

1 AN ACT concerning State government.

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

4 ARTICLE 1

5 Section 1-1. Short title. This Act may be cited as the
6 Capital Area Tourism Authority Act. References in this Article
7 to "this Act" mean this Article.

8 Section 1-5. Findings; purpose.

9 (a) The General Assembly finds and declares that:

10 (1) The City of Springfield is the capital city of the
11 State of Illinois and the home of President Abraham
12 Lincoln.

13 (2) The City of Springfield and Sangamon County
14 welcome visitors from around the world and are the
15 cornerstone of State government.

16 (b) The purpose of this Act is to ensure that the City of
17 Springfield has a vibrant hospitality industry that is capable
18 of hosting visitors, legislative advocates, and those doing
19 business with the State.

20 Section 1-10. Definitions. In this Act:

21 "Authority" means the Capital Area Tourism Authority

1 established by this Act.

2 "Base year" means the calendar year immediately before the
3 calendar year in which the STAR bond project is approved under
4 this Act.

5 "Board" means the Board of Trustees of the Authority.

6 "Hotel operator" has the meaning given to that term in the
7 Hotel Operators' Occupation Tax Act.

8 "Local sales taxes" has the meaning given to that term in
9 the Statewide Innovation Development and Economy Act, except
10 that, with respect to locally imposed taxes received by the
11 City of Springfield, "local sales taxes" shall be limited to
12 50% of that portion of the tax arising from sales by retailers
13 and servicemen within the territory of the Authority that is
14 in excess of the aggregate local sales tax in the territory for
15 the same month in the base year, as determined by the
16 municipality.

17 "Master developer" has the meaning given to that term in
18 the Statewide Innovation Development and Economy Act.

19 "Project costs" has the meaning given to that term in the
20 Statewide Innovation Development and Economy Act.

21 "STAR bond district" has the meaning given to that term in
22 the Statewide Innovation Development and Economy Act.

23 "STAR bond project" has the meaning given to that term in
24 the Statewide Innovation Development and Economy Act.

25 Section 1-15. Creation of the Authority. The Capital Area

1 Tourism Authority is hereby created as a political subdivision
2 and unit of local government for the benefit of the general
3 public and the promotion of business, industry, commerce, and
4 tourism in the City of Springfield, Sangamon County, and the
5 State of Illinois. The Authority shall have only those powers
6 described in Section 1-20 of this Act, and its territorial
7 jurisdiction shall extend over all territory in the City of
8 Springfield that is coterminous with the 62701 zip code.

9 Section 1-20. Powers and duties of the Authority.

10 (a) If and only if the Sangamon County Board, by
11 ordinance, imposes a tax under subsection (b-5) of Section
12 5-1030 of the Counties Code on all hotel operators who engage
13 in business as a hotel operator within any STAR bond district
14 that is established in the territory of the Authority, and if
15 the Sangamon County Board also resolves that all of the
16 revenue generated from the tax under subsection (b-5) of
17 Section 5-1030 of the Counties Code and all of the tax receipts
18 generated from local sales taxes within the STAR bond district
19 shall be dedicated to the payment of the project costs for any
20 STAR bond project in the district and shall be considered
21 pledged STAR revenues under the Statewide Innovation
22 Development and Economy Act, then the Authority may exercise
23 the powers set forth in subsection (c) as well as those powers
24 ordinarily authorized by law for a political subdivision for
25 the purposes described in subsection (b).

1 (b) The Authority shall use the powers conferred on it
2 under this Section to assist in the development, construction,
3 and acquisition of industrial or commercial projects within
4 its territorial jurisdiction and to promote business,
5 industry, commerce, and tourism within Sangamon County and the
6 State of Illinois.

7 (c) If and only if the conditions described in subsection
8 (a) are satisfied, then the Authority shall possess all powers
9 of a body politic or municipal corporation necessary and
10 convenient to accomplish the purpose of this Act, including,
11 but not limited to, the power:

12 (1) to exercise all of the powers afforded to a
13 political subdivision pursuant to Section 5-100 of the
14 Statewide Innovation Development and Economy Act in
15 connection with a STAR bond district, including, but not
16 limited to, establishing a STAR bond district and issuing
17 STAR bonds to finance a STAR bond project;

18 (2) to enter into loans, contracts, agreements, and
19 mortgages;

20 (3) to acquire by purchase, donation, or lease; to
21 own, convey, lease, sell, mortgage, or otherwise dispose
22 of interests in and to real or personal property; and to
23 grant or acquire licenses, easements, and options with
24 respect to property;

25 (4) to sue and be sued;

26 (5) to employ agents and employees necessary to carry

1 out this Act's purposes;

2 (6) to have, use, and alter a common seal;

3 (7) to acquire, own, construct, equip, finance, lease,
4 operate, and maintain grounds, buildings, facilities,
5 property or any portion of a building, facility, or
6 property owned or leased by the Authority to carry out the
7 purposes and duties of this Act and to fix, charge, and
8 collect fees, rents, and charges for the use of any
9 building, facility, property or portion thereof;

10 (8) to adopt all ordinances, resolutions, by-laws,
11 rules, and regulations necessary or proper to carry into
12 effect the purpose of this Act and the powers granted to
13 the Authority;

14 (9) to apply for, accept, and expend grants,
15 appropriations, guarantees, donations of property or
16 labor, or any other thing of value;

17 (10) to exercise the right of eminent domain by
18 condemnation proceedings in the manner provided by the
19 Eminent Domain Act;

20 (11) to finance, construct, equip, own, operate, and
21 maintain any STAR bond project and to determine and direct
22 the use of the local tax contribution and the State tax
23 contribution for the approved STAR bond projects in the
24 STAR bond district;

25 (12) to pay or cause to be paid STAR bond project costs
26 and the principal and interest of any revenue bonds issued

1 by the Authority;

2 (13) to borrow money and to issue revenue bonds,
3 notes, or other evidences of indebtedness as provided for
4 in the Statewide Innovation Development and Economy Act;
5 and

6 (14) to exercise any and all other powers necessary to
7 effectuate the purposes of this Act.

8 Section 1-25. Board members; officers; governance.

9 (a) The governing and administrative powers of the
10 Authority shall be vested in its Board, which shall consist of
11 5 members appointed as follows:

12 (1) 3 members appointed by the Sangamon County Board;

13 (2) one member appointed by the Springfield City
14 Council; and

15 (3) one member appointed by the Springfield
16 Metropolitan Exposition and Auditorium Authority.

17 (b) All persons appointed as members of the Board shall be
18 residents of Sangamon County and shall have recognized ability
19 and experience in one or more of the following areas: economic
20 development, finance, banking, commercial development, small
21 business management, real estate development, community
22 development, organized labor, units of local government, or
23 civic, community, or neighborhood organization.

24 (c) The Chairperson of the Board shall be selected by a
25 majority vote of the Board.

1 (d) The Sangamon County Board may remove any member of the
2 Board in case of incompetency, neglect of duty, or malfeasance
3 in office by a simple majority vote.

4 (e) Members of the Board shall hold office until their
5 respective successors have been appointed. Any member may
6 resign from his or her office. Vacancies shall be filled in the
7 same manner as original appointments.

8 (f) Members of the Board shall serve without compensation
9 for their services as members but may be reimbursed for all
10 necessary expenses incurred in connection with the performance
11 of their duties as members.

12 (g) The Board shall hold meetings quarterly or upon the
13 call of the Chairperson of the Board or written notice of 3
14 members of the Board.

15 (h) A majority of the appointed members of the Board shall
16 constitute a quorum for the transaction of business, and the
17 Board may not meet or take any action without a quorum present.
18 The affirmative vote of a majority of the members present at a
19 meeting at which a quorum is present shall be necessary for any
20 official act of the Authority.

21 (i) All members of the Board and employees of the
22 Authority are subject to the Illinois Governmental Ethics Act,
23 in accordance with its terms, and shall submit a statement of
24 economic interests in accordance with Article 4A of the
25 Illinois Governmental Ethics Act. Additionally, each Board
26 member shall disclose to the Board outside sources of income

1 and any business relationships in economic development,
2 consulting, or lobbying. Reporting shall include the source of
3 income, services provided, and timeline of when services were
4 provided. If the source of income is a firm or organization
5 with multiple clients, the report shall list all of the
6 entities for which the individual provided services.

7 (j) The Board may appoint an Executive Director who shall
8 have a background in finance, real estate, economic
9 development, or administration. The Executive Director shall
10 hold office at the discretion of the Board. The Executive
11 Director shall be the chief administrative and operational
12 officer of the Authority, shall direct and supervise its
13 administrative affairs and general management, shall perform
14 such other duties as may be prescribed from time to time by the
15 Board, and shall receive compensation fixed by the Board. The
16 Executive Director shall attend all meetings of the Board;
17 however, no action of the Board or the Authority shall be
18 invalid on account of the absence of the Executive Director
19 from a meeting.

20 Section 1-30. Open meetings; record disclosure.

21 (a) The Authority is subject to the Open Meetings Act and
22 the Freedom of Information Act. All rules, regulations,
23 ordinances, and resolutions of the Authority, and all
24 documents and records in its possession, shall be public
25 records and shall be open to public inspection, except such

1 documents and records as shall be kept or prepared by the Board
2 for use in negotiations, actions, or proceedings to which the
3 Authority is a party.

4 (b) Each contract or agreement entered into by the
5 Authority must be posted on the Authority's website. The
6 Authority shall provide a detailed report of the Authority's
7 financial information on the Authority's website.

8 Section 1-35. Limitations. If any of the Authority's
9 powers are exercised within the territorial jurisdiction of
10 any municipality, all ordinances of that municipality shall
11 remain in full force and effect and shall be controlling.

12 Section 1-40. Approval of STAR bond districts and STAR
13 bond project.

14 (a) Notwithstanding any other provision of law, all real
15 property in the territorial jurisdiction of the Authority
16 shall automatically constitute an eligible area for the
17 purposes of approving a STAR bond district or STAR bond
18 project in that jurisdiction under the Statewide Innovation
19 Development and Economy Act, and the territorial boundaries of
20 the STAR bond district may be entirely within the corporate
21 limits of the City of Springfield.

22 (b) Subject to the limitations set forth in Section 5-15
23 of the Statewide Innovation Development and Economy Act, STAR
24 bond projects may be undertaken in a STAR bond district

1 located in the territorial jurisdiction of the Authority
2 provided that:

3 (1) each STAR bond project is approved under the
4 Statewide Innovation Development and Economy Act; and

5 (2) the local tax contribution and the State tax
6 contribution to the STAR bond projects are sufficient,
7 together with other pledged STAR revenues, to support the
8 financing of the STAR bond projects.

9 (c) Notwithstanding any other provision of law, to the
10 extent that the local tax contribution and the State tax
11 contribution, together with other available funds, aggregate
12 an amount that exceeds those funds required to pay any project
13 costs, including debt service on the STAR bonds issued in
14 connection with the STAR bond project, the Authority may
15 direct such excess local tax contribution and State tax
16 contribution to finance additional STAR bond projects in the
17 same STAR bond district.

18 Section 1-45. State tax contribution. Notwithstanding any
19 other provision of law, any State sales tax increment pledged
20 to pay STAR bonds in any STAR bond district located in the
21 territorial jurisdiction of the Authority shall not be limited
22 to 50% of the total project costs in the STAR bond district but
23 rather will cover up to 100% of the total project costs.

24 Section 1-50. Master developer. Notwithstanding any other

1 provision of law, the Authority shall own and control any STAR
2 bond project and acreage on which the project is located in any
3 STAR Bond district created in the territorial jurisdiction of
4 the Authority instead of the Master Developer as required in
5 the Statewide Innovation Development and Economy Act. The
6 Master Developer shall not be required to provide equity in
7 such STAR bond project.

8 Section 1-55. Reports; commitment notice. The Authority
9 shall annually submit a report of its finances to the Auditor
10 General. The Authority shall annually submit a report of its
11 activities to the Governor and General Assembly. The Authority
12 shall provide notice to the General Assembly, the Department
13 of Commerce and Economic Opportunity, and the Governor once
14 the Authority enters into a commitment to support the
15 financing of a project. The notice to the General Assembly
16 shall be filed with the Clerk of the House of Representatives
17 and the Secretary of the Senate, in electronic form only, in
18 the manner that the Clerk and the Secretary shall direct.

19 Section 1-60. Exemption from taxation. All property of the
20 Authority is exempt from taxation by the State or taxing
21 districts of the State.

22 Section 1-65. Investigatory authority. The Board may
23 investigate conditions in which it has an interest within the

1 territorial jurisdiction of the Authority, the enforcement of
2 its ordinances, rules and regulations, and the action,
3 conduct, and efficiency of all officers, agents and employees
4 of the Authority. In the conduct of such investigations the
5 Board may hold public hearings on its own motion. Each member
6 of the Board shall have power to administer oaths, and the
7 secretary, by order of the Board, shall issue subpoenas to
8 secure the attendance and testimony of witnesses and the
9 production of books and papers relevant to those
10 investigations and to any hearing before the Board or any
11 member of the Board. Any circuit court of this State, upon
12 application of the Board or any Board member, may, in its
13 discretion and by attachment for contempt or otherwise in the
14 same manner as the production of evidence may be compelled
15 before the court, compel the attendance of witnesses, the
16 production of books and papers, and the giving of testimony
17 before the Board or before any Board member or any officers'
18 committee appointed by the Board.

19 ARTICLE 5

20 Section 5-1. Short title. This Act may be cited as the
21 Capital City Downtown Medical District Act. References in this
22 Article to "this Act" mean this Article.

23 Section 5-5. Findings. The General Assembly finds that

1 Springfield's distinctive role as Illinois' capital, a
2 regional medical destination, the home of President Abraham
3 Lincoln's Presidential Library and Museum, and a National
4 Historic Site warrants strengthened, structured collaboration
5 anchored by State government to advance medical,
6 entertainment, educational, legal, and public policy
7 priorities in the District. State and local governmental
8 bodies should encourage the leveraging of the District's
9 proximity to State government to support healthcare, civic,
10 legal, policy, and professional education activities that
11 advance the public benefit of all Illinoisans through public
12 service, workforce development, and downtown vitality.

13 Section 5-7. Definition. As used in this Act, unless the
14 context clearly requires otherwise, "District" means the
15 Capital City Downtown Medical District.

16 Section 5-10. Creation of District. There is created in
17 the City of Springfield a special development district to be
18 known as the Capital City Downtown Medical District, whose
19 boundaries are 11th Street on the east, North Grand Avenue on
20 the north, Walnut Street on the west, and South Grand Avenue on
21 the south, and which excludes:

22 (1) all local, State, and federal government properties;

23 and

24 (2) the area bounded by Washington Street on the north,

1 Third Street on the east, Cook Street on the South, and Walnut
2 Street on the west.

3 The District is created to help build and sustain a
4 vibrant and thriving downtown zone in the State's capital city
5 by encouraging economic development, by increasing the number
6 of people who reside, who are employed, who visit, and who
7 study within the District, and by increasing economic activity
8 in the heart of downtown Springfield through commercial
9 development, including mixed-use housing developments,
10 workforce housing, student housing, and middle-income housing
11 within walking distance of government facilities, healthcare
12 facilities, commercial facilities, and educational facilities
13 in and near the District. The District aims to support
14 revitalization in key sectors, including, but not limited to,
15 healthcare, education, research, technology, housing, retail
16 merchandising, restaurants, arts and culture, tourism,
17 historic preservation and public infrastructure, and to
18 improve and provide for the management of land and facilities
19 within the District.

20 Section 5-15. Capital City Downtown Medical District
21 Commission.

22 (a) There is created a body politic and corporate under
23 the corporate name of the Capital City Downtown Medical
24 District Commission whose general purpose, in addition to and
25 not in limitation of those purposes and powers set forth in

1 this Act, is to:

2 (1) maintain the proper surroundings of and within the
3 District in order to attract, stabilize, and retain within
4 the District facilities, buildings, enterprises, and other
5 establishments permitted under this Act;

6 (2) provide for the orderly creation, maintenance,
7 development, and expansion of (i) facilities, buildings,
8 enterprises, and other establishments permitted under this
9 Act and (ii) public infrastructure related to the use and
10 enjoyment of those facilities, buildings, enterprises, and
11 other establishments;

12 (3) convene dialogue among leaders in the public and
13 private sectors on topics and issues associated with
14 training in the delivery of services and related industry
15 in the District's program area;

16 (4) provide support for the attraction and creation of
17 new businesses and new jobs within the District;

18 (5) maintain the proper surroundings for a medical
19 center and a related technology center in order to
20 attract, stabilize, and retain within the District
21 hospitals, clinics, research facilities, educational
22 facilities, or other facilities permitted under this Act;
23 and

24 (6) employ agents and employees necessary to carry out
25 its purposes.

26 (b) The Commission has perpetual succession and the power

1 to contract and be contracted with, to sue and be sued, except
2 in actions sounding in tort, to plead and be impleaded, to have
3 and use a common seal, and to alter the same at pleasure. All
4 actions sounding in tort against the Commission shall be
5 prosecuted in the Court of Claims. The principal office of the
6 Commission shall be in the City of Springfield.

7 (c) The Commission shall consist of the following members:

8 (1) 5 members appointed by the Governor, with the
9 advice and consent of the Senate;

10 (2) 3 members appointed by the Mayor of Springfield,
11 with the advice and consent of the Springfield City
12 Council; and

13 (3) 3 members appointed by the Chairperson of the
14 County Board of Sangamon County.

15 One of each of the 3 members appointed by the Mayor of
16 Springfield and by the Chairperson of the County Board of
17 Sangamon County shall be a representative of a recognized
18 neighborhood organization that has a legitimate interest in
19 the development and improvement of the District, as determined
20 by the Mayor of the City of Springfield and the Chairperson of
21 the County Board of Sangamon County, respectively. The initial
22 members of the Commission appointed by the Governor shall be
23 appointed for terms ending, respectively, on the second,
24 third, fourth, fifth, and sixth anniversaries of their
25 appointments. The initial members appointed by the Mayor of
26 Springfield and by the Chairperson of the County Board of

1 Sangamon County shall be appointed for terms ending,
2 respectively, on the second, third, and fourth anniversaries
3 of their appointments. Thereafter, all the members shall be
4 appointed to hold office for a term of 5 years and until their
5 successors are appointed as provided in this Act.

6 (d) Any vacancy in the membership of the Commission
7 occurring by reason of the death, resignation,
8 disqualification, removal, or inability or refusal to act of
9 any of the members of the Commission shall be filled by the
10 authority that had appointed the particular member. The
11 authority that appointed the particular member shall appoint a
12 replacement to fill the vacancy for the unexpired term of
13 office of that particular member. A vacancy caused by the
14 expiration of the period for which the member was appointed
15 shall be filled by a new appointment for a term of 5 years from
16 the date of the expiration of the prior 5-year term
17 notwithstanding when the appointment is actually made. The
18 Commission shall obtain, under the provisions of the Personnel
19 Code, such personnel as the Commission shall deem advisable to
20 carry out the purposes of this Act and the work of the
21 Commission.

22 (e) The Commission shall hold regular meetings annually
23 for the election of a President, Vice-President, Secretary,
24 and Treasurer from among its members, for the adoption of a
25 budget, and for such other business as may properly come
26 before it. The Commission shall establish the duties and

1 responsibilities of its officers by rule. The President or any
2 4 members of the Commission may call special meetings of the
3 Commission. Each Commissioner shall take an oath of office for
4 the faithful performance of his or her duties. The Commission
5 4 may not transact business at a meeting of the Commission
6 unless there is a quorum consisting of at least 6
7 Commissioners present at the meeting. Meetings may be held by
8 telephone conference or by other means through which all
9 persons participating in the meeting can communicate with each
10 other.

11 (f) The Commission shall submit to the General Assembly,
12 not later than March 1 of each odd-numbered year, a detailed
13 report covering its operations for the 2 preceding calendar
14 years and a statement of its program for the next 2 years. The
15 requirement for reporting to the General Assembly shall be
16 satisfied by filing copies of the report as required by
17 Section 3.1 of the General Assembly Organization Act, and by
18 filing such additional copies with the State Government Report
19 Distribution Center for the General Assembly as is required
20 under paragraph (t) of Section 7 of the State Library Act.

21 (g) The Auditor General shall conduct audits of the
22 Commission in the same manner as the Auditor General conducts
23 audits of State agencies under the Illinois State Auditing
24 Act.

25 (h) Neither the Commission nor the District has any power
26 to tax.

1 (i) The Commission is a public body and subject to the Open
2 Meetings Act and the Freedom of Information Act.

3 Section 5-20. Grants; loans; contracts. The Commission may
4 apply for and accept grants, loans, or appropriations from the
5 State of Illinois, the federal government, any State or
6 federal agency or instrumentality, any unit of local
7 government, or any other person or entity to be used for any of
8 the purposes of the District. The Commission may enter into
9 any agreement with the State of Illinois, the federal
10 government, any State or federal instrumentality, any unit of
11 local government, or any other person or entity in relation to
12 the grants, matching grants, loans, or appropriations. The
13 Commission also may, by contractual agreement, accept and
14 collect assessments or fees from entities who enter into a
15 contractual agreement for District enhancement and
16 improvements, common area shared services, shared facilities,
17 or other activities or expenditures in furtherance of the
18 purposes of this Act. The Commission may provide assistance,
19 including grants, loans, land conveyances, and other
20 incentives to entities, including, but not limited to,
21 neighborhood organizations, to induce development and
22 revitalization consistent with this Act and for the purpose of
23 benefiting the community. The Commission may also provide
24 programmatic assistance, operational assistance, or facilities
25 to support academic, professional, and training programs

1 located within the District if it finds that such support
2 advances the purposes of this Act.

3 Section 5-25. Property; acquisition. The Commission may
4 acquire the fee simple title to real property lying within the
5 District and personal property required for its purposes, by
6 gift, donation, purchase, or otherwise. Title shall be taken
7 in the corporate name of the Commission. The Commission may
8 acquire, by lease or other means, any real property lying
9 within the District and personal property found by the
10 Commission to be necessary for its purposes and to which the
11 Commission finds that it need not acquire the fee simple title
12 for carrying out of those purposes. The Commission shall hold
13 a public hearing in accordance with Section 5-80 of this Act
14 before acquiring the title to property. All real and personal
15 property within the District, except that owned and used for
16 purposes authorized under this Act by medical institutions or
17 allied educational institutions, hospitals, dispensaries,
18 clinics, dormitories or homes for the nurses, doctors,
19 students, instructors, or other officers or employees of those
20 institutions located in the District, or any real property
21 that is used for offices or for recreational purposes in
22 connection with those institutions, or any improved
23 residential property within a currently effective historical
24 district properly designated under a federal statute or a
25 State or local statute that has been certified by the

1 Secretary of the Interior to the Secretary of the Treasury as
2 containing criteria that will substantially achieve the
3 purpose of preserving and rehabilitating buildings of
4 historical significance to the district, may be acquired by
5 the Commission in its corporate name under the provisions for
6 the exercise of the right of eminent domain under the Eminent
7 Domain Act. The Commission may undertake environmental
8 remediation, demolition, site preparation, interim site
9 management, and other predevelopment activities necessary to
10 prepare property for redevelopment, transfer, or related
11 activities. The Commission has no quick-take powers, no zoning
12 powers, and no power to establish or enforce building codes.
13 The Commission may not acquire any property pursuant to this
14 Section before a comprehensive master plan has been approved
15 under Section 5-75.

16 Section 5-30. Construction. After a public hearing in
17 accordance with Section 5-80 of this Act, the Commission may,
18 in its corporate capacity, construct or cause to be
19 constructed within the District, any building, structure, or
20 other ancillary or related facilities that the Commission may,
21 from time to time, determine are to be established and
22 operated (i) for the carrying out of any aspect of the
23 Commission's purposes as set forth in this Act or (ii) for any
24 uses the Commission shall determine will support and nurture
25 facilities and uses permitted by this Act. All such structures

1 and improvements shall be erected and constructed in
2 accordance with the provisions of the Illinois Procurement
3 Code that apply to State agencies. No construction may be
4 undertaken pursuant to this Section before a comprehensive
5 master plan has been approved under Section 5-75.

6 Section 5-35. Relocation assistance. The Commission shall
7 provide relocation assistance to persons and entities
8 displaced by the Commission's acquisition of property and
9 improvement of the District. Relocation assistance shall not
10 be less than the amount provided under the federal Uniform
11 Relocation Assistance and Real Property Acquisition Policies
12 Act of 1970 and the regulations under that Act, including the
13 eligibility criteria. The Commission may enter into long-term
14 development, land-use, or operating agreements with
15 institutions, including hospitals, universities, State
16 agencies, or nonprofit organizations. Relocation assistance
17 may include assistance with the moving of a residential unit
18 to a new location, and the Commission may develop, own, lease,
19 sublease, or manage facilities used for academic instruction,
20 professional education, or research, including facilities
21 owned or operated by colleges, universities, or their
22 affiliates. The Commission shall establish a single point of
23 contact for all relocation assistance under this Section.

24 Section 5-40. Bonds. To obtain the funds necessary for

1 financing the acquisition, construction, maintenance, and
2 rehabilitation of facilities and equipment within the
3 District, and for the operation of the District as set forth in
4 this Act, the Commission may borrow money from any public or
5 private agency, department, corporation, or person. In
6 evidence of and as security for funds borrowed, the Commission
7 may issue revenue bonds in its corporate capacity to be
8 payable from the revenues derived from the operation of the
9 institutions or buildings owned, leased, or operated by or on
10 behalf of the Commission, but the bonds shall in no event
11 constitute an indebtedness of the Commission or a claim
12 against the property of the Commission. The bonds may be
13 issued in such denominations as may be expedient, in such
14 amounts, and at such rates of interest as the Commission shall
15 deem necessary to provide sufficient funds to pay all the
16 costs authorized under this Section. The bonds shall be
17 executed by the President of the Commission, attested by the
18 Secretary, and sealed with the Commission's corporate seal. If
19 either of those officers of the Commission who shall have
20 signed or attested any of the bonds shall have ceased to be
21 such officer before delivery of the bonds, the signature of
22 the officer shall be valid and sufficient to the same effect as
23 if the officer had remained in office at the time of delivery.
24 The Commission shall furnish the State Comptroller with a
25 record of all bonds issued under this Act.

1 Section 5-45. Power to sell or lease. The Commission may
2 sell, convey, transfer, or lease, at fair market value, any
3 title or interest in real property owned by it to any person or
4 persons, to be used, subject to the restrictions of this Act,
5 for the purposes stated in this Act, for the purpose of serving
6 persons using the facilities offered within the District, or
7 for the carrying out of any aspect of the Commission's
8 purposes as set forth in Section 5-15 of this Act, subject to
9 the restrictions as to the use of the real property as the
10 Commission shall determine will carry out the purposes of this
11 Act. To assure that the use of the real property so sold or
12 leased is in accordance with the provisions of this Act, the
13 Commission shall inquire into and satisfy itself concerning
14 the financial ability of the purchaser to complete the project
15 for which the real property is sold or leased. The purchaser or
16 lessee shall submit, in writing, a plan to the Commission of
17 the purchaser's or lessee's ability to complete the project
18 for which the real property is sold or leased. Under the
19 required plan, the purchaser or lessee shall undertake (1) to
20 use the land for the purposes designated in the plan so
21 presented; (2) to commence and complete the construction of
22 the buildings or other structures to be included in the
23 project within the time the Commission fixes as reasonable;
24 and (3) to comply with such other conditions as the Commission
25 shall determine are necessary to carry out the project. All
26 conveyances and leases authorized in this Section shall be on

1 condition that in the event the use of property is for other
2 purposes than prescribed in this Act, or there is nonuse for a
3 period of one year, title to the property shall revert to the
4 Commission. All conveyances and leases made by the Commission
5 to any corporation or person for the use of serving the
6 residents or any person using the facilities offered within
7 the District shall be on condition that in the event of a
8 violation of any of the restrictions as to the use of the
9 property according to this Act, and the Commission's
10 determinations of projects that will carry out the purposes of
11 this Act, title to the property shall revert to the
12 Commission. If, however, the Commission finds that financing
13 necessary for the acquisition or lease of any real estate or
14 for the construction or improvement of any building to be used
15 for purposes prescribed in this Act cannot be obtained if
16 title to the land, building, or improvement is subject to such
17 a reverter provision, the Commission may cause the real
18 property to be conveyed free of a reverter provision, provided
19 that at least 7 members of the Commission vote in favor
20 thereof. The finding that the title shall be conveyed free of a
21 reverter provision shall be made at a public hearing in
22 accordance with Section 5-80 of this Act and notice provided
23 in accordance with Section 5-50 of this Act. The Commission
24 may also provide, in the conveyances, leases, or other
25 documentation, provisions for notice of such violations or
26 default and the cure thereof for the benefit of any lender or

1 mortgagee as the Commission shall determine are appropriate.
2 If, at a regularly scheduled meeting, the Commission resolves
3 that a parcel of real estate leased by it, or in which it has
4 sold the fee simple title or any lesser estate, is not being
5 used for the purposes prescribed in this Act or has been in
6 nonuse for a period of one year, the Commission may file a
7 lawsuit in the Circuit Court of Sangamon County to enforce the
8 terms of the sale or lease. If a reverter of title to any
9 property is ordered by the court under the terms of this Act,
10 the interest of the Commission shall be subject to any
11 existing valid mortgage or trust deed in the nature of a
12 mortgage, but if the title is acquired through foreclosure of
13 that mortgage or trust deed or by deed in lieu of foreclosure
14 of that mortgage or trust deed, then the title to the property
15 shall not revert, but shall be subject to the restrictions as
16 to use, but not any penalty for nonuse contained in this Act
17 with respect to any mortgagee in possession or its successor
18 or assigns. No conveyance of real property shall be executed
19 by the Commission without the prior written approval of the
20 Governor. The Commission may not sell, convey, transfer, or
21 lease any property pursuant to this Section before a
22 comprehensive master plan has been approved under Section
23 5-75.

24 Section 5-50. Notice. Before holding any public hearing
25 prescribed in Section 5-45 of this Act, or any meeting

1 regarding the passage of any resolution to file a lawsuit, the
2 Commission shall give notice to the grantee or lessee, or his
3 or her legal representatives, successors, or assigns, of the
4 time and place of the proceeding. The notice shall be
5 accompanied by a statement signed by the Secretary of the
6 Commission, or by any person authorized by the Commission to
7 sign the same, setting forth any act or things done or omitted
8 to be done in violation, or claimed to be in violation, of any
9 restriction as to the use of the property, whether the
10 restriction be prescribed in any of the terms of this Act or by
11 any restriction as to the use of the property determined by the
12 Commission under the terms of this Act. The notice of the time
13 and place fixed for the proceeding shall also be given to such
14 person or persons as the Commission shall deem necessary. The
15 notice may be given by registered mail, addressed to the
16 grantee, lessee, or legal representatives, successors, or
17 assigns, at the last known address of the grantee, lessee, or
18 legal representatives, successors, or assigns.

19 Section 5-55. Rules. The Commission may adopt reasonable
20 and proper rules, in accordance with the Illinois
21 Administrative Procedure Act, relative to the exercise of its
22 powers, and proper rules to govern its proceedings, to
23 regulate the mode and manner of all hearings held by it or at
24 its direction, and to alter and amend those rules.

1 Section 5-60. Official documents. Copies of all official
2 documents, findings, and orders of the Commission, certified
3 by a Commissioner or by the Secretary of the Commission to be
4 true copies of the originals, and under the official seal of
5 the Commission, shall be evidence in like manner as the
6 originals.

7 Section 5-65. Judicial review. All final administrative
8 decisions of the Commission shall be subject to judicial
9 review pursuant to the provisions of the Administrative Review
10 Law, and all amendments and modifications thereof, and the
11 rules adopted pursuant thereto. The term "administrative
12 decision" is defined as in Section 3-101 of the Code of Civil
13 Procedure. Any party may obtain judicial review of a final
14 order or administrative decision of the Commission in the
15 Circuit Court of Sangamon County only under and in accordance
16 with the provisions of the Administrative Review Law and its
17 adopted rules. The Circuit Court shall take judicial notice of
18 all the rules of practice and procedure of the Commission.

19 Section 5-70. Parks. The Commission may set apart any part
20 of the District as a park, except those areas owned, operated,
21 or used for purposes authorized under this Act by
22 organizations or institutions engaged in the delivery or
23 conduct of health care services, education, or research. The
24 Commission may construct, control, and maintain the same, or

1 may provide by contract with the Springfield Park District,
2 the City of Springfield, or the Department of Natural
3 Resources, as applicable, for the construction, control, and
4 maintenance of any area within the District set apart as a
5 park.

6 Section 5-75. Master plan; improvement and management of
7 District. The Commission shall approve a comprehensive master
8 plan for the orderly development and management of all
9 property within the District. The master plan, and any
10 amendment to the master plan, shall only take effect once
11 delivered to the Springfield City Council. The Commission
12 shall take the actions permitted to be taken by it under this
13 Act as it may determine are appropriate to provide conditions
14 most favorable for the special care and treatment of the sick
15 and injured and for the study of disease and for any other
16 purpose of this Act. In the master plan, the Commission may
17 provide for shared services and facilities within the District
18 for the accredited higher education institutions and the
19 licensed non-profit acute care hospitals within the District.

20 Section 5-80. Public hearing. The Commission shall conduct
21 a public hearing prior to either (i) acquiring real or
22 personal property within the District through Section 5-25 of
23 this Act, (ii) constructing any building or structure under
24 Section 5-30 of this Act, (iii) conveying property under

1 Section 5-45 of this Act, or (iv) approving a comprehensive
2 master plan under Section 5-75 of this Act. The Commission
3 shall also conduct a public hearing whenever it is otherwise
4 required by law to do so, and may conduct a public hearing
5 whenever it may elect to do so. The Commission shall conduct
6 the public hearing called by it in accordance with the
7 requirements of the law mandating it, if any, or in accordance
8 with the provisions of this Section if either the law
9 mandating it is silent as to the procedures for its holding or
10 if the Commission elects to hold a public hearing in the
11 absence of any law mandating it. In the absence of any law, or
12 of any procedures in any law, mandating the holding of a public
13 hearing, the Commission may authorize a Commissioner or other
14 person of legal age to conduct a hearing. The Commissioner or
15 other authorized person has the power to administer oaths and
16 affirmations, take the testimony of witnesses, take and
17 receive the production of papers, books, records, accounts,
18 and documents, receive pertinent evidence, and certify the
19 record of the hearing. The record of the hearing shall become
20 part of the Commission's record. Notice of the time, place,
21 and purpose of the hearing shall be given by a single
22 publication notice in a secular newspaper of general
23 circulation in the City of Springfield at least 10 days before
24 the date of the hearing.

25 Section 5-85. Jurisdiction. This Act shall not be

1 construed to limit the jurisdiction of the City of Springfield
2 to territory outside the limits of the District nor to impair
3 any power now possessed by or hereafter granted to the City of
4 Springfield or to cities generally. Property owned by and
5 exclusively used by the Commission shall be exempt from
6 taxation.

7 Section 5-90. Disposition of money; income fund. All money
8 received by the Commission from the sale or lease of any
9 property, in excess of the amount expended by the Commission
10 for authorized purposes under this Act or as may be necessary
11 to satisfy the obligation of any revenue bond issued pursuant
12 to Section 5-40, shall be deposited into the Capital City
13 Downtown Medical District Income Fund, a special fund created
14 in the State treasury. The Commission may use all money
15 received as rentals for the purposes of planning, acquisition,
16 and development of property within the District, for the
17 operation, maintenance, and improvement of property of the
18 Commission, and for all purposes and powers set forth in this
19 Act. All moneys held pursuant to this Section shall be
20 maintained in a depository approved by the State Treasurer.
21 The Auditor General shall, at least biennially, audit or cause
22 to be audited all records and accounts of the Commission
23 pertaining to the operation of the District.

24 Section 5-95. Assumption. As allowable under State or

1 federal law, any and all assets, holdings, contracts and
2 agreements of the Mid-Illinois Medical District or
3 Mid-Illinois Medical District Commission established under the
4 Mid-Illinois Medical District Act shall hereby be conveyed or
5 assigned to the Capital City Downtown Medical District or the
6 Capital City Downtown Medical District Commission established
7 under this Act.

8 ARTICLE 10

9 Section 10-5. The Illinois Enterprise Zone Act is amended
10 by changing Section 5.4.1 as follows:

11 (20 ILCS 655/5.4.1)

12 Sec. 5.4.1. Adoption of Tax Increment Financing.

13 (a) If (i) a redevelopment project area is, will be, or has
14 been created by a municipality under Division 74.4 of the
15 Illinois Municipal Code, (ii) the redevelopment project area
16 contains property that is located in an enterprise zone, (iii)
17 the municipality adopts an amendment to the enterprise zone
18 designating ordinance pursuant to Section 5.4 of this Act
19 specifically concerning the abatement of taxes on property
20 located within a redevelopment project area created pursuant
21 to Division 74.4 of the Illinois Municipal Code, and (iv) the
22 Department certifies the ordinance amendment, then the
23 property that is located in both the enterprise zone and the

1 redevelopment project area shall not be eligible for the
2 abatement of taxes under Section 18-170 of the Property Tax
3 Code.

4 No business enterprise or expansion or individual,
5 however, that has constructed a new improvement or renovated
6 or rehabilitated an existing improvement and has received an
7 abatement on the improvement under Section 18-170 of the
8 Property Tax Code shall be denied any benefit previously
9 extended within the zone pursuant to this Act or pursuant to
10 any other Illinois law providing benefits specifically to or
11 within enterprise zones. Moreover, if the business enterprise
12 or individual presents evidence to the municipality within 30
13 days after the adoption by the municipality of an amendment to
14 the designating ordinance the sufficiency of which shall be
15 determined by findings of the corporate authorities made
16 within 30 days of the receipt of such evidence by the
17 municipality, that before the date of the notice of the public
18 hearing provided by the municipality regarding the amendment
19 to the designating ordinance (i) the business enterprise or
20 expansion or individual was committed to locate within the
21 enterprise zone, (ii) substantial and binding financial
22 obligations were made toward ~~towards~~ the development of the
23 enterprise, and (iii) those commitments were made in
24 reasonable reliance on the benefits and programs that were
25 applicable to the enterprise or individual by reason of the
26 enterprise zone, then the enterprise or expansion or

1 individual shall not be denied any benefit previously extended
2 within the zone pursuant to this Act or pursuant to any other
3 Illinois law providing benefits specifically to or within
4 enterprise zones.

5 (b) This Section applies to all property located within
6 both a redevelopment project area adopted under Division 74.4
7 of the Illinois Municipal Code and an enterprise zone even if
8 the redevelopment project area or the enterprise zone was
9 adopted before the effective date of this amendatory Act of
10 1997.

11 (c) After July 1, 1997, if (i) a redevelopment project
12 area is created by a municipality under Division 74.4 of the
13 Illinois Municipal Code and (ii) the redevelopment project
14 area contains property that is located in an enterprise zone,
15 the municipality must adopt an amendment to the certified
16 enterprise zone designating ordinance under Section 5.4 that
17 property that is located in both the enterprise zone and the
18 redevelopment project area shall not be eligible for any
19 abatement of taxes under Section 18-170 of the Property Tax
20 Code for new improvements or the renovation or rehabilitation
21 of existing improvements, except as provided in subsections
22 (e) and (f).

23 (d) In declaratory judgment actions under this Section,
24 the Department and the designating municipality shall be
25 necessary parties defendant.

26 (e) Notwithstanding any other provision of law, if a

1 municipality has adopted an enterprise zone pursuant to this
2 Act and subsequently establishes a redevelopment project area
3 pursuant to the Tax Increment Allocation Redevelopment Act in
4 the Illinois Municipal Code, the municipality may, by
5 amendment to the certified enterprise zone designating
6 ordinance, provide for a partial abatement of taxes under
7 Section 18-170 of the Property Tax Code for property located
8 within both the enterprise zone and the redevelopment project
9 area. Any portion of property taxes not abated shall be
10 subject to tax increment financing, and the terms of the
11 applicable redevelopment project area agreement adopted
12 pursuant to the Tax Increment Allocation Redevelopment Act.

13 (f) Notwithstanding any other provision of law, if a
14 municipality has established a redevelopment project area
15 pursuant to the Tax Increment Allocation Redevelopment Act in
16 the Illinois Municipal Code and subsequently adopts an
17 enterprise zone that includes property within the
18 redevelopment project area, the municipality may, subject to
19 the redevelopment project area plan and agreement, provide for
20 a partial abatement of taxes under Section 18-170 of the
21 Property Tax Code for property located within both the
22 enterprise zone and the redevelopment project area. No such
23 abatement shall reduce or impair any tax increment revenues
24 pledged to secure outstanding bonds, notes, or other
25 obligations of the redevelopment project area. Any portion of
26 property taxes not abated shall remain subject to tax

1 increment financing and the terms of the applicable
2 redevelopment project area agreement adopted pursuant to
3 Division 74.4 of the Illinois Municipal Code.

4 (Source: P.A. 90-258, eff. 7-30-97.)

5 Section 10-10. The Illinois State Auditing Act is amended
6 by changing Section 3-1 as follows:

7 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

8 (Text of Section before amendment by P.A. 104-457)

9 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
10 General has jurisdiction over all State agencies to make post
11 audits and investigations authorized by or under this Act or
12 the Constitution.

13 The Auditor General has jurisdiction over local government
14 agencies and private agencies only:

15 (a) to make such post audits authorized by or under
16 this Act as are necessary and incidental to a post audit of
17 a State agency or of a program administered by a State
18 agency involving public funds of the State, but this
19 jurisdiction does not include any authority to review
20 local governmental agencies in the obligation, receipt,
21 expenditure or use of public funds of the State that are
22 granted without limitation or condition imposed by law,
23 other than the general limitation that such funds be used
24 for public purposes;

1 (b) to make investigations authorized by or under this
2 Act or the Constitution; and

3 (c) to make audits of the records of local government
4 agencies to verify actual costs of state-mandated programs
5 when directed to do so by the Legislative Audit Commission
6 at the request of the State Board of Appeals under the
7 State Mandates Act.

8 In addition to the foregoing, the Auditor General may
9 conduct an audit of the Metropolitan Pier and Exposition
10 Authority, the Regional Transportation Authority, the Suburban
11 Bus Division, the Commuter Rail Division and the Chicago
12 Transit Authority and any other subsidized carrier when
13 authorized by the Legislative Audit Commission. Such audit may
14 be a financial, management or program audit, or any
15 combination thereof.

16 The audit shall determine whether they are operating in
17 accordance with all applicable laws and regulations. Subject
18 to the limitations of this Act, the Legislative Audit
19 Commission may by resolution specify additional determinations
20 to be included in the scope of the audit.

21 In addition to the foregoing, the Auditor General must
22 also conduct a financial audit of the Illinois Sports
23 Facilities Authority's expenditures of public funds in
24 connection with the reconstruction, renovation, remodeling,
25 extension, or improvement of all or substantially all of any
26 existing "facility", as that term is defined in the Illinois

1 Sports Facilities Authority Act.

2 The Auditor General may also conduct an audit, when
3 authorized by the Legislative Audit Commission, of any
4 hospital which receives 10% or more of its gross revenues from
5 payments from the State of Illinois, Department of Healthcare
6 and Family Services (formerly Department of Public Aid),
7 Medical Assistance Program.

8 The Auditor General is authorized to conduct financial and
9 compliance audits of the Illinois Distance Learning Foundation
10 and the Illinois Conservation Foundation.

11 As soon as practical after August 18, 1995 (the effective
12 date of Public Act 89-386), the Auditor General shall conduct
13 a compliance and management audit of the City of Chicago and
14 any other entity with regard to the operation of Chicago
15 O'Hare International Airport, Chicago Midway Airport and
16 Merrill C. Meigs Field. The audit shall include, but not be
17 limited to, an examination of revenues, expenses, and
18 transfers of funds; purchasing and contracting policies and
19 practices; staffing levels; and hiring practices and
20 procedures. When completed, the audit required by this
21 paragraph shall be distributed in accordance with Section
22 3-14.

23 The Auditor General must conduct an audit of the Health
24 Facilities and Services Review Board pursuant to Section 19.5
25 of the Illinois Health Facilities Planning Act.

26 The Auditor General of the State of Illinois shall

1 annually conduct or cause to be conducted a financial and
2 compliance audit of the books and records of any county water
3 commission organized pursuant to the Water Commission Act of
4 1985 and shall file a copy of the report of that audit with the
5 Governor and the Legislative Audit Commission. The filed audit
6 shall be open to the public for inspection. The cost of the
7 audit shall be charged to the county water commission in
8 accordance with Section 6z-27 of the State Finance Act. The
9 county water commission shall make available to the Auditor
10 General its books and records and any other documentation,
11 whether in the possession of its trustees or other parties,
12 necessary to conduct the audit required. These audit
13 requirements apply only through July 1, 2007.

14 The Auditor General must conduct audits of the Rend Lake
15 Conservancy District as provided in Section 25.5 of the River
16 Conservancy Districts Act.

17 The Auditor General must conduct financial audits of the
18 Southeastern Illinois Economic Development Authority as
19 provided in Section 70 of the Southeastern Illinois Economic
20 Development Authority Act.

21 The Auditor General shall conduct a compliance audit in
22 accordance with subsections (d) and (f) of Section 30 of the
23 Innovation Development and Economy Act.

24 The Auditor General shall conduct a compliance audit in
25 accordance with subsections (d) and (g) of Section 5-45 of the
26 Statewide Innovation Development and Economy Act.

1 (Source: P.A. 104-2, eff. 6-16-25.)

2 (Text of Section after amendment by P.A. 104-457)

3 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
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10 this Act as are necessary and incidental to a post audit of
11 a State agency or of a program administered by a State
12 agency involving public funds of the State, but this
13 jurisdiction does not include any authority to review
14 local governmental agencies in the obligation, receipt,
15 expenditure or use of public funds of the State that are
16 granted without limitation or condition imposed by law,
17 other than the general limitation that such funds be used
18 for public purposes;

19 (b) to make investigations authorized by or under this
20 Act or the Constitution; and

21 (c) to make audits of the records of local government
22 agencies to verify actual costs of state-mandated programs
23 when directed to do so by the Legislative Audit Commission
24 at the request of the State Board of Appeals under the
25 State Mandates Act.

1 In addition to the foregoing, the Auditor General may
2 conduct an audit of the Metropolitan Pier and Exposition
3 Authority, the Northern Illinois Transit Authority, the
4 Suburban Bus Division, the Commuter Rail Division and the
5 Chicago Transit Authority and any other subsidized carrier
6 when authorized by the Legislative Audit Commission. Such
7 audit may be a financial, management or program audit, or any
8 combination thereof.

9 The audit shall determine whether they are operating in
10 accordance with all applicable laws and regulations. Subject
11 to the limitations of this Act, the Legislative Audit
12 Commission may by resolution specify additional determinations
13 to be included in the scope of the audit.

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15 also conduct a financial audit of the Illinois Sports
16 Facilities Authority's expenditures of public funds in
17 connection with the reconstruction, renovation, remodeling,
18 extension, or improvement of all or substantially all of any
19 existing "facility", as that term is defined in the Illinois
20 Sports Facilities Authority Act.

21 The Auditor General may also conduct an audit, when
22 authorized by the Legislative Audit Commission, of any
23 hospital which receives 10% or more of its gross revenues from
24 payments from the State of Illinois, Department of Healthcare
25 and Family Services (formerly Department of Public Aid),
26 Medical Assistance Program.

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2 compliance audits of the Illinois Distance Learning Foundation
3 and the Illinois Conservation Foundation.

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5 date of Public Act 89-386), the Auditor General shall conduct
6 a compliance and management audit of the City of Chicago and
7 any other entity with regard to the operation of Chicago
8 O'Hare International Airport, Chicago Midway Airport and
9 Merrill C. Meigs Field. The audit shall include, but not be
10 limited to, an examination of revenues, expenses, and
11 transfers of funds; purchasing and contracting policies and
12 practices; staffing levels; and hiring practices and
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20 annually conduct or cause to be conducted a financial and
21 compliance audit of the books and records of any county water
22 commission organized pursuant to the Water Commission Act of
23 1985 and shall file a copy of the report of that audit with the
24 Governor and the Legislative Audit Commission. The filed audit
25 shall be open to the public for inspection. The cost of the
26 audit shall be charged to the county water commission in

1 accordance with Section 6z-27 of the State Finance Act. The
2 county water commission shall make available to the Auditor
3 General its books and records and any other documentation,
4 whether in the possession of its trustees or other parties,
5 necessary to conduct the audit required. These audit
6 requirements apply only through July 1, 2007.

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13 Development Authority Act.

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15 accordance with subsections (d) and (f) of Section 30 of the
16 Innovation Development and Economy Act.

17 The Auditor General shall conduct a compliance audit in
18 accordance with subsections (d) and (g) of Section 5-45 of the
19 Statewide Innovation Development and Economy Act.

20 (Source: P.A. 104-2, eff. 6-16-25; 104-457, eff. 6-1-26.)

21 Section 10-15. The State Finance Act is amended by
22 changing Sections 6z-18 and 6z-20 and by adding Section 5.1038
23 as follows:

24 (30 ILCS 105/5.1038 new)

1 Sec. 5.1038. The Capital City Downtown Medical District
2 Income Fund.

3 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

4 Sec. 6z-18. Local Government Tax Fund. A portion of the
5 money paid into the Local Government Tax Fund from sales of
6 tangible personal property taxed at the 1% rate under the
7 Retailers' Occupation Tax Act and the Service Occupation Tax
8 Act, which occurred in municipalities, shall be distributed to
9 each municipality based upon the sales which occurred in that
10 municipality. The remainder shall be distributed to each
11 county based upon the sales which occurred in the
12 unincorporated area of that county.

13 Moneys transferred from the Grocery Tax Replacement Fund
14 to the Local Government Tax Fund under Section 6z-130 shall be
15 treated under this Section in the same manner as if they had
16 been remitted with the return on which they were reported.

17 A portion of the money paid into the Local Government Tax
18 Fund from the 6.25% general use tax rate on the selling price
19 of tangible personal property which is purchased outside
20 Illinois at retail from a retailer and which is titled or
21 registered by any agency of this State's government shall be
22 distributed to municipalities as provided in this paragraph.
23 Each municipality shall receive the amount attributable to
24 sales for which Illinois addresses for titling or registration
25 purposes are given as being in such municipality. The

1 remainder of the money paid into the Local Government Tax Fund
2 from such sales shall be distributed to counties. Each county
3 shall receive the amount attributable to sales for which
4 Illinois addresses for titling or registration purposes are
5 given as being located in the unincorporated area of such
6 county.

7 A portion of the money paid into the Local Government Tax
8 Fund from the 6.25% general rate (and, beginning July 1, 2000
9 and through December 31, 2000, the 1.25% rate on motor fuel and
10 gasohol, and beginning on August 6, 2010 through August 15,
11 2010, and beginning again on August 5, 2022 through August 14,
12 2022, the 1.25% rate on sales tax holiday items) on sales
13 subject to taxation under the Retailers' Occupation Tax Act
14 and the Service Occupation Tax Act, which occurred in
15 municipalities, shall be distributed to each municipality,
16 based upon the sales which occurred in that municipality. The
17 remainder shall be distributed to each county, based upon the
18 sales which occurred in the unincorporated area of such
19 county.

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

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

3 Whenever the Department determines that a refund of money
4 paid into the Local Government Tax Fund should be made to a
5 claimant instead of issuing a credit memorandum, the
6 Department shall notify the State Comptroller, who shall cause
7 the order to be drawn for the amount specified, and to the
8 person named, in such notification from the Department. Such
9 refund shall be paid by the State Treasurer out of the Local
10 Government Tax Fund.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2011, upon certification of the
13 Department of Revenue, the Comptroller shall order
14 transferred, and the Treasurer shall transfer, to the STAR
15 Bonds Revenue Fund the local sales tax increment, as defined
16 in the Innovation Development and Economy Act, collected
17 during the second preceding calendar month for sales within a
18 STAR bond district and deposited into the Local Government Tax
19 Fund, less 3% of that amount, which shall be transferred into
20 the Tax Compliance and Administration Fund and shall be used
21 by the Department, subject to appropriation, to cover the
22 costs of the Department in administering the Innovation
23 Development and Economy Act.

24 As soon as possible after the first day of each month,
25 beginning July 1, 2026, 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 Statewide
3 Innovation Development and Economy Act, collected during the
4 second preceding calendar month for sales within a STAR bond
5 district and deposited into the Local Government Tax Fund,
6 less 3% of that amount, which shall be transferred to the Tax
7 Compliance and Administration Fund and shall be used by the
8 Department, subject to appropriation, to cover the costs of
9 the Department in administering the Statewide Innovation
10 Development and Economy Act.

11 After the monthly transfers ~~transfer~~ to the STAR Bonds
12 Revenue Fund, on or before the 25th day of each calendar month,
13 the Department shall prepare and certify to the Comptroller
14 the disbursement of stated sums of money to named
15 municipalities and counties, the municipalities and counties
16 to be those entitled to distribution of taxes or penalties
17 paid to the Department during the second preceding calendar
18 month. The amount to be paid to each municipality or county
19 shall be the amount (not including credit memoranda) collected
20 during the second preceding calendar month by the Department
21 and paid into the Local Government Tax Fund, plus an amount the
22 Department determines is necessary to offset any amounts which
23 were erroneously paid to a different taxing body, and not
24 including an amount equal to the amount of refunds made during
25 the second preceding calendar month by the Department, and not
26 including any amount which the Department determines is

1 necessary to offset any amounts which are payable to a
2 different taxing body but were erroneously paid to the
3 municipality or county, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund. Within 10 days
5 after receipt, by the Comptroller, of the disbursement
6 certification to the municipalities and counties, provided for
7 in this Section to be given to the Comptroller by the
8 Department, the Comptroller shall cause the orders to be drawn
9 for the respective amounts in accordance with the directions
10 contained in such certification.

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

17 The provisions directing the distributions from the
18 special fund in the State treasury provided for in this
19 Section shall constitute an irrevocable and continuing
20 appropriation of all amounts as provided herein. The State
21 Treasurer and State Comptroller are hereby authorized to make
22 distributions as provided in this Section.

23 In construing any development, redevelopment, annexation,
24 preannexation, or other lawful agreement in effect prior to
25 September 1, 1990, which describes or refers to receipts from
26 a county or municipal retailers' occupation tax, use tax or

1 service occupation tax which now cannot be imposed, such
2 description or reference shall be deemed to include the
3 replacement revenue for such abolished taxes, distributed from
4 the Local Government Tax Fund.

5 As soon as possible after March 8, 2013 (the effective
6 date of Public Act 98-3), the State Comptroller shall order
7 and the State Treasurer shall transfer \$6,600,000 from the
8 Local Government Tax Fund to the Illinois State Medical
9 Disciplinary Fund.

10 (Source: P.A. 102-700, Article 60, Section 60-10, eff.
11 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;
12 103-154, eff. 6-30-23.)

13 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

14 (Text of Section before amendment by P.A. 104-457)

15 Sec. 6z-20. County and Mass Transit District Fund. Of the
16 money received from the 6.25% general rate (and, beginning
17 July 1, 2000 and through December 31, 2000, the 1.25% rate on
18 motor fuel and gasohol, and beginning on August 6, 2010
19 through August 15, 2010, and beginning again on August 5, 2022
20 through August 14, 2022, the 1.25% rate on sales tax holiday
21 items) on sales subject to taxation under the Retailers'
22 Occupation Tax Act and Service Occupation Tax Act and paid
23 into the County and Mass Transit District Fund, distribution
24 to the Regional Transportation Authority tax fund, created
25 pursuant to Section 4.03 of the Regional Transportation

1 Authority Act, for deposit therein shall be made based upon
2 the retail sales occurring in a county having more than
3 3,000,000 inhabitants. The remainder shall be distributed to
4 each county having 3,000,000 or fewer inhabitants based upon
5 the retail sales occurring in each such county.

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

15 Of the money received from the 6.25% general use tax rate
16 on tangible personal property which is purchased outside
17 Illinois at retail from a retailer and which is titled or
18 registered by any agency of this State's government and paid
19 into the County and Mass Transit District Fund, the amount for
20 which Illinois addresses for titling or registration purposes
21 are given as being in each county having more than 3,000,000
22 inhabitants shall be distributed into the Regional
23 Transportation Authority tax fund, created pursuant to Section
24 4.03 of the Regional Transportation Authority Act. The
25 remainder of the money paid from such sales shall be
26 distributed to each county based on sales for which Illinois

1 addresses for titling or registration purposes are given as
2 being located in the county. Any money paid into the Regional
3 Transportation Authority Occupation and Use Tax Replacement
4 Fund from the County and Mass Transit District Fund prior to
5 January 14, 1991, which has not been paid to the Authority
6 prior to that date, shall be transferred to the Regional
7 Transportation Authority tax fund.

8 Whenever the Department determines that a refund of money
9 paid into the County and Mass Transit District Fund should be
10 made to a claimant instead of issuing a credit memorandum, the
11 Department shall notify the State Comptroller, who shall cause
12 the order to be drawn for the amount specified, and to the
13 person named, in such notification from the Department. Such
14 refund shall be paid by the State Treasurer out of the County
15 and Mass Transit District Fund.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the
18 Department of Revenue, the Comptroller shall order
19 transferred, and the Treasurer shall transfer, to the STAR
20 Bonds Revenue Fund the local sales tax increment, as defined
21 in the Innovation Development and Economy Act, collected
22 during the second preceding calendar month for sales within a
23 STAR bond district and deposited into the County and Mass
24 Transit District Fund, less 3% of that amount, which shall be
25 transferred into the Tax Compliance and Administration Fund
26 and shall be used by the Department, subject to appropriation,

1 to cover the costs of the Department in administering the
2 Innovation Development and Economy Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to the Regional
7 Transportation Authority and to named counties, the counties
8 to be those entitled to distribution, as hereinabove provided,
9 of taxes or penalties paid to the Department during the second
10 preceding calendar month. The amount to be paid to the
11 Regional Transportation Authority and each county having
12 3,000,000 or fewer inhabitants shall be the amount (not
13 including credit memoranda) collected during the second
14 preceding calendar month by the Department and paid into the
15 County and Mass Transit District Fund, plus an amount the
16 Department determines is necessary to offset any amounts which
17 were erroneously paid to a different taxing body, and not
18 including an amount equal to the amount of refunds made during
19 the second preceding calendar month by the Department, and not
20 including any amount which the Department determines is
21 necessary to offset any amounts which were payable to a
22 different taxing body but were erroneously paid to the
23 Regional Transportation Authority or county, and not including
24 any amounts that are transferred to the STAR Bonds Revenue
25 Fund, less 1.5% of the amount to be paid to the Regional
26 Transportation Authority, which shall be transferred into the

1 Tax Compliance and Administration Fund. The Department, at the
2 time of each monthly disbursement to the Regional
3 Transportation Authority, shall prepare and certify to the
4 State Comptroller the amount to be transferred into the Tax
5 Compliance and Administration Fund under this Section. Within
6 10 days after receipt, by the Comptroller, of the disbursement
7 certification to the Regional Transportation Authority,
8 counties, and the Tax Compliance and Administration Fund
9 provided for in this Section to be given to the Comptroller by
10 the Department, the Comptroller shall cause the orders to be
11 drawn for the respective amounts in accordance with the
12 directions contained in such certification.

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

20 The provisions directing the distributions from the
21 special fund in the State treasury ~~Treasury~~ provided for in
22 this Section and from the Regional Transportation Authority
23 tax fund created by Section 4.03 of the Regional
24 Transportation Authority Act shall constitute an irrevocable
25 and continuing appropriation of all amounts as provided
26 herein. The State Treasurer and State Comptroller are hereby

1 authorized to make distributions as provided in this Section.

2 In construing any development, redevelopment, annexation,
3 preannexation or other lawful agreement in effect prior to
4 September 1, 1990, which describes or refers to receipts from
5 a county or municipal retailers' occupation tax, use tax or
6 service occupation tax which now cannot be imposed, such
7 description or reference shall be deemed to include the
8 replacement revenue for such abolished taxes, distributed from
9 the County and Mass Transit District Fund or Local Government
10 Distributive Fund, as the case may be.

11 (Source: P.A. 102-700, eff. 4-19-22.)

12 (Text of Section after amendment by P.A. 104-457)

13 Sec. 6z-20. County and Mass Transit District Fund. Of the
14 money received from the 6.25% general rate (and, beginning
15 July 1, 2000 and through December 31, 2000, the 1.25% rate on
16 motor fuel and gasohol, and beginning on August 6, 2010
17 through August 15, 2010, and beginning again on August 5, 2022
18 through August 14, 2022, the 1.25% rate on sales tax holiday
19 items) on sales subject to taxation under the Retailers'
20 Occupation Tax Act and Service Occupation Tax Act and paid
21 into the County and Mass Transit District Fund, distribution
22 to the Northern Illinois Transit Authority tax fund, created
23 pursuant to Section 4.03 of the Northern Illinois Transit
24 Authority Act, for deposit therein shall be made based upon
25 the retail sales occurring in a county having more than

1 3,000,000 inhabitants. The remainder shall be distributed to
2 each county having 3,000,000 or fewer inhabitants based upon
3 the retail sales occurring in each such county.

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

13 Of the money received from the 6.25% general use tax rate
14 on tangible personal property which is purchased outside
15 Illinois at retail from a retailer and which is titled or
16 registered by any agency of this State's government and paid
17 into the County and Mass Transit District Fund, the amount for
18 which Illinois addresses for titling or registration purposes
19 are given as being in each county having more than 3,000,000
20 inhabitants shall be distributed into the Northern Illinois
21 Transit Authority tax fund, created pursuant to Section 4.03
22 of the Northern Illinois Transit Authority Act. The remainder
23 of the money paid from such sales shall be distributed to each
24 county based on sales for which Illinois addresses for titling
25 or registration purposes are given as being located in the
26 county. Any money paid into the Northern Illinois Transit

1 Authority Occupation and Use Tax Replacement Fund from the
2 County and Mass Transit District Fund prior to January 14,
3 1991, which has not been paid to the Authority prior to that
4 date, shall be transferred to the Northern Illinois Transit
5 Authority tax fund.

6 Whenever the Department determines that a refund of money
7 paid into the County and Mass Transit District Fund should be
8 made to a claimant instead of issuing a credit memorandum, the
9 Department shall notify the State Comptroller, who shall cause
10 the order to be drawn for the amount specified, and to the
11 person named, in such notification from the Department. Such
12 refund shall be paid by the State Treasurer out of the County
13 and Mass Transit District Fund.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2011, upon certification of the
16 Department of Revenue, the Comptroller shall order
17 transferred, and the Treasurer shall transfer, to the STAR
18 Bonds Revenue Fund the local sales tax increment, as defined
19 in the Innovation Development and Economy Act, collected
20 during the second preceding calendar month for sales within a
21 STAR bond district and deposited into the County and Mass
22 Transit District Fund, less 3% of that amount, which shall be
23 transferred into the Tax Compliance and Administration Fund
24 and shall be used by the Department, subject to appropriation,
25 to cover the costs of the Department in administering the
26 Innovation Development and Economy Act.

1 As soon as possible after the first day of each month,
2 beginning July 1, 2026, 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 Statewide
6 Innovation Development and Economy Act, collected during the
7 second preceding calendar month for sales within a STAR bond
8 district and deposited into the County and Mass Transit
9 District Fund, less 3% of that amount, which shall be
10 transferred into the Tax Compliance and Administration Fund
11 and shall be used by the Department, subject to appropriation,
12 to cover the costs of the Department in administering the
13 Statewide Innovation Development and Economy Act.

14 After the monthly transfers ~~transfer~~ to the STAR Bonds
15 Revenue Fund, on or before the 25th day of each calendar month,
16 the Department shall prepare and certify to the Comptroller
17 the disbursement of stated sums of money to the Northern
18 Illinois Transit Authority and to named counties, the counties
19 to be those entitled to distribution, as hereinabove provided,
20 of taxes or penalties paid to the Department during the second
21 preceding calendar month. The amount to be paid to the
22 Northern Illinois Transit Authority and each county having
23 3,000,000 or fewer inhabitants shall be the amount (not
24 including credit memoranda) collected during the second
25 preceding calendar month by the Department and paid into the
26 County and Mass Transit District Fund, plus an amount the

1 Department determines is necessary to offset any amounts which
2 were erroneously paid to a different taxing body, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department, and not
5 including any amount which the Department determines is
6 necessary to offset any amounts which were payable to a
7 different taxing body but were erroneously paid to the
8 Northern Illinois Transit Authority or county, and not
9 including any amounts that are transferred to the STAR Bonds
10 Revenue Fund, less 1.5% of the amount to be paid to the
11 Northern Illinois Transit Authority, which shall be
12 transferred into the Tax Compliance and Administration Fund.
13 The Department, at the time of each monthly disbursement to
14 the Northern Illinois Transit Authority, shall prepare and
15 certify to the State Comptroller the amount to be transferred
16 into the Tax Compliance and Administration Fund under this
17 Section. Within 10 days after receipt, by the Comptroller, of
18 the disbursement certification to the Northern Illinois
19 Transit Authority, counties, and the Tax Compliance and
20 Administration Fund provided for in this Section to be given
21 to the Comptroller by the Department, the Comptroller shall
22 cause the orders to be drawn for the respective amounts in
23 accordance with the directions contained in such
24 certification.

25 When certifying the amount of a monthly disbursement to
26 the Northern Illinois Transit Authority or to a county under

1 this Section, the Department shall increase or decrease that
2 amount by an amount necessary to offset any misallocation of
3 previous disbursements. The offset amount shall be the amount
4 erroneously disbursed within the 6 months preceding the time a
5 misallocation is discovered.

6 The provisions directing the distributions from the
7 special fund in the State treasury provided for in this
8 Section and from the Northern Illinois Transit Authority tax
9 fund created by Section 4.03 of the Northern Illinois Transit
10 Authority Act shall constitute an irrevocable and continuing
11 appropriation of all amounts as provided herein. The State
12 Treasurer and State Comptroller are hereby authorized to make
13 distributions as provided in this Section.

14 In construing any development, redevelopment, annexation,
15 preannexation or other lawful agreement in effect prior to
16 September 1, 1990, which describes or refers to receipts from
17 a county or municipal retailers' occupation tax, use tax or
18 service occupation tax which now cannot be imposed, such
19 description or reference shall be deemed to include the
20 replacement revenue for such abolished taxes, distributed from
21 the County and Mass Transit District Fund or Local Government
22 Distributive Fund, as the case may be.

23 (Source: P.A. 104-457, eff. 6-1-26.)

24 (30 ILCS 105/5.593 rep.)

25 (30 ILCS 105/6z-60 rep.)

1 Section 10-17. The State Finance Act is amended by
2 repealing Sections 5.593 and 6z-60.

3 Section 10-20. The Illinois Income Tax Act is amended by
4 adding Sections 221.5 and 221.6 as follows:

5 (35 ILCS 5/221.5 new)

6 Sec. 221.5. Rehabilitation costs; qualified historic
7 properties; Capital City Downtown Medical District.

8 (a) As used in this Section:

9 "Phased rehabilitation" means a project that is completed
10 in phases, as defined under Section 47 of the federal Internal
11 Revenue Code and pursuant to National Park Service regulations
12 at 36 C.F.R. 67.

13 "Placed in service" means the date when the property is
14 placed in a condition or state of readiness and availability
15 for a specifically assigned function as defined under Section
16 47 of the federal Internal Revenue Code and federal Treasury
17 Regulation Sections 1.46 and 1.48.

18 "Qualified expenditure" means all the costs and expenses
19 defined as qualified rehabilitation expenditures under Section
20 47 of the federal Internal Revenue Code that were incurred in
21 connection with a qualified historic structure.

22 "Qualified historic structure" means a certified historic
23 structure as defined under Section 47(c)(3) of the federal
24 Internal Revenue Code.

1 "Qualified rehabilitation plan" means a project that is
2 approved by the Department of Natural Resources and the
3 National Park Service as being consistent with the United
4 States Secretary of the Interior's Standards for
5 Rehabilitation.

6 "Qualified taxpayer" means the owner of the qualified
7 historic structure or any other person who qualifies for the
8 federal rehabilitation credit allowed by Section 47 of the
9 federal Internal Revenue Code with respect to that qualified
10 historic structure.

11 (b) For taxable years beginning on or after January 1,
12 2027, there shall be allowed a tax credit against the tax
13 imposed by subsections (a) and (b) of Section 201 of this Act
14 in an aggregate amount equal to 25% of the qualified
15 expenditures incurred by a qualified taxpayer in the
16 restoration and preservation of a qualified historic structure
17 located within the bounds of the Capital City Downtown Medical
18 District pursuant to a qualified rehabilitation plan, provided
19 that the total amount of such expenditures must (i) equal
20 \$5,000 or more and (ii) exceed the adjusted basis of the
21 qualified historic structure on the first day the qualified
22 rehabilitation plan begins. For any rehabilitation project,
23 regardless of duration or number of phases, the project's
24 compliance with items (i) and (ii) shall be determined based
25 on the aggregate amount of qualified expenditures for the
26 entire project and may include expenditures incurred under

1 subsection (a), this subsection, or both subsection (a) and
2 this subsection. If the qualified rehabilitation plan spans
3 multiple years, the aggregate credit for the entire project
4 shall be allowed in the last taxable year, except for phased
5 rehabilitation projects, which may receive credits upon
6 completion of each phase. Before obtaining the first phased
7 credit, the total amount of such expenditures must meet the
8 requirements of items (i) and (ii) and the rehabilitated
9 portion of the qualified historic structure must be placed in
10 service.

11 If the taxpayer is a partnership or subchapter S
12 corporation, the credit shall be allowed to the partners or
13 shareholders in accordance with the provisions of Section 251.

14 (c) The credit or credits may not reduce the taxpayer's
15 liability to less than zero. If the amount of the credit or
16 credits exceeds the taxpayer's liability, the excess may be
17 carried forward and applied against the taxpayer's liability
18 in the 5 taxable years following the excess credit year. The
19 credit or credits shall be applied to the earliest year for
20 which there is a tax liability. If there are credits from more
21 than one taxable year that are available to offset a
22 liability, the earlier credit shall be applied first.

23 (d) To obtain a tax credit pursuant to this Section, the
24 taxpayer must apply to the Department of Natural Resources.
25 The Department of Natural Resources shall determine the amount
26 of eligible rehabilitation costs and expenses within 45 days

1 of receipt of a complete application. The taxpayer must submit
2 a certification of costs prepared by an independent certified
3 public accountant that certifies (i) the project expenses,
4 (ii) whether those expenses are qualified expenditures, and
5 (iii) that the qualified expenditures exceed the adjusted
6 basis of the qualified historic structure on the first day the
7 qualified rehabilitation plan commenced. The Department of
8 Natural Resources is authorized, but not required, to accept
9 this certification of costs to determine the amount of
10 qualified expenditures and the amount of the credit. The
11 Department of Natural Resources shall provide guidance as to
12 the minimum standards to be followed in the preparation of the
13 certification. The Department of Natural Resources and the
14 National Park Service shall determine whether the
15 rehabilitation is consistent with the United States Secretary
16 of the Interior's Standards for Rehabilitation.

17 (e) Upon completion of the project and approval of the
18 complete application, the Department of Natural Resources
19 shall issue a single certificate in the amount of the eligible
20 credits equal to 25% of the qualified expenditures incurred by
21 the taxpayer during the eligible taxable years, as defined in
22 subsection (b), excepting any phased credits issued prior to
23 the eligible taxable year under subsection (b). At the time
24 the certificate is issued, an issuance fee up to the maximum
25 amount of 2% of the amount of the credits issued by the
26 certificate may be collected from the applicant to administer

1 the provisions of this Section. If collected, this issuance
2 fee shall be deposited into the Historic Property
3 Administrative Fund, a special fund created in the State
4 treasury. Subject to appropriation, moneys in the Historic
5 Property Administrative Fund shall be provided to the
6 Department of Natural Resources as reimbursement for the costs
7 associated with administering this Section.

8 (f) The taxpayer must attach the certificate to the tax
9 return on which the credits are to be claimed.

10 (g) Subject to appropriation, moneys in the Historic
11 Property Administrative Fund shall be used, on a biennial
12 basis on and after June 30, 2029, to hire a qualified third
13 party to prepare a biennial report to assess the overall
14 economic impact to the State from the qualified rehabilitation
15 projects under this Section completed in that fiscal year and
16 in previous fiscal years. The overall economic impact shall
17 include at least: (1) the direct and indirect or induced
18 economic impacts of completed projects; (2) temporary,
19 permanent, and construction jobs created; (3) sales, income,
20 and property tax generation before construction, during
21 construction, and after completion; and (4) indirect
22 neighborhood impact after completion. The report shall be
23 submitted to the Governor and the General Assembly. The report
24 to the General Assembly shall be filed with the Clerk of the
25 House of Representatives and the Secretary of the Senate in
26 electronic form only, in the manner that the Clerk and the

1 Secretary shall direct.

2 (h) The Department of Natural Resources may adopt rules to
3 implement this Section in addition to the rules expressly
4 authorized in this Section.

5 (i) This Section is exempt from the provisions of Section
6 250.

7 (35 ILCS 5/221.6 new)

8 Sec. 221.6. Capital city construction jobs credit.

9 (a) As used in this Section:

10 "Capital city construction jobs credit" means:

11 (1) an amount equal to 50% of the incremental income
12 tax attributable to capital city construction employees
13 employed on a capital city construction jobs project not
14 located in an underserved area; or

15 (2) an amount equal to 75% of the incremental income
16 tax attributable to capital city construction employees
17 employed on a capital city construction jobs project
18 located in an underserved area.

19 "Capital city construction jobs project" means a project
20 that involves the construction of a structure or building or
21 the making of improvements of any kind to real property that
22 is: (i) located in a Capital City Redevelopment Zone and (ii)
23 built or improved in the course of completing a qualified
24 rehabilitation plan.

25 "Capital city construction jobs project" does not include

1 the routine operation, routine repair, or routine maintenance
2 of existing structures, buildings, or real property.

3 "Incremental income tax" means means the total amount
4 withheld during the taxable year from the compensation of
5 capital city construction jobs employees under Article 7 of
6 this Act.

7 "Qualified rehabilitation plan" means a project that is
8 approved by the Department of Natural Resources and the
9 National Park Service as being consistent with the United
10 States Secretary of the Interior's Standards for
11 Rehabilitation.

12 "Underserved area" means a geographic area that meets one
13 or more of the following conditions:

14 (1) the area has a poverty rate of at least 20%
15 according to the latest American Community Survey;

16 (2) 35% or more of the families with children in the
17 area are living below 130% of the poverty line, according
18 to the latest American Community Survey;

19 (3) at least 20% of the households in the area receive
20 assistance under the Supplemental Nutrition Assistance
21 Program (SNAP); or

22 (4) the area has an average unemployment rate, as
23 determined by the Department of Employment Security, that
24 is more than 120% of the national unemployment average, as
25 determined by the United States Department of Labor, for a
26 period of at least 2 consecutive calendar years preceding

1 the date of the application.

2 (b) For taxable years beginning on or after January 1,
3 2027, a taxpayer may receive a tax credit against the tax
4 imposed under subsections (a) and (b) of Section 201 of this
5 Act in an amount equal to 50%, or 75% if the project is located
6 in an underserved area, of the amount of the incremental
7 income tax attributable to construction wages paid to capital
8 city construction jobs employees employed in the course of
9 completing a capital city construction jobs project. The
10 credit allowed under this Section shall apply only to
11 taxpayers that make a capital investment of at least
12 \$1,000,000 in a qualified rehabilitation plan.

13 (c) A taxpayer seeking a credit under this Section must
14 submit an application to the Department of Commerce and
15 Economic Opportunity describing the nature and benefit of the
16 capital city construction jobs project to the qualified
17 rehabilitation project and the Capital City Redevelopment
18 Zone. The Department of Commerce and Economic Opportunity may
19 adopt any necessary rules in order to administer the
20 provisions of this Section.

21 (d) Within 45 days after the receipt of an application,
22 the Department of Commerce and Economic Opportunity shall give
23 notice to the applicant as to whether the application has been
24 approved or disapproved. If the Department of Commerce and
25 Economic Opportunity disapproves the application, it shall
26 specify the reasons for this decision and allow 60 days for the

1 applicant to amend and resubmit its application. The
2 Department of Commerce and Economic Opportunity shall provide
3 assistance upon request of the applicant. Resubmitted
4 applications shall receive the Department of Commerce and
5 Economic Opportunity's approval or disapproval within 30 days
6 of resubmission. Those resubmitted applications satisfying
7 initial Department of Commerce and Economic Opportunity
8 objectives shall be approved unless reasonable circumstances
9 warrant disapproval.

10 (e) On an annual basis, the taxpayer shall furnish a
11 statement to the Department of Commerce and Economic
12 Opportunity on the programmatic and financial status of any
13 approved project and an audited financial statement of the
14 project.

15 (f) The Department of Commerce and Economic Opportunity
16 shall certify to the Department of Revenue the identity of the
17 taxpayers who are eligible for capital city construction jobs
18 credits and the amounts of capital city construction jobs
19 credits awarded in each taxable year.

20 (g) The credit or credits may not reduce the taxpayer's
21 liability to less than zero. If the amount of the credit or
22 credits exceeds the taxpayer's liability, the excess may be
23 carried forward and applied against the taxpayer's liability
24 in the 5 taxable years following the excess credit year. The
25 credit or credits shall be applied to the earliest year for
26 which there is a tax liability. If there are credits from more

1 than one taxable year that are available to offset a
2 liability, the earlier credit shall be applied first.

3 (h) The prevailing wage requirements set forth in the
4 Prevailing Wage Act apply to each project that is entitled to a
5 construction jobs credit under this Section.

6 (i) This Section is exempt from the provisions of Section
7 250.

8 Section 10-25. The Property Tax Code is amended by adding
9 Division 23 to Article 10 as follows:

10 (35 ILCS 200/Art. 10 Div. 23 heading new)

11 Division 23. Megaprojects

12 (35 ILCS 200/10-1010 new)

13 Sec. 10-1010. Megaproject Assessment Freeze and Payment
14 Law; definitions. This Division 23 may be cited as the
15 Megaproject Assessment Freeze and Payment Law.

16 As used in this Division:

17 "Assessment officer" means the chief county assessment
18 officer of the county in which the megaproject is located.

19 "Assessment period" means the period beginning on the
20 first day of the calendar year after the calendar year in which
21 a megaproject is placed in service and ending on the date when
22 the megaproject no longer qualifies as a megaproject under
23 this Division.

1 "Base year" means:

2 (1) the calendar year prior to the calendar year in
3 which the Department issues the megaproject certificate,
4 if the Department issues a megaproject certificate for a
5 project located on the property without granting
6 preliminary approval for the project under Section
7 10-1040; or

8 (2) the calendar year prior to the calendar year in
9 which the Department grants that preliminary approval, if
10 the Department grants preliminary approval under Section
11 10-1040 for a megaproject located on the property.

12 "Base year valuation" means the assessed value, in the
13 base year, of the property comprising the megaproject.

14 "Company" means one or more entities whose aggregate
15 investment in the megaproject meets the minimum investment
16 required under this Division. The term "company" includes a
17 company affiliate unless the context clearly indicates
18 otherwise.

19 "Company affiliate" means an entity that joins with or is
20 an affiliate of a company and that participates in the
21 investment in, or financing of, a megaproject.

22 "Consumer Price Index" means the index published by the
23 Bureau of Labor Statistics of the United States Department of
24 Labor that measures the average change in prices of goods and
25 services purchased by all urban consumers, United States city
26 average, all items, 1982-84 = 100.

1 "Department" means the Department of Commerce and Economic
2 Opportunity.

3 "Eligible costs" means all costs incurred by or on behalf
4 of, or allocated to, a company, prior to the Department's
5 issuance of the megaproject certificate or during the
6 investment period, to create or construct a megaproject.

7 "Eligible costs" includes, without limitation:

8 (1) the purchase, site preparation, renovation,
9 rehabilitation, and construction of land, buildings,
10 structures, equipment, and furnishings used for or in the
11 megaproject;

12 (2) any goods or services for the megaproject that are
13 purchased and capitalized under generally accepted
14 accounting principles, including any organizational costs
15 and research and development costs incurred in Illinois;

16 (3) capitalized lease costs for land, buildings,
17 structures, and equipment valued at their present value
18 using the interest rate at which the company borrows funds
19 prevailing at the time the company entered into the lease;

20 (4) infrastructure development costs;

21 (5) debt service and project financing costs;

22 (6) noncapitalized research and development costs;

23 (7) job training and education costs;

24 (8) lease and relocation costs; and

25 (9) remediation costs, as defined in Section 58.2 of
26 the Environmental Protection Act, incurred voluntarily as

1 a nonresponsible party pursuant to Title XVII of the
2 Environmental Protection Act and rules adopted under that
3 Title.

4 "Entity" means a sole proprietor, partnership, firm,
5 corporation, limited liability company, association, or other
6 business enterprise.

7 "Incentive agreement" means an agreement that is between a
8 company and a local municipality, that is for the benefit of
9 the entire community, and that obligates the company to make
10 the special payment under this Division, in addition to paying
11 property taxes, during the incentive period for a megaproject.

12 "Incentive period" means the period beginning on the first
13 day of the calendar year after the calendar year in which the
14 megaproject is placed in service and each calendar year
15 thereafter until the earlier of (i) the termination date or
16 (ii) the revocation of the megaproject certificate.

17 "Investment period" means the period ending 7 years after
18 the date on which the Department issues the megaproject
19 certificate, or such other longer period of time as the local
20 municipality and the company may agree to, not to exceed an
21 initial period of 10 years.

22 "Local municipality" means the city, village, or
23 incorporated town in which the megaproject is located or, if
24 the megaproject is located in an unincorporated area, the
25 county in which the megaproject is located.

26 "Local review board" means a group that consists of one

1 representative of each of the following: (i) the local
2 municipality; (ii) each local school district in which the
3 property is located; (iii) each local park district in which
4 the property is located; and (iv) each other taxing district
5 that levies property taxes over any portion of the proposed
6 site of the megaproject.

7 "Megaproject" means a project that is expected to satisfy
8 the minimum investment requirements; investment period
9 requirements; and other requirements of this Division.

10 "Megaproject" includes an RREDY megaproject.

11 "Megaproject certificate" means a certificate issued by
12 the Department that authorizes an assessment freeze and
13 special payments as provided in this Division.

14 "Minimum investment" means:

15 (1) an investment during the investment period in the
16 megaproject of at least \$100,000,000 but less than
17 \$500,000,000 in eligible costs within the investment
18 period; or

19 (2) an investment during the investment period in the
20 megaproject of at least \$500,000,000 but less than
21 \$1,000,000,000 in eligible costs within the investment
22 period; or

23 (3) an investment during the investment period in the
24 megaproject of at least \$1,000,000,000 in eligible costs
25 within the investment period.

26 "Minority person" means a person who is a citizen or

1 lawful permanent resident of the United States and who is any
2 of the following:

3 (1) American Indian or Alaska Native (a person having
4 origins in any of the original peoples of North and South
5 America, including Central America, and who maintains
6 tribal affiliation or community attachment).

7 (2) Asian (a person having origins in any of the
8 original peoples of the Far East, Southeast Asia, or the
9 Indian subcontinent, including, but not limited to,
10 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
11 the Philippine Islands, Thailand, and Vietnam).

12 (3) Black or African American (a person having origins
13 in any of the black racial groups of Africa).

14 (4) Hispanic or Latino (a person of Cuban, Mexican,
15 Puerto Rican, South or Central American, or other Spanish
16 culture or origin, regardless of race).

17 (5) Native Hawaiian or Other Pacific Islander (a
18 person having origins in any of the original peoples of
19 Hawaii, Guam, Samoa, or other Pacific Islands).

20 "Minority-owned business" means a business that is at
21 least 51% owned by one or more minority persons, or that, in
22 the case of a corporation, has at least 51% of its stock owned
23 by one or more minority persons, and that, in either case, is
24 managed and operated on a daily basis by one or more of the
25 minority individuals who own the business.

26 "Placed in service" means that the company has commenced

1 its business operations at the megaproject site and has met
2 its minimum investment requirements under this Section.

3 "Project" means land, buildings, and other improvements on
4 the land of a megaproject or RREDY megaproject, including
5 water facilities, sewage treatment and disposal facilities,
6 and all other machinery, apparatuses, equipment, office
7 facilities, related infrastructure, and furnishings that are
8 considered necessary, suitable, or useful by a company and
9 comprise the development of the megaproject or RREDY
10 megaproject, including all of that property that is subject to
11 assessment under the Property Tax Code.

12 "Project labor agreement" means a prehire collective
13 bargaining agreement that covers all terms and conditions of
14 employment between the general contractor and all
15 subcontractors hired by the master developer, developer,
16 codevelopers, as applicable, of a megaproject. A "project
17 labor agreement" must include the following provisions: (1) a
18 provision establishing the minimum hourly wage for each class
19 of labor organization employee; (2) a provision establishing
20 the benefits and other compensation for each class of labor
21 organization employee; (3) a provision requiring that no
22 strike or dispute will be engaged in by the labor organization
23 employees; (4) a provision requiring that no lockout or
24 dispute will be engaged in by the general contractor and all
25 subcontractors building the project; and (5) a provision
26 establishing goals for apprenticeship hours to be performed by

1 minority persons and women and goals for total hours to be
2 performed by minority persons and women, as those terms are
3 defined in the Business Enterprise for Minorities, Women, and
4 Persons with Disabilities Act. A "project labor agreement" may
5 include other terms and conditions as necessary.

6 "Railroad Rehabilitation and Economic Development for
7 Yards megaproject" or "RREDY megaproject" means a megaproject
8 that (i) is expected to satisfy the additional minimum
9 investment requirements, investment period requirements, and
10 other requirements of this Division, (ii) includes the
11 improvement and redevelopment of blighted or underused rail
12 yards, railroad tracks, train maintenance and storage
13 facilities, and other rail infrastructure, including the land,
14 air rights, or land and air rights above, and (iii) meets the
15 requirements of subsection (c) of Section 10-1015 of this
16 Division.

17 "Special payment" means the annual amount paid in addition
18 to property taxes paid during the incentive period as provided
19 in the incentive agreement.

20 "Taxing district" has the meaning given to that term in
21 Section 1-150.

22 "Termination date" means:

23 (1) for a company making the minimum investment
24 described in paragraph (1) of the definition of "minimum
25 investment" in this Section, 25 years following the first
26 calendar year in which a megaproject is placed in service

1 or 30 years if the preparation of the site required
2 environmental remediation under any applicable State or
3 federal laws;

4 (2) for a company making the minimum investment
5 described in paragraph (2) of the definition of "minimum
6 investment" in this Section, 30 years following the first
7 calendar year in which a megaproject is placed in service
8 or 35 years if the preparation of the site required
9 environmental remediation under any applicable State or
10 federal laws; or

11 (3) for a company making the minimum investment
12 described in paragraph (3) of the definition of "minimum
13 investment" in this Section, 40 years following the first
14 calendar year in which a megaproject is placed in service
15 or 45 years if the preparation of the site required
16 environmental remediation under any applicable State or
17 federal laws.

18 "Termination date" means, for an RREDY megaproject, 40
19 years following the first calendar year in which a megaproject
20 is placed in service.

21 If the incentive agreement is terminated under Section
22 10-1037, then the termination date is the date the agreement
23 is terminated.

24 (35 ILCS 200/10-1015 new)

25 Sec. 10-1015. Valuation during incentive period;

1 eligibility.

2 (a) Property that receives a megaproject certificate from
3 the Department is eligible for an assessment freeze, as
4 provided in this Division, eliminating from consideration, for
5 assessment purposes during the incentive period, the value
6 added to the property by the project and limiting the total
7 valuation of the property during the incentive period to the
8 base year valuation. If the company does not anticipate
9 completing the project within the investment period, then the
10 local municipality may approve one or more extensions of time
11 to complete the project. However, the local municipality may
12 not extend the project for a period that exceeds 5 years after
13 the last day of the investment period, including any extension
14 of the investment period agreed to by the local municipality
15 and the company under Section 10-1010. Unless approved as part
16 of the original incentive agreement, the corporate authorities
17 of the local municipality may approve an extension under this
18 subsection by resolution, a copy of which must be delivered to
19 the Department within 30 days after the date the resolution is
20 adopted.

21 (b) To qualify for the assessment freeze for a
22 megaproject, other than an RREDY megaproject, the company
23 must:

24 (1) make the minimum investment in the megaproject
25 during the investment period;

26 (2) enter into an incentive agreement with the local

1 municipality as described in this Division;

2 (3) enter into a project labor agreement prior to the
3 commencement of any demolition, building construction, or
4 building renovation related to the megaproject; and

5 (4) establish the goal of awarding 20% of the total
6 dollar amount of contracts that are related to the
7 megaproject and are awarded by the company during each
8 calendar year to minority-owned businesses.

9 (c) To qualify for the assessment freeze for an RREDY
10 megaproject, the company must:

11 (1) meet the requirements for a megaproject set forth
12 in paragraphs (1) through (5) of subsection (b);

13 (2) develop and deliver capital improvements on land,
14 within air rights, or on land and within air rights that
15 meet the following additional requirements:

16 (A) the megaproject is located in a municipality
17 with a population of 2,000,000 or more;

18 (B) not less than 75% of the cost of land and
19 project improvements are infrastructure costs;

20 (C) the megaproject is found, by an independent,
21 third-party feasibility analysis, to present a unique
22 opportunity for economic development and activating an
23 underdeveloped portion of land that could complement
24 existing civic assets;

25 (D) the project is found, by an independent,
26 third-party feasibility analysis within a reasonable

1 order of magnitude that reflects key inputs, to have
2 the potential to result in not less than
3 \$40,000,000,000 in aggregate new tax revenues to all
4 taxing jurisdictions over not less than 40 years; and

5 (E) the project is found by an independent,
6 third-party feasibility analysis, to have the
7 potential to result in an increase in regional transit
8 ridership by not less than 10,000 average daily
9 boardings.

10 (d) For the purposes of this Division, if a single company
11 enters into a financing arrangement of the type described in
12 subsection (b) of Section 10-1050, the investment in or
13 financing of the property by a developer, lessor, financing
14 entity, or other third party in accordance with this
15 arrangement is considered investment by the company.
16 Investment by a related person to the company is considered
17 investment by the company.

18 (35 ILCS 200/10-1020 new)

19 Sec. 10-1020. Incentive agreement; assessment freeze for
20 megaprojects; incentive period; location of the project;
21 criteria to qualify.

22 (a) To obtain the benefits provided in this Division, the
23 company shall apply in writing to the local municipality to
24 enter into an incentive agreement with the municipality, in
25 the form and manner required by the local municipality, and

1 shall certify to the facts asserted in the application.

2 (b) The corporate authorities of the local municipality,
3 prior to entering into an incentive agreement under this
4 Section, shall hold a public hearing to consider the
5 application. The amount and terms of the proposed special
6 payment and the duration of the incentive agreement shall be
7 considered at the public hearing.

8 (c) The local municipality may not enter into, alter, or
9 amend an incentive agreement under this Division unless and
10 until all of the following are considered and approved by a
11 majority of the members of a local review board, in accordance
12 with the weighted vote set forth below:

13 (1) the base year;

14 (2) the base year valuation, which may be subject to
15 adjustment based on factors memorialized in the incentive
16 agreement, including an annual rate adjustment equal to
17 the annual percentage change in the Consumer Price Index,
18 if negotiated;

19 (3) the amount of the special payment, including the
20 manner in which the payment will adjust over time;

21 (4) the manner in which sufficient revenues will be
22 generated and provided, either by the megaproject or by
23 alternative sources, to address the extraordinary capital
24 needs of the local school districts that will be incurred
25 to meet the demands of new students who (i) reside within
26 housing units constructed as part of a master development

1 plan that includes the megaproject site and (ii) are
2 anticipated to attend a school under the jurisdiction of a
3 local school district; and

4 (5) the adjustment of the amount of the special
5 payment in accordance with changes in the Consumer Price
6 Index, as negotiated.

7 In addition, the local review board may not approve an
8 incentive agreement unless it finds that the agreement is
9 reasonably designed to prevent local school districts from
10 receiving less than the base-year school revenue amount,
11 adjusted annually by the percentage change, if any, in the
12 Consumer Price Index.

13 As duly appointed officials representing their respective
14 bodies, local review board members are entrusted to keep in
15 mind the best interests of the entire affected community area
16 of the project for the short and long term. Members are
17 expected to review the project reports and information, where
18 provided and applicable, on behalf of the constituents they
19 represent. The board may request additional documentation from
20 the applicant to inform its review as the board deems
21 necessary to render a decision. This documentation shall
22 include a school impact analysis with a statement of projected
23 enrollment effects and, where necessary, a mitigation plan for
24 extraordinary capital burdens. The local review board shall
25 consist of one representative of each of the following: (i)
26 the local municipality; (ii) each local school district in

1 which the property is located; (iii) each local park district
2 in which the property is located; and (iv) each other taxing
3 district that levies property taxes over any portion of the
4 proposed site of the megaproject. Except for an RREDY
5 megaproject, the vote of the local review board shall be
6 weighted in proportion to each voting member's taxing
7 district's share of property taxes levied on the proposed site
8 of the megaproject, and each taxing district's vote shall be
9 weighted on a 100-point scale to reflect its proportionate
10 share of the applicable property taxes. All plan documents
11 relied upon by the municipality in its review of the
12 application for an incentive agreement under this Division
13 shall be provided to the local review board. The local review
14 board may make reasonable requests of the municipality for
15 additional documents related to the megaproject. All meetings
16 of the local review board shall be open to the public and
17 subject to the requirements of the Open Meetings Act. For an
18 RREDY megaproject, the local review board shall follow the
19 procedural requirements of a joint review board under Section
20 11-74.4-5 of the Illinois Municipal Code.

21 (d) The company and the local municipality shall enter
22 into an incentive agreement requiring the special payment
23 described in Section 10-1025. The corporate authorities of the
24 local municipality shall adopt an ordinance approving the
25 incentive agreement.

26 (e) As used in this Section, "Consumer Price Index" means

1 the index published by the Bureau of Labor Statistics of the
2 United States Department of Labor that measures the average
3 change in prices of goods and services purchased by all urban
4 consumers, United States city average, all items, 1982-84 =
5 100.

6 (35 ILCS 200/10-1025 new)

7 Sec. 10-1025. Contents of incentive agreement.

8 (a) The incentive agreement under Section 10-1020 must
9 require the company to pay, or be responsible for the payment
10 of, an annual special payment to the local municipality,
11 beginning with the first tax year for which the assessment
12 freeze under this Division is applied to the megaproject. The
13 amount of the special payment shall be established in the
14 incentive agreement. It may be a fixed amount for the duration
15 of the incentive period or may be subject to adjustment based
16 on factors memorialized in the incentive agreement, including
17 an annual rate adjustment equal to the annual percentage
18 change in the Consumer Price Index, if negotiated. The amount
19 of the special payment may exceed but shall be at least 10% of
20 the property tax levied against the megaproject property for
21 the year immediately preceding the base year; provided,
22 however, that this requirement does not apply to any project
23 with an investment expected to exceed \$2,000,000,000.

24 (b) The incentive agreement shall obligate the company to
25 operate the megaproject at the designated project location for

1 a minimum of 20 years.

2 (b-5) The incentive agreement shall obligate the company
3 to enter into a labor peace agreement as provided in Section
4 10-1026.

5 (c) The incentive agreement may contain such other terms
6 and conditions as are mutually agreeable to the local
7 municipality and the company and are consistent with the
8 requirements of this Division, including, without limitation,
9 operational and job creation requirements.

10 (d) In addition, all incentive agreements entered into
11 under Section 10-1020 must include, as the first portion of
12 the document, a recapitulation of the remaining contents of
13 the document, which shall include the following:

14 (1) the legal name of each party to the agreement;

15 (2) the street address of the project and the property
16 subject to the agreement;

17 (3) the agreed minimum investment;

18 (4) the term of the agreement;

19 (5) a schedule showing the amount of the special
20 payment and its calculation for each year of the
21 agreement;

22 (6) a schedule showing the amount to be distributed
23 annually to each taxing district, as set forth in the
24 incentive agreement;

25 (7) any other feature or aspect of the agreement which
26 may affect the calculation of items (5) and (6) of this

1 subsection;

2 (8) the party or parties to the agreement who are
3 responsible for updating the information contained in the
4 summary document; and

5 (9) a requirement that the company submit a
6 third-party agreed-upon procedures report verifying that
7 the project has been placed in service and that the
8 minimum investment requirements under this Division have
9 been met.

10 (35 ILCS 200/10-1026 new)

11 Sec. 10-1026. Labor peace agreement. Companies receiving
12 incentives under this Division shall have in place, at all
13 times during the incentive period, a labor peace agreement
14 with any bona fide labor organization that represents or is
15 attempting to represent any employees or vendors performing
16 work in connection with the megaproject. Companies receiving
17 incentives under this Division shall also require that any
18 vendor performing work in connection with the megaproject
19 enter into a labor peace agreement with any bona fide labor
20 organization that represents or is attempting to represent any
21 employees of a subcontractor who are performing work in
22 connection with the megaproject. The company must attest to
23 the Department each year, in the form and manner required by
24 the Department, that it remains in compliance with this
25 Section. If a company fails to comply with the provisions of

1 this Section, then the Department shall revoke the company's
2 megaproject certificate, and the incentive agreement shall be
3 terminated.

4 (35 ILCS 200/10-1030 new)

5 Sec. 10-1030. Installment bills; distribution of special
6 payments.

7 (a) The local municipality shall prepare a bill for the
8 company for each installment of the special payment according
9 to the schedule set forth in paragraph (5) of subsection (d) of
10 Section 10-1025, or as modified pursuant to paragraph (7) of
11 subsection (d) of Section 10-1025. The treasurer of the local
12 municipality shall deposit 50% of the special payment
13 proceeds, when collected, into a locally held property tax
14 relief fund. Moneys in the property tax relief fund shall be
15 allocated as follows:

16 (1) 60% of the moneys shall be used for property tax
17 rebates for residential homeowners in taxing districts in
18 which the megaproject is located; and

19 (2) 40% of the moneys shall be paid to the State
20 Treasurer for deposit into the Illinois Property Tax
21 Relief Fund created under Section 6z-113 of the State
22 Finance Act.

23 The local municipality shall, by ordinance or resolution,
24 establish eligibility standards and benefit amounts for
25 property tax rebates awarded under item (1).

1 (b) After deposits have been made into the property tax
2 relief fund under subsection (a), the municipality shall
3 distribute the remainder of the special payment to each
4 affected taxing district in an amount equal to the taxing
5 district's proportionate share of property taxes due and
6 payable for the megaproject site, as evidenced by the most
7 recent property tax bill issued for the megaproject site.

8 (c) Distribution to the taxing districts of the amounts
9 set forth in subsection (b) must be made within 60 days after
10 receipt by the local municipality of the special payment
11 amounts.

12 (d) Misallocations of the amounts distributed under
13 subsection (b) may be corrected by adjusting later
14 distributions, but these adjustments must be made in the next
15 succeeding year following identification and resolution of the
16 misallocation. To the extent that distributions have been made
17 improperly in previous years, claims for adjustment must be
18 made within one year of the distribution.

19 (e) A taxing district that receives and retains revenues
20 from a special payment under this Division may, in its
21 discretion and in accordance with applicable law, use all or a
22 portion of the revenues for the purposes of financing the
23 issuance of revenue bonds.

24 (35 ILCS 200/10-1037 new)

25 Sec. 10-1037. Termination of incentive agreement;

1 automatic termination; minimum level of investment required to
2 remain qualified for assessment freeze.

3 (a) The local municipality and the company may mutually
4 agree to terminate the incentive agreement at any time. From
5 the date of termination, the megaproject is subject to
6 assessment on the basis of the then-current fair cash value.

7 (b) An incentive agreement shall be terminated if the
8 company fails to satisfy the minimum investment level provided
9 in this Division. If the incentive agreement is terminated
10 under this subsection, the megaproject is subject to
11 assessment on the basis of the then-current fair cash value
12 beginning in the tax year during which the termination occurs.

13 (c) An incentive agreement shall terminate if, at any
14 time, the company no longer meets the minimum investment
15 requirements applicable to the company under this Division,
16 without regard to depreciation.

17 (35 ILCS 200/10-1038 new)

18 Sec. 10-1038. Megaproject administration. The
19 administration of a megaproject shall be under the
20 jurisdiction of the local municipality that approved the
21 incentive agreement by ordinance. Each local municipality that
22 approves an incentive agreement by ordinance shall, by
23 ordinance, designate a Megaproject Administrator for the
24 megaproject within its jurisdiction. A Megaproject
25 Administrator must be an officer or employee of the local

1 municipality. The Megaproject Administrator shall be the
2 liaison between the local municipality, the Department, and
3 the Department of Revenue. The Megaproject Administrator shall
4 be responsible for ensuring the company is complying with the
5 terms of the incentive agreement. The Megaproject
6 Administrator shall notify the chief county assessment officer
7 once the project is placed in service and is eligible for the
8 property tax assessment freeze pursuant to Section 10-1015.

9 (35 ILCS 200/10-1040 new)

10 Sec. 10-1040. Megaproject applications; certification as a
11 megaproject and revocation of certification.

12 (a) The Department shall receive applications for
13 megaproject certificates under this Division. The Department
14 shall promptly notify the assessment officer when the
15 Department receives an application under this Section.

16 (b) An applicant for a megaproject certificate under this
17 Division must provide evidence to the Department of a fully
18 executed incentive agreement between the company and the local
19 municipality, as described in this Division, and the
20 Department shall verify that the incentive agreement meets the
21 requirements of Section 10-1025.

22 (c) An applicant for a megaproject certificate under this
23 Division must provide evidence to the Department of a fully
24 executed project labor agreement prior to the commencement of
25 any demolition, building construction, or building renovation

1 at the project. The Department may approve an application
2 prior to the execution of the project labor agreement, but the
3 applicant shall provide evidence of a fully executed project
4 labor agreement prior to any demolition, building
5 construction, or building renovation at the project.

6 The project labor agreement must include the following
7 provisions:

8 (1) a provision establishing the minimum hourly wage
9 for each class of labor organization employee;

10 (2) a provision establishing the benefits and other
11 compensation for each class of labor organization
12 employee;

13 (3) a provision requiring that no strike or dispute
14 will be engaged in by the labor organization employees;

15 (4) a provision requiring that no lockout or dispute
16 will be engaged in by the general contractor or any
17 subcontractor building the project;

18 (5) a provision establishing goals for apprenticeship
19 hours to be performed by minority persons and women and
20 goals for total hours to be performed by minority persons
21 and women, as those terms are defined in the Business
22 Enterprise for Minorities, Women, and Persons with
23 Disabilities Act; and

24 (6) other provisions as necessary.

25 (d) An applicant for a megaproject certificate under this
26 Division must provide evidence to the Department that the

1 company has established the goal of awarding 20% of the total
2 dollar amount of contracts awarded during each calendar year
3 by the company, that are related to the project, to
4 minority-owned businesses.

5 (e) The Department shall also consider the economic
6 benefits the project brings to underserved communities.

7 (f) Except for an RREDY megaproject that meets not less
8 than the minimum affordable housing requirements of the
9 applicable local municipality, no project that contains any
10 residential dwelling units may be certified as a megaproject
11 under this Division.

12 (g) The Department shall approve an application for a
13 megaproject certificate if the Department finds that the
14 project meets the requirements of this Division.

15 (h) Upon approval of the application, the Department shall
16 issue a megaproject certificate to the applicant and transmit
17 a copy to the assessment officer and the Department of
18 Revenue. The certificate shall identify the property on which
19 the megaproject is located and state that the property is
20 eligible for the property tax assessment freeze pursuant to
21 Section 10-1015 once the project is placed in service.

22 (i) On May 1 of each calendar year following issuance of
23 the megaproject certificate, until the minimum investment
24 requirements have been met and the megaproject has been placed
25 in service, the company shall deliver a report to the
26 Department and Megaproject Administrator on the status of

1 construction or creation of the megaproject and the amount of
2 minimum investment made in the megaproject during the
3 preceding calendar year. If a project for which a certificate
4 has been issued has not met the minimum investment
5 requirements of this Division within the investment period,
6 the Department shall revoke the certificate by written notice
7 to the taxpayer of record and transmit a copy of the revocation
8 to the assessment officer.

9 (j) If the local municipality notifies the Department that
10 the incentive agreement between the company and the local
11 municipality has been terminated, the Department shall revoke
12 the certificate by written notice to the taxpayer of record
13 and transmit a copy of the revocation to the assessment
14 officer.

15 (k) Notwithstanding any other provision of this Section,
16 beginning 7 years after the effective date of this amendatory
17 Act of the 104th General Assembly, the Department shall not
18 approve any application for a megaproject.

19 (35 ILCS 200/10-1045 new)

20 Sec. 10-1045. Computation of valuation.

21 (a) Upon receipt of the megaproject certificate from the
22 Department, the assessment officer shall set the assessment of
23 the megaproject property based upon the terms of the incentive
24 agreement and shall make a notation on each statement of
25 assessment during the assessment period that the valuation of

1 the project is based upon the issuance of a megaproject
2 certificate.

3 (b) Upon revocation of a megaproject certificate, the
4 assessment officer shall compute the assessed valuation of the
5 project on the basis of the then-current fair cash value of the
6 property.

7 (35 ILCS 200/10-1050 new)

8 Sec. 10-1050. Transfers of interest in a megaproject;
9 sale-leaseback arrangement; requirements.

10 (a) Subject to the terms of the incentive agreement
11 between the company and the local municipality, ownership of
12 or any interest in the megaproject and any and all related
13 megaproject property, including, without limitation, transfers
14 of indirect beneficial interests and equity interests in a
15 company owning a megaproject, shall not affect the assessment
16 freeze or the validity of the megaproject certificate issued
17 under this Division. Notwithstanding the provisions of this
18 subsection, the incentive agreement shall be a covenant
19 running with the land.

20 (b) A company may enter into lending, financing, security,
21 leasing, or similar arrangements, or a succession of such
22 arrangements, with a financing entity concerning all or part
23 of a project, including, without limitation, a sale-leaseback
24 arrangement, equipment lease, build-to-suit lease, synthetic
25 lease, nordic lease, defeased tax benefit, or transfer lease,

1 an assignment, sublease, or similar arrangement, or succession
2 of those arrangements, with one or more financing entities
3 concerning all or part of a project, regardless of the
4 identity of the income tax or fee owner of the megaproject.
5 Neither the original transfer to the financing entity nor the
6 later transfer from the financing entity back to the company,
7 under terms in the sale-leaseback agreement, shall affect the
8 assessment freeze or the validity of the megaproject
9 certificate issued under this Division, regardless of whether
10 the income tax basis is changed for income tax purposes.

11 (c) The Department must receive notice of all transfers
12 undertaken with respect to the project to effect a financing.
13 Notice shall be made in writing within 60 days after the
14 transfer, shall identify each transferee, and shall contain
15 other information required by the Department with the
16 appropriate returns. Failure to meet this notice requirement
17 does not adversely affect the assessment freeze.

18 (35 ILCS 200/10-1055 new)

19 Sec. 10-1055. Minimum investment by company affiliates. To
20 be eligible for the benefits of this Division, a company must
21 invest the minimum investment. Investments by company
22 affiliates during the investment period for the project may be
23 applied toward the minimum investment under this Division
24 regardless of whether the company affiliate was part of the
25 project. To qualify for the assessment freeze, the minimum

1 investment must be made in connection with the megaproject.

2 (35 ILCS 200/10-1065 new)

3 Sec. 10-1065. Abatements. Any taxing district, upon a
4 majority vote of its governing authority, may, after the
5 determination of the assessed valuation as set forth in this
6 Division, order the clerk of the appropriate municipality or
7 county to abate any portion of real property taxes otherwise
8 levied or extended by the taxing district on a megaproject.

9 (35 ILCS 200/10-1067 new)

10 Sec. 10-1067. Building materials exemption.
11 Notwithstanding any other provision of law, sales of building
12 materials that will be incorporated into a megaproject and
13 that are purchased during the incentive period are eligible
14 for the same building materials exemption available to High
15 Impact Businesses under Section 51 of the Retailers'
16 Occupation Tax Act, which includes an exemption from the 6.25%
17 State rate of tax and any applicable local taxes. The
18 Department of Revenue shall issue a Building Materials
19 Exemption Certificate, in the form and manner described in
20 Section 51 of the Retailers' Occupation Tax Act, to each
21 construction contractor or other entity identified by the
22 company as being eligible for the building materials exemption
23 under this Section.

1 (35 ILCS 200/10-1070 new)

2 Sec. 10-1070. Filing of returns, contracts, and other
3 information; due date of payments and returns.

4 (a) The company and the local municipality shall file
5 notices, reports, and other information as required by the
6 Department.

7 (b) Special payments are due at the same time as property
8 tax payments and property tax returns are due for the
9 megaproject property.

10 (c) Failure to make a timely special payment results in
11 the assessment of penalties as if the payment were a
12 delinquent property tax payment or return.

13 (d) Within 30 days after the date of execution of an
14 incentive agreement, a copy of the incentive agreement must be
15 filed with the chief county assessment officer and the county
16 auditor for the county in which the megaproject is located.

17 (35 ILCS 200/10-1080 new)

18 Sec. 10-1080. Rules. The Department may adopt rules as
19 necessary to carry out the purpose of this Division.

20 (35 ILCS 200/10-1085 new)

21 Sec. 10-1085. Prohibition on multiple credits, exemptions,
22 and freezes. An applicant for a megaproject certificate who
23 qualifies for an assessment freeze under this Section is not
24 entitled to any other property tax credits, exemptions,

1 assessment freezes, or other preferential assessment relating
2 to the megaproject. The provisions of this Section do not
3 prohibit an applicant from receiving the incentive under
4 Section 10-1067.

5 (35 ILCS 200/10-1087 new)

6 Sec. 10-1087. Impact analysis. A local municipality that
7 has entered into an incentive agreement with a company shall
8 prepare and publish on its website a written impact analysis
9 concerning the effects of that agreement within 5 years after
10 the effective date of the incentive agreement and every 5
11 years thereafter for as long as the incentive agreement
12 remains in effect. A written copy of each impact analysis
13 shall be filed with the General Assembly as provided under
14 Section 3.1 of the General Assembly Organization Act.

15 (35 ILCS 200/10-1090 new)

16 Sec. 10-1090. Data centers; prohibited.

17 (a) As used in this Section, "data center" has the meaning
18 given in subsection (c) of Section 605-1025 of the Department
19 of Commerce and Economic Opportunity Law of the Civil
20 Administrative Code of Illinois.

21 (b) Notwithstanding any other provision of law, the
22 Department shall not approve any megaproject certificate
23 application that includes as part of the application the
24 development of any data center.

1 (35 ILCS 200/10-1091 new)

2 Sec. 10-1091. Ethics.

3 (a) No State or local elected official may knowingly
4 accept from an employee or agent of a company a free or
5 discounted ticket to a professional sporting event held at a
6 sports stadium that is constructed as part of a megaproject,
7 unless the free or discounted ticket is given or sold as part
8 of a promotion generally available to the public on the same
9 terms as generally available to the public.

10 (b) No person who participates personally and
11 substantially in the negotiation of a megaproject agreement on
12 behalf of a local municipality or taxing district, including,
13 but not limited to, any officer, agent, or employee of the
14 local municipality or taxing district or any lobbyist or
15 outside attorney employed by the local municipality or taxing
16 district, may, within a period of one year after the effective
17 date of the agreement, knowingly accept employment or receive
18 compensation or fees from a company that is a party to the
19 agreement.

20 (35 ILCS 200/10-1095 new)

21 Sec. 10-1095. Tax Increment Financing districts. Land,
22 including improvements thereon, designated as a megaproject
23 site under this Division 23 that is located within a
24 redevelopment project area designated under Division 74.4 of

1 Article 11 of the Illinois Municipal Code is eligible may not
2 receive both the benefits afforded property under this
3 Division and the benefits afforded property under Division
4 74.4 of Article 11 of the Illinois Municipal Code.

5 (35 ILCS 200/10-1098 new)

6 Sec. 10-1098. Invalidity. If all or any part of this
7 Division is determined to be unconstitutional or otherwise
8 unenforceable by a court of competent jurisdiction, a company
9 has 180 days from the date of the determination to transfer the
10 megaproject's title to an authorized economic development
11 authority, which may qualify for property tax assessment under
12 this Division or which may be exempt from property taxes.

13 Section 10-30. The Statewide Innovation Development and
14 Economy Act is amended by changing Sections 5-5, 5-10, 5-15,
15 5-20, 5-30, 5-35, 5-45, 5-50, 5-55, 5-70, and 5-75 as follows:

16 (50 ILCS 475/5-5)

17 Sec. 5-5. Purpose; findings.

18 (a) The General Assembly finds and declares that the
19 purpose of this Act is to promote, stimulate, and develop the
20 general and economic welfare of the State of Illinois and its
21 communities and to assist in the development and redevelopment
22 of major tourism, entertainment, retail, and related projects
23 within eligible areas of the State, thereby creating new jobs,

1 stimulating significant capital investment, and promoting the
2 general welfare of the citizens of this State, by authorizing
3 municipalities and counties to issue sales tax and revenue
4 (STAR) bonds for the financing of STAR bond projects, as
5 defined in Section 5-10, and to otherwise exercise the powers
6 and authorities granted to municipalities.

7 (b) The General Assembly further finds and declares that:

8 (1) It is the policy of the State, in the interest of
9 promoting the health, safety, morals, and general welfare
10 of all the people of the State, to provide incentives to
11 create new job opportunities, and to promote major
12 tourism, entertainment, retail, and related projects
13 within the State.

14 (2) It is in the public interest to limit the portion
15 of the aggregate proceeds of STAR bonds issued that are
16 derived from the State sales tax increment pledged to pay
17 STAR bonds in any STAR bond district ~~to not more than 50%~~
18 ~~of the total development costs for a STAR bond project in~~
19 ~~the STAR bond district~~ as set forth in subsection (g) of
20 Section 5-45.

21 (3) As a result of the costs of land assemblage,
22 financing, and infrastructure and other project costs, the
23 private sector, without the assistance contemplated in
24 this Act, is unable to develop major tourism,
25 entertainment, retail, and related projects in some parts
26 of the State.

1 (4) The type of projects for which this Act is
2 intended must be of a certain size and scope and must be
3 developed in a cohesive and comprehensive manner.

4 (5) The eligible tracts of land are more likely to
5 remain underused and undeveloped or to be developed in a
6 piecemeal manner resulting in inefficient and poorly
7 planned developments that do not maximize job creation,
8 job retention, and tax revenue generation within the
9 State.

10 (6) There are multiple eligible areas in the State
11 that could benefit from this Act.

12 (7) Investment in major tourism, entertainment,
13 retail, and related development within the State would
14 stimulate economic activity in the State, including the
15 creation and maintenance of jobs, the creation of new and
16 lasting infrastructure and other improvements, and the
17 attraction and retention of interstate tourists and
18 entertainment events that generate significant economic
19 activity.

20 (8) The continual encouragement, development, growth,
21 and expansion of major tourism, entertainment, retail, and
22 related projects within the State requires a cooperative
23 and continuous partnership between government and the
24 private sector.

25 (9) The State has a responsibility to help create a
26 favorable climate for new and improved job opportunities

1 for its citizens and to increase the tax base of the State
2 and its political subdivisions by encouraging development
3 of major retail and entertainment spaces within the State
4 by the private sector.

5 (10) The provision of additional incentives by the
6 State and its political subdivisions will relieve
7 conditions of unemployment, maintain existing levels of
8 employment, create new job opportunities, retain jobs
9 within the State, increase commerce within the State, and
10 increase the tax base of the State and its political
11 subdivisions.

12 (11) The powers conferred by this Act promote and
13 protect the health, safety, morals, and welfare of the
14 State and are for a public purpose and public use for which
15 public money and resources may be expended.

16 (12) The necessity in the public interest for the
17 provisions of this Act is hereby declared as a matter of
18 legislative determination.

19 (Source: P.A. 104-453, eff. 12-12-25.)

20 (50 ILCS 475/5-10)

21 Sec. 5-10. Definitions. In this Act:

22 "Base year" means the calendar year immediately before the
23 calendar year in which the Office of the Governor approves the
24 first STAR bond project within the STAR bond district.

25 "Commence work" means the manifest commencement of actual

1 operations on the development site, such as erecting a
2 building, site mobilization, general on-site and off-site
3 grading and utility installations, commencing design and
4 construction documentation, ordering lead-time materials,
5 excavating the ground to lay a foundation or a basement, or
6 work of like description that a reasonable person would
7 recognize as being done with the intention and purpose to
8 continue work until the project is completed.

9 "Corporate authority" or "corporate authorities" means the
10 county board of a county; the mayor and alderpersons or
11 similar body when the reference is to cities; the president
12 and trustees or similar body when the reference is to villages
13 or incorporated towns; and the council when the reference is
14 to municipalities under the commission form of government.

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

17 "Department" means the Department of Commerce and Economic
18 Opportunity.

19 "Developer" means any individual, corporation, trust,
20 estate, partnership, limited liability partnership, limited
21 liability company, or other entity. "Developer" does not
22 include a not-for-profit entity, political subdivision, or
23 other agency or instrumentality of the State.

24 "Development user" means an owner, operator, licensee,
25 codeveloper, subdeveloper, or tenant that: (i) operates a
26 business within a STAR bond district that is a retail store,

1 hotel, or entertainment venue; (ii) does not have another
2 Illinois location within a 15-mile ~~30-mile~~ radius at the time
3 of opening or, for a NOVA district or a NOVA urban district,
4 within a 10-mile radius; and (iii) makes an initial capital
5 investment, including project costs and other direct costs, of
6 not less than \$30,000,000 for the business or, for a NOVA urban
7 district, makes in aggregate with other development users
8 capital investments, including project costs and other direct
9 costs, of not less than \$60,000,000.

10 "Director" means the Director of Commerce and Economic
11 Opportunity.

12 "Economic development region" means the counties
13 encompassed within any one of the 10 economic development
14 regions recognized by the Department on the effective date of
15 this Act.

16 "Eligible area" means, in respect of any STAR bond
17 district other than a NOVA urban district, contiguous parcels
18 of real property that meet all of the following: (i) the
19 property is directly and substantially benefited by the
20 proposed STAR bond district plan; (ii) at least 50% of the
21 total land area of the real property is located within an
22 underserved area, as defined by the Department at the time the
23 STAR bond district plan is submitted, or, in the alternative,
24 all of the total land area of the property is located within
25 both a municipality with not less than 70,000 residents and
26 that municipality is located within a county with not less

1 than 3,000,000 residents; (iii) the property is located in an
2 area with not less than 10,000 residents within a 5-mile
3 radius of the proposed district; (iv) the property is located
4 15 miles or less from either a State highway or federal
5 interstate highway. "Eligible area" means, in respect of a
6 NOVA urban district, contiguous parcels of real property,
7 including land, air rights, or land and air rights, that meet
8 all of the following: (i) the property is directly and
9 substantially benefited by the proposed STAR bond district
10 plan; (ii) the property includes one or more parcel boundaries
11 located within 2 miles or less from existing public assembly,
12 convention, and other civic and cultural facilities and
13 attractions directly and substantially benefited by the
14 proposed STAR bond district plan; (iii) the property is
15 located in an area with not less than 10,000 residents within a
16 2-mile radius of the proposed district; and (iv) the property
17 is located one-quarter mile or less from a commuter rail
18 station and either a State highway or federal interstate
19 highway.; and (v) the

20 For an area to be an eligible area, is found by the
21 governing body of the political subdivision must find that the
22 area meets to meet the following requirements:

23 (1) the use, condition, and character of the buildings
24 in the area, if any, are not consistent with the purposes
25 set forth in Section 5-5;

26 (2) a STAR bond district within the area is expected

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

3 (3) a STAR bond district within the area will serve to
4 further the development of adjacent areas;

5 (4) without the availability of STAR bonds, the
6 projects described in the STAR bond district plan would
7 not be feasible in the area;

8 (5) a STAR bond district will strengthen the
9 commercial sector of the political subdivision;

10 (6) a STAR bond district will enhance the tax base of
11 the political subdivision; and

12 (7) the formation of a STAR bond district is in the
13 best interest of the political subdivision.

14 The findings described in paragraphs (1) through (7) are
15 subject to the review process provided in subsections (e) and
16 (f) of Section 5-20.

17 For the purposes of this definition, the area may be
18 bisected by streets, highways, roads, alleys, railways, bike
19 paths, streams, rivers, ~~and~~ other waterways, and other public
20 land and facilities and still be deemed contiguous.

21 "Entertainment user" means an owner, operator, licensee,
22 developer, codeveloper, subdeveloper, or tenant that operates
23 a business within a STAR bond district whose primary purpose
24 is providing entertainment attractions, rides, or other
25 activities oriented toward the entertainment and amusement of
26 patrons, occupies not less than 50 acres of land within the

1 STAR bond district, and makes an initial capital investment,
2 including project costs and other direct and indirect costs,
3 of not less than \$150,000,000 for that venue. An entertainment
4 user may include restaurants, bars, hotels, retail
5 establishments, and other commercial, recreational, or
6 hospitality uses that are ancillary to or supportive of the
7 entertainment attractions and activities of the entertainment
8 user. The acreage and capital investment requirements set
9 forth in this Act apply to the entertainment user as a whole
10 and not to individual businesses, tenants, or users within the
11 designated area. Any businesses, tenants, or users operating
12 within an entertainment user designated area shall be
13 considered part of the entertainment user for purposes of this
14 Act. An entertainment user shall be considered as one
15 development user for purposes of any limitation related to the
16 number of development users in the definition of "State sales
17 tax increment" under this Act.

18 "Entertainment venue" means a business that has a primary
19 use of providing a venue for entertainment attractions,
20 destination-oriented retail facilities, corporate brand
21 development and entertainment-based media, rides, or other
22 activities oriented toward the entertainment and amusement of
23 its patrons, including, but not limited to, a professional
24 sports stadium or arena.

25 "Feasibility study" means the feasibility study described
26 in subsection (b) of Section 5-30.

1 "Hotel" has the same meaning given to that term in Section
2 of the Hotel Operators' Occupation Tax Act.

3 "Infrastructure" means the public improvements and private
4 improvements that serve the public purposes set forth in
5 Section 5-5 of this Act and that benefit the STAR bond district
6 or any STAR bond projects, including, but not limited to,
7 streets, drives and driveways, traffic and directional signs
8 and signals, parking lots and parking facilities,
9 interchanges, highways, sidewalks, bridges, underpasses and
10 overpasses, bike and walking trails, landscaping and site
11 features, sanitary and storm sewers, ~~and~~ lift stations,
12 drainage conduits, channels, levees, canals, storm water
13 detention and retention facilities, utilities and utility
14 connections, utility distribution systems, railway and rail
15 yard improvements, transit stations and related facilities,
16 transit vehicles and mobility systems, digital media and
17 signage, substructure and foundations, structural slabs and
18 transfer structures, district energy facilities, low voltage
19 systems, mobilization and site preparation, earthwork and
20 earth retention systems, soil removal and remediation,
21 building enclosure systems, site improvements that serve as an
22 engineered barrier addressing ground level or below ground
23 level environmental contamination and remediation, vertical
24 circulation, water mains and extensions, and street and
25 parking lot lighting and connections.

26 "Local hotel tax" means any taxes received by a

1 municipality, county, or other local government entity arising
2 from transactions by all persons engaged in the business of
3 renting, leasing, or letting rooms in a hotel, as defined in
4 the Hotel Operators' Occupation Tax Act, within a STAR bond
5 district, imposed pursuant to Section 8-3-14 of the Illinois
6 Municipal Code or Section 5-1030 of the Counties Code.

7 "Local sales taxes" means any locally imposed taxes
8 received by a municipality, county, or other local
9 governmental entity arising from sales by retailers and
10 servicemen within a STAR bond district. "Local sales taxes"
11 includes business district sales taxes, taxes imposed under
12 Section 5-50, and that portion of the net revenue allocated
13 from the Local Government Tax Fund and the County and Mass
14 Transit District Fund to the municipality, county, or other
15 governmental entity under the Retailers' Occupation Tax Act,
16 the Use Tax Act, the Service Use Tax Act, and the Service
17 Occupation Tax Act from transactions at places of business
18 located in a STAR bond district. "Local sales taxes" does not
19 include (i) any taxes authorized under the Local Mass Transit
20 District Act or the Metro-East Park and Recreation District
21 Act for so long as the applicable taxing district does not
22 impose a tax on real property, (ii) any county school facility
23 and resources occupation taxes imposed under Section 5-1006.7
24 of the Counties Code, (iii) any taxes authorized under the
25 Flood Prevention District Act, (iv) any taxes authorized under
26 the Special County Occupation Tax For Public Safety, Public

1 Facilities, Mental Health, Substance Abuse, or Transportation
2 Law, (v) any taxes authorized under the Regional
3 Transportation Authority Act, (vi) any taxes authorized under
4 the County Motor Fuel Tax Law, or (vii) any taxes authorized
5 under the Municipal Motor Fuel Tax Law, or (viii) any locally
6 administered taxes committed to other uses by election of
7 voters or pledged to any bond repayment, other than STAR
8 bonds, prior to the approval of the STAR bond project.

9 "Local sales tax increment" means:

10 (1) with respect to local sales taxes administered by
11 a municipality, county, or other unit of local government,
12 that portion of the local sales tax that is in excess of
13 the aggregate local sales tax in the district for the same
14 month in the base year, as determined by the respective
15 municipality, county, or other unit of local government;
16 the Department of Revenue shall allocate the local sales
17 tax increment only if the local sales tax is administered
18 by the Department; and

19 (2) with respect to local sales taxes administered by
20 the Department of Revenue:

21 (A) except with respect to the 0.25% county
22 portion of the 6.25% State rate, all the local sales
23 tax paid by taxpayers in the district that is in excess
24 of the aggregate local sales tax paid by taxpayers in
25 the district for the same month in the base year, as
26 determined by the Department of Revenue; and

1 (B) with respect to the 0.25% county portion of
2 the 6.25% State rate, in the case of a STAR bond
3 district that is partially or wholly within a
4 municipality, that portion of the 0.25% county portion
5 of the 6.25% rate paid by taxpayers in the district for
6 sales made within the corporate limits of the
7 municipality that is in excess of the aggregate local
8 sales tax paid by taxpayers in the district for sales
9 made within the corporate limits of the municipality
10 for the same month in the base year, as determined by
11 the Department of Revenue, but only if the corporate
12 authorities of the county adopt an ordinance, and file
13 a copy of the ordinance with the Department of Revenue
14 within the same time frames as required for STAR bond
15 occupation taxes under Section 5-50, that designates
16 the taxes as part of the local sales tax increment
17 under this Act; and -

18 (3) with respect to any local hotel tax that is
19 administered and collected directly by a political
20 subdivision, if approved by the political subdivision,
21 that portion of the local hotel tax revenues that is in
22 excess of the amount of such tax revenues generated within
23 the STAR bond district that are in excess of the aggregate
24 hotel tax revenues generated within the district for the
25 same month in the base year, as determined by the
26 political subdivision.

1 "Market study" means a study to determine the ability of
2 the proposed STAR bond project to gain market share locally
3 and regionally and to remain profitable after the term of
4 repayment of STAR bonds.

5 "Master developer" means a developer cooperating with a
6 political subdivision to plan, develop, and implement a STAR
7 bond project plan for a STAR bond district. Subject to the
8 limitations of Section 5-40, the master developer may work
9 with and transfer certain development rights to other
10 developers for the purpose of implementing STAR bond project
11 plans and achieving the purposes of this Act. A master
12 developer for a STAR bond district shall be appointed by a
13 political subdivision in the resolution establishing the STAR
14 bond district or, in the case of a NOVA urban district, by the
15 State or the political subdivision, and the master developer
16 or its affiliate must, at the time of appointment, own or have
17 control of, through purchase agreements, option contracts, or
18 other means, not less than 50% of the acreage within the STAR
19 bond district. "Master developer" also means any successor
20 developer who has assumed the role and responsibilities of the
21 original master developer through the execution of an amended
22 master development agreement and has been approved as the
23 master developer through resolution by the applicable
24 political subdivision.

25 "Master development agreement" means an agreement between
26 the master developer (or any approved successor developers)

1 and the political subdivision or, in the case of a NOVA urban
2 district, the State, to govern a STAR bond district and any
3 STAR bond projects.

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

6 "New Opportunities for Vacation and Adventure District" or
7 "NOVA district" means a STAR bond district that encompasses a
8 minimum of 300 ~~500~~ contiguous acres and, during the STAR bond
9 district plan approval process, demonstrates a reasonable
10 expectation of (1) producing a capital investment of at least
11 \$500,000,000, (2) generating not less than \$300,000,000 in
12 average annual gross sales over the life of the district, (3)
13 attracting at least 600,000 average annual ~~1,000,000~~ visitors
14 over the life of the district annually, and (4) creating a
15 minimum of 1,500 average annual jobs over the life of the
16 district.

17 "New Opportunities for Vacation and Adventure Urban
18 District" or "NOVA urban district" means a STAR bond district
19 that encompasses a minimum of 20 contiguous acres of land or
20 air rights and, during the STAR bond district plan approval
21 process, demonstrates a reasonable expectation of (1)
22 producing an initial capital investment of at least
23 \$1,000,000,000, of which 75% shall be infrastructure project
24 costs, (2) generating not less than \$450,000,000 in average
25 annual gross sales over the life of the district, (3)
26 attracting at least 2,000,000 average annual visitors over the

1 life of the district, and (4) creating a minimum of 3,000
2 average annual jobs over the life of the district.

3 "Pledged STAR revenues" means those sales tax revenues and
4 other sources of funds that are pledged to pay debt service on
5 STAR bonds or to pay project costs under Section 5-45.
6 Notwithstanding any provision of law to the contrary, any
7 State sales tax increment or local sales tax increment from a
8 retail entity initiating operations in a STAR bond district
9 while terminating operations at another Illinois location
10 within 25 miles of the STAR bond district or, for a NOVA urban
11 district, within 2 miles of the STAR bond district shall not
12 constitute pledged STAR revenues or be available to pay
13 principal and interest on STAR bonds. For purposes of this
14 definition, "terminating operations" means a closing of a
15 retail operation that is directly related to the opening of
16 the same operation or like retail entity owned or operated by
17 more than 50% of the original ownership in a STAR bond district
18 within one year before or after initiating operations in the
19 STAR bond district, but it does not mean closing an operation
20 for reasons beyond the control of the retail entity, as
21 documented by the retail entity, subject to a reasonable
22 finding by the municipality (or county if such retail
23 operation is not located within a municipality) in which the
24 terminated operations were located that the closed location
25 contained inadequate space, had become economically obsolete,
26 or was no longer a viable location for the retailer or

1 serviceperson.

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

5 "Professional sports" means any of the following sports at
6 the major league level: baseball, basketball, football, or ice
7 hockey.

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

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

1 into if the terms of the contract extend beyond a period of
2 3 years;

3 (2) property assembly costs, including, but not
4 limited to, costs related to:

5 (A) the acquisition of land and other real
6 property or rights or interests in the land or other
7 real property located within the boundaries of a STAR
8 bond district;

9 (B) the demolition of buildings, site preparation,
10 and site improvements that serve as an engineered
11 barrier addressing ground level or below ground
12 environmental contamination, including, but not
13 limited to, parking lots and other concrete or asphalt
14 barriers; and

15 (C) the clearing and grading of land and the
16 importing of additional soil and fill materials or the
17 removal of soil and fill materials from the site;

18 (3) subject to paragraph (6), the costs of buildings
19 and other vertical improvements that are located within
20 the boundaries of a STAR bond district and are owned by a
21 political subdivision or other public entity, including
22 without limitation police and fire stations, educational
23 facilities, and public restrooms and rest areas;

24 (4) costs of buildings and other vertical improvements
25 that are located within: (i) the boundaries of a STAR bond
26 district and are owned by a development user, except that

1 only 4 development users, other than a hotel or
2 entertainment venue, in a STAR bond district and one hotel
3 are eligible to include the cost of those vertical
4 improvements as project costs, or (ii) the boundaries of a
5 NOVA district;

6 (5) costs of the following vertical improvements that
7 are located within (i) the boundaries of a STAR bond
8 district and owned by an entertainment venue, except that
9 only one entertainment venue in a STAR bond district is
10 eligible to include the cost of those vertical
11 improvements as project costs, or (ii) a NOVA district:

12 (A) buildings;

13 (B) rides and attractions, including, but not
14 limited to, carousels, slides, roller coasters,
15 displays, models, towers, works of art, and similar
16 theme and amusement park improvements; and

17 (C) other vertical improvements;

18 (6) costs of the design and construction of
19 infrastructure and public works located within the
20 boundaries of a STAR bond district that are reasonable or
21 necessary to implement a STAR bond district plan or any
22 STAR bond project plans, or both, except that "project
23 costs" does not include the cost of constructing a new
24 municipal public building principally used to provide
25 offices, storage space, or conference facilities or
26 vehicle storage, maintenance, or repair for

1 administrative, public safety, or public works personnel
2 and that is not intended to replace an existing public
3 building unless the political subdivision makes a
4 reasonable determination in a STAR bond district plan or
5 any STAR bond project plans, supported by information that
6 provides the basis for that determination, that the new
7 municipal building is required to meet an increase in the
8 need for public safety purposes anticipated to result from
9 the implementation of the STAR bond district plan or any
10 STAR bond project plans;

11 (7) costs of the design and construction of the
12 following improvements located outside the boundaries of a
13 STAR bond district but within a 2-mile radius of the
14 boundaries of a STAR bond district if the costs are
15 essential to further the purpose and development of a STAR
16 bond district plan and consist of one or more of the
17 following: ~~and either~~ (i) ~~part of and connected to~~ sewer,
18 water, or utility service lines that physically connect to
19 the STAR bond district, ~~or~~ (ii) significant improvements
20 for adjacent off-site highways, streets, roadways, and
21 interchanges that are approved by the Department of
22 Transportation, or (iii) transit facilities and
23 improvements undertaken with the applicable transit
24 agency. No other cost of infrastructure and public works
25 improvements located outside the boundaries of a STAR bond
26 district may be deemed project costs;

1 (8) costs of job training and retraining projects for
2 current and future employees of development users,
3 including programs implemented by businesses located
4 within a STAR bond district;

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

14 (10) interest costs incurred by a developer for
15 project costs related to the acquisition, formation,
16 implementation, development, construction, and
17 administration of a STAR bond district, STAR bond district
18 plan, STAR bond projects, or any STAR bond project plans
19 if:

20 (A) payment of the costs in any one year may not
21 exceed 30% of the annual interest costs incurred by
22 the developer with regard to the STAR bond district or
23 any STAR bond projects during that year; and

24 (B) the total of the interest payments paid under
25 this Act may not exceed 30% of the total cost paid or
26 incurred by the developer for a STAR bond district or

1 STAR bond projects, plus project costs, excluding any
2 property assembly costs incurred by a political
3 subdivision under this Act;

4 (11) to the extent the political subdivision by
5 written agreement accepts and approves the same, all or a
6 portion of a taxing district's capital costs resulting
7 from a STAR bond district or STAR bond projects
8 necessarily incurred or to be incurred within a taxing
9 district in furtherance of the objectives of a STAR bond
10 district plan or STAR bond project plans;

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

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

17 (14) costs of mounted building signs, site monuments,
18 and pylon signs located within the boundaries of a STAR
19 bond district; or

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

26 Except as specified in items (1) through (15) of this

1 definition, "project costs" does not include:

2 (A) the cost of construction of buildings that are
3 owned by a municipality or county and leased to a
4 development user for uses other than as a retail store,
5 hotel, or entertainment venue;

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

8 (C) property taxes for property located in the STAR
9 bond district;

10 (D) lobbying costs; ~~and~~

11 (E) general overhead or administrative costs of the
12 political subdivision that would still have been incurred
13 by the political subdivision if the political subdivision
14 had not established a STAR bond district; and -

15 (F) the cost of construction of a professional sports
16 stadium building.

17 "Project development agreement" means any one or more
18 agreements, including any amendments to that agreement or
19 those agreements, between a master developer and any
20 codeveloper or subdeveloper in connection with a STAR bond
21 project, which project development agreement may include the
22 political subdivision as a party.

23 "Project labor agreement" means a prehire collective
24 bargaining agreement that covers all terms and conditions of
25 employment between the general contractor and all
26 subcontractors hired by the master developer, developer,

1 codeveloper, or subdeveloper, as applicable, of a STAR bond
2 project. A "project labor agreement" must include the
3 following provisions: (1) a provision establishing the minimum
4 hourly wage for each class of labor organization employee; (2)
5 a provision establishing the benefits and other compensation
6 for each class of labor organization employee; (3) a provision
7 requiring that no strike or dispute will be engaged in by the
8 labor organization employees; (4) a provision requiring that
9 no lockout or dispute will be engaged in by the general
10 contractor and all subcontractors building the project; and
11 (5) a provision establishing goals for apprenticeship hours to
12 be performed by minority persons and women and goals for total
13 hours to be performed by minority persons and women, as those
14 terms are defined in the Business Enterprise for Minorities,
15 Women, and Persons with Disabilities Act. A "project labor
16 agreement" may include other terms and conditions as
17 necessary.

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

22 "Resolution" means a resolution, order, ordinance, or
23 other appropriate form of legislative action of a political
24 subdivision or other applicable public entity approved by a
25 vote of a majority of a quorum at a meeting of the governing
26 body of the political subdivision or applicable public entity.

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

5 "STAR bond district" means the specific area that is
6 declared to be an eligible area by the political subdivision,
7 that has received approval by the State, and in which the
8 political subdivision may develop one or more STAR bond
9 projects.

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

17 "STAR bond project" means a project that is located within
18 a STAR bond district and that is approved under Section 5-30.

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

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

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

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

1 "State sales tax increment" means:

2 (1) with respect to all STAR bond districts that do
3 not qualify as NOVA districts or NOVA urban districts:

4 (A) 100% of that portion of the aggregate State
5 sales tax that is in excess of the aggregate State
6 sales tax for the same month in the base year, as
7 determined by the Department of Revenue, from
8 transactions at up to 4 development users located
9 within a STAR bond district, which development users
10 shall be designated by the master developer and
11 approved by the political subdivision and the Director
12 of Revenue in conjunction with the applicable STAR
13 bond project approval, and may thereafter be
14 designated or modified, no more than once per year, by
15 the master developer, subject to the approval of the
16 political subdivision and the Director of Revenue,
17 including the designation of additional development
18 users and an entertainment user, provided that no more
19 than 4 development users shall be designated and
20 approved at any time; and

21 (B) 25% of that portion of the aggregate State
22 sales tax that is in excess of the aggregate State
23 sales tax for the same month in the base year, as
24 determined by the Department of Revenue from all other
25 transactions within a STAR bond district; ~~and~~

26 (2) with respect to all NOVA districts:

1 (A) 100% of that portion of the State sales tax
2 that is in excess of the State sales tax for the same
3 month in the base year, as determined by the
4 Department of Revenue, from transactions at up to 4
5 development users ~~located~~, which development users
6 shall be designated by the master developer and
7 approved by the political subdivision and the Director
8 of Revenue in conjunction with the applicable STAR
9 bond project approval; and

10 (B) 50% of that portion of the State sales tax that
11 is in excess of the State sales tax for the same month
12 in the base year from all other transactions within
13 the NOVA district; and-

14 (3) with respect to all NOVA urban districts, 100% of
15 that portion of the State sales tax that is in excess of
16 the State sales tax for the same month in the base year, as
17 determined by the Department of Revenue, from all
18 transactions within the NOVA urban district.

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

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

26 "Total development costs" means the aggregate public and

1 private investment in a STAR bond district, including project
2 costs and other direct and indirect costs related to the
3 development of the STAR bond district over the life of the STAR
4 bond district.

5 "Underserved area" has the meaning given to that term in
6 Section 5-5 of the Economic Development for a Growing Economy
7 Tax Credit Act.

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

11 (Source: P.A. 104-453, eff. 12-12-25.)

12 (50 ILCS 475/5-15)

13 Sec. 5-15. Limitations on STAR bond districts and STAR
14 bond projects. The Office of the Governor, in consultation
15 with the Department, the Department of Revenue, and the
16 Governor's Office of Management and Budget, shall have final
17 approval of all STAR bond districts and STAR bond projects
18 established under this Act, which may be established
19 throughout the 10 Economic Development Regions in the State as
20 established by the Department. Regardless of the number of
21 STAR bond districts established within any Economic
22 Development Region: (i) only one STAR bond project may be
23 approved for each Economic Development Region having a
24 population of less than 400,000 ~~600,000~~; (ii) up to 2 STAR bond
25 projects may be approved for each Economic Development Region

1 having a population of between 400,000 and 599,999; (iii) up
2 to 3 STAR bond projects may be approved for each Economic
3 Development Region having a population of between 600,000 and
4 999,999; and (iv) ~~(iii)~~ up to 4 STAR bond projects may be
5 approved for each Economic Development Region having a
6 population of 1,000,000 or more, excluding projects located in
7 STAR bond districts established under the Innovation
8 Development and Economy Act. A STAR bond district under this
9 Act may not be located either entirely or partially inside of a
10 municipality with a population in excess of 2,000,000.

11 A STAR bond project that is not located in a NOVA district
12 may not receive reimbursement from the proceeds of bonds
13 secured by State sales tax increment that exceeds the lesser
14 of (1) 50% of the total development costs or (2) an aggregate
15 amount of \$75,000,000. A STAR bond project that is located in a
16 NOVA district may not receive reimbursement from the proceeds
17 of bonds secured by State sales tax increment that exceeds the
18 lesser of (1) 50% of the total development costs or (2) an
19 aggregate amount of \$800,000,000. A STAR bond project that is
20 located in a NOVA urban district may not receive reimbursement
21 from the proceeds of bonds secured by State sales tax
22 increment that exceeds the lesser of (1) 75% of the total
23 development costs or (2) an aggregate amount of
24 \$1,600,000,000.

25 (Source: P.A. 104-453, eff. 12-12-25.)

1 (50 ILCS 475/5-20)

2 Sec. 5-20. Establishment of STAR bond district.

3 (a) The corporate authorities of a municipality may
4 establish a STAR bond district within an eligible area within
5 the municipality or partially outside the boundaries of the
6 municipality in an unincorporated area of the county. A STAR
7 bond district that is partially outside the boundaries of the
8 municipality must also be approved by the corporate
9 authorities of the county by the passage of a resolution. The
10 corporate authorities of a county may establish a STAR bond
11 district in an eligible area in any unincorporated area of the
12 county.

13 (b) When a political subdivision is interested in
14 establishing a STAR bond district, the political subdivision
15 must first provide notice to the Director of Commerce and
16 Economic Opportunity and the Director of Revenue on or before
17 June 1, 2026 of its intention to establish a STAR bond district
18 (or by September 1, 2026 if the political subdivision intends
19 to establish a NOVA district). After filing notice, the
20 political subdivision shall determine whether the area
21 satisfies the statutory criteria to establish a STAR bond
22 district consistent with this Act. The corporate authorities
23 of the political subdivision shall adopt a resolution stating
24 that the political subdivision is considering the
25 establishment of a STAR bond district. The resolution shall:

26 (1) give notice, in the same manner as set forth in

1 subsection (e) of Section 5-30, that a public hearing will
2 be held to consider the establishment of a STAR bond
3 district and fix the date, hour, and place of the public
4 hearing, which shall be at a location that is within 20
5 miles of the STAR bond district, in a facility that can
6 accommodate a large crowd, and in a facility that is
7 accessible to persons with disabilities;

8 (2) describe the proposed general boundaries of the
9 STAR bond district;

10 (3) describe the STAR bond district plan;

11 (4) require that a description and map of the proposed
12 STAR bond district are available for inspection at a time
13 and place designated;

14 (5) identify the master developer for the STAR bond
15 district; and

16 (6) require that the corporate authorities consider
17 findings necessary for the establishment of a STAR bond
18 district.

19 (c) Upon the conclusion of the public hearing the
20 corporate authorities of the political subdivision may adopt a
21 resolution to establish the STAR bond district. The corporate
22 authorities of a municipality with a population of 2,000,000
23 or more may proceed directly to adopt a resolution to
24 establish a NOVA urban district.

25 (1) A resolution to establish a STAR bond district
26 shall:

1 (A) make findings that the proposed STAR bond
2 district is to be developed with a STAR bond project;

3 (B) make findings that the STAR bond district is
4 an eligible area;

5 (C) contain a STAR bond district plan that
6 identifies in a general manner the buildings and
7 facilities that are proposed to be constructed or
8 improved as part of the STAR bond project and that
9 includes plans for at least one development user;

10 (D) contain the legal description of the STAR bond
11 district;

12 (E) appoint the master developer for the STAR bond
13 district, subject to the provisions of Section 5-25,
14 and, if applicable, verify that master developer has a
15 signed project labor agreement for the construction of
16 future improvements within any STAR bond projects;

17 (F) if applicable, make a finding that the STAR
18 bond district plan demonstrates a reasonable
19 expectation that it will meet the acreage, capital
20 investment, sales, and job creation thresholds
21 necessary to qualify as a NOVA district or NOVA urban
22 district and contains a request for a NOVA district
23 designation or NOVA urban district; and

24 (G) establish the STAR bond district, contingent
25 upon approval of the State as set forth in subsection
26 (e).

1 (2) For STAR bond districts other than a NOVA urban
2 district, if ~~if~~ the resolution to establish a STAR bond
3 district is not adopted by the political subdivision
4 within 60 days after the conclusion of the public hearing,
5 then the STAR bond district shall not be established.

6 (3) Upon adoption of a resolution to establish a STAR
7 bond district, the political subdivision shall send a
8 certified copy of the resolution to the Director of
9 Commerce and Economic Opportunity, the Director of
10 Revenue, and the Director of the Governor's Office of
11 Management and Budget within 60 days after the adoption of
12 the resolution.

13 (d) Upon adoption of a resolution to establish a STAR bond
14 district, the STAR bond district and any STAR bond project
15 shall be governed by a master development agreement between
16 the political subdivision and the master developer. A STAR
17 bond district that is partially outside the boundaries of a
18 municipality shall require only one master development
19 agreement, which shall be between the municipality and the
20 master developer. In no event shall there be more than one
21 master development agreement governing the terms and
22 conditions of a STAR bond district. The master development
23 agreement shall require the master developer to ensure
24 compliance with the following requirements to reduce the
25 ecological impact of the STAR bond district development: (i)
26 inclusion of pollution prevention, erosion, and sedimentation

1 control plans during construction; (ii) protection of
2 endangered species' habitat and wetlands mitigation; (iii)
3 preservation of at least 20% of the STAR bond district as green
4 space, including lawns, parks, landscaped areas, paths, lakes,
5 ponds, and other water features or, for a NOVA urban district,
6 inclusion of such green space, including lawns, parks,
7 landscaped areas, paths, lakes, ponds, and other water
8 features, as set forth in the STAR bond project plan; (iv)
9 promotion of the use of renewable energy to the extent
10 commercially feasible; (v) implementation of recycling
11 programs during construction and at completed STAR bond
12 projects; (vi) preservation of water quality and promotion of
13 water conservation through the use of techniques such as
14 reusing storm water and landscaping with native and
15 low-maintenance vegetation to reduce the need for irrigation
16 and fertilization; (vii) inclusion of comprehensive lighting
17 programs that reduce light pollution within the STAR bond
18 district; and (viii) promotion of shared parking between
19 different users and the political subdivision to reduce the
20 impact on project sites.

21 (e) Upon adoption of a resolution to establish a STAR bond
22 district, the political subdivision shall submit the proposed
23 STAR bond district plan to the Department, the Department of
24 Revenue, and the Governor's Office of Management and Budget
25 for consideration. All proposed STAR bond district plans must
26 be submitted on or before January 1, 2027 for consideration

1 (or by June 1, 2027 if the district is a NOVA district). The
2 Department, the Department of Revenue, and the Governor's
3 Office of Management and Budget shall make a joint
4 recommendation to approve a STAR bond district if the agencies
5 find that: (i) the proposed STAR bond district is an eligible
6 area; (ii) the STAR bond district plan includes a STAR bond
7 project that would entail a projected capital investment of at
8 least \$30,000,000 for a STAR bond district that is not
9 proposed to be designated as a NOVA district, ~~or~~ \$500,000,000
10 for a STAR bond district that is proposed to be designated as a
11 NOVA district, or \$1,000,000,000 for a STAR bond district that
12 is proposed to be designated as a NOVA urban district; (iii)
13 the STAR bond district plan includes a STAR bond project that
14 is reasonably projected to produce at least \$60,000,000 of
15 annual gross sales and at least 300 new jobs or, for a STAR
16 bond district proposed to be designated as a NOVA district, at
17 least \$300,000,000 of annual gross sales and 1,500 new jobs
18 or, for a STAR bond district proposed to be designated as a
19 NOVA urban district, at least \$450,000,000 of annual gross
20 sales and 3,000 new jobs; (iv) the STAR bond district plan
21 includes potential development users; (v) the creation of the
22 STAR bond district and STAR bond district plan are in
23 accordance with the purpose of this Act and the public
24 interest; and (vi) the STAR bond district and STAR bond
25 district plan meet any other requirement that the State deems
26 appropriate. The agencies shall send a copy of their written

1 findings and recommendation for approval or denial of a STAR
2 bond district to the Office of the Governor for review and
3 final action. In the case of any NOVA district or NOVA urban
4 district, those written findings and recommendations shall be
5 submitted to the Office of the Governor within 60 days
6 following the agencies' receipt of the District Plan proposing
7 the NOVA district or NOVA urban district.

8 (f) Upon receipt of the written findings and
9 recommendations, the Office of the Governor shall review the
10 submission and issue a final approval or denial of the STAR
11 bond district and send written notice of its approval or
12 denial to the requesting political subdivision and to the
13 agencies. If requested by the political subdivision under
14 paragraph (F) of subsection (c) of this Section, the written
15 notice shall also include a determination as to whether the
16 proposed STAR bond district qualifies for designation as a
17 NOVA district or NOVA urban district and shall be issued
18 within 30 days after the Office of the Governor receives the
19 written findings of the agencies as provided in subsection
20 (e).

21 (g) Starting on the fifth anniversary of the first date of
22 distribution of State sales tax increment from the approved
23 STAR bond project in the STAR bond district, or, if the project
24 is in a NOVA district, the earlier of (i) the fifteenth
25 anniversary of that date or (ii) the date requested by the
26 master developer, and continuing each anniversary thereafter,

1 the Director shall, in consultation with the political
2 subdivision and the master developer, determine the total
3 number of new jobs created within the STAR bond district, the
4 total development cost to date, and the master developer's
5 compliance with its obligations under any written agreements
6 with the State. If, on the fifth anniversary of the first date
7 of distribution of State sales tax increment from the approved
8 STAR bond project in the STAR bond district, or the earlier of
9 (i) the fifteenth anniversary of that date or (ii) the date
10 requested by the master developer if the project is in a NOVA
11 district or NOVA urban district, the Director determines that
12 the total development cost to date is not equal to or greater
13 than (i) \$30,000,000 if the project is not in a NOVA district
14 or NOVA urban district, (ii) \$500,000,000 if the project is in
15 a NOVA district, or (iii) \$1,000,000,000 if the project is in a
16 NOVA urban district, or that the master developer is in breach
17 of any written agreement with the State, then no new STAR bonds
18 may be issued in the STAR bond district until the total
19 development cost exceeds \$30,000,000, ~~or~~ \$500,000,000, or
20 \$1,000,000,000, as applicable, or the breach of agreement is
21 cured, or both. If, on the fifth anniversary of the first date
22 of distribution of State sales tax increment from the approved
23 STAR bond project in the STAR bond district, or the earlier of
24 (i) the fifteenth anniversary of that date or (ii) the date
25 requested by the master developer if the project is in a NOVA
26 district or a NOVA urban district, there are not at least (i)

1 300 new jobs existing in the STAR bond district if the project
2 is not in a NOVA district or a NOVA urban district, (ii) 1,500
3 new jobs existing in the STAR bond district if the project is
4 in a NOVA district, or (iii) 3,000 new jobs existing in the
5 STAR bond district if the project is in a NOVA urban district,
6 the State may require the master developer to pay the State a
7 penalty of \$1,500 per job under 300, ~~or~~ 1,500, or 3,000, as
8 applicable, each year until the earlier of (i) the
9 twenty-third anniversary of the first date of distribution of
10 State sales tax increment from the approved STAR bond project
11 in the STAR bond district, (ii) the date that all STAR bonds
12 issued in the STAR bond district have been paid off, or (iii)
13 the date on which at least 300 jobs, ~~or~~ 1,500 jobs, or 3,000
14 jobs, as applicable, have been created in the STAR bond
15 district. Upon creation of 300 jobs, ~~or~~ 1,500 jobs, or 3,000
16 jobs, as applicable, in the STAR bond district, there shall
17 not be an ongoing obligation to maintain those jobs after the
18 fifth anniversary of the first date of distribution of State
19 sales tax increment from the approved STAR bond project in the
20 STAR bond district, and the master developer shall be relieved
21 of any liability with respect to job creation under this
22 subsection. Notwithstanding anything to the contrary in this
23 subsection, the master developer shall not be liable for the
24 penalties set forth in this subsection if the breach of
25 agreement, failure to reach the required amount in total
26 development costs, or failure to create the required number of

1 jobs is due to delays caused by force majeure, as that term is
2 defined in the master development agreement.

3 (Source: P.A. 104-453, eff. 12-12-25.)

4 (50 ILCS 475/5-30)

5 Sec. 5-30. Approval of STAR bond projects.

6 (a) The corporate authorities of a political subdivision
7 seeking to establish a STAR bond project in an approved STAR
8 bond district must submit a proposed STAR bond project plan to
9 the Department, the Department of Revenue, and the Governor's
10 Office of Management and Budget on or before June 1, 2028. A
11 STAR bond project plan for a NOVA urban district may be
12 submitted to the Department of Commerce and Economic
13 Opportunity, the Department of Revenue, and the Governor's
14 Office of Management and Budget concurrent with the process
15 for approval of a STAR bond district in Section 5-20 of this
16 Act. A STAR bond project which is partially outside the
17 boundaries of a municipality must also be approved by the
18 corporate authorities of the county by resolution.

19 After the establishment of a STAR bond district, the
20 master developer may propose a STAR bond project to a
21 political subdivision, and the master developer shall, in
22 cooperation with the political subdivision, prepare a STAR
23 bond project plan in consultation with the planning commission
24 of the political subdivision, if any. The STAR bond project
25 plan may be implemented in separate development stages.

1 (b) Any political subdivision considering a STAR bond
2 project within a STAR bond district shall cause to be prepared
3 an independent feasibility study. The feasibility study shall
4 be prepared by a feasibility consultant approved by the
5 Department. The feasibility consultant shall provide certified
6 copies of the feasibility study to the political subdivision,
7 the Department, the Department of Revenue, and the Governor's
8 Office of Management and Budget. The feasibility study shall
9 include the following:

10 (1) the estimated amount of pledged STAR revenues
11 expected to be collected in each year through the maturity
12 date of the proposed STAR bonds;

13 (2) a statement of how the jobs and taxes obtained
14 from the STAR bond project will contribute significantly
15 to the economic development of the State and region;

16 (3) visitation expectations;

17 (4) the unique quality of the project;

18 (5) an economic impact study;

19 (6) a market study;

20 (7) current and anticipated infrastructure analysis;

21 (8) integration and collaboration with other resources
22 or businesses;

23 (9) the quality of service and experience provided, as
24 measured against national consumer standards for the
25 specific target market;

26 (10) project accountability, measured according to

1 best industry practices;

2 (11) the expected return on State and local investment
3 that the STAR bond project is anticipated to produce; and

4 (12) an anticipated principal and interest payment
5 schedule on the STAR bonds.

6 The feasibility consultant, along with any other
7 consultants commissioned to perform the studies and other
8 analysis required by the feasibility study, shall be selected
9 by the political subdivision but approved by the Department.
10 The consultants shall be retained by the political
11 subdivision. The political subdivision may seek reimbursement
12 from the master developer.

13 The failure to include all information enumerated in this
14 subsection in the feasibility study for a STAR bond project
15 shall not affect the validity of STAR bonds issued under this
16 Act. A feasibility study for a NOVA urban district completed
17 for the Office of the Governor and the Department of Commerce
18 and Economic Opportunity within 36 months before or after the
19 effective date of this amendatory Act of the 104th General
20 Assembly shall meet the requirements of this Section.

21 (c) If the political subdivision determines the STAR bond
22 project is feasible, the STAR bond project plan shall include:

23 (1) a summary of the feasibility study;

24 (2) a reference to the STAR bond district plan that
25 identifies the STAR bond project area that is set forth in
26 the STAR bond project plan that is being considered;

1 (3) a legal description and map of the STAR bond
2 project area to be developed or redeveloped;

3 (4) a description of the buildings and facilities
4 proposed to be constructed or improved in the STAR bond
5 project area, including development users, as applicable;

6 (5) a copy of letters of intent to locate within the
7 STAR bond district signed by both the master developer and
8 the appropriate corporate officer of at least one
9 development user for the STAR bond project proposed within
10 the district;

11 (6) a copy of a project labor agreement entered into
12 by the master developer and a commitment by the master
13 developer, other developers, contractors, and
14 subcontractors to comply with the requirements of Section
15 30-22 of the Illinois Procurement Code as they apply to
16 responsible bidders; ~~and~~

17 (6.5) if applicable, the geographic boundaries of the
18 area within the STAR bond district that constitutes an
19 entertainment user area, as such designated area shall be
20 identified by the master developer; and

21 (7) any other information the corporate authorities of
22 the political subdivision deems reasonable and necessary
23 to advise the public of the intent of the STAR bond project
24 plan.

25 (d) Before a political subdivision may hold a public
26 hearing to consider a STAR bond project plan, the political

1 subdivision must apply to the Department, the Department of
2 Revenue, and the Governor's Office of Management and Budget
3 for joint review and recommendation and ultimate approval or
4 denial by the Office of the Governor of the STAR bond project
5 plan. The corporate authorities of a political subdivision
6 seeking to establish a STAR bond project in an approved STAR
7 bond district must submit a proposed STAR bond project plan to
8 the Department, the Department of Revenue, and the Governor's
9 Office of Management and Budget by June 1, 2028 for
10 consideration.

11 An application for approval of a STAR bond project plan
12 must not be approved by the State unless all the components of
13 the feasibility study set forth in paragraphs (1) through (12)
14 of subsection (b) have been completed and submitted for review
15 and recommendation for approval or denial. In addition to
16 reviewing all the other elements of the STAR bond project plan
17 required under subsection (c), which must be included in the
18 application and include a letter of intent as required under
19 paragraph (5) of subsection (c) in order to receive State
20 approval, the Department, the Department of Revenue, and the
21 Governor's Office of Management and Budget must review the
22 feasibility study and consider all the components of the
23 feasibility study set forth in paragraphs (1) through (12) of
24 subsection (b), including, without limitation, the economic
25 impact study and the financial benefit of the proposed STAR
26 bond project to the local, regional, and State economies, the

1 proposed adverse impacts on similar businesses and projects as
2 well as municipalities within the market area, and the net
3 effect of the proposed STAR bond project on the local,
4 regional, and State economies. In addition to the economic
5 impact study, the political subdivision must also submit to
6 the agencies, as part of its application, the financial and
7 other information that substantiates the basis for the
8 conclusion of the economic impact study, in the form and
9 manner as required by the agencies, so that the agencies can
10 verify the results of the study. In addition to any other
11 criteria in this subsection, the State may not approve the
12 STAR bond project plan unless the agencies are satisfied that
13 the proposed development users are, in fact, true development
14 users and find that the STAR bond project plan is in accordance
15 with the purpose of this Act and the public interest. As part
16 of the review, the agencies shall evaluate the conclusions of
17 the feasibility study as it relates to the projected State and
18 local sales tax increments expected to be generated in the
19 STAR bond district. The Department, the Department of Revenue,
20 and the Governor's Office of Management and Budget shall
21 jointly recommend the approval of a STAR bond project plan. In
22 making the recommendation, the agencies shall consider the
23 proximity of a proposed STAR bond project to another proposed
24 or existing STAR bond project. Notwithstanding any other
25 provision of this Act, the Department, the Department of
26 Revenue, and the Governor's Office of Management and Budget

1 shall not approve any STAR bond project plan that includes as
2 part of the plan the development of any facility, stadium,
3 arena, or other structure if: (1) the purpose of the facility,
4 stadium, arena, or other structure is the holding of
5 professional sports contests; or (2) the facility, stadium,
6 arena, or other structure is within a one-mile radius of any
7 structure that is developed on or after the effective date of
8 this Act and has as one of its purposes the holding of
9 professional sports contests except, in respect of a STAR bond
10 project in a NOVA urban district, for a structure that is
11 within a one-mile radius of an existing stadium that may be
12 redeveloped on or after the effective date of this Act and has
13 as one of its purposes the holding of professional sports
14 contests. As used in this Section, "development of any
15 facility, stadium, arena, or other structure" does not include
16 the construction, development, or maintenance of
17 infrastructure that serves such a facility, stadium, arena, or
18 other structure. The agencies shall send a copy of their
19 written findings and recommended approval or denial of the
20 STAR bond project plan to the Office of the Governor for final
21 action. Upon receipt of the Director's written findings and
22 recommendation, the Office of the Governor shall issue a final
23 approval or denial of the STAR bond project plan based on the
24 criteria in this subsection and Section 5-15 and send a
25 written approval or denial to the requesting political
26 subdivision. Notwithstanding any other provision of law, for

1 STAR bond districts designated as NOVA districts or NOVA urban
2 districts, the Office of the Governor shall issue a final
3 approval or denial of the STAR bond project plan based on the
4 criteria in this subsection and Section 5-15 and send written
5 approval or denial to the requesting political subdivision
6 within 180 days or, for a NOVA urban district, 60 days, after
7 the political subdivision applies for approval, as set out in
8 this subsection (d). In granting its approval, the Office of
9 the Governor may require the political subdivision to execute
10 a binding agreement or memorandum of understanding with the
11 State. The terms of the agreement or memorandum may include,
12 among other things, the political subdivision's repayment of
13 the State sales tax increment distributed to it if any
14 violation of the agreement or memorandum or this Act occurs.

15 (e) Upon a finding by the planning and zoning commission
16 of the political subdivision, if any, that the STAR bond
17 project plan is consistent with the intent of the
18 comprehensive plan for the development of the political
19 subdivision and upon issuance of written approval of the STAR
20 bond project plan from the Office of the Governor under
21 subsection (d) of this Section, the corporate authorities of
22 the political subdivision shall adopt a resolution stating
23 that the political subdivision is considering the adoption of
24 the STAR bond project plan. The resolution shall:

25 (1) give notice that a public hearing will be held to
26 consider the adoption of the STAR bond project plan and

1 fix the date, hour, and place of the public hearing;

2 (2) describe the general boundaries of the STAR bond
3 district within which the STAR bond project will be
4 located and the date of establishment of the STAR bond
5 district;

6 (3) describe the general boundaries of the area
7 proposed to be included within the STAR bond project area;

8 (4) provide that the STAR bond project plan and map of
9 the area to be redeveloped or developed are available for
10 inspection during regular office hours in the offices of
11 the political subdivision; and

12 (5) contain a summary of the terms and conditions of
13 any proposed project development agreement with the
14 political subdivision.

15 (f) A public hearing shall be conducted to consider the
16 adoption of any STAR bond project plan.

17 (1) The date fixed for the public hearing to consider
18 the adoption of the STAR bond project plan shall be not
19 less than 20 nor more than 90 days following the date of
20 the adoption of the resolution fixing the date of the
21 hearing.

22 (2) A copy of the political subdivision's resolution
23 providing for the public hearing shall be sent by
24 certified mail, return receipt requested, to the corporate
25 authorities of the county. A copy of the political
26 subdivision's resolution providing for the public hearing

1 shall be sent by certified mail, return receipt requested,
2 to each person or persons in whose name the general taxes
3 for the last preceding year were paid on each parcel of
4 land lying within the proposed STAR bond project area
5 within 10 days following the date of the adoption of the
6 resolution. The resolution shall be published once in a
7 newspaper of general circulation in the political
8 subdivision not less than one week nor more than 3 weeks
9 before the date fixed for the public hearing. A map or
10 aerial photo clearly delineating the area of land proposed
11 to be included within the STAR bond project area shall be
12 published with the resolution.

13 (3) The hearing shall be held at a location that is
14 within 20 miles of the STAR bond district or, for a NOVA
15 urban district, within 2 miles of the STAR bond district,
16 in a facility that can accommodate a large crowd and is
17 accessible to persons with disabilities.

18 (4) At the public hearing, a representative of the
19 political subdivision or master developer shall present
20 the STAR bond project plan. Following the presentation of
21 the STAR bond project plan, all interested persons shall
22 be given an opportunity to be heard. The corporate
23 authorities may continue the date and time of the public
24 hearing.

25 (g) Upon conclusion of the public hearing, the governing
26 body of the political subdivision may adopt the STAR bond

1 project plan by a resolution approving the STAR bond project
2 plan.

3 (h) After the adoption by the corporate authorities of the
4 political subdivision of a STAR bond project plan, the
5 political subdivision may enter into a project development
6 agreement if the master developer has requested the political
7 subdivision to be a party to the project development agreement
8 under subsection (b) of Section 5-40.

9 (i) Within 30 days after the adoption by the political
10 subdivision of a STAR bond project plan, the clerk of the
11 political subdivision shall transmit a copy of the legal
12 description of the land and a list of all new and existing
13 mailing addresses within the STAR bond district, a copy of the
14 resolution adopting the STAR bond project plan, and a map or
15 plat indicating the boundaries of the STAR bond project area
16 and STAR bond district to the clerk, treasurer, and governing
17 body of the county and to the Department and Department of
18 Revenue. Within 30 days of creation of any new mailing address
19 within a STAR bond district, the clerk of the political
20 subdivision shall provide written notice of that new address
21 to the Department and the Department of Revenue.

22 If a certified copy of the resolution adopting the STAR
23 bond project plan is filed with the Department of Revenue on or
24 before the first day of April, the Department of Revenue, if
25 all other requirements of this subsection are met, shall
26 proceed to collect and allocate any local sales tax increment

1 and any State sales tax increment in accordance with the
2 provisions of this Act on the first day of July next following
3 the adoption and filing. If a certified copy of the resolution
4 adopting the STAR bond project plan is filed with the
5 Department of Revenue after April 1 but on or before the first
6 day of October, the Department of Revenue, if all other
7 requirements of this subsection are met, shall proceed to
8 collect and allocate any local sales tax increment and any
9 State sales tax increment in accordance with the provisions of
10 this Act as of the first day of January next following the
11 adoption and filing. Notwithstanding the foregoing, any local
12 hotel taxes and visitor investment surcharges that are
13 designated as pledged STAR revenues pursuant to this Act shall
14 be calculated, collected, and administered by the political
15 subdivision imposing such tax, and shall not be subject to
16 collection or allocation by the Department of Revenue.

17 Any substantial changes to a STAR bond project plan as
18 adopted shall be subject to a public hearing following
19 publication of notice thereof in a newspaper of general
20 circulation in the political subdivision and approval by
21 resolution of the governing body of the political subdivision.

22 The Department of Revenue shall not collect or allocate
23 any local sales tax increment or State sales tax increment
24 until the political subdivision also provides, in the manner
25 prescribed by the Department of Revenue, the boundaries of the
26 STAR bond district and each address in the STAR bond district

1 in such a way that the Department of Revenue can determine by
2 its address whether a business is located in the STAR bond
3 district. The political subdivision must provide this boundary
4 and address information to the Department of Revenue, with a
5 copy to the Department, on or before April 1 for
6 administration and enforcement under this Act by the
7 Department of Revenue beginning on the following July 1 and on
8 or before October 1 for administration and enforcement under
9 this Act by the Department of Revenue beginning on the
10 following January 1. The Department of Revenue shall not
11 administer or enforce any change made to the boundaries of a
12 STAR bond district or any address change, addition, or
13 deletion until the political subdivision reports the boundary
14 change or address change, addition, or deletion to the
15 Department of Revenue, with a copy to the Department, in the
16 manner prescribed by the Department of Revenue. The political
17 subdivision must provide this boundary change or address
18 change, addition, or deletion information to the Department of
19 Revenue, with a copy to the Department, on or before April 1
20 for administration and enforcement by the Department of
21 Revenue of the change, addition, or deletion beginning on the
22 following July 1 and on or before October 1 for administration
23 and enforcement by the Department of Revenue of the change,
24 addition, or deletion beginning on the following January 1. If
25 a retailer is incorrectly included or excluded from the list
26 of those located in the STAR bond district, the Department of

1 Revenue shall be held harmless if the Department reasonably
2 relied on information provided by the political subdivision.

3 (j) Any STAR bond project must be approved by the
4 political subdivision within 23 years after the date of the
5 approval of the STAR bond district; however, any amendments to
6 the STAR bond project may occur following that date.

7 (k) Any developer of a STAR bond project shall commence
8 work on the STAR bond project within 3 years from the date of
9 adoption of the STAR bond project plan. If the developer fails
10 to commence work on the STAR bond project within the 3-year
11 period, funding for the project shall cease and the developer
12 of the project or complex shall have one year to appeal to the
13 political subdivision for a one-time reapproval of the project
14 and funding. If the project is reapproved, the 3-year period
15 for commencement shall begin again on the date of the
16 reapproval. If the project is not reapproved or if the
17 developer again fails to commence work on the STAR bond
18 project within the second 3-year period, the project shall be
19 terminated, and the Department may accept applications for a
20 new STAR bond project in the Economic Development Region.

21 (l) After the adoption of a STAR bond project plan by the
22 corporate authorities of the political subdivision and
23 approval by the Office of the Governor under subsection (d),
24 the political subdivision may authorize the issuance of STAR
25 bonds in one or more series to finance the STAR bond project or
26 pay or reimburse any eligible project cost within the STAR

1 bond district in accordance with the provisions of this Act.

2 (m) Except as otherwise provided in subsection (n), the
3 maximum maturity of STAR bonds issued to finance a STAR bond
4 project shall not exceed 23 years from the first date of
5 distribution of State sales tax increment from the STAR bond
6 project to the political subdivision unless the political
7 subdivision extends that maturity by resolution up to a
8 maximum of 35 years from such first distribution date. Any
9 such extension shall require the approval of the Office of the
10 Governor, upon the recommendation of the Directors. In no
11 event shall the maximum maturity date for any STAR bonds
12 exceed that date which is 35 years from the first distribution
13 date of the first STAR bonds issued in a STAR bond district.

14 (n) The maximum maturity of STAR bonds issued to finance a
15 STAR bond project located within a NOVA district or a NOVA
16 urban district shall not exceed 35 years from the first date of
17 distribution of State sales tax increment from the STAR bond
18 project to the political subdivision.

19 (Source: P.A. 104-453, eff. 12-12-25.)

20 (50 ILCS 475/5-35)

21 Sec. 5-35. Approval of STAR bond projects in NOVA
22 districts and NOVA urban districts. Notwithstanding any other
23 provision of this Act, a STAR bond project may be approved
24 within each STAR bond district designated as a NOVA district
25 and a NOVA urban district. A NOVA urban district may be

1 approved concurrent with the designation of the NOVA urban
2 district. Except as otherwise provided in this Act, approval
3 of a NOVA district shall follow the same procedures applicable
4 to STAR bond district approval as provided in Section 5-20,
5 and that designation shall be determined by the Office of the
6 Governor during the STAR bond district approval process. The
7 NOVA district and NOVA urban district must satisfy the
8 criteria set forth to be considered a NOVA district under
9 Section 5-10. Except as otherwise provided in this Act,
10 establishment of a NOVA district or NOVA urban district shall
11 be construed to have the same application and effect as a STAR
12 bond district.

13 (Source: P.A. 104-453, eff. 12-12-25.)

14 (50 ILCS 475/5-45)

15 Sec. 5-45. STAR bonds; source of payment.

16 (a) Any political subdivision shall have the power to
17 issue STAR bonds in one or more series to finance the
18 undertaking of any STAR bond project in accordance with the
19 provisions of this Act and the Omnibus Bond Acts. Any STAR bond
20 project approved under this Act may be completed in one or more
21 phases, and STAR bonds may be issued, in one or more series, to
22 finance any STAR bond project or phase thereof. STAR bonds may
23 be issued as revenue bonds, alternate bonds, or general
24 obligation bonds as defined in and subject to the procedures
25 provided in the Local Government Debt Reform Act.

1 STAR bonds may be made payable, both as to principal and
2 interest, from the following revenues, which, to the extent
3 pledged by each respective political subdivision or other
4 public entity for that purpose, shall constitute pledged STAR
5 revenues:

6 (1) revenues of the political subdivision derived from
7 or held in connection with the undertaking and carrying
8 out of any STAR bond project or projects under this Act;

9 (2) available private funds and contributions, grants,
10 tax credits, or other financial assistance from the State
11 or federal government;

12 (3) any taxes created under Section 5-50 and
13 designated as pledged STAR revenues by the political
14 subdivision;

15 (4) all the local sales tax increment of a
16 municipality, county, or other unit of local government,
17 including an amount equal to the sales tax increment that
18 is received by a municipality from a sales tax
19 securitization corporation based on sales of revenues as
20 of the date of this Act, which amount shall be pledged as a
21 first lien on such receipts;

22 (5) any special service area taxes collected within
23 the STAR bond district under the Special Service Area Tax
24 Act, which may be used for the purposes of funding project
25 costs or paying debt service on STAR bonds in addition to
26 the purposes contained in the special service area plan;

1 (6) all the State sales tax increment;

2 (7) any other revenues appropriated by the political
3 subdivision; and

4 (8) any combination of these methods.

5 (b) The political subdivision may pledge the pledged STAR
6 revenues to the repayment of STAR bonds before, simultaneously
7 with, or after the issuance of the STAR bonds.

8 (c) Bonds issued as revenue bonds shall not be general
9 obligations of the political subdivision, nor, in any event,
10 shall they give rise to a charge against the political
11 subdivision's general credit or taxing powers or be payable
12 out of any funds or properties other than those set forth in
13 subsection (a). The bonds shall so state on their face.

14 (d) For each STAR bond project financed with STAR bonds
15 payable from the pledged STAR revenues, the political
16 subdivision shall prepare and submit to the Department, the
17 Department of Revenue, the Office of the Governor, and the
18 Governor's Office of Management and Budget by June 1 of each
19 year a report describing the status of the STAR bond project,
20 any expenditures of the proceeds of STAR bonds that have
21 occurred for the preceding calendar year, and any expenditures
22 of the proceeds of the bonds expected to occur in the future,
23 including the amount of pledged STAR revenue, the amount of
24 revenue that has been spent, the projected amount of the
25 revenue, and the anticipated use of the revenue. Each annual
26 report shall be accompanied by an affidavit of the master

1 developer certifying the contents of the report as true to the
2 best of the master developer's knowledge. The Department shall
3 have the right, but not the obligation, to request the Auditor
4 General to review the annual report and the political
5 subdivision's records containing the source information for
6 the report for the purpose of verifying the report's contents.
7 If the Auditor General declines the request for review, the
8 Department shall have the right to select an independent
9 third-party auditor to conduct an audit of the annual report
10 and the political subdivision's records containing the source
11 information for the report. The reasonable cost of the audit
12 shall be paid by the master developer. The master development
13 agreement shall grant the Department and the Auditor General
14 the right to review the records of the political subdivision
15 containing the source information for the report.

16 (e) As soon as possible after the first day of each month,
17 upon certification of the Department of Revenue, the
18 Comptroller shall order transferred and the Treasurer shall
19 transfer, from the General Revenue Fund to the STAR Bonds
20 Revenue Fund, the State sales tax increment for the second
21 preceding month, less 3% of that amount, which shall be
22 transferred into the Tax Compliance and Administration Fund
23 and shall be used by the Department of Revenue, subject to
24 appropriation, to cover the costs of the Department of Revenue
25 in administering this Act. As soon as possible after the first
26 day of each month, upon certification of the Department of

1 Revenue, the Comptroller shall order transferred and the
2 Treasurer shall transfer, from the Local Government Tax Fund
3 to the STAR Bonds Revenue Fund, the local sales tax increment
4 for the second preceding month, as provided in Section 6z-18
5 of the State Finance Act and from the County and Mass Transit
6 District Fund to the STAR Bonds Revenue Fund the local sales
7 tax increment for the second preceding month, as provided in
8 Section 6z-20 of the State Finance Act. On or before the 25th
9 day of each calendar month, the Department of Revenue shall
10 prepare and certify to the Comptroller the disbursement of
11 stated sums of money out of the STAR Bonds Revenue Fund to
12 named municipalities and counties, the municipalities and
13 counties to be those entitled to distribution of taxes or
14 penalties paid to the Department of Revenue during the second
15 preceding calendar month. The amount to be paid to each
16 municipality or county shall be the amount of the State sales
17 tax increment and the local sales tax increment (not including
18 credit memoranda or the amount transferred into the Tax
19 Compliance and Administration Fund) collected during the
20 second preceding calendar month by the Department of Revenue
21 from retailers and servicepersons on transactions at places of
22 business located within a STAR bond district in that
23 municipality or county, plus an amount the Department of
24 Revenue determines is necessary to offset any amounts which
25 were erroneously paid to a different taxing body, and not
26 including an amount equal to the amount of refunds made during

1 the second preceding calendar month by the Department of
2 Revenue, and not including any amount which the Department of
3 Revenue determines is necessary to offset any amounts which
4 are payable to a different taxing body but were erroneously
5 paid to the municipality or county. Within 10 days after
6 receipt by the Comptroller of the disbursement certification
7 to the municipalities and counties, which shall be given to
8 the Comptroller by the Department of Revenue, the Comptroller
9 shall cause the orders to be drawn for the respective amounts
10 in accordance with the directions contained in the
11 certification. When certifying the amount of monthly
12 disbursement to a municipality or county under this
13 subsection, the Department of Revenue shall increase or
14 decrease that amount by an amount necessary to offset any
15 misallocation of previous disbursements. The offset amount
16 shall be the amount erroneously disbursed within the 6 months
17 preceding the time a misallocation is discovered.

18 (f) The corporate authorities of the political subdivision
19 shall deposit the proceeds for the STAR Bonds Revenue Fund
20 into a special fund of the political subdivision called the
21 "[Name of political subdivision] STAR Bond District Revenue
22 Fund" for the purpose of paying or reimbursing STAR bond
23 project costs and obligations incurred in the payment of those
24 costs. If the political subdivision fails to issue STAR bonds
25 within 180 days after the first distribution to the political
26 subdivision from the STAR Bonds Revenue Fund, the Department

1 of Revenue shall cease distribution of the State sales tax
2 increment to the political subdivision, shall transfer any
3 State sales tax increment in the STAR Bonds Revenue Fund to the
4 General Revenue Fund, and shall cease deposits of State sales
5 tax increment amounts into the STAR Bonds Revenue Fund. The
6 political subdivision shall repay all the State sales tax
7 increment distributed to the political subdivision to date,
8 which amounts shall be deposited into the General Revenue
9 Fund. If not repaid within 90 days after notice from the State,
10 the Department of Revenue shall withhold distributions to the
11 political subdivision from the Local Government Tax Fund until
12 the excess amount is repaid, which withheld amounts shall be
13 transferred to the General Revenue Fund. At such time as the
14 political subdivision notifies the Department of Revenue in
15 writing that it has issued STAR Bonds in accordance with this
16 Act and provides the Department with a copy of the political
17 subdivision's official statement, bond purchase agreements,
18 indenture, or other evidence of bond sale, the Department of
19 Revenue shall resume deposits of the State sales tax increment
20 into the STAR Bonds Revenue Fund and distribution of the State
21 sales tax increment to the political subdivision in accordance
22 with this Section.

23 (g) If at any time after the seventh anniversary of the
24 date of distribution of State sales tax increment from a STAR
25 bond project the Auditor General determines that the
26 percentage of the aggregate proceeds of STAR bonds issued to

1 date that is derived from the State sales tax increment has
2 exceeded 50% of the total development costs of that STAR Bonds
3 project, no additional STAR bonds may be issued for that STAR
4 Bonds project until that percentage is reduced to 50% or
5 below. When the percentage has been reduced to 50% or below,
6 the master developer shall have the right, at its own cost, to
7 obtain a new audit prepared by an independent third-party
8 auditor verifying compliance and shall provide such audit to
9 the Auditor General for review and approval. Upon the Auditor
10 General's determination from the audit that the percentage has
11 been reduced to 50% or below, STAR bonds may again be issued
12 for the STAR bond project.

13 (h) A new tax increment financing district in a NOVA urban
14 district may be established concurrent with or following the
15 establishment of the NOVA urban district or other arrangement
16 in respect of a property tax assessment freeze and special
17 payment.

18 (i) The limitation on the rate of tax imposed under
19 Section 8-3-14a of the Illinois Municipal Code and Section
20 5-1300 of the Counties Code does not apply to a tax imposed
21 under those Sections on businesses within a STAR bond district
22 by the corporate authorities of any municipality or county
23 that has established a STAR bond district under this Act.

24 (Source: P.A. 104-453, eff. 12-12-25.)

1 Sec. 5-50. STAR bond occupation taxes.

2 (a) If the corporate authorities of a political
3 subdivision have established a STAR bond district and have
4 elected to impose a tax by ordinance under subsection (b), ~~or~~
5 (c), or (c-10) of this Section, each year after the date of the
6 adoption of the ordinance and until all STAR bond project
7 costs and all political subdivision obligations financing the
8 STAR bond project costs, if any, have been paid in accordance
9 with the STAR bond project plans, but in no event longer than
10 the maximum maturity date of the last of the STAR bonds issued
11 for projects in the STAR bond district, all amounts generated
12 by the retailers' occupation tax and service occupation tax
13 shall be collected, and the tax shall be enforced, by the
14 Department of Revenue in the same manner as all retailers'
15 occupation taxes and service occupation taxes imposed in the
16 political subdivision imposing the tax. The corporate
17 authorities of the political subdivision shall deposit the
18 proceeds of the taxes imposed under subsections (b), ~~and~~ (c),
19 or (c-10) into either (i) a special fund held by the corporate
20 authorities of the political subdivision called the STAR Bonds
21 Tax Allocation Fund for the purpose of paying STAR bond
22 project costs and obligations incurred in the payment of those
23 costs if such taxes are designated as pledged STAR revenues by
24 resolution or ordinance of the political subdivision or (ii)
25 the political subdivision's general corporate fund if such
26 taxes are not designated as pledged STAR revenues by

1 resolution or ordinance.

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

11 (b) The corporate authorities of a political subdivision
12 that has established a STAR bond district under this Act may,
13 by ordinance or resolution, impose a STAR Bond Retailers'
14 Occupation Tax upon all persons engaged in the business of
15 selling tangible personal property, other than an item of
16 tangible personal property titled or registered with an agency
17 of this State's government, at retail in the STAR bond
18 district at a rate not to exceed 1% of the gross receipts from
19 the sales made in the course of that business, to be imposed
20 only in 0.25% increments. The tax may not be imposed on
21 tangible personal property taxed at the 1% rate under the
22 Retailers' Occupation Tax Act. The tax may not be imposed on
23 aviation fuel for so long as the revenue use requirements of 49
24 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
25 political subdivision.

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 certificate of registration that is issued by the Department
4 of Revenue to a retailer under the Retailers' Occupation Tax
5 Act shall permit the retailer to engage in a business that is
6 taxable under any ordinance or resolution enacted under this
7 subsection without registering separately with the Department
8 of Revenue under such ordinance or resolution or under this
9 subsection. The Department of Revenue shall have full power to
10 administer and enforce this subsection, to collect all taxes
11 and penalties due under this subsection in the manner
12 hereinafter provided, and to determine all rights to credit
13 memoranda arising on account of the erroneous payment of tax
14 or penalty under this subsection. In the administration of,
15 and compliance with, this subsection, the Department of
16 Revenue and persons who are subject to this subsection shall
17 have the same rights, remedies, privileges, immunities,
18 powers, 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 1, 1a through 1o, 2
22 through 2-65 (in respect to all provisions therein other than
23 the State rate of tax), 2c through 2h, 3 (except as to the
24 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
25 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
26 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all

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

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

5 (c) If a tax has been imposed under subsection (b), a STAR
6 Bond Service Occupation Tax shall also be imposed upon all
7 persons engaged, in the STAR bond district, in the business of
8 making sales of service, who, as an incident to making those
9 sales of service, transfer tangible personal property within
10 the STAR bond district, either in the form of tangible
11 personal property or in the form of real estate as an incident
12 to a sale of service. The service occupation tax shall be
13 imposed upon all persons engaged in the business of making
14 sales of service at the same rate as the tax imposed in
15 subsection (b) of the selling price of tangible personal
16 property transferred within the STAR bond district by such
17 servicemen as an incident to a sale of service and shall not
18 exceed 1% and shall be imposed only in 0.25% increments. The
19 tax may not be imposed on tangible personal property taxed at
20 the 1% rate under the Service Occupation Tax Act. The tax may
21 not be imposed on aviation fuel 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 political subdivision.

24 The tax imposed under this subsection and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the Department of Revenue. The

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

1 penalties collected, and except that the returned merchandise
2 credit for this tax may not be taken against any State tax),
3 10, 11, 12 (except the reference therein to Section 2b of the
4 Retailers' Occupation Tax Act), 13 (except that any reference
5 to the State shall mean the political subdivision), the first
6 paragraph of Section 15, and Sections 16, 17, 18, 19 and 20 of
7 the Service Occupation Tax Act and all provisions of the
8 Uniform Penalty and Interest Act, as fully as if those
9 provisions were set forth herein.

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

12 (c-10) The corporate authorities of any political
13 subdivision that has established a STAR bond district under
14 this Act may, by ordinance or resolution, impose a visitor
15 investment surcharge upon all admission and charges from
16 transactions at places of business located within the STAR
17 bond district, at a rate not to exceed 9% of the gross receipts
18 derived from any admission and charge within the STAR bond
19 district, to be imposed only in 0.25% increments to pay for
20 eligible project cost. The charge imposed under this
21 subsection and all civil penalties that may be assessed as an
22 incident thereof shall be collected and enforced by the
23 political subdivision. For purposes of this Section, "visitor
24 investment surcharges" includes, but is not limited to: (1)
25 charges for admission to or rental of any physical space or
26 venue in which attendees gather for entertainment or

1 amusement, including, but not limited to, facilities owned or
2 operated by users, destination hotels, amusement parks,
3 hotels, entertainment venues, or traditional retailers,
4 resorts, golf or pickle ball type facilities, simulator type
5 facilities, music venues, water parks, RV parks, surf parks,
6 ice rinks, family entertainment type facilities, zip line
7 courses, wake boarding courses, miniature golf courses,
8 go-cart tracks or facilities, arcades and other venues
9 designed for the playing of video games, pinball machines,
10 air-hockey, billiards tables, or other games operated by coins
11 or other payment methods, theaters, trade shows and convention
12 centers, and athletic stadiums or venues for the hosting of
13 any athletic contest; and (2) any separate charge for
14 admission or rental to or use of entertainment attractions,
15 rides, or other activities within the aforementioned venues.
16 The provisions of this subsection (c-10) are not subject to
17 subsection (d) of this Section. Notwithstanding the foregoing,
18 the visitor investment surcharge under this subsection (c-10)
19 may not be imposed on receipts from transactions that, at the
20 time the surcharge is established, are taxable under the
21 Retailers' Occupation Tax Act, the Use Tax Act, the Service
22 Use Tax Act, or the Service Occupation Tax Act.

23 (d) Persons subject to any tax imposed under this Section
24 may reimburse themselves for their seller's tax liability
25 under this Section by separately stating the tax as an
26 additional charge, which charge may be stated in combination,

1 in a single amount, with State taxes that sellers are required
2 to collect under the Use Tax Act, in accordance with such
3 bracket schedules as the Department may prescribe.

4 Whenever the Department of Revenue determines that a
5 refund should be made under this Section to a claimant the
6 Department of Revenue shall not issue a credit memorandum. The
7 Department of Revenue shall notify the State Comptroller, who
8 shall cause the order to be drawn for the amount specified and
9 to the person named in the notification from the Department of
10 Revenue. The refund shall be paid by the State Treasurer out of
11 the STAR Bond Retailers' Occupation Tax Fund.

12 Except as otherwise provided in this subsection, the
13 Department of Revenue shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes, penalties, and
15 interest collected under this Section for deposit into the
16 STAR Bond Retailers' Occupation Tax Fund. On or before the
17 25th day of each calendar month, the Department of Revenue
18 shall prepare and certify to the Comptroller the disbursement
19 of stated sums of money to named political subdivisions from
20 the STAR Bond Retailers' Occupation Tax Fund, the political
21 subdivisions to be those from which retailers have paid taxes
22 or penalties under this Section to the Department of Revenue
23 during the second preceding calendar month. The amount to be
24 paid to each political subdivision shall be the amount (not
25 including credit memoranda) collected under this Section
26 during the second preceding calendar month by the Department

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

1 revenues.

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

16 The Department of Revenue shall not administer or enforce
17 an ordinance imposing, discontinuing, or changing the rate of
18 the tax under this Section until the political subdivision
19 also provides, in the manner prescribed by the Department of
20 Revenue, the boundaries of the STAR bond district and each
21 address in the STAR bond district in such a way that the
22 Department of Revenue can determine by its address whether a
23 business is located in the STAR bond district. The political
24 subdivision must provide this boundary and address information
25 to the Department of Revenue on or before April 1 for
26 administration and enforcement of the tax under this Section

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

25 A political subdivision that imposes the tax under this
26 Section must submit to the Department of Revenue any other

1 information as the Department of Revenue may require that is
2 necessary for the administration and enforcement of the tax.

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

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

15 The provisions of this subsection (d) apply only to taxes
16 imposed under subsection (b) and subsection (c) of this
17 Section.

18 (e) When STAR bond project costs, including, without
19 limitation, all political subdivision obligations financing
20 STAR bond project costs, have been paid, any surplus funds
21 then remaining in the STAR Bonds Tax Allocation Fund shall be
22 distributed to the treasurer of the political subdivision for
23 deposit into the political subdivision's general corporate
24 fund. Upon payment of all STAR bond project costs and
25 retirement of obligations, but in no event later than the
26 maximum maturity date of the last of the STAR bonds issued in

1 the STAR bond district, the political subdivision shall adopt
2 an ordinance immediately rescinding the taxes imposed under
3 this Section and file a certified copy of the ordinance with
4 the Department of Revenue in the form and manner as described
5 in this Section.

6 (Source: P.A. 104-453, eff. 12-12-25.)

7 (50 ILCS 475/5-55)

8 Sec. 5-55. STAR Bonds School Improvement and Operations
9 Trust Fund.

10 (a) Deposits into the STAR Bonds School Improvement and
11 Operations Trust Fund, established under Section 33 of the
12 Innovation Development and Economy Act, shall be made as
13 provided under this Section. Moneys in the Trust Fund shall be
14 used by the Department of Revenue only for the purpose of
15 making payments to regional superintendents of schools to make
16 distributions to school districts in educational service
17 regions that include the STAR bond district. Moneys in the
18 Trust Fund are not subject to appropriation and shall be used
19 solely as provided in this Section. All deposits into the
20 Trust Fund shall be held in the Trust Fund by the State
21 Treasurer as ex officio custodian separate and apart from all
22 public moneys or funds of this State and shall be distributed
23 by the Department of Revenue exclusively for the purposes set
24 forth in this Section. All moneys in the Trust Fund shall be
25 invested and reinvested by the State Treasurer. All interest

1 accruing from these investments shall be deposited into the
2 Trust Fund.

3 (b) Upon approval of a STAR bond district, the political
4 subdivision shall immediately transmit to the county clerk of
5 the county in which the district is located a certified copy of
6 the ordinance creating the district, a legal description of
7 the district, a map of the district, identification of the
8 year that the county clerk shall use for determining the total
9 initial equalized assessed value of the district consistent
10 with subsection (c), and a list of the parcel or tax
11 identification number of each parcel of property included in
12 the district.

13 (c) Upon approval of a STAR bond district, the county
14 clerk immediately thereafter shall determine (i) the most
15 recently ascertained equalized assessed value of each lot,
16 block, tract, or parcel of real property within the STAR bond
17 district, from which shall be deducted the homestead
18 exemptions under Article 15 of the Property Tax Code, which
19 value shall be the initial equalized assessed value of each
20 such piece of property, and (ii) the total equalized assessed
21 value of all taxable real property within the district by
22 adding together the most recently ascertained equalized
23 assessed value of each taxable lot, block, tract, or parcel of
24 real property within the district, from which shall be
25 deducted the homestead exemptions under Article 15 of the
26 Property Tax Code, and shall certify that amount as the total

1 initial equalized assessed value of the taxable real property
2 within the STAR bond district.

3 (d) In reference to any STAR bond district created within
4 any political subdivision, and in respect to which the county
5 clerk has certified the total initial equalized assessed value
6 of the property in the area, the political subdivision may
7 thereafter request the clerk in writing to adjust the initial
8 equalized value of all taxable real property within the STAR
9 bond district by deducting from it the exemptions under
10 Article 15 of the Property Tax Code applicable to each lot,
11 block, tract, or parcel of real property within the STAR bond
12 district. The county clerk shall immediately, after the
13 written request to adjust the total initial equalized value is
14 received, determine the total homestead exemptions in the STAR
15 bond district as provided under Article 15 of the Property Tax
16 Code by adding together the homestead exemptions provided by
17 Article 15 on each lot, block, tract, or parcel of real
18 property within the STAR bond district and then shall deduct
19 the total of the exemptions from the total initial equalized
20 assessed value. The county clerk shall then promptly certify
21 that amount as the total initial equalized assessed value as
22 adjusted of the taxable real property within the STAR bond
23 district.

24 (e) The county clerk or other person authorized by law
25 shall compute the tax rates for each taxing district with all
26 or a portion of its equalized assessed value located in the

1 STAR bond district. The rate per cent of tax determined shall
2 be extended to the current equalized assessed value of all
3 property in the district in the same manner as the rate per
4 cent of tax is extended to all other taxable property in the
5 taxing district.

6 (f) Beginning with the assessment year in which the first
7 development user in the first STAR bond project in a STAR bond
8 district makes its first retail sales and for each assessment
9 year thereafter until final maturity of the last STAR bonds
10 issued in the district, the county clerk or other person
11 authorized by law shall determine the increase in equalized
12 assessed value of all real property within the STAR bond
13 district by subtracting the initial equalized assessed value
14 of all property in the district certified under subsection (c)
15 from the current equalized assessed value of all property in
16 the district. Each year, the property taxes arising from the
17 increase in equalized assessed value in the STAR bond district
18 shall be determined for each taxing district and shall be
19 certified to the county collector.

20 (g) Except in a NOVA district or in a NOVA urban district,
21 beginning ~~Beginning~~ with the year in which taxes are collected
22 based on the assessment year in which the first development
23 user in the first STAR bond project in a STAR bond district
24 makes its first retail sales and for each year thereafter
25 until final maturity of the last STAR bonds issued in the
26 district, the county collector shall, within 30 days after

1 receipt of property taxes, transmit to the Department of
2 Revenue to be deposited into the STAR Bonds School Improvement
3 and Operations Trust Fund 15% of property taxes attributable
4 to the increase in equalized assessed value within the STAR
5 bond district from each taxing district as certified in
6 subsection (f).

7 (h) The Department of Revenue shall pay to the regional
8 superintendent of schools whose educational service region
9 includes a STAR bond district, for each year for which money is
10 remitted to the Department of Revenue and paid into the STAR
11 Bonds School Improvement and Operations Trust Fund, the money
12 in the Fund as provided in this Section. The amount paid to
13 each school district shall be allocated proportionately by the
14 regional superintendent of schools, based on each qualifying
15 school district's fall enrollment for the then-current school
16 year, such that the school district with the largest fall
17 enrollment receives the largest proportionate share of money
18 paid out of the Fund or by any other method or formula that the
19 regional superintendent of schools deems fit, equitable, and
20 in the public interest. The regional superintendent may
21 allocate moneys to school districts that are outside the
22 regional superintendent's educational service region or to
23 other regional superintendents.

24 The Department of Revenue shall be held harmless for the
25 distributions made under this Section and all distributions
26 shall be final.

1 (i) In any year that an assessment appeal is filed, the
2 extension of taxes on any assessment so appealed shall not be
3 delayed. In the case of an assessment that is altered, any
4 taxes extended upon the unauthorized assessment or part
5 thereof shall be abated, or, if already paid, shall be
6 refunded with interest as provided in Section 23-20 of the
7 Property Tax Code. In the case of an assessment appeal, the
8 county collector shall notify the Department of Revenue that
9 an assessment appeal has been filed and the amount of the tax
10 that would have been deposited into the STAR Bonds School
11 Improvement and Operations Trust Fund. The county collector
12 shall hold that amount in a separate fund until the appeal
13 process is final. After the appeal process is finalized, the
14 county collector shall transmit to the Department of Revenue
15 the amount of tax that remains, if any, after all required
16 refunds are made.

17 (j) In any year that ad valorem taxes are allocated to the
18 STAR Bonds School Improvement and Operations Trust Fund, that
19 allocation shall not reduce or otherwise impact the school aid
20 provided to any school district under the general State school
21 aid formula provided for in Section 18-8.05 of the School Code
22 or the evidence-based funding formula provided for in Section
23 18-8.15 of the School Code.

24 (Source: P.A. 104-453, eff. 12-12-25.)

1 Sec. 5-70. Restrictions. STAR bond districts may lie
2 within an enterprise zone. ~~During any period of time that STAR~~
3 ~~bonds are outstanding for a STAR bond district, a developer~~
4 ~~may not use any land located in the STAR bond district for any~~
5 ~~retail store whose primary business is the sale of~~
6 ~~automobiles, including trucks and other automotive vehicles~~
7 ~~with 4 wheels designed for passenger transportation on public~~
8 ~~streets and thoroughfares.~~ No STAR bond district, other than a
9 NOVA urban district, may contain more than 900,000 square feet
10 of floor space devoted to traditional retail use, which does
11 not include space devoted to entertainment venues, hotels,
12 warehouse space, storage space, or approved development users.
13 (Source: P.A. 104-453, eff. 12-12-25.)

14 (50 ILCS 475/5-75)

15 Sec. 5-75. Reporting taxes.

16 (a) Notwithstanding any other provisions of law to the
17 contrary, the Department of Revenue shall provide a certified
18 report of the State sales tax increment and local sales tax
19 increment from all taxpayers within a STAR bond district to
20 the bond trustee, escrow agent, or paying agent for such bonds
21 upon the written request of the political subdivision on or
22 before the 25th day of each month. Such report shall provide a
23 detailed allocation of State sales tax increment and local
24 sales tax increment from each local sales tax and State sales
25 tax reported to the Department of Revenue.

1 The bond trustee, escrow agent, or paying agent shall keep
2 such sales and use tax reports and the information contained
3 therein confidential, but may use such information for
4 purposes of allocating and depositing the sales and use tax
5 revenues in connection with the bonds used to finance project
6 costs in such STAR bond district. Except as otherwise provided
7 in this Section, the sales and use tax reports received by the
8 bond trustee, escrow agent, or paying agent shall be subject
9 to the confidentiality provisions of Section 11 of the
10 Retailers' Occupation Tax Act. Notwithstanding the provisions
11 of this Section, local hotel taxes and visitor investment
12 surcharges that are designated as pledged STAR revenues
13 pursuant to this Act shall not be included in the Department of
14 Revenue's certified report and shall instead be reported to
15 the bond trustee, escrow agent, or paying agent by the
16 political subdivision in such form and manner as may be
17 provided in the applicable bond documents.

18 (b) The political subdivision shall determine when the
19 amount of sales tax and other revenues that have been
20 collected and distributed to the bond debt service or reserve
21 fund is sufficient to satisfy all principal and interest costs
22 to the maturity date or dates of any STAR bond issued by a
23 political subdivision to finance a STAR bond project and shall
24 give the Department of Revenue written notice of such
25 determination. The notice shall include a date certain on
26 which deposits into the STAR Bonds Revenue Fund for that STAR

1 bond project shall terminate and shall be provided to the
2 Department of Revenue at least 60 days prior to that date.
3 Thereafter, all sales tax and other revenues shall be
4 collected and distributed in accordance with applicable law.

5 If the political subdivision fails to give timely notice
6 under this subsection (b), the Department of Revenue, upon
7 discovery of this failure, shall cease distribution of the
8 State sales tax increment to the political subdivision, shall
9 transfer any State sales tax increment in the STAR Bonds
10 Revenue Fund to the General Revenue Fund, and shall cease
11 deposits of State sales tax increment amounts into the STAR
12 Bonds Revenue Fund. Any amount of State sales tax increment
13 distributed to the political subdivision from the STAR Bonds
14 Revenue Fund in excess of the amount sufficient to satisfy all
15 principal and interest costs to the maturity date or dates of
16 any STAR bond issued by the political subdivision to finance a
17 STAR bond project shall be repaid to the Department of Revenue
18 and deposited into the General Revenue Fund. If not repaid
19 within 90 days after notice from the State, the Department of
20 Revenue shall withhold distributions to the political
21 subdivision from the Local Government Tax Fund until the
22 excess amount is repaid, which withheld amounts shall be
23 transferred to the General Revenue Fund.

24 (Source: P.A. 104-453, eff. 12-12-25.)

25 Section 10-35. The Counties Code is amended by changing

1 Sections 5-1006, 5-1006.8, 5-1006.9, 5-1007, and 5-1030 as
2 follows:

3 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

4 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
5 Law. Any county that is a home rule unit may impose a tax upon
6 all persons engaged in the business of selling tangible
7 personal property, other than an item of tangible personal
8 property titled or registered with an agency of this State's
9 government, at retail in the county on the gross receipts from
10 such sales made in the course of their business. If imposed,
11 this tax shall only be imposed in 1/4% increments. On and after
12 September 1, 1991, this additional tax may not be imposed on
13 tangible personal property taxed at the 1% rate under the
14 Retailers' Occupation Tax Act (or at the 0% rate imposed under
15 this amendatory Act of the 102nd General Assembly). Beginning
16 December 1, 2019, this tax is not imposed on sales of aviation
17 fuel unless the tax revenue is expended for airport-related
18 purposes. If the county does not have an airport-related
19 purpose to which it dedicates aviation fuel tax revenue, then
20 aviation fuel is excluded from the tax. The county must comply
21 with the certification requirements for airport-related
22 purposes under Section 2-22 of the Retailers' Occupation Tax
23 Act. For purposes of this Section, "airport-related purposes"
24 has the meaning ascribed in Section 6z-20.2 of the State
25 Finance Act. This exclusion for aviation fuel only applies for

1 so long as the revenue use requirements of 49 U.S.C. 47107(b)
2 and 49 U.S.C. 47133 are binding on the county. The changes made
3 to this Section by this amendatory Act of the 101st General
4 Assembly are a denial and limitation of home rule powers and
5 functions under subsection (g) of Section 6 of Article VII of
6 the Illinois Constitution.

7 If, on January 1, 2025, a unit of local government has in
8 effect a tax under this Section, or if, after January 1, 2025,
9 a unit of local government imposes a tax under this Section,
10 then that tax applies to leases of tangible personal property
11 in effect, entered into, or renewed on or after that date in
12 the same manner as the tax under this Section and in accordance
13 with the changes made by this amendatory Act of the 103rd
14 General Assembly.

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

1 penalties so collected in the manner hereinafter provided; and
2 to determine all rights to credit memoranda arising on account
3 of the erroneous payment of tax or penalty hereunder. In the
4 administration of, and compliance with, this Section, the
5 Department and persons who are subject to this Section shall
6 have the same rights, remedies, privileges, immunities, powers
7 and duties, and be subject to the same conditions,
8 restrictions, limitations, penalties and definitions of terms,
9 and employ the same modes of procedure, as are prescribed in
10 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through
11 2-65 (in respect to all provisions therein other than the
12 State rate of tax), 3 (except as to the disposition of taxes
13 and penalties collected, and except that the retailer's
14 discount is not allowed for taxes paid on aviation fuel that
15 are subject to the revenue use requirements of 49 U.S.C.
16 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
17 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
18 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
19 the Uniform Penalty and Interest Act, as fully as if those
20 provisions were set forth herein.

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

24 Persons subject to any tax imposed pursuant to the
25 authority granted in this Section may reimburse themselves for
26 their seller's tax liability hereunder by separately stating

1 such tax as an additional charge, which charge may be stated in
2 combination, in a single amount, with State tax which sellers
3 are required to collect under the Use Tax Act, pursuant to such
4 bracket schedules as the Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this Section to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order 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 the home rule county retailers' occupation
12 tax fund or the Local Government Aviation Trust Fund, as
13 appropriate.

14 Except as otherwise provided in this paragraph, the
15 Department shall forthwith pay over to the State Treasurer, ex
16 officio, as trustee, all taxes and penalties collected
17 hereunder for deposit into the Home Rule County Retailers'
18 Occupation Tax Fund. Taxes and penalties collected on aviation
19 fuel sold on or after December 1, 2019, shall be immediately
20 paid over by the Department to the State Treasurer, ex
21 officio, as trustee, for deposit into the Local Government
22 Aviation Trust Fund. The Department shall only pay moneys into
23 the Local Government Aviation Trust Fund under this Section
24 for so long as the revenue use requirements of 49 U.S.C.
25 47107(b) and 49 U.S.C. 47133 are binding on the county.

26 As soon as possible after the first day of each month,

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

8 As soon as possible after the first day of each month,
9 beginning July 1, 2026, upon certification of the Department
10 of Revenue, the Comptroller shall order transferred, and the
11 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
12 local sales tax increment, as defined in the Statewide
13 Innovation Development and Economy Act, collected under this
14 Section during the second preceding calendar month for sales
15 within a STAR bond district.

16 After the monthly transfers ~~transfer~~ to the STAR Bonds
17 Revenue Fund, on or before the 25th day of each calendar month,
18 the Department shall prepare and certify to the Comptroller
19 the disbursement of stated sums of money to named counties,
20 the counties to be those from which retailers have paid taxes
21 or penalties hereunder to the Department during the second
22 preceding calendar month. The amount to be paid to each county
23 shall be the amount (not including credit memoranda and not
24 including taxes and penalties collected on aviation fuel sold
25 on or after December 1, 2019) collected hereunder during the
26 second preceding calendar month by the Department plus an

1 amount the Department determines is necessary to offset any
2 amounts that were erroneously paid to a different taxing body,
3 and not including an amount equal to the amount of refunds made
4 during the second preceding calendar month by the Department
5 on behalf of such county, and not including any amount which
6 the Department determines is necessary to offset any amounts
7 which were payable to a different taxing body but were
8 erroneously paid to the county, and not including any amounts
9 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
10 of the remainder, which the Department shall transfer into the
11 Tax Compliance and Administration Fund. The Department, at the
12 time of each monthly disbursement to the counties, shall
13 prepare and certify to the State Comptroller the amount to be
14 transferred into the Tax Compliance and Administration Fund
15 under this Section. Within 10 days after receipt, by the
16 Comptroller, of the disbursement certification to the counties
17 and the Tax Compliance and Administration Fund provided for in
18 this Section to be given to the Comptroller by the Department,
19 the Comptroller shall cause the orders to be drawn for the
20 respective amounts in accordance with the directions contained
21 in the certification.

22 In addition to the disbursement required by the preceding
23 paragraph, an allocation shall be made in March of each year to
24 each county that received more than \$500,000 in disbursements
25 under the preceding paragraph in the preceding calendar year.
26 The allocation shall be in an amount equal to the average

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

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

20 Nothing in this Section shall be construed to authorize a
21 county to impose a tax upon the privilege of engaging in any
22 business which under the Constitution of the United States may
23 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
4 filing. Beginning January 1, 1992, an ordinance or resolution
5 imposing or discontinuing the tax hereunder or effecting a
6 change in the rate thereof shall be adopted and a certified
7 copy thereof filed with the Department on or before the first
8 day of July, whereupon the Department shall proceed to
9 administer and enforce this Section as of the first day of
10 October next following such adoption and filing. Beginning
11 January 1, 1993, an ordinance or resolution imposing or
12 discontinuing the tax hereunder or effecting a change in the
13 rate thereof shall be adopted and a certified copy thereof
14 filed with the Department on or before the first day of
15 October, whereupon the Department shall proceed to administer
16 and enforce this Section as of the first day of January next
17 following such adoption and filing. Beginning April 1, 1998,
18 an ordinance or resolution imposing or discontinuing the tax
19 hereunder or effecting a change in the rate thereof shall
20 either (i) be adopted and a certified copy thereof filed with
21 the Department on or before the first day of April, whereupon
22 the Department shall proceed to administer and enforce this
23 Section as of the first day of July next following the adoption
24 and filing; or (ii) be adopted and a certified copy thereof
25 filed with the Department on or before the first day of
26 October, whereupon the Department shall proceed to administer

1 and enforce this Section as of the first day of January next
2 following the adoption and filing.

3 When certifying the amount of a monthly disbursement to a
4 county under this Section, the Department shall increase or
5 decrease such amount by an amount necessary to offset any
6 misallocation of previous disbursements. The offset amount
7 shall be the amount erroneously disbursed within the previous
8 6 months from the time a misallocation is discovered.

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

11 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

12 (55 ILCS 5/5-1006.8)

13 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax
14 Law.

15 (a) This Section may be referred to as the County Cannabis
16 Retailers' Occupation Tax Law. The corporate authorities of
17 any county may, by ordinance, impose a tax upon all persons
18 engaged in the business of selling cannabis, other than
19 cannabis purchased under the Compassionate Use of Medical
20 Cannabis Program Act, at retail in the county on the gross
21 receipts from these sales made in the course of that business.
22 If imposed, the tax shall be imposed only in 0.25% increments.
23 The tax rate may not exceed: (i) 3.75% of the gross receipts of
24 sales made in unincorporated areas of the county; and (ii) 3%
25 of the gross receipts of sales made in a municipality located

1 in the county. The tax imposed under this Section and all civil
2 penalties that may be assessed as an incident of the tax shall
3 be collected and enforced by the Department of Revenue. The
4 Department of Revenue shall have full power to administer and
5 enforce this Section; to collect all taxes and penalties due
6 hereunder; to dispose of taxes and penalties so collected in
7 the manner hereinafter provided; and to determine all rights
8 to credit memoranda arising on account of the erroneous
9 payment of tax or penalty under this Section. In the
10 administration of and compliance with this Section, the
11 Department of Revenue and persons who are subject to this
12 Section shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties, and
15 definitions of terms, and employ the same modes of procedure,
16 as are described in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
17 1n, 2 through 2-65 (in respect to all provisions therein other
18 than the State rate of tax), 2a, 2b, 2c, 2i, 3 (except as to
19 the disposition of taxes and penalties collected), 4, 5, 5a,
20 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d,
21 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
22 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
23 as fully as if those provisions were set forth in this Section.

24 (b) Persons subject to any tax imposed under the authority
25 granted in this Section may reimburse themselves for their
26 seller's tax liability hereunder by separately stating that

1 tax as an additional charge, which charge may be stated in
2 combination, in a single amount, with any State tax that
3 sellers are required to collect.

4 (c) Whenever the Department of Revenue determines that a
5 refund should be made under this Section to a claimant instead
6 of issuing a credit memorandum, the Department of Revenue
7 shall notify the State Comptroller, who shall cause the order
8 to be drawn for the amount specified and to the person named in
9 the notification from the Department of Revenue.

10 (d) Except as otherwise provided in this Section, the ~~The~~
11 Department of Revenue shall immediately pay over to the State
12 Treasurer, ex officio, as trustee, all taxes and penalties
13 collected hereunder for deposit into the Local Cannabis
14 Retailers' Occupation Tax Trust Fund.

15 As soon as possible after the first day of each month,
16 beginning July 1, 2026, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Statewide
20 Innovation Development and Economy Act, collected under this
21 Section during the second preceding calendar month for sales
22 within a STAR bond district.

23 (e) After the monthly transfer to the STAR Bonds Revenue
24 Fund, on ~~or~~ or before the 25th day of each calendar month, the
25 Department of Revenue shall prepare and certify to the
26 Comptroller the amount of money to be disbursed from the Local

1 Cannabis Retailers' Occupation Tax Trust Fund to counties from
2 which retailers have paid taxes or penalties under this
3 Section during the second preceding calendar month. The amount
4 to be paid to each county shall be the amount (not including
5 credit memoranda) collected under this Section from sales made
6 in the county during the second preceding calendar month, plus
7 an amount the Department of Revenue determines is necessary to
8 offset any amounts that were erroneously paid to a different
9 taxing body, and not including an amount equal to the amount of
10 refunds made during the second preceding calendar month by the
11 Department on behalf of such county, and not including any
12 amount that the Department determines is necessary to offset
13 any amounts that were payable to a different taxing body but
14 were erroneously paid to the county, and not including any
15 amounts that are transferred to the STAR Bonds Revenue Fund,
16 less 1.5% of the remainder, which the Department shall
17 transfer into the Tax Compliance and Administration Fund. The
18 Department, at the time of each monthly disbursement to the
19 counties, shall prepare and certify the State Comptroller the
20 amount to be transferred into the Tax Compliance and
21 Administration Fund under this Section. Within 10 days after
22 receipt by the Comptroller of the disbursement certification
23 to the counties and the Tax Compliance and Administration Fund
24 provided for in this Section to be given to the Comptroller by
25 the Department, the Comptroller shall cause the orders to be
26 drawn for the respective amounts in accordance with the

1 directions contained in the certification.

2 (f) An ordinance or resolution imposing or discontinuing a
3 tax under this Section or effecting a change in the rate
4 thereof that is adopted on or after June 25, 2019 (the
5 effective date of Public Act 101-27) and for which a certified
6 copy is filed with the Department on or before April 1, 2020
7 shall be administered and enforced by the Department beginning
8 on July 1, 2020. For ordinances filed with the Department
9 after April 1, 2020, an ordinance or resolution imposing or
10 discontinuing a tax under this Section or effecting a change
11 in the rate thereof shall either (i) be adopted and a certified
12 copy thereof filed with the Department on or before the first
13 day of April, whereupon the Department shall proceed to
14 administer and enforce this Section as of the first day of July
15 next following the adoption and filing; or (ii) be adopted and
16 a certified copy thereof filed with the Department on or
17 before the first day of October, whereupon the Department
18 shall proceed to administer and enforce this Section as of the
19 first day of January next following the adoption and filing.

20 (g) Notwithstanding any provision in this Section to the
21 contrary, if an ordinance or resolution imposing a tax under
22 this Section was adopted on or before October 1, 2020 and a
23 certified copy thereof was filed with the Department of
24 Revenue on or before November 1, 2020, then the Department
25 shall proceed to administer and enforce this Section as of May
26 1, 2021 for such ordinances or resolutions.

1 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
2 101-593, eff. 12-4-19; 102-2, eff. 4-2-21.)

3 (55 ILCS 5/5-1006.9)

4 Sec. 5-1006.9. County Grocery Occupation Tax Law.

5 (a) The corporate authorities of any county may, by
6 ordinance or resolution that takes effect on or after January
7 1, 2026, impose a tax upon all persons engaged in the business
8 of selling groceries at retail in the county, but outside of
9 any municipality, on the gross receipts from those sales made
10 in the course of that business. If imposed, the tax shall be at
11 the rate of 1% of the gross receipts from these sales.

12 The tax imposed by a county under this subsection and all
13 civil penalties that may be assessed as an incident of the tax
14 shall be collected and enforced by the Department. The
15 certificate of registration that is issued by the Department
16 to a retailer under the Retailers' Occupation Tax Act shall
17 permit the retailer to engage in a business that is taxable
18 under any ordinance or resolution enacted under this
19 subsection without registering separately with the Department
20 under that ordinance or resolution or under this subsection.

21 The Department shall have full power to administer and
22 enforce this subsection; to collect all taxes and penalties
23 due under this subsection; to dispose of taxes and penalties
24 so collected in the manner provided in this Section and under
25 rules adopted by the Department; and to determine all rights

1 to credit memoranda arising on account of the erroneous
2 payment of tax or penalty under this subsection.

3 In the administration of, and compliance with, this
4 subsection, the Department and persons who are subject to this
5 subsection shall have the same rights, remedies, privileges,
6 immunities, powers, and duties, and be subject to the same
7 conditions, restrictions, limitations, penalties and
8 definitions of terms, and employ the same modes of procedure,
9 as are prescribed in Sections 1, 2 through 2-65 (in respect to
10 all provisions therein other than the State rate of tax and
11 other than the exemption for food for human consumption that
12 is to be consumed off the premises where it is sold (other than
13 alcoholic beverages, food consisting of or infused with adult
14 use cannabis, soft drinks, candy, and food that has been
15 prepared for immediate consumption), which is authorized to be
16 taxed as provided in this subsection), 2c, 3 (except as to the
17 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
19 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of
20 the Uniform Penalty and Interest Act, as fully as if those
21 provisions were set forth in this Section.

22 Persons subject to any tax imposed under the authority
23 granted in this subsection may reimburse themselves for their
24 seller's tax liability hereunder by separately stating that
25 tax as an additional charge, which charge may be stated in
26 combination, in a single amount, with State tax that sellers

1 are required to collect under the Use Tax Act, pursuant to such
2 bracket schedules as the Department may prescribe.

3 (b) If a tax has been imposed under subsection (a), then a
4 service occupation tax must also be imposed at the same rate
5 upon all persons engaged, in the county but outside of a
6 municipality, in the business of making sales of service, who,
7 as an incident to making those sales of service, transfer
8 groceries, as defined in this Section, as an incident to a sale
9 of service.

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. The certificate of
13 registration that is issued by the Department to a retailer
14 under the Retailers' Occupation Tax Act or the Service
15 Occupation Tax Act shall permit the registrant to engage in a
16 business that is taxable under any ordinance or resolution
17 enacted pursuant to this subsection without registering
18 separately with the Department under the ordinance or
19 resolution or under this subsection.

20 The Department shall have full power to administer and
21 enforce this subsection, to collect all taxes and penalties
22 due under this subsection, to dispose of taxes and penalties
23 so collected in the manner provided in this Section and under
24 rules adopted by the Department, and to determine all rights
25 to credit memoranda arising on account of the erroneous
26 payment of a tax or penalty under this subsection.

1 In the administration of and compliance with this
2 subsection, the Department and persons who are subject to this
3 subsection 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 set forth in Sections 2, 2c, 3 through 3-50 (in respect
8 to all provisions contained in those Sections other than: (i)
9 the State rate of tax; (ii) the exemption for food for human
10 consumption that is to be consumed off the premises where it is
11 sold (other than alcoholic beverages, food consisting of or
12 infused with adult use cannabis, soft drinks, candy, and food
13 that has been prepared for immediate consumption), which is
14 authorized to be taxed as provided in this subsection; and
15 (iii) the exemption for food prepared for immediate
16 consumption and transferred incident to a sale of service
17 subject to the Service Occupation Tax Act or the Service Use
18 Tax Act by an entity licensed under the Hospital Licensing
19 Act, the Nursing Home Care Act, the Assisted Living and Shared
20 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
21 Specialized Mental Health Rehabilitation Act of 2013, or the
22 Child Care Act of 1969, or an entity that holds a permit issued
23 pursuant to the Life Care Facilities Act, which is authorized
24 to be taxed as provided in this subsection), 4, 5, 7, 8, 9
25 (except as to the disposition of taxes and penalties
26 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the

1 Service Occupation Tax Act and all provisions of the Uniform
2 Penalty and Interest Act, as fully as if those provisions were
3 set forth in this Section.

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

11 (c) The Department shall immediately pay over to the State
12 Treasurer, ex officio, as trustee, all taxes and penalties
13 collected under this Section. Those taxes and penalties shall
14 be deposited into the County Grocery Tax Trust Fund, a trust
15 fund created in the State treasury. Except as otherwise
16 provided in this Section, moneys in the County Grocery Tax
17 Trust Fund shall be used to make payments to counties and for
18 the payment of refunds under this Section.

19 Moneys deposited into the County Grocery Tax Trust Fund
20 under this Section are not subject to appropriation and shall
21 be used as provided in this Section. All deposits into the
22 County Grocery Tax Trust Fund shall be held in the County
23 Grocery Tax Trust Fund by the State Treasurer, ex officio, as
24 trustee separate and apart from all public moneys or funds of
25 this State.

26 Whenever the Department determines that a refund should be

1 made under this Section 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 County Grocery Tax Trust Fund.

7 (d) As soon as possible after the first day of each month,
8 upon certification of the Department, the Comptroller shall
9 order transferred, and the Treasurer shall transfer, to the
10 STAR Bonds Revenue Fund the local sales tax increment, if any,
11 as defined in the Innovation Development and Economy Act,
12 collected under this Section.

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

20 After the monthly transfers ~~transfer~~ to the STAR Bonds
21 Revenue Fund, if any, on or before the 25th day of each
22 calendar month, the Department shall prepare and certify to
23 the Comptroller the disbursement of stated sums of money to
24 named counties, the counties to be those from which retailers
25 have paid taxes or penalties under this Section to the
26 Department during the second preceding calendar month. The

1 amount to be paid to each county shall be the amount (not
2 including credit memoranda) collected under this Section
3 during the second preceding calendar month by the Department
4 plus an amount the Department determines is necessary to
5 offset any amounts that were erroneously paid to a different
6 taxing body, and not including an amount equal to the amount of
7 refunds made during the second preceding calendar month by the
8 Department on behalf of such county, and not including any
9 amount that the Department determines is necessary to offset
10 any amounts that were payable to a different taxing body but
11 were erroneously paid to the county, and not including any
12 amounts that are transferred to the STAR Bonds Revenue Fund.
13 Within 10 days after receipt by the Comptroller of the
14 disbursement certification to the counties provided for in
15 this Section to be given to the Comptroller by the Department,
16 the Comptroller shall cause the orders to be drawn for the
17 amounts in accordance with the directions contained in the
18 certification.

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

24 (f) Except as otherwise provided in this subsection, an
25 ordinance or resolution imposing or discontinuing the tax
26 hereunder or effecting a change in the rate thereof shall

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

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

16 (h) As used in this Section, "Department" means the
17 Department of Revenue.

18 For purposes of the tax authorized to be imposed under
19 subsection (a), "groceries" has the same meaning as "food for
20 human consumption that is to be consumed off the premises
21 where it is sold (other than alcoholic beverages, food
22 consisting of or infused with adult use cannabis, soft drinks,
23 candy, and food that has been prepared for immediate
24 consumption)", as further defined in Section 2-10 of the
25 Retailers' Occupation Tax Act.

26 For purposes of the tax authorized to be imposed under

1 subsection (b), "groceries" has the same meaning as "food for
2 human consumption that is to be consumed off the premises
3 where it is sold (other than alcoholic beverages, food
4 consisting of or infused with adult use cannabis, soft drinks,
5 candy, and food that has been prepared for immediate
6 consumption)", as further defined in Section 3-10 of the
7 Service Occupation Tax Act.

8 For purposes of the tax authorized to be imposed under
9 subsection (b), "groceries" also means food prepared for
10 immediate consumption and transferred incident to a sale of
11 service subject to the Service Occupation Tax Act or the
12 Service Use Tax Act by an entity licensed under the Hospital
13 Licensing Act, the Nursing Home Care Act, the Assisted Living
14 and Shared Housing Act, the ID/DD Community Care Act, the
15 MC/DD Act, the Specialized Mental Health Rehabilitation Act of
16 2013, or the Child Care Act of 1969, or an entity that holds a
17 permit issued pursuant to the Life Care Facilities Act.

18 (i) This Section may be referred to as the County Grocery
19 Occupation Tax Law.

20 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

21 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

22 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
23 The corporate authorities of a home rule county may impose a
24 tax upon all persons engaged, in such county, in the business
25 of making sales of service at the same rate of tax imposed

1 pursuant to Section 5-1006 of the selling price of all
2 tangible personal property transferred by such servicemen
3 either in the form of tangible personal property or in the form
4 of real estate as an incident to a sale of service. If imposed,
5 such tax shall only be imposed in 1/4% increments. On and after
6 September 1, 1991, this additional tax may not be imposed on
7 tangible personal property taxed at the 1% rate under the
8 Service Occupation Tax Act (or at the 0% rate imposed under
9 this amendatory Act of the 102nd General Assembly). Beginning
10 December 1, 2019, this tax is not imposed on sales of aviation
11 fuel unless the tax revenue is expended for airport-related
12 purposes. If the county does not have an airport-related
13 purpose to which it dedicates aviation fuel tax revenue, then
14 aviation fuel is excluded from the tax. The county must comply
15 with the certification requirements for airport-related
16 purposes under Section 2-22 of the Retailers' Occupation Tax
17 Act. For purposes of this Section, "airport-related purposes"
18 has the meaning ascribed in Section 6z-20.2 of the State
19 Finance Act. This exclusion for aviation fuel only applies for
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)
21 and 49 U.S.C. 47133 are binding on the county. The changes made
22 to this Section by this amendatory Act of the 101st General
23 Assembly are a denial and limitation of home rule powers and
24 functions under subsection (g) of Section 6 of Article VII of
25 the Illinois Constitution. The tax imposed by a home rule
26 county pursuant to this Section and all civil penalties that

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

1 of taxes and penalties collected, and except that the returned
2 merchandise credit for this county tax may not be taken
3 against any State tax, and except that the retailer's discount
4 is not allowed for taxes paid on aviation fuel that are subject
5 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133), 10, 11, 12 (except the reference therein to
7 Section 2b of the Retailers' Occupation Tax Act), 13 (except
8 that any reference to the State shall mean the taxing county),
9 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
10 Service Occupation Tax Act and Section 3-7 of the Uniform
11 Penalty and Interest Act, as fully as if those provisions were
12 set forth herein.

13 No tax may be imposed by a home rule county pursuant to
14 this Section unless such county also imposes a tax at the same
15 rate pursuant to Section 5-1006.

16 If, on January 1, 2025, a unit of local government has in
17 effect a tax under this Section, or if, after January 1, 2025,
18 a unit of local government imposes a tax under this Section,
19 then that tax applies to leases of tangible personal property
20 in effect, entered into, or renewed on or after that date in
21 the same manner as the tax under this Section and in accordance
22 with the changes made by this amendatory Act of the 103rd
23 General Assembly.

24 Persons subject to any tax imposed pursuant to the
25 authority granted in this Section may reimburse themselves for
26 their serviceman's tax liability hereunder by separately

1 stating such tax as an additional charge, which charge may be
2 stated in combination, in a single amount, with State tax
3 which servicemen are authorized to collect under the Service
4 Use Tax Act, pursuant to such bracket schedules as the
5 Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section to a claimant instead of issuing
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
11 notification from the Department. Such refund shall be paid by
12 the State Treasurer out of the home rule county retailers'
13 occupation tax fund or the Local Government Aviation Trust
14 Fund, as appropriate.

15 Except as otherwise provided in this paragraph, 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 December 1, 2019, shall be immediately
21 paid over by the Department to the State Treasurer, ex
22 officio, as trustee, for deposit into the Local Government
23 Aviation Trust Fund. The Department shall only pay moneys into
24 the Local Government Aviation Trust Fund under this Section
25 for so long as the revenue use requirements of 49 U.S.C.
26 47107(b) and 49 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
3 Department of Revenue, the Comptroller shall order
4 transferred, and the Treasurer shall transfer, to the STAR
5 Bonds Revenue Fund the local sales tax increment, as defined
6 in the Innovation Development and Economy Act, collected under
7 this Section during the second preceding calendar month for
8 sales within a STAR bond district.

9 As soon as possible after the first day of each month,
10 beginning July 1, 2026, 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 Statewide
14 Innovation Development and Economy Act, collected under this
15 Section during the second preceding calendar month for sales
16 within a STAR bond district.

17 After the monthly transfers ~~transfer~~ to the STAR Bonds
18 Revenue Fund, on or before the 25th day of each calendar month,
19 the Department shall prepare and certify to the Comptroller
20 the disbursement of stated sums of money to named counties,
21 the counties to be those from which suppliers and servicemen
22 have paid taxes or penalties hereunder to the Department
23 during the second preceding calendar month. The amount to be
24 paid to each county shall be the amount (not including credit
25 memoranda and not including taxes and penalties collected on
26 aviation fuel sold on or after December 1, 2019) collected

1 hereunder during the second preceding calendar month by the
2 Department, and not including an amount equal to the amount of
3 refunds made during the second preceding calendar month by the
4 Department on behalf of such county, and not including any
5 amounts that are transferred to the STAR Bonds Revenue Fund,
6 less 1.5% of the remainder, which the Department shall
7 transfer into the Tax Compliance and Administration Fund. The
8 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 Section. Within 10 days after
12 receipt, by the Comptroller, of the disbursement certification
13 to 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 the
17 directions contained in such certification.

18 In addition to the disbursement required by the preceding
19 paragraph, an allocation shall be made in each year to each
20 county which 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 Nothing in this Section shall be construed to authorize a
8 county to impose a tax upon the privilege of engaging in any
9 business which under the Constitution of the United States may
10 not be made the subject of taxation by this State.

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

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

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

18 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

19 (55 ILCS 5/5-1030) (from Ch. 34, par. 5-1030)

20 Sec. 5-1030. Hotel rooms, tax on gross rental receipts.

21 (a) The corporate authorities of any county may by
22 ordinance impose a tax upon all persons engaged in such county
23 in the business of renting, leasing or letting rooms in a hotel
24 which is not located within a city, village, or incorporated
25 town that imposes a tax under Section 8-3-14 of the Illinois

1 Municipal Code, as defined in "The Hotel Operators' Occupation
2 Tax Act", at a rate not to exceed 5% of the gross rental
3 receipts from such renting, leasing or letting, excluding,
4 however, from gross rental receipts, the proceeds of such
5 renting, leasing or letting to permanent residents of that
6 hotel, and may provide for the administration and enforcement
7 of the tax, and for the collection thereof from the persons
8 subject to the tax, as the corporate authorities determine to
9 be necessary or practicable for the effective administration
10 of the tax. As provided in subsection (i) of Section 5-45 of
11 the Statewide Innovation Development and Economy Act, the
12 limitation on the rate of tax imposed under this subsection
13 does not apply to a tax imposed under this subsection by the
14 corporate authorities of a county on a business located within
15 a STAR bond district established by the corporate authorities
16 of the county under the Statewide Innovation Development and
17 Economy Act.

18 (b) With the consent of municipalities representing at
19 least 67% of the population of Winnebago County, as determined
20 by the 2010 federal decennial census and as expressed by
21 resolution of the corporate authorities of those
22 municipalities, the county board of Winnebago County may, by
23 ordinance, impose a tax upon all persons engaged in the county
24 in the business of renting, leasing, or letting rooms in a
25 hotel that imposes a tax under Section 8-3-14 of the Illinois
26 Municipal Code, as defined in the Hotel Operators' Occupation

1 Tax Act, at a rate not to exceed 2% of the gross rental
2 receipts from renting, leasing, or letting, excluding,
3 however, from gross rental receipts, the proceeds of the
4 renting, leasing, or letting to permanent residents of that
5 hotel, and may provide for the administration and enforcement
6 of the tax, and for the collection thereof from the persons
7 subject to the tax, as the county board determines to be
8 necessary or practicable for the effective administration of
9 the tax. As provided in subsection (i) of Section 5-45 of the
10 Statewide Innovation Development and Economy Act, the
11 limitation on the rate of tax imposed under this subsection
12 does not apply to a tax imposed under this subsection by the
13 corporate authorities of a county on a business located within
14 a STAR bond district established by the corporate authorities
15 of the county under the Statewide Innovation Development and
16 Economy Act. The tax shall be instituted on a county-wide
17 basis and shall be in addition to any tax imposed by this or
18 any other provision of law. The revenue generated under this
19 subsection shall be accounted for and segregated from all
20 other funds of the county and shall be utilized solely for
21 either: (1) encouraging, supporting, marketing, constructing,
22 or operating, either directly by the county or through other
23 taxing bodies within the county, sports, arts, or other
24 entertainment or tourism facilities or programs for the
25 purpose of promoting tourism, competitiveness, job growth, and
26 for the general health and well-being of the citizens of the

1 county; or (2) payment towards debt services on bonds issued
2 for the purposes set forth in this subsection.

3 (b-5) The county board of Sangamon County may, by
4 ordinance, impose a tax upon all persons engaged in the county
5 in the business of renting, leasing, or letting rooms in a
6 hotel that imposes a tax under Section 8-3-14 of the Illinois
7 Municipal Code, as defined in the Hotel Operators' Occupation
8 Tax Act, at a rate not to exceed 3% of the gross rental
9 receipts from renting, leasing, or letting, excluding,
10 however, from gross rental receipts, the proceeds of the
11 renting, leasing, or letting to permanent residents of that
12 hotel, and may provide for the administration and enforcement
13 of the tax, and for the collection thereof from the persons
14 subject to the tax, as the county board determines to be
15 necessary or practicable for the effective administration of
16 the tax. As provided in subsection (i) of Section 5-45 of the
17 Statewide Innovation Development and Economy Act, the
18 limitation on the rate of tax imposed under this subsection
19 does not apply to a tax imposed under this subsection by the
20 corporate authorities of a county on a business located within
21 a STAR bond district established by the corporate authorities
22 of the county under the Statewide Innovation Development and
23 Economy Act. The tax shall be instituted on a county-wide
24 basis and shall be in addition to any tax imposed by this or
25 any other provision of law. The revenue generated under this
26 subsection shall be accounted for and segregated from all

1 other funds of the county and shall be used solely for either:
2 (1) encouraging, supporting, marketing, constructing, or
3 operating, either directly by the county or through other
4 taxing bodies within the county, sports, arts, or other
5 entertainment or tourism facilities or programs for the
6 purpose of promoting tourism, competitiveness, job growth, and
7 for the general health and well-being of the citizens of the
8 county; ~~or~~ (2) payment towards debt services on bonds issued
9 for the purposes set forth in this subsection; or (3) the
10 purposes described in the Capital Area Tourism Authority Act.

11 (c) A Tourism Facility Board shall be established,
12 comprised of a representative from the county and from each
13 municipality that has approved the imposition of the tax under
14 subsection (b) of this Section.

15 (1) A Board member's vote is weighted based on the
16 municipality's population relative to the population of
17 the county, with the county representing the population
18 within unincorporated areas of the county. Representatives
19 from the Rockford Park District and Rockford Area
20 Convention and Visitors Bureau shall serve as ex-officio
21 members with no voting rights.

22 (2) The Board must meet not less frequently than once
23 per year to direct the use of revenues collected from the
24 tax imposed under subsection (b) of this Section that are
25 not already directed for use pursuant to an
26 intergovernmental agreement between the county and another

1 entity represented on the Board, including the ex-officio
2 members, and for any other reason the Board deems
3 necessary. Affirmative actions of the Board shall require
4 a weighted vote of Board members representing not less
5 than 67% of the population of the county.

6 (3) The Board shall not be a separate unit of local
7 government, shall have no paid staff, and members of the
8 Board shall receive no compensation or reimbursement of
9 expenses from proceeds of the tax imposed under subsection
10 (b) of this Section.

11 (d) Persons subject to any tax imposed pursuant to
12 authority granted by this Section may reimburse themselves for
13 their tax liability for such tax by separately stating such
14 tax as an additional charge, which charge may be stated in
15 combination, in a single amount, with State tax imposed under
16 "The Hotel Operators' Occupation Tax Act".

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

21 An ordinance or resolution imposing a tax hereunder or
22 effecting a change in the rate thereof shall be effective on
23 the first day of the calendar month next following its passage
24 and required publication.

25 The amounts collected by any county pursuant to this
26 Section shall be expended to promote tourism; conventions;

1 expositions; theatrical, sports and cultural activities within
2 that county or otherwise to attract nonresident overnight
3 visitors to the county.

4 Any county may agree with any unit of local government,
5 including any authority defined as a metropolitan exposition,
6 auditorium and office building authority, fair and exposition
7 authority, exposition and auditorium authority, or civic
8 center authority created pursuant to provisions of Illinois
9 law and the territory of which unit of local government or
10 authority is co-extensive with or wholly within such county,
11 to impose and collect for a period not to exceed 40 years, any
12 portion or all of the tax authorized pursuant to this Section
13 and to transmit such tax so collected to such unit of local
14 government or authority. The amount so paid shall be expended
15 by any such unit of local government or authority for the
16 purposes for which such tax is authorized. Any such agreement
17 must be authorized by resolution or ordinance, as the case may
18 be, of such county and unit of local government or authority,
19 and such agreement may provide for the irrevocable imposition
20 and collection of said tax at such rate, or amount as limited
21 by a given rate, as may be agreed upon for the full period of
22 time set forth in such agreement; and such agreement may
23 further provide for any other terms as deemed necessary or
24 advisable by such county and such unit of local government or
25 authority. Any such agreement shall be binding and enforceable
26 by either party to such agreement. Such agreement entered into

1 pursuant to this Section shall not in any event constitute an
2 indebtedness of such county subject to any limitation imposed
3 by statute or otherwise.

4 (Source: P.A. 103-781, eff. 8-5-24.)

5 Section 10-40. The Illinois Municipal Code is amended by
6 changing Sections 8-3-14a, 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4,
7 8-11-1.6, 8-11-1.7, 8-11-5, 8-11-23, 8-11-24, and 11-74.3-6 as
8 follows:

9 (65 ILCS 5/8-3-14a)

10 Sec. 8-3-14a. Municipal hotel use tax.

11 (a) The corporate authorities of any municipality may
12 impose a tax upon the privilege of renting or leasing rooms in
13 a hotel within the municipality at a rate not to exceed 5% of
14 the rental or lease payment. As provided in subsection (i) of
15 Section 5-45 of the Statewide Innovation Development and
16 Economy Act, the limitation on the rate of tax imposed under
17 this subsection does not apply to a tax imposed under this
18 subsection by the corporate authorities of a municipality on a
19 business located within a STAR bond district established by
20 the corporate authorities of the municipality under the
21 Statewide Innovation Development and Economy Act. The
22 corporate authorities may provide for the administration and
23 enforcement of the tax and for the collection thereof from the
24 persons subject to the tax, as the corporate authorities

1 determine to be necessary or practical for the effective
2 administration of the tax.

3 (b) Each hotel in the municipality shall collect the tax
4 from the person making the rental or lease payment at the time
5 that the payment is tendered to the hotel. The hotel shall, as
6 trustee, remit the tax to the municipality.

7 (c) The tax authorized under this Section does not apply
8 to any rental or lease payment by a permanent resident of that
9 hotel or to any payment made to any hotel that is subject to
10 the tax imposed under subsection (c) of Section 13 of the
11 Metropolitan Pier and Exposition Authority Act. A municipality
12 may not impose a tax under this Section if it imposes a tax
13 under Section 8-3-14. Nothing in this Section may be construed
14 to authorize a municipality to impose a tax upon the privilege
15 of engaging in any business that under the Constitution of the
16 United States may not be made the subject of taxation by this
17 State.

18 (d) Except as otherwise provided in this Division, the
19 moneys collected by a municipality under this Section may be
20 expended solely to promote tourism and conventions within that
21 municipality or otherwise to attract nonresident overnight
22 visitors to the municipality. No moneys received under this
23 Section may be used to advertise for or otherwise promote new
24 competition in the hotel business.

25 (e) As used in this Section, "hotel" has the meaning set
26 forth in Section 2 of the Hotel Operators' Occupation Tax Act.

1 (Source: P.A. 101-204, eff. 8-2-19.)

2 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

3 Sec. 8-4-1. No bonds shall be issued by the corporate
4 authorities of any municipality until the question of
5 authorizing such bonds has been submitted to the electors of
6 that municipality provided that notice of the bond referendum,
7 if held before July 1, 1999, has been given in accordance with
8 the provisions of Section 12-5 of the Election Code in effect
9 at the time of the bond referendum, at least 10 and not more
10 than 45 days before the date of the election, notwithstanding
11 the time for publication otherwise imposed by Section 12-5,
12 and approved by a majority of the electors voting upon that
13 question. Notices required in connection with the submission
14 of public questions on or after July 1, 1999 shall be as set
15 forth in Section 12-5 of the Election Code. The clerk shall
16 certify the proposition of the corporate authorities to the
17 proper election authority who shall submit the question at an
18 election in accordance with the general election law, subject
19 to the notice provisions set forth in this Section.

20 Notice of any such election shall contain the amount of
21 the bond issue, purpose for which issued, and maximum rate of
22 interest.

23 In addition to all other authority to issue bonds, the
24 Village of Indian Head Park is authorized to issue bonds for
25 the purpose of paying the costs of making roadway improvements

1 in an amount not to exceed the aggregate principal amount of
2 \$2,500,000, provided that 60% of the votes cast at the general
3 primary election held on March 18, 2014 are cast in favor of
4 the issuance of the bonds, and the bonds are issued by December
5 31, 2014.

6 However, without the submission of the question of issuing
7 bonds to the electors, the corporate authorities of any
8 municipality may authorize the issuance of any of the
9 following bonds:

- 10 (1) Bonds to refund any existing bonded indebtedness;
- 11 (2) Bonds to fund or refund any existing judgment
12 indebtedness;
- 13 (3) In any municipality of less than 500,000
14 population, bonds to anticipate the collection of
15 installments of special assessments and special taxes
16 against property owned by the municipality and to
17 anticipate the collection of the amount apportioned to the
18 municipality as public benefits under Article 9;
- 19 (4) Bonds issued by any municipality under Sections
20 8-4-15 through 8-4-23, 11-23-1 through 11-23-12, 11-26-1
21 through 11-26-6, 11-71-1 through 11-71-10, 11-74.3-1
22 through 11-74.3-7, 11-74.4-1 through 11-74.4-11, 11-74.5-1
23 through 11-74.5-15, 11-94-1 through 11-94-7, 11-102-1
24 through 11-102-10, 11-103-11 through 11-103-15, 11-118-1
25 through 11-118-6, 11-119-1 through 11-119-5, 11-129-1
26 through 11-129-7, 11-133-1 through 11-133-4, 11-139-1

1 through 11-139-12, 11-141-1 through 11-141-18 of this
2 Code, or 10-801 through 10-808 of the Illinois Highway
3 Code;

4 (5) Bonds issued by the board of education of any
5 school district under the provisions of Sections 34-30
6 through 34-36 of the School Code;

7 (6) Bonds issued by any municipality under the
8 provisions of Division 6 of this Article 8; and by any
9 municipality under the provisions of Division 7 of this
10 Article 8; or under the provisions of Sections 11-121-4
11 and 11-121-5;

12 (7) Bonds to pay for the purchase of voting machines
13 by any municipality that has adopted Article 24 of the
14 Election Code;

15 (8) Bonds issued by any municipality under Sections 15
16 and 46 of the Environmental Protection Act;

17 (9) Bonds issued by the corporate authorities of any
18 municipality under the provisions of Section 8-4-25 of
19 this Article 8;

20 (10) Bonds issued under Section 8-4-26 of this Article
21 8 by any municipality having a board of election
22 commissioners;

23 (11) Bonds issued under the provisions of the Special
24 Service Area Tax Act (repealed);

25 (12) Bonds issued under Section 8-5-16 of this Code;

26 (13) Bonds to finance the cost of the acquisition,

1 construction, or improvement of water or wastewater
2 treatment facilities mandated by an enforceable compliance
3 schedule developed in connection with the federal Clean
4 Water Act or a compliance order issued by the United
5 States Environmental Protection Agency or the Illinois
6 Pollution Control Board; provided that such bonds are
7 authorized by an ordinance adopted by a three-fifths
8 majority of the corporate authorities of the municipality
9 issuing the bonds which ordinance shall specify that the
10 construction or improvement of such facilities is
11 necessary to alleviate an emergency condition in such
12 municipality;

13 (14) Bonds issued by any municipality pursuant to
14 Section 11-113.1-1;

15 (15) Bonds issued under Sections 11-74.6-1 through
16 11-74.6-45, the Industrial Jobs Recovery Law of this Code;

17 (16) Bonds issued under the Innovation Development and
18 Economy Act, except as may be required by Section 35 of
19 that Act.

20 (17) Bonds issued under the Statewide Innovation
21 Development and Economy Act, except as may be required by
22 Section 5-60 of that Act.

23 (Source: P.A. 102-587, eff. 1-1-22; 103-605, eff. 7-1-24.)

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

25 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax

1 Act. The corporate authorities of a home rule municipality may
2 impose a tax upon all persons engaged in the business of
3 selling tangible personal property, other than an item of
4 tangible personal property titled or registered with an agency
5 of this State's government, at retail in the municipality on
6 the gross receipts from these sales made in the course of such
7 business. If imposed, the tax shall only be imposed in 1/4%
8 increments. On and after September 1, 1991, this additional
9 tax may not be imposed on tangible personal property taxed at
10 the 1% rate under the Retailers' Occupation Tax Act (or at the
11 0% rate imposed under this amendatory Act of the 102nd General
12 Assembly). Beginning December 1, 2019, this tax is not imposed
13 on sales of aviation fuel unless the tax revenue is expended
14 for airport-related purposes. If a municipality does not have
15 an airport-related purpose to which it dedicates aviation fuel
16 tax revenue, then aviation fuel is excluded from the tax. Each
17 municipality must comply with the certification requirements
18 for airport-related purposes under Section 2-22 of the
19 Retailers' Occupation Tax Act. For purposes of this Section,
20 "airport-related purposes" has the meaning ascribed in Section
21 6z-20.2 of the State Finance Act. This exclusion for aviation
22 fuel only applies for so long as the revenue use requirements
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
24 municipality. The changes made to this Section by this
25 amendatory Act of the 101st General Assembly are a denial and
26 limitation of home rule powers and functions under subsection

1 (g) of Section 6 of Article VII of the Illinois Constitution.
2 The tax imposed by a home rule municipality under this Section
3 and all civil penalties that may be assessed as an incident of
4 the tax shall be collected and enforced by the State
5 Department of Revenue. The certificate of registration that is
6 issued by the Department to a retailer under the Retailers'
7 Occupation Tax Act shall permit the retailer to engage in a
8 business that is taxable under any ordinance or resolution
9 enacted pursuant to this Section without registering
10 separately with the Department under such ordinance or
11 resolution or under this Section. The Department 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. In the
17 administration of, and compliance with, this Section the
18 Department and persons who are subject to this Section shall
19 have the same rights, remedies, privileges, immunities, powers
20 and duties, and be subject to the same conditions,
21 restrictions, limitations, penalties and definitions of terms,
22 and employ the same modes of procedure, as are prescribed in
23 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65
24 (in respect to all provisions therein other than the State
25 rate of tax), 2c, 3 (except as to the disposition of taxes and
26 penalties collected, and except that the retailer's discount

1 is not allowed for taxes paid on aviation fuel that are subject
2 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
3 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
4 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
5 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
6 Penalty and Interest Act, as fully as if those provisions were
7 set forth herein.

8 No tax may be imposed by a home rule municipality under
9 this Section unless the municipality also imposes a tax at the
10 same rate under Section 8-11-5 of this Act.

11 If, on January 1, 2025, a unit of local government has in
12 effect a tax under this Section, or if, after January 1, 2025,
13 a unit of local government imposes a tax under this Section,
14 then that tax applies to leases of tangible personal property
15 in effect, entered into, or renewed on or after that date in
16 the same manner as the tax under this Section and in accordance
17 with the changes made by this amendatory Act of the 103rd
18 General Assembly.

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

26 Whenever the Department determines that a refund should be

1 made under this Section 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 home rule municipal retailers' occupation
7 tax fund or the Local Government Aviation Trust Fund, as
8 appropriate.

9 Except as otherwise provided in this paragraph, the
10 Department shall immediately pay over to the State Treasurer,
11 ex officio, as trustee, all taxes and penalties collected
12 hereunder for deposit into the Home Rule Municipal Retailers'
13 Occupation Tax Fund. Taxes and penalties collected on aviation
14 fuel sold on or after December 1, 2019, shall be immediately
15 paid over by the Department to the State Treasurer, ex
16 officio, as trustee, for deposit into the Local Government
17 Aviation Trust Fund. The Department shall only pay moneys into
18 the Local Government Aviation Trust Fund under this Section
19 for so long as the revenue use requirements of 49 U.S.C.
20 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

3 As soon as possible after the first day of each month,
4 beginning July 1, 2026, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Statewide
8 Innovation Development and Economy Act, collected under this
9 Section during the second preceding calendar month for sales
10 within a STAR bond district.

11 After the monthly transfers ~~transfer~~ to the STAR Bonds
12 Revenue Fund, on or before the 25th day of each calendar month,
13 the Department shall prepare and certify to the Comptroller
14 the disbursement of stated sums of money to named
15 municipalities, the municipalities to be those from which
16 retailers have paid taxes or penalties hereunder to the
17 Department during the second preceding calendar month. The
18 amount to be paid to each municipality shall be the amount (not
19 including credit memoranda and not including taxes and
20 penalties collected on aviation fuel sold on or after December
21 1, 2019) collected hereunder during the second preceding
22 calendar month by the Department plus an amount the Department
23 determines is necessary to offset any amounts that were
24 erroneously paid to a different taxing body, and not including
25 an amount equal to the amount of refunds made during the second
26 preceding calendar month by the Department on behalf of such

1 municipality, and not including any amount that the Department
2 determines is necessary to offset any amounts that were
3 payable to a different taxing body but were erroneously paid
4 to the municipality, and not including any amounts that are
5 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
6 remainder, which the Department shall transfer into the Tax
7 Compliance and Administration Fund. The Department, at the
8 time of each monthly disbursement to the municipalities, shall
9 prepare and certify to the State Comptroller the amount to be
10 transferred into the Tax Compliance and Administration Fund
11 under this Section. Within 10 days after receipt by the
12 Comptroller of the disbursement certification to the
13 municipalities and the Tax Compliance and Administration Fund
14 provided for in this Section to be given to the Comptroller by
15 the Department, the Comptroller shall cause the orders to be
16 drawn for the respective amounts in accordance with the
17 directions contained in the certification.

18 In addition to the disbursement required by the preceding
19 paragraph and in order to mitigate delays caused by
20 distribution procedures, an allocation shall, if requested, be
21 made within 10 days after January 14, 1991, and in November of
22 1991 and each year thereafter, to each municipality that
23 received more than \$500,000 during the preceding fiscal year,
24 (July 1 through June 30) whether collected by the municipality
25 or disbursed by the Department as required by this Section.
26 Within 10 days after January 14, 1991, participating

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

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

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

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

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

26 When certifying the amount of a monthly disbursement to a

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

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

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

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

25 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

1 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

2 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
3 Occupation Tax Act. The corporate authorities of a non-home
4 rule municipality may impose, by ordinance or resolution
5 adopted in the manner described in Section 8-11-1.1, a tax
6 upon all persons engaged in the business of selling tangible
7 personal property, other than on an item of tangible personal
8 property which is titled and registered by an agency of this
9 State's Government, at retail in the municipality. If imposed,
10 the tax shall be imposed on the gross receipts from such sales
11 made in the course of such business. The proceeds of the tax
12 may be used for public infrastructure or for property tax
13 relief or both, as defined in Section 8-11-1.2. If the tax is
14 approved by referendum on or after July 14, 2010 (the
15 effective date of Public Act 96-1057) and before August 5,
16 2024 (the effective date of Public Act 103-781), the corporate
17 authorities of the non-home rule municipality may, until
18 January 1, 2031, use the proceeds of the tax for expenditure on
19 municipal operations, in addition to or in lieu of any
20 expenditure on public infrastructure or for property tax
21 relief. If the tax is approved by an ordinance or resolution
22 adopted on or after August 5, 2024 (the effective date of
23 Public Act 103-781), the corporate authorities of the non-home
24 rule municipality may, until January 1, 2031, use the proceeds
25 of the tax for expenditure on municipal operations, in
26 addition to or in lieu of any expenditure on public

1 infrastructure or for property tax relief. The tax imposed may
2 not be more than 1% and may be imposed only in 1/4% increments.
3 The tax may not be imposed on tangible personal property taxed
4 at the 1% rate under the Retailers' Occupation Tax Act (or at
5 the 0% rate imposed under this amendatory Act of the 102nd
6 General Assembly). Beginning December 1, 2019, this tax is not
7 imposed on sales of aviation fuel unless the tax revenue is
8 expended for airport-related purposes. If a municipality does
9 not have an airport-related purpose to which it dedicates
10 aviation fuel tax revenue, then aviation fuel is excluded from
11 the tax. Each municipality must comply with the certification
12 requirements for airport-related purposes under Section 2-22
13 of the Retailers' Occupation Tax Act. For purposes of this
14 Section, "airport-related purposes" has the meaning ascribed
15 in Section 6z-20.2 of the State Finance Act. This exclusion
16 for aviation fuel only applies for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the municipality. The tax imposed by a municipality
19 pursuant to this Section and all civil penalties that may be
20 assessed as an incident thereof shall be collected and
21 enforced by the State Department of Revenue. The certificate
22 of registration which is issued by the Department to a
23 retailer under the Retailers' Occupation Tax Act shall permit
24 such retailer to engage in a business which is taxable under
25 any ordinance or resolution enacted pursuant to this Section
26 without registering separately with the Department under such

1 ordinance or resolution or under this Section. The Department
2 shall have full power to administer and enforce this Section;
3 to collect all taxes and penalties due hereunder; to dispose
4 of taxes and penalties so collected in the manner hereinafter
5 provided, and to determine all rights to credit memoranda,
6 arising on account of the erroneous payment of tax or penalty
7 hereunder. In the administration of, and compliance with, this
8 Section, the Department and persons who are subject to this
9 Section shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties and
12 definitions of terms, and employ the same modes of procedure,
13 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
14 2 through 2-65 (in respect to all provisions therein other
15 than the State rate of tax), 2c, 3 (except as to the
16 disposition of taxes and penalties collected, and except that
17 the retailer's discount is not allowed for taxes paid on
18 aviation fuel that are subject to the revenue use requirements
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
20 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
21 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
22 Section 3-7 of the Uniform Penalty and Interest Act as fully as
23 if those provisions were set forth herein.

24 No municipality may impose a tax under this Section unless
25 the municipality also imposes a tax at the same rate under
26 Section 8-11-1.4 of this Code.

1 If, on January 1, 2025, a unit of local government has in
2 effect a tax under this Section, or if, after January 1, 2025,
3 a unit of local government imposes a tax under this Section,
4 then that tax applies to leases of tangible personal property
5 in effect, entered into, or renewed on or after that date in
6 the same manner as the tax under this Section and in accordance
7 with the changes made by this amendatory Act of the 103rd
8 General Assembly.

9 Persons subject to any tax imposed pursuant to the
10 authority granted in this Section may reimburse themselves for
11 their seller's tax liability hereunder by separately stating
12 such tax 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 such
21 notification from the Department. Such refund shall be paid by
22 the State Treasurer out of the non-home rule municipal
23 retailers' occupation tax fund or the Local Government
24 Aviation Trust Fund, as appropriate.

25 Except as otherwise provided, the Department shall
26 forthwith pay over to the State Treasurer, ex officio, as

1 trustee, all taxes and penalties collected hereunder for
2 deposit into the Non-Home Rule Municipal Retailers' Occupation
3 Tax Fund. Taxes and penalties collected on aviation fuel sold
4 on or after December 1, 2019, shall be immediately paid over by
5 the Department to the State Treasurer, ex officio, as trustee,
6 for deposit into the Local Government Aviation Trust Fund. The
7 Department shall only pay moneys into the Local Government
8 Aviation Trust Fund under this Section for so long as the
9 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
10 47133 are binding on the municipality.

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

19 As soon as possible after the first day of each month,
20 beginning July 1, 2026, upon certification of the Department
21 of Revenue, the Comptroller shall order transferred, and the
22 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
23 local sales tax increment, as defined in the Statewide
24 Innovation Development and Economy Act, collected under this
25 Section during the second preceding calendar month for sales
26 within a STAR bond district.

1 After the monthly transfers ~~transfer~~ to the STAR Bonds
2 Revenue Fund, on or before the 25th day of each calendar month,
3 the Department shall prepare and certify to the Comptroller
4 the disbursement of stated sums of money to named
5 municipalities, the municipalities to be those from which
6 retailers have paid taxes or penalties hereunder to the
7 Department during the second preceding calendar month. The
8 amount to be paid to each municipality shall be the amount (not
9 including credit memoranda and not including taxes and
10 penalties collected on aviation fuel sold on or after December
11 1, 2019) collected hereunder during the second preceding
12 calendar month by the Department plus an amount the Department
13 determines is necessary to offset any amounts which were
14 erroneously paid to a different taxing body, and not including
15 an amount equal to the amount of refunds made during the second
16 preceding calendar month by the Department on behalf of such
17 municipality, and not including any amount which the
18 Department determines is necessary to offset any amounts which
19 were payable to a different taxing body but were erroneously
20 paid to the municipality, and not including any amounts that
21 are transferred to the STAR Bonds Revenue Fund, less 1.5% of
22 the remainder, which the Department shall transfer into the
23 Tax Compliance and Administration Fund. The Department, at the
24 time of each monthly disbursement to the municipalities, shall
25 prepare and certify to the State Comptroller the amount to be
26 transferred into the Tax Compliance and Administration Fund

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

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

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

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

1 The Department of Revenue shall implement Public Act
2 91-649 so as to collect the tax on and after January 1, 2002.

3 As used in this Section, "municipal" and "municipality"
4 mean a city, village, or incorporated town, including an
5 incorporated town which has superseded a civil township.

6 This Section shall be known and may be cited as the
7 Non-Home Rule Municipal Retailers' Occupation Tax Act.

8 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25;
9 103-1055, eff. 12-20-24.)

10 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

11 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
12 Tax Act. The corporate authorities of a non-home rule
13 municipality may impose, by ordinance or resolution adopted in
14 the manner described in Section 8-11-1.1, a tax upon all
15 persons engaged in the municipality in the business of making
16 sales of service. If imposed, the tax shall be imposed on the
17 selling price of all tangible personal property transferred by
18 such servicemen, either in the form of tangible personal
19 property or in the form of real estate, as an incident to a
20 sale of service. The proceeds of the tax may be used for public
21 infrastructure or for property tax relief or both, as defined
22 in Section 8-11-1.2. If the tax is approved by referendum on or
23 after July 14, 2010 (the effective date of Public Act 96-1057)
24 and before August 5, 2024 (the effective date of Public Act
25 103-781), the corporate authorities of a non-home rule

1 municipality may, until January 1, 2031, use the proceeds of
2 the tax for expenditure on municipal operations, in addition
3 to or in lieu of any expenditure on public infrastructure or
4 for property tax relief. If the tax is approved by an ordinance
5 or resolution adopted on or after August 5, 2024 (the
6 effective date of Public Act 103-781), the corporate
7 authorities of the non-home rule municipality may, until
8 January 1, 2031, use the proceeds of the tax for expenditure on
9 municipal operations, in addition to or in lieu of any
10 expenditure on public infrastructure or for property tax
11 relief. The tax imposed may not be more than 1% and may be
12 imposed only in 1/4% increments. The tax may not be imposed on
13 tangible personal property taxed at the 1% rate under the
14 Service Occupation Tax Act (or at the 0% rate imposed under
15 this amendatory Act of the 102nd General Assembly). Beginning
16 December 1, 2019, this tax is not imposed on sales of aviation
17 fuel unless the tax revenue is expended for airport-related
18 purposes. If a municipality does not have an airport-related
19 purpose to which it dedicates aviation fuel tax revenue, then
20 aviation fuel is excluded from the tax. Each municipality must
21 comply with the certification requirements for airport-related
22 purposes under Section 2-22 of the Retailers' Occupation Tax
23 Act. For purposes of this Section, "airport-related purposes"
24 has the meaning ascribed in Section 6z-20.2 of the State
25 Finance Act. This exclusion for aviation fuel only applies for
26 so long as the revenue use requirements of 49 U.S.C. 47107(b)

1 and 49 U.S.C. 47133 are binding on the municipality. The tax
2 imposed by a municipality pursuant to this Section and all
3 civil penalties that may be assessed as an incident thereof
4 shall be collected and enforced by the State Department of
5 Revenue. The certificate of registration which is issued by
6 the Department to a retailer under the Retailers' Occupation
7 Tax Act or under the Service Occupation Tax Act shall permit
8 such registrant to engage in a business which is taxable under
9 any ordinance or resolution enacted pursuant to this Section
10 without registering separately with the Department under such
11 ordinance or resolution or under this Section. The Department
12 shall have full power to administer and enforce this Section;
13 to collect all taxes and penalties due hereunder; to dispose
14 of taxes and penalties so collected in the manner hereinafter
15 provided, and to determine all rights to credit memoranda
16 arising on account of the erroneous payment of tax or penalty
17 hereunder. In the administration of, and compliance with, this
18 Section the Department and persons who are subject to this
19 Section shall have the same rights, remedies, privileges,
20 immunities, powers and duties, and be subject to the same
21 conditions, restrictions, limitations, penalties and
22 definitions of terms, and employ the same modes of procedure,
23 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
24 respect to all provisions therein other than the State rate of
25 tax), 4 (except that the reference to the State shall be to the
26 taxing municipality), 5, 7, 8 (except that the jurisdiction to

1 which the tax shall be a debt to the extent indicated in that
2 Section 8 shall be the taxing municipality), 9 (except as to
3 the disposition of taxes and penalties collected, and except
4 that the returned merchandise credit for this municipal tax
5 may not be taken against any State tax, and except that the
6 retailer's discount is not allowed for taxes paid on aviation
7 fuel that are subject to the revenue use requirements of 49
8 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the
9 reference therein to Section 2b of the Retailers' Occupation
10 Tax Act), 13 (except that any reference to the State shall mean
11 the taxing municipality), the first paragraph of Section 15,
12 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
13 Section 3-7 of the Uniform Penalty and Interest Act, as fully
14 as if those provisions were set forth herein.

15 No municipality may impose a tax under this Section unless
16 the municipality also imposes a tax at the same rate under
17 Section 8-11-1.3 of this Code.

18 If, on January 1, 2025, a unit of local government has in
19 effect a tax under this Section, or if, after January 1, 2025,
20 a unit of local government imposes a tax under this Section,
21 then that tax applies to leases of tangible personal property
22 in effect, entered into, or renewed on or after that date in
23 the same manner as the tax under this Section and in accordance
24 with the changes made by this amendatory Act of the 103rd
25 General Assembly.

26 Persons subject to any tax imposed pursuant to the

1 authority granted in this Section may reimburse themselves for
2 their serviceman's tax liability hereunder by separately
3 stating such tax as an additional charge, which charge may be
4 stated in combination, in a single amount, with State tax
5 which servicemen are authorized to collect under the Service
6 Use Tax Act, pursuant to such bracket schedules as the
7 Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified, and to the person named, in such
13 notification from the Department. Such refund shall be paid by
14 the State Treasurer out of the municipal retailers' occupation
15 tax fund or the Local Government Aviation Trust Fund, as
16 appropriate.

17 Except as otherwise provided in this paragraph, the
18 Department shall forthwith pay over to the State Treasurer, ex
19 officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the municipal retailers' occupation
21 tax fund. Taxes and penalties collected on aviation fuel sold
22 on or after December 1, 2019, 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 Section for so long as the

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

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

11 As soon as possible after the first day of each month,
12 beginning July 1, 2026, 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 Statewide
16 Innovation Development and Economy Act, collected under this
17 Section during the second preceding calendar month for sales
18 within a STAR bond district.

19 After the monthly transfers ~~transfer~~ to the STAR Bonds
20 Revenue Fund, on or before the 25th day of each calendar month,
21 the Department shall prepare and certify to the Comptroller
22 the disbursement of stated sums of money to named
23 municipalities, the municipalities to be those from which
24 suppliers and servicemen have paid taxes or penalties
25 hereunder to the Department during the second preceding
26 calendar month. The amount to be paid to each municipality

1 shall be the amount (not including credit memoranda and not
2 including taxes and penalties collected on aviation fuel sold
3 on or after December 1, 2019) collected hereunder during the
4 second preceding calendar month by the Department, and not
5 including an amount equal to the amount of refunds made during
6 the second preceding calendar month by the Department on
7 behalf of such municipality, and not including any amounts
8 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
9 of the remainder, which the Department shall transfer into the
10 Tax Compliance and Administration Fund. The Department, at the
11 time of each monthly disbursement to the municipalities, shall
12 prepare and certify to the State Comptroller the amount to be
13 transferred into the Tax Compliance and Administration Fund
14 under this Section. Within 10 days after receipt, by the
15 Comptroller, of the disbursement certification to the
16 municipalities, the General Revenue Fund, and the Tax
17 Compliance and Administration Fund provided for in this
18 Section to be given to the Comptroller by the Department, the
19 Comptroller shall cause the orders to be drawn for the
20 respective amounts in accordance with the directions contained
21 in such certification.

22 The Department of Revenue shall implement Public Act
23 91-649 so as to collect the tax on and after January 1, 2002.

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 As used in this Section, "municipal" or "municipality"
3 means or refers to a city, village or incorporated town,
4 including an incorporated town which has superseded a civil
5 township.

6 This Section shall be known and may be cited as the
7 "Non-Home Rule Municipal Service Occupation Tax Act".

8 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
9 103-592, eff. 1-1-25; 103-1055, eff. 12-20-24.)

10 (65 ILCS 5/8-11-1.6)

11 Sec. 8-11-1.6. Non-home rule municipal retailers'
12 occupation tax; municipalities between 20,000 and 25,000. The
13 corporate authorities of a non-home rule municipality with a
14 population of more than 20,000 but less than 25,000 that has,
15 prior to January 1, 1987, established a Redevelopment Project
16 Area that has been certified as a State Sales Tax Boundary and
17 has issued bonds or otherwise incurred indebtedness to pay for
18 costs in excess of \$5,000,000, which is secured in part by a
19 tax increment allocation fund, in accordance with the
20 provisions of Division 11-74.4 of this Code may, by passage of
21 an ordinance, impose a tax upon all persons engaged in the
22 business of selling tangible personal property, other than on
23 an item of tangible personal property that is titled and
24 registered by an agency of this State's Government, at retail
25 in the municipality. This tax may not be imposed on tangible

1 personal property taxed at the 1% rate under the Retailers'
2 Occupation Tax Act (or at the 0% rate imposed under this
3 amendatory Act of the 102nd General Assembly). Beginning
4 December 1, 2019, this tax is not imposed on sales of aviation
5 fuel unless the tax revenue is expended for airport-related
6 purposes. If a municipality does not have an airport-related
7 purpose to which it dedicates aviation fuel tax revenue, then
8 aviation fuel is excluded from the tax. Each municipality must
9 comply with the certification requirements for airport-related
10 purposes under Section 2-22 of the Retailers' Occupation Tax
11 Act. For purposes of this Section, "airport-related purposes"
12 has the meaning ascribed in Section 6z-20.2 of the State
13 Finance Act. This exclusion for aviation fuel only applies for
14 so long as the revenue use requirements of 49 U.S.C. 47107(b)
15 and 49 U.S.C. 47133 are binding on the municipality. If
16 imposed, the tax shall only be imposed in .25% increments of
17 the gross receipts from such sales made in the course of
18 business. Any tax imposed by a municipality under this Section
19 and all civil penalties that may be assessed as an incident
20 thereof shall be collected and enforced by the State
21 Department of Revenue. An ordinance imposing a tax hereunder
22 or effecting a change in the rate thereof shall be adopted and
23 a certified copy thereof filed with the Department on or
24 before the first day of October, whereupon the Department
25 shall proceed to administer and enforce this Section as of the
26 first day of January next following such adoption and filing.

1 The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act shall permit the retailer to engage in a business that is
4 taxable under any ordinance or resolution enacted under this
5 Section without registering separately with the Department
6 under the ordinance or resolution or under this Section. The
7 Department shall have full power to administer and enforce
8 this Section, to collect all taxes and penalties due
9 hereunder, to dispose of taxes and penalties so collected in
10 the manner hereinafter provided, and to determine all rights
11 to credit memoranda, arising on account of the erroneous
12 payment of tax or penalty hereunder. In the administration of,
13 and compliance with this Section, the Department and persons
14 who are subject to this Section shall have the same rights,
15 remedies, privileges, immunities, powers, and duties, and be
16 subject to the same conditions, restrictions, limitations,
17 penalties, and definitions of terms, and employ the same modes
18 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
19 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
20 therein other than the State rate of tax), 2c, 3 (except as to
21 the disposition of taxes and penalties collected, and except
22 that the retailer's discount is not allowed for taxes paid on
23 aviation fuel that are subject to the revenue use requirements
24 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
25 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
26 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and

1 Section 3-7 of the Uniform Penalty and Interest Act as fully as
2 if those provisions were set forth herein.

3 A tax may not be imposed by a municipality under this
4 Section unless the municipality also imposes a tax at the same
5 rate under Section 8-11-1.7 of this Act.

6 If, on January 1, 2025, a unit of local government has in
7 effect a tax under this Section, or if, after January 1, 2025,
8 a unit of local government imposes a tax under this Section,
9 then that tax applies to leases of tangible personal property
10 in effect, entered into, or renewed on or after that date in
11 the same manner as the tax under this Section and in accordance
12 with the changes made by this amendatory Act of the 103rd
13 General Assembly.

14 Persons subject to any tax imposed under the authority
15 granted in this Section 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 tax which sellers
19 are required to collect under the Use Tax Act, pursuant to such
20 bracket schedules as the Department may prescribe.

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

1 Treasurer out of the Non-Home Rule Municipal Retailers'
2 Occupation Tax Fund, which is hereby created or the Local
3 Government Aviation Trust Fund, as appropriate.

4 Except as otherwise provided in this paragraph, 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 December 1, 2019, shall be
10 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
14 this Section for so long as the revenue use requirements of 49
15 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
16 municipality.

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

25 As soon as possible after the first day of each month,
26 beginning July 1, 2026, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the Statewide
4 Innovation Development and Economy Act, collected under this
5 Section during the second preceding calendar month for sales
6 within a STAR bond district.

7 After the monthly transfers ~~transfer~~ to the STAR Bonds
8 Revenue Fund, on or before the 25th day of each calendar month,
9 the Department shall prepare and certify to the Comptroller
10 the disbursement of stated sums of money to named
11 municipalities, the municipalities to be those from which
12 retailers have paid taxes or penalties hereunder to the
13 Department during the second preceding calendar month. The
14 amount to be paid to each municipality shall be the amount (not
15 including credit memoranda and not including taxes and
16 penalties collected on aviation fuel sold on or after December
17 1, 2019) collected hereunder during the second preceding
18 calendar month by the Department plus an amount the Department
19 determines is necessary to offset any amounts that were
20 erroneously paid to a different taxing body, and not including
21 an amount equal to the amount of refunds made during the second
22 preceding calendar month by the Department on behalf of the
23 municipality, and not including any amount that the Department
24 determines is necessary to offset any amounts that were
25 payable to a different taxing body but were erroneously paid
26 to the municipality, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
2 remainder, which the Department shall transfer into the Tax
3 Compliance and Administration Fund. The Department, at the
4 time of each monthly disbursement to the municipalities, shall
5 prepare and certify to the State Comptroller the amount to be
6 transferred into the Tax Compliance and Administration Fund
7 under this Section. Within 10 days after receipt by the
8 Comptroller of the disbursement certification to the
9 municipalities and the Tax Compliance and Administration Fund
10 provided for in this Section to be given to the Comptroller by
11 the Department, the Comptroller shall cause the orders to be
12 drawn for the respective amounts in accordance with the
13 directions contained in the certification.

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

23 Nothing in this Section shall be construed to authorize a
24 municipality 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 this State.

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

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

10 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

11 (65 ILCS 5/8-11-1.7)

12 Sec. 8-11-1.7. Non-home rule municipal service occupation
13 tax; municipalities between 20,000 and 25,000. The corporate
14 authorities of a non-home rule municipality with a population
15 of more than 20,000 but less than 25,000 as determined by the
16 last preceding decennial census that has, prior to January 1,
17 1987, established a Redevelopment Project Area that has been
18 certified as a State Sales Tax Boundary and has issued bonds or
19 otherwise incurred indebtedness to pay for costs in excess of
20 \$5,000,000, which is secured in part by a tax increment
21 allocation fund, in accordance with the provisions of Division
22 11-74.4 of this Code may, by passage of an ordinance, impose a
23 tax upon all persons engaged in the municipality in the
24 business of making sales of service. If imposed, the tax shall
25 only be imposed in .25% increments of the selling price of all

1 tangible personal property transferred by such servicemen
2 either in the form of tangible personal property or in the form
3 of real estate as an incident to a sale of service. This tax
4 may not be imposed on tangible personal property taxed at the
5 1% rate under the Service Occupation Tax Act (or at the 0% rate
6 imposed under this amendatory Act of the 102nd General
7 Assembly). Beginning December 1, 2019, this tax is not imposed
8 on sales of aviation fuel unless the tax revenue is expended
9 for airport-related purposes. If a municipality does not have
10 an airport-related purpose to which it dedicates aviation fuel
11 tax revenue, then aviation fuel is excluded from the tax. Each
12 municipality must comply with the certification requirements
13 for airport-related purposes under Section 2-22 of the
14 Retailers' Occupation Tax Act. For purposes of this Section,
15 "airport-related purposes" has the meaning ascribed in Section
16 6z-20.2 of the State Finance Act. This exclusion for aviation
17 fuel only applies for so long as the revenue use requirements
18 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
19 municipality. The tax imposed by a municipality under this
20 Section and all civil penalties that may be assessed as an
21 incident thereof shall be collected and enforced by the State
22 Department of Revenue. An ordinance imposing a tax hereunder
23 or effecting a change in the rate thereof shall be adopted and
24 a certified copy thereof filed with the Department on or
25 before the first day of October, whereupon the Department
26 shall proceed to administer and enforce this Section as of the

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

1 the returned merchandise credit for this municipal tax may not
2 be taken against any State tax, and except that the retailer's
3 discount is not allowed for taxes paid on aviation fuel that
4 are subject to the revenue use requirements of 49 U.S.C.
5 47107(b) and 49 U.S.C. 47133), 10, 11, 12, (except the
6 reference therein to Section 2b of the Retailers' Occupation
7 Tax Act), 13 (except that any reference to the State shall mean
8 the taxing municipality), the first paragraph of Sections 15,
9 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and
10 Section 3-7 of the Uniform Penalty and Interest Act, as fully
11 as if those provisions were set forth herein.

12 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 8-11-1.6 of this Act.

15 If, on January 1, 2025, a unit of local government has in
16 effect a tax under this Section, or if, after January 1, 2025,
17 a unit of local government imposes a tax under this Section,
18 then that tax applies to leases of tangible personal property
19 in effect, entered into, or renewed on or after that date in
20 the same manner as the tax under this Section and in accordance
21 with the changes made by this amendatory Act of the 103rd
22 General Assembly.

23 Persons ~~Person~~ subject to any tax imposed under the
24 authority granted in this Section may reimburse themselves for
25 their servicemen's tax liability hereunder by separately
26 stating the tax as an additional charge, which charge may be

1 stated in combination, in a single amount, with State tax that
2 servicemen are authorized to collect under the Service Use Tax
3 Act, under 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 a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order to be drawn for the
9 amount specified, and to the person named, in such
10 notification from the Department. The refund shall be paid by
11 the State Treasurer out of the Non-Home Rule Municipal
12 Retailers' Occupation Tax Fund or the Local Government
13 Aviation Trust Fund, as appropriate.

14 Except as otherwise provided in this paragraph, the
15 Department shall forthwith pay over to the State Treasurer, ex
16 officio, as trustee, all taxes and penalties collected
17 hereunder for deposit into the Non-Home Rule Municipal
18 Retailers' Occupation Tax Fund. Taxes and penalties collected
19 on aviation fuel sold on or after December 1, 2019, shall be
20 immediately paid over by the Department to the State
21 Treasurer, ex officio, as trustee, for deposit into the Local
22 Government Aviation Trust Fund. The Department shall only pay
23 moneys into the Local Government Aviation Trust Fund under
24 this Section for so long as the revenue use requirements of 49
25 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
26 Municipality.

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

9 As soon as possible after the first day of each month,
10 beginning July 1, 2026, 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 Statewide
14 Innovation Development and Economy Act, collected under this
15 Section during the second preceding calendar month for sales
16 within a STAR bond district.

17 After the monthly transfers ~~transfer~~ to the STAR Bonds
18 Revenue Fund, on or before the 25th day of each calendar month,
19 the Department shall prepare and certify to the Comptroller
20 the disbursement of stated sums of money to named
21 municipalities, the municipalities to be those from which
22 suppliers and servicemen have paid taxes or penalties
23 hereunder to the Department during the second preceding
24 calendar month. The amount to be paid to each municipality
25 shall be the amount (not including credit memoranda and not
26 including taxes and penalties collected on aviation fuel sold

1 on or after December 1, 2019) collected hereunder during the
2 second preceding calendar month by the Department, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department on
5 behalf of such municipality, and not including any amounts
6 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
7 of the remainder, which the Department shall transfer into the
8 Tax Compliance and Administration Fund. The Department, at the
9 time of each monthly disbursement to the municipalities, shall
10 prepare and certify to the State Comptroller the amount to be
11 transferred into the Tax Compliance and Administration Fund
12 under this Section. Within 10 days after receipt by the
13 Comptroller of the disbursement certification to the
14 municipalities, the Tax Compliance and Administration Fund,
15 and the General Revenue Fund, provided for in this Section to
16 be given to the Comptroller by the Department, the Comptroller
17 shall cause the orders to be drawn for the respective amounts
18 in accordance with the directions contained in the
19 certification.

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

26 Nothing in this Section shall be construed to authorize a

1 municipality to impose a tax upon the privilege of engaging in
2 any business which under the constitution of the United States
3 may not be made the subject of taxation by this State.

4 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

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

6 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
7 Act. The corporate authorities of a home rule municipality may
8 impose a tax upon all persons engaged, in such municipality,
9 in the business of making sales of service at the same rate of
10 tax imposed pursuant to Section 8-11-1, of the selling price
11 of all tangible personal property transferred by such
12 servicemen either in the form of tangible personal property or
13 in the form of real estate as an incident to a sale of service.
14 If imposed, such tax shall only be imposed in 1/4% increments.
15 On and after September 1, 1991, this additional tax may not be
16 imposed on tangible personal property taxed at the 1% rate
17 under the Service Occupation Tax Act (or at the 0% rate imposed
18 under this amendatory Act of the 102nd General Assembly).
19 Beginning December 1, 2019, this tax may not be imposed on
20 sales of aviation fuel unless the tax revenue is expended for
21 airport-related purposes. If a municipality does not have an
22 airport-related purpose to which it dedicates aviation fuel
23 tax revenue, then aviation fuel shall be excluded from tax.
24 Each municipality must comply with the certification
25 requirements for airport-related purposes under Section 2-22

1 of the Retailers' Occupation Tax Act. For purposes of this
2 Section, "airport-related purposes" has the meaning ascribed
3 in Section 6z-20.2 of the State Finance Act. This exception
4 for aviation fuel only applies for so long as the revenue use
5 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
6 binding on the State. The changes made to this Section by this
7 amendatory Act of the 101st General Assembly are a denial and
8 limitation of home rule powers and functions under subsection
9 (g) of Section 6 of Article VII of the Illinois Constitution.
10 The tax imposed by a home rule municipality pursuant to this
11 Section and all civil penalties that may be assessed as an
12 incident thereof shall be collected and enforced by the State
13 Department of Revenue. The certificate of registration which
14 is issued by the Department to a retailer under the Retailers'
15 Occupation Tax Act or under the Service Occupation Tax Act
16 shall permit such registrant to engage in a business which is
17 taxable under any ordinance or resolution enacted pursuant to
18 this Section without registering separately with the
19 Department under such ordinance or resolution or under this
20 Section. The Department shall have full power to administer
21 and enforce this Section; to collect all taxes and penalties
22 due hereunder; to dispose of taxes and penalties so collected
23 in the manner hereinafter provided, and to determine all
24 rights to credit memoranda arising on account of the erroneous
25 payment of tax or penalty hereunder. In the administration of,
26 and compliance with, this Section the Department and persons

1 who are subject to this Section shall have the same rights,
2 remedies, privileges, immunities, powers and duties, and be
3 subject to the same conditions, restrictions, limitations,
4 penalties and definitions of terms, and employ the same modes
5 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
6 through 3-50 (in respect to all provisions therein other than
7 the State rate of tax), 4 (except that the reference to the
8 State shall be to the taxing municipality), 5, 7, 8 (except
9 that the jurisdiction to which the tax shall be a debt to the
10 extent indicated in that Section 8 shall be the taxing
11 municipality), 9 (except as to the disposition of taxes and
12 penalties collected, and except that the returned merchandise
13 credit for this municipal tax may not be taken against any
14 State tax, and except that the retailer's discount is not
15 allowed for taxes paid on aviation fuel that are subject to the
16 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
17 47133), 10, 11, 12 (except the reference therein to Section 2b
18 of the Retailers' Occupation Tax Act), 13 (except that any
19 reference to the State shall mean the taxing municipality),
20 the first paragraph of Section 15, 16, 17 (except that credit
21 memoranda issued hereunder may not be used to discharge any
22 State tax liability), 18, 19 and 20 of the Service Occupation
23 Tax Act and Section 3-7 of the Uniform Penalty and Interest
24 Act, as fully as if those provisions were set forth herein.

25 No tax may be imposed by a home rule municipality pursuant
26 to this Section unless such municipality also imposes a tax at

1 the same rate pursuant to Section 8-11-1 of this Act.

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

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the order to be drawn for the
14 amount specified, and to the person named, in such
15 notification from the Department. Such refund shall be paid by
16 the State Treasurer out of the home rule municipal retailers'
17 occupation tax fund or the Local Government Aviation Trust
18 Fund, as appropriate.

19 Except as otherwise provided in this paragraph, the
20 Department shall forthwith pay over to the State Treasurer, ex
21 officio, as trustee, all taxes and penalties collected
22 hereunder for deposit into the Home Rule Municipal Retailers'
23 Occupation Tax Fund. Taxes and penalties collected on aviation
24 fuel sold on or after December 1, 2019, shall be immediately
25 paid over by the Department to the State Treasurer, ex
26 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 Section
3 for so long as the revenue use requirements of 49 U.S.C.
4 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

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

13 As soon as possible after the first day of each month,
14 beginning July 1, 2026, 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 Statewide
18 Innovation Development and Economy Act, collected under this
19 Section during the second preceding calendar month for sales
20 within a STAR bond district.

21 After the monthly transfers ~~transfer~~ to the STAR Bonds
22 Revenue Fund, on or before the 25th day of each calendar month,
23 the Department shall prepare and certify to the Comptroller
24 the disbursement of stated sums of money to named
25 municipalities, the municipalities to be those from which
26 suppliers and servicemen have paid taxes or penalties

1 hereunder to the Department during the second preceding
2 calendar month. The amount to be paid to each municipality
3 shall be the amount (not including credit memoranda and not
4 including taxes and penalties collected on aviation fuel sold
5 on or after December 1, 2019) collected hereunder during the
6 second preceding calendar month by the Department, and not
7 including an amount equal to the amount of refunds made during
8 the second preceding calendar month by the Department on
9 behalf of such municipality, and not including any amounts
10 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
11 of the remainder, which the Department shall transfer into the
12 Tax Compliance and Administration Fund. The Department, at the
13 time of each monthly disbursement to the municipalities, shall
14 prepare and certify to the State Comptroller the amount to be
15 transferred into the Tax Compliance and Administration Fund
16 under this Section. Within 10 days after receipt, by the
17 Comptroller, of the disbursement certification to the
18 municipalities and the Tax Compliance and Administration Fund
19 provided for in this Section to be given to the Comptroller by
20 the Department, the Comptroller shall cause the orders to be
21 drawn for the respective amounts in accordance with the
22 directions contained in such certification.

23 In addition to the disbursement required by the preceding
24 paragraph and in order to mitigate delays caused by
25 distribution procedures, an allocation shall, if requested, be
26 made within 10 days after January 14, 1991, and in November of

1 1991 and each year thereafter, to each municipality that
2 received more than \$500,000 during the preceding fiscal year,
3 (July 1 through June 30) whether collected by the municipality
4 or disbursed by the Department as required by this Section.
5 Within 10 days after January 14, 1991, participating
6 municipalities shall notify the Department in writing of their
7 intent to participate. In addition, for the initial
8 distribution, participating municipalities shall certify to
9 the Department the amounts collected by the municipality for
10 each month under its home rule occupation and service
11 occupation tax during the period July 1, 1989 through June 30,
12 1990. The allocation within 10 days after January 14, 1991,
13 shall be in an amount equal to the monthly average of these
14 amounts, excluding the 2 months of highest receipts. Monthly
15 average for the period of July 1, 1990 through June 30, 1991
16 will be determined as follows: the amounts collected by the
17 municipality under its home rule occupation and service
18 occupation tax during the period of July 1, 1990 through
19 September 30, 1990, plus amounts collected by the Department
20 and paid to such municipality through June 30, 1991, excluding
21 the 2 months of highest receipts. The monthly average for each
22 subsequent period of July 1 through June 30 shall be an amount
23 equal to the monthly distribution made to each such
24 municipality under the preceding paragraph during this period,
25 excluding the 2 months of highest receipts. The distribution
26 made in November 1991 and each year thereafter under this

1 paragraph and the preceding paragraph shall be reduced by the
2 amount allocated and disbursed under this paragraph in the
3 preceding period of July 1 through June 30. The Department
4 shall prepare and certify to the Comptroller for disbursement
5 the allocations made in accordance with this paragraph.

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

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

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

22 Any unobligated balance remaining in the Municipal
23 Retailers' Occupation Tax Fund on December 31, 1989, which
24 fund was abolished by Public Act 85-1135, and all receipts of
25 municipal tax as a result of audits of liability periods prior
26 to January 1, 1990, shall be paid into the Local Government Tax

1 Fund, for distribution as provided by this Section prior to
2 the enactment of Public Act 85-1135. All receipts of municipal
3 tax as a result of an assessment not arising from an audit, for
4 liability periods prior to January 1, 1990, shall be paid into
5 the Local Government Tax Fund for distribution before July 1,
6 1990, as provided by this Section prior to the enactment of
7 Public Act 85-1135, and on and after July 1, 1990, all such
8 receipts shall be distributed as provided in Section 6z-18 of
9 the State Finance Act.

10 As used in this Section, "municipal" and "municipality"
11 means a city, village or incorporated town, including an
12 incorporated town which has superseded a civil township.

13 This Section shall be known and may be cited as the Home
14 Rule Municipal Service Occupation Tax Act.

15 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
16 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

17 (65 ILCS 5/8-11-23)

18 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax
19 Law.

20 (a) This Section may be referred to as the Municipal
21 Cannabis Retailers' Occupation Tax Law. The corporate
22 authorities of any municipality may, by ordinance, impose a
23 tax upon all persons engaged in the business of selling
24 cannabis, other than cannabis purchased under the
25 Compassionate Use of Medical Cannabis Program Act, at retail

1 in the municipality on the gross receipts from these sales
2 made in the course of that business. If imposed, the tax may
3 not exceed 3% of the gross receipts from these sales and shall
4 only be imposed in 1/4% increments. The tax imposed under this
5 Section and all civil penalties that may be assessed as an
6 incident of the tax shall be collected and enforced by the
7 Department of Revenue. The Department of Revenue shall have
8 full power to administer and enforce this Section; to collect
9 all taxes and penalties due hereunder; to dispose of taxes and
10 penalties so collected in the manner hereinafter provided; and
11 to determine all rights to credit memoranda arising on account
12 of the erroneous payment of 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 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties and definitions of terms,
18 and employ the same modes of procedure, as are prescribed in
19 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65
20 (in respect to all provisions therein other than the State
21 rate of tax), 2a, 2b, 2c, 2i, 3 (except as to the disposition
22 of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e,
23 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
24 11a, 12, and 13 of the Retailers' Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

1 (b) Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 seller's tax liability hereunder by separately stating that
4 tax as an additional charge, which charge may be stated in
5 combination, in a single amount, with any State tax that
6 sellers are required to collect.

7 (c) Whenever the Department of Revenue determines that a
8 refund should be made under this Section to a claimant instead
9 of issuing a credit memorandum, the Department of Revenue
10 shall notify the State Comptroller, who shall cause the order
11 to be drawn for the amount specified and to the person named in
12 the notification from the Department of Revenue.

13 (d) Except as otherwise provided in this Section, the ~~The~~
14 Department of Revenue shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected hereunder for deposit into the Local Cannabis
17 Retailers' Occupation Tax Trust Fund.

18 As soon as possible after the first day of each month,
19 beginning July 1, 2026, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Statewide
23 Innovation Development and Economy Act, collected under this
24 Section during the second preceding calendar month for sales
25 within a STAR bond district.

26 (e) After the monthly transfer to the STAR Bonds Revenue

1 Fund, on ~~on~~ or before the 25th day of each calendar month, the
2 Department of Revenue shall prepare and certify to the
3 Comptroller the amount of money to be disbursed from the Local
4 Cannabis Retailers' Occupation Tax Trust Fund to
5 municipalities from which retailers have paid taxes or
6 penalties under this Section during the second preceding
7 calendar month. The amount to be paid to each municipality
8 shall be the amount (not including credit memoranda) collected
9 under this Section from sales made in the municipality during
10 the second preceding calendar month, plus an amount the
11 Department of Revenue determines is necessary to offset any
12 amounts that were erroneously paid to a different taxing body,
13 and not including an amount equal to the amount of refunds made
14 during the second preceding calendar month by the Department
15 on behalf of such municipality, and not including any amount
16 that the Department determines is necessary to offset any
17 amounts that were payable to a different taxing body but were
18 erroneously paid to the municipality, and not including any
19 amounts that are transferred to the STAR Bonds Revenue Fund,
20 less 1.5% of the remainder, which the Department shall
21 transfer into the Tax Compliance and Administration Fund. The
22 Department, at the time of each monthly disbursement to the
23 municipalities, shall prepare and certify to the State
24 Comptroller the amount to be transferred into the Tax
25 Compliance and Administration Fund under this Section. Within
26 10 days after receipt by the Comptroller of the disbursement

1 certification to the municipalities and the Tax Compliance and
2 Administration Fund provided for in this Section to be given
3 to the Comptroller by the Department, the Comptroller shall
4 cause the orders to be drawn for the respective amounts in
5 accordance with the directions contained in the certification.

6 (f) An ordinance or resolution imposing or discontinuing a
7 tax under this Section or effecting a change in the rate
8 thereof that is adopted on or after June 25, 2019 (the
9 effective date of Public Act 101-27) and for which a certified
10 copy is filed with the Department on or before April 1, 2020
11 shall be administered and enforced by the Department beginning
12 on July 1, 2020. For ordinances filed with the Department
13 after April 1, 2020, an ordinance or resolution imposing or
14 discontinuing a tax under this Section or effecting a change
15 in the rate thereof shall either (i) be adopted and a certified
16 copy thereof filed with the Department on or before the first
17 day of April, whereupon the Department shall proceed to
18 administer and enforce this Section as of the first day of July
19 next following the adoption and filing; or (ii) be adopted and
20 a certified copy thereof filed with the Department on or
21 before the first day of October, whereupon the Department
22 shall proceed to administer and enforce this Section as of the
23 first day of January next following the adoption and filing.

24 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

1 Sec. 8-11-24. Municipal Grocery Occupation Tax Law.

2 (a) The corporate authorities of any municipality may, by
3 ordinance or resolution that takes effect on or after January
4 1, 2026, impose a tax upon all persons engaged in the business
5 of selling groceries at retail in the municipality on the
6 gross receipts from those sales made in the course of that
7 business. If imposed, the tax shall be at the rate of 1% of the
8 gross receipts from these sales.

9 The tax imposed by a municipality under this subsection
10 and all civil penalties that may be assessed as an incident of
11 the tax shall be collected and enforced by the Department. The
12 certificate of registration that is issued by the Department
13 to a retailer under the Retailers' Occupation Tax Act shall
14 permit the retailer to engage in a business that is taxable
15 under any ordinance or resolution enacted under this
16 subsection without registering separately with the Department
17 under that ordinance or resolution or under this subsection.

18 The Department shall have full power to administer and
19 enforce this subsection; to collect all taxes and penalties
20 due under this subsection; to dispose of taxes and penalties
21 so collected in the manner provided in this Section and under
22 rules adopted by the Department; and to determine all rights
23 to credit memoranda arising on account of the erroneous
24 payment of tax or penalty under this subsection.

25 In the administration of, and compliance with, this
26 subsection, the Department and persons who are subject to this

1 subsection shall have the same rights, remedies, privileges,
2 immunities, powers, and duties, and be subject to the same
3 conditions, restrictions, limitations, penalties and
4 definitions of terms, and employ the same modes of procedure,
5 as are prescribed in Sections 1, 2 through 2-65 (in respect to
6 all provisions therein other than the State rate of tax and
7 other than the exemption for food for human consumption that
8 is to be consumed off the premises where it is sold (other than
9 alcoholic beverages, food consisting of or infused with adult
10 use cannabis, soft drinks, candy, and food that has been
11 prepared for immediate consumption), which is authorized to be
12 taxed as provided in this subsection), 2c, 3 (except as to the
13 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
14 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
15 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of
16 the Uniform Penalty and Interest Act, as fully as if those
17 provisions were set forth in this Section.

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

25 (b) If a tax has been imposed under subsection (a), then a
26 service occupation tax must also be imposed at the same rate

1 upon all persons engaged, in the municipality, in the business
2 of making sales of service, who, as an incident to making those
3 sales of service, transfer groceries, as defined in this
4 Section, as an incident to a sale of service.

5 The tax imposed under this subsection and all civil
6 penalties that may be assessed as an incident thereof shall be
7 collected and enforced by the Department. The certificate of
8 registration that is issued by the Department to a retailer
9 under the Retailers' Occupation Tax Act or the Service
10 Occupation Tax Act shall permit the registrant to engage in a
11 business that is taxable under any ordinance or resolution
12 enacted pursuant to this subsection without registering
13 separately with the Department under the ordinance or
14 resolution or under this subsection.

15 The Department shall have full power to administer and
16 enforce this subsection, to collect all taxes and penalties
17 due under this subsection, to dispose of taxes and penalties
18 so collected in the manner provided in this Section and under
19 rules adopted by the Department, and to determine all rights
20 to credit memoranda arising on account of the erroneous
21 payment of a tax or penalty under this subsection.

22 In the administration of and compliance with this
23 subsection, the Department and persons who are subject to this
24 subsection shall have the same rights, remedies, privileges,
25 immunities, powers and duties, and be subject to the same
26 conditions, restrictions, limitations, penalties and

1 definitions of terms, and employ the same modes of procedure
2 as are set forth in Sections 2, 2c, 3 through 3-50 (in respect
3 to all provisions contained in those Sections other than (i)
4 the State rate of tax; (ii) the exemption for food for human
5 consumption that is to be consumed off the premises where it is
6 sold (other than alcoholic beverages, food consisting of or
7 infused with adult use cannabis, soft drinks, candy, and food
8 that has been prepared for immediate consumption), which is
9 authorized to be taxed as provided in this subsection; and
10 (iii) the exemption for food prepared for immediate
11 consumption and transferred incident to a sale of service
12 subject to the Service Occupation Tax Act or the Service Use
13 Tax Act by an entity licensed under the Hospital Licensing
14 Act, the Nursing Home Care Act, the Assisted Living and Shared
15 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
16 Specialized Mental Health Rehabilitation Act of 2013, or the
17 Child Care Act of 1969, or an entity that holds a permit issued
18 pursuant to the Life Care Facilities Act, which is authorized
19 to be taxed as provided in this subsection), 4, 5, 7, 8, 9
20 (except as to the disposition of taxes and penalties
21 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the
22 Service Occupation Tax Act and all provisions of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth in this Section.

25 Persons subject to any tax imposed under the authority
26 granted in this subsection may reimburse themselves for their

1 serviceman's tax liability by separately stating the tax as an
2 additional charge, which may be stated in combination, in a
3 single amount, with State tax that servicemen are authorized
4 to collect under the Service Use Tax Act, pursuant to any
5 bracketed schedules set forth by the Department.

6 (c) The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected under this Section. Those taxes and penalties shall
9 be deposited into the Municipal Grocery Tax Trust Fund, a
10 trust fund created in the State treasury. Except as otherwise
11 provided in this Section, moneys in the Municipal Grocery Tax
12 Trust Fund shall be used to make payments to municipalities
13 and for the payment of refunds under this Section.

14 Moneys deposited into the Municipal Grocery Tax Trust Fund
15 under this Section are not subject to appropriation and shall
16 be used as provided in this Section. All deposits into the
17 Municipal Grocery Tax Trust Fund shall be held in the
18 Municipal Grocery Tax Trust Fund by the State Treasurer, ex
19 officio, as trustee separate and apart from all public moneys
20 or funds of this State.

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

1 Treasurer out of the Municipal Grocery Tax Trust Fund.

2 (d) As soon as possible after the first day of each month,
3 upon certification of the Department, the Comptroller shall
4 order transferred, and the Treasurer shall transfer, to the
5 STAR Bonds Revenue Fund the local sales tax increment, if any,
6 as defined in the Innovation Development and Economy Act,
7 collected under this Section.

8 As soon as possible after the first day of each month, upon
9 certification of the Department of Revenue, the Comptroller
10 shall order transferred, and the Treasurer shall transfer, to
11 the STAR Bonds Revenue Fund the local sales tax increment, as
12 defined in the Statewide Innovation Development and Economy
13 Act, collected under this Section during the second preceding
14 calendar month for sales within a STAR bond district.

15 After the monthly transfers ~~transfer~~ to the STAR Bonds
16 Revenue Fund, if any, on or before the 25th day of each
17 calendar month, the Department shall prepare and certify to
18 the Comptroller the disbursement of stated sums of money to
19 named municipalities, the municipalities to be those from
20 which retailers have paid taxes or penalties under this
21 Section to the Department during the second preceding calendar
22 month. The amount to be paid to each municipality shall be the
23 amount (not including credit memoranda) collected under this
24 Section during the second preceding calendar month by the
25 Department plus an amount the Department determines is
26 necessary to offset any amounts that were erroneously paid to

1 a different taxing body, and not including an amount equal to
2 the amount of refunds made during the second preceding
3 calendar month by the Department on behalf of such
4 municipality, and not including any amount that the Department
5 determines is necessary to offset any amounts that were
6 payable to a different taxing body but were erroneously paid
7 to the municipality, and not including any amounts that are
8 transferred to the STAR Bonds Revenue Fund. Within 10 days
9 after receipt by the Comptroller of the disbursement
10 certification to the municipalities provided for in this
11 Section to be given to the Comptroller by the Department, the
12 Comptroller shall cause the orders to be drawn for the amounts
13 in accordance with the directions contained in the
14 certification.

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

20 (f) Except as otherwise provided in this subsection, an
21 ordinance or resolution imposing or discontinuing the tax
22 hereunder or effecting a change in the rate thereof shall
23 either (i) be adopted and a certified copy thereof filed with
24 the Department on or before the first day of April, whereupon
25 the Department shall proceed to administer and enforce this
26 Section as of the first day of July next following the adoption

1 and filing or (ii) 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 the adoption and filing.

6 (g) When certifying the amount of a monthly disbursement
7 to a municipality under this Section, the Department shall
8 increase or decrease the amount by an amount necessary to
9 offset any misallocation of previous disbursements. The offset
10 amount shall be the amount erroneously disbursed within the
11 previous 6 months from the time a misallocation is discovered.

12 (h) As used in this Section, "Department" means the
13 Department of Revenue.

14 For purposes of the tax authorized to be imposed under
15 subsection (a), "groceries" has the same meaning as "food for
16 human consumption that is to be consumed off the premises
17 where it is sold (other than alcoholic beverages, food
18 consisting of or infused with adult use cannabis, soft drinks,
19 candy, and food that has been prepared for immediate
20 consumption)", as further defined in Section 2-10 of the
21 Retailers' Occupation Tax Act.

22 For purposes of the tax authorized to be imposed under
23 subsection (b), "groceries" has the same meaning as "food for
24 human consumption that is to be consumed off the premises
25 where it is sold (other than alcoholic beverages, food
26 consisting of or infused with adult use cannabis, soft drinks,

1 candy, and food that has been prepared for immediate
2 consumption)", as further defined in Section 3-10 of the
3 Service Occupation Tax Act. For purposes of the tax authorized
4 to be imposed under subsection (b), "groceries" also means
5 food prepared for immediate consumption and transferred
6 incident to a sale of service subject to the Service
7 Occupation Tax Act or the Service Use Tax Act by an entity
8 licensed under the Hospital Licensing Act, the Nursing Home
9 Care Act, the Assisted Living and Shared Housing Act, the
10 ID/DD Community Care Act, the MC/DD Act, the Specialized
11 Mental Health Rehabilitation Act of 2013, or the Child Care
12 Act of 1969, or an entity that holds a permit issued pursuant
13 to the Life Care Facilities Act.

14 (i) This Section may be referred to as the Municipal
15 Grocery Occupation Tax Law.

16 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

17 (65 ILCS 5/11-74.3-6)

18 Sec. 11-74.3-6. Business district revenue and obligations;
19 business district tax allocation fund.

20 (a) If the corporate authorities of a municipality have
21 approved a business district plan, have designated a business
22 district, and have elected to impose a tax by ordinance
23 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
24 each year after the date of the approval of the ordinance but
25 terminating upon the date all business district project costs

1 and all obligations paying or reimbursing business district
2 project costs, if any, have been paid, but in no event later
3 than the dissolution date, all amounts generated by the
4 retailers' occupation tax and service occupation tax shall be
5 collected and the tax shall be enforced by the Department of
6 Revenue in the same manner as all retailers' occupation taxes
7 and service occupation taxes imposed in the municipality
8 imposing the tax and all amounts generated by the hotel
9 operators' occupation tax shall be collected and the tax shall
10 be enforced by the municipality in the same manner as all hotel
11 operators' occupation taxes imposed in the municipality
12 imposing the tax. The corporate authorities of the
13 municipality shall deposit the proceeds of the taxes imposed
14 under subsections (10) and (11) of Section 11-74.3-3 into a
15 special fund of the municipality called the "[Name of]
16 Business District Tax Allocation Fund" for the purpose of
17 paying or reimbursing business district project costs and
18 obligations incurred in the payment of those costs.

19 (b) The corporate authorities of a municipality that has
20 designated a business district under this Law may, by
21 ordinance, impose a Business District Retailers' Occupation
22 Tax upon all persons engaged in the business of selling
23 tangible personal property, other than an item of tangible
24 personal property titled or registered with an agency of this
25 State's government, at retail in the business district at a
26 rate not to exceed 1% of the gross receipts from the sales made

1 in the course of such business, to be imposed only in 0.25%
2 increments. The tax may not be imposed on tangible personal
3 property taxed at the rate of 1% under the Retailers'
4 Occupation Tax Act (or at the 0% rate imposed under this
5 amendatory Act of the 102nd General Assembly). Beginning
6 December 1, 2019 and through December 31, 2020, this tax is not
7 imposed on sales of aviation fuel unless the tax revenue is
8 expended for airport-related purposes. If the District does
9 not have an airport-related purpose to which it dedicates
10 aviation fuel tax revenue, then aviation fuel is excluded from
11 the tax. Each municipality must comply with the certification
12 requirements for airport-related purposes under Section 2-22
13 of the Retailers' Occupation Tax Act. For purposes of this
14 Section, "airport-related purposes" has the meaning ascribed
15 in Section 6z-20.2 of the State Finance Act. Beginning January
16 1, 2021, this tax is not imposed on sales of aviation fuel for
17 so long as the revenue use requirements of 49 U.S.C. 47107(b)
18 and 49 U.S.C. 47133 are binding on the District.

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

1 under such ordinance or resolution or under this subsection.
2 The Department of Revenue shall have full power to administer
3 and enforce this subsection; to collect all taxes and
4 penalties due under this subsection in the manner hereinafter
5 provided; and to determine all rights to credit memoranda
6 arising on account of the erroneous payment of tax or penalty
7 under this subsection. In the administration of, and
8 compliance with, this subsection, the Department and persons
9 who are subject to this subsection shall have the same rights,
10 remedies, privileges, immunities, powers and duties, and be
11 subject to the same conditions, restrictions, limitations,
12 penalties, exclusions, exemptions, and definitions of terms
13 and employ the same modes of procedure, as are prescribed in
14 Sections 1, 1a through 1o, 2 through 2-65 (in respect to all
15 provisions therein other than the State rate of tax), 2c
16 through 2h, 3 (except as to the disposition of taxes and
17 penalties collected, and except that the retailer's discount
18 is not allowed for taxes paid on aviation fuel that are subject
19 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
20 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,
21 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers'
22 Occupation Tax Act and all provisions of the Uniform Penalty
23 and Interest Act, as fully as if those provisions were set
24 forth herein.

25 Persons subject to any tax imposed under this subsection
26 may reimburse themselves for their seller's tax liability

1 under this subsection by separately stating the tax as an
2 additional charge, which charge may be stated in combination,
3 in a single amount, with State taxes that sellers are required
4 to collect under the Use Tax Act, in accordance with such
5 bracket schedules as the Department may prescribe.

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 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 business district retailers' occupation
13 tax fund or the Local Government Aviation Trust Fund, as
14 appropriate.

15 Except as otherwise provided in this paragraph, the
16 Department shall immediately pay over to the State Treasurer,
17 ex officio, as trustee, all taxes, penalties, and interest
18 collected under this subsection for deposit into the business
19 district retailers' occupation tax fund. Taxes and penalties
20 collected on aviation fuel sold on or after December 1, 2019,
21 shall be immediately paid over by the Department to the State
22 Treasurer, ex officio, as trustee, for deposit into the Local
23 Government Aviation Trust Fund. The Department shall only pay
24 moneys into the Local Government Aviation Trust Fund under
25 this Section for so long as the revenue use requirements of 49
26 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the

1 District.

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

10 As soon as possible after the first day of each month,
11 beginning July 1, 2026, 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 Statewide
15 Innovation Development and Economy Act, collected under this
16 Section during the second preceding calendar month for sales
17 within a STAR bond district.

18 After the monthly transfers ~~transfer~~ to the STAR Bonds
19 Revenue Fund, on or before the 25th day of each calendar month,
20 the Department shall prepare and certify to the Comptroller
21 the disbursement of stated sums of money to named
22 municipalities from the business district retailers'
23 occupation tax fund, the municipalities to be those from which
24 retailers have paid taxes or penalties under this subsection
25 to the Department during the second preceding calendar month.
26 The amount to be paid to each municipality shall be the amount

1 (not including credit memoranda and not including taxes and
2 penalties collected on aviation fuel sold on or after December
3 1, 2019) collected under this subsection during the second
4 preceding calendar month by the Department plus an amount the
5 Department determines is necessary to offset any amounts that
6 were erroneously paid to a different taxing body, and not
7 including an amount equal to the amount of refunds made during
8 the second preceding calendar month by the Department, less 2%
9 of that amount (except the amount collected on aviation fuel
10 sold on or after December 1, 2019), which shall be deposited
11 into the Tax Compliance and Administration Fund and shall be
12 used by the Department, subject to appropriation, to cover the
13 costs of the Department in administering and enforcing the
14 provisions of this subsection, on behalf of such municipality,
15 and not including any amount that the Department determines is
16 necessary to offset any amounts that were payable to a
17 different taxing body but were erroneously paid to the
18 municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the disbursement
21 certification to the municipalities provided for in this
22 subsection to be given to the Comptroller by the Department,
23 the Comptroller shall cause the orders to be drawn for the
24 respective amounts in accordance with the directions contained
25 in the certification. The proceeds of the tax paid to
26 municipalities under this subsection shall be deposited into

1 the Business District Tax Allocation Fund by the municipality.

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

15 The Department of Revenue shall not administer or enforce
16 an ordinance imposing, discontinuing, or changing the rate of
17 the tax under this subsection, until the municipality also
18 provides, in the manner prescribed by the Department, the
19 boundaries of the business district and each address in the
20 business district in such a way that the Department can
21 determine by its address whether a business is located in the
22 business district. The municipality must provide this boundary
23 and address information to the Department on or before April 1
24 for administration and enforcement of the tax under this
25 subsection by the Department beginning on the following July 1
26 and on or before October 1 for administration and enforcement

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

21 A municipality that imposes the tax under this subsection
22 must submit to the Department of Revenue any other information
23 as the Department may require for the administration and
24 enforcement of the tax.

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

1 increase or decrease the amount by an amount necessary to
2 offset any misallocation of previous disbursements. The offset
3 amount shall be the amount erroneously disbursed within the
4 previous 6 months from the time a misallocation is discovered.

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

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

12 (c) If a tax has been imposed under subsection (b), a
13 Business District Service Occupation Tax shall also be imposed
14 upon all persons engaged, in the business district, in the
15 business of making sales of service, who, as an incident to
16 making those sales of service, transfer tangible personal
17 property within the business district, either in the form of
18 tangible personal property or in the form of real estate as an
19 incident to a sale of service. The tax shall be imposed at the
20 same rate as the tax imposed in subsection (b) and shall not
21 exceed 1% of the selling price of tangible personal property
22 so transferred within the business district, to be imposed
23 only in 0.25% increments. The tax may not be imposed on
24 tangible personal property taxed at the 1% rate under the
25 Service Occupation Tax Act (or at the 0% rate imposed under
26 this amendatory Act of the 102nd General Assembly). Beginning

1 December 1, 2019, this tax is not imposed on sales of aviation
2 fuel unless the tax revenue is expended for airport-related
3 purposes. If the District does not have an airport-related
4 purpose to which it dedicates aviation fuel tax revenue, then
5 aviation fuel is excluded from the tax. Each municipality must
6 comply with the certification requirements for airport-related
7 purposes under Section 2-22 of the Retailers' Occupation Tax
8 Act. For purposes of this Act, "airport-related purposes" has
9 the meaning ascribed in Section 6z-20.2 of the State Finance
10 Act. Beginning January 1, 2021, this tax is not imposed on
11 sales of aviation fuel 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 District.

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

1 so collected in the manner hereinafter provided; and to
2 determine all rights to credit memoranda arising on account of
3 the erroneous payment of tax or penalty under this subsection.
4 In the administration of, and compliance with this subsection,
5 the Department and persons who are subject to this subsection
6 shall have the same rights, remedies, privileges, immunities,
7 powers and duties, and be subject to the same conditions,
8 restrictions, limitations, penalties, exclusions, exemptions,
9 and definitions of terms and employ the same modes of
10 procedure as are prescribed in Sections 2, 2a through 2d, 3
11 through 3-50 (in respect to all provisions therein other than
12 the State rate of tax), 4 (except that the reference to the
13 State shall be to the business district), 5, 7, 8 (except that
14 the jurisdiction to which the tax shall be a debt to the extent
15 indicated in that Section 8 shall be the municipality), 9
16 (except as to the disposition of taxes and penalties
17 collected, and except that the returned merchandise credit for
18 this tax may not be taken against any State tax, and except
19 that the retailer's discount is not allowed for taxes paid on
20 aviation fuel that are subject to the revenue use requirements
21 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except
22 the reference therein to Section 2b of the Retailers'
23 Occupation Tax Act), 13 (except that any reference to the
24 State shall mean the municipality), the first paragraph of
25 Section 15, and Sections 16, 17, 18, 19 and 20 of the Service
26 Occupation Tax Act and all provisions of the Uniform Penalty

1 and Interest Act, as fully as if those provisions were set
2 forth 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 hereunder by separately stating the
6 tax as an additional charge, which charge may be stated in
7 combination, in a single amount, with State tax that
8 servicemen are authorized to collect under the Service Use Tax
9 Act, in accordance with such bracket schedules as the
10 Department may prescribe.

11 Whenever the Department determines that a refund should be
12 made under this subsection to a claimant instead of issuing
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 such
16 notification from the Department. Such refund shall be paid by
17 the State Treasurer out of the business district retailers'
18 occupation tax fund or the Local Government Aviation Trust
19 Fund, as appropriate.

20 Except as otherwise provided in this paragraph, the
21 Department shall forthwith pay over to the State Treasurer, ex
22 officio ~~ex-officio~~, as trustee, all taxes, penalties, and
23 interest collected under this subsection for deposit into the
24 business district retailers' occupation tax fund. Taxes and
25 penalties collected on aviation fuel sold on or after December
26 1, 2019, shall be immediately paid over by the Department to

1 the State Treasurer, ex officio, as trustee, for deposit into
2 the Local Government Aviation Trust Fund. The Department shall
3 only pay moneys into the Local Government Aviation Trust Fund
4 under this Section for so long as the revenue use requirements
5 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
6 District.

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

15 As soon as possible after the first day of each month,
16 beginning July 1, 2026, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Statewide
20 Innovation Development and Economy Act, collected under this
21 Section during the second preceding calendar month for sales
22 within a STAR bond district.

23 After the monthly transfers ~~transfer~~ to the STAR Bonds
24 Revenue Fund, on or before the 25th day of each calendar month,
25 the Department shall prepare and certify to the Comptroller
26 the disbursement of stated sums of money to named

1 municipalities from the business district retailers'
2 occupation tax fund, the municipalities to be those from which
3 suppliers and servicemen have paid taxes or penalties under
4 this subsection to the Department during the second preceding
5 calendar month. The amount to be paid to each municipality
6 shall be the amount (not including credit memoranda and not
7 including taxes and penalties collected on aviation fuel sold
8 on or after December 1, 2019) collected under this subsection
9 during the second preceding calendar month by the Department,
10 less 2% of that amount (except the amount collected on
11 aviation fuel sold on or after December 1, 2019), which shall
12 be deposited into the Tax Compliance and Administration Fund
13 and shall be used by the Department, subject to appropriation,
14 to cover the costs of the Department in administering and
15 enforcing the provisions of this subsection, and not including
16 an amount equal to the amount of refunds made during the second
17 preceding calendar month by the Department on behalf of such
18 municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt, by the Comptroller, of the disbursement
21 certification to the municipalities, provided for in this
22 subsection to be given to the Comptroller by the Department,
23 the Comptroller shall cause the orders to be drawn for the
24 respective amounts in accordance with the directions contained
25 in such certification. The proceeds of the tax paid to
26 municipalities under this subsection shall be deposited into

1 the Business District Tax Allocation Fund by the municipality.

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

15 The Department of Revenue shall not administer or enforce
16 an ordinance imposing, discontinuing, or changing the rate of
17 the tax under this subsection, until the municipality also
18 provides, in the manner prescribed by the Department, the
19 boundaries of the business district in such a way that the
20 Department can determine by its address whether a business is
21 located in the business district. The municipality must
22 provide this boundary and address information to the
23 Department on or before April 1 for administration and
24 enforcement of the tax under this subsection by the Department
25 beginning on the following July 1 and on or before October 1
26 for administration and enforcement of the tax under this

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

21 A municipality that imposes the tax under this subsection
22 must submit to the Department of Revenue any other information
23 as the Department may require for the administration and
24 enforcement of the tax.

25 Nothing in this subsection shall be construed to authorize
26 the municipality to impose a tax upon the privilege of

1 engaging in any business which under the Constitution of the
2 United States may not be made the subject of taxation by the
3 State.

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

6 (c-5) If, on January 1, 2025, a unit of local government
7 has in effect a tax under this Section, or if, after January 1,
8 2025, a unit of local government imposes a tax under this
9 Section, then that tax applies to leases of tangible personal
10 property in effect, entered into, or renewed on or after that
11 date in the same manner as the tax under this Section and in
12 accordance with the changes made by this amendatory Act of the
13 103rd General Assembly.

14 (d) By ordinance, a municipality that has designated a
15 business district under this Law may impose an occupation tax
16 upon all persons engaged in the business district in the
17 business of renting, leasing, or letting rooms in a hotel, as
18 defined in the Hotel Operators' Occupation Tax Act, at a rate
19 not to exceed 1% of the gross rental receipts from the renting,
20 leasing, or letting of hotel rooms within the business
21 district, to be imposed only in 0.25% increments, excluding,
22 however, from gross rental receipts the proceeds of renting,
23 leasing, or letting to permanent residents of a hotel, as
24 defined in the Hotel Operators' Occupation Tax Act, and
25 proceeds from the tax imposed under subsection (c) of Section
26 13 of the Metropolitan Pier and Exposition Authority Act.

1 The tax imposed by the municipality under this subsection
2 and all civil penalties that may be assessed as an incident to
3 that tax shall be collected and enforced by the municipality
4 imposing the tax. The municipality shall have full power to
5 administer and enforce this subsection, to collect all taxes
6 and penalties due under this subsection, to dispose of taxes
7 and penalties so collected in the manner provided in this
8 subsection, and to determine all rights to credit memoranda
9 arising on account of the erroneous payment of tax or penalty
10 under this subsection. In the administration of and compliance
11 with this subsection, the municipality and persons who are
12 subject to this subsection shall have the same rights,
13 remedies, privileges, immunities, powers, and duties, shall be
14 subject to the same conditions, restrictions, limitations,
15 penalties, and definitions of terms, and shall employ the same
16 modes of procedure as are employed with respect to a tax
17 adopted by the municipality under Section 8-3-14 of this Code.

18 Persons subject to any tax imposed under the authority
19 granted in this subsection may reimburse themselves for their
20 tax liability for that tax by separately stating that tax as an
21 additional charge, which charge may be stated in combination,
22 in a single amount, with State taxes imposed under the Hotel
23 Operators' Occupation Tax Act, and with any other tax.

24 Nothing in this subsection shall be construed to authorize
25 a municipality to impose a tax upon the privilege of engaging
26 in any business which under the Constitution of the United

1 States may not be made the subject of taxation by this State.

2 The proceeds of the tax imposed under this subsection
3 shall be deposited into the Business District Tax Allocation
4 Fund.

5 (e) Obligations secured by the Business District Tax
6 Allocation Fund may be issued to provide for the payment or
7 reimbursement of business district project costs. Those
8 obligations, when so issued, shall be retired in the manner
9 provided in the ordinance authorizing the issuance of those
10 obligations by the receipts of taxes imposed pursuant to
11 subsections (10) and (11) of Section 11-74.3-3 and by other
12 revenue designated or pledged by the municipality. A
13 municipality may in the ordinance pledge, for any period of
14 time up to and including the dissolution date, all or any part
15 of the funds in and to be deposited into ~~in~~ the Business
16 District Tax Allocation Fund to the payment of business
17 district project costs and obligations. Whenever a
18 municipality pledges all of the funds to the credit of a
19 business district tax allocation fund to secure obligations
20 issued or to be issued to pay or reimburse business district
21 project costs, the municipality may specifically provide that
22 funds remaining to the credit of such business district tax
23 allocation fund after the payment of such obligations shall be
24 accounted for annually and shall be deemed to be "surplus"
25 funds, and such "surplus" funds shall be expended by the
26 municipality for any business district project cost as

1 approved in the business district plan. Whenever a
2 municipality pledges less than all of the monies to the credit
3 of a business district tax allocation fund to secure
4 obligations issued or to be issued to pay or reimburse
5 business district project costs, the municipality shall
6 provide that monies to the credit of the business district tax
7 allocation fund and not subject to such pledge or otherwise
8 encumbered or required for payment of contractual obligations
9 for specific business district project costs shall be
10 calculated annually and shall be deemed to be "surplus" funds,
11 and such "surplus" funds shall be expended by the municipality
12 for any business district project cost as approved in the
13 business district plan.

14 No obligation issued pursuant to this Law and secured by a
15 pledge of all or any portion of any revenues received or to be
16 received by the municipality from the imposition of taxes
17 pursuant to subsection (10) of Section 11-74.3-3, shall be
18 deemed to constitute an economic incentive agreement under
19 Section 8-11-20, notwithstanding the fact that such pledge
20 provides for the sharing, rebate, or payment of retailers'
21 occupation taxes or service occupation taxes imposed pursuant
22 to subsection (10) of Section 11-74.3-3 and received or to be
23 received by the municipality from the development or
24 redevelopment of properties in the business district.

25 Without limiting the foregoing in this Section, the
26 municipality may further secure obligations secured by the

1 business district tax allocation fund with a pledge, for a
2 period not greater than the term of the obligations and in any
3 case not longer than the dissolution date, of any part or any
4 combination of the following: (i) net revenues of all or part
5 of any business district project; (ii) taxes levied or imposed
6 by the municipality on any or all property in the
7 municipality, including, specifically, taxes levied or imposed
8 by the municipality in a special service area pursuant to the
9 Special Service Area Tax Law; (iii) the full faith and credit
10 of the municipality; (iv) a mortgage on part or all of the
11 business district project; or (v) any other taxes or
12 anticipated receipts that the municipality may lawfully
13 pledge.

14 Such obligations may be issued in one or more series, bear
15 such date or dates, become due at such time or times as therein
16 provided, but in any case not later than (i) 20 years after the
17 date of issue or (ii) the dissolution date, whichever is
18 earlier, bear interest payable at such intervals and at such
19 rate or rates as set forth therein, except as may be limited by
20 applicable law, which rate or rates may be fixed or variable,
21 be in such denominations, be in such form, either coupon,
22 registered, or book-entry, carry such conversion, registration
23 and exchange privileges, be subject to defeasance upon such
24 terms, have such rank or priority, be executed in such manner,
25 be payable in such medium or payment at such place or places
26 within or without the State, make provision for a corporate

1 trustee within or without the State with respect to such
2 obligations, prescribe the rights, powers, and duties thereof
3 to be exercised for the benefit of the municipality and the
4 benefit of the owners of such obligations, provide for the
5 holding in trust, investment, and use of moneys, funds, and
6 accounts held under an ordinance, provide for assignment of
7 and direct payment of the moneys to pay such obligations or to
8 be deposited into such funds or accounts directly to such
9 trustee, be subject to such terms of redemption with or
10 without premium, and be sold at such price, all as the
11 corporate authorities shall determine. No referendum approval
12 of the electors shall be required as a condition to the
13 issuance of obligations pursuant to this Law except as
14 provided in this Section.

15 In the event the municipality authorizes the issuance of
16 obligations pursuant to the authority of this Law secured by
17 the full faith and credit of the municipality, or pledges ad
18 valorem taxes pursuant to this subsection, which obligations
19 are other than obligations which may be issued under home rule
20 powers provided by Section 6 of Article VII of the Illinois
21 Constitution or which ad valorem taxes are other than ad
22 valorem taxes which may be pledged under home rule powers
23 provided by Section 6 of Article VII of the Illinois
24 Constitution or which are levied in a special service area
25 pursuant to the Special Service Area Tax Law, the ordinance
26 authorizing the issuance of those obligations or pledging

1 those taxes shall be published within 10 days after the
2 ordinance has been adopted, in a newspaper having a general
3 circulation within the municipality. The publication of the
4 ordinance shall be accompanied by a notice of (i) the specific
5 number of voters required to sign a petition requesting the
6 question of the issuance of the obligations or pledging such
7 ad valorem taxes to be submitted to the electors; (ii) the time
8 within which the petition must be filed; and (iii) the date of
9 the prospective referendum. The municipal clerk shall provide
10 a petition form to any individual requesting one.

11 If no petition is filed with the municipal clerk, as
12 hereinafter provided in this Section, within 21 days after the
13 publication of the ordinance, the ordinance shall be in
14 effect. However, if within that 21-day period a petition is
15 filed with the municipal clerk, signed by electors numbering
16 not less than 15% of the number of electors voting for the
17 mayor or president at the last general municipal election,
18 asking that the question of issuing obligations using full
19 faith and credit of the municipality as security for the cost
20 of paying or reimbursing business district project costs, or
21 of pledging such ad valorem taxes for the payment of those
22 obligations, or both, be submitted to the electors of the
23 municipality, the municipality shall not be authorized to
24 issue obligations of the municipality using the full faith and
25 credit of the municipality as security or pledging such ad
26 valorem taxes for the payment of those obligations, or both,

1 until the proposition has been submitted to and approved by a
2 majority of the voters voting on the proposition at a
3 regularly scheduled election. The municipality shall certify
4 the proposition to the proper election authorities for
5 submission in accordance with the general election law.

6 The ordinance authorizing the obligations may provide that
7 the obligations shall contain a recital that they are issued
8 pursuant to this Law, which recital shall be conclusive
9 evidence of their validity and of the regularity of their
10 issuance.

11 In the event the municipality authorizes issuance of
12 obligations pursuant to this Law secured by the full faith and
13 credit of the municipality, the ordinance authorizing the
14 obligations may provide for the levy and collection of a
15 direct annual tax upon all taxable property within the
16 municipality sufficient to pay the principal thereof and
17 interest thereon as it matures, which levy may be in addition
18 to and exclusive of the maximum of all other taxes authorized
19 to be levied by the municipality, which levy, however, shall
20 be abated to the extent that monies from other sources are
21 available for payment of the obligations and the municipality
22 certifies the amount of those monies available to the county
23 clerk.

24 A certified copy of the ordinance shall be filed with the
25 county clerk of each county in which any portion of the
26 municipality is situated, and shall constitute the authority

1 for the extension and collection of the taxes to be deposited
2 into ~~in~~ the business district tax allocation fund.

3 A municipality may also issue its obligations to refund,
4 in whole or in part, obligations theretofore issued by the
5 municipality under the authority of this Law, whether at or
6 prior to maturity. However, the last maturity of the refunding
7 obligations shall not be expressed to mature later than the
8 dissolution date.

9 In the event a municipality issues obligations under home
10 rule powers or other legislative authority, the proceeds of
11 which are pledged to pay or reimburse business district
12 project costs, the municipality may, if it has followed the
13 procedures in conformance with this Law, retire those
14 obligations from funds in the business district tax allocation
15 fund in amounts and in such manner as if those obligations had
16 been issued pursuant to the provisions of this Law.

17 No obligations issued pursuant to this Law shall be
18 regarded as indebtedness of the municipality issuing those
19 obligations or any other taxing district for the purpose of
20 any limitation imposed by law.

21 Obligations issued pursuant to this Law shall not be
22 subject to the provisions of the Bond Authorization Act.

23 (f) When business district project costs, including,
24 without limitation, all obligations paying or reimbursing
25 business district project costs have been paid, any surplus
26 funds then remaining in the Business District Tax Allocation

1 Fund shall be distributed to the municipal treasurer for
2 deposit into the general corporate fund of the municipality.
3 Upon payment of all business district project costs and
4 retirement of all obligations paying or reimbursing business
5 district project costs, but in no event more than 23 years
6 after the date of adoption of the ordinance imposing taxes
7 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
8 municipality shall adopt an ordinance immediately rescinding
9 the taxes imposed pursuant to subsection (10) or (11) of
10 Section 11-74.3-3.

11 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

12 (70 ILCS 925/Act rep.)

13 Section 10-43. The Mid-Illinois Medical District Act is
14 repealed.

15 Section 10-45. The Metro-East Park and Recreation District
16 Act is amended by changing Section 30 as follows:

17 (70 ILCS 1605/30)

18 Sec. 30. Taxes.

19 (a) The board shall impose a tax upon all persons engaged
20 in the business of selling tangible personal property, other
21 than personal property titled or registered with an agency of
22 this State's government, at retail in the District on the
23 gross receipts from the sales made in the course of business.

1 This tax shall be imposed only at the rate of one-tenth of one
2 per cent.

3 This additional tax may not be imposed on tangible
4 personal property taxed at the 1% rate under the Retailers'
5 Occupation Tax Act (or at the 0% rate imposed under this
6 amendatory Act of the 102nd General Assembly). Beginning
7 December 1, 2019 and through December 31, 2020, this tax is not
8 imposed on sales of aviation fuel unless the tax revenue is
9 expended for airport-related purposes. If the District does
10 not have an airport-related purpose to which it dedicates
11 aviation fuel tax revenue, then aviation fuel shall be
12 excluded from tax. The board must comply with the
13 certification requirements for airport-related purposes under
14 Section 2-22 of the Retailers' Occupation Tax Act. For
15 purposes of this Act, "airport-related purposes" has the
16 meaning ascribed in Section 6z-20.2 of the State Finance Act.
17 Beginning January 1, 2021, this tax is not imposed on sales of
18 aviation fuel for so long as the revenue use requirements of 49
19 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
20 District. The tax imposed by the Board under this Section and
21 all civil penalties that may be assessed as an incident of the
22 tax shall be collected and enforced by the Department of
23 Revenue. 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
6 to credit memoranda arising on account of the erroneous
7 payment of a tax or penalty under this Section. In the
8 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, and definitions of
13 terms, and (iii) employ the same modes of procedure as are
14 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
15 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions
16 contained in those Sections other than the State rate of tax),
17 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except provisions
18 relating to transaction returns and quarter monthly payments,
19 and except that the retailer's discount is not allowed for
20 taxes paid on aviation fuel that are subject to the revenue use
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
22 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
23 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'
24 Occupation Tax Act and the Uniform Penalty and Interest Act as
25 if those provisions were set forth in this Section.

26 Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their
2 sellers' tax liability by separately stating the tax as an
3 additional charge, which charge may be stated in combination,
4 in a single amount, with State tax which sellers are required
5 to collect under the Use Tax Act, pursuant to such bracketed
6 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 State Metro-East Park and Recreation
14 District Fund or the Local Government Aviation Trust Fund, as
15 appropriate.

16 (b) If a tax has been imposed under subsection (a), a
17 service occupation tax shall also be imposed at the same rate
18 upon all persons engaged, in the District, in the business of
19 making sales of service, who, as an incident to making those
20 sales of service, transfer tangible personal property within
21 the District as an incident to a sale of service. This tax may
22 not be imposed on tangible personal property taxed at the 1%
23 rate under the Service Occupation Tax Act (or at the 0% rate
24 imposed under this amendatory Act of the 102nd General
25 Assembly). Beginning December 1, 2019 and through December 31,
26 2020, this tax may not be imposed on sales of aviation fuel

1 unless the tax revenue is expended for airport-related
2 purposes. If the District does not have an airport-related
3 purpose to which it dedicates aviation fuel tax revenue, then
4 aviation fuel shall be excluded from tax. The board must
5 comply with the certification requirements for airport-related
6 purposes under Section 2-22 of the Retailers' Occupation Tax
7 Act. For purposes of this Act, "airport-related purposes" has
8 the meaning ascribed in Section 6z-20.2 of the State Finance
9 Act. Beginning January 1, 2021, this tax is not imposed on
10 sales of aviation fuel 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 District. The tax imposed under this subsection
13 and all civil penalties that may be assessed as an incident
14 thereof shall be collected and enforced by the Department of
15 Revenue. The Department has full power to administer and
16 enforce this subsection; to collect all taxes and penalties
17 due hereunder; to dispose of taxes and penalties so collected
18 in the manner hereinafter provided; and to determine all
19 rights to credit memoranda arising on account of the erroneous
20 payment of tax or penalty hereunder. In the administration of,
21 and compliance with this subsection, the Department and
22 persons who are subject to this paragraph shall (i) have the
23 same rights, remedies, privileges, immunities, powers, and
24 duties, (ii) be subject to the same conditions, restrictions,
25 limitations, penalties, exclusions, exemptions, and
26 definitions of terms, and (iii) employ the same modes of

1 procedure as are prescribed in Sections 2 (except that the
2 reference to State in the definition of supplier maintaining a
3 place of business in this State shall mean the District), 2a,
4 2b, 2c, 3 through 3-50 (in respect to all provisions therein
5 other than the State rate of tax), 4 (except that the reference
6 to the State shall be to the District), 5, 7, 8 (except that
7 the jurisdiction to which the tax shall be a debt to the extent
8 indicated in that Section 8 shall be the District), 9 (except
9 as to the disposition of taxes and penalties collected, and
10 except that the retailer's discount is not allowed for taxes
11 paid on aviation fuel that are subject to the revenue use
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
13 11, 12 (except the reference therein to Section 2b of the
14 Retailers' Occupation Tax Act), 13 (except that any reference
15 to the State shall mean the District), Sections 15, 16, 17, 18,
16 19 and 20 of the Service Occupation Tax Act and the Uniform
17 Penalty and Interest Act, as fully as if those provisions were
18 set forth herein.

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

1 Whenever the Department determines that a refund should be
2 made under this subsection to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the warrant to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of the State Metro-East Park and Recreation
8 District Fund or the Local Government Aviation Trust Fund, as
9 appropriate.

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

14 (b-5) If, on January 1, 2025, a unit of local government
15 has in effect a tax under this Section, or if, after January 1,
16 2025, a unit of local government imposes a tax under this
17 Section, then that tax applies to leases of tangible personal
18 property in effect, entered into, or renewed on or after that
19 date in the same manner as the tax under this Section and in
20 accordance with the changes made by this amendatory Act of the
21 103rd General Assembly.

22 (c) Except as otherwise provided in this paragraph, the
23 Department shall immediately pay over to the State Treasurer,
24 ex officio, as trustee, all taxes and penalties collected
25 under this Section to be deposited into the State Metro-East
26 Park and Recreation District Fund, which shall be an

1 unappropriated trust fund held outside of the State treasury.
2 Taxes and penalties collected on aviation fuel sold on or
3 after December 1, 2019 and through December 31, 2020, shall be
4 immediately paid over by the Department to the State
5 Treasurer, ex officio, as trustee, for deposit into the Local
6 Government Aviation Trust Fund. The Department shall only pay
7 moneys into the Local Government Aviation Trust Fund under
8 this Act for so long as the revenue use requirements of 49
9 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
10 District.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2011, upon certification of the
13 Department of Revenue, the Comptroller shall order
14 transferred, and the Treasurer shall transfer, to the STAR
15 Bonds Revenue Fund the local sales tax increment, as defined
16 in the Innovation Development and Economy Act, collected under
17 this Section during the second preceding calendar month for
18 sales within a STAR bond district. The Department shall make
19 this certification only if the Metro East Park and Recreation
20 District imposes a tax on real property as provided in the
21 definition of "local sales taxes" under the Innovation
22 Development and Economy Act.

23 As soon as possible after the first day of each month,
24 beginning June 1, 2026, 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 Statewide
2 Innovation Development and Economy Act, collected under this
3 Section during the second preceding calendar month for sales
4 within a STAR bond district. The Department shall make this
5 certification only if the Metro East Park and Recreation
6 District imposes a tax on real property as provided in the
7 definition of "local sales taxes" under the Statewide
8 Innovation Development and Economy Act.

9 After the monthly transfers ~~transfer~~ to the STAR Bonds
10 Revenue Fund, on or before the 25th day of each calendar month,
11 the Department shall prepare and certify to the Comptroller
12 the disbursement of stated sums of money pursuant to Section
13 35 of this Act to the District from which retailers have paid
14 taxes or penalties to the Department during the second
15 preceding calendar month. The amount to be paid to the
16 District shall be the amount (not including credit memoranda
17 and not including taxes and penalties collected on aviation
18 fuel sold on or after December 1, 2019 and through December 31,
19 2020) collected under this Section during the second preceding
20 calendar month by the Department plus an amount the Department
21 determines is necessary to offset any amounts that were
22 erroneously paid to a different taxing body, and not including
23 (i) an amount equal to the amount of refunds made during the
24 second preceding calendar month by the Department on behalf of
25 the District, (ii) any amount that the Department determines
26 is necessary to offset any amounts that were payable to a

1 different taxing body but were erroneously paid to the
2 District, (iii) any amounts that are transferred to the STAR
3 Bonds Revenue Fund, and (iv) 1.5% of the remainder, which the
4 Department shall transfer into the Tax Compliance and
5 Administration Fund. The Department, at the time of each
6 monthly disbursement to the District, shall prepare and
7 certify to the State Comptroller the amount to be transferred
8 into the Tax Compliance and Administration Fund under this
9 subsection. Within 10 days after receipt by the Comptroller of
10 the disbursement certification to the District and the Tax
11 Compliance and Administration Fund provided for in this
12 Section to be given to the Comptroller by the Department, the
13 Comptroller shall cause the orders to be drawn for the
14 respective amounts in accordance with directions contained in
15 the certification.

16 (d) For the purpose of determining whether a tax
17 authorized under this Section is applicable, a retail sale by
18 a producer of coal or another mineral mined in Illinois is a
19 sale at retail at the place where the coal or other mineral
20 mined in Illinois is extracted from the earth. This paragraph
21 does not apply to coal or another mineral when it is delivered
22 or shipped by the seller to the purchaser at a point outside
23 Illinois so that the sale is exempt under the United States
24 Constitution as a sale in interstate or foreign commerce.

25 (e) Nothing in this Section shall be construed to
26 authorize the board to impose a tax upon the privilege of

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

4 (f) An ordinance imposing a tax under this Section or an
5 ordinance extending the imposition of a tax to an additional
6 county or counties shall be certified by the board and filed
7 with the Department of Revenue either (i) on or before the
8 first day of April, whereupon the Department shall proceed to
9 administer and enforce the tax as of the first day of July next
10 following the filing; or (ii) on or before the first day of
11 October, whereupon the Department shall proceed to administer
12 and enforce the tax as of the first day of January next
13 following the filing.

14 (g) When certifying the amount of a monthly disbursement
15 to the District under this Section, the Department shall
16 increase or decrease the amounts by an amount necessary to
17 offset any misallocation of previous disbursements. The offset
18 amount shall be the amount erroneously disbursed within the
19 previous 6 months from the time a misallocation is discovered.

20 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

21 Section 10-50. The Local Mass Transit District Act is
22 amended by changing Section 5.01 as follows:

23 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

24 Sec. 5.01. Metro East Mass Transit District; use and

1 occupation taxes.

2 (a) The Board of Trustees of any Metro East Mass Transit
3 District may, by ordinance adopted with the concurrence of
4 two-thirds of the then trustees, impose throughout the
5 District any or all of the taxes and fees provided in this
6 Section. Except as otherwise provided, all taxes and fees
7 imposed under this Section shall be used only for public mass
8 transportation systems, and the amount used to provide mass
9 transit service to unserved areas of the District shall be in
10 the same proportion to the total proceeds as the number of
11 persons residing in the unserved areas is to the total
12 population of the District. Except as otherwise provided in
13 this Act, taxes imposed under this Section and civil penalties
14 imposed incident thereto shall be collected and enforced by
15 the State Department of Revenue. The Department shall have the
16 power to administer and enforce the taxes and to determine all
17 rights for refunds for erroneous payments of the taxes.

18 (b) The Board may impose a Metro East Mass Transit
19 District Retailers' Occupation Tax upon all persons engaged in
20 the business of selling tangible personal property at retail
21 in the district at a rate of 1/4 of 1%, or as authorized under
22 subsection (d-5) of this Section, of the gross receipts from
23 the sales made in the course of such business within the
24 district, including sales of food for human consumption that
25 is to be consumed off the premises where it is sold (other than
26 alcoholic beverages, food consisting of or infused with adult

1 use cannabis, soft drinks, candy, and food that has been
2 prepared for immediate consumption), except that the rate of
3 tax imposed under this Section on sales of aviation fuel on or
4 after December 1, 2019 shall be 0.25% in Madison County unless
5 the Metro-East Mass Transit District in Madison County has an
6 "airport-related purpose" and any additional amount authorized
7 under subsection (d-5) is expended for airport-related
8 purposes. If there is no airport-related purpose to which
9 aviation fuel tax revenue is dedicated, then aviation fuel is
10 excluded from any additional amount authorized under
11 subsection (d-5). The rate in St. Clair County shall be 0.25%
12 unless the Metro-East Mass Transit District in St. Clair
13 County has an "airport-related purpose" and the additional
14 0.50% of the 0.75% tax on aviation fuel imposed in that County
15 is expended for airport-related purposes. If there is no
16 airport-related purpose to which aviation fuel tax revenue is
17 dedicated, then aviation fuel is excluded from the additional
18 0.50% of the 0.75% tax.

19 The Board must comply with the certification requirements
20 for airport-related purposes under Section 2-22 of the
21 Retailers' Occupation Tax Act. For purposes of this Section,
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 District.

1 The tax imposed under this Section and all civil penalties
2 that may be assessed as an incident thereof shall be collected
3 and enforced by the State Department of Revenue. The
4 Department shall have full power to administer and enforce
5 this Section; to collect all taxes and penalties so collected
6 in the manner hereinafter provided; and to determine all
7 rights to credit memoranda arising on account of the erroneous
8 payment of tax or penalty hereunder. In the administration of,
9 and compliance with, this Section, the Department and persons
10 who 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, exclusions, exemptions and definitions of terms and
14 employ the same modes of procedure, as are prescribed in
15 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
16 (in respect to all provisions therein other than the State
17 rate of tax and other than the exemption for food for human
18 consumption that is to be consumed off the premises where it is
19 sold (other than alcoholic beverages, food consisting of or
20 infused with adult use cannabis, soft drinks, candy, and food
21 that has been prepared for immediate consumption), which is
22 taxed at the rate as provided in this subsection), 2c, 3
23 (except as to the disposition of taxes and penalties
24 collected, and except that the retailer's discount is not
25 allowed for taxes paid on aviation fuel that are subject to the
26 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.

1 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6,
2 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 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 Persons subject to any tax imposed under the Section may
7 reimburse themselves for their seller's tax liability
8 hereunder by separately stating the tax as an additional
9 charge, which charge may be stated in combination, in a single
10 amount, with State taxes that sellers are required to collect
11 under the Use Tax Act, in accordance with such bracket
12 schedules as the Department may prescribe.

13 Whenever the Department determines that a refund should be
14 made under this Section to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named, in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the Metro East Mass Transit District tax fund
20 established under paragraph (h) of this Section or the Local
21 Government Aviation Trust Fund, as appropriate.

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

24 For the purpose of determining whether a tax authorized
25 under this Section is applicable, a retail sale, by a producer
26 of coal or other mineral mined in Illinois, is a sale at retail

1 at the place where the coal or other mineral mined in Illinois
2 is extracted from the earth. This paragraph does not apply to
3 coal or other mineral when it is delivered or shipped by the
4 seller to the purchaser at a point outside Illinois so that the
5 sale is exempt under the Federal Constitution as a sale in
6 interstate or foreign commerce.

7 No tax shall be imposed or collected under this subsection
8 on the sale of a motor vehicle in this State to a resident of
9 another state if that motor vehicle will not be titled in this
10 State.

11 Nothing in this Section shall be construed to authorize
12 the Metro East Mass Transit District to impose a tax upon the
13 privilege of engaging in any business which under the
14 Constitution of the United States may not be made the subject
15 of taxation by this State.

16 (c) If a tax has been imposed under subsection (b), a Metro
17 East Mass Transit District Service Occupation Tax shall also
18 be imposed upon all persons engaged, in the 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 District, either in the form of tangible
22 personal property or in the form of real estate as an incident
23 to a sale of service. The tax rate shall be (1) 1/4%, or as
24 authorized under subsection (d-5) of this Section, of the
25 selling price of tangible personal property so transferred
26 within the district, including food for human consumption that

1 is to be consumed off the premises where it is sold (other than
2 alcoholic beverages, food consisting of or infused with adult
3 use cannabis, soft drinks, candy, and food that has been
4 prepared for immediate consumption); and (2) 1/4%, or as
5 authorized under subsection (d-5) of this Section, of the
6 serviceman's cost price of food prepared for immediate
7 consumption and transferred incident to a sale of service
8 subject to the service occupation tax by an entity that is
9 licensed under the Hospital Licensing Act, the Nursing Home
10 Care Act, the Assisted Living and Shared Housing Act, the
11 Specialized Mental Health Rehabilitation Act of 2013, the
12 ID/DD Community Care Act, or the MC/DD Act, or the Child Care
13 Act of 1969, or an entity that holds a permit issued pursuant
14 to the Life Care Facilities Act. However, the rate of tax
15 imposed in these Counties under this Section on sales of
16 aviation fuel on or after December 1, 2019 shall be 0.25% in
17 Madison County unless the Metro-East Mass Transit District in
18 Madison County has an "airport-related purpose" and any
19 additional amount authorized under subsection (d-5) is
20 expended for airport-related purposes. If there is no
21 airport-related purpose to which aviation fuel tax revenue is
22 dedicated, then aviation fuel is excluded from any additional
23 amount authorized under subsection (d-5). The rate in St.
24 Clair County shall be 0.25% unless the Metro-East Mass Transit
25 District in St. Clair County has an "airport-related purpose"
26 and the additional 0.50% of the 0.75% tax on aviation fuel is

1 expended for airport-related purposes. If there is no
2 airport-related purpose to which aviation fuel tax revenue is
3 dedicated, then aviation fuel is excluded from the additional
4 0.50% of the 0.75% tax.

5 The Board must comply with the certification requirements
6 for airport-related purposes under Section 2-22 of the
7 Retailers' Occupation Tax Act. For purposes of this Section,
8 "airport-related purposes" has the meaning ascribed in Section
9 6z-20.2 of the State Finance Act. This exclusion for aviation
10 fuel only applies for so long as the revenue use requirements
11 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
12 District.

13 The tax imposed under this paragraph and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the State Department of Revenue. The
16 Department shall have full power to administer and enforce
17 this paragraph; to collect all taxes and penalties due
18 hereunder; to dispose of taxes and penalties so collected in
19 the manner hereinafter provided; and to determine all rights
20 to credit memoranda arising on account of the erroneous
21 payment of tax or penalty hereunder. In the administration of,
22 and compliance with this paragraph, the Department and persons
23 who are subject to this paragraph shall have the same rights,
24 remedies, privileges, immunities, powers and duties, and be
25 subject to the same conditions, restrictions, limitations,
26 penalties, exclusions, exemptions and definitions of terms and

1 employ the same modes of procedure as are prescribed in
2 Sections 1a-1, 2 (except that the reference to State in the
3 definition of supplier maintaining a place of business in this
4 State shall mean the Authority), 2a, 3 through 3-50 (in
5 respect to all provisions therein other than (i) the State
6 rate of tax; (ii) the exemption for food for human consumption
7 that is to be consumed off the premises where it is sold (other
8 than alcoholic beverages, food consisting of or infused with
9 adult use cannabis, soft drinks, candy, and food that has been
10 prepared for immediate consumption), which is taxed at the
11 rate as provided in this subsection; and (iii) the exemption
12 for food prepared for immediate consumption and transferred
13 incident to a sale of service subject to the service
14 occupation tax by an entity that is licensed under the
15 Hospital Licensing Act, the Nursing Home Care Act, the
16 Assisted Living and Shared Housing Act, the Specialized Mental
17 Health Rehabilitation Act of 2013, the ID/DD Community Care
18 Act, or the MC/DD Act, or the Child Care Act of 1969, or an
19 entity that holds a permit issued pursuant to the Life Care
20 Facilities Act, which is taxed at the rate as provided in this
21 subsection), 4 (except that the reference to the State shall
22 be to the Authority), 5, 7, 8 (except that the jurisdiction to
23 which the tax shall be a debt to the extent indicated in that
24 Section 8 shall be the District), 9 (except as to the
25 disposition of taxes and penalties collected, and except that
26 the returned merchandise credit for this tax may not be taken

1 against any State tax, and except that the retailer's discount
2 is not allowed for taxes paid on aviation fuel that are subject
3 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
4 U.S.C. 47133), 10, 11, 12 (except the reference therein to
5 Section 2b of the Retailers' Occupation Tax Act), 13 (except
6 that any reference to the State shall mean the District), the
7 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
8 Service Occupation Tax Act and Section 3-7 of the Uniform
9 Penalty and Interest Act, as fully as if those provisions were
10 set forth herein.

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

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 warrant 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 or the Local

1 Government Aviation Trust Fund, as appropriate.

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

6 (d) If a tax has been imposed under subsection (b), a Metro
7 East Mass Transit District Use Tax shall also be imposed upon
8 the privilege of using, in the district, any item of tangible
9 personal property that is purchased outside the district at
10 retail from a retailer, and that is titled or registered with
11 an agency of this State's government, at a rate of 1/4%, or as
12 authorized under subsection (d-5) of this Section, of the
13 selling price of the tangible personal property within the
14 District, as "selling price" is defined in the Use Tax Act. The
15 tax shall be collected from persons whose Illinois address for
16 titling or registration purposes is given as being in the
17 District. The tax shall be collected by the Department of
18 Revenue for the Metro East Mass Transit District. The tax must
19 be paid to the State, or an exemption determination must be
20 obtained from the Department of Revenue, before the title or
21 certificate of registration for the property may be issued.
22 The tax or proof of exemption may be transmitted to the
23 Department by way of the State agency with which, or the State
24 officer with whom, the tangible personal property must be
25 titled or registered if the Department and the State agency or
26 State officer determine that this procedure will expedite the

1 processing of applications for title or registration.

2 The Department shall have full power to administer and
3 enforce this paragraph; to collect all taxes, penalties and
4 interest due hereunder; to dispose of taxes, penalties and
5 interest so collected in the manner hereinafter provided; and
6 to determine all rights to credit memoranda or refunds arising
7 on account of the erroneous payment of tax, penalty or
8 interest hereunder. In the administration of, and compliance
9 with, this paragraph, the Department and persons who are
10 subject to this paragraph shall have the same rights,
11 remedies, privileges, immunities, powers and duties, and be
12 subject to the same conditions, restrictions, limitations,
13 penalties, exclusions, exemptions and definitions of terms and
14 employ the same modes of procedure, as are prescribed in
15 Sections 2 (except the definition of "retailer maintaining a
16 place of business in this State"), 3 through 3-80 (except
17 provisions pertaining to the State rate of tax, and except
18 provisions concerning collection or refunding of the tax by
19 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions
20 pertaining to claims by retailers and except the last
21 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
22 and Section 3-7 of the Uniform Penalty and Interest Act, that
23 are not inconsistent with this paragraph, as fully as if those
24 provisions were set forth herein.

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

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

7 (d-1) If, on January 1, 2025, a unit of local government
8 has in effect a tax under subsections (b), (c), and (d) or if,
9 after January 1, 2025, a unit of local government imposes a tax
10 under subsections (b), (c), and (d), then that tax applies to
11 leases of tangible personal property in effect, entered into,
12 or renewed on or after that date in the same manner as the tax
13 under this Section and in accordance with the changes made by
14 this amendatory Act of the 103rd General Assembly.

15 (d-5) (A) The county board of any county participating in
16 the Metro East Mass Transit District may authorize, by
17 ordinance, a referendum on the question of whether the tax
18 rates for the Metro East Mass Transit District Retailers'
19 Occupation Tax, the Metro East Mass Transit District Service
20 Occupation Tax, and the Metro East Mass Transit District Use
21 Tax for the District should be increased from 0.25% to 0.75%.
22 Upon adopting the ordinance, the county board shall certify
23 the proposition to the proper election officials who shall
24 submit the proposition to the voters of the District at the
25 next election, in accordance with the general election law.

26 The proposition shall be in substantially the following

1 form:

2 Shall the tax rates for the Metro East Mass Transit
3 District Retailers' Occupation Tax, the Metro East Mass
4 Transit District Service Occupation Tax, and the Metro
5 East Mass Transit District Use Tax be increased from 0.25%
6 to 0.75%?

7 (B) Two thousand five hundred electors of any Metro East
8 Mass Transit District may petition the Chief Judge of the
9 Circuit Court, or any judge of that Circuit designated by the
10 Chief Judge, in which that District is located to cause to be
11 submitted to a vote of the electors the question whether the
12 tax rates for the Metro East Mass Transit District Retailers'
13 Occupation Tax, the Metro East Mass Transit District Service
14 Occupation Tax, and the Metro East Mass Transit District Use
15 Tax for the District should be increased from 0.25% to 0.75%.

16 Upon submission of such petition the court shall set a
17 date not less than 10 nor more than 30 days thereafter for a
18 hearing on the sufficiency thereof. Notice of the filing of
19 such petition and of such date shall be given in writing to the
20 District and the County Clerk at least 7 days before the date
21 of such hearing.

22 If such petition is found sufficient, the court shall
23 enter an order to submit that proposition at the next
24 election, in accordance with general election law.

25 The form of the petition shall be in substantially the
26 following form: To the Circuit Court of the County of (name of

1 county):

2 We, the undersigned electors of the (name of transit
3 district), respectfully petition your honor to submit to a
4 vote of the electors of (name of transit district) the
5 following proposition:

6 Shall the tax rates for the Metro East Mass Transit
7 District Retailers' Occupation Tax, the Metro East Mass
8 Transit District Service Occupation Tax, and the Metro
9 East Mass Transit District Use Tax be increased from 0.25%
10 to 0.75%?

11	Name	Address, with Street and Number.
12
13

14 (C) The votes shall be recorded as "YES" or "NO". If a
15 majority of all votes cast on the proposition are for the
16 increase in the tax rates, the Metro East Mass Transit
17 District shall begin imposing the increased rates in the
18 District, and the Department of Revenue shall begin collecting
19 the increased amounts, as provided under this Section. An
20 ordinance imposing or discontinuing a tax hereunder or
21 effecting a change in the rate thereof shall be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of October, whereupon the Department shall
24 proceed to administer and enforce this Section as of the first
25 day of January next following the adoption and filing, or on or
26 before the first day of April, whereupon the Department shall

1 proceed to administer and enforce this Section as of the first
2 day of July next following the adoption and filing.

3 (D) If the voters have approved a referendum under this
4 subsection, before November 1, 1994, to increase the tax rate
5 under this subsection, the Metro East Mass Transit District
6 Board of Trustees may adopt by a majority vote an ordinance at
7 any time before January 1, 1995 that excludes from the rate
8 increase tangible personal property that is titled or
9 registered with an agency of this State's government. The
10 ordinance excluding titled or registered tangible personal
11 property from the rate increase must be filed with the
12 Department at least 15 days before its effective date. At any
13 time after adopting an ordinance excluding from the rate
14 increase tangible personal property that is titled or
15 registered with an agency of this State's government, the
16 Metro East Mass Transit District Board of Trustees may adopt
17 an ordinance applying the rate increase to that tangible
18 personal property. The ordinance shall be adopted, and a
19 certified copy of that ordinance shall be filed with the
20 Department, on or before October 1, whereupon the Department
21 shall proceed to administer and enforce the rate increase
22 against tangible personal property titled or registered with
23 an agency of this State's government as of the following
24 January 1. After December 31, 1995, any reimposed rate
25 increase in effect under this subsection shall no longer apply
26 to tangible personal property titled or registered with an

1 agency of this State's government. Beginning January 1, 1996,
2 the Board of Trustees of any Metro East Mass Transit District
3 may never reimpose a previously excluded tax rate increase on
4 tangible personal property titled or registered with an agency
5 of this State's government. After July 1, 2004, if the voters
6 have approved a referendum under this subsection to increase
7 the tax rate under this subsection, the Metro East Mass
8 Transit District Board of Trustees may adopt by a majority
9 vote an ordinance that excludes from the rate increase
10 tangible personal property that is titled or registered with
11 an agency of this State's government. The ordinance excluding
12 titled or registered tangible personal property from the rate
13 increase shall be adopted, and a certified copy of that
14 ordinance shall be filed with the Department on or before
15 October 1, whereupon the Department shall administer and
16 enforce this exclusion from the rate increase as of the
17 following January 1, or on or before April 1, whereupon the
18 Department shall administer and enforce this exclusion from
19 the rate increase as of the following July 1. The Board of
20 Trustees of any Metro East Mass Transit District may never
21 reimpose a previously excluded tax rate increase on tangible
22 personal property titled or registered with an agency of this
23 State's government.

24 (d-6) If the Board of Trustees of any Metro East Mass
25 Transit District has imposed a rate increase under subsection
26 (d-5) and filed an ordinance with the Department of Revenue

1 excluding titled property from the higher rate, then that
2 Board may, by ordinance adopted with the concurrence of
3 two-thirds of the then trustees, impose throughout the
4 District a fee. The fee on the excluded property shall not
5 exceed \$20 per retail transaction or an amount equal to the
6 amount of tax excluded, whichever is less, on tangible
7 personal property that is titled or registered with an agency
8 of this State's government. Beginning July 1, 2004, the fee
9 shall apply only to titled property that is subject to either
10 the Metro East Mass Transit District Retailers' Occupation Tax
11 or the Metro East Mass Transit District Service Occupation
12 Tax. No fee shall be imposed or collected under this
13 subsection on the sale of a motor vehicle in this State to a
14 resident of another state if that motor vehicle will not be
15 titled in this State.

16 (d-7) Until June 30, 2004, if a fee has been imposed under
17 subsection (d-6), a fee shall also be imposed upon the
18 privilege of using, in the district, any item of tangible
19 personal property that is titled or registered with any agency
20 of this State's government, in an amount equal to the amount of
21 the fee imposed under subsection (d-6).

22 (d-7.1) Beginning July 1, 2004, any fee imposed by the
23 Board of Trustees of any Metro East Mass Transit District
24 under subsection (d-6) and all civil penalties that may be
25 assessed as an incident of the fees shall be collected and
26 enforced by the State Department of Revenue. Reference to

1 "taxes" in this Section shall be construed to apply to the
2 administration, payment, and remittance of all fees under this
3 Section. For purposes of any fee imposed under subsection
4 (d-6), 4% of the fee, penalty, and interest received by the
5 Department in the first 12 months that the fee is collected and
6 enforced by the Department and 2% of the fee, penalty, and
7 interest following the first 12 months (except the amount
8 collected on aviation fuel sold on or after December 1, 2019)
9 shall be deposited into the Tax Compliance and Administration
10 Fund and shall be used by the Department, subject to
11 appropriation, to cover the costs of the Department. No
12 retailers' discount shall apply to any fee imposed under
13 subsection (d-6).

14 (d-8) No item of titled property shall be subject to both
15 the higher rate approved by referendum, as authorized under
16 subsection (d-5), and any fee imposed under subsection (d-6)
17 or (d-7).

18 (d-9) (Blank).

19 (d-10) (Blank).

20 (e) A certificate of registration issued by the State
21 Department of Revenue to a retailer under the Retailers'
22 Occupation Tax Act or under the Service Occupation Tax Act
23 shall permit the registrant to engage in a business that is
24 taxed under the tax imposed under paragraphs (b), (c) or (d) of
25 this Section and no additional registration shall be required
26 under the tax. A certificate issued under the Use Tax Act or

1 the Service Use Tax Act shall be applicable with regard to any
2 tax imposed under paragraph (c) of this Section.

3 (f) (Blank).

4 (g) Any ordinance imposing or discontinuing any tax under
5 this Section shall be adopted and a certified copy thereof
6 filed with the Department on or before June 1, whereupon the
7 Department of Revenue shall proceed to administer and enforce
8 this Section on behalf of the Metro East Mass Transit District
9 as of September 1 next following such adoption and filing.
10 Beginning January 1, 1992, an ordinance or resolution imposing
11 or discontinuing the tax hereunder shall be adopted and a
12 certified copy thereof filed with the Department on or before
13 the first day of July, whereupon the Department shall proceed
14 to administer and enforce this Section as of the first day of
15 October next following such adoption and filing. Beginning
16 January 1, 1993, except as provided in subsection (d-5) of
17 this Section, an ordinance or resolution imposing or
18 discontinuing the tax hereunder shall be adopted and a
19 certified copy thereof filed with the Department on or before
20 the first day of October, whereupon the Department shall
21 proceed to administer and enforce this Section as of the first
22 day of January next following such adoption and filing, or,
23 beginning January 1, 2004, on or before the first day of April,
24 whereupon the Department shall proceed to administer and
25 enforce this Section as of the first day of July next following
26 the adoption and filing.

1 (h) Except as provided in subsection (d-7.1), the State
2 Department of Revenue shall, upon collecting any taxes as
3 provided in this Section, pay the taxes over to the State
4 Treasurer as trustee for the District. The taxes shall be held
5 in a trust fund outside the State treasury. If an
6 airport-related purpose has been certified, taxes and
7 penalties collected in St. Clair County on aviation fuel sold
8 on or after December 1, 2019 from the 0.50% of the 0.75% rate
9 shall be immediately paid over by the Department to the State
10 Treasurer, ex officio, as trustee, for deposit into the Local
11 Government Aviation Trust Fund. The Department shall only pay
12 moneys into the Local Government Aviation Trust Fund under
13 this Act for so long as the revenue use requirements of 49
14 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
15 District.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the
18 Department of Revenue, the Comptroller shall order
19 transferred, and the Treasurer shall transfer, to the STAR
20 Bonds Revenue Fund the local sales tax increment, as defined
21 in the Innovation Development and Economy Act, collected under
22 this Section during the second preceding calendar month for
23 sales within a STAR bond district. The Department shall make
24 this certification only if the local mass transit district
25 imposes a tax on real property as provided in the definition of
26 "local sales taxes" under the Innovation Development and

1 Economy Act.

2 As soon as possible after the first day of each month,
3 beginning July 1, 2026, 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 Statewide
7 Innovation Development and Economy Act, collected under this
8 Section during the second preceding calendar month for sales
9 within a STAR bond district. The Department shall make this
10 certification only if the local mass transit district imposes
11 a tax on real property as provided in the definition of "local
12 sales taxes" under the Statewide Innovation Development and
13 Economy Act.

14 After the monthly transfers ~~transfer~~ to the STAR Bonds
15 Revenue Fund, on or before the 25th day of each calendar month,
16 the State Department of Revenue shall prepare and certify to
17 the Comptroller of the State of Illinois the amount to be paid
18 to the District, which shall be the amount (not including
19 credit memoranda and not including taxes and penalties
20 collected on aviation fuel sold on or after December 1, 2019
21 that are deposited into the Local Government Aviation Trust
22 Fund) 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 any amount equal to the amount of refunds made during the

1 second preceding calendar month by the Department on behalf of
2 the District, and not including any amount that the Department
3 determines is necessary to offset any amounts that were
4 payable to a different taxing body but were erroneously paid
5 to the District, and less any amounts that are transferred to
6 the STAR Bonds Revenue Fund, less 1.5% of the remainder, which
7 the Department shall transfer into the Tax Compliance and
8 Administration Fund. The Department, at the time of each
9 monthly disbursement to the District, shall prepare and
10 certify to the State Comptroller the amount to be transferred
11 into the Tax Compliance and Administration Fund under this
12 subsection. Within 10 days after receipt by the Comptroller of
13 the certification of the amount to be paid to the District and
14 the Tax Compliance and Administration Fund, the Comptroller
15 shall cause an order to be drawn for payment for the amount in
16 accordance with the direction in the certification.

17 (Source: P.A. 103-592, eff. 1-1-25; 104-6, eff. 1-1-26.)

18 Section 10-55. The Eminent Domain Act is amended by
19 changing Section 15-5-15 as follows:

20 (735 ILCS 30/15-5-15)

21 (Text of Section before amendment by P.A. 104-457)

22 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70
23 through 75. The following provisions of law may include
24 express grants of the power to acquire property by

1 condemnation or eminent domain:

2 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport
3 authorities; for public airport facilities.

4 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport
5 authorities; for removal of airport hazards.

6 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport
7 authorities; for reduction of the height of objects or
8 structures.

9 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate
10 airport authorities; for general purposes.

11 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority
12 Act; Kankakee River Valley Area Airport Authority; for
13 acquisition of land for airports.

14 (70 ILCS 200/2-20); Civic Center Code; civic center
15 authorities; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center
17 Authority; for grounds, centers, buildings, and parking.

18 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan
19 Exposition, Auditorium and Office Building Authority; for
20 grounds, centers, buildings, and parking.

21 (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center
22 Authority; for grounds, centers, buildings, and parking.

23 (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic
24 Center Authority; for grounds, centers, buildings, and
25 parking.

1 (70 ILCS 200/35-35); Civic Center Code; Brownstown Park
2 District Civic Center Authority; for grounds, centers,
3 buildings, and parking.

4 (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic
5 Center Authority; for grounds, centers, buildings, and
6 parking.

7 (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic
8 Center Authority; for grounds, centers, buildings, and
9 parking.

10 (70 ILCS 200/60-30); Civic Center Code; Collinsville
11 Metropolitan Exposition, Auditorium and Office Building
12 Authority; for grounds, centers, buildings, and parking.

13 (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic
14 Center Authority; for grounds, centers, buildings, and
15 parking.

16 (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan
17 Exposition, Auditorium and Office Building Authority; for
18 grounds, centers, buildings, and parking.

19 (70 ILCS 200/80-15); Civic Center Code; DuPage County
20 Metropolitan Exposition, Auditorium and Office Building
21 Authority; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan
23 Exposition, Auditorium and Office Building Authority; for
24 grounds, centers, buildings, and parking.

25 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan
26 Exposition, Auditorium and Office Building Authority; for

1 grounds, centers, buildings, and parking.

2 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic
3 Center Authority; for grounds, centers, buildings, and
4 parking.

5 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic
6 Center Authority; for grounds, centers, buildings, and
7 parking.

8 (70 ILCS 200/120-25); Civic Center Code; Jefferson County
9 Metropolitan Exposition, Auditorium and Office Building
10 Authority; for grounds, centers, buildings, and parking.

11 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County
12 Civic Center Authority; for grounds, centers, buildings,
13 and parking.

14 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham
15 Metropolitan Exposition, Auditorium and Office Building
16 Authority; for grounds, centers, buildings, and parking.

17 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center
18 Authority; for grounds, centers, buildings, and parking.

19 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic
20 Center Authority; for grounds, centers, buildings, and
21 parking.

22 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan
23 Civic Center Authority; for grounds, centers, buildings,
24 and parking.

25 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center
26 Authority; for grounds, centers, buildings, and parking.

1 (70 ILCS 200/165-35); Civic Center Code; Melrose Park
2 Metropolitan Exposition Auditorium and Office Building
3 Authority; for grounds, centers, buildings, and parking.

4 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan
5 Exposition, Auditorium and Office Building Authorities;
6 for general purposes.

7 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center
8 Authority; for grounds, centers, buildings, and parking.

9 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center
10 Authority; for grounds, centers, buildings, and parking.

11 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center
12 Authority; for grounds, centers, buildings, and parking.

13 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center
14 Authority; for grounds, centers, buildings, and parking.

15 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center
16 Authority; for grounds, centers, buildings, and parking.

17 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center
18 Authority; for grounds, centers, buildings, and parking.

19 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City
20 Civic Center Authority; for grounds, centers, buildings,
21 and parking.

22 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan
23 Exposition, Auditorium and Office Building Authority; for
24 grounds, centers, buildings, and parking.

25 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic
26 Center Authority; for grounds, centers, buildings, and

1 parking.

2 (70 ILCS 200/230-35); Civic Center Code; River Forest
3 Metropolitan Exposition, Auditorium and Office Building
4 Authority; for grounds, centers, buildings, and parking.

5 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic
6 Center Authority; for grounds, centers, buildings, and
7 parking.

8 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center
9 Authority; for grounds, centers, buildings, and parking.

10 (70 ILCS 200/255-20); Civic Center Code; Springfield
11 Metropolitan Exposition and Auditorium Authority; for
12 grounds, centers, and parking.

13 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan
14 Exposition, Auditorium and Office Building Authority; for
15 grounds, centers, buildings, and parking.

16 (70 ILCS 200/265-20); Civic Center Code; Vermilion County
17 Metropolitan Exposition, Auditorium and Office Building
18 Authority; for grounds, centers, buildings, and parking.

19 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center
20 Authority; for grounds, centers, buildings, and parking.

21 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic
22 Center Authority; for grounds, centers, buildings, and
23 parking.

24 (70 ILCS 200/280-20); Civic Center Code; Will County
25 Metropolitan Exposition and Auditorium Authority; for
26 grounds, centers, and parking.

1 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority
2 Act; Metropolitan Pier and Exposition Authority; for
3 general purposes, including quick-take power.

4 (70 ILCS 405/22.04); Soil and Water Conservation Districts
5 Act; soil and water conservation districts; for general
6 purposes.

7 (70 ILCS 410/10 and 410/12); Conservation District Act;
8 conservation districts; for open space, wildland, scenic
9 roadway, pathway, outdoor recreation, or other
10 conservation benefits.

11 (70 ILCS 503/25); Chanute-Rantoul National Aviation Center
12 Redevelopment Commission Act; Chanute-Rantoul National
13 Aviation Center Redevelopment Commission; for general
14 purposes.

15 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;
16 Fort Sheridan Redevelopment Commission; for general
17 purposes or to carry out comprehensive or redevelopment
18 plans.

19 (70 ILCS 520/8); Southwestern Illinois Development Authority
20 Act; Southwestern Illinois Development Authority; for
21 general purposes, including quick-take power.

22 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;
23 drainage districts; for general purposes.

24 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;
25 corporate authorities; for construction and maintenance of
26 works.

1 (70 ILCS 705/10); Fire Protection District Act; fire
2 protection districts; for general purposes.

3 (70 ILCS 750/20); Flood Prevention District Act; flood
4 prevention districts; for general purposes.

5 (70 ILCS 805/6); Downstate Forest Preserve District Act;
6 certain forest preserve districts; for general purposes.

7 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;
8 certain forest preserve districts; for recreational and
9 cultural facilities.

10 (70 ILCS 810/8); Cook County Forest Preserve District Act;
11 Forest Preserve District of Cook County; for general
12 purposes.

13 (70 ILCS 810/38); Cook County Forest Preserve District Act;
14 Forest Preserve District of Cook County; for recreational
15 facilities.

16 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital
17 districts; for hospitals or hospital facilities.

18 (70 ILCS 915/3); Illinois Medical District Act; Illinois
19 Medical District Commission; for general purposes.

20 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois
21 Medical District Commission; quick-take power for the
22 Illinois State Police Forensic Science Laboratory
23 (obsolete).

24 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;
25 tuberculosis sanitarium districts; for tuberculosis
26 sanitariums.

1 Capital City Downtown Medical District Act; Capital City
2 Downtown Medical District Commission; for general
3 purposes.

4 ~~(70 ILCS 925/20); Mid-Illinois Medical District Act;~~
5 ~~Mid-Illinois Medical District; for general purposes.~~

6 (70 ILCS 930/20); Mid-America Medical District Act;
7 Mid-America Medical District Commission; for general
8 purposes.

9 (70 ILCS 935/20); Roseland Community Medical District Act;
10 medical district; for general purposes.

11 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito
12 abatement districts; for general purposes.

13 (70 ILCS 1105/8); Museum District Act; museum districts; for
14 general purposes.

15 (70 ILCS 1205/7-1); Park District Code; park districts; for
16 streets and other purposes.

17 (70 ILCS 1205/8-1); Park District Code; park districts; for
18 parks.

19 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park
20 districts; for airports and landing fields.

21 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park
22 districts; for State land abutting public water and
23 certain access rights.

24 (70 ILCS 1205/11.1-3); Park District Code; park districts; for
25 harbors.

26 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;

1 park districts; for street widening.

2 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water
3 Control Act; park districts; for parks, boulevards,
4 driveways, parkways, viaducts, bridges, or tunnels.

5 (70 ILCS 1250/2); Park Commissioners Street Control (1889)
6 Act; park districts; for boulevards or driveways.

7 (70 ILCS 1290/1); Park District Aquarium and Museum Act;
8 municipalities or park districts; for aquariums or
9 museums.

10 (70 ILCS 1305/2); Park District Airport Zoning Act; park
11 districts; for restriction of the height of structures.

12 (70 ILCS 1310/5); Park District Elevated Highway Act; park
13 districts; for elevated highways.

14 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park
15 District; for parks and other purposes.

16 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park
17 District; for parking lots or garages.

18 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park
19 District; for harbors.

20 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation
21 Act; Lincoln Park Commissioners; for land and interests in
22 land, including riparian rights.

23 (70 ILCS 1801/30); Alexander-Cairo Port District Act;
24 Alexander-Cairo Port District; for general purposes.

25 (70 ILCS 1805/8); Havana Regional Port District Act; Havana
26 Regional Port District; for general purposes.

1 (70 ILCS 1810/7); Illinois International Port District Act;
2 Illinois International Port District; for general
3 purposes.

4 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;
5 Illinois Valley Regional Port District; for general
6 purposes.

7 (70 ILCS 1820/4); Jackson-Union Counties Regional Port
8 District Act; Jackson-Union Counties Regional Port
9 District; for removal of airport hazards or reduction of
10 the height of objects or structures.

11 (70 ILCS 1820/5); Jackson-Union Counties Regional Port
12 District Act; Jackson-Union Counties Regional Port
13 District; for general purposes.

14 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet
15 Regional Port District; for removal of airport hazards.

16 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet
17 Regional Port District; for reduction of the height of
18 objects or structures.

19 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet
20 Regional Port District; for removal of hazards from ports
21 and terminals.

22 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet
23 Regional Port District; for general purposes.

24 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;
25 Kaskaskia Regional Port District; for removal of hazards
26 from ports and terminals.

1 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;
2 Kaskaskia Regional Port District; for general purposes.

3 (70 ILCS 1831/30); Massac-Metropolis Port District Act;
4 Massac-Metropolis Port District; for general purposes.

5 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;
6 Mt. Carmel Regional Port District; for removal of airport
7 hazards.

8 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port
9 District; for general purposes.

10 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port
11 District Act; Rock Island Regional Port District and
12 participating municipalities; for general Port District
13 purposes.

14 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca
15 Regional Port District; for removal of airport hazards.

16 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca
17 Regional Port District; for reduction of the height of
18 objects or structures.

19 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca
20 Regional Port District; for general purposes.

21 (70 ILCS 1850/4); Shawneetown Regional Port District Act;
22 Shawneetown Regional Port District; for removal of airport
23 hazards or reduction of the height of objects or
24 structures.

25 (70 ILCS 1850/5); Shawneetown Regional Port District Act;
26 Shawneetown Regional Port District; for general purposes.

1 (70 ILCS 1860/4); Tri-City Regional Port District Act;
2 Tri-City Regional Port District; for removal of airport
3 hazards.

4 (70 ILCS 1860/5); Tri-City Regional Port District Act;
5 Tri-City Regional Port District; for the development of
6 facilities.

7 (70 ILCS 1863/11); Upper Mississippi River International Port
8 District Act; Upper Mississippi River International Port
9 District; for general purposes.

10 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port
11 District; for removal of airport hazards.

12 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port
13 District; for restricting the height of objects or
14 structures.

15 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port
16 District; for the development of facilities.

17 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad
18 Terminal Authority (Chicago); for general purposes.

19 (70 ILCS 2105/9b); River Conservancy Districts Act; river
20 conservancy districts; for general purposes.

21 (70 ILCS 2105/10a); River Conservancy Districts Act; river
22 conservancy districts; for corporate purposes.

23 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary
24 districts; for corporate purposes.

25 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary
26 districts; for improvements and works.

1 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary
2 districts; for access to property.

3 (70 ILCS 2305/8); North Shore Water Reclamation District Act;
4 North Shore Water Reclamation District; for corporate
5 purposes.

6 (70 ILCS 2305/15); North Shore Water Reclamation District Act;
7 North Shore Water Reclamation District; for improvements.

8 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary
9 District of Decatur; for carrying out agreements to sell,
10 convey, or disburse treated wastewater to a private
11 entity.

12 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary
13 districts; for corporate purposes.

14 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary
15 districts; for improvements.

16 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of
17 1917; sanitary districts; for waterworks.

18 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary
19 districts; for public sewer and water utility treatment
20 works.

21 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary
22 districts; for dams or other structures to regulate water
23 flow.

24 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;
25 Metropolitan Water Reclamation District; for corporate
26 purposes.

1 (70 ILCS 2605/16); Metropolitan Water Reclamation District
2 Act; Metropolitan Water Reclamation District; quick-take
3 power for improvements.

4 (70 ILCS 2605/17); Metropolitan Water Reclamation District
5 Act; Metropolitan Water Reclamation District; for bridges.

6 (70 ILCS 2605/35); Metropolitan Water Reclamation District
7 Act; Metropolitan Water Reclamation District; for widening
8 and deepening a navigable stream.

9 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary
10 districts; for corporate purposes.

11 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary
12 districts; for improvements.

13 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of
14 1936; sanitary districts; for drainage systems.

15 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary
16 districts; for dams or other structures to regulate water
17 flow.

18 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary
19 districts; for water supply.

20 (70 ILCS 2805/32l); Sanitary District Act of 1936; sanitary
21 districts; for waterworks.

22 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;
23 Metro-East Sanitary District; for corporate purposes.

24 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;
25 Metro-East Sanitary District; for access to property.

26 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;

1 sanitary districts; for sewerage systems.

2 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;
3 Illinois Sports Facilities Authority; quick-take power for
4 its corporate purposes (obsolete).

5 (70 ILCS 3405/16); Surface Water Protection District Act;
6 surface water protection districts; for corporate
7 purposes.

8 (70 ILCS 3605/7); Metropolitan Transit Authority Act; Chicago
9 Transit Authority; for transportation systems.

10 (70 ILCS 3605/8); Metropolitan Transit Authority Act; Chicago
11 Transit Authority; for general purposes.

12 (70 ILCS 3605/10); Metropolitan Transit Authority Act; Chicago
13 Transit Authority; for general purposes, including
14 railroad property.

15 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;
16 local mass transit districts; for general purposes.

17 (70 ILCS 3615/2.13); Regional Transportation Authority Act;
18 Regional Transportation Authority; for general purposes.

19 (70 ILCS 3705/8 and 3705/12); Public Water District Act;
20 public water districts; for waterworks.

21 (70 ILCS 3705/23a); Public Water District Act; public water
22 districts; for sewerage properties.

23 (70 ILCS 3705/23e); Public Water District Act; public water
24 districts; for combined waterworks and sewerage systems.

25 (70 ILCS 3715/6); Water Authorities Act; water authorities;
26 for facilities to ensure adequate water supply.

1 (70 ILCS 3715/27); Water Authorities Act; water authorities;
2 for access to property.

3 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library
4 trustees; for library buildings.

5 (75 ILCS 16/30-55.80); Public Library District Act of 1991;
6 public library districts; for general purposes.

7 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate
8 authorities of city or park district, or board of park
9 commissioners; for free public library buildings.

10 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;
11 revised 1-8-26.)

12 (Text of Section after amendment by P.A. 104-457)

13 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70
14 through 75. The following provisions of law may include
15 express grants of the power to acquire property by
16 condemnation or eminent domain:

17 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport
18 authorities; for public airport facilities.

19 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport
20 authorities; for removal of airport hazards.

21 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport
22 authorities; for reduction of the height of objects or
23 structures.

24 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate

1 airport authorities; for general purposes.

2 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority
3 Act; Kankakee River Valley Area Airport Authority; for
4 acquisition of land for airports.

5 (70 ILCS 200/2-20); Civic Center Code; civic center
6 authorities; for grounds, centers, buildings, and parking.

7 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center
8 Authority; for grounds, centers, buildings, and parking.

9 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan
10 Exposition, Auditorium and Office Building Authority; for
11 grounds, centers, buildings, and parking.

12 (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic
15 Center Authority; for grounds, centers, buildings, and
16 parking.

17 (70 ILCS 200/35-35); Civic Center Code; Brownstown Park
18 District Civic Center Authority; for grounds, centers,
19 buildings, and parking.

20 (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic
21 Center Authority; for grounds, centers, buildings, and
22 parking.

23 (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic
24 Center Authority; for grounds, centers, buildings, and
25 parking.

26 (70 ILCS 200/60-30); Civic Center Code; Collinsville

1 Metropolitan Exposition, Auditorium and Office Building
2 Authority; for grounds, centers, buildings, and parking.

3 (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic
4 Center Authority; for grounds, centers, buildings, and
5 parking.

6 (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan
7 Exposition, Auditorium and Office Building Authority; for
8 grounds, centers, buildings, and parking.

9 (70 ILCS 200/80-15); Civic Center Code; DuPage County
10 Metropolitan Exposition, Auditorium and Office Building
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan
13 Exposition, Auditorium and Office Building Authority; for
14 grounds, centers, buildings, and parking.

15 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan
16 Exposition, Auditorium and Office Building Authority; for
17 grounds, centers, buildings, and parking.

18 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic
19 Center Authority; for grounds, centers, buildings, and
20 parking.

21 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic
22 Center Authority; for grounds, centers, buildings, and
23 parking.

24 (70 ILCS 200/120-25); Civic Center Code; Jefferson County
25 Metropolitan Exposition, Auditorium and Office Building
26 Authority; for grounds, centers, buildings, and parking.

1 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County
2 Civic Center Authority; for grounds, centers, buildings,
3 and parking.

4 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham
5 Metropolitan Exposition, Auditorium and Office Building
6 Authority; for grounds, centers, buildings, and parking.

7 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center
8 Authority; for grounds, centers, buildings, and parking.

9 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic
10 Center Authority; for grounds, centers, buildings, and
11 parking.

12 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan
13 Civic Center Authority; for grounds, centers, buildings,
14 and parking.

15 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center
16 Authority; for grounds, centers, buildings, and parking.

17 (70 ILCS 200/165-35); Civic Center Code; Melrose Park
18 Metropolitan Exposition Auditorium and Office Building
19 Authority; for grounds, centers, buildings, and parking.

20 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan
21 Exposition, Auditorium and Office Building Authorities;
22 for general purposes.

23 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center
24 Authority; for grounds, centers, buildings, and parking.

25 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center
26 Authority; for grounds, centers, buildings, and parking.

1 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center
2 Authority; for grounds, centers, buildings, and parking.

3 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center
4 Authority; for grounds, centers, buildings, and parking.

5 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center
6 Authority; for grounds, centers, buildings, and parking.

7 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center
8 Authority; for grounds, centers, buildings, and parking.

9 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City
10 Civic Center Authority; for grounds, centers, buildings,
11 and parking.

12 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan
13 Exposition, Auditorium and Office Building Authority; for
14 grounds, centers, buildings, and parking.

15 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic
16 Center Authority; for grounds, centers, buildings, and
17 parking.

18 (70 ILCS 200/230-35); Civic Center Code; River Forest
19 Metropolitan Exposition, Auditorium and Office Building
20 Authority; for grounds, centers, buildings, and parking.

21 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic
22 Center Authority; for grounds, centers, buildings, and
23 parking.

24 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center
25 Authority; for grounds, centers, buildings, and parking.

26 (70 ILCS 200/255-20); Civic Center Code; Springfield

1 Metropolitan Exposition and Auditorium Authority; for
2 grounds, centers, and parking.

3 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan
4 Exposition, Auditorium and Office Building Authority; for
5 grounds, centers, buildings, and parking.

6 (70 ILCS 200/265-20); Civic Center Code; Vermilion County
7 Metropolitan Exposition, Auditorium and Office Building
8 Authority; for grounds, centers, buildings, and parking.

9 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center
10 Authority; for grounds, centers, buildings, and parking.

11 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic
12 Center Authority; for grounds, centers, buildings, and
13 parking.

14 (70 ILCS 200/280-20); Civic Center Code; Will County
15 Metropolitan Exposition and Auditorium Authority; for
16 grounds, centers, and parking.

17 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority
18 Act; Metropolitan Pier and Exposition Authority; for
19 general purposes, including quick-take power.

20 (70 ILCS 405/22.04); Soil and Water Conservation Districts
21 Act; soil and water conservation districts; for general
22 purposes.

23 (70 ILCS 410/10 and 410/12); Conservation District Act;
24 conservation districts; for open space, wildland, scenic
25 roadway, pathway, outdoor recreation, or other
26 conservation benefits.

1 (70 ILCS 503/25); Chanhute-Rantoul National Aviation Center
2 Redevelopment Commission Act; Chanhute-Rantoul National
3 Aviation Center Redevelopment Commission; for general
4 purposes.

5 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;
6 Fort Sheridan Redevelopment Commission; for general
7 purposes or to carry out comprehensive or redevelopment
8 plans.

9 (70 ILCS 520/8); Southwestern Illinois Development Authority
10 Act; Southwestern Illinois Development Authority; for
11 general purposes, including quick-take power.

12 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;
13 drainage districts; for general purposes.

14 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;
15 corporate authorities; for construction and maintenance of
16 works.

17 (70 ILCS 705/10); Fire Protection District Act; fire
18 protection districts; for general purposes.

19 (70 ILCS 750/20); Flood Prevention District Act; flood
20 prevention districts; for general purposes.

21 (70 ILCS 805/6); Downstate Forest Preserve District Act;
22 certain forest preserve districts; for general purposes.

23 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;
24 certain forest preserve districts; for recreational and
25 cultural facilities.

26 (70 ILCS 810/8); Cook County Forest Preserve District Act;

1 Forest Preserve District of Cook County; for general
2 purposes.

3 (70 ILCS 810/38); Cook County Forest Preserve District Act;
4 Forest Preserve District of Cook County; for recreational
5 facilities.

6 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital
7 districts; for hospitals or hospital facilities.

8 (70 ILCS 915/3); Illinois Medical District Act; Illinois
9 Medical District Commission; for general purposes.

10 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois
11 Medical District Commission; quick-take power for the
12 Illinois State Police Forensic Science Laboratory
13 (obsolete).

14 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;
15 tuberculosis sanitarium districts; for tuberculosis
16 sanitariums.

17 Capital City Downtown Medical District Act; Capital City
18 Downtown Medical District Commission; for general
19 purposes.

20 ~~(70 ILCS 925/20); Mid-Illinois Medical District Act;~~
21 ~~Mid-Illinois Medical District; for general purposes.~~

22 (70 ILCS 930/20); Mid-America Medical District Act;
23 Mid-America Medical District Commission; for general
24 purposes.

25 (70 ILCS 935/20); Roseland Community Medical District Act;
26 medical district; for general purposes.

1 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito
2 abatement districts; for general purposes.

3 (70 ILCS 1105/8); Museum District Act; museum districts; for
4 general purposes.

5 (70 ILCS 1205/7-1); Park District Code; park districts; for
6 streets and other purposes.

7 (70 ILCS 1205/8-1); Park District Code; park districts; for
8 parks.

9 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park
10 districts; for airports and landing fields.

11 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park
12 districts; for State land abutting public water and
13 certain access rights.

14 (70 ILCS 1205/11.1-3); Park District Code; park districts; for
15 harbors.

16 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;
17 park districts; for street widening.

18 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water
19 Control Act; park districts; for parks, boulevards,
20 driveways, parkways, viaducts, bridges, or tunnels.

21 (70 ILCS 1250/2); Park Commissioners Street Control (1889)
22 Act; park districts; for boulevards or driveways.

23 (70 ILCS 1290/1); Park District Aquarium and Museum Act;
24 municipalities or park districts; for aquariums or
25 museums.

26 (70 ILCS 1305/2); Park District Airport Zoning Act; park

1 districts; for restriction of the height of structures.
2 (70 ILCS 1310/5); Park District Elevated Highway Act; park
3 districts; for elevated highways.
4 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park
5 District; for parks and other purposes.
6 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park
7 District; for parking lots or garages.
8 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park
9 District; for harbors.
10 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation
11 Act; Lincoln Park Commissioners; for land and interests in
12 land, including riparian rights.
13 (70 ILCS 1801/30); Alexander-Cairo Port District Act;
14 Alexander-Cairo Port District; for general purposes.
15 (70 ILCS 1805/8); Havana Regional Port District Act; Havana
16 Regional Port District; for general purposes.
17 (70 ILCS 1810/7); Illinois International Port District Act;
18 Illinois International Port District; for general
19 purposes.
20 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;
21 Illinois Valley Regional Port District; for general
22 purposes.
23 (70 ILCS 1820/4); Jackson-Union Counties Regional Port
24 District Act; Jackson-Union Counties Regional Port
25 District; for removal of airport hazards or reduction of
26 the height of objects or structures.

1 (70 ILCS 1820/5); Jackson-Union Counties Regional Port
2 District Act; Jackson-Union Counties Regional Port
3 District; for general purposes.

4 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet
5 Regional Port District; for removal of airport hazards.

6 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet
7 Regional Port District; for reduction of the height of
8 objects or structures.

9 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet
10 Regional Port District; for removal of hazards from ports
11 and terminals.

12 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet
13 Regional Port District; for general purposes.

14 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;
15 Kaskaskia Regional Port District; for removal of hazards
16 from ports and terminals.

17 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;
18 Kaskaskia Regional Port District; for general purposes.

19 (70 ILCS 1831/30); Massac-Metropolis Port District Act;
20 Massac-Metropolis Port District; for general purposes.

21 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;
22 Mt. Carmel Regional Port District; for removal of airport
23 hazards.

24 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port
25 District; for general purposes.

26 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port

1 District Act; Rock Island Regional Port District and
2 participating municipalities; for general Port District
3 purposes.

4 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca
5 Regional Port District; for removal of airport hazards.

6 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca
7 Regional Port District; for reduction of the height of
8 objects or structures.

9 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca
10 Regional Port District; for general purposes.

11 (70 ILCS 1850/4); Shawneetown Regional Port District Act;
12 Shawneetown Regional Port District; for removal of airport
13 hazards or reduction of the height of objects or
14 structures.

15 (70 ILCS 1850/5); Shawneetown Regional Port District Act;
16 Shawneetown Regional Port District; for general purposes.

17 (70 ILCS 1860/4); Tri-City Regional Port District Act;
18 Tri-City Regional Port District; for removal of airport
19 hazards.

20 (70 ILCS 1860/5); Tri-City Regional Port District Act;
21 Tri-City Regional Port District; for the development of
22 facilities.

23 (70 ILCS 1863/11); Upper Mississippi River International Port
24 District Act; Upper Mississippi River International Port
25 District; for general purposes.

26 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port

1 District; for removal of airport hazards.
2 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port
3 District; for restricting the height of objects or
4 structures.
5 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port
6 District; for the development of facilities.
7 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad
8 Terminal Authority (Chicago); for general purposes.
9 (70 ILCS 2105/9b); River Conservancy Districts Act; river
10 conservancy districts; for general purposes.
11 (70 ILCS 2105/10a); River Conservancy Districts Act; river
12 conservancy districts; for corporate purposes.
13 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary
14 districts; for corporate purposes.
15 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary
16 districts; for improvements and works.
17 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary
18 districts; for access to property.
19 (70 ILCS 2305/8); North Shore Water Reclamation District Act;
20 North Shore Water Reclamation District; for corporate
21 purposes.
22 (70 ILCS 2305/15); North Shore Water Reclamation District Act;
23 North Shore Water Reclamation District; for improvements.
24 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary
25 District of Decatur; for carrying out agreements to sell,
26 convey, or disburse treated wastewater to a private

1 entity.

2 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary
3 districts; for corporate purposes.

4 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary
5 districts; for improvements.

6 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of
7 1917; sanitary districts; for waterworks.

8 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary
9 districts; for public sewer and water utility treatment
10 works.

11 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary
12 districts; for dams or other structures to regulate water
13 flow.

14 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;
15 Metropolitan Water Reclamation District; for corporate
16 purposes.

17 (70 ILCS 2605/16); Metropolitan Water Reclamation District
18 Act; Metropolitan Water Reclamation District; quick-take
19 power for improvements.

20 (70 ILCS 2605/17); Metropolitan Water Reclamation District
21 Act; Metropolitan Water Reclamation District; for bridges.

22 (70 ILCS 2605/35); Metropolitan Water Reclamation District
23 Act; Metropolitan Water Reclamation District; for widening
24 and deepening a navigable stream.

25 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary
26 districts; for corporate purposes.

1 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary
2 districts; for improvements.

3 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of
4 1936; sanitary districts; for drainage systems.

5 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary
6 districts; for dams or other structures to regulate water
7 flow.

8 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary
9 districts; for water supply.

10 (70 ILCS 2805/32l); Sanitary District Act of 1936; sanitary
11 districts; for waterworks.

12 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;
13 Metro-East Sanitary District; for corporate purposes.

14 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;
15 Metro-East Sanitary District; for access to property.

16 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;
17 sanitary districts; for sewerage systems.

18 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;
19 Illinois Sports Facilities Authority; quick-take power for
20 its corporate purposes (obsolete).

21 (70 ILCS 3405/16); Surface Water Protection District Act;
22 surface water protection districts; for corporate
23 purposes.

24 (70 ILCS 3605/7); Chicago Transit Authority Act; Chicago
25 Transit Authority; for transportation systems.

26 (70 ILCS 3605/8); Chicago Transit Authority Act; Chicago

1 Transit Authority; for general purposes.

2 (70 ILCS 3605/10); Chicago Transit Authority Act; Chicago
3 Transit Authority; for general purposes, including
4 railroad property.

5 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;
6 local mass transit districts; for general purposes.

7 (70 ILCS 3615/2.13); Northern Illinois Transit Authority Act;
8 Northern Illinois Transit Authority; for general purposes.

9 (70 ILCS 3705/8 and 3705/12); Public Water District Act;
10 public water districts; for waterworks.

11 (70 ILCS 3705/23a); Public Water District Act; public water
12 districts; for sewerage properties.

13 (70 ILCS 3705/23e); Public Water District Act; public water
14 districts; for combined waterworks and sewerage systems.

15 (70 ILCS 3715/6); Water Authorities Act; water authorities;
16 for facilities to ensure adequate water supply.

17 (70 ILCS 3715/27); Water Authorities Act; water authorities;
18 for access to property.

19 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library
20 trustees; for library buildings.

21 (75 ILCS 16/30-55.80); Public Library District Act of 1991;
22 public library districts; for general purposes.

23 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate
24 authorities of city or park district, or board of park
25 commissioners; for free public library buildings.

26 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;

1 104-457, Article 5, Section 5-925, eff. 6-1-26; 104-457,
2 Article 10, Section 10-75, eff. 6-1-26; 104-457, Article 15,
3 Section 15-210, eff. 6-1-26; revised 1-8-26.)

4 ARTICLE 90

5 Section 90-95. No acceleration or delay. Where this Act
6 makes changes in a statute that is represented in this Act by
7 text that is not yet or no longer in effect (for example, a
8 Section represented by multiple versions), the use of that
9 text does not accelerate or delay the taking effect of (i) the
10 changes made by this Act or (ii) provisions derived from any
11 other Public Act.

12 ARTICLE 97

13 Section 97-97. Severability. The provisions of this Act
14 are severable under Section 1.31 of the Statute on Statutes.

15 ARTICLE 99

16 Section 99-99. Effective date. This Act takes effect upon
17 becoming law.