be in an amount equal to the average  
20 monthly distribution made to each such county under the  
21 preceding paragraph during the preceding calendar year  
22 (excluding the 2 months of highest receipts). The distribution  
23 made in March of each year subsequent to the year in which an  
24 allocation was made pursuant to this paragraph and the  
25 preceding paragraph shall be reduced by the amount allocated  
26 and disbursed under this paragraph in the preceding calendar

1 year. The Department shall prepare and certify to the  
2 Comptroller for disbursement the allocations made in  
3 accordance with this paragraph.

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

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 When certifying the amount of a monthly disbursement to a  
22 county under this Section, the Department shall increase or  
23 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           This Section shall be known and may be cited as the Home  
2 Rule County Retailers' Occupation Tax Law.

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

4           (55 ILCS 5/5-1006.5)

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

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



1 approval of the ordinance or resolution imposing the tax. If  
2 the tax is imposed for transportation purposes for expenditures  
3 for passenger rail transportation, the county board must  
4 publish notice of the existence of its long-range passenger  
5 rail transportation plan and must make the plan publicly  
6 available prior to approval of the ordinance or resolution  
7 imposing the tax.

8 If a tax is imposed for public facilities purposes, then  
9 the name of the project may be included in the proposition at  
10 the discretion of the county board as determined in the  
11 enabling resolution. For example, the "XXX Nursing Home" or the  
12 "YYY Museum".

13 The county clerk shall certify the question to the proper  
14 election authority, who shall submit the proposition at an  
15 election in accordance with the general election law.

16 (1) The proposition for public safety purposes shall be  
17 in substantially the following form:

18 "To pay for public safety purposes, shall (name of  
19 county) be authorized to impose an increase on its share of  
20 local sales taxes by (insert rate)?"

21 As additional information on the ballot below the  
22 question shall appear the following:

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

26 The county board may also opt to establish a sunset

1 provision at which time the additional sales tax would  
2 cease being collected, if not terminated earlier by a vote  
3 of the county board. If the county board votes to include a  
4 sunset provision, the proposition for public safety  
5 purposes shall be in substantially the following form:

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

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. If imposed,  
15 the additional tax would cease being collected at the end  
16 of (insert number of years), if not terminated earlier by a  
17 vote of the county board."

18 For the purposes of the paragraph, "public safety  
19 purposes" means crime prevention, detention, fire  
20 fighting, police, medical, ambulance, or other emergency  
21 services.

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

23 Beginning on the January 1 or July 1, whichever is  
24 first, that occurs not less than 30 days after May 31, 2015  
25 (the effective date of Public Act 99-4), Adams County may  
26 impose a public safety retailers' occupation tax and

1 service occupation tax at the rate of 0.25%, as provided in  
2 the referendum approved by the voters on April 7, 2015,  
3 notwithstanding the omission of the additional information  
4 that is otherwise required to be printed on the ballot  
5 below the question pursuant to this item (1).

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

8 "To pay for improvements to roads and other  
9 transportation purposes, shall (name of county) be  
10 authorized to impose an increase on its share of local  
11 sales taxes by (insert rate)?"

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

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

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

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

1           As additional information on the ballot below the  
2 question shall appear the following:

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

9           For the purposes of this paragraph, transportation  
10 purposes means construction, maintenance, operation, and  
11 improvement of public highways, any other purpose for which  
12 a county may expend funds under the Illinois Highway Code,  
13 and passenger rail transportation.

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

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

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

20           As additional information on the ballot below the  
21 question shall appear the following:

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

25           The county board may also opt to establish a sunset  
26 provision at which time the additional sales tax would

1           cease being collected, if not terminated earlier by a vote  
2           of the county board. If the county board votes to include a  
3           sunset provision, the proposition for public facilities  
4           purposes shall be in substantially the following form:

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

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

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

17          For purposes of this Section, "public facilities  
18          purposes" means the acquisition, development,  
19          construction, reconstruction, rehabilitation, improvement,  
20          financing, architectural planning, and installation of  
21          capital facilities consisting of buildings, structures,  
22          and durable equipment and for the acquisition and  
23          improvement of real property and interest in real property  
24          required, or expected to be required, in connection with  
25          the public facilities, for use by the county for the  
26          furnishing of governmental services to its citizens,

1 including but not limited to museums and nursing homes.

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

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

7 This additional tax may not be imposed on the sales of food  
8 for human consumption that is to be consumed off the premises  
9 where it is sold (other than alcoholic beverages, soft drinks,  
10 and food which has been prepared for immediate consumption) and  
11 prescription and non-prescription medicines, drugs, medical  
12 appliances and insulin, urine testing materials, syringes, and  
13 needles used by diabetics. Beginning June 23, 2018, this tax is  
14 not imposed on sales of aviation fuel unless the tax revenue is  
15 expended for airport-related purposes. If the county does not  
16 have an airport-related purpose to which it dedicates aviation  
17 fuel tax revenue, then aviation fuel is excluded from the tax.  
18 The county must comply with the certification requirements for  
19 airport-related purposes under Section 5-1184. For purposes of  
20 this Act, "airport-related purposes" has the meaning ascribed  
21 in Section 6z-20.2 of the State Finance Act. This exclusion for  
22 aviation fuel only applies for so long as the revenue use  
23 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
24 binding on the county. The tax imposed by a county under this  
25 Section and all civil penalties that may be assessed as an  
26 incident of the tax shall be collected and enforced by the

1 Illinois Department of Revenue and deposited into a special  
2 fund created for that purpose. The certificate of registration  
3 that is issued by the Department to a retailer under the  
4 Retailers' Occupation Tax Act shall permit the retailer to  
5 engage in a business that is taxable without registering  
6 separately with the Department under an ordinance or resolution  
7 under this Section. The Department has full power to administer  
8 and enforce this Section, to collect all taxes and penalties  
9 due under this Section, to dispose of taxes and penalties so  
10 collected in the manner provided in this Section, and to  
11 determine all rights to credit memoranda arising on account of  
12 the erroneous payment of a tax or penalty under this Section.  
13 In the administration of and compliance with this Section, the  
14 Department and persons who are subject to this Section shall  
15 (i) have the same rights, remedies, privileges, immunities,  
16 powers, and duties, (ii) be subject to the same conditions,  
17 restrictions, limitations, penalties, and definitions of  
18 terms, and (iii) employ the same modes of procedure as are  
19 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
20 1n, 2 through 2-70 (in respect to all provisions contained in  
21 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
22 (except provisions relating to transaction returns and quarter  
23 monthly payments, and except that the retailer's discount is  
24 not allowed for taxes paid on aviation fuel that are deposited  
25 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,  
26 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,

1 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
2 and Section 3-7 of the Uniform Penalty and Interest Act as if  
3 those provisions were set forth in this Section.

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

11 Whenever the Department determines that a refund should be  
12 made under this Section to a claimant instead of issuing a  
13 credit memorandum, the Department shall notify the State  
14 Comptroller, who shall cause the order to be drawn for the  
15 amount specified and to the person named in the notification  
16 from the Department. The refund shall be paid by the State  
17 Treasurer out of the County Public Safety or Transportation  
18 Retailers' Occupation Tax Fund.

19 (b) If a tax has been imposed under subsection (a), a  
20 service occupation tax shall also be imposed at the same rate  
21 upon all persons engaged, in the county, in the business of  
22 making sales of service, who, as an incident to making those  
23 sales of service, transfer tangible personal property within  
24 the county as an incident to a sale of service. This tax may  
25 not be imposed on sales of food for human consumption that is  
26 to be consumed off the premises where it is sold (other than



1 alcoholic beverages, soft drinks, and food prepared for  
2 immediate consumption) and prescription and non-prescription  
3 medicines, drugs, medical appliances and insulin, urine  
4 testing materials, syringes, and needles used by diabetics.  
5 Beginning June 23, 2018, this tax is not imposed on sales of  
6 aviation fuel unless the tax revenue is expended for  
7 airport-related purposes. If the county 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. The  
10 county must comply with the certification requirements for  
11 airport-related purposes under Section 5-1184. For purposes of  
12 this Act, "airport-related purposes" has the meaning ascribed  
13 in Section 6z-20.2 of the State Finance Act. This exclusion for  
14 aviation fuel only applies for so long as the revenue use  
15 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
16 binding on the county. The tax imposed under this subsection  
17 and all civil penalties that may be assessed as an incident  
18 thereof shall be collected and enforced by the Department of  
19 Revenue. The Department has full power to administer and  
20 enforce this subsection; to collect all taxes and penalties due  
21 hereunder; to dispose of taxes and penalties so collected in  
22 the manner hereinafter provided; and to determine all rights to  
23 credit memoranda arising on account of the erroneous payment of  
24 tax or penalty hereunder. In the administration of, and  
25 compliance with this subsection, the Department and persons who  
26 are subject to this paragraph shall (i) have the same rights,

1 remedies, privileges, immunities, powers, and duties, (ii) be  
2 subject to the same conditions, restrictions, limitations,  
3 penalties, exclusions, exemptions, and definitions of terms,  
4 and (iii) employ the same modes of procedure as are prescribed  
5 in Sections 2 (except that the reference to State in the  
6 definition of supplier maintaining a place of business in this  
7 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in  
8 respect to all provisions therein other than the State rate of  
9 tax), 4 (except that the reference to the State shall be to the  
10 county), 5, 7, 8 (except that the jurisdiction to which the tax  
11 shall be a debt to the extent indicated in that Section 8 shall  
12 be the county), 9 (except as to the disposition of taxes and  
13 penalties collected, and except that the retailer's discount is  
14 not allowed for taxes paid on aviation fuel that are deposited  
15 into the Local Government Aviation Trust Fund), 10, 11, 12  
16 (except the reference therein to Section 2b of the Retailers'  
17 Occupation Tax Act), 13 (except that any reference to the State  
18 shall mean the county), Section 15, 16, 17, 18, 19 and 20 of  
19 the Service Occupation Tax Act and Section 3-7 of the Uniform  
20 Penalty and Interest Act, as fully as if those provisions were  
21 set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this subsection may reimburse themselves for their  
24 serviceman's tax liability by separately stating the tax as an  
25 additional charge, which charge may be stated in combination,  
26 in a single amount, with State tax that servicemen are

1 authorized to collect under the Service Use Tax Act, in  
2 accordance with such bracket schedules as the Department may  
3 prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this subsection to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the warrant to be drawn for the  
8 amount specified, and to the person named, in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the County Public Safety or Transportation  
11 Retailers' Occupation Fund.

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

16 (c) Except as otherwise provided in this paragraph, the ~~The~~  
17 Department shall immediately pay over to the State Treasurer,  
18 ex officio, as trustee, all taxes and penalties collected under  
19 this Section to be deposited into the County Public Safety or  
20 Transportation Retailers' Occupation Tax Fund, which shall be  
21 an unappropriated trust fund held outside of the State  
22 treasury. Taxes and penalties collected on aviation fuel sold  
23 on or after June 23, 2018, 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 Local Government

1 Aviation Trust Fund under this Act for so long as the revenue  
2 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
3 are binding on the county.

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

12 After the monthly transfer to the STAR Bonds Revenue Fund,  
13 on or before the 25th day of each calendar month, the  
14 Department shall prepare and certify to the Comptroller the  
15 disbursement of stated sums of money to the counties from which  
16 retailers have paid taxes or penalties to the Department during  
17 the second preceding calendar month. The amount to be paid to  
18 each county, and deposited by the county into its special fund  
19 created for the purposes of this Section, shall be the amount  
20 (not including credit memoranda and not including taxes and  
21 penalties collected on aviation fuel sold on or after June 23,  
22 2018) collected under this Section during the second preceding  
23 calendar month by the Department plus an amount the Department  
24 determines is necessary to offset any amounts that were  
25 erroneously paid to a different taxing body, and not including  
26 (i) an amount equal to the amount of refunds made during the

1 second preceding calendar month by the Department on behalf of  
2 the county, (ii) any amount that the Department determines is  
3 necessary to offset any amounts that were payable to a  
4 different taxing body but were erroneously paid to the county,  
5 (iii) any amounts that are transferred to the STAR Bonds  
6 Revenue Fund, and (iv) 2% of the remainder, which shall be  
7 transferred into the Tax Compliance and Administration Fund.  
8 The Department, at the time of each monthly disbursement to the  
9 counties, shall prepare and certify to the State Comptroller  
10 the amount to be transferred into the Tax Compliance and  
11 Administration Fund under this subsection. Within 10 days after  
12 receipt by the Comptroller of the disbursement certification to  
13 the counties 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 directions  
17 contained in the certification.

18 In addition to the disbursement required by the preceding  
19 paragraph, an allocation shall be made in March of each year to  
20 each county that received more than \$500,000 in disbursements  
21 under the preceding paragraph in the preceding calendar year.  
22 The allocation shall be in an amount equal to the average  
23 monthly distribution made to each such county under the  
24 preceding paragraph during the preceding calendar year  
25 (excluding the 2 months of highest receipts). The distribution  
26 made in March of each year subsequent to the year in which an

1 allocation was made pursuant to this paragraph and the  
2 preceding paragraph shall be reduced by the amount allocated  
3 and disbursed under this paragraph in the preceding calendar  
4 year. The Department shall prepare and certify to the  
5 Comptroller for disbursement the allocations made in  
6 accordance with this paragraph.

7 A county may direct, by ordinance, that all or a portion of  
8 the taxes and penalties collected under the Special County  
9 Retailers' Occupation Tax For Public Safety or Transportation  
10 be deposited into the Transportation Development Partnership  
11 Trust Fund.

12 (d) For the purpose of determining the local governmental  
13 unit whose tax is applicable, a retail sale by a producer of  
14 coal or another 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 another 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 United States Constitution as a sale  
20 in interstate or foreign commerce.

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

25 (e-5) If a county imposes a tax under this Section, the  
26 county board may, by ordinance, discontinue or lower the rate

1 of the tax. If the county board lowers the tax rate or  
2 discontinues the tax, a referendum must be held in accordance  
3 with subsection (a) of this Section in order to increase the  
4 rate of the tax or to reimpose the discontinued tax.

5 (f) Beginning April 1, 1998 and through December 31, 2013,  
6 the results of any election authorizing a proposition to impose  
7 a tax under this Section or effecting a change in the rate of  
8 tax, or any ordinance lowering the rate or discontinuing the  
9 tax, shall be certified by the county clerk and filed with the  
10 Illinois Department of Revenue either (i) on or before the  
11 first day of April, whereupon the Department shall proceed to  
12 administer and enforce the tax as of the first day of July next  
13 following the filing; or (ii) on or before the first day of  
14 October, whereupon the Department shall proceed to administer  
15 and enforce the tax as of the first day of January next  
16 following the filing.

17 Beginning January 1, 2014, the results of any election  
18 authorizing a proposition to impose a tax under this Section or  
19 effecting an increase in the rate of tax, along with the  
20 ordinance adopted to impose the tax or increase the rate of the  
21 tax, or any ordinance adopted to lower the rate or discontinue  
22 the tax, shall be certified by the county clerk and filed with  
23 the 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 as of the first day of July next  
26 following the adoption and filing; or (ii) on or before the

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

4 (g) When certifying the amount of a monthly disbursement to  
5 a county under this Section, the Department shall increase or  
6 decrease the amounts by an amount necessary to offset any  
7 miscalculation of previous disbursements. The offset amount  
8 shall be the amount erroneously disbursed within the previous 6  
9 months from the time a miscalculation is discovered.

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

13 (i) For purposes of this Section, "public safety" includes,  
14 but is not limited to, crime prevention, detention, fire  
15 fighting, police, medical, ambulance, or other emergency  
16 services. The county may share tax proceeds received under this  
17 Section for public safety purposes, including proceeds  
18 received before August 4, 2009 (the effective date of Public  
19 Act 96-124), with any fire protection district located in the  
20 county. For the purposes of this Section, "transportation"  
21 includes, but is not limited to, the construction, maintenance,  
22 operation, and improvement of public highways, any other  
23 purpose for which a county may expend funds under the Illinois  
24 Highway Code, and passenger rail transportation. For the  
25 purposes of this Section, "public facilities purposes"  
26 includes, but is not limited to, the acquisition, development,



1 construction, reconstruction, rehabilitation, improvement,  
2 financing, architectural planning, and installation of capital  
3 facilities consisting of buildings, structures, and durable  
4 equipment and for the acquisition and improvement of real  
5 property and interest in real property required, or expected to  
6 be required, in connection with the public facilities, for use  
7 by the county for the furnishing of governmental services to  
8 its citizens, including but not limited to museums and nursing  
9 homes.

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

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

16 (55 ILCS 5/5-1006.7)

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

18 (a) In any county, a tax shall be imposed upon all persons  
19 engaged in the business of selling tangible personal property,  
20 other than personal property titled or registered with an  
21 agency of this State's government, at retail in the county on  
22 the gross receipts from the sales made in the course of  
23 business to provide revenue to be used exclusively for school  
24 facility purposes (except as otherwise provided in this  
25 Section) if a proposition for the tax has been submitted to the

1 electors of that county and approved by a majority of those  
2 voting on the question as provided in subsection (c). The tax  
3 under this Section shall be imposed only in one-quarter percent  
4 increments and may not exceed 1%.

5 This additional tax may not be imposed on the sale of food  
6 for human consumption that is to be consumed off the premises  
7 where it is sold (other than alcoholic beverages, soft drinks,  
8 and food that has been prepared for immediate consumption) and  
9 prescription and non-prescription medicines, drugs, medical  
10 appliances and insulin, urine testing materials, syringes and  
11 needles used by diabetics. Beginning June 23, 2018, this tax is  
12 not imposed on sales of aviation fuel unless the tax revenue is  
13 expended for airport-related purposes. If the county does not  
14 have an airport-related purpose to which it dedicates aviation  
15 fuel tax revenue, then aviation fuel is excluded from the tax.  
16 The 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 Department of Revenue has full power  
23 to administer and enforce this subsection, to collect all taxes  
24 and penalties due under this subsection, to dispose of taxes  
25 and penalties so collected in the manner provided in this  
26 subsection, and to determine all rights to credit memoranda

1 arising on account of the erroneous payment of a tax or penalty  
2 under this subsection. The Department shall deposit all taxes  
3 and penalties collected under this subsection into a special  
4 fund created for that purpose.

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

22 The certificate of registration that is issued by the  
23 Department to a retailer under the Retailers' Occupation Tax  
24 Act permits the retailer to engage in a business that is  
25 taxable without registering separately with the Department  
26 under an ordinance or resolution under this subsection.

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

8           (b) If a tax has been imposed under subsection (a), then a  
9 service occupation tax must also be imposed at the same rate  
10 upon all persons engaged, in the county, in the business of  
11 making sales of service, who, as an incident to making those  
12 sales of service, transfer tangible personal property within  
13 the county as an incident to a sale of service.

14           This tax may not be imposed on sales of food for human  
15 consumption that is to be consumed off the premises where it is  
16 sold (other than alcoholic beverages, soft drinks, and food  
17 prepared for immediate consumption) and prescription and  
18 non-prescription medicines, drugs, medical appliances and  
19 insulin, urine testing materials, syringes, and needles used by  
20 diabetics. Beginning June 23, 2018, this tax is not imposed on  
21 sales of aviation fuel unless the tax revenue is expended for  
22 airport-related purposes. If the county does not have an  
23 airport-related purpose to which it dedicates aviation fuel tax  
24 revenue, then aviation fuel is excluded from the tax. The  
25 county must comply with the certification requirements for  
26 airport-related purposes under Section 5-1184. For purposes of

1 this Act, "airport-related purposes" has the meaning ascribed  
2 in Section 6z-20.2 of the State Finance Act. This exclusion 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 county.

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 and deposited into a  
9 special fund created for that purpose. The Department has full  
10 power to administer and enforce this subsection, to collect all  
11 taxes and penalties due under this subsection, to dispose of  
12 taxes and penalties so collected in the manner provided in this  
13 subsection, and to determine all rights to credit memoranda  
14 arising on account of the erroneous payment of a tax or penalty  
15 under this subsection.

16 In the administration of and compliance with this  
17 subsection, the Department and persons who are subject to this  
18 subsection shall (i) have the same rights, remedies,  
19 privileges, immunities, powers and duties, (ii) be subject to  
20 the same conditions, restrictions, limitations, penalties and  
21 definition of terms, and (iii) employ the same modes of  
22 procedure as are set forth in Sections 2 (except that that  
23 reference to State in the definition of supplier maintaining a  
24 place of business in this State means the county), 2a through  
25 2d, 3 through 3-50 (in respect to all provisions contained in  
26 those Sections other than the State rate of tax), 4 (except

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

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

21 (c) The tax under this Section may not be imposed until the  
22 question of imposing the tax has been submitted to the electors  
23 of the county at a regular election and approved by a majority  
24 of the electors voting on the question. For all regular  
25 elections held prior to August 23, 2011 (the effective date of  
26 Public Act 97-542), upon a resolution by the county board or a

1 resolution by school district boards that represent at least  
2 51% of the student enrollment within the county, the county  
3 board must certify the question to the proper election  
4 authority in accordance with the Election Code.

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

9 Shall (name of county) be authorized to impose a  
10 retailers' occupation tax and a service occupation tax  
11 (commonly referred to as a "sales tax") at a rate of  
12 (insert rate) to be used exclusively for school facility  
13 purposes?

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

15 If a majority of the electors voting on the question vote  
16 in the affirmative, then the county may, thereafter, impose the  
17 tax.

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

1 Code.

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

6 Shall a retailers' occupation tax and a service  
7 occupation tax (commonly referred to as a "sales tax") be  
8 imposed in (name of county) at a rate of (insert rate) to  
9 be used exclusively for school facility purposes?

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

11 If a majority of the electors voting on the question vote  
12 in the affirmative, then the tax shall be imposed at the rate  
13 set forth in the question.

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

19 (d) Except as otherwise provided, the ~~The~~ Department shall  
20 immediately pay over to the State Treasurer, ex officio, as  
21 trustee, all taxes and penalties collected under this Section  
22 to be deposited into the School Facility Occupation Tax Fund,  
23 which shall be an unappropriated trust fund held outside the  
24 State treasury. Taxes and penalties collected on aviation fuel  
25 sold on or after June 23, 2018, 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 county.

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 the regional  
9 superintendents of schools in counties from which retailers or  
10 servicemen have paid taxes or penalties to the Department  
11 during the second preceding calendar month. The amount to be  
12 paid to each regional superintendent of schools and disbursed  
13 to him or her in accordance with Section 3-14.31 of the School  
14 Code, is equal to the amount (not including credit memoranda  
15 and not including taxes and penalties collected on aviation  
16 fuel sold on or after June 23, 2018) collected from the county  
17 under this Section during the second preceding calendar month  
18 by the Department, (i) less 2% of that amount (except the  
19 amount collected on aviation fuel sold on or after June 23,  
20 2018), which shall be deposited into the Tax Compliance and  
21 Administration Fund and shall be used by the Department,  
22 subject to appropriation, to cover the costs of the Department  
23 in administering and enforcing the provisions of this Section,  
24 on behalf of the county, (ii) plus an amount that the  
25 Department determines is necessary to offset any amounts that  
26 were erroneously paid to a different taxing body; (iii) less an

1 amount equal to the amount of refunds made during the second  
2 preceding calendar month by the Department on behalf of the  
3 county; and (iv) less any amount that the Department determines  
4 is necessary to offset any amounts that were payable to a  
5 different taxing body but were erroneously paid to the county.  
6 When certifying the amount of a monthly disbursement to a  
7 regional superintendent of schools under this Section, the  
8 Department shall increase or decrease the amounts by an amount  
9 necessary to offset any miscalculation of previous  
10 disbursements within the previous 6 months from the time a  
11 miscalculation is discovered.

12 Within 10 days after receipt by the Comptroller from the  
13 Department of the disbursement certification to the regional  
14 superintendents of the schools provided for in this Section,  
15 the Comptroller shall cause the orders to be drawn for the  
16 respective amounts in accordance with directions contained in  
17 the certification.

18 If the Department determines that a refund should be made  
19 under this Section to a claimant instead of issuing a credit  
20 memorandum, then the Department shall notify the Comptroller,  
21 who shall cause the order to be drawn for the amount specified  
22 and to the person named in the notification from the  
23 Department. The refund shall be paid by the Treasurer out of  
24 the School Facility Occupation Tax Fund.

25 (e) For the purposes of determining the local governmental  
26 unit whose tax is applicable, a retail sale by a producer of

1 coal or another mineral mined in Illinois is a sale at retail  
2 at the place where the coal or other mineral mined in Illinois  
3 is extracted from the earth. This subsection does not apply to  
4 coal or another mineral when it is delivered or shipped by the  
5 seller to the purchaser at a point outside Illinois so that the  
6 sale is exempt under the United States Constitution as a sale  
7 in interstate or foreign commerce.

8 (f) Nothing in this Section may be construed to authorize a  
9 tax to be imposed upon the privilege of engaging in any  
10 business that under the Constitution of the United States may  
11 not be made the subject of taxation by this State.

12 (g) If a county board imposes a tax under this Section  
13 pursuant to a referendum held before August 23, 2011 (the  
14 effective date of Public Act 97-542) at a rate below the rate  
15 set forth in the question approved by a majority of electors of  
16 that county voting on the question as provided in subsection  
17 (c), then the county board may, by ordinance, increase the rate  
18 of the tax up to the rate set forth in the question approved by  
19 a majority of electors of that county voting on the question as  
20 provided in subsection (c). If a county board imposes a tax  
21 under this Section pursuant to a referendum held before August  
22 23, 2011 (the effective date of Public Act 97-542), then the  
23 board may, by ordinance, discontinue or reduce the rate of the  
24 tax. If a tax is imposed under this Section pursuant to a  
25 referendum held on or after August 23, 2011 (the effective date  
26 of Public Act 97-542), then the county board may reduce or

1     discontinue the tax, but only in accordance with subsection  
2     (h-5) of this Section. If, however, a school board issues bonds  
3     that are secured by the proceeds of the tax under this Section,  
4     then the county board may not reduce the tax rate or  
5     discontinue the tax if that rate reduction or discontinuance  
6     would adversely affect the school board's ability to pay the  
7     principal and interest on those bonds as they become due or  
8     necessitate the extension of additional property taxes to pay  
9     the principal and interest on those bonds. If the county board  
10    reduces the tax rate or discontinues the tax, then a referendum  
11    must be held in accordance with subsection (c) of this Section  
12    in order to increase the rate of the tax or to reimpose the  
13    discontinued tax.

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

26         Beginning January 1, 2014, the results of any election that

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

12 (h) For purposes of this Section, "school facility  
13 purposes" means (i) the acquisition, development,  
14 construction, reconstruction, rehabilitation, improvement,  
15 financing, architectural planning, and installation of capital  
16 facilities consisting of buildings, structures, and durable  
17 equipment and for the acquisition and improvement of real  
18 property and interest in real property required, or expected to  
19 be required, in connection with the capital facilities and (ii)  
20 the payment of bonds or other obligations heretofore or  
21 hereafter issued, including bonds or other obligations  
22 heretofore or hereafter issued to refund or to continue to  
23 refund bonds or other obligations issued, for school facility  
24 purposes, provided that the taxes levied to pay those bonds are  
25 abated by the amount of the taxes imposed under this Section  
26 that are used to pay those bonds. "School-facility purposes"

1 also includes fire prevention, safety, energy conservation,  
2 accessibility, school security, and specified repair purposes  
3 set forth under Section 17-2.11 of the School Code.

4 (h-5) A county board in a county where a tax has been  
5 imposed under this Section pursuant to a referendum held on or  
6 after August 23, 2011 (the effective date of Public Act 97-542)  
7 may, by ordinance or resolution, submit to the voters of the  
8 county the question of reducing or discontinuing the tax. In  
9 the ordinance or resolution, the county board shall certify the  
10 question to the proper election authority in accordance with  
11 the Election Code. The election authority must submit the  
12 question in substantially the following form:

13 Shall the school facility retailers' occupation tax  
14 and service occupation tax (commonly referred to as the  
15 "school facility sales tax") currently imposed in (name of  
16 county) at a rate of (insert rate) be (reduced to (insert  
17 rate)) (discontinued)?

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

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

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

25 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;  
26 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

1 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

2 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
3 The corporate authorities of a home rule county may impose a  
4 tax upon all persons engaged, in such county, in the business  
5 of making sales of service at the same rate of tax imposed  
6 pursuant to Section 5-1006 of the selling price of all tangible  
7 personal property transferred by such servicemen either in the  
8 form of tangible personal property or in the form of real  
9 estate as an incident to a sale of service. If imposed, such  
10 tax shall only be imposed in 1/4% increments. On and after  
11 September 1, 1991, this additional tax may not be imposed on  
12 the sales of food for human consumption which is to be consumed  
13 off the premises where it is sold (other than alcoholic  
14 beverages, soft drinks and food which has been prepared for  
15 immediate consumption) and prescription and nonprescription  
16 medicines, drugs, medical appliances and insulin, urine  
17 testing materials, syringes and needles used by diabetics.  
18 Beginning June 23, 2018, this tax is not imposed on sales of  
19 aviation fuel unless the tax revenue is expended for  
20 airport-related purposes. If the county does not have an  
21 airport-related purpose to which it dedicates aviation fuel tax  
22 revenue, then aviation fuel is excluded from the tax. The  
23 county must comply with the certification requirements for  
24 airport-related purposes under Section 5-1184. For purposes of  
25 this Act, "airport-related purposes" has the meaning ascribed

1 in 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 county. The changes made to this Section by this  
5 amendatory Act of the 100th General Assembly are a denial and  
6 limitation of home rule powers and functions under subsection  
7 (g) of Section 6 of Article VII of the Illinois Constitution.

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



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

20 No tax may be imposed by a home rule county pursuant to  
21 this Section unless such county also imposes a tax at the same  
22 rate pursuant to Section 5-1006.

23 Persons subject to any tax imposed pursuant to the  
24 authority granted in this Section may reimburse themselves for  
25 their serviceman's tax liability hereunder by separately  
26 stating such tax as an additional charge, which charge may be

1 stated in combination, in a single amount, with State tax which  
2 servicemen are authorized to collect under the Service Use Tax  
3 Act, pursuant to such bracket schedules as the Department may  
4 prescribe.

5 Whenever the Department determines that a refund should be  
6 made under this Section to a claimant instead of issuing credit  
7 memorandum, the Department shall notify the State Comptroller,  
8 who shall cause the order to be drawn for the amount specified,  
9 and to the person named, in such notification from the  
10 Department. Such refund shall be paid by the State Treasurer  
11 out of the home rule county retailers' occupation tax fund.

12 Except as otherwise provided in this paragraph, the ~~The~~  
13 Department shall forthwith pay over to the State Treasurer,  
14 ex-officio, as trustee, all taxes and penalties collected  
15 hereunder for deposit into the Home Rule County Retailers'  
16 Occupation Tax Fund. Taxes and penalties collected on aviation  
17 fuel sold on or after June 23, 2018, 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 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,  
7 on or before the 25th day of each calendar month, the  
8 Department shall prepare and certify to the Comptroller the  
9 disbursement of stated sums of money to named counties, the  
10 counties to be those from which suppliers and servicemen have  
11 paid taxes or penalties hereunder to the Department during the  
12 second preceding calendar month. The amount to be paid to each  
13 county shall be the amount (not including credit memoranda and  
14 not including taxes and penalties collected on aviation fuel  
15 sold on or after June 23, 2018) collected hereunder during the  
16 second preceding calendar month by the Department, and not  
17 including an amount equal to the amount of refunds made during  
18 the second preceding calendar month by the Department on behalf  
19 of such county, 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 counties, shall prepare and  
24 certify to the State Comptroller the amount to be transferred  
25 into the Tax Compliance and Administration Fund under this  
26 Section. Within 10 days after receipt, by the Comptroller, of

1 the disbursement certification to the counties and the Tax  
2 Compliance and Administration Fund provided for in this Section  
3 to be given to the Comptroller by the Department, the  
4 Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with the directions contained  
6 in such certification.

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

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

25 An ordinance or resolution imposing or discontinuing a tax  
26 hereunder or effecting a change in the rate thereof shall be

1 adopted and a certified copy thereof filed with the Department  
2 on or before the first day of June, whereupon the Department  
3 shall proceed to administer and enforce this Section as of the  
4 first day of September next following such adoption and filing.  
5 Beginning January 1, 1992, an ordinance or resolution imposing  
6 or discontinuing the tax hereunder or effecting a change in the  
7 rate thereof shall be adopted and a certified copy thereof  
8 filed with the Department on or before the first day of July,  
9 whereupon the Department shall proceed to administer and  
10 enforce this Section as of the first day of October next  
11 following such adoption and filing. Beginning January 1, 1993,  
12 an ordinance or resolution imposing or discontinuing the tax  
13 hereunder or effecting a change in the rate thereof shall be  
14 adopted and a certified copy thereof filed with the Department  
15 on or before the first day of October, whereupon the Department  
16 shall proceed to administer and enforce this Section as of the  
17 first day of January next following such adoption and filing.  
18 Beginning April 1, 1998, an ordinance or resolution imposing or  
19 discontinuing the tax hereunder or effecting a change in the  
20 rate thereof shall either (i) be adopted and a certified copy  
21 thereof filed with the Department on or before the first day of  
22 April, whereupon the Department shall proceed to administer and  
23 enforce this Section as of the first day of July next following  
24 the adoption and filing; or (ii) be adopted and a certified  
25 copy thereof filed with the Department on or before the first  
26 day of October, whereupon the Department shall proceed to

1 administer and enforce this Section as of the first day of  
2 January next following the adoption and filing.

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

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

6 (55 ILCS 5/5-1008.5)

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

8 (a) The Rock Island County Board may adopt a resolution  
9 that authorizes a referendum on the question of whether the  
10 county shall be authorized to impose a retailers' occupation  
11 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
12 1% on behalf of the economic development activities of Rock  
13 Island County and communities located within the county. The  
14 county board shall certify the question to the proper election  
15 authorities who shall submit the question to the voters of the  
16 county at the next regularly scheduled election in accordance  
17 with the general election law. The question shall be in  
18 substantially the following form:

19 Shall Rock Island County be authorized to impose a  
20 retailers' occupation tax, a service occupation tax, and a  
21 use tax at the rate of 1/4 of 1% for the sole purpose of  
22 economic development activities, including creation and  
23 retention of job opportunities, support of affordable  
24 housing opportunities, and enhancement of quality of life  
25 improvements?

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

4           (b) The county shall impose the retailers' occupation tax  
5 upon all persons engaged in the business of selling tangible  
6 personal property at retail in the county, at the rate approved  
7 by referendum, on the gross receipts from the sales made in the  
8 course of those businesses within the county. This additional  
9 tax may not be imposed on the sale of food for human  
10 consumption that is to be consumed off the premises where it is  
11 sold (other than alcoholic beverages, soft drinks, and food  
12 that has been prepared for immediate consumption) and  
13 prescription and non-prescription medicines, drugs, medical  
14 appliances and insulin, urine testing materials, syringes, and  
15 needles used by diabetics. Beginning June 23, 2018, this tax is  
16 not imposed on sales of aviation fuel unless the tax revenue is  
17 expended for airport-related purposes. If the county does not  
18 have an airport-related purpose to which it dedicates aviation  
19 fuel tax revenue, then aviation fuel is excluded from the tax.  
20 The county must comply with the certification requirements for  
21 airport-related purposes under Section 5-1184. For purposes of  
22 this Act, "airport-related purposes" has the meaning ascribed  
23 in Section 6z-20.2 of the State Finance Act. This exclusion for  
24 aviation fuel only applies for so long as the revenue use  
25 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
26 binding on the county. The tax imposed under this Section and

1 all civil penalties that may be assessed as an incident of the  
2 tax shall be collected and enforced by the Department of  
3 Revenue. The Department has full power to administer and  
4 enforce this Section; to collect all taxes and penalties so  
5 collected in the manner provided in this Section; and to  
6 determine all rights to credit memoranda arising on account of  
7 the erroneous payment of tax or penalty under this Section. In  
8 the administration of, and compliance with, this Section, the  
9 Department and persons who are subject to this Section shall  
10 (i) have the same rights, remedies, privileges, immunities,  
11 powers and duties, (ii) be subject to the same conditions,  
12 restrictions, limitations, penalties, exclusions, exemptions,  
13 and definitions of terms, and (iii) employ the same modes of  
14 procedure as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
15 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to  
16 all provisions other than the State rate of tax), 2-15 through  
17 2-70, 2a, 2b, 2c, 3 (except as to the disposition of taxes and  
18 penalties collected and provisions related to quarter monthly  
19 payments, and except that the retailer's discount is not  
20 allowed for taxes paid on aviation fuel that are deposited into  
21 the Local Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c,  
22 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,  
23 11a, 12, and 13 of the Retailers' Occupation Tax Act and  
24 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
25 as if those provisions were set forth in this subsection.

26 Persons subject to any tax imposed under this subsection



1 may reimburse themselves for their seller's tax liability by  
2 separately stating the tax as an additional charge, which  
3 charge may be stated in combination, in a single amount, with  
4 State taxes that sellers are required to collect, in accordance  
5 with bracket schedules prescribed by the Department.

6 Whenever the Department determines that a refund should be  
7 made under this subsection 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 tax fund referenced under paragraph (g) of  
13 this Section.

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

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

26 Nothing in this Section shall be construed to authorize the

1 county to impose a tax 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 (c) If a tax has been imposed under subsection (b), a  
5 service occupation tax shall also be imposed at the same rate  
6 upon all persons engaged, in the county, in the business of  
7 making sales of service, who, as an incident to making those  
8 sales of service, transfer tangible personal property within  
9 the county as an incident to a sale of service. This additional  
10 tax may not be imposed on the sale of 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) and  
14 prescription and non-prescription medicines, drugs, medical  
15 appliances and insulin, urine testing materials, syringes, and  
16 needles used by diabetics. Beginning June 23, 2018, this tax is  
17 not imposed on sales of aviation fuel unless the tax revenue is  
18 expended for airport-related purposes. If the county does not  
19 have an airport-related purpose to which it dedicates aviation  
20 fuel tax revenue, then aviation fuel is excluded from the tax.  
21 The county must comply with the certification requirements for  
22 airport-related purposes under Section 5-1184. For purposes of  
23 this Act, "airport-related purposes" has the meaning ascribed  
24 in Section 6z-20.2 of the State Finance Act. This exclusion for  
25 aviation fuel only applies for so long as the revenue use  
26 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are

1 binding on the county. The tax imposed under this subsection  
2 and all civil penalties that may be assessed as an incident of  
3 the tax shall be collected and enforced by the Department of  
4 Revenue. The Department has full power to administer and  
5 enforce this paragraph; to collect all taxes and penalties due  
6 under this Section; to dispose of taxes and penalties so  
7 collected in the manner provided in this Section; and to  
8 determine all rights to credit memoranda arising on account of  
9 the erroneous payment of tax or penalty under this Section. In  
10 the administration of, and compliance with this paragraph, the  
11 Department and persons who are subject to this paragraph shall  
12 (i) have the same rights, remedies, privileges, immunities,  
13 powers, and duties, (ii) be subject to the same conditions,  
14 restrictions, limitations, penalties, exclusions, exemptions,  
15 and definitions of terms, and (iii) employ the same modes of  
16 procedure as are prescribed in Sections 2 (except that the  
17 reference to State in the definition of supplier maintaining a  
18 place of business in this State shall mean the county), 2a, 2b,  
19 3 through 3-55 (in respect to all provisions other than the  
20 State rate of tax), 4 (except that the reference to the State  
21 shall be to the county), 5, 7, 8 (except that the jurisdiction  
22 to which the tax shall be a debt to the extent indicated in  
23 that Section 8 shall be the county), 9 (except as to the  
24 disposition of taxes and penalties collected, and except that  
25 the returned merchandise credit for this tax may not be taken  
26 against any State tax, and except that the retailer's discount

1 is not allowed for taxes paid on aviation fuel that are  
2 deposited into the Local Government Aviation Trust Fund), 11,  
3 12 (except the reference to Section 2b of the Retailers'  
4 Occupation Tax Act), 13 (except that any reference to the State  
5 shall mean the county), 15, 16, 17, 18, 19 and 20 of the  
6 Service Occupation Tax Act and Section 3-7 of the Uniform  
7 Penalty and Interest Act, as fully as if those provisions were  
8 set forth in this subsection.

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

17 Whenever the Department determines that a refund should be  
18 made under this subsection to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the warrant to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the tax fund referenced under paragraph (g) of  
24 this Section.

25 Nothing in this paragraph shall be construed to authorize  
26 the county to impose a tax upon the privilege of engaging in

1 any business that under the Constitution of the United States  
2 may not be made the subject of taxation by the State.

3 (d) If a tax has been imposed under subsection (b), a use  
4 tax shall also be imposed at the same rate upon the privilege  
5 of using, in the county, any item of tangible personal property  
6 that is purchased outside the county at retail from a retailer,  
7 and that is titled or registered at a location within the  
8 county with an agency of this State's government. This  
9 additional tax may not be imposed on the sale of food for human  
10 consumption that is to be consumed off the premises where it is  
11 sold (other than alcoholic beverages, soft drinks, and food  
12 that has been prepared for immediate consumption) and  
13 prescription and non-prescription medicines, drugs, medical  
14 appliances and insulin, urine testing materials, syringes, and  
15 needles used by diabetics. "Selling price" is defined as in the  
16 Use Tax Act. The tax shall be collected from persons whose  
17 Illinois address for titling or registration purposes is given  
18 as being in the county. The tax shall be collected by the  
19 Department of Revenue for the county. The tax must be paid to  
20 the State, or an exemption determination must be obtained from  
21 the Department of Revenue, before the title or certificate of  
22 registration for the property may be issued. The tax or proof  
23 of exemption may be transmitted to the Department by way of the  
24 State agency with which, or the State officer with whom, the  
25 tangible personal property must be titled or registered if the  
26 Department and the State agency or State officer determine that

1 this procedure will expedite the processing of applications for  
2 title or registration.

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

26 Whenever the Department determines that a refund should be

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

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)  
13 of this Section and no additional registration shall be  
14 required. A certificate issued under the Use Tax Act or the  
15 Service Use Tax Act shall be applicable with regard to any tax  
16 imposed under paragraph (c) of this Section.

17 (f) The results of any election authorizing a proposition  
18 to impose a tax under this Section or effecting a change in the  
19 rate of tax shall be certified by the proper election  
20 authorities and filed with the Illinois Department on or before  
21 the first day of October. In addition, an ordinance imposing,  
22 discontinuing, or effecting a change in the rate of tax under  
23 this Section shall be adopted and a certified copy of the  
24 ordinance filed with the Department on or before the first day  
25 of October. After proper receipt of the certifications, the  
26 Department shall proceed to administer and enforce this Section

1 as of the first day of January next following the adoption and  
2 filing.

3 (g) Except as otherwise provided in paragraph (g-2), the  
4 ~~The~~ Department of Revenue shall, upon collecting any taxes and  
5 penalties as provided in this Section, pay the taxes and  
6 penalties over to the State Treasurer as trustee for the  
7 county. The taxes and penalties shall be held in a trust fund  
8 outside the State Treasury. On or before the 25th day of each  
9 calendar month, the Department of Revenue shall prepare and  
10 certify to the Comptroller of the State of Illinois the amount  
11 to be paid to the county, which shall be the balance in the  
12 fund, less any amount determined by the Department to be  
13 necessary for the payment of refunds. Within 10 days after  
14 receipt by the Comptroller of the certification of the amount  
15 to be paid to the county, the Comptroller shall cause an order  
16 to be drawn for payment for the amount in accordance with the  
17 directions contained in the certification. Amounts received  
18 from the tax imposed under this Section shall be used only for  
19 the economic development activities of the county and  
20 communities located within the county.

21 (g-2) Taxes and penalties collected on aviation fuel sold  
22 on or after June 23, 2018, shall be immediately paid over by  
23 the Department to the State Treasurer, ex officio, as trustee,  
24 for deposit into the Local Government Aviation Trust Fund. The  
25 Department shall only pay moneys into the Local Government  
26 Aviation Trust Fund under this Act for so long as the revenue



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

3 (h) When certifying the amount of a monthly disbursement to  
4 the county under this Section, the Department shall increase or  
5 decrease the amounts by an amount necessary to offset any  
6 miscalculation of previous disbursements. The offset amount  
7 shall be the amount erroneously disbursed within the previous 6  
8 months from the time a miscalculation is discovered.

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

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

12 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

13 Sec. 5-1009. Limitation on home rule powers. Except as  
14 provided in Sections 5-1006, 5-1006.5, 5-1007 and 5-1008, on  
15 and after September 1, 1990, no home rule county has the  
16 authority to impose, pursuant to its home rule authority, a  
17 retailer's occupation tax, service occupation tax, use tax,  
18 sales tax or other tax on the use, sale or purchase of tangible  
19 personal property based on the gross receipts from such sales  
20 or the selling or purchase price of said tangible personal  
21 property. Notwithstanding the foregoing, this Section does not  
22 preempt any home rule imposed tax such as the following: (1) a  
23 tax on alcoholic beverages, whether based on gross receipts,  
24 volume sold or any other measurement; (2) a tax based on the  
25 number of units of cigarettes or tobacco products; (3) a tax,

1 however measured, based on the use of a hotel or motel room or  
2 similar facility; (4) a tax, however measured, on the sale or  
3 transfer of real property; (5) a tax, however measured, on  
4 lease receipts; (6) a tax on food prepared for immediate  
5 consumption and on alcoholic beverages sold by a business which  
6 provides for on premise consumption of said food or alcoholic  
7 beverages; or (7) other taxes not based on the selling or  
8 purchase price or gross receipts from the use, sale or purchase  
9 of tangible personal property. This Section does not preempt a  
10 home rule county from imposing a tax, however measured, on the  
11 use, for consideration, of a parking lot, garage, or other  
12 parking facility.

13 On and after June 23, 2018, no home rule county has the  
14 authority to impose, pursuant to its home rule authority, a  
15 tax, however measured, on sales of aviation fuel, as defined in  
16 Section 3 of the Retailers' Occupation Tax Act, unless the tax  
17 revenue is expended for airport-related purposes. For purposes  
18 of this Section, "airport-related purposes" has the meaning  
19 ascribed in Section 6z-20.2 of the State Finance Act. Aviation  
20 fuel shall be excluded from tax only for so long as the revenue  
21 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133  
22 are binding on the county.

23 This Section is a limitation, pursuant to subsection (g) of  
24 Section 6 of Article VII of the Illinois Constitution, on the  
25 power of home rule units to tax. The changes made to this  
26 Section by this amendatory Act of the 100th General Assembly

1 are a denial and limitation of home rule powers and functions  
2 under subsection (g) of Section 6 of Article VII of the  
3 Illinois Constitution.

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

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

6 Sec. 5-1035.1. County Motor Fuel Tax Law. The county board  
7 of the counties of DuPage, Kane and McHenry may, by an  
8 ordinance or resolution adopted by an affirmative vote of a  
9 majority of the members elected or appointed to the county  
10 board, impose a tax upon all persons engaged in the county in  
11 the business of selling motor fuel, as now or hereafter defined  
12 in the Motor Fuel Tax Law, at retail for the operation of motor  
13 vehicles upon public highways or for the operation of  
14 recreational watercraft upon waterways. The collection of a tax  
15 under this Section based on gallonage of gasoline used for the  
16 propulsion of any aircraft is prohibited, and the collection of  
17 a tax based on gallonage of special fuel used for the  
18 propulsion of any aircraft is prohibited on and after June 23,  
19 2018. Kane County may exempt diesel fuel from the tax imposed  
20 pursuant to this Section. The tax may be imposed, in half-cent  
21 increments, at a rate not exceeding 4 cents per gallon of motor  
22 fuel sold at retail within the county for the purpose of use or  
23 consumption and not for the purpose of resale. The proceeds  
24 from the tax shall be used by the county solely for the purpose  
25 of operating, constructing and improving public highways and

1 waterways, and acquiring real property and right-of-ways for  
2 public highways and waterways within the county imposing the  
3 tax.

4 A tax imposed pursuant to this Section, and all civil  
5 penalties that may be assessed as an incident thereof, shall be  
6 administered, collected and enforced by the Illinois  
7 Department of Revenue in the same manner as the tax imposed  
8 under the Retailers' Occupation Tax Act, as now or hereafter  
9 amended, insofar as may be practicable; except that in the  
10 event of a conflict with the provisions of this Section, this  
11 Section shall control. The Department of Revenue shall have  
12 full power: to administer and enforce this Section; to collect  
13 all taxes and penalties due hereunder; to dispose of taxes and  
14 penalties so collected in the manner hereinafter provided; and  
15 to determine all rights to credit memoranda arising on account  
16 of the erroneous payment of tax or penalty hereunder.

17 Whenever the Department determines that a refund shall be  
18 made under this Section to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the County Option Motor Fuel Tax Fund.

24 The Department shall forthwith pay over to the State  
25 Treasurer, ex-officio, as trustee, all taxes and penalties  
26 collected hereunder, which shall be deposited into the County

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

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

25 Nothing in this Section shall be construed to authorize a  
26 county to impose a tax upon the privilege of engaging in any

1 business which under the Constitution of the United States may  
2 not be made the subject of taxation by this State.

3 An ordinance or resolution imposing a tax hereunder or  
4 effecting a change in the rate thereof shall be effective on  
5 the first day of the second calendar month next following the  
6 month in which the ordinance or resolution is adopted and a  
7 certified copy thereof is filed with the Department of Revenue,  
8 whereupon the Department of Revenue shall proceed to administer  
9 and enforce this Section on behalf of the county as of the  
10 effective date of the ordinance or resolution. Upon a change in  
11 rate of a tax levied hereunder, or upon the discontinuance of  
12 the tax, the county board of the county shall, on or not later  
13 than 5 days after the effective date of the ordinance or  
14 resolution discontinuing the tax or effecting a change in rate,  
15 transmit to the Department of Revenue a certified copy of the  
16 ordinance or resolution effecting the change or  
17 discontinuance.

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

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

21 (55 ILCS 5/5-1184 new)

22 Sec. 5-1184. Certification for airport-related purposes.  
23 On or before April 1, 2018, and on or before each April 1 and  
24 October 1 thereafter, each county must certify to the Illinois  
25 Department of Transportation, in the form and manner required

1 by the Department, whether the county has an airport-related  
2 purpose, which would allow any Retailers' Occupation Tax and  
3 Service Occupation Tax imposed by the county to include tax on  
4 aviation fuel. On or before May 1, 2018, and on or before each  
5 May 1 and November 1 thereafter, the Department of  
6 Transportation shall provide to the Department of Revenue, a  
7 list of units of local government which have certified to the  
8 Department of Transportation that they have airport-related  
9 purposes, which would allow any Retailers' Occupation Tax and  
10 Service Occupation Tax imposed by the units of local government  
11 to include tax on aviation fuel. All disputes regarding whether  
12 or not a unit of local government has an airport-related  
13 purpose shall be resolved by the Illinois Department of  
14 Transportation.

15 Section 45. The Illinois Municipal Code is amended by  
16 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
17 8-11-1.7, 8-11-5, 8-11-6a, and 11-74.3-6 and by adding Sections  
18 8-11-22 and 11-101-3 as follows:

19 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

20 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
21 Act. The corporate authorities of a home rule municipality may  
22 impose a tax upon all persons engaged in the business of  
23 selling tangible personal property, other than an item of  
24 tangible personal property titled or registered with an agency

1 of this State's government, at retail in the municipality on  
2 the gross receipts from these sales made in the course of such  
3 business. If imposed, the tax shall only be imposed in 1/4%  
4 increments. On and after September 1, 1991, this additional tax  
5 may not be imposed on the sales of food for human consumption  
6 that is to be consumed off the premises where it is sold (other  
7 than alcoholic beverages, soft drinks and food that has been  
8 prepared for immediate consumption) and prescription and  
9 nonprescription medicines, drugs, medical appliances and  
10 insulin, urine testing materials, syringes and needles used by  
11 diabetics. Beginning June 23, 2018, this tax is not imposed on  
12 sales of aviation fuel unless the tax revenue is expended for  
13 airport-related purposes. If a municipality 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. Each  
16 municipality must comply with the certification requirements  
17 for airport-related purposes under Section 8-11-22. For  
18 purposes of this Act, "airport-related purposes" has the  
19 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
20 This exclusion for aviation fuel only applies for so long as  
21 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
22 U.S.C. §47133 are binding on the municipality. The changes made  
23 to this Section by this amendatory Act of the 100th General  
24 Assembly are a denial and limitation of home rule powers and  
25 functions under subsection (g) of Section 6 of Article VII of  
26 the Illinois Constitution. The tax imposed by a home rule



1 municipality under this Section and all civil penalties that  
2 may be assessed as an incident of the tax shall be collected  
3 and enforced by the State Department of Revenue. The  
4 certificate of registration that is issued by the Department to  
5 a retailer under the Retailers' Occupation Tax Act shall permit  
6 the retailer to engage in a business that is taxable under any  
7 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 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,  
22 1m, 1n, 2 through 2-65 (in respect to all provisions therein  
23 other than the State rate of tax), 2c, 3 (except as to the  
24 disposition of taxes and penalties collected, and except that  
25 the retailer's discount is not allowed for taxes paid on  
26 aviation fuel that are deposited into the Local Government

1 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
2 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
3 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
4 Penalty and Interest Act, as fully as if those provisions were  
5 set forth herein.

6 No tax may be imposed by a home rule municipality under  
7 this Section unless the municipality also imposes a tax at the  
8 same rate under Section 8-11-5 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 that 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 home rule municipal retailers' occupation  
23 tax fund.

24 Except as otherwise provided in this paragraph, the ~~The~~  
25 Department shall immediately pay over to the State Treasurer,  
26 ex officio, as trustee, all taxes and penalties collected

1     hereunder for deposit into the Home Rule Municipal Retailers'  
2     Occupation Tax Fund. Taxes and penalties collected on aviation  
3     fuel sold on or after June 23, 2018, shall be immediately paid  
4     over by the Department to the State Treasurer, ex officio, as  
5     trustee, for deposit into the Local Government Aviation Trust  
6     Fund. The Department shall only pay moneys into the Local  
7     Government Aviation Trust Fund under this Act for so long as  
8     the revenue use requirements of 49 U.S.C. §47107(b) and 49  
9     U.S.C. §47133 are binding on the State.

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 June 23, 2018) 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 such 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 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

8 For the purpose of determining the local governmental unit  
9 whose tax is applicable, a retail sale by a producer of coal or  
10 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 United States 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 An ordinance or resolution imposing or discontinuing a tax  
22 hereunder or effecting a change in the rate thereof shall be  
23 adopted and a certified copy thereof filed with the Department  
24 on or before the first day of June, whereupon the Department  
25 shall proceed to administer and enforce this Section as of the  
26 first day of September next following the adoption and filing.

1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the Department  
12 shall proceed to administer and enforce this Section as of the  
13 first day of January next following the adoption and filing.  
14 However, a municipality located in a county with a population  
15 in excess of 3,000,000 that elected to become a home rule unit  
16 at the general primary election in 1994 may adopt an ordinance  
17 or resolution imposing the tax under this Section and file a  
18 certified copy of the ordinance or resolution with the  
19 Department on or before July 1, 1994. The Department shall then  
20 proceed to administer and enforce this Section as of October 1,  
21 1994. Beginning April 1, 1998, an ordinance or resolution  
22 imposing or discontinuing the tax hereunder or effecting a  
23 change in the rate thereof shall either (i) be adopted and a  
24 certified copy thereof filed with the Department on or before  
25 the first day of April, whereupon the Department shall proceed  
26 to administer and enforce this Section as of the first day of

1 July next following the adoption and filing; or (ii) be adopted  
2 and a certified copy thereof filed with the Department on or  
3 before 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 the adoption and filing.

6 When certifying the amount of a monthly disbursement to a  
7 municipality under this Section, the Department shall increase  
8 or decrease the amount 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 Any unobligated balance remaining in the Municipal  
13 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
14 was abolished by Public Act 85-1135, and all receipts of  
15 municipal tax as a result of audits of liability periods prior  
16 to January 1, 1990, shall be paid into the Local Government Tax  
17 Fund for distribution as provided by this Section prior to the  
18 enactment of Public Act 85-1135. All receipts of municipal tax  
19 as a result of an assessment not arising from an audit, for  
20 liability periods prior to January 1, 1990, shall be paid into  
21 the Local Government Tax Fund for distribution before July 1,  
22 1990, as provided by this Section prior to the enactment of  
23 Public Act 85-1135; and on and after July 1, 1990, all such  
24 receipts shall be distributed as provided in Section 6z-18 of  
25 the State Finance Act.

26 As used in this Section, "municipal" and "municipality"



1 means a city, village or incorporated town, including an  
2 incorporated town that has superseded a civil township.

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

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

6 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

7 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
8 Occupation Tax Act. The corporate authorities of a non-home  
9 rule municipality may impose a tax upon all persons engaged in  
10 the business of selling tangible personal property, other than  
11 on an item of tangible personal property which is titled and  
12 registered by an agency of this State's Government, at retail  
13 in the municipality for expenditure on public infrastructure or  
14 for property tax relief or both as defined in Section 8-11-1.2  
15 if approved by referendum as provided in Section 8-11-1.1, of  
16 the gross receipts from such sales made in the course of such  
17 business. If the tax is approved by referendum on or after July  
18 14, 2010 (the effective date of Public Act 96-1057), the  
19 corporate authorities of a non-home rule municipality may,  
20 until December 31, 2020, use the proceeds of the tax for  
21 expenditure on municipal operations, in addition to or in lieu  
22 of any expenditure on public infrastructure or for property tax  
23 relief. The tax imposed may not be more than 1% and may be  
24 imposed only in 1/4% increments. The tax may not be imposed on  
25 the sale of food for human consumption that is to be consumed

1 off the premises where it is sold (other than alcoholic  
2 beverages, soft drinks, and food that has been prepared for  
3 immediate consumption) and prescription and nonprescription  
4 medicines, drugs, medical appliances, and insulin, urine  
5 testing materials, syringes, and needles used by diabetics.  
6 Beginning June 23, 2018, this tax is not imposed on sales of  
7 aviation fuel unless the tax revenue is expended for  
8 airport-related purposes. If a municipality does not have an  
9 airport-related purpose to which it dedicates aviation fuel tax  
10 revenue, then aviation fuel is excluded from the tax. Each  
11 municipality must comply with the certification requirements  
12 for airport-related purposes under Section 8-11-22. For  
13 purposes of this Act, "airport-related purposes" has the  
14 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
15 This exclusion for aviation fuel only applies for so long as  
16 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
17 U.S.C. §47133 are binding on the municipality. The tax imposed  
18 by a municipality pursuant to this Section and all civil  
19 penalties that may be assessed as an incident thereof shall be  
20 collected and enforced by the State Department of Revenue. The  
21 certificate of registration which is issued by the Department  
22 to a retailer under the Retailers' Occupation Tax Act shall  
23 permit such retailer to engage in a business which is taxable  
24 under any ordinance or resolution enacted pursuant to this  
25 Section without registering separately with the Department  
26 under such ordinance or resolution or under this Section. The

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

22 No municipality may impose a tax under this Section unless  
23 the municipality also imposes a tax at the same rate under  
24 Section 8-11-1.4 of this Code.

25 Persons subject to any tax imposed pursuant to the  
26 authority granted in this Section may reimburse themselves for

1 their seller's tax liability hereunder by separately stating  
2 such tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax which sellers  
4 are required to collect under the Use Tax Act, pursuant to such  
5 bracket 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 order to be drawn for the  
10 amount specified, and to the person named, in such notification  
11 from the Department. Such refund shall be paid by the State  
12 Treasurer out of the non-home rule municipal retailers'  
13 occupation tax fund.

14 Except as otherwise provided, the ~~The~~ Department shall  
15 forthwith pay over to the State Treasurer, ex officio, as  
16 trustee, all taxes and penalties collected hereunder for  
17 deposit into the Non-Home Rule Municipal Retailers' Occupation  
18 Tax Fund. Taxes and penalties collected on aviation fuel sold  
19 on or after June 23, 2018, shall be immediately paid over by  
20 the Department to the State Treasurer, ex officio, as trustee,  
21 for deposit into the Local Government Aviation Trust Fund. The  
22 Department shall only pay moneys into the Local Government  
23 Aviation Trust Fund under this Act for so long as the revenue  
24 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
25 are binding on the municipality.

26 As soon as possible after the first day of each month,

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

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on or before the 25th day of each calendar month, the  
10 Department shall prepare and certify to the Comptroller the  
11 disbursement of stated sums of money to named municipalities,  
12 the municipalities to be those from which retailers have paid  
13 taxes or penalties hereunder to the Department during the  
14 second preceding calendar month. The amount to be paid to each  
15 municipality shall be the amount (not including credit  
16 memoranda and not including taxes and penalties collected on  
17 aviation fuel sold on or after June 23, 2018) collected  
18 hereunder during the second preceding calendar month by the  
19 Department plus an amount the Department determines is  
20 necessary to offset any amounts which were erroneously paid to  
21 a different taxing body, and not including an amount equal to  
22 the amount of refunds made during the second preceding calendar  
23 month by the Department on behalf of such municipality, and not  
24 including any amount which the Department determines is  
25 necessary to offset any amounts which were payable to a  
26 different taxing body but were erroneously paid to the

1 municipality, and not including any amounts that are  
2 transferred to the STAR Bonds Revenue Fund, less 2% of the  
3 remainder, which the Department shall transfer into the Tax  
4 Compliance and Administration Fund. The Department, at the time  
5 of each monthly disbursement to the municipalities, shall  
6 prepare and certify to the State Comptroller the amount to be  
7 transferred into the Tax Compliance and Administration Fund  
8 under this Section. Within 10 days after receipt, by the  
9 Comptroller, of the disbursement certification to the  
10 municipalities and the Tax Compliance and Administration Fund  
11 provided for in this Section to be given to the Comptroller by  
12 the Department, the Comptroller shall cause the orders to be  
13 drawn for the respective amounts in accordance with the  
14 directions contained in such certification.

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

24 Nothing in this Section shall be construed to authorize a  
25 municipality to impose a tax upon the privilege of engaging in  
26 any business which under the constitution of the United States

1 may not be made the subject of taxation by this State.

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

8 The Department of Revenue shall implement this amendatory  
9 Act of the 91st General Assembly so as to collect the tax on  
10 and after January 1, 2002.

11 As used in this Section, "municipal" and "municipality"  
12 means a city, village or incorporated town, including an  
13 incorporated town which has superseded a civil township.

14 This Section shall be known and may be cited as the  
15 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

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

17 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

18 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
19 Tax Act. The corporate authorities of a non-home rule  
20 municipality may impose a tax upon all persons engaged, in such  
21 municipality, in the business of making sales of service for  
22 expenditure on public infrastructure or for property tax relief  
23 or both as defined in Section 8-11-1.2 if approved by  
24 referendum as provided in Section 8-11-1.1, of the selling  
25 price of all tangible personal property transferred by such

1 servicemen either in the form of tangible personal property or  
2 in the form of real estate as an incident to a sale of service.  
3 If the tax is approved by referendum on or after July 14, 2010  
4 (the effective date of Public Act 96-1057), the corporate  
5 authorities of a non-home rule municipality may, until December  
6 31, 2020, use the proceeds of the tax for expenditure on  
7 municipal operations, in addition to or in lieu of any  
8 expenditure on public infrastructure or for property tax  
9 relief. The tax imposed may not be more than 1% and may be  
10 imposed only in 1/4% increments. The tax may not be imposed on  
11 the sale of food for human consumption that is to be consumed  
12 off the premises where it is sold (other than alcoholic  
13 beverages, soft drinks, and food that 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 June 23, 2018, this tax is not imposed on sales of  
18 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 is excluded from the 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 exclusion 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 municipality. The tax imposed  
3 by a municipality pursuant to this Section and all civil  
4 penalties that may be assessed as an incident thereof shall be  
5 collected and enforced by the State Department of Revenue. The  
6 certificate of registration which is issued by the Department  
7 to a retailer under the Retailers' Occupation Tax Act or under  
8 the Service Occupation Tax Act shall permit such registrant to  
9 engage in a business which is taxable under any ordinance or  
10 resolution enacted pursuant to this Section without  
11 registering separately with the Department under such  
12 ordinance or resolution or under this Section. The Department  
13 shall have full power to administer and enforce this Section;  
14 to collect all taxes and penalties due hereunder; to dispose of  
15 taxes and penalties so collected in the manner hereinafter  
16 provided, and to determine all rights to credit memoranda  
17 arising on account of the erroneous payment of tax or penalty  
18 hereunder. In the administration of, and compliance with, this  
19 Section the Department and persons who are subject to this  
20 Section shall have the same rights, remedies, privileges,  
21 immunities, powers and duties, and be subject to the same  
22 conditions, restrictions, limitations, penalties and  
23 definitions of terms, and employ the same modes of procedure,  
24 as are prescribed in Sections 1a-1, 2, 2a, 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 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
2 which the tax shall be a debt to the extent indicated in that  
3 Section 8 shall be the taxing municipality), 9 (except as to  
4 the disposition of taxes and penalties collected, and except  
5 that the returned merchandise credit for this municipal tax may  
6 not be taken against any State tax, and except that the  
7 retailer's discount is not allowed for taxes paid on aviation  
8 fuel that are deposited into the Local Government Aviation  
9 Trust Fund), 10, 11, 12 (except the reference therein to  
10 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
11 that any reference to the State shall mean the taxing  
12 municipality), the first paragraph of Section 15, 16, 17, 18,  
13 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
14 the Uniform Penalty and Interest Act, as fully as if those  
15 provisions were set forth herein.

16 No municipality may impose a tax under this Section unless  
17 the municipality also imposes a tax at the same rate under  
18 Section 8-11-1.3 of this Code.

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

1           Whenever the Department determines that a refund should be  
2 made under this Section to a claimant instead of issuing credit  
3 memorandum, the Department shall notify the State Comptroller,  
4 who shall cause the order to be drawn for the amount specified,  
5 and to the person named, in such notification from the  
6 Department. Such refund shall be paid by the State Treasurer  
7 out of the municipal retailers' occupation tax fund.

8           Except as otherwise provided in this paragraph, the ~~The~~  
9 Department shall forthwith pay over to the State Treasurer, ex  
10 officio, as trustee, all taxes and penalties collected  
11 hereunder for deposit into the municipal retailers' occupation  
12 tax fund. Taxes and penalties collected on aviation fuel sold  
13 on or after June 23, 2018, shall be immediately paid over by  
14 the Department to the State Treasurer, ex officio, as trustee,  
15 for deposit into the Local Government Aviation Trust Fund. The  
16 Department shall only pay moneys into the Local Government  
17 Aviation Trust Fund under this Act for so long as the revenue  
18 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
19 are binding on the municipality.

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

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,  
3 on or before the 25th day of each calendar month, the  
4 Department shall prepare and certify to the Comptroller the  
5 disbursement of stated sums of money to named municipalities,  
6 the municipalities to be those from which suppliers and  
7 servicemen have paid taxes or penalties hereunder to the  
8 Department during the second preceding calendar month. The  
9 amount to be paid to each municipality shall be the amount (not  
10 including credit memoranda and not including taxes and  
11 penalties collected on aviation fuel sold on or after June 23,  
12 2018) collected hereunder during the second preceding calendar  
13 month by the Department, and not including an amount equal to  
14 the amount of refunds made during the second preceding calendar  
15 month by the Department on behalf of such municipality, and not  
16 including any amounts that are transferred to the STAR Bonds  
17 Revenue Fund, less 2% of the remainder, which the Department  
18 shall transfer into the Tax Compliance and Administration Fund.  
19 The Department, at the time of each monthly disbursement to the  
20 municipalities, shall prepare and certify to the State  
21 Comptroller the amount to be transferred into the Tax  
22 Compliance and Administration Fund under this Section. Within  
23 10 days after receipt, by the Comptroller, of the disbursement  
24 certification to the municipalities, the General Revenue Fund,  
25 and the Tax Compliance and Administration Fund provided for in  
26 this Section to be given to the Comptroller by the Department,

1 the Comptroller shall cause the orders to be drawn for the  
2 respective amounts in accordance with the directions contained  
3 in such certification.

4 The Department of Revenue shall implement this amendatory  
5 Act of the 91st General Assembly so as to collect the tax on  
6 and after January 1, 2002.

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

11 As used in this Section, "municipal" or "municipality"  
12 means or refers to a city, village or incorporated town,  
13 including an incorporated town which has superseded a civil  
14 township.

15 This Section shall be known and may be cited as the  
16 "Non-Home Rule Municipal Service Occupation Tax Act".

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

18 (65 ILCS 5/8-11-1.6)

19 Sec. 8-11-1.6. Non-home rule municipal retailers  
20 occupation tax; municipalities between 20,000 and 25,000. The  
21 corporate authorities of a non-home rule municipality with a  
22 population of more than 20,000 but less than 25,000 that has,  
23 prior to January 1, 1987, established a Redevelopment Project  
24 Area that has been certified as a State Sales Tax Boundary and  
25 has issued bonds or otherwise incurred indebtedness to pay for

1 costs in excess of \$5,000,000, which is secured in part by a  
2 tax increment allocation fund, in accordance with the  
3 provisions of Division 11-74.4 of this Code may, by passage of  
4 an ordinance, impose a tax upon all persons engaged in the  
5 business of selling tangible personal property, other than on  
6 an item of tangible personal property that is titled and  
7 registered by an agency of this State's Government, at retail  
8 in the municipality. This tax may not be imposed on the sales  
9 of food for human consumption that is to be consumed off the  
10 premises where it is sold (other than alcoholic beverages, soft  
11 drinks, and food that has been prepared for immediate  
12 consumption) and prescription and nonprescription medicines,  
13 drugs, medical appliances and insulin, urine testing  
14 materials, syringes, and needles used by diabetics. Beginning  
15 June 23, 2018, this tax is not imposed on sales of aviation  
16 fuel unless the tax revenue is expended for airport-related  
17 purposes. If a municipality does not have an airport-related  
18 purpose to which it dedicates aviation fuel tax revenue, then  
19 aviation fuel is excluded from the tax. Each municipality must  
20 comply with the certification requirements for airport-related  
21 purposes under Section 8-11-22. For purposes of this Act,  
22 "airport-related purposes" has the meaning ascribed in Section  
23 6z-20.2 of the State Finance Act. This exclusion for aviation  
24 fuel only applies for so long as the revenue use requirements  
25 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the  
26 municipality. If imposed, the tax shall only be imposed in .25%

1 increments of the gross receipts from such sales made in the  
2 course of business. Any tax imposed by a municipality under  
3 this Section and all civil penalties that may be assessed as an  
4 incident thereof shall be collected and enforced by the State  
5 Department of Revenue. An ordinance imposing a tax hereunder or  
6 effecting a change in the rate thereof shall be adopted and a  
7 certified copy thereof filed with the Department on or before  
8 the first day of October, whereupon the Department shall  
9 proceed to administer and enforce this Section as of the first  
10 day of January next following such adoption and filing. The  
11 certificate of registration that is issued by the Department to  
12 a retailer under the Retailers' Occupation Tax Act shall permit  
13 the retailer to engage in a business that is taxable under any  
14 ordinance or resolution enacted under this Section without  
15 registering separately with the Department under the ordinance  
16 or resolution or under this Section. The Department shall have  
17 full power to administer and enforce this Section, to collect  
18 all taxes and penalties due hereunder, to dispose of taxes and  
19 penalties so collected in the manner hereinafter provided, and  
20 to determine all rights to credit memoranda, arising on account  
21 of the erroneous payment of tax or penalty hereunder. In the  
22 administration of, and compliance with this Section, the  
23 Department and persons who are subject to this Section shall  
24 have the same rights, remedies, privileges, immunities,  
25 powers, and duties, and be subject to the same conditions,  
26 restrictions, limitations, penalties, and definitions of

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

12 A tax may not be imposed by a municipality under this  
13 Section unless the municipality also imposes a tax at the same  
14 rate under Section 8-11-1.7 of this Act.

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

22 Whenever the Department determines that a refund should be  
23 made under this Section 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 the Non-Home Rule Municipal Retailers'  
3 Occupation Tax Fund, which is hereby created.

4 Except as otherwise provided in this paragraph, the ~~The~~  
5 Department shall forthwith pay over to the State Treasurer, ex  
6 officio, as trustee, all taxes and penalties collected  
7 hereunder for deposit into the Non-Home Rule Municipal  
8 Retailers' Occupation Tax Fund. Taxes and penalties collected  
9 on aviation fuel sold on or after June 23, 2018, shall be  
10 immediately paid over by the Department to the State Treasurer,  
11 ex officio, as trustee, for deposit into the Local Government  
12 Aviation Trust Fund. The Department shall only pay moneys into  
13 the Local Government Aviation Trust Fund under this Act for so  
14 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
15 49 U.S.C. §47133 are binding on the municipality.

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 municipalities,  
2 the municipalities to be those from which retailers have paid  
3 taxes or penalties hereunder to the Department during the  
4 second preceding calendar month. The amount to be paid to each  
5 municipality shall be the amount (not including credit  
6 memoranda and not including taxes and penalties collected on  
7 aviation fuel sold on or after June 23, 2018) collected  
8 hereunder during the second preceding calendar month by the  
9 Department plus an amount the Department determines is  
10 necessary to offset any amounts that were erroneously paid to a  
11 different taxing body, and not including an amount equal to the  
12 amount of refunds made during the second preceding calendar  
13 month by the Department on behalf of the municipality, and not  
14 including any amount that the Department determines is  
15 necessary to offset any amounts that were payable to a  
16 different taxing body but were erroneously paid to the  
17 municipality, 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 municipalities, shall  
22 prepare and certify to the State Comptroller the amount to be  
23 transferred into the Tax Compliance and Administration Fund  
24 under this Section. Within 10 days after receipt by the  
25 Comptroller of the disbursement certification to the  
26 municipalities and the Tax Compliance and Administration Fund

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

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

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

18 When certifying the amount of a monthly disbursement to a  
19 municipality under this Section, the Department shall increase  
20 or decrease the amount by an amount necessary to offset any  
21 misallocation of previous disbursements. The offset amount  
22 shall be the amount erroneously disbursed within the previous 6  
23 months from the time a misallocation is discovered.

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

1 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;  
2 100-23, eff. 7-6-17; revised 10-3-17.)

3 (65 ILCS 5/8-11-1.7)

4 Sec. 8-11-1.7. Non-home rule municipal service occupation  
5 tax; municipalities between 20,000 and 25,000. The corporate  
6 authorities of a non-home rule municipality with a population  
7 of more than 20,000 but less than 25,000 as determined by the  
8 last preceding decennial census that has, prior to January 1,  
9 1987, established a Redevelopment Project Area that has been  
10 certified as a State Sales Tax Boundary and has issued bonds or  
11 otherwise incurred indebtedness to pay for costs in excess of  
12 \$5,000,000, which is secured in part by a tax increment  
13 allocation fund, in accordance with the provisions of Division  
14 11-74.4 of this Code may, by passage of an ordinance, impose a  
15 tax upon all persons engaged in the municipality in the  
16 business of making sales of service. If imposed, the tax shall  
17 only be imposed in .25% increments of the selling price of all  
18 tangible personal property transferred by such servicemen  
19 either in the form of tangible personal property or in the form  
20 of real estate as an incident to a sale of service. This tax  
21 may not be imposed on the sales of food for human consumption  
22 that is to be consumed off the premises where it is sold (other  
23 than alcoholic beverages, soft drinks, and food that has been  
24 prepared for immediate consumption) and prescription and  
25 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes, and needles used by  
2 diabetics. Beginning June 23, 2018, this tax is not imposed on  
3 sales of aviation fuel unless the tax revenue is expended for  
4 airport-related purposes. If a municipality does not have an  
5 airport-related purpose to which it dedicates aviation fuel tax  
6 revenue, then aviation fuel is excluded from the tax. Each  
7 municipality must comply with the certification requirements  
8 for airport-related purposes under Section 8-11-22. 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 exclusion 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 municipality. The tax imposed  
14 by a municipality under this Section ~~Sec.~~ and all civil  
15 penalties that may be assessed as an incident thereof shall be  
16 collected and enforced by the State Department of Revenue. An  
17 ordinance imposing a tax hereunder or effecting a change in the  
18 rate thereof shall be adopted and a certified copy thereof  
19 filed with the Department on or before the first day of  
20 October, whereupon the Department shall proceed to administer  
21 and enforce this Section as of the first day of January next  
22 following such adoption and filing. The certificate of  
23 registration that is issued by the Department to a retailer  
24 under the Retailers' Occupation Tax Act or under the Service  
25 Occupation Tax Act shall permit the registrant to engage in a  
26 business that is taxable under any ordinance or resolution

1 enacted under this Section without registering separately with  
2 the Department under the ordinance or resolution or under this  
3 Section. The Department shall have full power to administer and  
4 enforce this Section, to collect all taxes and penalties due  
5 hereunder, to dispose of taxes and penalties so collected in a  
6 manner hereinafter provided, and to determine all rights to  
7 credit memoranda arising on account of the erroneous payment of  
8 tax or penalty hereunder. In the administration of and  
9 compliance with this Section, the Department and persons who  
10 are subject to this Section shall have the same rights,  
11 remedies, privileges, immunities, powers, and duties, and be  
12 subject to the same conditions, restrictions, limitations,  
13 penalties and definitions of terms, and employ the same modes  
14 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
15 through 3-50 (in respect to all provisions therein other than  
16 the State rate of tax), 4 (except that the reference to the  
17 State shall be to the taxing municipality), 5, 7, 8 (except  
18 that the jurisdiction to which the tax shall be a debt to the  
19 extent indicated in that Section 8 shall be the taxing  
20 municipality), 9 (except as to the disposition of taxes and  
21 penalties collected, and except that the returned merchandise  
22 credit for this municipal tax may not be taken against any  
23 State tax, and except that the retailer's discount is not  
24 allowed for taxes paid on aviation fuel that are deposited into  
25 the Local Government Aviation Trust Fund), 10, 11, 12, (except  
26 the reference therein to Section 2b of the Retailers'

1 Occupation Tax Act), 13 (except that any reference to the State  
2 shall mean the taxing municipality), the first paragraph of  
3 Sections 15, 16, 17, 18, 19, and 20 of the Service Occupation  
4 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
5 Act, 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 8-11-1.6 of this Act.

9 Person subject to any tax imposed under the authority  
10 granted in this Section may reimburse themselves for their  
11 servicemen's tax liability hereunder by separately stating the  
12 tax as an additional charge, which charge may be stated in  
13 combination, in a single amount, with State tax that servicemen  
14 are authorized to collect under the Service Use Tax Act, under  
15 such 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 credit  
18 memorandum, the Department shall notify the State Comptroller,  
19 who shall cause the order to be drawn for the amount specified,  
20 and to the person named, in such notification from the  
21 Department. The refund shall be paid by the State Treasurer out  
22 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

23 Except as otherwise provided in this paragraph, the ~~The~~  
24 Department shall forthwith pay over to the State Treasurer, ex  
25 officio, as trustee, all taxes and penalties collected  
26 hereunder for deposit into the Non-Home Rule Municipal

1 Retailers' Occupation Tax Fund. Taxes and penalties collected  
2 on aviation fuel sold on or after June 23, 2018, shall be  
3 immediately paid over by the Department to the State Treasurer,  
4 ex officio, as trustee, for deposit into the Local Government  
5 Aviation Trust Fund. The Department shall only pay moneys into  
6 the Local Government Aviation Trust Fund under this Act for so  
7 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
8 49 U.S.C. §47133 are binding on the municipality.

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

17       After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to named municipalities,  
21 the municipalities to be those from which suppliers and  
22 servicemen have paid taxes or penalties hereunder to the  
23 Department during the second preceding calendar month. The  
24 amount to be paid to each municipality shall be the amount (not  
25 including credit memoranda and not including taxes and  
26 penalties collected on aviation fuel sold on or after June 23,



1 2018) collected hereunder during the second preceding calendar  
2 month by the Department, and not including an amount equal to  
3 the amount of refunds made during the second preceding calendar  
4 month by the Department on behalf of such municipality, and not  
5 including any amounts that are transferred to the STAR Bonds  
6 Revenue Fund, less 2% of the remainder, which the Department  
7 shall transfer into the Tax Compliance and Administration Fund.  
8 The Department, at the time of each monthly disbursement to the  
9 municipalities, shall prepare and certify to the State  
10 Comptroller the amount to be transferred into the Tax  
11 Compliance and Administration Fund under this Section. Within  
12 10 days after receipt by the Comptroller of the disbursement  
13 certification to the municipalities, the Tax Compliance and  
14 Administration Fund, and the General Revenue Fund, provided for  
15 in this Section to be given to the Comptroller by the  
16 Department, the Comptroller shall cause the orders to be drawn  
17 for the respective amounts in accordance with the directions  
18 contained in the certification.

19 When certifying the amount of a monthly disbursement to a  
20 municipality under this Section, the Department shall increase  
21 or decrease the amount by an amount necessary to offset any  
22 misallocation of previous disbursements. The offset amount  
23 shall be the amount erroneously disbursed within the previous 6  
24 months from the time a misallocation is discovered.

25 Nothing in this Section shall be construed to authorize a  
26 municipality to impose a tax upon the privilege of engaging in

1 any business which under the constitution of the United States  
2 may not be made the subject of taxation by this State.

3 (Source: P.A. 100-23, eff. 7-6-17; revised 10-3-17.)

4 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

5 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
6 Act. The corporate authorities of a home rule municipality may  
7 impose a tax upon all persons engaged, in such municipality, in  
8 the business of making sales of service at the same rate of tax  
9 imposed pursuant to Section 8-11-1, of the selling price of all  
10 tangible personal property transferred by such servicemen  
11 either in the form of tangible personal property or in the form  
12 of real estate as an incident to a sale of service. If imposed,  
13 such 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 June 23, 2018, this tax may not be imposed on sales  
22 of aviation fuel unless the tax revenue is expended for  
23 airport-related purposes. If a municipality does not have an  
24 airport-related purpose to which it dedicates aviation fuel tax  
25 revenue, then aviation fuel shall be excluded from 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 exception 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 State. The changes made to  
8 this Section by this amendatory Act of the 100th General  
9 Assembly are a denial and limitation of home rule powers and  
10 functions under subsection (g) of Section 6 of Article VII of  
11 the Illinois Constitution. The tax imposed by a home rule  
12 municipality pursuant to this Section and all civil penalties  
13 that may be assessed as an incident thereof shall be collected  
14 and enforced by the State Department of Revenue. The  
15 certificate of registration which is issued by the Department  
16 to a retailer under the Retailers' Occupation Tax Act or under  
17 the Service Occupation Tax Act shall permit such registrant to  
18 engage in a business which is taxable under any ordinance or  
19 resolution enacted pursuant to this Section without  
20 registering separately with the Department under such  
21 ordinance or resolution or under this Section. The Department  
22 shall have full power to administer and enforce this Section;  
23 to collect all taxes and penalties due hereunder; to dispose of  
24 taxes and penalties so collected in the manner hereinafter  
25 provided, and to determine all rights to credit memoranda  
26 arising on account of the erroneous payment of tax or penalty

1 hereunder. In the administration of, and compliance with, this  
2 Section the Department and persons who are subject to this  
3 Section shall have the same rights, remedies, privileges,  
4 immunities, powers and duties, and be subject to the same  
5 conditions, restrictions, limitations, penalties and  
6 definitions of terms, and employ the same modes of procedure,  
7 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
8 respect to all provisions therein other than the State rate of  
9 tax), 4 (except that the reference to the State shall be to the  
10 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
11 which the tax shall be a debt to the extent indicated in that  
12 Section 8 shall be the taxing municipality), 9 (except as to  
13 the disposition of taxes and penalties collected, and except  
14 that the returned merchandise credit for this municipal tax may  
15 not be taken against any State tax), 10, 11, 12 (except the  
16 reference therein to Section 2b of the Retailers' Occupation  
17 Tax Act), 13 (except that any reference to the State shall mean  
18 the taxing municipality), the first paragraph of Section 15,  
19 16, 17 (except that credit memoranda issued hereunder may not  
20 be used to discharge any State tax liability), 18, 19 and 20 of  
21 the Service Occupation Tax Act and Section 3-7 of the Uniform  
22 Penalty and Interest Act, as fully as if those provisions were  
23 set forth herein.

24 No tax may be imposed by a home rule municipality pursuant  
25 to this Section unless such municipality also imposes a tax at  
26 the same rate pursuant to Section 8-11-1 of this Act.

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

9           Whenever the Department determines that a refund should be  
10 made under this Section to a claimant instead of issuing credit  
11 memorandum, the Department shall notify the State Comptroller,  
12 who shall cause the order to be drawn for the amount specified,  
13 and to the person named, in such notification from the  
14 Department. Such refund shall be paid by the State Treasurer  
15 out of the home rule municipal retailers' occupation tax fund.

16           Except as otherwise provided in this paragraph, the ~~The~~  
17 Department shall forthwith pay over to the State Treasurer,  
18 ex-officio, as trustee, all taxes and penalties collected  
19 hereunder for deposit into the Home Rule Municipal Retailers'  
20 Occupation Tax Fund. Taxes and penalties collected on aviation  
21 fuel sold on or after June 23, 2018, shall be immediately paid  
22 over by the Department to the State Treasurer, ex officio, as  
23 trustee, for deposit into the Local Government Aviation Trust  
24 Fund. The Department shall only pay moneys into the Local  
25 Government Aviation Trust Fund under this Act for so long as  
26 the revenue use requirements of 49 U.S.C. §47107(b) and 49

1 U.S.C. §47133 are binding on the municipality.

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.

10 After the monthly transfer to the STAR Bonds Revenue Fund,  
11 on or before the 25th day of each calendar month, the  
12 Department shall prepare and certify to the Comptroller the  
13 disbursement of stated sums of money to named municipalities,  
14 the municipalities to be those from which suppliers and  
15 servicemen have paid taxes or penalties hereunder to the  
16 Department during the second preceding calendar month. The  
17 amount to be paid to each municipality shall be the amount (not  
18 including credit memoranda and not including taxes and  
19 penalties collected on aviation fuel sold on or after June 23,  
20 2018) collected hereunder during the second preceding calendar  
21 month by the Department, and not including an amount equal to  
22 the amount of refunds made during the second preceding calendar  
23 month by the Department on behalf of such municipality, and not  
24 including any amounts that are transferred to the STAR Bonds  
25 Revenue Fund, less 2% of the remainder, which the Department  
26 shall transfer into the Tax Compliance and Administration Fund.

1 The Department, at the time of each monthly disbursement to the  
2 municipalities, shall prepare and certify to the State  
3 Comptroller the amount to be transferred into the Tax  
4 Compliance and Administration Fund under this Section. Within  
5 10 days after receipt, by the Comptroller, of the disbursement  
6 certification to the municipalities and the Tax Compliance and  
7 Administration Fund provided for in this Section to be given to  
8 the Comptroller by the Department, the Comptroller shall cause  
9 the orders to be drawn for the respective amounts in accordance  
10 with the directions contained in such certification.

11 In addition to the disbursement required by the preceding  
12 paragraph and in order to mitigate delays caused by  
13 distribution procedures, an allocation shall, if requested, be  
14 made within 10 days after January 14, 1991, and in November of  
15 1991 and each year thereafter, to each municipality that  
16 received more than \$500,000 during the preceding fiscal year,  
17 (July 1 through June 30) whether collected by the municipality  
18 or disbursed by the Department as required by this Section.  
19 Within 10 days after January 14, 1991, participating  
20 municipalities shall notify the Department in writing of their  
21 intent to participate. In addition, for the initial  
22 distribution, participating municipalities shall certify to  
23 the Department the amounts collected by the municipality for  
24 each month under its home rule occupation and service  
25 occupation tax during the period July 1, 1989 through June 30,  
26 1990. The allocation within 10 days after January 14, 1991,

1 shall be in an amount equal to the monthly average of these  
2 amounts, excluding the 2 months of highest receipts. Monthly  
3 average for the period of July 1, 1990 through June 30, 1991  
4 will be determined as follows: the amounts collected by the  
5 municipality under its home rule occupation and service  
6 occupation tax during the period of July 1, 1990 through  
7 September 30, 1990, plus amounts collected by the Department  
8 and paid to such municipality through June 30, 1991, excluding  
9 the 2 months of highest receipts. The monthly average for each  
10 subsequent period of July 1 through June 30 shall be an amount  
11 equal to the monthly distribution made to each such  
12 municipality under the preceding paragraph during this period,  
13 excluding the 2 months of highest receipts. The distribution  
14 made in November 1991 and each year thereafter under this  
15 paragraph and the preceding paragraph shall be reduced by the  
16 amount allocated and disbursed under this paragraph in the  
17 preceding period of July 1 through June 30. The Department  
18 shall prepare and certify to the Comptroller for disbursement  
19 the allocations made in accordance with this paragraph.

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 An ordinance or resolution imposing or discontinuing a tax  
25 hereunder or effecting a change in the rate thereof shall be  
26 adopted and a certified copy thereof filed with the Department



1 on or before the first day of June, whereupon the Department  
2 shall proceed to administer and enforce this Section as of the  
3 first day of September next following such adoption and filing.  
4 Beginning January 1, 1992, an ordinance or resolution imposing  
5 or discontinuing the tax hereunder or effecting a change in the  
6 rate thereof shall be adopted and a certified copy thereof  
7 filed with the Department on or before the first day of July,  
8 whereupon the Department shall proceed to administer and  
9 enforce this Section as of the first day of October next  
10 following such adoption and filing. Beginning January 1, 1993,  
11 an ordinance or resolution imposing or discontinuing the tax  
12 hereunder or effecting a change in the rate thereof shall be  
13 adopted and a certified copy thereof filed with the Department  
14 on or before the first day of October, whereupon the Department  
15 shall proceed to administer and enforce this Section as of the  
16 first day of January next following such adoption and filing.  
17 However, a municipality located in a county with a population  
18 in excess of 3,000,000 that elected to become a home rule unit  
19 at the general primary election in 1994 may adopt an ordinance  
20 or resolution imposing the tax under this Section and file a  
21 certified copy of the ordinance or resolution with the  
22 Department on or before July 1, 1994. The Department shall then  
23 proceed to administer and enforce this Section as of October 1,  
24 1994. Beginning April 1, 1998, an ordinance or resolution  
25 imposing or discontinuing the tax hereunder or effecting a  
26 change in the rate thereof shall either (i) be adopted and a

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

9 Any unobligated balance remaining in the Municipal  
10 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
11 was abolished by Public Act 85-1135, and all receipts of  
12 municipal tax as a result of audits of liability periods prior  
13 to January 1, 1990, shall be paid into the Local Government Tax  
14 Fund, for distribution as provided by this Section prior to the  
15 enactment of Public Act 85-1135. All receipts of municipal tax  
16 as a result of an assessment not arising from an audit, for  
17 liability periods prior to January 1, 1990, shall be paid into  
18 the Local Government Tax Fund for distribution before July 1,  
19 1990, as provided by this Section prior to the enactment of  
20 Public Act 85-1135, and on and after July 1, 1990, all such  
21 receipts shall be distributed as provided in Section 6z-18 of  
22 the State Finance Act.

23 As used in this Section, "municipal" and "municipality"  
24 means a city, village or incorporated town, including an  
25 incorporated town which has superseded a civil township.

26 This Section shall be known and may be cited as the Home

1 Rule Municipal Service Occupation Tax Act.

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

3 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

4 Sec. 8-11-6a. Home rule municipalities; preemption of  
5 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,  
6 8-11-6, 8-11-6b, 8-11-6c, and 11-74.3-6 on and after September  
7 1, 1990, no home rule municipality has the authority to impose,  
8 pursuant to its home rule authority, a retailer's occupation  
9 tax, service occupation tax, use tax, sales tax or other tax on  
10 the use, sale or purchase of tangible personal property based  
11 on the gross receipts from such sales or the selling or  
12 purchase price of said tangible personal property.  
13 Notwithstanding the foregoing, this Section does not preempt  
14 any home rule imposed tax such as the following: (1) a tax on  
15 alcoholic beverages, whether based on gross receipts, volume  
16 sold or any other measurement; (2) a tax based on the number of  
17 units of cigarettes or tobacco products (provided, however,  
18 that a home rule municipality that has not imposed a tax based  
19 on the number of units of cigarettes or tobacco products before  
20 July 1, 1993, shall not impose such a tax after that date); (3)  
21 a tax, however measured, based on the use of a hotel or motel  
22 room or similar facility; (4) a tax, however measured, on the  
23 sale or transfer of real property; (5) a tax, however measured,  
24 on lease receipts; (6) a tax on food prepared for immediate  
25 consumption and on alcoholic beverages sold by a business which

1 provides for on premise consumption of said food or alcoholic  
2 beverages; or (7) other taxes not based on the selling or  
3 purchase price or gross receipts from the use, sale or purchase  
4 of tangible personal property. This Section does not preempt a  
5 home rule municipality with a population of more than 2,000,000  
6 from imposing a tax, however measured, on the use, for  
7 consideration, of a parking lot, garage, or other parking  
8 facility. This Section is not intended to affect any existing  
9 tax on food and beverages prepared for immediate consumption on  
10 the premises where the sale occurs, or any existing tax on  
11 alcoholic beverages, or any existing tax imposed on the charge  
12 for renting a hotel or motel room, which was in effect January  
13 15, 1988, or any extension of the effective date of such an  
14 existing tax by ordinance of the municipality imposing the tax,  
15 which extension is hereby authorized, in any non-home rule  
16 municipality in which the imposition of such a tax has been  
17 upheld by judicial determination, nor is this Section intended  
18 to preempt the authority granted by Public Act 85-1006. On and  
19 after June 23, 2018, no home rule municipality has the  
20 authority to impose, pursuant to its home rule authority, a  
21 tax, however measured, on sales of aviation fuel, as defined in  
22 Section 3 of the Retailers' Occupation Tax Act, unless the tax  
23 revenue is expended for airport-related purposes. For purposes  
24 of this Section, "airport-related purposes" has the meaning  
25 ascribed in Section 6z-20.2 of the State Finance Act. Aviation  
26 fuel shall be excluded from tax only for so long as the revenue

1 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133  
2 are binding on the municipality. This Section is a limitation,  
3 pursuant to subsection (g) of Section 6 of Article VII of the  
4 Illinois Constitution, on the power of home rule units to tax.  
5 The changes made to this Section by this amendatory Act of the  
6 100th General Assembly are a denial and limitation of home rule  
7 powers and functions under subsection (g) of Section 6 of  
8 Article VII of the Illinois Constitution.

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

10 (65 ILCS 5/8-11-22 new)

11 Sec. 8-11-22. Certification for airport-related purposes.  
12 On or before April 1, 2018, and on or before each April 1 and  
13 October 1 thereafter, each municipality (and District in the  
14 case of business district operating within a municipality) must  
15 certify to the Department of Transportation, in the form and  
16 manner required by the Department, whether the municipality has  
17 an airport-related purpose, which would allow any Retailers'  
18 Occupation Tax and Service Occupation Tax imposed by the  
19 municipality to include tax on aviation fuel. On or before May  
20 1, 2018, and on or before each May 1 and November 1 thereafter,  
21 the Department of Transportation shall provide to the  
22 Department of Revenue, a list of units of local government  
23 which have certified to the Department of Transportation that  
24 they have airport-related purposes, which would allow any  
25 Retailers' Occupation Tax and Service Occupation Tax imposed by

1 the unit of local government to include tax on aviation fuel.  
2 All disputes regarding whether or not a unit of local  
3 government has an airport-related purpose shall be resolved by  
4 the Department of Transportation.

5 (65 ILCS 5/11-74.3-6)

6 Sec. 11-74.3-6. Business district revenue and obligations;  
7 business district tax allocation fund.

8 (a) If the corporate authorities of a municipality have  
9 approved a business district plan, have designated a business  
10 district, and have elected to impose a tax by ordinance  
11 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
12 each year after the date of the approval of the ordinance but  
13 terminating upon the date all business district project costs  
14 and all obligations paying or reimbursing business district  
15 project costs, if any, have been paid, but in no event later  
16 than the dissolution date, all amounts generated by the  
17 retailers' occupation tax and service occupation tax shall be  
18 collected and the tax shall be enforced by the Department of  
19 Revenue in the same manner as all retailers' occupation taxes  
20 and service occupation taxes imposed in the municipality  
21 imposing the tax and all amounts generated by the hotel  
22 operators' occupation tax shall be collected and the tax shall  
23 be enforced by the municipality in the same manner as all hotel  
24 operators' occupation taxes imposed in the municipality  
25 imposing the tax. The corporate authorities of the municipality

1 shall deposit the proceeds of the taxes imposed under  
2 subsections (10) and (11) of Section 11-74.3-3 into a special  
3 fund of the municipality called the "[Name of] Business  
4 District Tax Allocation Fund" for the purpose of paying or  
5 reimbursing business district project costs and obligations  
6 incurred in the payment of those costs.

7 (b) The corporate authorities of a municipality that has  
8 designated a business district under this Law may, by  
9 ordinance, impose a Business District Retailers' Occupation  
10 Tax upon all persons engaged in the business of selling  
11 tangible personal property, other than an item of tangible  
12 personal property titled or registered with an agency of this  
13 State's government, at retail in the business district at a  
14 rate not to exceed 1% of the gross receipts from the sales made  
15 in the course of such business, to be imposed only in 0.25%  
16 increments. The tax may not be imposed on food for human  
17 consumption that is to be consumed off the premises where it is  
18 sold (other than alcoholic beverages, soft drinks, and food  
19 that has been prepared for immediate consumption),  
20 prescription and nonprescription medicines, drugs, medical  
21 appliances, modifications to a motor vehicle for the purpose of  
22 rendering it usable by a person with a disability, and insulin,  
23 urine testing materials, syringes, and needles used by  
24 diabetics, for human use. Beginning June 23, 2018, this tax is  
25 not imposed on sales of aviation fuel unless the tax revenue is  
26 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 Each municipality must comply with the certification  
4 requirements for airport-related purposes under Section  
5 8-11-22. For purposes of this Act, "airport-related purposes"  
6 has the meaning ascribed in Section 6z-20.2 of the State  
7 Finance Act. This exclusion for aviation fuel only applies for  
8 so long as the revenue use requirements of 49 U.S.C. §47107(b)  
9 and 49 U.S.C. §47133 are binding on the District.

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



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

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

22 Whenever the Department determines that a refund should be  
23 made under this subsection 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 the business district retailers' occupation  
3 tax fund.

4 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, penalties, and interest  
7 collected under this subsection for deposit into the business  
8 district retailers' occupation tax fund. Taxes and penalties  
9 collected on aviation fuel sold on or after June 23, 2018,  
10 shall be immediately paid over by the Department to the State  
11 Treasurer, ex officio, as trustee, for deposit into the Local  
12 Government Aviation Trust Fund. The Department shall only pay  
13 moneys into the Local Government Aviation Trust Fund under this  
14 Act for so long as the revenue use requirements of 49 U.S.C.  
15 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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 subsection  
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 municipalities  
2 from the business district retailers' occupation tax fund, the  
3 municipalities to be those from which retailers have paid taxes  
4 or penalties under this subsection to the Department during the  
5 second preceding calendar month. The amount to be paid to each  
6 municipality shall be the amount (not including credit  
7 memoranda and not including taxes and penalties collected on  
8 aviation fuel sold on or after June 23, 2018) collected under  
9 this subsection during the second preceding calendar month by  
10 the Department plus an amount the Department determines is  
11 necessary to offset any amounts that were erroneously paid to a  
12 different taxing body, and not including an amount equal to the  
13 amount of refunds made during the second preceding calendar  
14 month by the Department, less 2% of that amount (except the  
15 amount collected on aviation fuel sold on or after June 23,  
16 2018), which shall be deposited into the Tax Compliance and  
17 Administration Fund and shall be used by the Department,  
18 subject to appropriation, to cover the costs of the Department  
19 in administering and enforcing the provisions of this  
20 subsection, on behalf of such municipality, and not including  
21 any amount that the Department determines is necessary to  
22 offset any amounts that were payable to a different taxing body  
23 but were erroneously paid to the municipality, and not  
24 including any amounts that are transferred to the STAR Bonds  
25 Revenue Fund. Within 10 days after receipt by the Comptroller  
26 of the disbursement certification to the municipalities

1 provided for in this subsection to be given to the Comptroller  
2 by the Department, the Comptroller shall cause the orders to be  
3 drawn for the respective amounts in accordance with the  
4 directions contained in the certification. The proceeds of the  
5 tax paid to municipalities under this subsection shall be  
6 deposited into the Business District Tax Allocation Fund by the  
7 municipality.

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

21 The Department of Revenue shall not administer or enforce  
22 an ordinance imposing, discontinuing, or changing the rate of  
23 the tax under this subsection, until the municipality also  
24 provides, in the manner prescribed by the Department, the  
25 boundaries of the business district and each address in the  
26 business district in such a way that the Department can

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

26 A municipality that imposes the tax under this subsection

1 must submit to the Department of Revenue any other information  
2 as the Department may require for the administration and  
3 enforcement of the tax.

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

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

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

16 (c) If a tax has been imposed under subsection (b), a  
17 Business District Service Occupation Tax shall also be imposed  
18 upon all persons engaged, in the business district, in the  
19 business of making sales of service, who, as an incident to  
20 making those sales of service, transfer tangible personal  
21 property within the business district, either in the form of  
22 tangible personal property or in the form of real estate as an  
23 incident to a sale of service. The tax shall be imposed at the  
24 same rate as the tax imposed in subsection (b) and shall not  
25 exceed 1% of the selling price of tangible personal property so  
26 transferred within the business district, to be imposed only in

1 0.25% increments. The tax may not be imposed on 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),  
5 prescription and nonprescription medicines, drugs, medical  
6 appliances, modifications to a motor vehicle for the purpose of  
7 rendering it usable by a person with a disability, and insulin,  
8 urine testing materials, syringes, and needles used by  
9 diabetics, for human use. Beginning June 23, 2018, this tax is  
10 not imposed on sales of aviation fuel unless the tax revenue is  
11 expended for airport-related purposes. If the District does not  
12 have an airport-related purpose to which it dedicates aviation  
13 fuel tax revenue, then aviation fuel is excluded from the tax.  
14 Each municipality must comply with the certification  
15 requirements for airport-related purposes under Section  
16 8-11-22. 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 District.

21 The tax imposed under this subsection and all civil  
22 penalties that may be assessed as an incident thereof shall be  
23 collected and enforced by the Department of Revenue. The  
24 certificate of registration which is issued by the Department  
25 to a retailer under the Retailers' Occupation Tax Act or under  
26 the Service Occupation Tax Act shall permit such registrant to

1 engage in a business which is taxable under any ordinance or  
2 resolution enacted pursuant to this subsection without  
3 registering separately with the Department under such  
4 ordinance or resolution or under this subsection. The  
5 Department of Revenue shall have full power to administer and  
6 enforce this subsection; to collect all taxes and penalties due  
7 under this subsection; to dispose of taxes and penalties so  
8 collected in the manner hereinafter provided; and to determine  
9 all rights to credit memoranda arising on account of the  
10 erroneous payment of tax or penalty under this subsection. In  
11 the administration of, and compliance with this subsection, the  
12 Department and persons who are subject to this subsection shall  
13 have the same rights, remedies, privileges, immunities, powers  
14 and duties, and be subject to the same conditions,  
15 restrictions, limitations, penalties, exclusions, exemptions,  
16 and definitions of terms and employ the same modes of procedure  
17 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
18 (in respect to all provisions therein other than the State rate  
19 of tax), 4 (except that the reference to the State shall be to  
20 the business district), 5, 7, 8 (except that the jurisdiction  
21 to which the tax shall be a debt to the extent indicated in  
22 that Section 8 shall be the municipality), 9 (except as to the  
23 disposition of taxes and penalties collected, and except that  
24 the returned merchandise credit for this tax may not be taken  
25 against any State tax, and except that the retailer's discount  
26 is not allowed for taxes paid on aviation fuel that are



1 deposited into the Local Government Aviation Trust Fund), 10,  
2 11, 12 (except the reference therein to Section 2b of the  
3 Retailers' Occupation Tax Act), 13 (except that any reference  
4 to the State shall mean the municipality), the first paragraph  
5 of Section 15, and Sections 16, 17, 18, 19 and 20 of the  
6 Service Occupation Tax Act and all provisions of the Uniform  
7 Penalty and Interest Act, as fully as if those provisions were  
8 set forth herein.

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

17 Whenever the Department determines that a refund should be  
18 made under this subsection to a claimant instead of issuing  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in such notification  
22 from the Department. Such refund shall be paid by the State  
23 Treasurer out of the business district retailers' occupation  
24 tax fund.

25 Except as otherwise provided in this paragraph, the ~~The~~  
26 Department shall forthwith pay over to the State Treasurer,

1 ex-officio, as trustee, all taxes, penalties, and interest  
2 collected under this subsection for deposit into the business  
3 district retailers' occupation tax fund. Taxes and penalties  
4 collected on aviation fuel sold on or after June 23, 2018,  
5 shall be immediately paid over by the Department to the State  
6 Treasurer, ex officio, as trustee, for deposit into the Local  
7 Government Aviation Trust Fund. The Department shall only pay  
8 moneys into the Local Government Aviation Trust Fund under this  
9 Act for so long as the revenue use requirements of 49 U.S.C.  
10 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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

19 After the monthly transfer to the STAR Bonds Revenue Fund,  
20 on or before the 25th day of each calendar month, the  
21 Department shall prepare and certify to the Comptroller the  
22 disbursement of stated sums of money to named municipalities  
23 from the business district retailers' occupation tax fund, the  
24 municipalities to be those from which suppliers and servicemen  
25 have paid taxes or penalties under this subsection to the  
26 Department during the second preceding calendar month. The

1 amount to be paid to each municipality shall be the amount (not  
2 including credit memoranda and not including taxes and  
3 penalties collected on aviation fuel sold on or after June 23,  
4 2018) collected under this subsection during the second  
5 preceding calendar month by the Department, less 2% of that  
6 amount (except the amount collected on aviation fuel sold on or  
7 after June 23, 2018), which shall be deposited into the Tax  
8 Compliance and Administration Fund and shall be used by the  
9 Department, subject to appropriation, to cover the costs of the  
10 Department in administering and enforcing the provisions of  
11 this subsection, and not including an amount equal to the  
12 amount of refunds made during the second preceding calendar  
13 month by the Department on behalf of such municipality, and not  
14 including any amounts that are transferred to the STAR Bonds  
15 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
16 of the disbursement certification to the municipalities,  
17 provided for in this subsection to be given to the Comptroller  
18 by the Department, the Comptroller shall cause the orders to be  
19 drawn for the respective amounts in accordance with the  
20 directions contained in such certification. The proceeds of the  
21 tax paid to municipalities under this subsection shall be  
22 deposited into the Business District Tax Allocation Fund by the  
23 municipality.

24 An ordinance imposing or discontinuing the tax under this  
25 subsection or effecting a change in the rate thereof shall  
26 either (i) be adopted and a certified copy thereof filed with

1 the Department on or before the first day of April, whereupon  
2 the Department, if all other requirements of this subsection  
3 are met, shall proceed to administer and enforce this  
4 subsection as of the first day of July next following the  
5 adoption and filing; or (ii) be adopted and a certified copy  
6 thereof filed with the Department on or before the first day of  
7 October, whereupon, if all other conditions of this subsection  
8 are met, the Department shall proceed to administer and enforce  
9 this subsection as of the first day of January next following  
10 the adoption and filing.

11 The Department of Revenue shall not administer or enforce  
12 an ordinance imposing, discontinuing, or changing the rate of  
13 the tax under this subsection, until the municipality also  
14 provides, in the manner prescribed by the Department, the  
15 boundaries of the business district in such a way that the  
16 Department can determine by its address whether a business is  
17 located in the business district. The municipality must provide  
18 this boundary and address information to the Department on or  
19 before April 1 for administration and enforcement of the tax  
20 under this subsection by the Department beginning on the  
21 following July 1 and on or before October 1 for administration  
22 and enforcement of the tax under this subsection by the  
23 Department beginning on the following January 1. The Department  
24 of Revenue shall not administer or enforce any change made to  
25 the boundaries of a business district or address change,  
26 addition, or deletion until the municipality reports the

1 boundary change or address change, addition, or deletion to the  
2 Department in the manner prescribed by the Department. The  
3 municipality must provide this boundary change information or  
4 address change, addition, or deletion to the Department on or  
5 before April 1 for administration and enforcement by the  
6 Department of the change beginning on the following July 1 and  
7 on or before October 1 for administration and enforcement by  
8 the Department of the change beginning on the following January  
9 1. The retailers in the business district shall be responsible  
10 for charging the tax imposed under this subsection. If a  
11 retailer is incorrectly included or excluded from the list of  
12 those required to collect the tax under this subsection, both  
13 the Department of Revenue and the retailer shall be held  
14 harmless if they reasonably relied on information provided by  
15 the municipality.

16 A municipality that imposes the tax under this subsection  
17 must submit to the Department of Revenue any other information  
18 as the Department may require for the administration and  
19 enforcement of the tax.

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

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

26 (d) By ordinance, a municipality that has designated a

1 business district under this Law may impose an occupation tax  
2 upon all persons engaged in the business district in the  
3 business of renting, leasing, or letting rooms in a hotel, as  
4 defined in the Hotel Operators' Occupation Tax Act, at a rate  
5 not to exceed 1% of the gross rental receipts from the renting,  
6 leasing, or letting of hotel rooms within the business  
7 district, to be imposed only in 0.25% increments, excluding,  
8 however, from gross rental receipts the proceeds of renting,  
9 leasing, or letting to permanent residents of a hotel, as  
10 defined in the Hotel Operators' Occupation Tax Act, and  
11 proceeds from the tax imposed under subsection (c) of Section  
12 13 of the Metropolitan Pier and Exposition Authority Act.

13 The tax imposed by the municipality under this subsection  
14 and all civil penalties that may be assessed as an incident to  
15 that tax shall be collected and enforced by the municipality  
16 imposing the tax. The municipality shall have full power to  
17 administer and enforce this subsection, to collect all taxes  
18 and penalties due under this subsection, to dispose of taxes  
19 and penalties so collected in the manner provided in this  
20 subsection, and to determine all rights to credit memoranda  
21 arising on account of the erroneous payment of tax or penalty  
22 under this subsection. In the administration of and compliance  
23 with this subsection, the municipality and persons who are  
24 subject to this subsection shall have the same rights,  
25 remedies, privileges, immunities, powers, and duties, shall be  
26 subject to the same conditions, restrictions, limitations,

1 penalties, and definitions of terms, and shall employ the same  
2 modes of procedure as are employed with respect to a tax  
3 adopted by the municipality under Section 8-3-14 of this Code.

4 Persons subject to any tax imposed under the authority  
5 granted in this subsection may reimburse themselves for their  
6 tax liability for that tax by separately stating that tax as an  
7 additional charge, which charge may be stated in combination,  
8 in a single amount, with State taxes imposed under the Hotel  
9 Operators' Occupation Tax Act, and with any other tax.

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

14 The proceeds of the tax imposed under this subsection shall  
15 be deposited into the Business District Tax Allocation Fund.

16 (e) Obligations secured by the Business District Tax  
17 Allocation Fund may be issued to provide for the payment or  
18 reimbursement of business district project costs. Those  
19 obligations, when so issued, shall be retired in the manner  
20 provided in the ordinance authorizing the issuance of those  
21 obligations by the receipts of taxes imposed pursuant to  
22 subsections (10) and (11) of Section 11-74.3-3 and by other  
23 revenue designated or pledged by the municipality. A  
24 municipality may in the ordinance pledge, for any period of  
25 time up to and including the dissolution date, all or any part  
26 of the funds in and to be deposited in the Business District

1 Tax Allocation Fund to the payment of business district project  
2 costs and obligations. Whenever a municipality pledges all of  
3 the funds to the credit of a business district tax allocation  
4 fund to secure obligations issued or to be issued to pay or  
5 reimburse business district project costs, the municipality  
6 may specifically provide that funds remaining to the credit of  
7 such business district tax allocation fund after the payment of  
8 such obligations shall be accounted for annually and shall be  
9 deemed to be "surplus" funds, and such "surplus" funds shall be  
10 expended by the municipality for any business district project  
11 cost as approved in the business district plan. Whenever a  
12 municipality pledges less than all of the monies to the credit  
13 of a business district tax allocation fund to secure  
14 obligations issued or to be issued to pay or reimburse business  
15 district project costs, the municipality shall provide that  
16 monies to the credit of the business district tax allocation  
17 fund and not subject to such pledge or otherwise encumbered or  
18 required for payment of contractual obligations for specific  
19 business district project costs shall be calculated annually  
20 and shall be deemed to be "surplus" funds, and such "surplus"  
21 funds shall be expended by the municipality for any business  
22 district project cost as approved in the business district  
23 plan.

24 No obligation issued pursuant to this Law and secured by a  
25 pledge of all or any portion of any revenues received or to be  
26 received by the municipality from the imposition of taxes



1 pursuant to subsection (10) of Section 11-74.3-3, shall be  
2 deemed to constitute an economic incentive agreement under  
3 Section 8-11-20, notwithstanding the fact that such pledge  
4 provides for the sharing, rebate, or payment of retailers'  
5 occupation taxes or service occupation taxes imposed pursuant  
6 to subsection (10) of Section 11-74.3-3 and received or to be  
7 received by the municipality from the development or  
8 redevelopment of properties in the business district.

9 Without limiting the foregoing in this Section, the  
10 municipality may further secure obligations secured by the  
11 business district tax allocation fund with a pledge, for a  
12 period not greater than the term of the obligations and in any  
13 case not longer than the dissolution date, of any part or any  
14 combination of the following: (i) net revenues of all or part  
15 of any business district project; (ii) taxes levied or imposed  
16 by the municipality on any or all property in the municipality,  
17 including, specifically, taxes levied or imposed by the  
18 municipality in a special service area pursuant to the Special  
19 Service Area Tax Law; (iii) the full faith and credit of the  
20 municipality; (iv) a mortgage on part or all of the business  
21 district project; or (v) any other taxes or anticipated  
22 receipts that the municipality may lawfully pledge.

23 Such obligations may be issued in one or more series, bear  
24 such date or dates, become due at such time or times as therein  
25 provided, but in any case not later than (i) 20 years after the  
26 date of issue or (ii) the dissolution date, whichever is

1 earlier, bear interest payable at such intervals and at such  
2 rate or rates as set forth therein, except as may be limited by  
3 applicable law, which rate or rates may be fixed or variable,  
4 be in such denominations, be in such form, either coupon,  
5 registered, or book-entry, carry such conversion, registration  
6 and exchange privileges, be subject to defeasance upon such  
7 terms, have such rank or priority, be executed in such manner,  
8 be payable in such medium or payment at such place or places  
9 within or without the State, make provision for a corporate  
10 trustee within or without the State with respect to such  
11 obligations, prescribe the rights, powers, and duties thereof  
12 to be exercised for the benefit of the municipality and the  
13 benefit of the owners of such obligations, provide for the  
14 holding in trust, investment, and use of moneys, funds, and  
15 accounts held under an ordinance, provide for assignment of and  
16 direct payment of the moneys to pay such obligations or to be  
17 deposited into such funds or accounts directly to such trustee,  
18 be subject to such terms of redemption with or without premium,  
19 and be sold at such price, all as the corporate authorities  
20 shall determine. No referendum approval of the electors shall  
21 be required as a condition to the issuance of obligations  
22 pursuant to this Law except as provided in this Section.

23 In the event the municipality authorizes the issuance of  
24 obligations pursuant to the authority of this Law secured by  
25 the full faith and credit of the municipality, or pledges ad  
26 valorem taxes pursuant to this subsection, which obligations

1 are other than obligations which may be issued under home rule  
2 powers provided by Section 6 of Article VII of the Illinois  
3 Constitution or which ad valorem taxes are other than ad  
4 valorem taxes which may be pledged under home rule powers  
5 provided by Section 6 of Article VII of the Illinois  
6 Constitution or which are levied in a special service area  
7 pursuant to the Special Service Area Tax Law, the ordinance  
8 authorizing the issuance of those obligations or pledging those  
9 taxes shall be published within 10 days after the ordinance has  
10 been adopted, in a newspaper having a general circulation  
11 within the municipality. The publication of the ordinance shall  
12 be accompanied by a notice of (i) the specific number of voters  
13 required to sign a petition requesting the question of the  
14 issuance of the obligations or pledging such ad valorem taxes  
15 to be submitted to the electors; (ii) the time within which the  
16 petition must be filed; and (iii) the date of the prospective  
17 referendum. The municipal clerk shall provide a petition form  
18 to any individual requesting one.

19 If no petition is filed with the municipal clerk, as  
20 hereinafter provided in this Section, within 21 days after the  
21 publication of the ordinance, the ordinance shall be in effect.  
22 However, if within that 21-day period a petition is filed with  
23 the municipal clerk, signed by electors numbering not less than  
24 15% of the number of electors voting for the mayor or president  
25 at the last general municipal election, asking that the  
26 question of issuing obligations using full faith and credit of

1 the municipality as security for the cost of paying or  
2 reimbursing business district project costs, or of pledging  
3 such ad valorem taxes for the payment of those obligations, or  
4 both, be submitted to the electors of the municipality, the  
5 municipality shall not be authorized to issue obligations of  
6 the municipality using the full faith and credit of the  
7 municipality as security or pledging such ad valorem taxes for  
8 the payment of those obligations, or both, until the  
9 proposition has been submitted to and approved by a majority of  
10 the voters voting on the proposition at a regularly scheduled  
11 election. The municipality shall certify the proposition to the  
12 proper election authorities for submission in accordance with  
13 the general election law.

14 The ordinance authorizing the obligations may provide that  
15 the obligations shall contain a recital that they are issued  
16 pursuant to this Law, which recital shall be conclusive  
17 evidence of their validity and of the regularity of their  
18 issuance.

19 In the event the municipality authorizes issuance of  
20 obligations pursuant to this Law secured by the full faith and  
21 credit of the municipality, the ordinance authorizing the  
22 obligations may provide for the levy and collection of a direct  
23 annual tax upon all taxable property within the municipality  
24 sufficient to pay the principal thereof and interest thereon as  
25 it matures, which levy may be in addition to and exclusive of  
26 the maximum of all other taxes authorized to be levied by the

1 municipality, which levy, however, shall be abated to the  
2 extent that monies from other sources are available for payment  
3 of the obligations and the municipality certifies the amount of  
4 those monies available to the county clerk.

5 A certified copy of the ordinance shall be filed with the  
6 county clerk of each county in which any portion of the  
7 municipality is situated, and shall constitute the authority  
8 for the extension and collection of the taxes to be deposited  
9 in the business district tax allocation fund.

10 A municipality may also issue its obligations to refund, in  
11 whole or in part, obligations theretofore issued by the  
12 municipality under the authority of this Law, whether at or  
13 prior to maturity. However, the last maturity of the refunding  
14 obligations shall not be expressed to mature later than the  
15 dissolution date.

16 In the event a municipality issues obligations under home  
17 rule powers or other legislative authority, the proceeds of  
18 which are pledged to pay or reimburse business district project  
19 costs, the municipality may, if it has followed the procedures  
20 in conformance with this Law, retire those obligations from  
21 funds in the business district tax allocation fund in amounts  
22 and in such manner as if those obligations had been issued  
23 pursuant to the provisions of this Law.

24 No obligations issued pursuant to this Law shall be  
25 regarded as indebtedness of the municipality issuing those  
26 obligations or any other taxing district for the purpose of any

1 limitation imposed by law.

2 Obligations issued pursuant to this Law shall not be  
3 subject to the provisions of the Bond Authorization Act.

4 (f) When business district project costs, including,  
5 without limitation, all obligations paying or reimbursing  
6 business district project costs have been paid, any surplus  
7 funds then remaining in the Business District Tax Allocation  
8 Fund shall be distributed to the municipal treasurer for  
9 deposit into the general corporate fund of the municipality.  
10 Upon payment of all business district project costs and  
11 retirement of all obligations paying or reimbursing business  
12 district project costs, but in no event more than 23 years  
13 after the date of adoption of the ordinance imposing taxes  
14 pursuant to subsection (10) or (11) of Section 11-74.3-3, the  
15 municipality shall adopt an ordinance immediately rescinding  
16 the taxes imposed pursuant to subsection (10) or (11) of  
17 Section 11-74.3-3.

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

19 (65 ILCS 5/11-101-3 new)

20 Sec. 11-101-3. Noise mitigation; air quality. A  
21 municipality that has implemented a Residential Sound  
22 Insulation Program to mitigate aircraft noise shall perform an  
23 in-home air quality test in a residence located in the  
24 municipality if (i) windows or doors were installed in the  
25 residence under the Residential Sound Insulation Program and

1 (ii) the owner or occupant of the residence requests that the  
2 test be performed. The municipality and owner of the residence  
3 shall mutually agree on (i) the entity that will perform the  
4 test and (ii) when the test will occur. If a health hazard  
5 exists, as determined by the results of the test, then the  
6 municipality shall replace all windows and doors in the  
7 residence, without regard to the status of any warranty on the  
8 windows and doors. This Section is a limitation of home rule  
9 powers and functions under subsection (i) of Section 6 of  
10 Article VII of the Illinois Constitution on the concurrent  
11 exercise by home rule units of powers and functions exercised  
12 by the State.

13 Section 50. The Civic Center Code is amended by changing  
14 Section 245-12 as follows:

15 (70 ILCS 200/245-12)

16 Sec. 245-12. Use and occupation taxes.

17 (a) The Authority may adopt a resolution that authorizes a  
18 referendum on the question of whether the Authority shall be  
19 authorized to impose a retailers' occupation tax, a service  
20 occupation tax, and a use tax in one-quarter percent increments  
21 at a rate not to exceed 1%. The Authority shall certify the  
22 question to the proper election authorities who shall submit  
23 the question to the voters of the metropolitan area at the next  
24 regularly scheduled election in accordance with the general

1 election law. The question shall be in substantially the  
2 following form:

3 "Shall the Salem Civic Center Authority be authorized to  
4 impose a retailers' occupation tax, a service occupation  
5 tax, and a use tax at the rate of (rate) for the sole  
6 purpose of obtaining funds for the support, construction,  
7 maintenance, or financing of a facility of the Authority?"

8 Votes shall be recorded as "yes" or "no". If a majority of  
9 all votes cast on the proposition are in favor of the  
10 proposition, the Authority is authorized to impose the tax.

11 (b) The Authority shall impose the retailers' occupation  
12 tax upon all persons engaged in the business of selling  
13 tangible personal property at retail in the metropolitan area,  
14 at the rate approved by referendum, on the gross receipts from  
15 the sales made in the course of such business within the  
16 metropolitan area. Beginning June 23, 2018, this tax is not  
17 imposed on sales of aviation fuel unless the tax revenue is  
18 expended for airport-related purposes. If the Authority does  
19 not have an airport-related purpose to which it dedicates  
20 aviation fuel tax revenue, then aviation fuel is excluded from  
21 the tax. For purposes of this Act, "airport-related purposes"  
22 has the meaning ascribed in Section 6z-20.2 of the State  
23 Finance Act. This exclusion for aviation fuel only applies for  
24 so long as the revenue use requirements of 49 U.S.C. §47107(b)  
25 and 49 U.S.C. §47133 are binding on the Authority.

26 On or before April 1, 2018, and on or before each April 1



1 and October 1 thereafter, the Authority must certify to the  
2 Department of Transportation, in the form and manner required  
3 by the Department, whether the Authority has an airport-related  
4 purpose, which would allow any Retailers' Occupation Tax and  
5 Service Occupation Tax imposed by the Authority to include tax  
6 on aviation fuel. On or before May 1, 2018, and on or before  
7 each May 1 and November 1 thereafter, the Department of  
8 Transportation shall provide to the Department of Revenue, a  
9 list of units of local government which have certified to the  
10 Department of Transportation that they have airport-related  
11 purposes, which would allow any Retailers' Occupation Tax and  
12 Service Occupation Tax imposed by the unit of local government  
13 to include tax on aviation fuel. All disputes regarding whether  
14 or not a unit of local government has an airport-related  
15 purpose shall be resolved by the Department of Transportation.

16 The tax imposed under this Section and all civil penalties  
17 that may be assessed as an incident thereof shall be collected  
18 and enforced by the Department of Revenue. The Department has  
19 full power to administer and enforce this Section; to collect  
20 all taxes and penalties so collected in the manner provided in  
21 this Section; and to determine all rights to credit memoranda  
22 arising on account of the erroneous payment of tax or penalty  
23 hereunder. In the administration of, and compliance with, this  
24 Section, the Department and persons who are subject to this  
25 Section shall (i) have the same rights, remedies, privileges,  
26 immunities, powers and duties, (ii) be subject to the same

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

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

22 Whenever the Department determines that a refund should be  
23 made under this subsection to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the warrant 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 the tax fund referenced under paragraph (g) of  
3 this Section.

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

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

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

20 (c) If a tax has been imposed under subsection (b), a  
21 service occupation tax shall also be imposed at the same rate  
22 upon all persons engaged, in the metropolitan area, in the  
23 business of making sales of service, who, as an incident to  
24 making those sales of service, transfer tangible personal  
25 property within the metropolitan area as an incident to a sale  
26 of service. The tax imposed under this subsection and all civil

1 penalties that may be assessed as an incident thereof shall be  
2 collected and enforced by the Department of Revenue.

3 Beginning June 23, 2018, this tax is not imposed on sales  
4 of aviation fuel unless the tax revenue is expended for  
5 airport-related purposes. If the Authority does not have an  
6 airport-related purpose to which it dedicates aviation fuel tax  
7 revenue, then aviation fuel is excluded from the tax. On or  
8 before April 1, 2018, and on or before each April 1 and October  
9 1 thereafter, the Authority must certify to the Department of  
10 Transportation, in the form and manner required by the  
11 Department, whether the Authority has an airport-related  
12 purpose, which would allow any Retailers' Occupation Tax and  
13 Service Occupation Tax imposed by the Authority to include tax  
14 on aviation fuel. On or before May 1, 2018, and on or before  
15 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 Department has full power to administer and enforce  
25 this paragraph; to collect all taxes and penalties due  
26 hereunder; to dispose of taxes and penalties so collected in

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

1 Interest Act, as fully as if those provisions were set forth  
2 herein.

3 Persons subject to any tax imposed under the authority  
4 granted in this subsection may reimburse themselves for their  
5 serviceman's 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 that servicemen are  
8 authorized to collect under the Service Use Tax Act, in  
9 accordance with such bracket schedules as the Department may  
10 prescribe.

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

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

23 (d) If a tax has been imposed under subsection (b), a use  
24 tax shall also be imposed at the same rate upon the privilege  
25 of using, in the metropolitan area, any item of tangible  
26 personal property that is purchased outside the metropolitan

1 area at retail from a retailer, and that is titled or  
2 registered at a location within the metropolitan area with an  
3 agency of this State's government. "Selling price" is defined  
4 as in the Use Tax Act. The tax shall be collected from persons  
5 whose Illinois address for titling or registration purposes is  
6 given as being in the metropolitan area. The tax shall be  
7 collected by the Department of Revenue for the Authority. The  
8 tax must be paid to the State, or an exemption determination  
9 must be obtained from the Department of Revenue, before the  
10 title or certificate of registration for the property may be  
11 issued. The tax or proof of exemption may be transmitted to the  
12 Department by way of the State agency with which, or the State  
13 officer with whom, the tangible personal property must be  
14 titled or registered if the Department and the State agency or  
15 State officer determine that this procedure will expedite the  
16 processing of applications for title or registration.

17 The Department has full power to administer and enforce  
18 this paragraph; to collect all taxes, penalties and interest  
19 due hereunder; to dispose of taxes, penalties and interest so  
20 collected in the manner hereinafter provided; and to determine  
21 all rights to credit memoranda or refunds arising on account of  
22 the erroneous payment of tax, penalty or interest hereunder. In  
23 the administration of, and compliance with, this subsection,  
24 the Department and persons who are subject to this paragraph  
25 shall (i) have the same rights, remedies, privileges,  
26 immunities, powers, and duties, (ii) be subject to the same

1 conditions, restrictions, limitations, penalties, exclusions,  
2 exemptions, and definitions of terms, and (iii) employ the same  
3 modes of procedure as are prescribed in Sections 2 (except the  
4 definition of "retailer maintaining a place of business in this  
5 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
6 7, 8 (except that the jurisdiction to which the tax shall be a  
7 debt to the extent indicated in that Section 8 shall be the  
8 Authority), 9 (except provisions relating to quarter monthly  
9 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
10 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
11 Interest Act, that are not inconsistent with this paragraph, as  
12 fully as if those provisions were set forth herein.

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 order 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 (e) A certificate of registration issued by the State  
22 Department of Revenue to a retailer under the Retailers'  
23 Occupation Tax Act or under the Service Occupation Tax Act  
24 shall permit the registrant to engage in a business that is  
25 taxed under the tax imposed under paragraphs (b), (c), or (d)  
26 of this Section and no additional registration shall be



1 required. A certificate issued under the Use Tax Act or the  
2 Service Use Tax Act shall be applicable with regard to any tax  
3 imposed under paragraph (c) of this Section.

4 (f) The results of any election authorizing a proposition  
5 to impose a tax under this Section or effecting a change in the  
6 rate of tax shall be certified by the proper election  
7 authorities and filed with the Illinois Department on or before  
8 the first day of April. In addition, an ordinance imposing,  
9 discontinuing, or effecting a change in the rate of tax under  
10 this Section shall be adopted and a certified copy thereof  
11 filed with the Department on or before the first day of April.  
12 After proper receipt of such certifications, the Department  
13 shall proceed to administer and enforce this Section as of the  
14 first day of July next following such adoption and filing.

15 (g) Except as otherwise provided, the ~~The~~ Department of  
16 Revenue shall, upon collecting any taxes and penalties as  
17 provided in this Section, pay the taxes and penalties over to  
18 the State Treasurer as trustee for the Authority. The taxes and  
19 penalties shall be held in a trust fund outside the State  
20 Treasury. Taxes and penalties collected on aviation fuel sold  
21 on or after June 23, 2018, shall be immediately paid over by  
22 the Department to the State Treasurer, ex officio, as trustee,  
23 for deposit into the Local Government Aviation Trust Fund. The  
24 Department shall only pay moneys into the Local Government  
25 Aviation Trust Fund under this Act for so long as the revenue  
26 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133

1 are binding on the District. 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 Authority, 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 and not including taxes  
7 and penalties collected on aviation fuel sold on or after June  
8 23, 2018. Within 10 days after receipt by the Comptroller of  
9 the certification of the amount to be paid to the Authority,  
10 the Comptroller shall cause an order to be drawn for payment  
11 for the amount in accordance with the directions contained in  
12 the certification. Amounts received from the tax imposed under  
13 this Section shall be used only for the support, construction,  
14 maintenance, or financing of a facility of the Authority.

15 (h) When certifying the amount of a monthly disbursement to  
16 the Authority under this Section, the Department shall increase  
17 or decrease the amounts by an amount necessary to offset any  
18 miscalculation of previous disbursements. The offset amount  
19 shall be the amount erroneously disbursed within the previous 6  
20 months from the time a miscalculation is discovered.

21 (i) This Section may be cited as the Salem Civic Center Use  
22 and Occupation Tax Law.

23 (Source: P.A. 98-1098, eff. 8-26-14.)

24 Section 55. The Flood Prevention District Act is amended by  
25 changing Section 25 as follows:

1 (70 ILCS 750/25)

2 Sec. 25. Flood prevention retailers' and service  
3 occupation taxes.

4 (a) If the Board of Commissioners of a flood prevention  
5 district determines that an emergency situation exists  
6 regarding levee repair or flood prevention, and upon an  
7 ordinance confirming the determination adopted by the  
8 affirmative vote of a majority of the members of the county  
9 board of the county in which the district is situated, the  
10 county may impose a flood prevention retailers' occupation tax  
11 upon all persons engaged in the business of selling tangible  
12 personal property at retail within the territory of the  
13 district to provide revenue to pay the costs of providing  
14 emergency levee repair and flood prevention and to secure the  
15 payment of bonds, notes, and other evidences of indebtedness  
16 issued under this Act for a period not to exceed 25 years or as  
17 required to repay the bonds, notes, and other evidences of  
18 indebtedness issued under this Act. The tax rate shall be 0.25%  
19 of the gross receipts from all taxable sales made in the course  
20 of that business. Beginning June 23, 2018, this tax is not  
21 imposed on sales of aviation fuel unless the tax revenue is  
22 expended for airport-related purposes. If the District does not  
23 have an airport-related purpose to which it dedicates aviation  
24 fuel tax revenue, then aviation fuel is excluded from the tax.  
25 The County must comply with the certification requirements for

1 airport-related purposes under Section 5-1184 of the Counties  
2 Code.

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 District.

8 The tax imposed under this Section and all civil penalties  
9 that may be assessed as an incident thereof shall be collected  
10 and enforced by the State Department of Revenue. The Department  
11 shall have full power to administer and enforce this Section;  
12 to collect all taxes and penalties so collected in the manner  
13 hereinafter provided; and to determine all rights to credit  
14 memoranda arising on account of the erroneous payment of tax or  
15 penalty hereunder.

16 In the administration of and compliance with this  
17 subsection, the Department and persons who are subject to this  
18 subsection (i) have the same rights, remedies, privileges,  
19 immunities, powers, and duties, (ii) are subject to the same  
20 conditions, restrictions, limitations, penalties, and  
21 definitions of terms, and (iii) shall employ the same modes of  
22 procedure as are set forth in Sections 1 through 1o, 2 through  
23 2-70 (in respect to all provisions contained in those Sections  
24 other than the State rate of tax), 2a through 2h, 3 (except as  
25 to the disposition of taxes and penalties collected, and except  
26 that the retailer's discount is not allowed for taxes paid on

1 aviation fuel that are deposited into the Local Government  
2 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
3 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
4 Retailers' Occupation Tax Act and all provisions of the Uniform  
5 Penalty and Interest Act as if those provisions were set forth  
6 in this subsection.

7 Persons subject to any tax imposed under this Section may  
8 reimburse themselves for their seller's tax liability  
9 hereunder by separately stating the tax as an additional  
10 charge, which charge may be stated in combination in a single  
11 amount with State taxes that sellers are required to collect  
12 under the Use Tax Act, under any bracket schedules the  
13 Department may prescribe.

14 If a tax is imposed under this subsection (a), a tax shall  
15 also be imposed under subsection (b) of this Section.

16 (b) If a tax has been imposed under subsection (a), a flood  
17 prevention service occupation tax shall also be imposed upon  
18 all persons engaged within the territory of the district in the  
19 business of making sales of service, who, as an incident to  
20 making the sales of service, transfer tangible personal  
21 property, either in the form of tangible personal property or  
22 in the form of real estate as an incident to a sale of service  
23 to provide revenue to pay the costs of providing emergency  
24 levee repair and flood prevention and to secure the payment of  
25 bonds, notes, and other evidences of indebtedness issued under  
26 this Act for a period not to exceed 25 years or as required to

1 repay the bonds, notes, and other evidences of indebtedness.  
2 The tax rate shall be 0.25% of the selling price of all  
3 tangible personal property transferred. Beginning June 23,  
4 2018, this tax is not imposed on sales of aviation fuel unless  
5 the tax revenue is expended for airport-related purposes. If  
6 the District does not have an airport-related purpose to which  
7 it dedicates aviation fuel tax revenue, then aviation fuel is  
8 excluded from the tax. The County must comply with the  
9 certification requirements for airport-related purposes under  
10 Section 5-1184 of the Counties Code. For purposes of this Act,  
11 "airport-related purposes" has the meaning ascribed in Section  
12 6z-20.2 of the State Finance Act. This exclusion for aviation  
13 fuel only applies for so long as the revenue use requirements  
14 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the  
15 District.

16 The tax imposed under this subsection and all civil  
17 penalties that may be assessed as an incident thereof shall be  
18 collected and enforced by the State Department of Revenue. The  
19 Department shall have full power to administer and enforce this  
20 subsection; to collect all taxes and penalties due hereunder;  
21 to dispose of taxes and penalties collected in the manner  
22 hereinafter provided; and to determine all rights to credit  
23 memoranda arising on account of the erroneous payment of tax or  
24 penalty hereunder.

25 In the administration of and compliance with this  
26 subsection, the Department and persons who are subject to this

1 subsection shall (i) have the same rights, remedies,  
2 privileges, immunities, powers, and duties, (ii) be subject to  
3 the same conditions, restrictions, limitations, penalties, and  
4 definitions of terms, and (iii) employ the same modes of  
5 procedure as are set forth in Sections 2 (except that the  
6 reference to State in the definition of supplier maintaining a  
7 place of business in this State means the district), 2a through  
8 2d, 3 through 3-50 (in respect to all provisions contained in  
9 those Sections other than the State rate of tax), 4 (except  
10 that the reference to the State shall be to the district), 5,  
11 7, 8 (except that the jurisdiction to which the tax is a debt  
12 to the extent indicated in that Section 8 is the district), 9  
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), 10, 11, 12 (except the  
17 reference therein to Section 2b of the Retailers' Occupation  
18 Tax Act), 13 (except that any reference to the State means the  
19 district), Section 15, 16, 17, 18, 19, and 20 of the Service  
20 Occupation Tax Act and all provisions of the Uniform Penalty  
21 and Interest Act, as fully as if those provisions were set  
22 forth herein.

23 Persons subject to any tax imposed under the authority  
24 granted in this subsection may reimburse themselves for their  
25 serviceman's tax liability hereunder by separately stating the  
26 tax as an additional charge, that charge may be stated in

1 combination in a single amount with State tax that servicemen  
2 are authorized to collect under the Service Use Tax Act, under  
3 any bracket schedules the Department may prescribe.

4 (c) The taxes imposed in subsections (a) and (b) may not be  
5 imposed on personal property titled or registered with an  
6 agency of the State; food for human consumption that is to be  
7 consumed off the premises where it is sold (other than  
8 alcoholic beverages, soft drinks, and food that has been  
9 prepared for immediate consumption); prescription and  
10 non-prescription medicines, drugs, and medical appliances;  
11 modifications to a motor vehicle for the purpose of rendering  
12 it usable by a person with a disability; or insulin, urine  
13 testing materials, and syringes and needles used by diabetics.

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

18 (e) The certificate of registration that is issued by the  
19 Department to a retailer under the Retailers' Occupation Tax  
20 Act or a serviceman under the Service Occupation Tax Act  
21 permits the retailer or serviceman to engage in a business that  
22 is taxable without registering separately with the Department  
23 under an ordinance or resolution under this Section.

24 (f) Except as otherwise provided, the ~~The~~ Department shall  
25 immediately pay over to the State Treasurer, ex officio, as  
26 trustee, all taxes and penalties collected under this Section



1 to be deposited into the Flood Prevention Occupation Tax Fund,  
2 which shall be an unappropriated trust fund held outside the  
3 State treasury. Taxes and penalties collected on aviation fuel  
4 sold on or after June 23, 2018, shall be immediately paid over  
5 by the Department to the State Treasurer, ex officio, as  
6 trustee, for deposit into the Local Government Aviation Trust  
7 Fund. The Department shall only pay moneys into the State  
8 Aviation Program Fund under this Act for so long as the revenue  
9 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
10 are binding on the District.

11 On or before the 25th day of each calendar month, the  
12 Department shall prepare and certify to the Comptroller the  
13 disbursement of stated sums of money to the counties from which  
14 retailers or servicemen have paid taxes or penalties to the  
15 Department during the second preceding calendar month. The  
16 amount to be paid to each county is equal to the amount (not  
17 including credit memoranda and not including taxes and  
18 penalties collected on aviation fuel sold on or after June 23,  
19 2018) collected from the county under this Section during the  
20 second preceding calendar month by the Department, (i) less 2%  
21 of that amount (except the amount collected on aviation fuel  
22 sold on or after June 23, 2018), which shall be deposited into  
23 the Tax Compliance and Administration Fund and shall be used by  
24 the Department in administering and enforcing the provisions of  
25 this Section on behalf of the county, (ii) plus an amount that  
26 the Department determines is necessary to offset any amounts

1 that were erroneously paid to a different taxing body; (iii)  
2 less an amount equal to the amount of refunds made during the  
3 second preceding calendar month by the Department on behalf of  
4 the county; and (iv) less any amount that the Department  
5 determines is necessary to offset any amounts that were payable  
6 to a different taxing body but were erroneously paid to the  
7 county. When certifying the amount of a monthly disbursement to  
8 a county under this Section, the Department shall increase or  
9 decrease the amounts by an amount necessary to offset any  
10 miscalculation of previous disbursements within the previous 6  
11 months from the time a miscalculation is discovered.

12 Within 10 days after receipt by the Comptroller from the  
13 Department of the disbursement certification to the counties  
14 provided for in this Section, the Comptroller shall cause the  
15 orders to be drawn for the respective amounts in accordance  
16 with directions contained in the certification.

17 If the Department determines that a refund should be made  
18 under this Section to a claimant instead of issuing a credit  
19 memorandum, then the Department shall notify the Comptroller,  
20 who shall cause the order to be drawn for the amount specified  
21 and to the person named in the notification from the  
22 Department. The refund shall be paid by the Treasurer out of  
23 the Flood Prevention Occupation Tax Fund.

24 (g) If a county imposes a tax under this Section, then the  
25 county board shall, by ordinance, discontinue the tax upon the  
26 payment of all indebtedness of the flood prevention district.

1 The tax shall not be discontinued until all indebtedness of the  
2 District has been paid.

3 (h) Any ordinance imposing the tax under this Section, or  
4 any ordinance that discontinues the tax, must be certified by  
5 the county clerk and filed with the Illinois Department of  
6 Revenue either (i) on or before the first day of April,  
7 whereupon the Department shall proceed to administer and  
8 enforce the tax or change in the rate as of the first day of  
9 July next following the filing; or (ii) on or before the first  
10 day of October, whereupon the Department shall proceed to  
11 administer and enforce the tax or change in the rate as of the  
12 first day of January next following the filing.

13 (j) County Flood Prevention Occupation Tax Fund. All  
14 proceeds received by a county from a tax distribution under  
15 this Section must be maintained in a special fund known as the  
16 [name of county] flood prevention occupation tax fund. The  
17 county shall, at the direction of the flood prevention  
18 district, use moneys in the fund to pay the costs of providing  
19 emergency levee repair and flood prevention and to pay bonds,  
20 notes, and other evidences of indebtedness issued under this  
21 Act.

22 (k) This Section may be cited as the Flood Prevention  
23 Occupation Tax Law.

24 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;  
25 99-642, eff. 7-28-16.)

1 Section 60. The Metro-East Park and Recreation District Act  
2 is amended by changing Section 30 as follows:

3 (70 ILCS 1605/30)

4 Sec. 30. Taxes.

5 (a) The board shall impose a tax upon all persons engaged  
6 in the business of selling tangible personal property, other  
7 than personal property titled or registered with an agency of  
8 this State's government, at retail in the District on the gross  
9 receipts from the sales made in the course of business. This  
10 tax shall be imposed only at the rate of one-tenth of one per  
11 cent.

12 This additional tax may not be imposed on the sales of food  
13 for human consumption that is to be consumed off the premises  
14 where it is sold (other than alcoholic beverages, soft drinks,  
15 and food which has been prepared for immediate consumption) and  
16 prescription and non-prescription medicines, drugs, medical  
17 appliances, and insulin, urine testing materials, syringes,  
18 and needles used by diabetics. Beginning June 23, 2018, this  
19 tax is not imposed on sales of aviation fuel unless the tax  
20 revenue is expended for airport-related purposes. If the  
21 District does not have an airport-related purpose to which it  
22 dedicates aviation fuel tax revenue, then aviation fuel shall  
23 be excluded from tax. For purposes of this Act,  
24 "airport-related purposes" has the meaning ascribed in Section  
25 6z-20.2 of the State Finance Act. This exception for aviation

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

4 On or before April 1, 2018, and on or before each April 1  
5 and October 1 thereafter, the Board must certify to the  
6 Department of Transportation, in the form and manner required  
7 by the Department, whether the District has an airport-related  
8 purpose, which would allow any Retailers' Occupation Tax and  
9 Service Occupation Tax imposed by the District to include tax  
10 on aviation fuel. On or before May 1, 2018, and on or before  
11 each May 1 and November 1 thereafter, the Department of  
12 Transportation shall provide to the Department of Revenue, a  
13 list of units of local government which have certified to the  
14 Department of Transportation that they have airport-related  
15 purposes, which would allow any Retailers' Occupation Tax and  
16 Service Occupation Tax imposed by the unit of local government  
17 to include tax on aviation fuel. All disputes regarding whether  
18 or not a unit of local government has an airport-related  
19 purpose shall be resolved by the Department of Transportation.

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

1 under an ordinance or resolution under this Section. The  
2 Department has full power to administer and enforce this  
3 Section, to collect all taxes and penalties due under this  
4 Section, to dispose of taxes and penalties so collected in the  
5 manner provided in this Section, and to determine all rights to  
6 credit memoranda arising on account of the erroneous payment of  
7 a tax or penalty under this Section. In the administration of  
8 and compliance with this Section, the Department and persons  
9 who are subject to this Section shall (i) have the same rights,  
10 remedies, privileges, immunities, powers, and duties, (ii) be  
11 subject to the same conditions, restrictions, limitations,  
12 penalties, and definitions of terms, and (iii) employ the same  
13 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,  
14 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect  
15 to all provisions contained in those Sections other than the  
16 State rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3  
17 (except provisions relating to transaction returns and quarter  
18 monthly payments, and except that the retailer's discount is  
19 not allowed for taxes paid on aviation fuel that are deposited  
20 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,  
21 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
22 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
23 and the Uniform Penalty and Interest Act as if those provisions  
24 were set forth in this Section.

25 Persons subject to any tax imposed under the authority  
26 granted in this Section may reimburse themselves for their

1 sellers' tax liability by separately stating the tax as an  
2 additional charge, which charge may be stated in combination,  
3 in a single amount, with State tax which sellers are required  
4 to collect under the Use Tax Act, pursuant to such bracketed  
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 order 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 State Metro-East Park and Recreation  
13 District Fund.

14 (b) If a tax has been imposed under subsection (a), a  
15 service occupation tax shall also be imposed at the same rate  
16 upon all persons engaged, in the District, in the business of  
17 making sales of service, who, as an incident to making those  
18 sales of service, transfer tangible personal property within  
19 the District as an incident to a sale of service. This tax may  
20 not be imposed on sales of food for human consumption that is  
21 to be consumed off the premises where it is sold (other than  
22 alcoholic beverages, soft drinks, and food prepared for  
23 immediate consumption) and prescription and non-prescription  
24 medicines, drugs, medical appliances, and insulin, urine  
25 testing materials, syringes, and needles used by diabetics.  
26 Beginning June 23, 2018, this tax may not be imposed on sales

1 of aviation fuel unless the tax revenue is expended for  
2 airport-related purposes. If the District does not have an  
3 airport-related purpose to which it dedicates aviation fuel tax  
4 revenue, then aviation fuel shall be excluded from tax. For  
5 purposes of this Act, "airport-related purposes" has the  
6 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
7 This exception for aviation fuel only applies for so long as  
8 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
9 U.S.C. §47133 are binding on the District.

10 On or before April 1, 2018, and on or before each April 1  
11 and October 1 thereafter, the Board must certify to the  
12 Department of Transportation, in the form and manner required  
13 by the Department, whether the District has an airport-related  
14 purpose, which would allow any Retailers' Occupation Tax and  
15 Service Occupation Tax imposed by the District to include tax  
16 on aviation fuel. On or before May 1, 2018, and on or before  
17 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 tax imposed under this subsection and all civil



1 penalties that may be assessed as an incident thereof shall be  
2 collected and enforced by the Department of Revenue. The  
3 Department has full power to administer and enforce this  
4 subsection; to collect all taxes and penalties due hereunder;  
5 to dispose of 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 subsection, the Department and persons who are  
10 subject to this paragraph shall (i) have the same rights,  
11 remedies, privileges, immunities, powers, and duties, (ii) be  
12 subject to the same conditions, restrictions, limitations,  
13 penalties, exclusions, exemptions, and definitions of terms,  
14 and (iii) employ the same modes of procedure as are prescribed  
15 in Sections 2 (except that the reference to State in the  
16 definition of supplier maintaining a place of business in this  
17 State shall mean the District), 2a, 2b, 2c, 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 District), 5, 7, 8 (except that the jurisdiction to which the  
21 tax shall be a debt to the extent indicated in that Section 8  
22 shall be the District), 9 (except as to the disposition of  
23 taxes and penalties collected, and except that the retailer's  
24 discount is not allowed for taxes paid on aviation fuel that  
25 are deposited into the Local Government Aviation Trust Fund),  
26 10, 11, 12 (except the reference therein to Section 2b of the

1 Retailers' Occupation Tax Act), 13 (except that any reference  
2 to the State shall mean the District), Sections 15, 16, 17, 18,  
3 19 and 20 of the Service Occupation Tax Act and the Uniform  
4 Penalty and Interest Act, as fully as if those provisions were  
5 set 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 charge may be stated in combination,  
10 in a single amount, with State tax that servicemen are  
11 authorized to collect under the Service Use Tax Act, in  
12 accordance with such bracket schedules as the Department may  
13 prescribe.

14 Whenever the Department determines that a refund should be  
15 made under this subsection to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the warrant to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the State Metro-East Park and Recreation  
21 District Fund.

22 Nothing in this subsection shall be construed to authorize  
23 the board to impose a tax upon the privilege of engaging in any  
24 business which under the Constitution of the United States may  
25 not be made the subject of taxation by the State.

26 (c) 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 and penalties collected under  
3 this Section to be deposited into the State Metro-East Park and  
4 Recreation District Fund, which shall be an unappropriated  
5 trust fund held outside of the State treasury. Taxes and  
6 penalties collected on aviation fuel sold on or after June 23,  
7 2018, shall be immediately paid over by the Department to the  
8 State Treasurer, ex officio, as trustee, for deposit into the  
9 Local Government Aviation Trust Fund. The Department shall only  
10 pay moneys into the State Aviation Program Fund under this Act  
11 for so long as the revenue use requirements of 49 U.S.C.  
12 §47107(b) and 49 U.S.C. §47133 are binding on the District.

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. The Department shall make this  
21 certification only if the Metro East Park and Recreation  
22 District imposes a tax on real property as provided in the  
23 definition of "local sales taxes" under the Innovation  
24 Development and Economy Act.

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 pursuant to Section 35 of  
3 this Act to the District from which retailers have paid taxes  
4 or penalties to the Department during the second preceding  
5 calendar month. The amount to be paid to the District shall be  
6 the amount (not including credit memoranda and not including  
7 taxes and penalties collected on aviation fuel sold on or after  
8 June 23, 2018) collected under this Section during the second  
9 preceding calendar month by the Department plus an amount the  
10 Department determines is necessary to offset any amounts that  
11 were erroneously paid to a different taxing body, and not  
12 including (i) an amount equal to the amount of refunds made  
13 during the second preceding calendar month by the Department on  
14 behalf of the District, (ii) any amount that the Department  
15 determines is necessary to offset any amounts that were payable  
16 to a different taxing body but were erroneously paid to the  
17 District, (iii) any amounts that are transferred to the STAR  
18 Bonds Revenue Fund, and (iv) 2% of the remainder, which the  
19 Department shall transfer into the Tax Compliance and  
20 Administration Fund. The Department, at the time of each  
21 monthly disbursement to the District, shall prepare and certify  
22 to the State Comptroller the amount to be transferred into the  
23 Tax Compliance and Administration Fund under this subsection.  
24 Within 10 days after receipt by the Comptroller of the  
25 disbursement certification to the District 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 directions contained in  
4 the certification.

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

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

18 (f) An ordinance imposing a tax under this Section or an  
19 ordinance extending the imposition of a tax to an additional  
20 county or counties shall be certified by the board and filed  
21 with the Department of Revenue either (i) on or before the  
22 first day of April, whereupon the Department shall proceed to  
23 administer and enforce the tax as of the first day of July next  
24 following the filing; or (ii) on or before the first day of  
25 October, whereupon the Department shall proceed to administer  
26 and enforce the tax as of the first day of January next

1 following the filing.

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

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

9 Section 65. The Local Mass Transit District Act is amended  
10 by changing Section 5.01 as follows:

11 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

12 Sec. 5.01. Metro East Mass Transit District; use and  
13 occupation taxes.

14 (a) The Board of Trustees of any Metro East Mass Transit  
15 District may, by ordinance adopted with the concurrence of  
16 two-thirds of the then trustees, impose throughout the District  
17 any or all of the taxes and fees provided in this Section.  
18 Except as otherwise provided, all ~~All~~ taxes and fees imposed  
19 under this Section shall be used only for public mass  
20 transportation systems, and the amount used to provide mass  
21 transit service to unserved areas of the District shall be in  
22 the same proportion to the total proceeds as the number of  
23 persons residing in the unserved areas is to the total  
24 population of the District. Except as otherwise provided in

1 this Act, taxes imposed under this Section and civil penalties  
2 imposed incident thereto shall be collected and enforced by the  
3 State Department of Revenue. The Department shall have the  
4 power to administer and enforce the taxes and to determine all  
5 rights for refunds for erroneous payments of the taxes.

6 (b) The Board may impose a Metro East Mass Transit District  
7 Retailers' Occupation Tax upon all persons engaged in the  
8 business of selling tangible personal property at retail in the  
9 district at a rate of 1/4 of 1%, or as authorized under  
10 subsection (d-5) of this Section, of the gross receipts from  
11 the sales made in the course of such business within the  
12 district, except that the rate of tax imposed under this  
13 Section on sales of aviation fuel on or after June 23, 2018  
14 shall be 0.25% in Madison County unless the Metro-East Mass  
15 Transit District in Madison County has an "airport-related  
16 purpose" and any additional amount authorized under subsection  
17 (d-5) is expended for airport-related purposes. If there is no  
18 airport-related purpose to which aviation fuel tax revenue is  
19 dedicated, then aviation fuel is excluded from any future  
20 increase in the tax. The rate in St. Clair County shall be  
21 0.25% unless the Metro-East Mass Transit District in St. Clair  
22 County has an "airport-related purpose" and the additional  
23 0.50% of the 0.75% tax on aviation fuel imposed in that County  
24 is expended for airport-related purposes. If there is no  
25 airport-related purpose to which aviation fuel tax revenue is  
26 dedicated, then aviation fuel is excluded from the tax.

1       On or before April 1, 2018, and on or before each April 1  
2 and October 1 thereafter, each Metro-East Mass Transit District  
3 and Madison and St. Clair 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 May 1, 2018, and on or before each  
9 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 District.

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, 5c, 5d, 5e, 5f, 5g,  
17 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13,  
18 and 14 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 Section may  
22 reimburse themselves for their seller's tax liability  
23 hereunder 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 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 Metro East Mass Transit District tax fund  
9 established under paragraph (h) of this Section.

10 If a tax is imposed under this subsection (b), a tax shall  
11 also be imposed under subsections (c) and (d) 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 Metro East Mass Transit District to impose a tax upon the

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

4 (c) If a tax has been imposed under subsection (b), a Metro  
5 East Mass Transit District Service Occupation Tax shall also be  
6 imposed upon all persons engaged, in the district, in the  
7 business of making sales of service, who, as an incident to  
8 making those sales of service, transfer tangible personal  
9 property within the District, either in the form of tangible  
10 personal property or in the form of real estate as an incident  
11 to a sale of service. The tax rate shall be 1/4%, or as  
12 authorized under subsection (d-5) of this Section, of the  
13 selling price of tangible personal property so transferred  
14 within the district, except that the rate of tax imposed in  
15 these Counties under this Section on sales of aviation fuel on  
16 or after June 23, 2018 shall be 0.25% in Madison County unless  
17 the Metro-East Mass Transit District in Madison County has an  
18 "airport-related purpose" and any additional amount authorized  
19 under subsection (d-5) is expended for airport-related  
20 purposes. If there is no airport-related purpose to which  
21 aviation fuel tax revenue is dedicated, then aviation fuel is  
22 excluded from any future increase in the tax. The rate in St.  
23 Clair County shall be 0.25% unless the Metro-East Mass Transit  
24 District in St. Clair County has an "airport-related purpose"  
25 and the additional 0.50% of the 0.75% tax on aviation fuel is  
26 expended for airport-related purposes. If there is no

1 airport-related purpose to which aviation fuel tax revenue is  
2 dedicated, then aviation fuel is excluded from the tax.

3 On or before April 1, 2018, and on or before each April 1  
4 and October 1 thereafter, each Metro-East Mass Transit District  
5 and Madison and St. Clair Counties must certify to the  
6 Department of Transportation, in the form and manner required  
7 by the Department, whether they have an airport-related  
8 purpose, which would allow any Retailers' Occupation Tax and  
9 Service Occupation Tax imposed under this Act to include tax on  
10 aviation fuel. On or before May 1, 2018, and on or before each  
11 May 1 and November 1 thereafter, the Department of  
12 Transportation shall provide to the Department of Revenue, a  
13 list of units of local government which have certified to the  
14 Department of Transportation that they have airport-related  
15 purposes, which would allow any Retailers' Occupation Tax and  
16 Service Occupation Tax imposed by the unit of local government  
17 to include tax on aviation fuel. All disputes regarding whether  
18 or not a unit of local government has an airport-related  
19 purpose shall be resolved by the Department of Transportation.

20 For purposes of this Act, "airport-related purposes" has  
21 the meaning ascribed in Section 6z-20.2 of the State Finance  
22 Act. This exclusion for aviation fuel only applies for so long  
23 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
24 U.S.C. §47133 are binding on the District.

25 The tax imposed under this paragraph and all civil  
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the State Department of Revenue. The  
2 Department shall have full power to administer and enforce this  
3 paragraph; to collect all taxes and penalties due hereunder; to  
4 dispose of taxes and penalties so collected in the manner  
5 hereinafter provided; and to determine all rights to credit  
6 memoranda arising on account of the erroneous payment of tax or  
7 penalty hereunder. In the administration of, and compliance  
8 with this paragraph, the Department and persons who are subject  
9 to this paragraph shall have the same rights, remedies,  
10 privileges, immunities, powers and duties, and be subject to  
11 the same conditions, restrictions, limitations, penalties,  
12 exclusions, exemptions and definitions of terms and employ the  
13 same modes of procedure as are prescribed in Sections 1a-1, 2  
14 (except that the reference to State in the definition of  
15 supplier maintaining a place of business in this State shall  
16 mean the Authority), 2a, 3 through 3-50 (in respect to all  
17 provisions therein other than the State rate of tax), 4 (except  
18 that the reference to the State shall be to the Authority), 5,  
19 7, 8 (except that the jurisdiction to which the tax shall be a  
20 debt to the extent indicated in that Section 8 shall be the  
21 District), 9 (except as to the disposition of taxes and  
22 penalties collected, and except that the returned merchandise  
23 credit for this tax may not be taken against any State tax, and  
24 except that the retailer's discount is not allowed for taxes  
25 paid on aviation fuel that are deposited into the Local  
26 Government Aviation Trust Fund), 10, 11, 12 (except the

1 reference therein to Section 2b of the Retailers' Occupation  
2 Tax Act), 13 (except that any reference to the State shall mean  
3 the District), the first paragraph of Section 15, 16, 17, 18,  
4 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
5 the Uniform Penalty and Interest Act, as fully as if those  
6 provisions were set forth herein.

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

15 Whenever the Department determines that a refund should be  
16 made under this paragraph to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the warrant 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 Metro East Mass Transit District tax fund  
22 established under paragraph (h) of this Section.

23 Nothing in this paragraph shall be construed to authorize  
24 the District to impose a tax upon the privilege of engaging in  
25 any business which under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1           (d) If a tax has been imposed under subsection (b), a Metro  
2 East Mass Transit District Use Tax shall also be imposed upon  
3 the privilege of using, in the district, any item of tangible  
4 personal property that is purchased outside the district at  
5 retail from a retailer, and that is titled or registered with  
6 an agency of this State's government, at a rate of 1/4%, or as  
7 authorized under subsection (d-5) of this Section, of the  
8 selling price of the tangible personal property within the  
9 District, as "selling price" is defined in the Use Tax Act. The  
10 tax shall be collected from persons whose Illinois address for  
11 titling or registration purposes is given as being in the  
12 District. The tax shall be collected by the Department of  
13 Revenue for the Metro East Mass Transit District. The tax must  
14 be paid to the State, or an exemption determination must be  
15 obtained from the Department of Revenue, before the title or  
16 certificate of registration for the property may be issued. The  
17 tax or proof of exemption may be transmitted to the Department  
18 by way of the State agency with which, or the State officer  
19 with whom, the tangible personal property must be titled or  
20 registered if the Department and the State agency or State  
21 officer determine that this procedure will expedite the  
22 processing of applications for title or registration.

23           The Department shall have full power to administer and  
24 enforce this paragraph; to collect all taxes, penalties and  
25 interest due hereunder; to dispose of taxes, penalties and  
26 interest so collected in the manner hereinafter provided; and

1 to determine all rights to credit memoranda or refunds arising  
2 on account of the erroneous payment of tax, penalty or interest  
3 hereunder. In the administration of, and compliance with, this  
4 paragraph, the Department and persons who are subject to this  
5 paragraph shall have the same rights, remedies, privileges,  
6 immunities, powers and duties, and be subject to the same  
7 conditions, restrictions, limitations, penalties, exclusions,  
8 exemptions and definitions of terms and employ the same modes  
9 of procedure, as are prescribed in Sections 2 (except the  
10 definition of "retailer maintaining a place of business in this  
11 State"), 3 through 3-80 (except provisions pertaining to the  
12 State rate of tax, and except provisions concerning collection  
13 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
14 19 (except the portions pertaining to claims by retailers and  
15 except the last paragraph concerning refunds), 20, 21 and 22 of  
16 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 herein.

19 Whenever the Department determines that a refund should be  
20 made under this paragraph 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 Metro East Mass Transit District tax fund  
26 established under paragraph (h) of this Section.



1 (d-5) (A) The county board of any county participating in  
2 the Metro East Mass Transit District may authorize, by  
3 ordinance, a referendum on the question of whether the tax  
4 rates for the Metro East Mass Transit District Retailers'  
5 Occupation Tax, the Metro East Mass Transit District Service  
6 Occupation Tax, and the Metro East Mass Transit District Use  
7 Tax for the District should be increased from 0.25% to 0.75%.  
8 Upon adopting the ordinance, the county board shall certify the  
9 proposition to the proper election officials who shall submit  
10 the proposition to the voters of the District at the next  
11 election, in accordance with the general election law.

12 The proposition shall be in substantially the following  
13 form:

14 Shall the tax rates for the Metro East Mass Transit  
15 District Retailers' Occupation Tax, the Metro East Mass  
16 Transit District Service Occupation Tax, and the Metro East  
17 Mass Transit District Use Tax be increased from 0.25% to  
18 0.75%?

19 (B) Two thousand five hundred electors of any Metro East  
20 Mass Transit District may petition the Chief Judge of the  
21 Circuit Court, or any judge of that Circuit designated by the  
22 Chief Judge, in which that District is located to cause to be  
23 submitted to a vote of the electors the question whether the  
24 tax rates for the Metro East Mass Transit District Retailers'  
25 Occupation Tax, the Metro East Mass Transit District Service  
26 Occupation Tax, and the Metro East Mass Transit District Use

1 Tax for the District should be increased from 0.25% to 0.75%.

2 Upon submission of such petition the court shall set a date  
3 not less than 10 nor more than 30 days thereafter for a hearing  
4 on the sufficiency thereof. Notice of the filing of such  
5 petition and of such date shall be given in writing to the  
6 District and the County Clerk at least 7 days before the date  
7 of such hearing.

8 If such petition is found sufficient, the court shall enter  
9 an order to submit that proposition at the next election, in  
10 accordance with general election law.

11 The form of the petition shall be in substantially the  
12 following form: To the Circuit Court of the County of (name of  
13 county):

14 We, the undersigned electors of the (name of transit  
15 district), respectfully petition your honor to submit to a  
16 vote of the electors of (name of transit district) the  
17 following proposition:

18 Shall the tax rates for the Metro East Mass Transit  
19 District Retailers' Occupation Tax, the Metro East Mass  
20 Transit District Service Occupation Tax, and the Metro East  
21 Mass Transit District Use Tax be increased from 0.25% to  
22 0.75%?

23 Name Address, with Street and Number.

24 .....

25 .....

26 (C) The votes shall be recorded as "YES" or "NO". If a

1 majority of all votes cast on the proposition are for the  
2 increase in the tax rates, the Metro East Mass Transit District  
3 shall begin imposing the increased rates in the District, and  
4 the Department of Revenue shall begin collecting the increased  
5 amounts, as provided under this Section. An ordinance imposing  
6 or discontinuing a tax hereunder or effecting a change in the  
7 rate thereof shall be adopted and a certified copy thereof  
8 filed with the Department on or before the first day of  
9 October, whereupon the Department shall proceed to administer  
10 and enforce this Section as of the first day of January next  
11 following the adoption and filing, or on or before the first  
12 day of April, whereupon the Department shall proceed to  
13 administer and enforce this Section as of the first day of July  
14 next following the adoption and filing.

15 (D) If the voters have approved a referendum under this  
16 subsection, before November 1, 1994, to increase the tax rate  
17 under this subsection, the Metro East Mass Transit District  
18 Board of Trustees may adopt by a majority vote an ordinance at  
19 any time before January 1, 1995 that excludes from the rate  
20 increase tangible personal property that is titled or  
21 registered with an agency of this State's government. The  
22 ordinance excluding titled or registered tangible personal  
23 property from the rate increase must be filed with the  
24 Department at least 15 days before its effective date. At any  
25 time after adopting an ordinance excluding from the rate  
26 increase tangible personal property that is titled or

1 registered with an agency of this State's government, the Metro  
2 East Mass Transit District Board of Trustees may adopt an  
3 ordinance applying the rate increase to that tangible personal  
4 property. The ordinance shall be adopted, and a certified copy  
5 of that ordinance shall be filed with the Department, on or  
6 before October 1, whereupon the Department shall proceed to  
7 administer and enforce the rate increase against tangible  
8 personal property titled or registered with an agency of this  
9 State's government as of the following January 1. After  
10 December 31, 1995, any reimposed rate increase in effect under  
11 this subsection shall no longer apply to tangible personal  
12 property titled or registered with an agency of this State's  
13 government. Beginning January 1, 1996, the Board of Trustees of  
14 any Metro East Mass Transit District may never reimpose a  
15 previously excluded tax rate increase on tangible personal  
16 property titled or registered with an agency of this State's  
17 government. After July 1, 2004, if the voters have approved a  
18 referendum under this subsection to increase the tax rate under  
19 this subsection, the Metro East Mass Transit District Board of  
20 Trustees may adopt by a majority vote an ordinance that  
21 excludes from the rate increase tangible personal property that  
22 is titled or registered with an agency of this State's  
23 government. The ordinance excluding titled or registered  
24 tangible personal property from the rate increase shall be  
25 adopted, and a certified copy of that ordinance shall be filed  
26 with the Department on or before October 1, whereupon the

1 Department shall administer and enforce this exclusion from the  
2 rate increase as of the following January 1, or on or before  
3 April 1, whereupon the Department shall administer and enforce  
4 this exclusion from the rate increase as of the following July  
5 1. The Board of Trustees of any Metro East Mass Transit  
6 District may never reimpose a previously excluded tax rate  
7 increase on tangible personal property titled or registered  
8 with an agency of this State's government.

9 (d-6) If the Board of Trustees of any Metro East Mass  
10 Transit District has imposed a rate increase under subsection  
11 (d-5) and filed an ordinance with the Department of Revenue  
12 excluding titled property from the higher rate, then that Board  
13 may, by ordinance adopted with the concurrence of two-thirds of  
14 the then trustees, impose throughout the District a fee. The  
15 fee on the excluded property shall not exceed \$20 per retail  
16 transaction or an amount equal to the amount of tax excluded,  
17 whichever is less, on tangible personal property that is titled  
18 or registered with an agency of this State's government.  
19 Beginning July 1, 2004, the fee shall apply only to titled  
20 property that is subject to either the Metro East Mass Transit  
21 District Retailers' Occupation Tax or the Metro East Mass  
22 Transit District Service Occupation Tax. No fee shall be  
23 imposed or collected under this subsection on the sale of a  
24 motor vehicle in this State to a resident of another state if  
25 that motor vehicle will not be titled in this State.

26 (d-7) Until June 30, 2004, if a fee has been imposed under

1 subsection (d-6), a fee shall also be imposed upon the  
2 privilege of using, in the district, any item of tangible  
3 personal property that is titled or registered with any agency  
4 of this State's government, in an amount equal to the amount of  
5 the fee imposed under subsection (d-6).

6 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
7 Board of Trustees of any Metro East Mass Transit District under  
8 subsection (d-6) and all civil penalties that may be assessed  
9 as an incident of the fees shall be collected and enforced by  
10 the State Department of Revenue. Reference to "taxes" in this  
11 Section shall be construed to apply to the administration,  
12 payment, and remittance of all fees under this Section. For  
13 purposes of any fee imposed under subsection (d-6), 4% of the  
14 fee, penalty, and interest received by the Department in the  
15 first 12 months that the fee is collected and enforced by the  
16 Department and 2% of the fee, penalty, and interest following  
17 the first 12 months (except the amount collected on aviation  
18 fuel sold on or after June 23, 2018) shall be deposited into  
19 the Tax Compliance and Administration Fund and shall be used by  
20 the Department, subject to appropriation, to cover the costs of  
21 the Department. No retailers' discount shall apply to any fee  
22 imposed under subsection (d-6).

23 (d-8) No item of titled property shall be subject to both  
24 the higher rate approved by referendum, as authorized under  
25 subsection (d-5), and any fee imposed under subsection (d-6) or  
26 (d-7).

1 (d-9) (Blank).

2 (d-10) (Blank).

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

12 (f) (Blank).

13 (g) Any ordinance imposing or discontinuing any tax under  
14 this Section shall be adopted and a certified copy thereof  
15 filed with the Department on or before June 1, whereupon the  
16 Department of Revenue shall proceed to administer and enforce  
17 this Section on behalf of the Metro East Mass Transit District  
18 as of September 1 next following such adoption and filing.  
19 Beginning January 1, 1992, an ordinance or resolution imposing  
20 or discontinuing the tax hereunder shall be adopted and a  
21 certified copy thereof filed with the Department on or before  
22 the first day of July, whereupon the Department shall proceed  
23 to administer and enforce this Section as of the first day of  
24 October next following such adoption and filing. Beginning  
25 January 1, 1993, except as provided in subsection (d-5) of this  
26 Section, an ordinance or resolution imposing or discontinuing

1 the tax hereunder shall be adopted and a certified copy thereof  
2 filed with the Department on or before the first day of  
3 October, whereupon the Department shall proceed to administer  
4 and enforce this Section as of the first day of January next  
5 following such adoption and filing, or, beginning January 1,  
6 2004, on or before the first day of April, whereupon the  
7 Department shall proceed to administer and enforce this Section  
8 as of the first day of July next following the adoption and  
9 filing.

10 (h) Except as provided in subsection (d-7.1), the State  
11 Department of Revenue shall, upon collecting any taxes as  
12 provided in this Section, pay the taxes over to the State  
13 Treasurer as trustee for the District. The taxes shall be held  
14 in a trust fund outside the State Treasury. Taxes and penalties  
15 collected in St. Clair Counties on aviation fuel sold on or  
16 after June 23, 2018 from the 0.50% of the 0.75% rate shall be  
17 immediately paid over by the Department to the State Treasurer,  
18 ex officio, as trustee, for deposit into the Local Government  
19 Aviation Trust Fund. The Department shall only pay moneys into  
20 the Local Government Aviation Trust Fund under this Act for so  
21 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
22 49 U.S.C. §47133 are binding on the District.

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. The Department shall make this  
5 certification only if the local mass transit district imposes a  
6 tax on real property as provided in the definition of "local  
7 sales taxes" under the Innovation Development and Economy Act.

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on or before the 25th day of each calendar month, the State  
10 Department of Revenue shall prepare and certify to the  
11 Comptroller of the State of Illinois the amount to be paid to  
12 the District, which shall be the amount (not including credit  
13 memoranda and not including taxes and penalties collected on  
14 aviation fuel sold on or after June 23, 2018) collected under  
15 this Section during the second preceding calendar month by the  
16 Department plus an amount the Department determines is  
17 necessary to offset any amounts that were erroneously paid to a  
18 different taxing body, and not including any amount equal to  
19 the amount of refunds made during the second preceding calendar  
20 month by the Department on behalf of the District, and not  
21 including any amount that the Department determines is  
22 necessary to offset any amounts that were payable to a  
23 different taxing body but were erroneously paid to the  
24 District, and less any amounts that are transferred to the STAR  
25 Bonds Revenue Fund, less 2% of the remainder, which the  
26 Department shall transfer into the Tax Compliance and

1 Administration Fund. The Department, at the time of each  
2 monthly disbursement to the District, shall prepare and certify  
3 to the State Comptroller the amount to be transferred into the  
4 Tax Compliance and Administration Fund under this subsection.  
5 Within 10 days after receipt by the Comptroller of the  
6 certification of the amount to be paid to the District and the  
7 Tax Compliance and Administration Fund, the Comptroller shall  
8 cause an order to be drawn for payment for the amount in  
9 accordance with the direction in the certification.

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

11 Section 70. The Regional Transportation Authority Act is  
12 amended by changing Sections 4.03 and 4.03.3 as follows:

13 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

14 Sec. 4.03. Taxes.

15 (a) In order to carry out any of the powers or purposes of  
16 the Authority, the Board may by ordinance adopted with the  
17 concurrence of 12 of the then Directors, impose throughout the  
18 metropolitan region any or all of the taxes provided in this  
19 Section. Except as otherwise provided in this Act, taxes  
20 imposed under this Section and civil penalties imposed incident  
21 thereto shall be collected and enforced by the State Department  
22 of Revenue. The Department shall have the power to administer  
23 and enforce the taxes and to determine all rights for refunds  
24 for erroneous payments of the taxes. Nothing in Public Act

1 95-708 is intended to invalidate any taxes currently imposed by  
2 the Authority. The increased vote requirements to impose a tax  
3 shall only apply to actions taken after January 1, 2008 (the  
4 effective date of Public Act 95-708).

5 (b) The Board may impose a public transportation tax upon  
6 all persons engaged in the metropolitan region in the business  
7 of selling at retail motor fuel for operation of motor vehicles  
8 upon public highways. The tax shall be at a rate not to exceed  
9 5% of the gross receipts from the sales of motor fuel in the  
10 course of the business. As used in this Act, the term "motor  
11 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
12 The Board may provide for details of the tax. The provisions of  
13 any tax shall conform, as closely as may be practicable, to the  
14 provisions of the Municipal Retailers Occupation Tax Act,  
15 including without limitation, conformity to penalties with  
16 respect to the tax imposed and as to the powers of the State  
17 Department of Revenue to promulgate and enforce rules and  
18 regulations relating to the administration and enforcement of  
19 the provisions of the tax imposed, except that reference in the  
20 Act to any municipality shall refer to the Authority and the  
21 tax shall be imposed only with regard to receipts from sales of  
22 motor fuel in the metropolitan region, at rates as limited by  
23 this Section.

24 (c) In connection with the tax imposed under paragraph (b)  
25 of this Section the Board may impose a tax upon the privilege  
26 of using in the metropolitan region motor fuel for the

1 operation of a motor vehicle upon public highways, the tax to  
2 be at a rate not in excess of the rate of tax imposed under  
3 paragraph (b) of this Section. The Board may provide for  
4 details of the tax.

5 (d) The Board may impose a motor vehicle parking tax upon  
6 the privilege of parking motor vehicles at off-street parking  
7 facilities in the metropolitan region at which a fee is  
8 charged, and may provide for reasonable classifications in and  
9 exemptions to the tax, for administration and enforcement  
10 thereof and for civil penalties and refunds thereunder and may  
11 provide criminal penalties thereunder, the maximum penalties  
12 not to exceed the maximum criminal penalties provided in the  
13 Retailers' Occupation Tax Act. The Authority may collect and  
14 enforce the tax itself or by contract with any unit of local  
15 government. The State Department of Revenue shall have no  
16 responsibility for the collection and enforcement unless the  
17 Department agrees with the Authority to undertake the  
18 collection and enforcement. As used in this paragraph, the term  
19 "parking facility" means a parking area or structure having  
20 parking spaces for more than 2 vehicles at which motor vehicles  
21 are permitted to park in return for an hourly, daily, or other  
22 periodic fee, whether publicly or privately owned, but does not  
23 include parking spaces on a public street, the use of which is  
24 regulated by parking meters.

25 (e) The Board may impose a Regional Transportation  
26 Authority Retailers' Occupation Tax upon all persons engaged in

1 the business of selling tangible personal property at retail in  
2 the metropolitan region. In Cook County the tax rate shall be  
3 1.25% of the gross receipts from sales 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 that  
6 has been prepared for immediate consumption) and prescription  
7 and nonprescription medicines, drugs, medical appliances and  
8 insulin, urine testing materials, syringes and needles used by  
9 diabetics, and 1% of the gross receipts from other taxable  
10 sales made in the course of that business. In DuPage, Kane,  
11 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
12 of the gross receipts from all taxable sales made in the course  
13 of that business except that the rate of tax imposed in these  
14 Counties under this Section on sales of aviation fuel on or  
15 after June 23, 2018 shall be 0.25% unless the Regional  
16 Transportation Authority in DuPage, Kane, Lake, McHenry and  
17 Will Counties has an "airport-related purpose" and the  
18 additional 0.50% of the 0.75% tax on aviation fuel is expended  
19 for airport-related purposes. If there is no airport-related  
20 purpose to which aviation fuel tax revenue is dedicated, then  
21 aviation fuel is excluded from the tax.

22 On or before April 1, 2018, and on or before each April 1  
23 and October 1 thereafter, the Authority and Cook, DuPage, Kane,  
24 Lake, McHenry, and Will Counties must certify to the Department  
25 of Transportation, in the form and manner required by the  
26 Department, whether they have an airport-related purpose,

1 which would allow any Retailers' Occupation Tax and Service  
2 Occupation Tax imposed under this Act to include tax on  
3 aviation fuel. On or before May 1, 2018, and on or before each  
4 May 1 and November 1 thereafter, the Department of  
5 Transportation shall provide to the Department of Revenue, a  
6 list of units of local government which have certified to the  
7 Department of Transportation that they have airport-related  
8 purposes, which would allow any Retailers' Occupation Tax and  
9 Service Occupation Tax imposed by the unit of local government  
10 to include tax on aviation fuel. All disputes regarding whether  
11 or not a unit of local government has an airport-related  
12 purpose shall be resolved by the Department of Transportation.

13 For purposes of this Act, "airport-related purposes" has  
14 the meaning ascribed in Section 6z-20.2 of the State Finance  
15 Act. This exclusion for aviation fuel only applies 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 Authority.

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 State Department of Revenue. The Department  
21 shall have full power to administer and enforce this Section;  
22 to collect all 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 or  
25 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,  
4 exclusions, exemptions and definitions of terms, and employ the  
5 same modes of procedure, as are prescribed in Sections 1, 1a,  
6 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
7 provisions therein other than the State rate of tax), 2c, 3  
8 (except as to the disposition of taxes and penalties collected,  
9 and except that the retailer's discount is not allowed for  
10 taxes paid on aviation fuel that are deposited into the Local  
11 Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
12 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
13 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
14 the Uniform Penalty and Interest Act, as fully as if those  
15 provisions were set forth herein.

16 Persons subject to any tax imposed under the authority  
17 granted in this Section may reimburse themselves for their  
18 seller's tax liability hereunder by separately stating the tax  
19 as an additional charge, which charge may be stated in  
20 combination in a single amount with State taxes that sellers  
21 are required to collect under the Use Tax Act, under any  
22 bracket schedules 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 warrant 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 Regional Transportation Authority tax fund  
4 established under paragraph (n) of this Section.

5 If a tax is imposed under this subsection (e), a tax shall  
6 also be imposed under subsections (f) and (g) of this Section.

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

16 No tax shall be imposed or collected under this subsection  
17 on the sale of a motor vehicle in this State to a resident of  
18 another state if that motor vehicle will not be titled in this  
19 State.

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

25 (f) If a tax has been imposed under paragraph (e), a  
26 Regional Transportation Authority Service Occupation Tax shall



1 also be imposed upon all persons engaged, in the metropolitan  
2 region in the business of making sales of service, who as an  
3 incident to making the sales of service, transfer tangible  
4 personal property within the metropolitan region, either in the  
5 form of tangible personal property or in the form of real  
6 estate as an incident to a sale of service. In Cook County, the  
7 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
8 food prepared for immediate consumption and transferred  
9 incident to a sale of service subject to the service occupation  
10 tax by an entity licensed under the Hospital Licensing Act, the  
11 Nursing Home Care Act, the Specialized Mental Health  
12 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
13 the MC/DD Act that is located in the metropolitan region; (2)  
14 1.25% of the selling price of food for human consumption that  
15 is to be consumed off the premises where it is sold (other than  
16 alcoholic beverages, soft drinks and food that has been  
17 prepared for immediate consumption) and prescription and  
18 nonprescription medicines, drugs, medical appliances and  
19 insulin, urine testing materials, syringes and needles used by  
20 diabetics; and (3) 1% of the selling price from other taxable  
21 sales of tangible personal property transferred. In DuPage,  
22 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%  
23 of the selling price of all tangible personal property  
24 transferred except that the rate of tax imposed in these  
25 Counties under this Section on sales of aviation fuel on or  
26 after June 23, 2018 shall be 0.25% unless the Regional

1 Transportation Authority in DuPage, Kane, Lake, McHenry and  
2 Will Counties has an "airport-related purpose" and the  
3 additional 0.50% of the 0.75% tax on aviation fuel is expended  
4 for airport-related purposes. If there is no airport-related  
5 purpose to which aviation fuel tax revenue is dedicated, then  
6 aviation fuel is excluded from the tax.

7 On or before April 1, 2018, and on or before each April 1  
8 and October 1 thereafter, the Authority and Cook, DuPage, Kane,  
9 Lake, McHenry, and Will Counties must certify to the Department  
10 of Transportation, in the form and manner required by the  
11 Department, whether they have an airport-related purpose,  
12 which would allow any Retailers' Occupation Tax and Service  
13 Occupation Tax imposed under this Act to include tax on  
14 aviation fuel. On or before May 1, 2018, and on or before each  
15 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 For purposes of this Act, "airport-related purposes" has  
25 the meaning ascribed in Section 6z-20.2 of the State Finance  
26 Act. This exclusion for aviation fuel only applies for so long

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

3 The tax imposed under this paragraph and all civil  
4 penalties that may be assessed as an incident thereof shall be  
5 collected and enforced by the State Department of Revenue. The  
6 Department shall have full power to administer and enforce this  
7 paragraph; to collect all taxes and penalties due hereunder; to  
8 dispose of taxes and penalties collected in the manner  
9 hereinafter provided; and to determine all rights to credit  
10 memoranda arising on account of the erroneous payment of tax or  
11 penalty hereunder. In the administration of and compliance with  
12 this paragraph, the Department and persons who are subject to  
13 this paragraph shall have the same rights, remedies,  
14 privileges, immunities, powers and duties, and be subject to  
15 the same conditions, restrictions, limitations, penalties,  
16 exclusions, exemptions and definitions of terms, and employ the  
17 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
18 2a, 3 through 3-50 (in respect to all provisions therein other  
19 than the State rate of tax), 4 (except that the reference to  
20 the State shall be to the Authority), 5, 7, 8 (except that the  
21 jurisdiction to which the tax shall be a debt to the extent  
22 indicated in that Section 8 shall be the Authority), 9 (except  
23 as to the disposition of taxes and penalties collected, and  
24 except that the returned merchandise credit for this 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 Authority), the  
5 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
6 Service Occupation Tax Act and Section 3-7 of the Uniform  
7 Penalty and Interest Act, as fully as if those provisions were  
8 set forth herein.

9 Persons subject to any tax imposed under the authority  
10 granted in this paragraph may reimburse themselves for their  
11 serviceman's tax liability hereunder by separately stating the  
12 tax as an additional charge, that charge may be stated in  
13 combination in a single amount with State tax that servicemen  
14 are authorized to collect under the Service Use Tax Act, under  
15 any bracket schedules the Department may prescribe.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the warrant 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 Regional Transportation Authority tax fund  
23 established under paragraph (n) of this Section.

24 Nothing in this paragraph shall be construed to authorize  
25 the Authority to impose a tax upon the privilege of engaging in  
26 any business that under the Constitution of the United States

1 may not be made the subject of taxation by the State.

2 (g) If a tax has been imposed under paragraph (e), a tax  
3 shall also be imposed upon the privilege of using in the  
4 metropolitan region, any item of tangible personal property  
5 that is purchased outside the metropolitan region at retail  
6 from a retailer, and that is titled or registered with an  
7 agency of this State's government. In Cook County the tax rate  
8 shall be 1% of the selling price of the tangible personal  
9 property, as "selling price" is defined in the Use Tax Act. In  
10 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
11 shall be 0.75% of the selling price of the tangible personal  
12 property, as "selling price" is defined in the Use Tax Act. The  
13 tax shall be collected from persons whose Illinois address for  
14 titling or registration purposes is given as being in the  
15 metropolitan region. The tax shall be collected by the  
16 Department of Revenue for the Regional Transportation  
17 Authority. The tax must be paid to the State, or an exemption  
18 determination must be obtained from the Department of Revenue,  
19 before the title or certificate of registration for the  
20 property may be issued. The tax or proof of exemption may be  
21 transmitted to the Department by way of the State agency with  
22 which, or the State officer with whom, the tangible personal  
23 property must be titled or registered if the Department and the  
24 State agency or State officer determine that this procedure  
25 will expedite the processing of applications for title or  
26 registration.

1           The Department shall have full power to administer and  
2 enforce this paragraph; to collect all taxes, penalties and  
3 interest due hereunder; to dispose of taxes, penalties and  
4 interest collected in the manner hereinafter provided; and to  
5 determine all rights to credit memoranda or refunds arising on  
6 account of the erroneous payment of tax, penalty or interest  
7 hereunder. In the administration of and compliance with this  
8 paragraph, the Department and persons who are subject to this  
9 paragraph shall have the same rights, remedies, privileges,  
10 immunities, powers and duties, and be subject to the same  
11 conditions, restrictions, limitations, penalties, exclusions,  
12 exemptions and definitions of terms and employ the same modes  
13 of procedure, as are prescribed in Sections 2 (except the  
14 definition of "retailer maintaining a place of business in this  
15 State"), 3 through 3-80 (except provisions pertaining to the  
16 State rate of tax, and except provisions concerning collection  
17 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
18 19 (except the portions pertaining to claims by retailers and  
19 except the last paragraph concerning refunds), 20, 21 and 22 of  
20 the Use Tax Act, and are not inconsistent with this paragraph,  
21 as fully as if those provisions were set forth 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 the Regional Transportation Authority tax fund  
3 established under paragraph (n) of this Section.

4 (h) The Authority may impose a replacement vehicle tax of  
5 \$50 on any passenger car as defined in Section 1-157 of the  
6 Illinois Vehicle Code purchased within the metropolitan region  
7 by or on behalf of an insurance company to replace a passenger  
8 car of an insured person in settlement of a total loss claim.  
9 The tax imposed may not become effective before the first day  
10 of the month following the passage of the ordinance imposing  
11 the tax and receipt of a certified copy of the ordinance by the  
12 Department of Revenue. The Department of Revenue shall collect  
13 the tax for the Authority in accordance with Sections 3-2002  
14 and 3-2003 of the Illinois Vehicle Code.

15 Except as otherwise provided in this paragraph, the ~~The~~  
16 Department shall immediately pay over to the State Treasurer,  
17 ex officio, as trustee, all taxes collected hereunder. Taxes  
18 and penalties collected in DuPage, Kane, Lake, McHenry and Will  
19 Counties on aviation fuel sold on or after June 23, 2018 from  
20 the 0.50% of the 0.75% rate shall be immediately paid over by  
21 the Department to the State Treasurer, ex officio, as trustee,  
22 for deposit into the Local Government Aviation Trust Fund. The  
23 Department shall only pay moneys into the Local Government  
24 Aviation Trust Fund under this Act for so long as the revenue  
25 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
26 are binding on the Authority.

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

9           After the monthly transfer to the STAR Bonds Revenue Fund,  
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 the Authority. The  
13 amount to be paid to the Authority shall be the amount  
14 collected hereunder during the second preceding calendar month  
15 by the Department, less any amount determined by the Department  
16 to be necessary for the payment of refunds, and less any  
17 amounts that are transferred to the STAR Bonds Revenue Fund.  
18 Within 10 days after receipt by the Comptroller of the  
19 disbursement certification to the Authority provided for in  
20 this Section to be given to the Comptroller by the Department,  
21 the Comptroller shall cause the orders to be drawn for that  
22 amount in accordance with the directions contained in the  
23 certification.

24           (i) The Board may not impose any other taxes except as it  
25 may from time to time be authorized by law to impose.

26           (j) A certificate of registration issued by the State



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

9 (k) The provisions of any tax imposed under paragraph (c)  
10 of this Section shall conform as closely as may be practicable  
11 to the provisions of the Use Tax Act, including without  
12 limitation conformity as to penalties with respect to the tax  
13 imposed and as to the powers of the State Department of Revenue  
14 to promulgate and enforce rules and regulations relating to the  
15 administration and enforcement of the provisions of the tax  
16 imposed. The taxes shall be imposed only on use within the  
17 metropolitan region and at rates as provided in the paragraph.

18 (l) The Board in imposing any tax as provided in paragraphs  
19 (b) and (c) of this Section, shall, after seeking the advice of  
20 the State Department of Revenue, provide means for retailers,  
21 users or purchasers of motor fuel for purposes other than those  
22 with regard to which the taxes may be imposed as provided in  
23 those paragraphs to receive refunds of taxes improperly paid,  
24 which provisions may be at variance with the refund provisions  
25 as applicable under the Municipal Retailers Occupation Tax Act.  
26 The State Department of Revenue may provide for certificates of

1 registration for users or purchasers of motor fuel for purposes  
2 other than those with regard to which taxes may be imposed as  
3 provided in paragraphs (b) and (c) of this Section to  
4 facilitate the reporting and nontaxability of the exempt sales  
5 or uses.

6 (m) Any ordinance imposing or discontinuing any tax under  
7 this Section shall be adopted and a certified copy thereof  
8 filed with the Department on or before June 1, whereupon the  
9 Department of Revenue shall proceed to administer and enforce  
10 this Section on behalf of the Regional Transportation Authority  
11 as of September 1 next following such adoption and filing.  
12 Beginning January 1, 1992, an ordinance or resolution imposing  
13 or discontinuing the tax hereunder shall be adopted and a  
14 certified copy thereof filed with the Department on or before  
15 the first day of July, whereupon the Department shall proceed  
16 to administer and enforce this Section as of the first day of  
17 October next following such adoption and filing. Beginning  
18 January 1, 1993, an ordinance or resolution imposing,  
19 increasing, decreasing, or discontinuing the tax hereunder  
20 shall be adopted and a certified copy thereof filed with the  
21 Department, whereupon the Department shall proceed to  
22 administer and enforce this Section as of the first day of the  
23 first month to occur not less than 60 days following such  
24 adoption and filing. Any ordinance or resolution of the  
25 Authority imposing a tax under this Section and in effect on  
26 August 1, 2007 shall remain in full force and effect and shall

1 be administered by the Department of Revenue under the terms  
2 and conditions and rates of tax established by such ordinance  
3 or resolution until the Department begins administering and  
4 enforcing an increased tax under this Section as authorized by  
5 Public Act 95-708. The tax rates authorized by Public Act  
6 95-708 are effective only if imposed by ordinance of the  
7 Authority.

8 (n) Except as otherwise provided in this subsection (n),  
9 the State Department of Revenue shall, upon collecting any  
10 taxes as provided in this Section, pay the taxes over to the  
11 State Treasurer as trustee for the Authority. The taxes shall  
12 be held in a trust fund outside the State Treasury. On or  
13 before the 25th day of each calendar month, the State  
14 Department of Revenue shall prepare and certify to the  
15 Comptroller of the State of Illinois and to the Authority (i)  
16 the amount of taxes collected in each County other than Cook  
17 County in the metropolitan region, (ii) the amount of taxes  
18 collected within the City of Chicago, and (iii) the amount  
19 collected in that portion of Cook County outside of Chicago,  
20 each amount less the amount necessary for the payment of  
21 refunds to taxpayers located in those areas described in items  
22 (i), (ii), and (iii), and less 2% of the remainder, which shall  
23 be transferred from the trust fund into the Tax Compliance and  
24 Administration Fund. The Department, at the time of each  
25 monthly disbursement to the Authority, shall prepare and  
26 certify to the State Comptroller the amount to be transferred

1 into the Tax Compliance and Administration Fund under this  
2 subsection. Within 10 days after receipt by the Comptroller of  
3 the certification of the amounts, the Comptroller shall cause  
4 an order to be drawn for the transfer of the amount certified  
5 into the Tax Compliance and Administration Fund and the payment  
6 of two-thirds of the amounts certified in item (i) of this  
7 subsection to the Authority and one-third of the amounts  
8 certified in item (i) of this subsection to the respective  
9 counties other than Cook County and the amount certified in  
10 items (ii) and (iii) of this subsection to the Authority.

11 In addition to the disbursement required by the preceding  
12 paragraph, an allocation shall be made in July 1991 and each  
13 year thereafter to the Regional Transportation Authority. The  
14 allocation shall be made in an amount equal to the average  
15 monthly distribution during the preceding calendar year  
16 (excluding the 2 months of lowest receipts) and the allocation  
17 shall include the amount of average monthly distribution from  
18 the Regional Transportation Authority Occupation and Use Tax  
19 Replacement Fund. The distribution made in July 1992 and each  
20 year thereafter under this paragraph and the preceding  
21 paragraph shall be reduced by the amount allocated and  
22 disbursed under this paragraph in the preceding calendar year.  
23 The Department of Revenue shall prepare and certify to the  
24 Comptroller for disbursement the allocations made in  
25 accordance with this paragraph.

26 (o) Failure to adopt a budget ordinance or otherwise to

1 comply with Section 4.01 of this Act or to adopt a Five-year  
2 Capital Program or otherwise to comply with paragraph (b) of  
3 Section 2.01 of this Act shall not affect the validity of any  
4 tax imposed by the Authority otherwise in conformity with law.

5 (p) At no time shall a public transportation tax or motor  
6 vehicle parking tax authorized under paragraphs (b), (c) and  
7 (d) of this Section be in effect at the same time as any  
8 retailers' occupation, use or service occupation tax  
9 authorized under paragraphs (e), (f) and (g) of this Section is  
10 in effect.

11 Any taxes imposed under the authority provided in  
12 paragraphs (b), (c) and (d) shall remain in effect only until  
13 the time as any tax authorized by paragraphs (e), (f) or (g) of  
14 this Section are imposed and becomes effective. Once any tax  
15 authorized by paragraphs (e), (f) or (g) is imposed the Board  
16 may not reimpose taxes as authorized in paragraphs (b), (c) and  
17 (d) of the Section unless any tax authorized by paragraphs (e),  
18 (f) or (g) of this Section becomes ineffective by means other  
19 than an ordinance of the Board.

20 (q) Any existing rights, remedies and obligations  
21 (including enforcement by the Regional Transportation  
22 Authority) arising under any tax imposed under paragraphs (b),  
23 (c) or (d) of this Section shall not be affected by the  
24 imposition of a tax under paragraphs (e), (f) or (g) of this  
25 Section.

26 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;

1 99-642, eff. 7-28-16; 100-23, eff. 7-6-17.)

2 (70 ILCS 3615/4.03.3)

3 Sec. 4.03.3. Distribution of Revenues. This Section  
4 applies only after the Department begins administering and  
5 enforcing an increased tax under Section 4.03(m) as authorized  
6 by this amendatory Act of the 95th General Assembly. After  
7 providing for payment of its obligations with respect to bonds  
8 and notes issued under the provisions of Section 4.04 and  
9 obligations related to those bonds and notes, the Authority  
10 shall disburse the remaining proceeds from taxes it has  
11 received from the Department of Revenue under this Article IV  
12 and the remaining proceeds it has received from the State under  
13 Section 4.09(a) as follows:

14 (a) With respect to taxes imposed by the Authority under  
15 Section 4.03, after withholding 15% of 80% of the receipts from  
16 those taxes collected in Cook County at a rate of 1.25%, 15% of  
17 75% of the receipts from those taxes collected in Cook County  
18 at the rate of 1%, 15% of one-half of the receipts from those  
19 taxes collected in DuPage, Kane, Lake, McHenry, and Will  
20 Counties, and 15% of money received by the Authority from the  
21 Regional Transportation Authority Occupation and Use Tax  
22 Replacement Fund or from the Regional Transportation Authority  
23 tax fund created in Section 4.03(n), the Board shall allocate  
24 the proceeds and money remaining to the Service Boards as  
25 follows:

1           (1) an amount equal to (i) 85% of 80% of the receipts  
2           from those taxes collected within the City of Chicago at a  
3           rate of 1.25%, (ii) 85% of 75% of the receipts from those  
4           taxes collected in the City of Chicago at the rate of 1%,  
5           and (iii) 85% of the money received by the Authority on  
6           account of transfers to the Regional Transportation  
7           Authority Occupation and Use Tax Replacement Fund or to the  
8           Regional Transportation Authority tax fund created in  
9           Section 4.03(n) from the County and Mass Transit District  
10          Fund attributable to retail sales within the City of  
11          Chicago shall be allocated to the Chicago Transit  
12          Authority;

13          (2) an amount equal to (i) 85% of 80% of the receipts  
14          from those taxes collected within Cook County outside of  
15          the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of  
16          the receipts from those taxes collected within Cook County  
17          outside the City of Chicago at a rate of 1%, and (iii) 85%  
18          of the money received by the Authority on account of  
19          transfers to the Regional Transportation Authority  
20          Occupation and Use Tax Replacement Fund or to the Regional  
21          Transportation Authority tax fund created in Section  
22          4.03(n) from the County and Mass Transit District Fund  
23          attributable to retail sales within Cook County outside of  
24          the City of Chicago shall be allocated 30% to the Chicago  
25          Transit Authority, 55% to the Commuter Rail Board, and 15%  
26          to the Suburban Bus Board; and

1           (3) an amount equal to 85% of one-half of the receipts  
2           from the taxes collected within the Counties of DuPage,  
3           Kane, Lake, McHenry, and Will shall be allocated 70% to the  
4           Commuter Rail Board and 30% to the Suburban Bus Board.

5           (b) Moneys received by the Authority on account of  
6           transfers to the Regional Transportation Authority Occupation  
7           and Use Tax Replacement Fund from the State and Local Sales Tax  
8           Reform Fund shall be allocated among the Authority and the  
9           Service Boards as follows: 15% of such moneys shall be retained  
10          by the Authority and the remaining 85% shall be transferred to  
11          the Service Boards as soon as may be practicable after the  
12          Authority receives payment. Moneys which are distributable to  
13          the Service Boards pursuant to the preceding sentence shall be  
14          allocated among the Service Boards on the basis of each Service  
15          Board's distribution ratio. The term "distribution ratio"  
16          means, for purposes of this subsection (b), the ratio of the  
17          total amount distributed to a Service Board pursuant to  
18          subsection (a) of Section 4.03.3 for the immediately preceding  
19          calendar year to the total amount distributed to all of the  
20          Service Boards pursuant to subsection (a) of Section 4.03.3 for  
21          the immediately preceding calendar year.

22          (c) (i) 20% of the receipts from those taxes collected in  
23          Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%  
24          of the receipts from those taxes collected in Cook County under  
25          Section 4.03 at the rate of 1%, (iii) 50% of the receipts from  
26          those taxes collected in DuPage, Kane, Lake, McHenry, and Will



1 Counties under Section 4.03, and (iv) amounts received from the  
2 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)  
3 of Section 4.09 (a) (3) shall be allocated as follows: the  
4 amount required to be deposited into the ADA Paratransit Fund  
5 described in Section 2.01d, the amount required to be deposited  
6 into the Suburban Community Mobility Fund described in Section  
7 2.01e, and the amount required to be deposited into the  
8 Innovation, Coordination and Enhancement Fund described in  
9 Section 2.01c, and the balance shall be allocated 48% to the  
10 Chicago Transit Authority, 39% to the Commuter Rail Board, and  
11 13% to the Suburban Bus Board.

12 (d) Amounts received from the State under Section 4.09  
13 (a) (3) (iv) shall be distributed 100% to the Chicago Transit  
14 Authority.

15 (e) With respect to those taxes collected in DuPage, Kane,  
16 Lake, McHenry, and Will Counties and paid directly to the  
17 counties under Section 4.03, the County Board of each county  
18 shall use those amounts to fund operating and capital costs of  
19 public safety and public transportation services or facilities  
20 or to fund operating, capital, right-of-way, construction, and  
21 maintenance costs of other transportation purposes, including  
22 road, bridge, public safety, and transit purposes intended to  
23 improve mobility or reduce congestion in the county. The  
24 receipt of funding by such counties pursuant to this paragraph  
25 shall not be used as the basis for reducing any funds that such  
26 counties would otherwise have received from the State of

1 Illinois, any agency or instrumentality thereof, the  
2 Authority, or the Service Boards.

3 (f) The Authority by ordinance adopted by 12 of its then  
4 Directors shall apportion to the Service Boards funds provided  
5 by the State of Illinois under Section 4.09(a)(1) as it shall  
6 determine and shall make payment of the amounts to each Service  
7 Board as soon as may be practicable upon their receipt provided  
8 the Authority has adopted a balanced budget as required by  
9 Section 4.01 and further provided the Service Board is in  
10 compliance with the requirements in Section 4.11.

11 (g) Beginning January 1, 2009, before making any payments,  
12 transfers, or expenditures under this Section to a Service  
13 Board, the Authority must first comply with Section 4.02a or  
14 4.02b of this Act, whichever may be applicable.

15 (h) Moneys may be appropriated from the Public  
16 Transportation Fund to the Office of the Executive Inspector  
17 General for the costs incurred by the Executive Inspector  
18 General while serving as the inspector general for the  
19 Authority and each of the Service Boards. Beginning December  
20 31, 2012, and each year thereafter, the Office of the Executive  
21 Inspector General shall annually report to the General Assembly  
22 the expenses incurred while serving as the inspector general  
23 for the Authority and each of the Service Boards.

24 (Source: P.A. 97-399, eff. 8-16-11; 97-641, eff. 12-19-11.)

25 Section 75. The Water Commission Act of 1985 is amended by

1 changing Section 4 as follows:

2 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

3 Sec. 4. Taxes.

4 (a) The board of commissioners of any county water  
5 commission may, by ordinance, impose throughout the territory  
6 of the commission any or all of the taxes provided in this  
7 Section for its corporate purposes. However, no county water  
8 commission may impose any such tax unless the commission  
9 certifies the proposition of imposing the tax to the proper  
10 election officials, who shall submit the proposition to the  
11 voters residing in the territory at an election in accordance  
12 with the general election law, and the proposition has been  
13 approved by a majority of those voting on the proposition.

14 The proposition shall be in the form provided in Section 5  
15 or shall be substantially in the following form:

16 -----

17 Shall the (insert corporate

18 name of county water commission) YES

19 impose (state type of tax or -----

20 taxes to be imposed) at the NO

21 rate of 1/4%?

22 -----

23 Taxes imposed under this Section and civil penalties  
24 imposed incident thereto shall be collected and enforced by the  
25 State Department of Revenue. The Department shall have the

1 power to administer and enforce the taxes and to determine all  
2 rights for refunds for erroneous payments of the taxes.

3 (b) The board of commissioners may impose a County Water  
4 Commission Retailers' Occupation Tax upon all persons engaged  
5 in the business of selling tangible personal property at retail  
6 in the territory of the commission at a rate of 1/4% of the  
7 gross receipts from the sales made in the course of such  
8 business within the territory. The tax imposed under this  
9 paragraph and all civil penalties that may be assessed as an  
10 incident thereof shall be collected and enforced by the State  
11 Department of Revenue. The Department shall have full power to  
12 administer and enforce this paragraph; to collect all taxes and  
13 penalties due hereunder; to dispose of taxes and penalties so  
14 collected in the manner hereinafter provided; and to determine  
15 all rights to credit memoranda arising on account of the  
16 erroneous payment of tax or penalty hereunder. In the  
17 administration of, and compliance with, this paragraph, the  
18 Department and persons who are subject to this paragraph shall  
19 have the same rights, remedies, privileges, immunities, powers  
20 and duties, and be subject to the same conditions,  
21 restrictions, limitations, penalties, exclusions, exemptions  
22 and definitions of terms, and employ the same modes of  
23 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
24 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
25 therein other than the State rate of tax except that food for  
26 human consumption that is to be consumed off the premises where

1 it is sold (other than alcoholic beverages, soft drinks, and  
2 food that has been prepared for immediate consumption) and  
3 prescription and nonprescription medicine, drugs, medical  
4 appliances and insulin, urine testing materials, syringes, and  
5 needles used by diabetics, for human use, shall not be subject  
6 to tax hereunder), 2c, 3 (except as to the disposition of taxes  
7 and penalties collected, and except that the retailer's  
8 discount is not allowed for taxes paid on aviation fuel sold on  
9 or after June 23, 2018), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,  
10 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and 13  
11 of the Retailers' Occupation Tax Act and Section 3-7 of the  
12 Uniform Penalty and Interest Act, as fully as if those  
13 provisions were set forth herein.

14 Persons subject to any tax imposed under the authority  
15 granted in this paragraph may reimburse themselves for their  
16 seller's tax liability hereunder by separately stating the tax  
17 as an additional charge, which charge may be stated in  
18 combination, in a single amount, with State taxes that sellers  
19 are required to collect under the Use Tax Act and under  
20 subsection (e) of Section 4.03 of the Regional Transportation  
21 Authority Act, in accordance with such bracket schedules as the  
22 Department may prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this paragraph to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the warrant 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 a county water commission tax fund established  
4 under subsection ~~paragraph~~ (g) of this Section.

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

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 No tax shall be imposed or collected under this subsection  
17 on the sale of a motor vehicle in this State to a resident of  
18 another state if that motor vehicle will not be titled in this  
19 State.

20 Nothing in this paragraph shall be construed to authorize a  
21 county water commission to impose a tax upon the privilege of  
22 engaging in any business which under the Constitution of the  
23 United States may not be made the subject of taxation by this  
24 State.

25 (c) If a tax has been imposed under subsection (b), a  
26 County Water Commission Service Occupation Tax shall also be

1 imposed upon all persons engaged, in the territory of the  
2 commission, in the business of making sales of service, who, as  
3 an incident to making the sales of service, transfer tangible  
4 personal property within the territory. The tax rate shall be  
5 1/4% of the selling price of tangible personal property so  
6 transferred within the territory. The tax imposed under this  
7 paragraph and all civil penalties that may be assessed as an  
8 incident thereof shall be collected and enforced by the State  
9 Department of Revenue. The Department shall have full power to  
10 administer and enforce this paragraph; to collect all taxes and  
11 penalties due hereunder; to dispose of taxes and penalties so  
12 collected in the manner hereinafter provided; and to determine  
13 all rights to credit memoranda arising on account of the  
14 erroneous payment of tax or penalty hereunder. In the  
15 administration of, and compliance with, this paragraph, the  
16 Department and persons who are subject to this paragraph shall  
17 have the same rights, remedies, privileges, immunities, powers  
18 and duties, and be subject to the same conditions,  
19 restrictions, limitations, penalties, exclusions, exemptions  
20 and definitions of terms, and employ the same modes of  
21 procedure, as are prescribed in Sections 1a-1, 2 (except that  
22 the reference to State in the definition of supplier  
23 maintaining a place of business in this State shall mean the  
24 territory of the commission), 2a, 3 through 3-50 (in respect to  
25 all provisions therein other than the State rate of tax except  
26 that food for human consumption that is to be consumed off the

1 premises where it is sold (other than alcoholic beverages, soft  
2 drinks, and food that has been prepared for immediate  
3 consumption) and prescription and nonprescription medicines,  
4 drugs, medical appliances and insulin, urine testing  
5 materials, syringes, and needles used by diabetics, for human  
6 use, shall not be subject to tax hereunder), 4 (except that the  
7 reference to the State shall be to the territory of the  
8 commission), 5, 7, 8 (except that the jurisdiction to which the  
9 tax shall be a debt to the extent indicated in that Section 8  
10 shall be the commission), 9 (except as to the disposition of  
11 taxes and penalties collected and except that the returned  
12 merchandise credit for this tax may not be taken against any  
13 State tax, and except that the retailer's discount is not  
14 allowed for taxes paid on aviation fuel sold on or after June  
15 23, 2018), 10, 11, 12 (except the reference therein to Section  
16 2b of the Retailers' Occupation Tax Act), 13 (except that any  
17 reference to the State shall mean the territory of the  
18 commission), the first paragraph of Section 15, 15.5, 16, 17,  
19 18, 19, and 20 of the Service Occupation Tax Act as fully as if  
20 those provisions were set forth herein.

21 Persons subject to any tax imposed under the authority  
22 granted in this paragraph may reimburse themselves for their  
23 serviceman's tax liability hereunder by separately stating the  
24 tax as an additional charge, which charge may be stated in  
25 combination, in a single amount, with State tax that servicemen  
26 are authorized to collect under the Service Use Tax Act, and



1 any tax for which servicemen may be liable under subsection (f)  
2 of Section 4.03 of the Regional Transportation Authority Act,  
3 in accordance with such bracket schedules as the Department may  
4 prescribe.

5 Whenever the Department determines that a refund should be  
6 made under this paragraph to a claimant instead of issuing a  
7 credit memorandum, the Department shall notify the State  
8 Comptroller, who shall cause the warrant to be drawn for the  
9 amount specified, and to the person named, in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of a county water commission tax fund established  
12 under subsection ~~paragraph~~ (g) of this Section.

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

18 (d) If a tax has been imposed under subsection (b), a tax  
19 shall also be imposed upon the privilege of using, in the  
20 territory of the commission, any item of tangible personal  
21 property that is purchased outside the territory at retail from  
22 a retailer, and that is titled or registered with an agency of  
23 this State's government, at a rate of 1/4% of the selling price  
24 of the tangible personal property within the territory, as  
25 "selling price" is defined in the Use Tax Act. The tax shall be  
26 collected from persons whose Illinois address for titling or

1 registration purposes is given as being in the territory. The  
2 tax shall be collected by the Department of Revenue for a  
3 county water commission. The tax must be paid to the State, or  
4 an exemption determination must be obtained from the Department  
5 of Revenue, before the title or certificate of registration for  
6 the property may be issued. The tax or proof of exemption may  
7 be transmitted to the Department by way of the State agency  
8 with which, or the State officer with whom, the tangible  
9 personal property must be titled or registered if the  
10 Department and the State agency or State officer determine that  
11 this procedure will expedite the processing of applications for  
12 title or registration.

13 The Department shall have full power to administer and  
14 enforce this paragraph; to collect all taxes, penalties, and  
15 interest due hereunder; to dispose of taxes, penalties, and  
16 interest so collected in the manner hereinafter provided; and  
17 to determine all rights to credit memoranda or refunds arising  
18 on account of the erroneous payment of tax, penalty, or  
19 interest hereunder. In the administration of and compliance  
20 with this paragraph, the Department and persons who are subject  
21 to this paragraph shall have the same rights, remedies,  
22 privileges, immunities, powers, and duties, and be subject to  
23 the same conditions, restrictions, limitations, penalties,  
24 exclusions, exemptions, and definitions of terms and employ the  
25 same modes of procedure, as are prescribed in Sections 2  
26 (except the definition of "retailer maintaining a place of

1 business in this State"), 3 through 3-80 (except provisions  
2 pertaining to the State rate of tax, and except provisions  
3 concerning collection or refunding of the tax by retailers, and  
4 except that 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, for  
10 human use, shall not be subject to tax hereunder), 4, 11, 12,  
11 12a, 14, 15, 19 (except the portions pertaining to claims by  
12 retailers and except the last paragraph concerning refunds),  
13 20, 21, and 22 of the Use Tax Act and Section 3-7 of the Uniform  
14 Penalty and Interest Act that are not inconsistent with this  
15 paragraph, as fully as if those provisions were set forth  
16 herein.

17 Whenever the Department determines that a refund should be  
18 made under this paragraph to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of a county water commission tax fund established  
24 under subsection paragraph (g) of this Section.

25 (e) A certificate of registration issued by the State  
26 Department of Revenue to a retailer under the Retailers'

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

9 (f) Any ordinance imposing or discontinuing any tax under  
10 this Section shall be adopted and a certified copy thereof  
11 filed with the Department on or before June 1, whereupon the  
12 Department of Revenue shall proceed to administer and enforce  
13 this Section on behalf of the county water commission as of  
14 September 1 next following the adoption and filing. Beginning  
15 January 1, 1992, an ordinance or resolution imposing or  
16 discontinuing the tax hereunder shall be adopted and a  
17 certified copy thereof filed with the Department on or before  
18 the first day of July, whereupon the Department shall proceed  
19 to administer and enforce this Section as of the first day of  
20 October next following such adoption and filing. Beginning  
21 January 1, 1993, an ordinance or resolution imposing or  
22 discontinuing the tax hereunder shall be adopted and a  
23 certified copy thereof filed with the Department on or before  
24 the first day of October, whereupon the Department shall  
25 proceed to administer and enforce this Section as of the first  
26 day of January next following such adoption and filing.

1           (g) The State Department of Revenue shall, upon collecting  
2 any taxes as provided in this Section, pay the taxes over to  
3 the State Treasurer as trustee for the commission. The taxes  
4 shall be held in a trust fund outside the State Treasury.

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

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 commission, which shall be the amount (not including credit  
18 memoranda) collected under this Section during the second  
19 preceding calendar month by the Department plus an amount the  
20 Department determines is necessary to offset any amounts that  
21 were erroneously paid to a different taxing body, and not  
22 including any amount equal to the amount of refunds made during  
23 the second preceding calendar month by the Department on behalf  
24 of the commission, and not including any amount that the  
25 Department determines is necessary to offset any amounts that  
26 were payable to a different taxing body but were erroneously

1 paid to the commission, and less any amounts that are  
2 transferred to the STAR Bonds Revenue Fund, less 2% of the  
3 remainder, which shall be transferred into the Tax Compliance  
4 and Administration Fund. The Department, at the time of each  
5 monthly disbursement to the commission, shall prepare and  
6 certify to the State Comptroller the amount to be transferred  
7 into the Tax Compliance and Administration Fund under this  
8 subsection. Within 10 days after receipt by the Comptroller of  
9 the certification of the amount to be paid to the commission  
10 and the Tax Compliance and Administration Fund, the Comptroller  
11 shall cause an order to be drawn for the payment for the amount  
12 in accordance with the direction in the certification.

13 (h) Beginning June 1, 2016, any tax imposed pursuant to  
14 this Section may no longer be imposed or collected, unless a  
15 continuation of the tax is approved by the voters at a  
16 referendum as set forth in this Section.

17 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;  
18 100-23, eff. 7-6-17; revised 10-3-17.)

19 Section 80. The Environmental Impact Fee Law is amended by  
20 changing Sections 315 and 320 as follows:

21 (415 ILCS 125/315)

22 (Section scheduled to be repealed on January 1, 2025)

23 Sec. 315. Fee on receivers of fuel for sale or use;  
24 collection and reporting. A person that is required to pay the

1 fee imposed by this Law shall pay the fee to the Department by  
2 return showing all fuel purchased, acquired, or received and  
3 sold, distributed or used during the preceding calendar month,  
4 including losses of fuel as the result of evaporation or  
5 shrinkage due to temperature variations, and such other  
6 reasonable information as the Department may require. Losses of  
7 fuel as the result of evaporation or shrinkage due to  
8 temperature variations may not exceed 1% of the total gallons  
9 in storage at the beginning of the month, plus the receipts of  
10 gallonage during the month, minus the gallonage remaining in  
11 storage at the end of the month. Any loss reported that is in  
12 excess of this amount shall be subject to the fee imposed by  
13 Section 310 of this Law. On and after July 1, 2001, for each  
14 6-month period January through June, net losses of fuel (for  
15 each category of fuel that is required to be reported on a  
16 return) as the result of evaporation or shrinkage due to  
17 temperature variations may not exceed 1% of the total gallons  
18 in storage at the beginning of each January, plus the receipts  
19 of gallonage each January through June, minus the gallonage  
20 remaining in storage at the end of each June. On and after July  
21 1, 2001, for each 6-month period July through December, net  
22 losses of fuel (for each category of fuel that is required to  
23 be reported on a return) as the result of evaporation or  
24 shrinkage due to temperature variations may not exceed 1% of  
25 the total gallons in storage at the beginning of each July,  
26 plus the receipts of gallonage each July through December,

1 minus the gallonage remaining in storage at the end of each  
2 December. Any net loss reported that is in excess of this  
3 amount shall be subject to the fee imposed by Section 310 of  
4 this Law. For purposes of this Section, "net loss" means the  
5 number of gallons gained through temperature variations minus  
6 the number of gallons lost through temperature variations or  
7 evaporation for each of the respective 6-month periods.

8 The return shall be prescribed by the Department and shall  
9 be filed between the 1st and 20th days of each calendar month.  
10 The Department may, in its discretion, combine the return filed  
11 under this Law with the return filed under Section 2b of the  
12 Motor Fuel Tax Law. If the return is timely filed, the receiver  
13 may take a discount of 2% through June 30, 2003 and 1.75%  
14 thereafter to reimburse himself for the expenses incurred in  
15 keeping records, preparing and filing returns, collecting and  
16 remitting the fee, and supplying data to the Department on  
17 request. However, the discount applies only to the amount of  
18 the fee payment that accompanies a return that is timely filed  
19 in accordance with this Section. The discount is not permitted  
20 on fees paid on aviation fuel sold or used on and after June  
21 23, 2018. This exception for aviation fuel only applies for so  
22 long as the revenue use requirements of 49 U.S.C. §47017 (b)  
23 and 49 U.S.C. §47133 are binding on the State.

24 Beginning on January 1, 2018, each retailer required or  
25 authorized to collect the fee imposed by this Act on aviation  
26 fuel at retail in this State during the preceding calendar



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

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

14 (415 ILCS 125/320)

15 (Section scheduled to be repealed on January 1, 2025)

16 Sec. 320. Deposit of fee receipts. Except as otherwise  
17 provided in this paragraph, all ~~All~~ money received by the  
18 Department under this Law shall be deposited in the Underground  
19 Storage Tank Fund created by Section 57.11 of the Environmental  
20 Protection Act. All money received for aviation fuel by the  
21 Department under this Law on or after June 23, 2018, shall be  
22 immediately paid over by the Department to the State Aviation  
23 Program Fund. The Department shall only pay such moneys into  
24 the State Aviation Program Fund under this Act for so long as  
25 the revenue use requirements of 49 U.S.C. §47107(b) and 49

1 U.S.C. §47133 are binding on the State. For purposes of this  
2 section, "aviation fuel" means a product that is intended for  
3 use or offered for sale as fuel for an aircraft.

4 (Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96; 90-14,  
5 eff. 7-1-97.)

6 Section 95. No acceleration or delay. Where this Act makes  
7 changes in a statute that is represented in this Act by text  
8 that is not yet or no longer in effect (for example, a Section  
9 represented by multiple versions), the use of that text does  
10 not accelerate or delay the taking effect of (i) the changes  
11 made by this Act or (ii) provisions derived from any other  
12 Public Act.

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

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