



Rep. Kam Buckner

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LRB104 04808 HLH 37059 a

1 AMENDMENT TO HOUSE BILL 910

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 910 by replacing  
3 everything after the enacting clause with the following:

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.

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

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

6           "Authority" means the Capital Area Tourism Authority  
7           established by this Act.

8           "Base year" means the calendar year immediately before the  
9           calendar year in which the STAR bond project is approved under  
10          this Act.

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

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

14          "Local sales taxes" has the meaning given to that term in  
15          the Statewide Innovation Development and Economy Act, except  
16          that, with respect to locally imposed taxes received by the  
17          City of Springfield, "local sales taxes" shall be limited to  
18          50% of that portion of the tax arising from sales by retailers  
19          and servicemen within the territory of the Authority that is  
20          in excess of the aggregate local sales tax in the territory for  
21          the same month in the base year, as determined by the  
22          municipality.

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

25          "Project costs" has the meaning given to that term in the

1 Statewide Innovation Development and Economy Act.

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

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

6 Section 1-15. Creation of the Authority. The Capital Area  
7 Tourism Authority is hereby created as a political subdivision  
8 and unit of local government for the benefit of the general  
9 public and the promotion of business, industry, commerce, and  
10 tourism in the City of Springfield, Sangamon County, and the  
11 State of Illinois. The Authority shall have only those powers  
12 described in Section 1-20 of this Act, and its territorial  
13 jurisdiction shall extend over all territory in the City of  
14 Springfield that is coterminous with the 62701 zip code.

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

16 (a) If and only if the Sangamon County Board, by  
17 ordinance, imposes a tax under subsection (b-5) of Section  
18 5-1030 of the Counties Code on all hotel operators who engage  
19 in business as a hotel operator within any STAR bond district  
20 that is established in the territory of the Authority, and if  
21 the Sangamon County Board also resolves that all of the  
22 revenue generated from the tax under subsection (b-5) of  
23 Section 5-1030 of the Counties Code and all of the tax receipts  
24 generated from local sales taxes within the STAR bond district

1 shall be dedicated to the payment of the project costs for any  
2 STAR bond project in the district and shall be considered  
3 pledged STAR revenues under the Statewide Innovation  
4 Development and Economy Act, then the Authority may exercise  
5 the powers set forth in subsection (c) as well as those powers  
6 ordinarily authorized by law for a political subdivision for  
7 the purposes described in subsection (b).

8 (b) The Authority shall use the powers conferred on it  
9 under this Section to assist in the development, construction,  
10 and acquisition of industrial or commercial projects within  
11 its territorial jurisdiction and to promote business,  
12 industry, commerce, and tourism within Sangamon County and the  
13 State of Illinois.

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

19 (1) to exercise all of the powers afforded to a  
20 political subdivision pursuant to Section 5-100 of the  
21 Statewide Innovation Development and Economy Act in  
22 connection with a STAR bond district, including, but not  
23 limited to, establishing a STAR bond district and issuing  
24 STAR bonds to finance a STAR bond project;

25 (2) to enter into loans, contracts, agreements, and  
26 mortgages;

1           (3) to acquire by purchase, donation, or lease; to  
2 own, convey, lease, sell, mortgage, or otherwise dispose  
3 of interests in and to real or personal property; and to  
4 grant or acquire licenses, easements, and options with  
5 respect to property;

6           (4) to sue and be sued;

7           (5) to employ agents and employees necessary to carry  
8 out this Act's purposes;

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

10          (7) to acquire, own, construct, equip, finance, lease,  
11 operate, and maintain grounds, buildings, facilities,  
12 property or any portion of a building, facility, or  
13 property owned or leased by the Authority to carry out the  
14 purposes and duties of this Act and to fix, charge, and  
15 collect fees, rents, and charges for the use of any  
16 building, facility, property or portion thereof;

17          (8) to adopt all ordinances, resolutions, by-laws,  
18 rules, and regulations necessary or proper to carry into  
19 effect the purpose of this Act and the powers granted to  
20 the Authority;

21          (9) to apply for, accept, and expend grants,  
22 appropriations, guarantees, donations of property or  
23 labor, or any other thing of value;

24          (10) to exercise the right of eminent domain by  
25 condemnation proceedings in the manner provided by the  
26 Eminent Domain Act;

1           (11) to finance, construct, equip, own, operate, and  
2 maintain any STAR bond project and to determine and direct  
3 the use of the local tax contribution and the State tax  
4 contribution for the approved STAR bond projects in the  
5 STAR bond district;

6           (12) to pay or cause to be paid STAR bond project costs  
7 and the principal and interest of any revenue bonds issued  
8 by the Authority;

9           (13) to borrow money and to issue revenue bonds,  
10 notes, or other evidences of indebtedness as provided for  
11 in the Statewide Innovation Development and Economy Act;  
12 and

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

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

16           (a) The governing and administrative powers of the  
17 Authority shall be vested in its Board, which shall consist of  
18 5 members appointed as follows:

19               (1) 3 members appointed by the Sangamon County Board;

20               (2) one member appointed by the Springfield City  
21 Council; and

22               (3) one member appointed by the Springfield  
23 Metropolitan Exposition and Auditorium Authority.

24           (b) All persons appointed as members of the Board shall be  
25 residents of Sangamon County and shall have recognized ability

1 and experience in one or more of the following areas: economic  
2 development, finance, banking, commercial development, small  
3 business management, real estate development, community  
4 development, organized labor, units of local government, or  
5 civic, community, or neighborhood organization.

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

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

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

15 (f) Members of the Board shall serve without compensation  
16 for their services as members but may be reimbursed for all  
17 necessary expenses incurred in connection with the performance  
18 of their duties as members.

19 (g) The Board shall hold meetings quarterly or upon the  
20 call of the Chairperson of the Board or written notice of 3  
21 members of the Board.

22 (h) A majority of the appointed members of the Board shall  
23 constitute a quorum for the transaction of business, and the  
24 Board may not meet or take any action without a quorum present.  
25 The affirmative vote of a majority of the members present at a  
26 meeting at which a quorum is present shall be necessary for any

1 official act of the Authority.

2 (i) All members of the Board and employees of the  
3 Authority are subject to the Illinois Governmental Ethics Act,  
4 in accordance with its terms, and shall submit a statement of  
5 economic interests in accordance with Article 4A of the  
6 Illinois Governmental Ethics Act. Additionally, each Board  
7 member shall disclose to the Board outside sources of income  
8 and any business relationships in economic development,  
9 consulting, or lobbying. Reporting shall include the source of  
10 income, services provided, and timeline of when services were  
11 provided. If the source of income is a firm or organization  
12 with multiple clients, the report shall list all of the  
13 entities for which the individual provided services.

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

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

2 (a) The Authority is subject to the Open Meetings Act and  
3 the Freedom of Information Act. All rules, regulations,  
4 ordinances, and resolutions of the Authority, and all  
5 documents and records in its possession, shall be public  
6 records and shall be open to public inspection, except such  
7 documents and records as shall be kept or prepared by the Board  
8 for use in negotiations, actions, or proceedings to which the  
9 Authority is a party.

10 (b) Each contract or agreement entered into by the  
11 Authority must be posted on the Authority's website. The  
12 Authority shall provide a detailed report of the Authority's  
13 financial information on the Authority's website.

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

18 Section 1-40. Approval of STAR bond districts and STAR  
19 bond project.

20 (a) Notwithstanding any other provision of law, all real  
21 property in the territorial jurisdiction of the Authority  
22 shall automatically constitute an eligible area for the  
23 purposes of approving a STAR bond district or STAR bond

1 project in that jurisdiction under the Statewide Innovation  
2 Development and Economy Act, and the territorial boundaries of  
3 the STAR bond district may be entirely within the corporate  
4 limits of the City of Springfield.

5 (b) Subject to the limitations set forth in Section 5-15  
6 of the Statewide Innovation Development and Economy Act, STAR  
7 bond projects may be undertaken in a STAR bond district  
8 located in the territorial jurisdiction of the Authority  
9 provided that:

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

12 (2) the local tax contribution and the State tax  
13 contribution to the STAR bond projects are sufficient,  
14 together with other pledged STAR revenues, to support the  
15 financing of the STAR bond projects.

16 (c) Notwithstanding any other provision of law, to the  
17 extent that the local tax contribution and the State tax  
18 contribution, together with other available funds, aggregate  
19 an amount that exceeds those funds required to pay any project  
20 costs, including debt service on the STAR bonds issued in  
21 connection with the STAR bond project, the Authority may  
22 direct such excess local tax contribution and State tax  
23 contribution to finance additional STAR bond projects in the  
24 same STAR bond district.

25 Section 1-45. State tax contribution. Notwithstanding any

1 other provision of law, any State sales tax increment pledged  
2 to pay STAR bonds in any STAR bond district located in the  
3 territorial jurisdiction of the Authority shall not be limited  
4 to 50% of the total project costs in the STAR bond district but  
5 rather will cover up to 100% of the total project costs.

6 Section 1-50. Master developer. Notwithstanding any other  
7 provision of law, the Authority shall own and control any STAR  
8 bond project and acreage on which the project is located in any  
9 STAR Bond district created in the territorial jurisdiction of  
10 the Authority instead of the Master Developer as required in  
11 the Statewide Innovation Development and Economy Act. The  
12 Master Developer shall not be required to provide equity in  
13 such STAR bond project.

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

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

4           Section 1-65. Investigatory authority. The Board may  
5 investigate conditions in which it has an interest within the  
6 territorial jurisdiction of the Authority, the enforcement of  
7 its ordinances, rules and regulations, and the action,  
8 conduct, and efficiency of all officers, agents and employees  
9 of the Authority. In the conduct of such investigations the  
10 Board may hold public hearings on its own motion. Each member  
11 of the Board shall have power to administer oaths, and the  
12 secretary, by order of the Board, shall issue subpoenas to  
13 secure the attendance and testimony of witnesses and the  
14 production of books and papers relevant to those  
15 investigations and to any hearing before the Board or any  
16 member of the Board. Any circuit court of this State, upon  
17 application of the Board or any Board member, may, in its  
18 discretion and by attachment for contempt or otherwise in the  
19 same manner as the production of evidence may be compelled  
20 before the court, compel the attendance of witnesses, the  
21 production of books and papers, and the giving of testimony  
22 before the Board or before any Board member or any officers'  
23 committee appointed by the Board.

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## ARTICLE 5

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

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Section 5-5. Findings. The General Assembly finds that Springfield's distinctive role as Illinois' capital, a regional medical destination, the home of President Abraham Lincoln's Presidential Library and Museum, and a National Historic Site warrants strengthened, structured collaboration anchored by State government to advance medical, entertainment, educational, legal, and public policy priorities in the District. State and local governmental bodies should encourage the leveraging of the District's proximity to State government to support healthcare, civic, legal, policy, and professional education activities that advance the public benefit of all Illinoisans through public service, workforce development, and downtown vitality.

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

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Section 5-10. Creation of District. There is created in the City of Springfield a special development district to be

1 known as the Capital City Downtown Medical District, whose  
2 boundaries are 11th Street on the east, North Grand Avenue on  
3 the north, Walnut Street on the west, and South Grand Avenue on  
4 the south, and which excludes:

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

7 (2) the area bounded by Washington Street on the north,  
8 Third Street on the east, Cook Street on the South, and Walnut  
9 Street on the west.

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

1           Section 5-15. Capital City Downtown Medical District  
2 Commission.

3           (a) There is created a body politic and corporate under  
4 the corporate name of the Capital City Downtown Medical  
5 District Commission whose general purpose, in addition to and  
6 not in limitation of those purposes and powers set forth in  
7 this Act, is to:

8           (1) maintain the proper surroundings of and within the  
9 District in order to attract, stabilize, and retain within  
10 the District facilities, buildings, enterprises, and other  
11 establishments permitted under this Act;

12           (2) provide for the orderly creation, maintenance,  
13 development, and expansion of (i) facilities, buildings,  
14 enterprises, and other establishments permitted under this  
15 Act and (ii) public infrastructure related to the use and  
16 enjoyment of those facilities, buildings, enterprises, and  
17 other establishments;

18           (3) convene dialogue among leaders in the public and  
19 private sectors on topics and issues associated with  
20 training in the delivery of services and related industry  
21 in the District's program area;

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

24           (5) maintain the proper surroundings for a medical  
25 center and a related technology center in order to

1 attract, stabilize, and retain within the District  
2 hospitals, clinics, research facilities, educational  
3 facilities, or other facilities permitted under this Act;  
4 and

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

7 (b) The Commission has perpetual succession and the power  
8 to contract and be contracted with, to sue and be sued, except  
9 in actions sounding in tort, to plead and be impleaded, to have  
10 and use a common seal, and to alter the same at pleasure. All  
11 actions sounding in tort against the Commission shall be  
12 prosecuted in the Court of Claims. The principal office of the  
13 Commission shall be in the City of Springfield.

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

15 (1) 5 members appointed by the Governor, with the  
16 advice and consent of the Senate;

17 (2) 3 members appointed by the Mayor of Springfield,  
18 with the advice and consent of the Springfield City  
19 Council; and

20 (3) 3 members appointed by the Chairperson of the  
21 County Board of Sangamon County.

22 One of each of the 3 members appointed by the Mayor of  
23 Springfield and by the Chairperson of the County Board of  
24 Sangamon County shall be a representative of a recognized  
25 neighborhood organization that has a legitimate interest in  
26 the development and improvement of the District, as determined

1 by the Mayor of the City of Springfield and the Chairperson of  
2 the County Board of Sangamon County, respectively. The initial  
3 members of the Commission appointed by the Governor shall be  
4 appointed for terms ending, respectively, on the second,  
5 third, fourth, fifth, and sixth anniversaries of their  
6 appointments. The initial members appointed by the Mayor of  
7 Springfield and by the Chairperson of the County Board of  
8 Sangamon County shall be appointed for terms ending,  
9 respectively, on the second, third, and fourth anniversaries  
10 of their appointments. Thereafter, all the members shall be  
11 appointed to hold office for a term of 5 years and until their  
12 successors are appointed as provided in this Act.

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

1 carry out the purposes of this Act and the work of the  
2 Commission.

3 (e) The Commission shall hold regular meetings annually  
4 for the election of a President, Vice-President, Secretary,  
5 and Treasurer from among its members, for the adoption of a  
6 budget, and for such other business as may properly come  
7 before it. The Commission shall establish the duties and  
8 responsibilities of its officers by rule. The President or any  
9 4 members of the Commission may call special meetings of the  
10 Commission. Each Commissioner shall take an oath of office for  
11 the faithful performance of his or her duties. The Commission  
12 4 may not transact business at a meeting of the Commission  
13 unless there is a quorum consisting of at least 6  
14 Commissioners present at the meeting. Meetings may be held by  
15 telephone conference or by other means through which all  
16 persons participating in the meeting can communicate with each  
17 other.

18 (f) The Commission shall submit to the General Assembly,  
19 not later than March 1 of each odd-numbered year, a detailed  
20 report covering its operations for the 2 preceding calendar  
21 years and a statement of its program for the next 2 years. The  
22 requirement for reporting to the General Assembly shall be  
23 satisfied by filing copies of the report as required by  
24 Section 3.1 of the General Assembly Organization Act, and by  
25 filing such additional copies with the State Government Report  
26 Distribution Center for the General Assembly as is required

1 under paragraph (t) of Section 7 of the State Library Act.

2 (g) The Auditor General shall conduct audits of the  
3 Commission in the same manner as the Auditor General conducts  
4 audits of State agencies under the Illinois State Auditing  
5 Act.

6 (h) Neither the Commission nor the District has any power  
7 to tax.

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

10 Section 5-20. Grants; loans; contracts. The Commission may  
11 apply for and accept grants, loans, or appropriations from the  
12 State of Illinois, the federal government, any State or  
13 federal agency or instrumentality, any unit of local  
14 government, or any other person or entity to be used for any of  
15 the purposes of the District. The Commission may enter into  
16 any agreement with the State of Illinois, the federal  
17 government, any State or federal instrumentality, any unit of  
18 local government, or any other person or entity in relation to  
19 the grants, matching grants, loans, or appropriations. The  
20 Commission also may, by contractual agreement, accept and  
21 collect assessments or fees from entities who enter into a  
22 contractual agreement for District enhancement and  
23 improvements, common area shared services, shared facilities,  
24 or other activities or expenditures in furtherance of the  
25 purposes of this Act. The Commission may provide assistance,

1 including grants, loans, land conveyances, and other  
2 incentives to entities, including, but not limited to,  
3 neighborhood organizations, to induce development and  
4 revitalization consistent with this Act and for the purpose of  
5 benefiting the community. The Commission may also provide  
6 programmatic assistance, operational assistance, or facilities  
7 to support academic, professional, and training programs  
8 located within the District if it finds that such support  
9 advances the purposes of this Act.

10 Section 5-25. Property; acquisition. The Commission may  
11 acquire the fee simple title to real property lying within the  
12 District and personal property required for its purposes, by  
13 gift, donation, purchase, or otherwise. Title shall be taken  
14 in the corporate name of the Commission. The Commission may  
15 acquire, by lease or other means, any real property lying  
16 within the District and personal property found by the  
17 Commission to be necessary for its purposes and to which the  
18 Commission finds that it need not acquire the fee simple title  
19 for carrying out of those purposes. The Commission shall hold  
20 a public hearing in accordance with Section 5-80 of this Act  
21 before acquiring the title to property. All real and personal  
22 property within the District, except that owned and used for  
23 purposes authorized under this Act by medical institutions or  
24 allied educational institutions, hospitals, dispensaries,  
25 clinics, dormitories or homes for the nurses, doctors,

1 students, instructors, or other officers or employees of those  
2 institutions located in the District, or any real property  
3 that is used for offices or for recreational purposes in  
4 connection with those institutions, or any improved  
5 residential property within a currently effective historical  
6 district properly designated under a federal statute or a  
7 State or local statute that has been certified by the  
8 Secretary of the Interior to the Secretary of the Treasury as  
9 containing criteria that will substantially achieve the  
10 purpose of preserving and rehabilitating buildings of  
11 historical significance to the district, may be acquired by  
12 the Commission in its corporate name under the provisions for  
13 the exercise of the right of eminent domain under the Eminent  
14 Domain Act. The Commission may undertake environmental  
15 remediation, demolition, site preparation, interim site  
16 management, and other predevelopment activities necessary to  
17 prepare property for redevelopment, transfer, or related  
18 activities. The Commission has no quick-take powers, no zoning  
19 powers, and no power to establish or enforce building codes.  
20 The Commission may not acquire any property pursuant to this  
21 Section before a comprehensive master plan has been approved  
22 under Section 5-75.

23 Section 5-30. Construction. After a public hearing in  
24 accordance with Section 5-80 of this Act, the Commission may,  
25 in its corporate capacity, construct or cause to be

1 constructed within the District, any building, structure, or  
2 other ancillary or related facilities that the Commission may,  
3 from time to time, determine are to be established and  
4 operated (i) for the carrying out of any aspect of the  
5 Commission's purposes as set forth in this Act or (ii) for any  
6 uses the Commission shall determine will support and nurture  
7 facilities and uses permitted by this Act. All such structures  
8 and improvements shall be erected and constructed in  
9 accordance with the provisions of the Illinois Procurement  
10 Code that apply to State agencies. No construction may be  
11 undertaken pursuant to this Section before a comprehensive  
12 master plan has been approved under Section 5-75.

13 Section 5-35. Relocation assistance. The Commission shall  
14 provide relocation assistance to persons and entities  
15 displaced by the Commission's acquisition of property and  
16 improvement of the District. Relocation assistance shall not  
17 be less than the amount provided under the federal Uniform  
18 Relocation Assistance and Real Property Acquisition Policies  
19 Act of 1970 and the regulations under that Act, including the  
20 eligibility criteria. The Commission may enter into long-term  
21 development, land-use, or operating agreements with  
22 institutions, including hospitals, universities, State  
23 agencies, or nonprofit organizations. Relocation assistance  
24 may include assistance with the moving of a residential unit  
25 to a new location, and the Commission may develop, own, lease,

1 sublease, or manage facilities used for academic instruction,  
2 professional education, or research, including facilities  
3 owned or operated by colleges, universities, or their  
4 affiliates. The Commission shall establish a single point of  
5 contact for all relocation assistance under this Section.

6 Section 5-40. Bonds. To obtain the funds necessary for  
7 financing the acquisition, construction, maintenance, and  
8 rehabilitation of facilities and equipment within the  
9 District, and for the operation of the District as set forth in  
10 this Act, the Commission may borrow money from any public or  
11 private agency, department, corporation, or person. In  
12 evidence of and as security for funds borrowed, the Commission  
13 may issue revenue bonds in its corporate capacity to be  
14 payable from the revenues derived from the operation of the  
15 institutions or buildings owned, leased, or operated by or on  
16 behalf of the Commission, but the bonds shall in no event  
17 constitute an indebtedness of the Commission or a claim  
18 against the property of the Commission. The bonds may be  
19 issued in such denominations as may be expedient, in such  
20 amounts, and at such rates of interest as the Commission shall  
21 deem necessary to provide sufficient funds to pay all the  
22 costs authorized under this Section. The bonds shall be  
23 executed by the President of the Commission, attested by the  
24 Secretary, and sealed with the Commission's corporate seal. If  
25 either of those officers of the Commission who shall have

1 signed or attested any of the bonds shall have ceased to be  
2 such officer before delivery of the bonds, the signature of  
3 the officer shall be valid and sufficient to the same effect as  
4 if the officer had remained in office at the time of delivery.  
5 The Commission shall furnish the State Comptroller with a  
6 record of all bonds issued under this Act.

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

1 use the land for the purposes designated in the plan so  
2 presented; (2) to commence and complete the construction of  
3 the buildings or other structures to be included in the  
4 project within the time the Commission fixes as reasonable;  
5 and (3) to comply with such other conditions as the Commission  
6 shall determine are necessary to carry out the project. All  
7 conveyances and leases authorized in this Section shall be on  
8 condition that in the event the use of property is for other  
9 purposes than prescribed in this Act, or there is nonuse for a  
10 period of one year, title to the property shall revert to the  
11 Commission. All conveyances and leases made by the Commission  
12 to any corporation or person for the use of serving the  
13 residents or any person using the facilities offered within  
14 the District shall be on condition that in the event of a  
15 violation of any of the restrictions as to the use of the  
16 property according to this Act, and the Commission's  
17 determinations of projects that will carry out the purposes of  
18 this Act, title to the property shall revert to the  
19 Commission. If, however, the Commission finds that financing  
20 necessary for the acquisition or lease of any real estate or  
21 for the construction or improvement of any building to be used  
22 for purposes prescribed in this Act cannot be obtained if  
23 title to the land, building, or improvement is subject to such  
24 a reverter provision, the Commission may cause the real  
25 property to be conveyed free of a reverter provision, provided  
26 that at least 7 members of the Commission vote in favor

1       thereof. The finding that the title shall be conveyed free of a  
2       reverter provision shall be made at a public hearing in  
3       accordance with Section 5-80 of this Act and notice provided  
4       in accordance with Section 5-50 of this Act. The Commission  
5       may also provide, in the conveyances, leases, or other  
6       documentation, provisions for notice of such violations or  
7       default and the cure thereof for the benefit of any lender or  
8       mortgagee as the Commission shall determine are appropriate.  
9       If, at a regularly scheduled meeting, the Commission resolves  
10      that a parcel of real estate leased by it, or in which it has  
11      sold the fee simple title or any lesser estate, is not being  
12      used for the purposes prescribed in this Act or has been in  
13      nonuse for a period of one year, the Commission may file a  
14      lawsuit in the Circuit Court of Sangamon County to enforce the  
15      terms of the sale or lease. If a reverter of title to any  
16      property is ordered by the court under the terms of this Act,  
17      the interest of the Commission shall be subject to any  
18      existing valid mortgage or trust deed in the nature of a  
19      mortgage, but if the title is acquired through foreclosure of  
20      that mortgage or trust deed or by deed in lieu of foreclosure  
21      of that mortgage or trust deed, then the title to the property  
22      shall not revert, but shall be subject to the restrictions as  
23      to use, but not any penalty for nonuse contained in this Act  
24      with respect to any mortgagee in possession or its successor  
25      or assigns. No conveyance of real property shall be executed  
26      by the Commission without the prior written approval of the

1 Governor. The Commission may not sell, convey, transfer, or  
2 lease any property pursuant to this Section before a  
3 comprehensive master plan has been approved under Section  
4 5-75.

5 Section 5-50. Notice. Before holding any public hearing  
6 prescribed in Section 5-45 of this Act, or any meeting  
7 regarding the passage of any resolution to file a lawsuit, the  
8 Commission shall give notice to the grantee or lessee, or his  
9 or her legal representatives, successors, or assigns, of the  
10 time and place of the proceeding. The notice shall be  
11 accompanied by a statement signed by the Secretary of the  
12 Commission, or by any person authorized by the Commission to  
13 sign the same, setting forth any act or things done or omitted  
14 to be done in violation, or claimed to be in violation, of any  
15 restriction as to the use of the property, whether the  
16 restriction be prescribed in any of the terms of this Act or by  
17 any restriction as to the use of the property determined by the  
18 Commission under the terms of this Act. The notice of the time  
19 and place fixed for the proceeding shall also be given to such  
20 person or persons as the Commission shall deem necessary. The  
21 notice may be given by registered mail, addressed to the  
22 grantee, lessee, or legal representatives, successors, or  
23 assigns, at the last known address of the grantee, lessee, or  
24 legal representatives, successors, or assigns.

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

7           Section 5-60. Official documents. Copies of all official  
8 documents, findings, and orders of the Commission, certified  
9 by a Commissioner or by the Secretary of the Commission to be  
10 true copies of the originals, and under the official seal of  
11 the Commission, shall be evidence in like manner as the  
12 originals.

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

1           Section 5-70. Parks. The Commission may set apart any part  
2 of the District as a park, except those areas owned, operated,  
3 or used for purposes authorized under this Act by  
4 organizations or institutions engaged in the delivery or  
5 conduct of health care services, education, or research. The  
6 Commission may construct, control, and maintain the same, or  
7 may provide by contract with the Springfield Park District,  
8 the City of Springfield, or the Department of Natural  
9 Resources, as applicable, for the construction, control, and  
10 maintenance of any area within the District set apart as a  
11 park.

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

1 licensed non-profit acute care hospitals within the District.

2 Section 5-80. Public hearing. The Commission shall conduct  
3 a public hearing prior to either (i) acquiring real or  
4 personal property within the District through Section 5-25 of  
5 this Act, (ii) constructing any building or structure under  
6 Section 5-30 of this Act, (iii) conveying property under  
7 Section 5-45 of this Act, or (iv) approving a comprehensive  
8 master plan under Section 5-75 of this Act. The Commission  
9 shall also conduct a public hearing whenever it is otherwise  
10 required by law to do so, and may conduct a public hearing  
11 whenever it may elect to do so. The Commission shall conduct  
12 the public hearing called by it in accordance with the  
13 requirements of the law mandating it, if any, or in accordance  
14 with the provisions of this Section if either the law  
15 mandating it is silent as to the procedures for its holding or  
16 if the Commission elects to hold a public hearing in the  
17 absence of any law mandating it. In the absence of any law, or  
18 of any procedures in any law, mandating the holding of a public  
19 hearing, the Commission may authorize a Commissioner or other  
20 person of legal age to conduct a hearing. The Commissioner or  
21 other authorized person has the power to administer oaths and  
22 affirmations, take the testimony of witnesses, take and  
23 receive the production of papers, books, records, accounts,  
24 and documents, receive pertinent evidence, and certify the  
25 record of the hearing. The record of the hearing shall become

1 part of the Commission's record. Notice of the time, place,  
2 and purpose of the hearing shall be given by a single  
3 publication notice in a secular newspaper of general  
4 circulation in the City of Springfield at least 10 days before  
5 the date of the hearing.

6 Section 5-85. Jurisdiction. This Act shall not be  
7 construed to limit the jurisdiction of the City of Springfield  
8 to territory outside the limits of the District nor to impair  
9 any power now possessed by or hereafter granted to the City of  
10 Springfield or to cities generally. Property owned by and  
11 exclusively used by the Commission shall be exempt from  
12 taxation.

13 Section 5-90. Disposition of money; income fund. All money  
14 received by the Commission from the sale or lease of any  
15 property, in excess of the amount expended by the Commission  
16 for authorized purposes under this Act or as may be necessary  
17 to satisfy the obligation of any revenue bond issued pursuant  
18 to Section 5-40, shall be deposited into the Capital City  
19 Downtown Medical District Income Fund, a special fund created  
20 in the State treasury. The Commission may use all money  
21 received as rentals for the purposes of planning, acquisition,  
22 and development of property within the District, for the  
23 operation, maintenance, and improvement of property of the  
24 Commission, and for all purposes and powers set forth in this

1 Act. All moneys held pursuant to this Section shall be  
2 maintained in a depository approved by the State Treasurer.  
3 The Auditor General shall, at least biennially, audit or cause  
4 to be audited all records and accounts of the Commission  
5 pertaining to the operation of the District.

6 Section 5-95. Assumption. As allowable under State or  
7 federal law, any and all assets, holdings, contracts and  
8 agreements of the Mid-Illinois Medical District or  
9 Mid-Illinois Medical District Commission established under the  
10 Mid-Illinois Medical District Act shall hereby be conveyed or  
11 assigned to the Capital City Downtown Medical District or the  
12 Capital City Downtown Medical District Commission established  
13 under this Act.

14 ARTICLE 10

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

17 (20 ILCS 655/5.4.1)

18 Sec. 5.4.1. Adoption of Tax Increment Financing.

19 (a) If (i) a redevelopment project area is, will be, or has  
20 been created by a municipality under Division 74.4 of the  
21 Illinois Municipal Code, (ii) the redevelopment project area  
22 contains property that is located in an enterprise zone, (iii)

1 the municipality adopts an amendment to the enterprise zone  
2 designating ordinance pursuant to Section 5.4 of this Act  
3 specifically concerning the abatement of taxes on property  
4 located within a redevelopment project area created pursuant  
5 to Division 74.4 of the Illinois Municipal Code, and (iv) the  
6 Department certifies the ordinance amendment, then the  
7 property that is located in both the enterprise zone and the  
8 redevelopment project area shall not be eligible for the  
9 abatement of taxes under Section 18-170 of the Property Tax  
10 Code.

11 No business enterprise or expansion or individual,  
12 however, that has constructed a new improvement or renovated  
13 or rehabilitated an existing improvement and has received an  
14 abatement on the improvement under Section 18-170 of the  
15 Property Tax Code shall be denied any benefit previously  
16 extended within the zone pursuant to this Act or pursuant to  
17 any other Illinois law providing benefits specifically to or  
18 within enterprise zones. Moreover, if the business enterprise  
19 or individual presents evidence to the municipality within 30  
20 days after the adoption by the municipality of an amendment to  
21 the designating ordinance the sufficiency of which shall be  
22 determined by findings of the corporate authorities made  
23 within 30 days of the receipt of such evidence by the  
24 municipality, that before the date of the notice of the public  
25 hearing provided by the municipality regarding the amendment  
26 to the designating ordinance (i) the business enterprise or

1 expansion or individual was committed to locate within the  
2 enterprise zone, (ii) substantial and binding financial  
3 obligations were made toward ~~towards~~ the development of the  
4 enterprise, and (iii) those commitments were made in  
5 reasonable reliance on the benefits and programs that were  
6 applicable to the enterprise or individual by reason of the  
7 enterprise zone, then the enterprise or expansion or  
8 individual shall not be denied any benefit previously extended  
9 within the zone pursuant to this Act or pursuant to any other  
10 Illinois law providing benefits specifically to or within  
11 enterprise zones.

12 (b) This Section applies to all property located within  
13 both a redevelopment project area adopted under Division 74.4  
14 of the Illinois Municipal Code and an enterprise zone even if  
15 the redevelopment project area or the enterprise zone was  
16 adopted before the effective date of this amendatory Act of  
17 1997.

18 (c) After July 1, 1997, if (i) a redevelopment project  
19 area is created by a municipality under Division 74.4 of the  
20 Illinois Municipal Code and (ii) the redevelopment project  
21 area contains property that is located in an enterprise zone,  
22 the municipality must adopt an amendment to the certified  
23 enterprise zone designating ordinance under Section 5.4 that  
24 property that is located in both the enterprise zone and the  
25 redevelopment project area shall not be eligible for any  
26 abatement of taxes under Section 18-170 of the Property Tax

1 Code for new improvements or the renovation or rehabilitation  
2 of existing improvements, except as provided in subsections  
3 (e) and (f).

4 (d) In declaratory judgment actions under this Section,  
5 the Department and the designating municipality shall be  
6 necessary parties defendant.

7 (e) Notwithstanding any other provision of law, if a  
8 municipality has adopted an enterprise zone pursuant to this  
9 Act and subsequently establishes a redevelopment project area  
10 pursuant to the Tax Increment Allocation Redevelopment Act in  
11 the Illinois Municipal Code, the municipality may, by  
12 amendment to the certified enterprise zone designating  
13 ordinance, provide for a partial abatement of taxes under  
14 Section 18-170 of the Property Tax Code for property located  
15 within both the enterprise zone and the redevelopment project  
16 area. Any portion of property taxes not abated shall be  
17 subject to tax increment financing, and the terms of the  
18 applicable redevelopment project area agreement adopted  
19 pursuant to the Tax Increment Allocation Redevelopment Act.

20 (f) Notwithstanding any other provision of law, if a  
21 municipality has established a redevelopment project area  
22 pursuant to the Tax Increment Allocation Redevelopment Act in  
23 the Illinois Municipal Code and subsequently adopts an  
24 enterprise zone that includes property within the  
25 redevelopment project area, the municipality may, subject to  
26 the redevelopment project area plan and agreement, provide for

1 a partial abatement of taxes under Section 18-170 of the  
2 Property Tax Code for property located within both the  
3 enterprise zone and the redevelopment project area. No such  
4 abatement shall reduce or impair any tax increment revenues  
5 pledged to secure outstanding bonds, notes, or other  
6 obligations of the redevelopment project area. Any portion of  
7 property taxes not abated shall remain subject to tax  
8 increment financing and the terms of the applicable  
9 redevelopment project area agreement adopted pursuant to  
10 Division 74.4 of the Illinois Municipal Code.

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

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

14 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

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

16 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
17 General has jurisdiction over all State agencies to make post  
18 audits and investigations authorized by or under this Act or  
19 the Constitution.

20 The Auditor General has jurisdiction over local government  
21 agencies and private agencies only:

22 (a) to make such post audits authorized by or under  
23 this Act as are necessary and incidental to a post audit of  
24 a State agency or of a program administered by a State

1 agency involving public funds of the State, but this  
2 jurisdiction does not include any authority to review  
3 local governmental agencies in the obligation, receipt,  
4 expenditure or use of public funds of the State that are  
5 granted without limitation or condition imposed by law,  
6 other than the general limitation that such funds be used  
7 for public purposes;

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

10 (c) to make audits of the records of local government  
11 agencies to verify actual costs of state-mandated programs  
12 when directed to do so by the Legislative Audit Commission  
13 at the request of the State Board of Appeals under the  
14 State Mandates Act.

15 In addition to the foregoing, the Auditor General may  
16 conduct an audit of the Metropolitan Pier and Exposition  
17 Authority, the Regional Transportation Authority, the Suburban  
18 Bus Division, the Commuter Rail Division and the Chicago  
19 Transit Authority and any other subsidized carrier when  
20 authorized by the Legislative Audit Commission. Such audit may  
21 be a financial, management or program audit, or any  
22 combination thereof.

23 The audit shall determine whether they are operating in  
24 accordance with all applicable laws and regulations. Subject  
25 to the limitations of this Act, the Legislative Audit  
26 Commission may by resolution specify additional determinations

1 to be included in the scope of the audit.

2 In addition to the foregoing, the Auditor General must  
3 also conduct a financial audit of the Illinois Sports  
4 Facilities Authority's expenditures of public funds in  
5 connection with the reconstruction, renovation, remodeling,  
6 extension, or improvement of all or substantially all of any  
7 existing "facility", as that term is defined in the Illinois  
8 Sports Facilities Authority Act.

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

15 The Auditor General is authorized to conduct financial and  
16 compliance audits of the Illinois Distance Learning Foundation  
17 and the Illinois Conservation Foundation.

18 As soon as practical after August 18, 1995 (the effective  
19 date of Public Act 89-386), the Auditor General shall conduct  
20 a compliance and management audit of the City of Chicago and  
21 any other entity with regard to the operation of Chicago  
22 O'Hare International Airport, Chicago Midway Airport and  
23 Merrill C. Meigs Field. The audit shall include, but not be  
24 limited to, an examination of revenues, expenses, and  
25 transfers of funds; purchasing and contracting policies and  
26 practices; staffing levels; and hiring practices and

1 procedures. When completed, the audit required by this  
2 paragraph shall be distributed in accordance with Section  
3 3-14.

4 The Auditor General must conduct an audit of the Health  
5 Facilities and Services Review Board pursuant to Section 19.5  
6 of the Illinois Health Facilities Planning Act.

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

21 The Auditor General must conduct audits of the Rend Lake  
22 Conservancy District as provided in Section 25.5 of the River  
23 Conservancy Districts Act.

24 The Auditor General must conduct financial audits of the  
25 Southeastern Illinois Economic Development Authority as  
26 provided in Section 70 of the Southeastern Illinois Economic

1 Development Authority Act.

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

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

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

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

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

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15 agencies and private agencies only:

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17 this Act as are necessary and incidental to a post audit of  
18 a State agency or of a program administered by a State  
19 agency involving public funds of the State, but this  
20 jurisdiction does not include any authority to review  
21 local governmental agencies in the obligation, receipt,  
22 expenditure or use of public funds of the State that are  
23 granted without limitation or condition imposed by law,  
24 other than the general limitation that such funds be used  
25 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 Northern Illinois Transit Authority, the  
11 Suburban Bus Division, the Commuter Rail Division and the  
12 Chicago Transit Authority and any other subsidized carrier  
13 when authorized by the Legislative Audit Commission. Such  
14 audit may 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.

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26 existing "facility", as that term is defined in the Illinois

1 Sports Facilities Authority Act.

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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  
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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.

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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; 104-457, eff. 6-1-26.)

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

5 (30 ILCS 105/5.1038 new)

6 Sec. 5.1038. The Capital City Downtown Medical District  
7 Income Fund.

8 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

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

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

22 A portion of the money paid into the Local Government Tax  
23 Fund from the 6.25% general use tax rate on the selling price

1 of tangible personal property which is purchased outside  
2 Illinois at retail from a retailer and which is titled or  
3 registered by any agency of this State's government shall be  
4 distributed to municipalities as provided in this paragraph.  
5 Each municipality shall receive the amount attributable to  
6 sales for which Illinois addresses for titling or registration  
7 purposes are given as being in such municipality. The  
8 remainder of the money paid into the Local Government Tax Fund  
9 from such sales shall be distributed to counties. Each county  
10 shall receive the amount attributable to sales for which  
11 Illinois addresses for titling or registration purposes are  
12 given as being located in the unincorporated area of such  
13 county.

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

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

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

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

1 the Tax Compliance and Administration Fund and shall be used  
2 by the Department, subject to appropriation, to cover the  
3 costs of the Department in administering the Innovation  
4 Development and Economy Act.

5 As soon as possible after the first day of each month,  
6 beginning July 1, 2026, upon certification of the Department  
7 of Revenue, the Comptroller shall order transferred, and the  
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
9 local sales tax increment, as defined in the Statewide  
10 Innovation Development and Economy Act, collected during the  
11 second preceding calendar month for sales within a STAR bond  
12 district and deposited into the Local Government Tax Fund,  
13 less 3% of that amount, which shall be transferred to the Tax  
14 Compliance and Administration Fund and shall be used by the  
15 Department, subject to appropriation, to cover the costs of  
16 the Department in administering the Statewide Innovation  
17 Development and Economy Act.

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 and counties, the municipalities and counties  
23 to be those entitled to distribution of taxes or penalties  
24 paid to the Department during the second preceding calendar  
25 month. The amount to be paid to each municipality or county  
26 shall be the amount (not including credit memoranda) collected

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

18 When certifying the amount of monthly disbursement to a  
19 municipality or county under this Section, the Department  
20 shall increase or decrease that amount by an amount necessary  
21 to offset any misallocation of previous disbursements. The  
22 offset amount shall be the amount erroneously disbursed within  
23 the 6 months preceding the time a misallocation is discovered.

24 The provisions directing the distributions from the  
25 special fund in the State treasury provided for in this  
26 Section shall constitute an irrevocable and continuing

1 appropriation of all amounts as provided herein. The State  
2 Treasurer and State Comptroller are hereby authorized to make  
3 distributions as provided in this Section.

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

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

17 (Source: P.A. 102-700, Article 60, Section 60-10, eff.  
18 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;  
19 103-154, eff. 6-30-23.)

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

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

22 Sec. 6z-20. County and Mass Transit District Fund. Of the  
23 money received from the 6.25% general rate (and, beginning  
24 July 1, 2000 and through December 31, 2000, the 1.25% rate on  
25 motor fuel and gasohol, and beginning on August 6, 2010

1 through August 15, 2010, and beginning again on August 5, 2022  
2 through August 14, 2022, the 1.25% rate on sales tax holiday  
3 items) on sales subject to taxation under the Retailers'  
4 Occupation Tax Act and Service Occupation Tax Act and paid  
5 into the County and Mass Transit District Fund, distribution  
6 to the Regional Transportation Authority tax fund, created  
7 pursuant to Section 4.03 of the Regional Transportation  
8 Authority Act, for deposit therein shall be made based upon  
9 the retail sales occurring in a county having more than  
10 3,000,000 inhabitants. The remainder shall be distributed to  
11 each county having 3,000,000 or fewer inhabitants based upon  
12 the retail sales occurring in each such county.

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

22 Of the money received from the 6.25% general use tax rate  
23 on tangible personal property which is purchased outside  
24 Illinois at retail from a retailer and which is titled or  
25 registered by any agency of this State's government and paid  
26 into the County and Mass Transit District Fund, the amount for

1 which Illinois addresses for titling or registration purposes  
2 are given as being in each county having more than 3,000,000  
3 inhabitants shall be distributed into the Regional  
4 Transportation Authority tax fund, created pursuant to Section  
5 4.03 of the Regional Transportation Authority Act. The  
6 remainder of the money paid from such sales shall be  
7 distributed to each county based on sales for which Illinois  
8 addresses for titling or registration purposes are given as  
9 being located in the county. Any money paid into the Regional  
10 Transportation Authority Occupation and Use Tax Replacement  
11 Fund from the County and Mass Transit District Fund prior to  
12 January 14, 1991, which has not been paid to the Authority  
13 prior to that date, shall be transferred to the Regional  
14 Transportation Authority tax fund.

15 Whenever the Department determines that a refund of money  
16 paid into the County and Mass Transit District Fund should be  
17 made to a claimant instead of issuing a credit memorandum, the  
18 Department shall notify the State Comptroller, who shall cause  
19 the order to be drawn for the amount specified, and to the  
20 person named, in such notification from the Department. Such  
21 refund shall be paid by the State Treasurer out of the County  
22 and Mass Transit District Fund.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the  
25 Department of Revenue, the Comptroller shall order  
26 transferred, and the Treasurer shall transfer, to the STAR

1 Bonds Revenue Fund the local sales tax increment, as defined  
2 in the Innovation Development and Economy Act, collected  
3 during the second preceding calendar month for sales within a  
4 STAR bond district and deposited into the County and Mass  
5 Transit District Fund, less 3% of that amount, which shall be  
6 transferred into the Tax Compliance and Administration Fund  
7 and shall be used by the Department, subject to appropriation,  
8 to cover the costs of the Department in administering the  
9 Innovation Development and Economy Act.

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

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

20 When certifying the amount of a monthly disbursement to  
21 the Regional Transportation Authority or to a county under  
22 this Section, the Department shall increase or decrease that  
23 amount by an amount necessary to offset any misallocation of  
24 previous disbursements. The offset amount shall be the amount  
25 erroneously disbursed within the 6 months preceding the time a  
26 misallocation is discovered.

1           The provisions directing the distributions from the  
2 special fund in the State treasury ~~Treasury~~ provided for in  
3 this Section and from the Regional Transportation Authority  
4 tax fund created by Section 4.03 of the Regional  
5 Transportation Authority Act shall constitute an irrevocable  
6 and continuing appropriation of all amounts as provided  
7 herein. The State Treasurer and State Comptroller are hereby  
8 authorized to make distributions as provided in this Section.

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

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

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

20           Sec. 6z-20. County and Mass Transit District Fund. Of the  
21 money received from the 6.25% general rate (and, beginning  
22 July 1, 2000 and through December 31, 2000, the 1.25% rate on  
23 motor fuel and gasohol, and beginning on August 6, 2010  
24 through August 15, 2010, and beginning again on August 5, 2022  
25 through August 14, 2022, the 1.25% rate on sales tax holiday

1 items) on sales subject to taxation under the Retailers'  
2 Occupation Tax Act and Service Occupation Tax Act and paid  
3 into the County and Mass Transit District Fund, distribution  
4 to the Northern Illinois Transit Authority tax fund, created  
5 pursuant to Section 4.03 of the Northern Illinois Transit  
6 Authority Act, for deposit therein shall be made based upon  
7 the retail sales occurring in a county having more than  
8 3,000,000 inhabitants. The remainder shall be distributed to  
9 each county having 3,000,000 or fewer inhabitants based upon  
10 the retail sales occurring in each such county.

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

20 Of the money received from the 6.25% general use tax rate  
21 on tangible personal property which is purchased outside  
22 Illinois at retail from a retailer and which is titled or  
23 registered by any agency of this State's government and paid  
24 into the County and Mass Transit District Fund, the amount for  
25 which Illinois addresses for titling or registration purposes  
26 are given as being in each county having more than 3,000,000

1 inhabitants shall be distributed into the Northern Illinois  
2 Transit Authority tax fund, created pursuant to Section 4.03  
3 of the Northern Illinois Transit Authority Act. The remainder  
4 of the money paid from such sales shall be distributed to each  
5 county based on sales for which Illinois addresses for titling  
6 or registration purposes are given as being located in the  
7 county. Any money paid into the Northern Illinois Transit  
8 Authority Occupation and Use Tax Replacement Fund from the  
9 County and Mass Transit District Fund prior to January 14,  
10 1991, which has not been paid to the Authority prior to that  
11 date, shall be transferred to the Northern Illinois Transit  
12 Authority tax fund.

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

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

1 during the second preceding calendar month for sales within a  
2 STAR bond district and deposited into the County and Mass  
3 Transit District Fund, less 3% of that amount, which shall be  
4 transferred into the Tax Compliance and Administration Fund  
5 and shall be used by the Department, subject to appropriation,  
6 to cover the costs of the Department in administering the  
7 Innovation Development and Economy Act.

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 during the  
14 second preceding calendar month for sales within a STAR bond  
15 district and deposited into the County and Mass Transit  
16 District Fund, less 3% of that amount, which shall be  
17 transferred into the Tax Compliance and Administration Fund  
18 and shall be used by the Department, subject to appropriation,  
19 to cover the costs of the Department in administering the  
20 Statewide Innovation Development and Economy Act.

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 the Northern  
25 Illinois Transit Authority and to named counties, the counties  
26 to be those entitled to distribution, as hereinabove provided,

1 of taxes or penalties paid to the Department during the second  
2 preceding calendar month. The amount to be paid to the  
3 Northern Illinois Transit Authority and each county having  
4 3,000,000 or fewer inhabitants shall be the amount (not  
5 including credit memoranda) collected during the second  
6 preceding calendar month by the Department and paid into the  
7 County and Mass Transit District Fund, plus an amount the  
8 Department determines is necessary to offset any amounts which  
9 were erroneously paid to a different taxing body, and not  
10 including an amount equal to the amount of refunds made during  
11 the second preceding calendar month by the Department, and not  
12 including any amount which the Department determines is  
13 necessary to offset any amounts which were payable to a  
14 different taxing body but were erroneously paid to the  
15 Northern Illinois Transit Authority or county, and not  
16 including any amounts that are transferred to the STAR Bonds  
17 Revenue Fund, less 1.5% of the amount to be paid to the  
18 Northern Illinois Transit Authority, which shall be  
19 transferred into the Tax Compliance and Administration Fund.  
20 The Department, at the time of each monthly disbursement to  
21 the Northern Illinois Transit Authority, shall prepare and  
22 certify to the State Comptroller the amount to be transferred  
23 into the Tax Compliance and Administration Fund under this  
24 Section. Within 10 days after receipt, by the Comptroller, of  
25 the disbursement certification to the Northern Illinois  
26 Transit Authority, counties, and the Tax Compliance and

1 Administration Fund provided for in this Section to be given  
2 to the Comptroller by the Department, the Comptroller shall  
3 cause the orders to be drawn for the respective amounts in  
4 accordance with the directions contained in such  
5 certification.

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

13 The provisions directing the distributions from the  
14 special fund in the State treasury provided for in this  
15 Section and from the Northern Illinois Transit Authority tax  
16 fund created by Section 4.03 of the Northern Illinois Transit  
17 Authority Act shall constitute an irrevocable and continuing  
18 appropriation of all amounts as provided herein. The State  
19 Treasurer and State Comptroller are hereby authorized to make  
20 distributions as provided in this Section.

21 In construing any development, redevelopment, annexation,  
22 preannexation or other lawful agreement in effect prior to  
23 September 1, 1990, which describes or refers to receipts from  
24 a county or municipal retailers' occupation tax, use tax or  
25 service occupation tax which now cannot be imposed, such  
26 description or reference shall be deemed to include the

1 replacement revenue for such abolished taxes, distributed from  
2 the County and Mass Transit District Fund or Local Government  
3 Distributive Fund, as the case may be.

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

5 (30 ILCS 105/5.593 rep.)

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

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

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

11 (35 ILCS 5/221.5 new)

12 Sec. 221.5. Rehabilitation costs; qualified historic  
13 properties; Capital City Downtown Medical District.

14 (a) As used in this Section:

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

19 "Placed in service" means the date when the property is  
20 placed in a condition or state of readiness and availability  
21 for a specifically assigned function as defined under Section  
22 47 of the federal Internal Revenue Code and federal Treasury  
23 Regulation Sections 1.46 and 1.48.

1       "Qualified expenditure" means all the costs and expenses  
2 defined as qualified rehabilitation expenditures under Section  
3 47 of the federal Internal Revenue Code that were incurred in  
4 connection with a qualified historic structure.

5       "Qualified historic structure" means a certified historic  
6 structure as defined under Section 47(c)(3) of the federal  
7 Internal Revenue Code.

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

13       "Qualified taxpayer" means the owner of the qualified  
14 historic structure or any other person who qualifies for the  
15 federal rehabilitation credit allowed by Section 47 of the  
16 federal Internal Revenue Code with respect to that qualified  
17 historic structure.

18       (b) For taxable years beginning on or after January 1,  
19 2027, there shall be allowed a tax credit against the tax  
20 imposed by subsections (a) and (b) of Section 201 of this Act  
21 in an aggregate amount equal to 25% of the qualified  
22 expenditures incurred by a qualified taxpayer in the  
23 restoration and preservation of a qualified historic structure  
24 located within the bounds of the Capital City Downtown Medical  
25 District pursuant to a qualified rehabilitation plan, provided  
26 that the total amount of such expenditures must (i) equal

1 \$5,000 or more and (ii) exceed the adjusted basis of the  
2 qualified historic structure on the first day the qualified  
3 rehabilitation plan begins. For any rehabilitation project,  
4 regardless of duration or number of phases, the project's  
5 compliance with items (i) and (ii) shall be determined based  
6 on the aggregate amount of qualified expenditures for the  
7 entire project and may include expenditures incurred under  
8 subsection (a), this subsection, or both subsection (a) and  
9 this subsection. If the qualified rehabilitation plan spans  
10 multiple years, the aggregate credit for the entire project  
11 shall be allowed in the last taxable year, except for phased  
12 rehabilitation projects, which may receive credits upon  
13 completion of each phase. Before obtaining the first phased  
14 credit, the total amount of such expenditures must meet the  
15 requirements of items (i) and (ii) and the rehabilitated  
16 portion of the qualified historic structure must be placed in  
17 service.

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

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

1 which there is a tax liability. If there are credits from more  
2 than one taxable year that are available to offset a  
3 liability, the earlier credit shall be applied first.

4 (d) To obtain a tax credit pursuant to this Section, the  
5 taxpayer must apply to the Department of Natural Resources.  
6 The Department of Natural Resources shall determine the amount  
7 of eligible rehabilitation costs and expenses within 45 days  
8 of receipt of a complete application. The taxpayer must submit  
9 a certification of costs prepared by an independent certified  
10 public accountant that certifies (i) the project expenses,  
11 (ii) whether those expenses are qualified expenditures, and  
12 (iii) that the qualified expenditures exceed the adjusted  
13 basis of the qualified historic structure on the first day the  
14 qualified rehabilitation plan commenced. The Department of  
15 Natural Resources is authorized, but not required, to accept  
16 this certification of costs to determine the amount of  
17 qualified expenditures and the amount of the credit. The  
18 Department of Natural Resources shall provide guidance as to  
19 the minimum standards to be followed in the preparation of the  
20 certification. The Department of Natural Resources and the  
21 National Park Service shall determine whether the  
22 rehabilitation is consistent with the United States Secretary  
23 of the Interior's Standards for Rehabilitation.

24 (e) Upon completion of the project and approval of the  
25 complete application, the Department of Natural Resources  
26 shall issue a single certificate in the amount of the eligible

1 credits equal to 25% of the qualified expenditures incurred by  
2 the taxpayer during the eligible taxable years, as defined in  
3 subsection (b), excepting any phased credits issued prior to  
4 the eligible taxable year under subsection (b). At the time  
5 the certificate is issued, an issuance fee up to the maximum  
6 amount of 2% of the amount of the credits issued by the  
7 certificate may be collected from the applicant to administer  
8 the provisions of this Section. If collected, this issuance  
9 fee shall be deposited into the Historic Property  
10 Administrative Fund, a special fund created in the State  
11 treasury. Subject to appropriation, moneys in the Historic  
12 Property Administrative Fund shall be provided to the  
13 Department of Natural Resources as reimbursement for the costs  
14 associated with administering this Section.

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

17 (g) Subject to appropriation, moneys in the Historic  
18 Property Administrative Fund shall be used, on a biennial  
19 basis on and after June 30, 2029, to hire a qualified third  
20 party to prepare a biennial report to assess the overall  
21 economic impact to the State from the qualified rehabilitation  
22 projects under this Section completed in that fiscal year and  
23 in previous fiscal years. The overall economic impact shall  
24 include at least: (1) the direct and indirect or induced  
25 economic impacts of completed projects; (2) temporary,  
26 permanent, and construction jobs created; (3) sales, income,

1 and property tax generation before construction, during  
2 construction, and after completion; and (4) indirect  
3 neighborhood impact after completion. The report shall be  
4 submitted to the Governor and the General Assembly. The report  
5 to the General Assembly shall be filed with the Clerk of the  
6 House of Representatives and the Secretary of the Senate in  
7 electronic form only, in the manner that the Clerk and the  
8 Secretary shall direct.

9 (h) The Department of Natural Resources may adopt rules to  
10 implement this Section in addition to the rules expressly  
11 authorized in this Section.

12 (i) This Section is exempt from the provisions of Section  
13 250.

14 (35 ILCS 5/221.6 new)

15 Sec. 221.6. Capital city construction jobs credit.

16 (a) As used in this Section:

17 "Capital city construction jobs credit" means:

18 (1) an amount equal to 50% of the incremental income  
19 tax attributable to capital city construction employees  
20 employed on a capital city construction jobs project not  
21 located in an underserved area; or

22 (2) an amount equal to 75% of the incremental income  
23 tax attributable to capital city construction employees  
24 employed on a capital city construction jobs project  
25 located in an underserved area.

1       "Capital city construction jobs project" means a project  
2 that involves the construction of a structure or building or  
3 the making of improvements of any kind to real property that  
4 is: (i) located in a Capital City Redevelopment Zone and (ii)  
5 built or improved in the course of completing a qualified  
6 rehabilitation plan.

7       "Capital city construction jobs project" does not include  
8 the routine operation, routine repair, or routine maintenance  
9 of existing structures, buildings, or real property.

10       "Incremental income tax" means means the total amount  
11 withheld during the taxable year from the compensation of  
12 capital city construction jobs employees under Article 7 of  
13 this Act.

14       "Qualified rehabilitation plan" means a project that is  
15 approved by the Department of Natural Resources and the  
16 National Park Service as being consistent with the United  
17 States Secretary of the Interior's Standards for  
18 Rehabilitation.

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

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

23           (2) 35% or more of the families with children in the  
24 area are living below 130% of the poverty line, according  
25 to the latest American Community Survey;

26           (3) at least 20% of the households in the area receive

1 assistance under the Supplemental Nutrition Assistance  
2 Program (SNAP); or

3 (4) the area has an average unemployment rate, as  
4 determined by the Department of Employment Security, that  
5 is more than 120% of the national unemployment average, as  
6 determined by the United States Department of Labor, for a  
7 period of at least 2 consecutive calendar years preceding  
8 the date of the application.

9 (b) For taxable years beginning on or after January 1,  
10 2027, a taxpayer may receive a tax credit against the tax  
11 imposed under subsections (a) and (b) of Section 201 of this  
12 Act in an amount equal to 50%, or 75% if the project is located  
13 in an underserved area, of the amount of the incremental  
14 income tax attributable to construction wages paid to capital  
15 city construction jobs employees employed in the course of  
16 completing a capital city construction jobs project. The  
17 credit allowed under this Section shall apply only to  
18 taxpayers that make a capital investment of at least  
19 \$1,000,000 in a qualified rehabilitation plan.

20 (c) A taxpayer seeking a credit under this Section must  
21 submit an application to the Department of Commerce and  
22 Economic Opportunity describing the nature and benefit of the  
23 capital city construction jobs project to the qualified  
24 rehabilitation project and the Capital City Redevelopment  
25 Zone. The Department of Commerce and Economic Opportunity may  
26 adopt any necessary rules in order to administer the

1 provisions of this Section.

2 (d) Within 45 days after the receipt of an application,  
3 the Department of Commerce and Economic Opportunity shall give  
4 notice to the applicant as to whether the application has been  
5 approved or disapproved. If the Department of Commerce and  
6 Economic Opportunity disapproves the application, it shall  
7 specify the reasons for this decision and allow 60 days for the  
8 applicant to amend and resubmit its application. The  
9 Department of Commerce and Economic Opportunity shall provide  
10 assistance upon request of the applicant. Resubmitted  
11 applications shall receive the Department of Commerce and  
12 Economic Opportunity's approval or disapproval within 30 days  
13 of resubmission. Those resubmitted applications satisfying  
14 initial Department of Commerce and Economic Opportunity  
15 objectives shall be approved unless reasonable circumstances  
16 warrant disapproval.

17 (e) On an annual basis, the taxpayer shall furnish a  
18 statement to the Department of Commerce and Economic  
19 Opportunity on the programmatic and financial status of any  
20 approved project and an audited financial statement of the  
21 project.

22 (f) The Department of Commerce and Economic Opportunity  
23 shall certify to the Department of Revenue the identity of the  
24 taxpayers who are eligible for capital city construction jobs  
25 credits and the amounts of capital city construction jobs  
26 credits awarded in each taxable year.

1       (g) The credit or credits may not reduce the taxpayer's  
2 liability to less than zero. If the amount of the credit or  
3 credits exceeds the taxpayer's liability, the excess may be  
4 carried forward and applied against the taxpayer's liability  
5 in the 5 taxable years following the excess credit year. The  
6 credit or credits shall be applied to the earliest year for  
7 which there is a tax liability. If there are credits from more  
8 than one taxable year that are available to offset a  
9 liability, the earlier credit shall be applied first.

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

13       (i) This Section is exempt from the provisions of Section  
14 250.

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

17       (35 ILCS 200/Art. 10 Div. 23 heading new)

18               Division 23. Megaprojects

19       (35 ILCS 200/10-1010 new)

20       Sec. 10-1010. Megaproject Assessment Freeze and Payment  
21 Law; definitions. This Division 23 may be cited as the  
22 Megaproject Assessment Freeze and Payment Law.

23       As used in this Division:

1       "Assessment officer" means the chief county assessment  
2 officer of the county in which the megaproject is located.

3       "Assessment period" means the period beginning on the  
4 first day of the calendar year after the calendar year in which  
5 a megaproject is placed in service and ending on the date when  
6 the megaproject no longer qualifies as a megaproject under  
7 this Division.

8       "Base year" means:

9           (1) the calendar year prior to the calendar year in  
10 which the Department issues the megaproject certificate,  
11 if the Department issues a megaproject certificate for a  
12 project located on the property without granting  
13 preliminary approval for the project under Section  
14 10-1040; or

15           (2) the calendar year prior to the calendar year in  
16 which the Department grants that preliminary approval, if  
17 the Department grants preliminary approval under Section  
18 10-1040 for a megaproject located on the property.

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

21       "Company" means one or more entities whose aggregate  
22 investment in the megaproject meets the minimum investment  
23 required under this Division. The term "company" includes a  
24 company affiliate unless the context clearly indicates  
25 otherwise.

26       "Company affiliate" means an entity that joins with or is

1 an affiliate of a company and that participates in the  
2 investment in, or financing of, a megaproject.

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

8 "Department" means the Department of Commerce and Economic  
9 Opportunity.

10 "Eligible costs" means all costs incurred by or on behalf  
11 of, or allocated to, a company, prior to the Department's  
12 issuance of the megaproject certificate or during the  
13 investment period, to create or construct a megaproject.

14 "Eligible costs" includes, without limitation:

15 (1) the purchase, site preparation, renovation,  
16 rehabilitation, and construction of land, buildings,  
17 structures, equipment, and furnishings used for or in the  
18 megaproject;

19 (2) any goods or services for the megaproject that are  
20 purchased and capitalized under generally accepted  
21 accounting principles, including any organizational costs  
22 and research and development costs incurred in Illinois;

23 (3) capitalized lease costs for land, buildings,  
24 structures, and equipment valued at their present value  
25 using the interest rate at which the company borrows funds  
26 prevailing at the time the company entered into the lease;

1           (4) infrastructure development costs;

2           (5) debt service and project financing costs;

3           (6) noncapitalized research and development costs;

4           (7) job training and education costs;

5           (8) lease and relocation costs; and

6           (9) remediation costs, as defined in Section 58.2 of  
7           the Environmental Protection Act, incurred voluntarily as  
8           a nonresponsible party pursuant to Title XVII of the  
9           Environmental Protection Act and rules adopted under that  
10          Title.

11          "Entity" means a sole proprietor, partnership, firm,  
12          corporation, limited liability company, association, or other  
13          business enterprise.

14          "Incentive agreement" means an agreement that is between a  
15          company and a local municipality, that is for the benefit of  
16          the entire community, and that obligates the company to make  
17          the special payment under this Division, in addition to paying  
18          property taxes, during the incentive period for a megaproject.

19          "Incentive period" means the period beginning on the first  
20          day of the calendar year after the calendar year in which the  
21          megaproject is placed in service and each calendar year  
22          thereafter until the earlier of (i) the termination date or  
23          (ii) the revocation of the megaproject certificate.

24          "Investment period" means the period ending 7 years after  
25          the date on which the Department issues the megaproject  
26          certificate, or such other longer period of time as the local

1 municipality and the company may agree to, not to exceed an  
2 initial period of 10 years.

3 "Local municipality" means the city, village, or  
4 incorporated town in which the megaproject is located or, if  
5 the megaproject is located in an unincorporated area, the  
6 county in which the megaproject is located.

7 "Local review board" means a group that consists of one  
8 representative of each of the following: (i) the local  
9 municipality; (ii) each local school district in which the  
10 property is located; (iii) each local park district in which  
11 the property is located; and (iv) each other taxing district  
12 that levies property taxes over any portion of the proposed  
13 site of the megaproject.

14 "Megaproject" means a project that is expected to satisfy  
15 the minimum investment requirements; investment period  
16 requirements; and other requirements of this Division.

17 "Megaproject" includes an RREDY megaproject.

18 "Megaproject certificate" means a certificate issued by  
19 the Department that authorizes an assessment freeze and  
20 special payments as provided in this Division.

21 "Minimum investment" means:

22 (1) an investment during the investment period in the  
23 megaproject of at least \$100,000,000 but less than  
24 \$500,000,000 in eligible costs within the investment  
25 period; or

26 (2) an investment during the investment period in the

1 megaproject of at least \$500,000,000 but less than  
2 \$1,000,000,000 in eligible costs within the investment  
3 period; or

4 (3) an investment during the investment period in the  
5 megaproject of at least \$1,000,000,000 in eligible costs  
6 within the investment period.

7 "Minority person" means a person who is a citizen or  
8 lawful permanent resident of the United States and who is any  
9 of the following:

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

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

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

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

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

1       "Minority-owned business" means a business that is at  
2 least 51% owned by one or more minority persons, or that, in  
3 the case of a corporation, has at least 51% of its stock owned  
4 by one or more minority persons, and that, in either case, is  
5 managed and operated on a daily basis by one or more of the  
6 minority individuals who own the business.

7       "Placed in service" means that the company has commenced  
8 its business operations at the megaproject site and has met  
9 its minimum investment requirements under this Section.

10       "Project" means land, buildings, and other improvements on  
11 the land of a megaproject or RREDY megaproject, including  
12 water facilities, sewage treatment and disposal facilities,  
13 and all other machinery, apparatuses, equipment, office  
14 facilities, related infrastructure, and furnishings that are  
15 considered necessary, suitable, or useful by a company and  
16 comprise the development of the megaproject or RREDY  
17 megaproject, including all of that property that is subject to  
18 assessment under the Property Tax Code.

19       "Project labor agreement" means a prehire collective  
20 bargaining agreement that covers all terms and conditions of  
21 employment between the general contractor and all  
22 subcontractors hired by the master developer, developer,  
23 codevelopers, as applicable, of a megaproject. A "project  
24 labor agreement" must include the following provisions: (1) a  
25 provision establishing the minimum hourly wage for each class  
26 of labor organization employee; (2) a provision establishing

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

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

24 "Special payment" means the annual amount paid in addition  
25 to property taxes paid during the incentive period as provided  
26 in the incentive agreement.

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

3       "Termination date" means:

4           (1) for a company making the minimum investment  
5 described in paragraph (1) of the definition of "minimum  
6 investment" in this Section, 25 years following the first  
7 calendar year in which a megaproject is placed in service  
8 or 30 years if the preparation of the site required  
9 environmental remediation under any applicable State or  
10 federal laws;

11           (2) for a company making the minimum investment  
12 described in paragraph (2) of the definition of "minimum  
13 investment" in this Section, 30 years following the first  
14 calendar year in which a megaproject is placed in service  
15 or 35 years if the preparation of the site required  
16 environmental remediation under any applicable State or  
17 federal laws; or

18           (3) for a company making the minimum investment  
19 described in paragraph (3) of the definition of "minimum  
20 investment" in this Section, 40 years following the first  
21 calendar year in which a megaproject is placed in service  
22 or 45 years if the preparation of the site required  
23 environmental remediation under any applicable State or  
24 federal laws.

25       "Termination date" means, for an RREDY megaproject, 40  
26 years following the first calendar year in which a megaproject

1 is placed in service.

2 If the incentive agreement is terminated under Section  
3 10-1037, then the termination date is the date the agreement  
4 is terminated.

5 (35 ILCS 200/10-1015 new)

6 Sec. 10-1015. Valuation during incentive period;  
7 eligibility.

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

1 adopted.

2 (b) To qualify for the assessment freeze for a  
3 megaproject, other than an RREDY megaproject, the company  
4 must:

5 (1) make the minimum investment in the megaproject  
6 during the investment period;

7 (2) enter into an incentive agreement with the local  
8 municipality as described in this Division;

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

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

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

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

20 (2) develop and deliver capital improvements on land,  
21 within air rights, or on land and within air rights that  
22 meet the following additional requirements:

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

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

1           (C) the megaproject is found, by an independent,  
2           third-party feasibility analysis, to present a unique  
3           opportunity for economic development and activating an  
4           underdeveloped portion of land that could complement  
5           existing civic assets;

6           (D) the project is found, by an independent,  
7           third-party feasibility analysis within a reasonable  
8           order of magnitude that reflects key inputs, to have  
9           the potential to result in not less than  
10           \$40,000,000,000 in aggregate new tax revenues to all  
11           taxing jurisdictions over not less than 40 years; and

12           (E) the project is found by an independent,  
13           third-party feasibility analysis, to have the  
14           potential to result in an increase in regional transit  
15           ridership by not less than 10,000 average daily  
16           boardings.

17           (d) For the purposes of this Division, if a single company  
18           enters into a financing arrangement of the type described in  
19           subsection (b) of Section 10-1050, the investment in or  
20           financing of the property by a developer, lessor, financing  
21           entity, or other third party in accordance with this  
22           arrangement is considered investment by the company.  
23           Investment by a related person to the company is considered  
24           investment by the company.

1       Sec. 10-1020. Incentive agreement; assessment freeze for  
2 megaprojects; incentive period; location of the project;  
3 criteria to qualify.

4       (a) To obtain the benefits provided in this Division, the  
5 company shall apply in writing to the local municipality to  
6 enter into an incentive agreement with the municipality, in  
7 the form and manner required by the local municipality, and  
8 shall certify to the facts asserted in the application.

9       (b) The corporate authorities of the local municipality,  
10 prior to entering into an incentive agreement under this  
11 Section, shall hold a public hearing to consider the  
12 application. The amount and terms of the proposed special  
13 payment and the duration of the incentive agreement shall be  
14 considered at the public hearing.

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

20           (1) the base year;

21           (2) the base year valuation, which may be subject to  
22 adjustment based on factors memorialized in the incentive  
23 agreement, including an annual rate adjustment equal to  
24 the annual percentage change in the Consumer Price Index,  
25 if negotiated;

26           (3) the amount of the special payment, including the

1 manner in which the payment will adjust over time;

2 (4) the manner in which sufficient revenues will be  
3 generated and provided, either by the megaproject or by  
4 alternative sources, to address the extraordinary capital  
5 needs of the local school districts that will be incurred  
6 to meet the demands of new students who (i) reside within  
7 housing units constructed as part of a master development  
8 plan that includes the megaproject site and (ii) are  
9 anticipated to attend a school under the jurisdiction of a  
10 local school district; and

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

14 In addition, the local review board may not approve an  
15 incentive agreement unless it finds that the agreement is  
16 reasonably designed to prevent local school districts from  
17 receiving less than the base-year school revenue amount,  
18 adjusted annually by the percentage change, if any, in the  
19 Consumer Price Index.

20 As duly appointed officials representing their respective  
21 bodies, local review board members are entrusted to keep in  
22 mind the best interests of the entire affected community area  
23 of the project for the short and long term. Members are  
24 expected to review the project reports and information, where  
25 provided and applicable, on behalf of the constituents they  
26 represent. The board may request additional documentation from

1 the applicant to inform its review as the board deems  
2 necessary to render a decision. This documentation shall  
3 include a school impact analysis with a statement of projected  
4 enrollment effects and, where necessary, a mitigation plan for  
5 extraordinary capital burdens. The local review board shall  
6 consist of one representative of each of the following: (i)  
7 the local municipality; (ii) each local school district in  
8 which the property is located; (iii) each local park district  
9 in which the property is located; and (iv) each other taxing  
10 district that levies property taxes over any portion of the  
11 proposed site of the megaproject. Except for an RREDY  
12 megaproject, the vote of the local review board shall be  
13 weighted in proportion to each voting member's taxing  
14 district's share of property taxes levied on the proposed site  
15 of the megaproject, and each taxing district's vote shall be  
16 weighted on a 100-point scale to reflect its proportionate  
17 share of the applicable property taxes. All plan documents  
18 relied upon by the municipality in its review of the  
19 application for an incentive agreement under this Division  
20 shall be provided to the local review board. The local review  
21 board may make reasonable requests of the municipality for  
22 additional documents related to the megaproject. All meetings  
23 of the local review board shall be open to the public and  
24 subject to the requirements of the Open Meetings Act. For an  
25 RREDY megaproject, the local review board shall follow the  
26 procedural requirements of a joint review board under Section

1 11-74.4-5 of the Illinois Municipal Code.

2 (d) The company and the local municipality shall enter  
3 into an incentive agreement requiring the special payment  
4 described in Section 10-1025. The corporate authorities of the  
5 local municipality shall adopt an ordinance approving the  
6 incentive agreement.

7 (e) As used in this Section, "Consumer Price Index" means  
8 the index published by the Bureau of Labor Statistics of the  
9 United States Department of Labor that measures the average  
10 change in prices of goods and services purchased by all urban  
11 consumers, United States city average, all items, 1982-84 =  
12 100.

13 (35 ILCS 200/10-1025 new)

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

15 (a) The incentive agreement under Section 10-1020 must  
16 require the company to pay, or be responsible for the payment  
17 of, an annual special payment to the local municipality,  
18 beginning with the first tax year for which the assessment  
19 freeze under this Division is applied to the megaproject. The  
20 amount of the special payment shall be established in the  
21 incentive agreement. It may be a fixed amount for the duration  
22 of the incentive period or may be subject to adjustment based  
23 on factors memorialized in the incentive agreement, including  
24 an annual rate adjustment equal to the annual percentage  
25 change in the Consumer Price Index, if negotiated. The amount

1 of the special payment may exceed but shall be at least 10% of  
2 the property tax levied against the megaproject property for  
3 the year immediately preceding the base year; provided,  
4 however, that this requirement does not apply to any project  
5 with an investment expected to exceed \$2,000,000,000.

6 (b) The incentive agreement shall obligate the company to  
7 operate the megaproject at the designated project location for  
8 a minimum of 20 years.

9 (b-5) The incentive agreement shall obligate the company  
10 to enter into a labor peace agreement as provided in Section  
11 10-1026.

12 (c) The incentive agreement may contain such other terms  
13 and conditions as are mutually agreeable to the local  
14 municipality and the company and are consistent with the  
15 requirements of this Division, including, without limitation,  
16 operational and job creation requirements.

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

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

22 (2) the street address of the project and the property  
23 subject to the agreement;

24 (3) the agreed minimum investment;

25 (4) the term of the agreement;

26 (5) a schedule showing the amount of the special

1 payment and its calculation for each year of the  
2 agreement;

3 (6) a schedule showing the amount to be distributed  
4 annually to each taxing district, as set forth in the  
5 incentive agreement;

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

9 (8) the party or parties to the agreement who are  
10 responsible for updating the information contained in the  
11 summary document; and

12 (9) a requirement that the company submit a  
13 third-party agreed-upon procedures report verifying that  
14 the project has been placed in service and that the  
15 minimum investment requirements under this Division have  
16 been met.

17 (35 ILCS 200/10-1026 new)

18 Sec. 10-1026. Labor peace agreement. Companies receiving  
19 incentives under this Division shall have in place, at all  
20 times during the incentive period, a labor peace agreement  
21 with any bona fide labor organization that represents or is  
22 attempting to represent any employees or vendors performing  
23 work in connection with the megaproject. Companies receiving  
24 incentives under this Division shall also require that any  
25 vendor performing work in connection with the megaproject

1 enter into a labor peace agreement with any bona fide labor  
2 organization that represents or is attempting to represent any  
3 employees of a subcontractor who are performing work in  
4 connection with the megaproject. The company must attest to  
5 the Department each year, in the form and manner required by  
6 the Department, that it remains in compliance with this  
7 Section. If a company fails to comply with the provisions of  
8 this Section, then the Department shall revoke the company's  
9 megaproject certificate, and the incentive agreement shall be  
10 terminated.

11 (35 ILCS 200/10-1030 new)

12 Sec. 10-1030. Installment bills; distribution of special  
13 payments.

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

23 (1) 60% of the moneys shall be used for property tax  
24 rebates for residential homeowners in taxing districts in  
25 which the megaproject is located; and

1           (2) 40% of the moneys shall be paid to the State  
2           Treasurer for deposit into the Illinois Property Tax  
3           Relief Fund created under Section 6z-113 of the State  
4           Finance Act.

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

8           (b) After deposits have been made into the property tax  
9           relief fund under subsection (a), the municipality shall  
10           distribute the remainder of the special payment to each  
11           affected taxing district in an amount equal to the taxing  
12           district's proportionate share of property taxes due and  
13           payable for the megaproject site, as evidenced by the most  
14           recent property tax bill issued for the megaproject site.

15           (c) Distribution to the taxing districts of the amounts  
16           set forth in subsection (b) must be made within 60 days after  
17           receipt by the local municipality of the special payment  
18           amounts.

19           (d) Misallocations of the amounts distributed under  
20           subsection (b) may be corrected by adjusting later  
21           distributions, but these adjustments must be made in the next  
22           succeeding year following identification and resolution of the  
23           misallocation. To the extent that distributions have been made  
24           improperly in previous years, claims for adjustment must be  
25           made within one year of the distribution.

26           (e) A taxing district that receives and retains revenues

1 from a special payment under this Division may, in its  
2 discretion and in accordance with applicable law, use all or a  
3 portion of the revenues for the purposes of financing the  
4 issuance of revenue bonds.

5 (35 ILCS 200/10-1037 new)

6 Sec. 10-1037. Termination of incentive agreement;  
7 automatic termination; minimum level of investment required to  
8 remain qualified for assessment freeze.

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

13 (b) An incentive agreement shall be terminated if the  
14 company fails to satisfy the minimum investment level provided  
15 in this Division. If the incentive agreement is terminated  
16 under this subsection, the megaproject is subject to  
17 assessment on the basis of the then-current fair cash value  
18 beginning in the tax year during which the termination occurs.

19 (c) An incentive agreement shall terminate if, at any  
20 time, the company no longer meets the minimum investment  
21 requirements applicable to the company under this Division,  
22 without regard to depreciation.

23 (35 ILCS 200/10-1038 new)

24 Sec. 10-1038. Megaproject administration. The

1 administration of a megaproject shall be under the  
2 jurisdiction of the local municipality that approved the  
3 incentive agreement by ordinance. Each local municipality that  
4 approves an incentive agreement by ordinance shall, by  
5 ordinance, designate a Megaproject Administrator for the  
6 megaproject within its jurisdiction. A Megaproject  
7 Administrator must be an officer or employee of the local  
8 municipality. The Megaproject Administrator shall be the  
9 liaison between the local municipality, the Department, and  
10 the Department of Revenue. The Megaproject Administrator shall  
11 be responsible for ensuring the company is complying with the  
12 terms of the incentive agreement. The Megaproject  
13 Administrator shall notify the chief county assessment officer  
14 once the project is placed in service and is eligible for the  
15 property tax assessment freeze pursuant to Section 10-1015.

16 (35 ILCS 200/10-1040 new)

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

19 (a) The Department shall receive applications for  
20 megaproject certificates under this Division. The Department  
21 shall promptly notify the assessment officer when the  
22 Department receives an application under this Section.

23 (b) An applicant for a megaproject certificate under this  
24 Division must provide evidence to the Department of a fully  
25 executed incentive agreement between the company and the local

1 municipality, as described in this Division, and the  
2 Department shall verify that the incentive agreement meets the  
3 requirements of Section 10-1025.

4 (c) An applicant for a megaproject certificate under this  
5 Division must provide evidence to the Department of a fully  
6 executed project labor agreement prior to the commencement of  
7 any demolition, building construction, or building renovation  
8 at the project. The Department may approve an application  
9 prior to the execution of the project labor agreement, but the  
10 applicant shall provide evidence of a fully executed project  
11 labor agreement prior to any demolition, building  
12 construction, or building renovation at the project.

13 The project labor agreement must include the following  
14 provisions:

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

17 (2) a provision establishing the benefits and other  
18 compensation for each class of labor organization  
19 employee;

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

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

25 (5) a provision establishing goals for apprenticeship  
26 hours to be performed by minority persons and women and

1 goals for total hours to be performed by minority persons  
2 and women, as those terms are defined in the Business  
3 Enterprise for Minorities, Women, and Persons with  
4 Disabilities Act; and

5 (6) other provisions as necessary.

6 (d) An applicant for a megaproject certificate under this  
7 Division must provide evidence to the Department that the  
8 company has established the goal of awarding 20% of the total  
9 dollar amount of contracts awarded during each calendar year  
10 by the company, that are related to the project, to  
11 minority-owned businesses.

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

14 (f) Except for an RREDY megaproject that meets not less  
15 than the minimum affordable housing requirements of the  
16 applicable local municipality, no project that contains any  
17 residential dwelling units may be certified as a megaproject  
18 under this Division.

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

22 (h) Upon approval of the application, the Department shall  
23 issue a megaproject certificate to the applicant and transmit  
24 a copy to the assessment officer and the Department of  
25 Revenue. The certificate shall identify the property on which  
26 the megaproject is located and state that the property is

1 eligible for the property tax assessment freeze pursuant to  
2 Section 10-1015 once the project is placed in service.

3 (i) On May 1 of each calendar year following issuance of  
4 the megaproject certificate, until the minimum investment  
5 requirements have been met and the megaproject has been placed  
6 in service, the company shall deliver a report to the  
7 Department and Megaproject Administrator on the status of  
8 construction or creation of the megaproject and the amount of  
9 minimum investment made in the megaproject during the  
10 preceding calendar year. If a project for which a certificate  
11 has been issued has not met the minimum investment  
12 requirements of this Division within the investment period,  
13 the Department shall revoke the certificate by written notice  
14 to the taxpayer of record and transmit a copy of the revocation  
15 to the assessment officer.

16 (j) If the local municipality notifies the Department that  
17 the incentive agreement between the company and the local  
18 municipality has been terminated, the Department shall revoke  
19 the certificate by written notice to the taxpayer of record  
20 and transmit a copy of the revocation to the assessment  
21 officer.

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

1 (35 ILCS 200/10-1045 new)

2 Sec. 10-1045. Computation of valuation.

3 (a) Upon receipt of the megaproject certificate from the  
4 Department, the assessment officer shall set the assessment of  
5 the megaproject property based upon the terms of the incentive  
6 agreement and shall make a notation on each statement of  
7 assessment during the assessment period that the valuation of  
8 the project is based upon the issuance of a megaproject  
9 certificate.

10 (b) Upon revocation of a megaproject certificate, the  
11 assessment officer shall compute the assessed valuation of the  
12 project on the basis of the then-current fair cash value of the  
13 property.

14 (35 ILCS 200/10-1050 new)

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

17 (a) Subject to the terms of the incentive agreement  
18 between the company and the local municipality, ownership of  
19 or any interest in the megaproject and any and all related  
20 megaproject property, including, without limitation, transfers  
21 of indirect beneficial interests and equity interests in a  
22 company owning a megaproject, shall not affect the assessment  
23 freeze or the validity of the megaproject certificate issued  
24 under this Division. Notwithstanding the provisions of this  
25 subsection, the incentive agreement shall be a covenant

1 running with the land.

2 (b) A company may enter into lending, financing, security,  
3 leasing, or similar arrangements, or a succession of such  
4 arrangements, with a financing entity concerning all or part  
5 of a project, including, without limitation, a sale-leaseback  
6 arrangement, equipment lease, build-to-suit lease, synthetic  
7 lease, nordic lease, defeased tax benefit, or transfer lease,  
8 an assignment, sublease, or similar arrangement, or succession  
9 of those arrangements, with one or more financing entities  
10 concerning all or part of a project, regardless of the  
11 identity of the income tax or fee owner of the megaproject.  
12 Neither the original transfer to the financing entity nor the  
13 later transfer from the financing entity back to the company,  
14 under terms in the sale-leaseback agreement, shall affect the  
15 assessment freeze or the validity of the megaproject  
16 certificate issued under this Division, regardless of whether  
17 the income tax basis is changed for income tax purposes.

18 (c) The Department must receive notice of all transfers  
19 undertaken with respect to the project to effect a financing.  
20 Notice shall be made in writing within 60 days after the  
21 transfer, shall identify each transferee, and shall contain  
22 other information required by the Department with the  
23 appropriate returns. Failure to meet this notice requirement  
24 does not adversely affect the assessment freeze.

1       Sec. 10-1055. Minimum investment by company affiliates. To  
2 be eligible for the benefits of this Division, a company must  
3 invest the minimum investment. Investments by company  
4 affiliates during the investment period for the project may be  
5 applied toward the minimum investment under this Division  
6 regardless of whether the company affiliate was part of the  
7 project. To qualify for the assessment freeze, the minimum  
8 investment must be made in connection with the megaproject.

9           (35 ILCS 200/10-1065 new)

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

16           (35 ILCS 200/10-1067 new)

17       Sec. 10-1067. Building materials exemption.  
18 Notwithstanding any other provision of law, sales of building  
19 materials that will be incorporated into a megaproject and  
20 that are purchased during the incentive period are eligible  
21 for the same building materials exemption available to High  
22 Impact Businesses under Section 51 of the Retailers'  
23 Occupation Tax Act, which includes an exemption from the 6.25%  
24 State rate of tax and any applicable local taxes. The

1 Department of Revenue shall issue a Building Materials  
2 Exemption Certificate, in the form and manner described in  
3 Section 51 of the Retailers' Occupation Tax Act, to each  
4 construction contractor or other entity identified by the  
5 company as being eligible for the building materials exemption  
6 under this Section.

7 (35 ILCS 200/10-1070 new)

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

10 (a) The company and the local municipality shall file  
11 notices, reports, and other information as required by the  
12 Department.

13 (b) Special payments are due at the same time as property  
14 tax payments and property tax returns are due for the  
15 megaproject property.

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

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

23 (35 ILCS 200/10-1080 new)

24 Sec. 10-1080. Rules. The Department may adopt rules as

1 necessary to carry out the purpose of this Division.

2 (35 ILCS 200/10-1085 new)

3 Sec. 10-1085. Prohibition on multiple credits, exemptions,  
4 and freezes. An applicant for a megaproject certificate who  
5 qualifies for an assessment freeze under this Section is not  
6 entitled to any other property tax credits, exemptions,  
7 assessment freezes, or other preferential assessment relating  
8 to the megaproject. The provisions of this Section do not  
9 prohibit an applicant from receiving the incentive under  
10 Section 10-1067.

11 (35 ILCS 200/10-1087 new)

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

21 (35 ILCS 200/10-1090 new)

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

23 (a) As used in this Section, "data center" has the meaning

1 given in subsection (c) of Section 605-1025 of the Department  
2 of Commerce and Economic Opportunity Law of the Civil  
3 Administrative Code of Illinois.

4 (b) Notwithstanding any other provision of law, the  
5 Department shall not approve any megaproject certificate  
6 application that includes as part of the application the  
7 development of any data center.

8 (35 ILCS 200/10-1091 new)

9 Sec. 10-1091. Ethics.

10 (a) No State or local elected official may knowingly  
11 accept from an employee or agent of a company a free or  
12 discounted ticket to a professional sporting event held at a  
13 sports stadium that is constructed as part of a megaproject,  
14 unless the free or discounted ticket is given or sold as part  
15 of a promotion generally available to the public on the same  
16 terms as generally available to the public.

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

1 agreement.

2 (35 ILCS 200/10-1095 new)

3 Sec. 10-1095. Tax Increment Financing districts. Land,  
4 including improvements thereon, designated as a megaproject  
5 site under this Division 23 that is located within a  
6 redevelopment project area designated under Division 74.4 of  
7 Article 11 of the Illinois Municipal Code is eligible may not  
8 receive both the benefits afforded property under this  
9 Division and the benefits afforded property under Division  
10 74.4 of Article 11 of the Illinois Municipal Code.

11 (35 ILCS 200/10-1098 new)

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

19 Section 10-30. The Statewide Innovation Development and  
20 Economy Act is amended by changing Sections 5-5, 5-10, 5-15,  
21 5-20, 5-30, 5-35, 5-45, 5-50, 5-55, 5-70, and 5-75 as follows:

22 (50 ILCS 475/5-5)

1           Sec. 5-5. Purpose; findings.

2           (a) The General Assembly finds and declares that the  
3 purpose of this Act is to promote, stimulate, and develop the  
4 general and economic welfare of the State of Illinois and its  
5 communities and to assist in the development and redevelopment  
6 of major tourism, entertainment, retail, and related projects  
7 within eligible areas of the State, thereby creating new jobs,  
8 stimulating significant capital investment, and promoting the  
9 general welfare of the citizens of this State, by authorizing  
10 municipalities and counties to issue sales tax and revenue  
11 (STAR) bonds for the financing of STAR bond projects, as  
12 defined in Section 5-10, and to otherwise exercise the powers  
13 and authorities granted to municipalities.

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

15           (1) It is the policy of the State, in the interest of  
16 promoting the health, safety, morals, and general welfare  
17 of all the people of the State, to provide incentives to  
18 create new job opportunities, and to promote major  
19 tourism, entertainment, retail, and related projects  
20 within the State.

21           (2) It is in the public interest to limit the portion  
22 of the aggregate proceeds of STAR bonds issued that are  
23 derived from the State sales tax increment pledged to pay  
24 STAR bonds in any STAR bond district ~~to not more than 50%~~  
25 ~~of the total development costs for a STAR bond project in~~  
26 ~~the STAR bond district~~ as set forth in subsection (g) of

1 Section 5-45.

2 (3) As a result of the costs of land assemblage,  
3 financing, and infrastructure and other project costs, the  
4 private sector, without the assistance contemplated in  
5 this Act, is unable to develop major tourism,  
6 entertainment, retail, and related projects in some parts  
7 of the State.

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

11 (5) The eligible tracts of land are more likely to  
12 remain underused and undeveloped or to be developed in a  
13 piecemeal manner resulting in inefficient and poorly  
14 planned developments that do not maximize job creation,  
15 job retention, and tax revenue generation within the  
16 State.

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

19 (7) Investment in major tourism, entertainment,  
20 retail, and related development within the State would  
21 stimulate economic activity in the State, including the  
22 creation and maintenance of jobs, the creation of new and  
23 lasting infrastructure and other improvements, and the  
24 attraction and retention of interstate tourists and  
25 entertainment events that generate significant economic  
26 activity.

1           (8) The continual encouragement, development, growth,  
2           and expansion of major tourism, entertainment, retail, and  
3           related projects within the State requires a cooperative  
4           and continuous partnership between government and the  
5           private sector.

6           (9) The State has a responsibility to help create a  
7           favorable climate for new and improved job opportunities  
8           for its citizens and to increase the tax base of the State  
9           and its political subdivisions by encouraging development  
10          of major retail and entertainment spaces within the State  
11          by the private sector.

12          (10) The provision of additional incentives by the  
13          State and its political subdivisions will relieve  
14          conditions of unemployment, maintain existing levels of  
15          employment, create new job opportunities, retain jobs  
16          within the State, increase commerce within the State, and  
17          increase the tax base of the State and its political  
18          subdivisions.

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

23          (12) The necessity in the public interest for the  
24          provisions of this Act is hereby declared as a matter of  
25          legislative determination.

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

1 (50 ILCS 475/5-10)

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

3 "Base year" means the calendar year immediately before the  
4 calendar year in which the Office of the Governor approves the  
5 first STAR bond project within the STAR bond district.

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

15 "Corporate authority" or "corporate authorities" means the  
16 county board of a county; the mayor and alderpersons or  
17 similar body when the reference is to cities; the president  
18 and trustees or similar body when the reference is to villages  
19 or incorporated towns; and the council when the reference is  
20 to municipalities under the commission form of government.

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

23 "Department" means the Department of Commerce and Economic  
24 Opportunity.

25 "Developer" means any individual, corporation, trust,

1 estate, partnership, limited liability partnership, limited  
2 liability company, or other entity. "Developer" does not  
3 include a not-for-profit entity, political subdivision, or  
4 other agency or instrumentality of the State.

5 "Development user" means an owner, operator, licensee,  
6 codeveloper, subdeveloper, or tenant that: (i) operates a  
7 business within a STAR bond district that is a retail store,  
8 hotel, or entertainment venue; (ii) does not have another  
9 Illinois location within a 15-mile ~~30-mile~~ radius at the time  
10 of opening or, for a NOVA district or a NOVA urban district,  
11 within a 10-mile radius; and (iii) makes an initial capital  
12 investment, including project costs and other direct costs, of  
13 not less than \$30,000,000 for the business or, for a NOVA urban  
14 district, makes in aggregate with other development users  
15 capital investments, including project costs and other direct  
16 costs, of not less than \$60,000,000.

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

19 "Economic development region" means the counties  
20 encompassed within any one of the 10 economic development  
21 regions recognized by the Department on the effective date of  
22 this Act.

23 "Eligible area" means, in respect of any STAR bond  
24 district other than a NOVA urban district, contiguous parcels  
25 of real property that meet all of the following: (i) the  
26 property is directly and substantially benefited by the

1 proposed STAR bond district plan; (ii) at least 50% of the  
2 total land area of the real property is located within an  
3 underserved area, as defined by the Department at the time the  
4 STAR bond district plan is submitted, or, in the alternative,  
5 all of the total land area of the property is located within  
6 both a municipality with not less than 70,000 residents and  
7 that municipality is located within a county with not less  
8 than 3,000,000 residents; (iii) the property is located in an  
9 area with not less than 10,000 residents within a 5-mile  
10 radius of the proposed district; (iv) the property is located  
11 15 miles or less from either a State highway or federal  
12 interstate highway. "Eligible area" means, in respect of a  
13 NOVA urban district, contiguous parcels of real property,  
14 including land, air rights, or land and air rights, that meet  
15 all of the following: (i) the property is directly and  
16 substantially benefited by the proposed STAR bond district  
17 plan; (ii) the property includes one or more parcel boundaries  
18 located within 2 miles or less from existing public assembly,  
19 convention, and other civic and cultural facilities and  
20 attractions directly and substantially benefited by the  
21 proposed STAR bond district plan; (iii) the property is  
22 located in an area with not less than 10,000 residents within a  
23 2-mile radius of the proposed district; and (iv) the property  
24 is located one-quarter mile or less from a commuter rail  
25 station and either a State highway or federal interstate  
26 highway. ~~and (v) the~~

1        For an area to be an eligible area, ~~is found by~~ the  
2 governing body of the political subdivision must find that the  
3 area meets ~~to meet~~ the following requirements:

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

7            (2) a STAR bond district within the area is expected  
8 to create or retain job opportunities within the political  
9 subdivision;

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

12           (4) without the availability of STAR bonds, the  
13 projects described in the STAR bond district plan would  
14 not be feasible in the area;

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

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

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

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

24        For the purposes of this definition, the area may be  
25 bisected by streets, highways, roads, alleys, railways, bike  
26 paths, streams, rivers, ~~and~~ other waterways, and other public

1 land and facilities and still be deemed contiguous.

2 "Entertainment user" means an owner, operator, licensee,  
3 developer, codeveloper, subdeveloper, or tenant that operates  
4 a business within a STAR bond district whose primary purpose  
5 is providing entertainment attractions, rides, or other  
6 activities oriented toward the entertainment and amusement of  
7 patrons, occupies not less than 50 acres of land within the  
8 STAR bond district, and makes an initial capital investment,  
9 including project costs and other direct and indirect costs,  
10 of not less than \$150,000,000 for that venue. An entertainment  
11 user may include restaurants, bars, hotels, retail  
12 establishments, and other commercial, recreational, or  
13 hospitality uses that are ancillary to or supportive of the  
14 entertainment attractions and activities of the entertainment  
15 user. The acreage and capital investment requirements set  
16 forth in this Act apply to the entertainment user as a whole  
17 and not to individual businesses, tenants, or users within the  
18 designated area. Any businesses, tenants, or users operating  
19 within an entertainment user designated area shall be  
20 considered part of the entertainment user for purposes of this  
21 Act. An entertainment user shall be considered as one  
22 development user for purposes of any limitation related to the  
23 number of development users in the definition of "State sales  
24 tax increment" under this Act.

25 "Entertainment venue" means a business that has a primary  
26 use of providing a venue for entertainment attractions,

1 destination-oriented retail facilities, corporate brand  
2 development and entertainment-based media, rides, or other  
3 activities oriented toward the entertainment and amusement of  
4 its patrons, including, but not limited to, a professional  
5 sports stadium or arena.

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

8 "Hotel" has the same meaning given to that term in Section  
9 2 of the Hotel Operators' Occupation Tax Act.

10 "Infrastructure" means the public improvements and private  
11 improvements that serve the public purposes set forth in  
12 Section 5-5 of this Act and that benefit the STAR bond district  
13 or any STAR bond projects, including, but not limited to,  
14 streets, drives and driveways, traffic and directional signs  
15 and signals, parking lots and parking facilities,  
16 interchanges, highways, sidewalks, bridges, underpasses and  
17 overpasses, bike and walking trails, landscaping and site  
18 features, sanitary and storm sewers, ~~and~~ lift stations,  
19 drainage conduits, channels, levees, canals, storm water  
20 detention and retention facilities, utilities and utility  
21 connections, utility distribution systems, railway and rail  
22 yard improvements, transit stations and related facilities,  
23 transit vehicles and mobility systems, digital media and  
24 signage, substructure and foundations, structural slabs and  
25 transfer structures, district energy facilities, low voltage  
26 systems, mobilization and site preparation, earthwork and

1 earth retention systems, soil removal and remediation,  
2 building enclosure systems, site improvements that serve as an  
3 engineered barrier addressing ground level or below ground  
4 level environmental contamination and remediation, vertical  
5 circulation, water mains and extensions, and street and  
6 parking lot lighting and connections.

7 "Local hotel tax" means any taxes received by a  
8 municipality, county, or other local government entity arising  
9 from transactions by all persons engaged in the business of  
10 renting, leasing, or letting rooms in a hotel, as defined in  
11 the Hotel Operators' Occupation Tax Act, within a STAR bond  
12 district, imposed pursuant to Section 8-3-14 of the Illinois  
13 Municipal Code or Section 5-1030 of the Counties Code.

14 "Local sales taxes" means any locally imposed taxes  
15 received by a municipality, county, or other local  
16 governmental entity arising from sales by retailers and  
17 servicemen within a STAR bond district. "Local sales taxes"  
18 includes business district sales taxes, taxes imposed under  
19 Section 5-50, and that portion of the net revenue allocated  
20 from the Local Government Tax Fund and the County and Mass  
21 Transit District Fund to the municipality, county, or other  
22 governmental entity under the Retailers' Occupation Tax Act,  
23 the Use Tax Act, the Service Use Tax Act, and the Service  
24 Occupation Tax Act from transactions at places of business  
25 located in a STAR bond district. "Local sales taxes" does not  
26 include (i) any taxes authorized under the Local Mass Transit

1 District Act or the Metro-East Park and Recreation District  
2 Act for so long as the applicable taxing district does not  
3 impose a tax on real property, (ii) any county school facility  
4 and resources occupation taxes imposed under Section 5-1006.7  
5 of the Counties Code, (iii) any taxes authorized under the  
6 Flood Prevention District Act, (iv) any taxes authorized under  
7 the Special County Occupation Tax For Public Safety, Public  
8 Facilities, Mental Health, Substance Abuse, or Transportation  
9 Law, (v) any taxes authorized under the Regional  
10 Transportation Authority Act, (vi) any taxes authorized under  
11 the County Motor Fuel Tax Law, or (vii) any taxes authorized  
12 under the Municipal Motor Fuel Tax Law, or (viii) any locally  
13 administered taxes committed to other uses by election of  
14 voters or pledged to any bond repayment, other than STAR  
15 bonds, prior to the approval of the STAR bond project.

16 "Local sales tax increment" means:

17 (1) with respect to local sales taxes administered by  
18 a municipality, county, or other unit of local government,  
19 that portion of the local sales tax that is in excess of  
20 the aggregate local sales tax in the district for the same  
21 month in the base year, as determined by the respective  
22 municipality, county, or other unit of local government;  
23 the Department of Revenue shall allocate the local sales  
24 tax increment only if the local sales tax is administered  
25 by the Department; and

26 (2) with respect to local sales taxes administered by

1 the Department of Revenue:

2 (A) except with respect to the 0.25% county  
3 portion of the 6.25% State rate, all the local sales  
4 tax paid by taxpayers in the district that is in excess  
5 of the aggregate local sales tax paid by taxpayers in  
6 the district for the same month in the base year, as  
7 determined by the Department of Revenue; and

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

25 (3) with respect to any local hotel tax that is  
26 administered and collected directly by a political

1       subdivision, if approved by the political subdivision,  
2       that portion of the local hotel tax revenues that is in  
3       excess of the amount of such tax revenues generated within  
4       the STAR bond district that are in excess of the aggregate  
5       hotel tax revenues generated within the district for the  
6       same month in the base year, as determined by the  
7       political subdivision.

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

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

1 developer who has assumed the role and responsibilities of the  
2 original master developer through the execution of an amended  
3 master development agreement and has been approved as the  
4 master developer through resolution by the applicable  
5 political subdivision.

6 "Master development agreement" means an agreement between  
7 the master developer (or any approved successor developers)  
8 and the political subdivision or, in the case of a NOVA urban  
9 district, the State, to govern a STAR bond district and any  
10 STAR bond projects.

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

13 "New Opportunities for Vacation and Adventure District" or  
14 "NOVA district" means a STAR bond district that encompasses a  
15 minimum of 300 ~~500~~ contiguous acres and, during the STAR bond  
16 district plan approval process, demonstrates a reasonable  
17 expectation of (1) producing a capital investment of at least  
18 \$500,000,000, (2) generating not less than \$300,000,000 in  
19 average annual gross sales over the life of the district, (3)  
20 attracting at least 600,000 average annual ~~1,000,000~~ visitors  
21 over the life of the district annually, and (4) creating a  
22 minimum of 1,500 average annual jobs over the life of the  
23 district.

24 "New Opportunities for Vacation and Adventure Urban  
25 District" or "NOVA urban district" means a STAR bond district  
26 that encompasses a minimum of 20 contiguous acres of land or

1 air rights and, during the STAR bond district plan approval  
2 process, demonstrates a reasonable expectation of (1)  
3 producing an initial capital investment of at least  
4 \$1,000,000,000, of which 75% shall be infrastructure project  
5 costs, (2) generating not less than \$450,000,000 in average  
6 annual gross sales over the life of the district, (3)  
7 attracting at least 2,000,000 average annual visitors over the  
8 life of the district, and (4) creating a minimum of 3,000  
9 average annual jobs over the life of the district.

10 "Pledged STAR revenues" means those sales tax revenues and  
11 other sources of funds that are pledged to pay debt service on  
12 STAR bonds or to pay project costs under Section 5-45.  
13 Notwithstanding any provision of law to the contrary, any  
14 State sales tax increment or local sales tax increment from a  
15 retail entity initiating operations in a STAR bond district  
16 while terminating operations at another Illinois location  
17 within 25 miles of the STAR bond district or, for a NOVA urban  
18 district, within 2 miles of the STAR bond district shall not  
19 constitute pledged STAR revenues or be available to pay  
20 principal and interest on STAR bonds. For purposes of this  
21 definition, "terminating operations" means a closing of a  
22 retail operation that is directly related to the opening of  
23 the same operation or like retail entity owned or operated by  
24 more than 50% of the original ownership in a STAR bond district  
25 within one year before or after initiating operations in the  
26 STAR bond district, but it does not mean closing an operation

1 for reasons beyond the control of the retail entity, as  
2 documented by the retail entity, subject to a reasonable  
3 finding by the municipality (or county if such retail  
4 operation is not located within a municipality) in which the  
5 terminated operations were located that the closed location  
6 contained inadequate space, had become economically obsolete,  
7 or was no longer a viable location for the retailer or  
8 serviceperson.

9 "Political subdivision" means a municipality or county  
10 that undertakes to establish a STAR bond district under the  
11 provisions of this Act.

12 "Professional sports" means any of the following sports at  
13 the major league level: baseball, basketball, football, or ice  
14 hockey.

15 "Project costs" means the total of all costs incurred or  
16 estimated to be incurred on or after the date of establishment  
17 of a STAR bond district that are reasonable or necessary to  
18 implement a STAR bond district plan or any STAR bond project  
19 plans, or both, including costs incurred for public  
20 improvements and private improvements that serve the public  
21 purposes set forth in Section 5-5 of this Act. "Project costs"  
22 includes, without limitation:

23 (1) costs of studies, surveys, development of plans  
24 and specifications, formation, implementation, and  
25 administration of a STAR bond district, STAR bond district  
26 plan, any STAR bond projects, or any STAR bond project

1 plans, including, but not limited to, staff and  
2 professional service costs for architectural, engineering,  
3 legal, financial, planning, or other services; however, no  
4 charges for professional services may be based on a  
5 percentage of the tax increment collected, and no  
6 contracts for professional services, excluding  
7 architectural and engineering services, may be entered  
8 into if the terms of the contract extend beyond a period of  
9 3 years;

10 (2) property assembly costs, including, but not  
11 limited to, costs related to:

12 (A) the acquisition of land and other real  
13 property or rights or interests in the land or other  
14 real property located within the boundaries of a STAR  
15 bond district;

16 (B) the demolition of buildings, site preparation,  
17 and site improvements that serve as an engineered  
18 barrier addressing ground level or below ground  
19 environmental contamination, including, but not  
20 limited to, parking lots and other concrete or asphalt  
21 barriers; and

22 (C) the clearing and grading of land and the  
23 importing of additional soil and fill materials or the  
24 removal of soil and fill materials from the site;

25 (3) subject to paragraph (6), the costs of buildings  
26 and other vertical improvements that are located within

1 the boundaries of a STAR bond district and are owned by a  
2 political subdivision or other public entity, including  
3 without limitation police and fire stations, educational  
4 facilities, and public restrooms and rest areas;

5 (4) costs of buildings and other vertical improvements  
6 that are located within: (i) the boundaries of a STAR bond  
7 district and are owned by a development user, except that  
8 only 4 development users, other than a hotel or  
9 entertainment venue, in a STAR bond district and one hotel  
10 are eligible to include the cost of those vertical  
11 improvements as project costs, or (ii) the boundaries of a  
12 NOVA district;

13 (5) costs of the following vertical improvements that  
14 are located within (i) the boundaries of a STAR bond  
15 district and owned by an entertainment venue, except that  
16 only one entertainment venue in a STAR bond district is  
17 eligible to include the cost of those vertical  
18 improvements as project costs, or (ii) a NOVA district:

19 (A) buildings;

20 (B) rides and attractions, including, but not  
21 limited to, carousels, slides, roller coasters,  
22 displays, models, towers, works of art, and similar  
23 theme and amusement park improvements; and

24 (C) other vertical improvements;

25 (6) costs of the design and construction of  
26 infrastructure and public works located within the

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

18 (7) costs of the design and construction of the  
19 following improvements located outside the boundaries of a  
20 STAR bond district but within a 2-mile radius of the  
21 boundaries of a STAR bond district if the costs are  
22 essential to further the purpose and development of a STAR  
23 bond district plan and consist of one or more of the  
24 following: and either (i) ~~part of and connected to~~ sewer,  
25 water, or utility service lines that physically connect to  
26 the STAR bond district, ~~or~~ (ii) significant improvements

1 for adjacent off-site highways, streets, roadways, and  
2 interchanges that are approved by the Department of  
3 Transportation, or (iii) transit facilities and  
4 improvements undertaken with the applicable transit  
5 agency. No other cost of infrastructure and public works  
6 improvements located outside the boundaries of a STAR bond  
7 district may be deemed project costs;

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

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

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

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

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

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

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

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

24 (14) costs of mounted building signs, site monuments,  
25 and pylon signs located within the boundaries of a STAR  
26 bond district; or

1 (15) if included in the STAR bond district plan and  
2 approved in writing by the Director, salaries or a portion  
3 of salaries for local government employees to the extent  
4 the same are directly attributable to the work of those  
5 employees on the establishment and management of a STAR  
6 bond district or any STAR bond project.

7 Except as specified in items (1) through (15) of this  
8 definition, "project costs" does not include:

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

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

15 (C) property taxes for property located in the STAR  
16 bond district;

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

18 (E) general overhead or administrative costs of the  
19 political subdivision that would still have been incurred  
20 by the political subdivision if the political subdivision  
21 had not established a STAR bond district; and -

22 (F) the cost of construction of a professional sports  
23 stadium building.

24 "Project development agreement" means any one or more  
25 agreements, including any amendments to that agreement or  
26 those agreements, between a master developer and any

1 codeveloper or subdeveloper in connection with a STAR bond  
2 project, which project development agreement may include the  
3 political subdivision as a party.

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

25 "Projected market area" means any area within the State in  
26 which a STAR bond district or STAR bond project is projected to

1 have a significant fiscal or market impact as determined by  
2 the Director.

3 "Resolution" means a resolution, order, ordinance, or  
4 other appropriate form of legislative action of a political  
5 subdivision or other applicable public entity approved by a  
6 vote of a majority of a quorum at a meeting of the governing  
7 body of the political subdivision or applicable public entity.

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

12 "STAR bond district" means the specific area that is  
13 declared to be an eligible area by the political subdivision,  
14 that has received approval by the State, and in which the  
15 political subdivision may develop one or more STAR bond  
16 projects.

17 "STAR bond district plan" means the preliminary or  
18 conceptual plan that generally identifies the proposed STAR  
19 bond project areas and identifies in a general manner the  
20 buildings, facilities, and improvements to be constructed or  
21 improved in each STAR bond project area or, for a NOVA urban  
22 district, the STAR bond district plan may also include a  
23 specific STAR bond project.

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

26 "STAR bond project area" means the geographic area within

1 a STAR bond district in which there may be one or more STAR  
2 bond projects.

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

24 "State sales tax" means all the net revenue realized under  
25 the Retailers' Occupation Tax Act, the Use Tax Act, the  
26 Service Use Tax Act, and the Service Occupation Tax Act from

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

8 "State sales tax increment" means:

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

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

1 approved at any time; and

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

7 (2) with respect to all NOVA districts:

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

17 (B) 50% of that portion of the State sales tax that  
18 is in excess of the State sales tax for the same month  
19 in the base year from all other transactions within  
20 the NOVA district; ~~and-~~

21 (3) with respect to all NOVA urban districts, 100% of  
22 that portion of the State sales tax that is in excess of  
23 the State sales tax for the same month in the base year, as  
24 determined by the Department of Revenue, from all  
25 transactions within the NOVA urban district.

26 "Substantial change" means a change in which the proposed

1 STAR bond project plan differs substantially in size, scope,  
2 or use from the approved STAR bond district plan or STAR bond  
3 project plan.

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

7 "Total development costs" means the aggregate public and  
8 private investment in a STAR bond district, including project  
9 costs and other direct and indirect costs related to the  
10 development of the STAR bond district over the life of the STAR  
11 bond district.

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

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

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

19 (50 ILCS 475/5-15)

20 Sec. 5-15. Limitations on STAR bond districts and STAR  
21 bond projects. The Office of the Governor, in consultation  
22 with the Department, the Department of Revenue, and the  
23 Governor's Office of Management and Budget, shall have final  
24 approval of all STAR bond districts and STAR bond projects  
25 established under this Act, which may be established

1 throughout the 10 Economic Development Regions in the State as  
2 established by the Department. Regardless of the number of  
3 STAR bond districts established within any Economic  
4 Development Region: (i) only one STAR bond project may be  
5 approved for each Economic Development Region having a  
6 population of less than 400,000 ~~600,000~~; (ii) up to 2 STAR bond  
7 projects may be approved for each Economic Development Region  
8 having a population of between 400,000 and 599,999; (iii) up  
9 to 3 STAR bond projects may be approved for each Economic  
10 Development Region having a population of between 600,000 and  
11 999,999; and (iv) ~~(iii)~~ up to 4 STAR bond projects may be  
12 approved for each Economic Development Region having a  
13 population of 1,000,000 or more, excluding projects located in  
14 STAR bond districts established under the Innovation  
15 Development and Economy Act. A STAR bond district under this  
16 Act may not be located either entirely or partially inside of a  
17 municipality with a population in excess of 2,000,000.

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

1 located in a NOVA urban district may not receive reimbursement  
2 from the proceeds of bonds secured by State sales tax  
3 increment that exceeds the lesser of (1) 75% of the total  
4 development costs or (2) an aggregate amount of  
5 \$1,600,000,000.

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

7 (50 ILCS 475/5-20)

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

9 (a) The corporate authorities of a municipality may  
10 establish a STAR bond district within an eligible area within  
11 the municipality or partially outside the boundaries of the  
12 municipality in an unincorporated area of the county. A STAR  
13 bond district that is partially outside the boundaries of the  
14 municipality must also be approved by the corporate  
15 authorities of the county by the passage of a resolution. The  
16 corporate authorities of a county may establish a STAR bond  
17 district in an eligible area in any unincorporated area of the  
18 county.

19 (b) When a political subdivision is interested in  
20 establishing a STAR bond district, the political subdivision  
21 must first provide notice to the Director of Commerce and  
22 Economic Opportunity and the Director of Revenue on or before  
23 June 1, 2026 of its intention to establish a STAR bond district  
24 (or by September 1, 2026 if the political subdivision intends  
25 to establish a NOVA district). After filing notice, the

1 political subdivision shall determine whether the area  
2 satisfies the statutory criteria to establish a STAR bond  
3 district consistent with this Act. The corporate authorities  
4 of the political subdivision shall adopt a resolution stating  
5 that the political subdivision is considering the  
6 establishment of a STAR bond district. The resolution shall:

7 (1) give notice, in the same manner as set forth in  
8 subsection (e) of Section 5-30, that a public hearing will  
9 be held to consider the establishment of a STAR bond  
10 district and fix the date, hour, and place of the public  
11 hearing, which shall be at a location that is within 20  
12 miles of the STAR bond district, in a facility that can  
13 accommodate a large crowd, and in a facility that is  
14 accessible to persons with disabilities;

15 (2) describe the proposed general boundaries of the  
16 STAR bond district;

17 (3) describe the STAR bond district plan;

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

21 (5) identify the master developer for the STAR bond  
22 district; and

23 (6) require that the corporate authorities consider  
24 findings necessary for the establishment of a STAR bond  
25 district.

26 (c) Upon the conclusion of the public hearing the

1 corporate authorities of the political subdivision may adopt a  
2 resolution to establish the STAR bond district. The corporate  
3 authorities of a municipality with a population of 2,000,000  
4 or more may proceed directly to adopt a resolution to  
5 establish a NOVA urban district.

6 (1) A resolution to establish a STAR bond district  
7 shall:

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

10 (B) make findings that the STAR bond district is  
11 an eligible area;

12 (C) contain a STAR bond district plan that  
13 identifies in a general manner the buildings and  
14 facilities that are proposed to be constructed or  
15 improved as part of the STAR bond project and that  
16 includes plans for at least one development user;

17 (D) contain the legal description of the STAR bond  
18 district;

19 (E) appoint the master developer for the STAR bond  
20 district, subject to the provisions of Section 5-25,  
21 and, if applicable, verify that master developer has a  
22 signed project labor agreement for the construction of  
23 future improvements within any STAR bond projects;

24 (F) if applicable, make a finding that the STAR  
25 bond district plan demonstrates a reasonable  
26 expectation that it will meet the acreage, capital

1 investment, sales, and job creation thresholds  
2 necessary to qualify as a NOVA district or NOVA urban  
3 district and contains a request for a NOVA district  
4 designation or NOVA urban district; and

5 (G) establish the STAR bond district, contingent  
6 upon approval of the State as set forth in subsection  
7 (e).

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

13 (3) Upon adoption of a resolution to establish a STAR  
14 bond district, the political subdivision shall send a  
15 certified copy of the resolution to the Director of  
16 Commerce and Economic Opportunity, the Director of  
17 Revenue, and the Director of the Governor's Office of  
18 Management and Budget within 60 days after the adoption of  
19 the resolution.

20 (d) Upon adoption of a resolution to establish a STAR bond  
21 district, the STAR bond district and any STAR bond project  
22 shall be governed by a master development agreement between  
23 the political subdivision and the master developer. A STAR  
24 bond district that is partially outside the boundaries of a  
25 municipality shall require only one master development  
26 agreement, which shall be between the municipality and the

1 master developer. In no event shall there be more than one  
2 master development agreement governing the terms and  
3 conditions of a STAR bond district. The master development  
4 agreement shall require the master developer to ensure  
5 compliance with the following requirements to reduce the  
6 ecological impact of the STAR bond district development: (i)  
7 inclusion of pollution prevention, erosion, and sedimentation  
8 control plans during construction; (ii) protection of  
9 endangered species' habitat and wetlands mitigation; (iii)  
10 preservation of at least 20% of the STAR bond district as green  
11 space, including lawns, parks, landscaped areas, paths, lakes,  
12 ponds, and other water features or, for a NOVA urban district,  
13 inclusion of such green space, including lawns, parks,  
14 landscaped areas, paths, lakes, ponds, and other water  
15 features, as set forth in the STAR bond project plan; (iv)  
16 promotion of the use of renewable energy to the extent  
17 commercially feasible; (v) implementation of recycling  
18 programs during construction and at completed STAR bond  
19 projects; (vi) preservation of water quality and promotion of  
20 water conservation through the use of techniques such as  
21 reusing storm water and landscaping with native and  
22 low-maintenance vegetation to reduce the need for irrigation  
23 and fertilization; (vii) inclusion of comprehensive lighting  
24 programs that reduce light pollution within the STAR bond  
25 district; and (viii) promotion of shared parking between  
26 different users and the political subdivision to reduce the

1 impact on project sites.

2 (e) Upon adoption of a resolution to establish a STAR bond  
3 district, the political subdivision shall submit the proposed  
4 STAR bond district plan to the Department, the Department of  
5 Revenue, and the Governor's Office of Management and Budget  
6 for consideration. All proposed STAR bond district plans must  
7 be submitted on or before January 1, 2027 for consideration  
8 (or by June 1, 2027 if the district is a NOVA district). The  
9 Department, the Department of Revenue, and the Governor's  
10 Office of Management and Budget shall make a joint  
11 recommendation to approve a STAR bond district if the agencies  
12 find that: (i) the proposed STAR bond district is an eligible  
13 area; (ii) the STAR bond district plan includes a STAR bond  
14 project that would entail a projected capital investment of at  
15 least \$30,000,000 for a STAR bond district that is not  
16 proposed to be designated as a NOVA district, ~~or~~ \$500,000,000  
17 for a STAR bond district that is proposed to be designated as a  
18 NOVA district, or \$1,000,000,000 for a STAR bond district that  
19 is proposed to be designated as a NOVA urban district; (iii)  
20 the STAR bond district plan includes a STAR bond project that  
21 is reasonably projected to produce at least \$60,000,000 of  
22 annual gross sales and at least 300 new jobs or, for a STAR  
23 bond district proposed to be designated as a NOVA district, at  
24 least \$300,000,000 of annual gross sales and 1,500 new jobs  
25 or, for a STAR bond district proposed to be designated as a  
26 NOVA urban district, at least \$450,000,000 of annual gross

1 sales and 3,000 new jobs; (iv) the STAR bond district plan  
2 includes potential development users; (v) the creation of the  
3 STAR bond district and STAR bond district plan are in  
4 accordance with the purpose of this Act and the public  
5 interest; and (vi) the STAR bond district and STAR bond  
6 district plan meet any other requirement that the State deems  
7 appropriate. The agencies shall send a copy of their written  
8 findings and recommendation for approval or denial of a STAR  
9 bond district to the Office of the Governor for review and  
10 final action. In the case of any NOVA district or NOVA urban  
11 district, those written findings and recommendations shall be  
12 submitted to the Office of the Governor within 60 days  
13 following the agencies' receipt of the District Plan proposing  
14 the NOVA district or NOVA urban district.

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

1 (e).

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

1 \$1,000,000,000, as applicable, or the breach of agreement is  
2 cured, or both. If, on the fifth anniversary of the first date  
3 of distribution of State sales tax increment from the approved  
4 STAR bond project in the STAR bond district, or the earlier of  
5 (i) the fifteenth anniversary of that date or (ii) the date  
6 requested by the master developer if the project is in a NOVA  
7 district or a NOVA urban district, there are not at least (i)  
8 300 new jobs existing in the STAR bond district if the project  
9 is not in a NOVA district or a NOVA urban district, (ii) 1,500  
10 new jobs existing in the STAR bond district if the project is  
11 in a NOVA district, or (iii) 3,000 new jobs existing in the  
12 STAR bond district if the project is in a NOVA urban district,  
13 the State may require the master developer to pay the State a  
14 penalty of \$1,500 per job under 300, ~~or~~ 1,500, or 3,000, as  
15 applicable, each year until the earlier of (i) the  
16 twenty-third anniversary of the first date of distribution of  
17 State sales tax increment from the approved STAR bond project  
18 in the STAR bond district, (ii) the date that all STAR bonds  
19 issued in the STAR bond district have been paid off, or (iii)  
20 the date on which at least 300 jobs, ~~or~~ 1,500 jobs, or 3,000  
21 jobs, as applicable, have been created in the STAR bond  
22 district. Upon creation of 300 jobs, ~~or~~ 1,500 jobs, or 3,000  
23 jobs, as applicable, in the STAR bond district, there shall  
24 not be an ongoing obligation to maintain those jobs after the  
25 fifth anniversary of the first date of distribution of State  
26 sales tax increment from the approved STAR bond project in the

1 STAR bond district, and the master developer shall be relieved  
2 of any liability with respect to job creation under this  
3 subsection. Notwithstanding anything to the contrary in this  
4 subsection, the master developer shall not be liable for the  
5 penalties set forth in this subsection if the breach of  
6 agreement, failure to reach the required amount in total  
7 development costs, or failure to create the required number of  
8 jobs is due to delays caused by force majeure, as that term is  
9 defined in the master development agreement.

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

11 (50 ILCS 475/5-30)

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

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

1           After the establishment of a STAR bond district, the  
2 master developer may propose a STAR bond project to a  
3 political subdivision, and the master developer shall, in  
4 cooperation with the political subdivision, prepare a STAR  
5 bond project plan in consultation with the planning commission  
6 of the political subdivision, if any. The STAR bond project  
7 plan may be implemented in separate development stages.

8           (b) Any political subdivision considering a STAR bond  
9 project within a STAR bond district shall cause to be prepared  
10 an independent feasibility study. The feasibility study shall  
11 be prepared by a feasibility consultant approved by the  
12 Department. The feasibility consultant shall provide certified  
13 copies of the feasibility study to the political subdivision,  
14 the Department, the Department of Revenue, and the Governor's  
15 Office of Management and Budget. The feasibility study shall  
16 include the following:

17           (1) the estimated amount of pledged STAR revenues  
18 expected to be collected in each year through the maturity  
19 date of the proposed STAR bonds;

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

23           (3) visitation expectations;

24           (4) the unique quality of the project;

25           (5) an economic impact study;

26           (6) a market study;

- 1 (7) current and anticipated infrastructure analysis;
- 2 (8) integration and collaboration with other resources  
3 or businesses;
- 4 (9) the quality of service and experience provided, as  
5 measured against national consumer standards for the  
6 specific target market;
- 7 (10) project accountability, measured according to  
8 best industry practices;
- 9 (11) the expected return on State and local investment  
10 that the STAR bond project is anticipated to produce; and
- 11 (12) an anticipated principal and interest payment  
12 schedule on the STAR bonds.

13 The feasibility consultant, along with any other  
14 consultants commissioned to perform the studies and other  
15 analysis required by the feasibility study, shall be selected  
16 by the political subdivision but approved by the Department.  
17 The consultants shall be retained by the political  
18 subdivision. The political subdivision may seek reimbursement  
19 from the master developer.

20 The failure to include all information enumerated in this  
21 subsection in the feasibility study for a STAR bond project  
22 shall not affect the validity of STAR bonds issued under this  
23 Act. A feasibility study for a NOVA urban district completed  
24 for the Office of the Governor and the Department of Commerce  
25 and Economic Opportunity within 36 months before or after the  
26 effective date of this amendatory Act of the 104th General

1 Assembly shall meet the requirements of this Section.

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

4 (1) a summary of the feasibility study;

5 (2) a reference to the STAR bond district plan that  
6 identifies the STAR bond project area that is set forth in  
7 the STAR bond project plan that is being considered;

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

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

13 (5) a copy of letters of intent to locate within the  
14 STAR bond district signed by both the master developer and  
15 the appropriate corporate officer of at least one  
16 development user for the STAR bond project proposed within  
17 the district;

18 (6) a copy of a project labor agreement entered into  
19 by the master developer and a commitment by the master  
20 developer, other developers, contractors, and  
21 subcontractors to comply with the requirements of Section  
22 30-22 of the Illinois Procurement Code as they apply to  
23 responsible bidders; ~~and~~

24 (6.5) if applicable, the geographic boundaries of the  
25 area within the STAR bond district that constitutes an  
26 entertainment user area, as such designated area shall be

1           identified by the master developer; and

2           (7) any other information the corporate authorities of  
3           the political subdivision deems reasonable and necessary  
4           to advise the public of the intent of the STAR bond project  
5           plan.

6           (d) Before a political subdivision may hold a public  
7           hearing to consider a STAR bond project plan, the political  
8           subdivision must apply to the Department, the Department of  
9           Revenue, and the Governor's Office of Management and Budget  
10          for joint review and recommendation and ultimate approval or  
11          denial by the Office of the Governor of the STAR bond project  
12          plan. The corporate authorities of a political subdivision  
13          seeking to establish a STAR bond project in an approved STAR  
14          bond district must submit a proposed STAR bond project plan to  
15          the Department, the Department of Revenue, and the Governor's  
16          Office of Management and Budget by June 1, 2028 for  
17          consideration.

18          An application for approval of a STAR bond project plan  
19          must not be approved by the State unless all the components of  
20          the feasibility study set forth in paragraphs (1) through (12)  
21          of subsection (b) have been completed and submitted for review  
22          and recommendation for approval or denial. In addition to  
23          reviewing all the other elements of the STAR bond project plan  
24          required under subsection (c), which must be included in the  
25          application and include a letter of intent as required under  
26          paragraph (5) of subsection (c) in order to receive State

1 approval, the Department, the Department of Revenue, and the  
2 Governor's Office of Management and Budget must review the  
3 feasibility study and consider all the components of the  
4 feasibility study set forth in paragraphs (1) through (12) of  
5 subsection (b), including, without limitation, the economic  
6 impact study and the financial benefit of the proposed STAR  
7 bond project to the local, regional, and State economies, the  
8 proposed adverse impacts on similar businesses and projects as  
9 well as municipalities within the market area, and the net  
10 effect of the proposed STAR bond project on the local,  
11 regional, and State economies. In addition to the economic  
12 impact study, the political subdivision must also submit to  
13 the agencies, as part of its application, the financial and  
14 other information that substantiates the basis for the  
15 conclusion of the economic impact study, in the form and  
16 manner as required by the agencies, so that the agencies can  
17 verify the results of the study. In addition to any other  
18 criteria in this subsection, the State may not approve the  
19 STAR bond project plan unless the agencies are satisfied that  
20 the proposed development users are, in fact, true development  
21 users and find that the STAR bond project plan is in accordance  
22 with the purpose of this Act and the public interest. As part  
23 of the review, the agencies shall evaluate the conclusions of  
24 the feasibility study as it relates to the projected State and  
25 local sales tax increments expected to be generated in the  
26 STAR bond district. The Department, the Department of Revenue,

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

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

22 (e) Upon a finding by the planning and zoning commission  
23 of the political subdivision, if any, that the STAR bond  
24 project plan is consistent with the intent of the  
25 comprehensive plan for the development of the political  
26 subdivision and upon issuance of written approval of the STAR

1 bond project plan from the Office of the Governor under  
2 subsection (d) of this Section, the corporate authorities of  
3 the political subdivision shall adopt a resolution stating  
4 that the political subdivision is considering the adoption of  
5 the STAR bond project plan. The resolution shall:

6 (1) give notice that a public hearing will be held to  
7 consider the adoption of the STAR bond project plan and  
8 fix the date, hour, and place of the public hearing;

9 (2) describe the general boundaries of the STAR bond  
10 district within which the STAR bond project will be  
11 located and the date of establishment of the STAR bond  
12 district;

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

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

19 (5) contain a summary of the terms and conditions of  
20 any proposed project development agreement with the  
21 political subdivision.

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

24 (1) The date fixed for the public hearing to consider  
25 the adoption of the STAR bond project plan shall be not  
26 less than 20 nor more than 90 days following the date of

1 the adoption of the resolution fixing the date of the  
2 hearing.

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

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

25 (4) At the public hearing, a representative of the  
26 political subdivision or master developer shall present

1 the STAR bond project plan. Following the presentation of  
2 the STAR bond project plan, all interested persons shall  
3 be given an opportunity to be heard. The corporate  
4 authorities may continue the date and time of the public  
5 hearing.

6 (g) Upon conclusion of the public hearing, the governing  
7 body of the political subdivision may adopt the STAR bond  
8 project plan by a resolution approving the STAR bond project  
9 plan.

10 (h) After the adoption by the corporate authorities of the  
11 political subdivision of a STAR bond project plan, the  
12 political subdivision may enter into a project development  
13 agreement if the master developer has requested the political  
14 subdivision to be a party to the project development agreement  
15 under subsection (b) of Section 5-40.

16 (i) Within 30 days after the adoption by the political  
17 subdivision of a STAR bond project plan, the clerk of the  
18 political subdivision shall transmit a copy of the legal  
19 description of the land and a list of all new and existing  
20 mailing addresses within the STAR bond district, a copy of the  
21 resolution adopting the STAR bond project plan, and a map or  
22 plat indicating the boundaries of the STAR bond project area  
23 and STAR bond district to the clerk, treasurer, and governing  
24 body of the county and to the Department and Department of  
25 Revenue. Within 30 days of creation of any new mailing address  
26 within a STAR bond district, the clerk of the political

1 subdivision shall provide written notice of that new address  
2 to the Department and the Department of Revenue.

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

24 Any substantial changes to a STAR bond project plan as  
25 adopted shall be subject to a public hearing following  
26 publication of notice thereof in a newspaper of general

1 circulation in the political subdivision and approval by  
2 resolution of the governing body of the political subdivision.

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

1 for administration and enforcement by the Department of  
2 Revenue of the change, addition, or deletion beginning on the  
3 following July 1 and on or before October 1 for administration  
4 and enforcement by the Department of Revenue of the change,  
5 addition, or deletion beginning on the following January 1. If  
6 a retailer is incorrectly included or excluded from the list  
7 of those located in the STAR bond district, the Department of  
8 Revenue shall be held harmless if the Department reasonably  
9 relied on information provided by the political subdivision.

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

14 (k) Any developer of a STAR bond project shall commence  
15 work on the STAR bond project within 3 years from the date of  
16 adoption of the STAR bond project plan. If the developer fails  
17 to commence work on the STAR bond project within the 3-year  
18 period, funding for the project shall cease and the developer  
19 of the project or complex shall have one year to appeal to the  
20 political subdivision for a one-time reapproval of the project  
21 and funding. If the project is reapproved, the 3-year period  
22 for commencement shall begin again on the date of the  
23 reapproval. If the project is not reapproved or if the  
24 developer again fails to commence work on the STAR bond  
25 project within the second 3-year period, the project shall be  
26 terminated, and the Department may accept applications for a

1 new STAR bond project in the Economic Development Region.

2 (l) After the adoption of a STAR bond project plan by the  
3 corporate authorities of the political subdivision and  
4 approval by the Office of the Governor under subsection (d),  
5 the political subdivision may authorize the issuance of STAR  
6 bonds in one or more series to finance the STAR bond project or  
7 pay or reimburse any eligible project cost within the STAR  
8 bond district in accordance with the provisions of this Act.

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

21 (n) The maximum maturity of STAR bonds issued to finance a  
22 STAR bond project located within a NOVA district or a NOVA  
23 urban district shall not exceed 35 years from the first date of  
24 distribution of State sales tax increment from the STAR bond  
25 project to the political subdivision.

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

1 (50 ILCS 475/5-35)

2 Sec. 5-35. Approval of STAR bond projects in NOVA  
3 districts and NOVA urban districts. Notwithstanding any other  
4 provision of this Act, a STAR bond project may be approved  
5 within each STAR bond district designated as a NOVA district  
6 and a NOVA urban district. A NOVA urban district may be  
7 approved concurrent with the designation of the NOVA urban  
8 district. Except as otherwise provided in this Act, approval  
9 of a NOVA district shall follow the same procedures applicable  
10 to STAR bond district approval as provided in Section 5-20,  
11 and that designation shall be determined by the Office of the  
12 Governor during the STAR bond district approval process. The  
13 NOVA district and NOVA urban district must satisfy the  
14 criteria set forth to be considered a NOVA district under  
15 Section 5-10. Except as otherwise provided in this Act,  
16 establishment of a NOVA district or NOVA urban district shall  
17 be construed to have the same application and effect as a STAR  
18 bond district.

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

20 (50 ILCS 475/5-45)

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

22 (a) Any political subdivision shall have the power to  
23 issue STAR bonds in one or more series to finance the  
24 undertaking of any STAR bond project in accordance with the

1 provisions of this Act and the Omnibus Bond Acts. Any STAR bond  
2 project approved under this Act may be completed in one or more  
3 phases, and STAR bonds may be issued, in one or more series, to  
4 finance any STAR bond project or phase thereof. STAR bonds may  
5 be issued as revenue bonds, alternate bonds, or general  
6 obligation bonds as defined in and subject to the procedures  
7 provided in the Local Government Debt Reform Act.

8 STAR bonds may be made payable, both as to principal and  
9 interest, from the following revenues, which, to the extent  
10 pledged by each respective political subdivision or other  
11 public entity for that purpose, shall constitute pledged STAR  
12 revenues:

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

16 (2) available private funds and contributions, grants,  
17 tax credits, or other financial assistance from the State  
18 or federal government;

19 (3) any taxes created under Section 5-50 and  
20 designated as pledged STAR revenues by the political  
21 subdivision;

22 (4) all the local sales tax increment of a  
23 municipality, county, or other unit of local government,  
24 including an amount equal to the sales tax increment that  
25 is received by a municipality from a sales tax  
26 securitization corporation based on sales of revenues as

1       of the date of this Act, which amount shall be pledged as a  
2       first lien on such receipts;

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

8           (6) all the State sales tax increment;

9           (7) any other revenues appropriated by the political  
10       subdivision; and

11          (8) any combination of these methods.

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

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

21       (d) For each STAR bond project financed with STAR bonds  
22       payable from the pledged STAR revenues, the political  
23       subdivision shall prepare and submit to the Department, the  
24       Department of Revenue, the Office of the Governor, and the  
25       Governor's Office of Management and Budget by June 1 of each  
26       year a report describing the status of the STAR bond project,

1 any expenditures of the proceeds of STAR bonds that have  
2 occurred for the preceding calendar year, and any expenditures  
3 of the proceeds of the bonds expected to occur in the future,  
4 including the amount of pledged STAR revenue, the amount of  
5 revenue that has been spent, the projected amount of the  
6 revenue, and the anticipated use of the revenue. Each annual  
7 report shall be accompanied by an affidavit of the master  
8 developer certifying the contents of the report as true to the  
9 best of the master developer's knowledge. The Department shall  
10 have the right, but not the obligation, to request the Auditor  
11 General to review the annual report and the political  
12 subdivision's records containing the source information for  
13 the report for the purpose of verifying the report's contents.  
14 If the Auditor General declines the request for review, the  
15 Department shall have the right to select an independent  
16 third-party auditor to conduct an audit of the annual report  
17 and the political subdivision's records containing the source  
18 information for the report. The reasonable cost of the audit  
19 shall be paid by the master developer. The master development  
20 agreement shall grant the Department and the Auditor General  
21 the right to review the records of the political subdivision  
22 containing the source information for the report.

23 (e) As soon as possible after the first day of each month,  
24 upon certification of the Department of Revenue, the  
25 Comptroller shall order transferred and the Treasurer shall  
26 transfer, from the General Revenue Fund to the STAR Bonds

1 Revenue Fund, the State sales tax increment for the second  
2 preceding month, less 3% of that amount, which shall be  
3 transferred into the Tax Compliance and Administration Fund  
4 and shall be used by the Department of Revenue, subject to  
5 appropriation, to cover the costs of the Department of Revenue  
6 in administering this Act. As soon as possible after the first  
7 day of each month, upon certification of the Department of  
8 Revenue, the Comptroller shall order transferred and the  
9 Treasurer shall transfer, from the Local Government Tax Fund  
10 to the STAR Bonds Revenue Fund, the local sales tax increment  
11 for the second preceding month, as provided in Section 6z-18  
12 of the State Finance Act and from the County and Mass Transit  
13 District Fund to the STAR Bonds Revenue Fund the local sales  
14 tax increment for the second preceding month, as provided in  
15 Section 6z-20 of the State Finance Act. On or before the 25th  
16 day of each calendar month, the Department of Revenue shall  
17 prepare and certify to the Comptroller the disbursement of  
18 stated sums of money out of the STAR Bonds Revenue Fund to  
19 named municipalities and counties, the municipalities and  
20 counties to be those entitled to distribution of taxes or  
21 penalties paid to the Department of Revenue during the second  
22 preceding calendar month. The amount to be paid to each  
23 municipality or county shall be the amount of the State sales  
24 tax increment and the local sales tax increment (not including  
25 credit memoranda or the amount transferred into the Tax  
26 Compliance and Administration Fund) collected during the

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

25 (f) The corporate authorities of the political subdivision  
26 shall deposit the proceeds for the STAR Bonds Revenue Fund

1 into a special fund of the political subdivision called the  
2 "[Name of political subdivision] STAR Bond District Revenue  
3 Fund" for the purpose of paying or reimbursing STAR bond  
4 project costs and obligations incurred in the payment of those  
5 costs. If the political subdivision fails to issue STAR bonds  
6 within 180 days after the first distribution to the political  
7 subdivision from the STAR Bonds Revenue Fund, the Department  
8 of Revenue shall cease distribution of the State sales tax  
9 increment to the political subdivision, shall transfer any  
10 State sales tax increment in the STAR Bonds Revenue Fund to the  
11 General Revenue Fund, and shall cease deposits of State sales  
12 tax increment amounts into the STAR Bonds Revenue Fund. The  
13 political subdivision shall repay all the State sales tax  
14 increment distributed to the political subdivision to date,  
15 which amounts shall be deposited into the General Revenue  
16 Fund. If not repaid within 90 days after notice from the State,  
17 the Department of Revenue shall withhold distributions to the  
18 political subdivision from the Local Government Tax Fund until  
19 the excess amount is repaid, which withheld amounts shall be  
20 transferred to the General Revenue Fund. At such time as the  
21 political subdivision notifies the Department of Revenue in  
22 writing that it has issued STAR Bonds in accordance with this  
23 Act and provides the Department with a copy of the political  
24 subdivision's official statement, bond purchase agreements,  
25 indenture, or other evidence of bond sale, the Department of  
26 Revenue shall resume deposits of the State sales tax increment

1 into the STAR Bonds Revenue Fund and distribution of the State  
2 sales tax increment to the political subdivision in accordance  
3 with this Section.

4 (g) If at any time after the seventh anniversary of the  
5 date of distribution of State sales tax increment from a STAR  
6 bond project the Auditor General determines that the  
7 percentage of the aggregate proceeds of STAR bonds issued to  
8 date that is derived from the State sales tax increment has  
9 exceeded 50% of the total development costs of that STAR Bonds  
10 project, no additional STAR bonds may be issued for that STAR  
11 Bonds project until that percentage is reduced to 50% or  
12 below. When the percentage has been reduced to 50% or below,  
13 the master developer shall have the right, at its own cost, to  
14 obtain a new audit prepared by an independent third-party  
15 auditor verifying compliance and shall provide such audit to  
16 the Auditor General for review and approval. Upon the Auditor  
17 General's determination from the audit that the percentage has  
18 been reduced to 50% or below, STAR bonds may again be issued  
19 for the STAR bond project.

20 (h) A new tax increment financing district in a NOVA urban  
21 district may be established concurrent with or following the  
22 establishment of the NOVA urban district or other arrangement  
23 in respect of a property tax assessment freeze and special  
24 payment.

25 (i) The limitation on the rate of tax imposed under  
26 Section 8-3-14a of the Illinois Municipal Code and Section

1 5-1300 of the Counties Code does not apply to a tax imposed  
2 under those Sections on businesses within a STAR bond district  
3 by the corporate authorities of any municipality or county  
4 that has established a STAR bond district under this Act.

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

6 (50 ILCS 475/5-50)

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

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

1 authorities of the political subdivision called the STAR Bonds  
2 Tax Allocation Fund for the purpose of paying STAR bond  
3 project costs and obligations incurred in the payment of those  
4 costs if such taxes are designated as pledged STAR revenues by  
5 resolution or ordinance of the political subdivision or (ii)  
6 the political subdivision's general corporate fund if such  
7 taxes are not designated as pledged STAR revenues by  
8 resolution or ordinance.

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

18 (b) The corporate authorities of a political subdivision  
19 that has established a STAR bond district under this Act may,  
20 by ordinance or resolution, impose a STAR Bond Retailers'  
21 Occupation Tax upon all persons engaged in the business of  
22 selling tangible personal property, other than an item of  
23 tangible personal property titled or registered with an agency  
24 of this State's government, at retail in the STAR bond  
25 district at a rate not to exceed 1% of the gross receipts from  
26 the sales made in the course of that business, to be imposed

1 only in 0.25% increments. The tax may not be imposed on  
2 tangible personal property taxed at the 1% rate under the  
3 Retailers' Occupation Tax Act. The tax may not be imposed on  
4 aviation fuel for so long as the revenue use requirements of 49  
5 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
6 political subdivision.

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

1 and definitions of terms and employ the same modes of  
2 procedure, as are prescribed in Sections 1, 1a through 1o, 2  
3 through 2-65 (in respect to all provisions therein other than  
4 the State rate of tax), 2c through 2h, 3 (except as to the  
5 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
6 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,  
7 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
8 provisions of the Uniform Penalty and Interest Act, as fully  
9 as if those provisions were set forth herein.

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 STAR  
13 Bond Service Occupation Tax shall also be imposed upon all  
14 persons engaged, in the STAR bond district, in the business of  
15 making sales of service, who, as an incident to making those  
16 sales of service, transfer tangible personal property within  
17 the STAR bond district, either in the form of tangible  
18 personal property or in the form of real estate as an incident  
19 to a sale of service. The service occupation tax shall be  
20 imposed upon all persons engaged in the business of making  
21 sales of service at the same rate as the tax imposed in  
22 subsection (b) of the selling price of tangible personal  
23 property transferred within the STAR bond district by such  
24 servicemen as an incident to a sale of service and shall not  
25 exceed 1% and shall be imposed only in 0.25% increments. The  
26 tax may not be imposed on tangible personal property taxed at

1 the 1% rate under the Service Occupation Tax Act. The tax may  
2 not be imposed on aviation fuel for so long as the revenue use  
3 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
4 binding on the political subdivision.

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

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

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

19 (c-10) The corporate authorities of any political  
20 subdivision that has established a STAR bond district under  
21 this Act may, by ordinance or resolution, impose a visitor  
22 investment surcharge upon all admission and charges from  
23 transactions at places of business located within the STAR  
24 bond district, at a rate not to exceed 9% of the gross receipts  
25 derived from any admission and charge within the STAR bond  
26 district, to be imposed only in 0.25% increments to pay for

1 eligible project cost. The charge imposed under this  
2 subsection and all civil penalties that may be assessed as an  
3 incident thereof shall be collected and enforced by the  
4 political subdivision. For purposes of this Section, "visitor  
5 investment surcharges" includes, but is not limited to: (1)  
6 charges for admission to or rental of any physical space or  
7 venue in which attendees gather for entertainment or  
8 amusement, including, but not limited to, facilities owned or  
9 operated by users, destination hotels, amusement parks,  
10 hotels, entertainment venues, or traditional retailers,  
11 resorts, golf or pickle ball type facilities, simulator type  
12 facilities, music venues, water parks, RV parks, surf parks,  
13 ice rinks, family entertainment type facilities, zip line  
14 courses, wake boarding courses, miniature golf courses,  
15 go-cart tracks or facilities, arcades and other venues  
16 designed for the playing of video games, pinball machines,  
17 air-hockey, billiards tables, or other games operated by coins  
18 or other payment methods, theaters, trade shows and convention  
19 centers, and athletic stadiums or venues for the hosting of  
20 any athletic contest; and (2) any separate charge for  
21 admission or rental to or use of entertainment attractions,  
22 rides, or other activities within the aforementioned venues.  
23 The provisions of this subsection (c-10) are not subject to  
24 subsection (d) of this Section. Notwithstanding the foregoing,  
25 the visitor investment surcharge under this subsection (c-10)  
26 may not be imposed on receipts from transactions that, at the

1 time the surcharge is established, are taxable under the  
2 Retailers' Occupation Tax Act, the Use Tax Act, the Service  
3 Use Tax Act, or the Service Occupation Tax Act.

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

11 Whenever the Department of Revenue determines that a  
12 refund should be made under this Section to a claimant the  
13 Department of Revenue shall not issue a credit memorandum. The  
14 Department of Revenue shall notify the State Comptroller, who  
15 shall cause the order to be drawn for the amount specified and  
16 to the person named in the notification from the Department of  
17 Revenue. The refund shall be paid by the State Treasurer out of  
18 the STAR Bond Retailers' Occupation Tax Fund.

19 Except as otherwise provided in this subsection, the  
20 Department of Revenue shall immediately pay over to the State  
21 Treasurer, ex officio, as trustee, all taxes, penalties, and  
22 interest collected under this Section for deposit into the  
23 STAR Bond Retailers' Occupation Tax Fund. On or before the  
24 25th day of each calendar month, the Department of Revenue  
25 shall prepare and certify to the Comptroller the disbursement  
26 of stated sums of money to named political subdivisions from

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

1 certification. The proceeds of the tax paid to political  
2 subdivisions under this Section shall be deposited into either  
3 (i) the STAR Bonds Tax Allocation Fund by the political  
4 subdivision if the political subdivision has designated them  
5 as pledged STAR revenues by resolution or ordinance or (ii)  
6 the political subdivision's general corporate fund if the  
7 political subdivision has not designated them as pledged STAR  
8 revenues.

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

23 The Department of Revenue shall not administer or enforce  
24 an ordinance imposing, discontinuing, or changing the rate of  
25 the tax under this Section until the political subdivision  
26 also provides, in the manner prescribed by the Department of

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

1 is incorrectly included or excluded from the list of those  
2 required to collect the tax under this Section, both the  
3 Department of Revenue and the retailer shall be held harmless  
4 if they reasonably relied on information provided by the  
5 political subdivision.

6 A political subdivision that imposes the tax under this  
7 Section must submit to the Department of Revenue any other  
8 information as the Department of Revenue may require that is  
9 necessary for the administration and enforcement of the tax.

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

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

22 The provisions of this subsection (d) apply only to taxes  
23 imposed under subsection (b) and subsection (c) of this  
24 Section.

25 (e) When STAR bond project costs, including, without  
26 limitation, all political subdivision obligations financing

1 STAR bond project costs, have been paid, any surplus funds  
2 then remaining in the STAR Bonds Tax Allocation Fund shall be  
3 distributed to the treasurer of the political subdivision for  
4 deposit into the political subdivision's general corporate  
5 fund. Upon payment of all STAR bond project costs and  
6 retirement of obligations, but in no event later than the  
7 maximum maturity date of the last of the STAR bonds issued in  
8 the STAR bond district, the political subdivision shall adopt  
9 an ordinance immediately rescinding the taxes imposed under  
10 this Section and file a certified copy of the ordinance with  
11 the Department of Revenue in the form and manner as described  
12 in this Section.

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

14 (50 ILCS 475/5-55)

15 Sec. 5-55. STAR Bonds School Improvement and Operations  
16 Trust Fund.

17 (a) Deposits into the STAR Bonds School Improvement and  
18 Operations Trust Fund, established under Section 33 of the  
19 Innovation Development and Economy Act, shall be made as  
20 provided under this Section. Moneys in the Trust Fund shall be  
21 used by the Department of Revenue only for the purpose of  
22 making payments to regional superintendents of schools to make  
23 distributions to school districts in educational service  
24 regions that include the STAR bond district. Moneys in the  
25 Trust Fund are not subject to appropriation and shall be used

1 solely as provided in this Section. All deposits into the  
2 Trust Fund shall be held in the Trust Fund by the State  
3 Treasurer as ex officio custodian separate and apart from all  
4 public moneys or funds of this State and shall be distributed  
5 by the Department of Revenue exclusively for the purposes set  
6 forth in this Section. All moneys in the Trust Fund shall be  
7 invested and reinvested by the State Treasurer. All interest  
8 accruing from these investments shall be deposited into the  
9 Trust Fund.

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

20 (c) Upon approval of a STAR bond district, the county  
21 clerk immediately thereafter shall determine (i) the most  
22 recently ascertained equalized assessed value of each lot,  
23 block, tract, or parcel of real property within the STAR bond  
24 district, from which shall be deducted the homestead  
25 exemptions under Article 15 of the Property Tax Code, which  
26 value shall be the initial equalized assessed value of each

1 such piece of property, and (ii) the total equalized assessed  
2 value of all taxable real property within the district by  
3 adding together the most recently ascertained equalized  
4 assessed value of each taxable lot, block, tract, or parcel of  
5 real property within the district, from which shall be  
6 deducted the homestead exemptions under Article 15 of the  
7 Property Tax Code, and shall certify that amount as the total  
8 initial equalized assessed value of the taxable real property  
9 within the STAR bond district.

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

1 assessed value. The county clerk shall then promptly certify  
2 that amount as the total initial equalized assessed value as  
3 adjusted of the taxable real property within the STAR bond  
4 district.

5 (e) The county clerk or other person authorized by law  
6 shall compute the tax rates for each taxing district with all  
7 or a portion of its equalized assessed value located in the  
8 STAR bond district. The rate per cent of tax determined shall  
9 be extended to the current equalized assessed value of all  
10 property in the district in the same manner as the rate per  
11 cent of tax is extended to all other taxable property in the  
12 taxing district.

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

1           (g) Except in a NOVA district or in a NOVA urban district,  
2 beginning ~~Beginning~~ with the year in which taxes are collected  
3 based on the assessment year in which the first development  
4 user in the first STAR bond project in a STAR bond district  
5 makes its first retail sales and for each year thereafter  
6 until final maturity of the last STAR bonds issued in the  
7 district, the county collector shall, within 30 days after  
8 receipt of property taxes, transmit to the Department of  
9 Revenue to be deposited into the STAR Bonds School Improvement  
10 and Operations Trust Fund 15% of property taxes attributable  
11 to the increase in equalized assessed value within the STAR  
12 bond district from each taxing district as certified in  
13 subsection (f).

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

1 in the public interest. The regional superintendent may  
2 allocate moneys to school districts that are outside the  
3 regional superintendent's educational service region or to  
4 other regional superintendents.

5 The Department of Revenue shall be held harmless for the  
6 distributions made under this Section and all distributions  
7 shall be final.

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

24 (j) In any year that ad valorem taxes are allocated to the  
25 STAR Bonds School Improvement and Operations Trust Fund, that  
26 allocation shall not reduce or otherwise impact the school aid

1 provided to any school district under the general State school  
2 aid formula provided for in Section 18-8.05 of the School Code  
3 or the evidence-based funding formula provided for in Section  
4 18-8.15 of the School Code.

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

6 (50 ILCS 475/5-70)

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

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

20 (50 ILCS 475/5-75)

21 Sec. 5-75. Reporting taxes.

22 (a) Notwithstanding any other provisions of law to the  
23 contrary, the Department of Revenue shall provide a certified  
24 report of the State sales tax increment and local sales tax

1 increment from all taxpayers within a STAR bond district to  
2 the bond trustee, escrow agent, or paying agent for such bonds  
3 upon the written request of the political subdivision on or  
4 before the 25th day of each month. Such report shall provide a  
5 detailed allocation of State sales tax increment and local  
6 sales tax increment from each local sales tax and State sales  
7 tax reported to the Department of Revenue.

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

25 (b) The political subdivision shall determine when the  
26 amount of sales tax and other revenues that have been

1 collected and distributed to the bond debt service or reserve  
2 fund is sufficient to satisfy all principal and interest costs  
3 to the maturity date or dates of any STAR bond issued by a  
4 political subdivision to finance a STAR bond project and shall  
5 give the Department of Revenue written notice of such  
6 determination. The notice shall include a date certain on  
7 which deposits into the STAR Bonds Revenue Fund for that STAR  
8 bond project shall terminate and shall be provided to the  
9 Department of Revenue at least 60 days prior to that date.  
10 Thereafter, all sales tax and other revenues shall be  
11 collected and distributed in accordance with applicable law.

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

1 Revenue shall withhold distributions to the political  
2 subdivision from the Local Government Tax Fund until the  
3 excess amount is repaid, which withheld amounts shall be  
4 transferred to the General Revenue Fund.

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

6 Section 10-35. The Counties Code is amended by changing  
7 Sections 5-1006, 5-1006.8, 5-1006.9, 5-1007, and 5-1030 as  
8 follows:

9 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

10 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
11 Law. Any county that is a home rule unit may impose a tax upon  
12 all persons engaged in the business of selling tangible  
13 personal property, other than an item of tangible personal  
14 property titled or registered with an agency of this State's  
15 government, at retail in the county on the gross receipts from  
16 such sales made in the course of their business. If imposed,  
17 this tax shall only be imposed in 1/4% increments. On and after  
18 September 1, 1991, this additional tax may not be imposed on  
19 tangible personal property taxed at the 1% rate under the  
20 Retailers' Occupation Tax Act (or at the 0% rate imposed under  
21 this amendatory Act of the 102nd General Assembly). Beginning  
22 December 1, 2019, this tax is not imposed on sales of aviation  
23 fuel unless the tax revenue is expended for airport-related  
24 purposes. If the county does not have an airport-related

1 purpose to which it dedicates aviation fuel tax revenue, then  
2 aviation fuel is excluded from the tax. The county must comply  
3 with the certification requirements for airport-related  
4 purposes under Section 2-22 of the Retailers' Occupation Tax  
5 Act. For purposes of this Section, "airport-related purposes"  
6 has the meaning ascribed in Section 6z-20.2 of the State  
7 Finance Act. This exclusion for aviation fuel only applies for  
8 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
9 and 49 U.S.C. 47133 are binding on the county. The changes made  
10 to this Section by this amendatory Act of the 101st General  
11 Assembly are a denial and limitation of home rule powers and  
12 functions under subsection (g) of Section 6 of Article VII of  
13 the Illinois Constitution.

14 If, on January 1, 2025, a unit of local government has in  
15 effect a tax under this Section, or if, after January 1, 2025,  
16 a unit of local government imposes a tax under this Section,  
17 then that tax applies to leases of tangible personal property  
18 in effect, entered into, or renewed on or after that date in  
19 the same manner as the tax under this Section and in accordance  
20 with the changes made by this amendatory Act of the 103rd  
21 General Assembly.

22 The tax imposed by a home rule county pursuant to this  
23 Section and all civil penalties that may be assessed as an  
24 incident thereof shall be collected and enforced by the State  
25 Department of Revenue. The certificate of registration that is  
26 issued by the Department to a retailer under the Retailers'

1 Occupation Tax Act shall permit the retailer to engage in a  
2 business that is taxable under any ordinance or resolution  
3 enacted pursuant to this Section without registering  
4 separately with the Department under such ordinance or  
5 resolution or under this Section. The Department shall have  
6 full power to administer and enforce this Section; to collect  
7 all taxes and penalties due hereunder; to dispose of taxes and  
8 penalties so collected in the manner hereinafter provided; and  
9 to determine all rights to credit memoranda arising on account  
10 of the erroneous payment of tax or penalty hereunder. In the  
11 administration of, and compliance with, this Section, the  
12 Department and persons who are subject to this Section shall  
13 have the same rights, remedies, privileges, immunities, powers  
14 and duties, and be subject to the same conditions,  
15 restrictions, limitations, penalties and definitions of terms,  
16 and employ the same modes of procedure, as are prescribed in  
17 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through  
18 2-65 (in respect to all provisions therein other than the  
19 State rate of tax), 3 (except as to the disposition of taxes  
20 and penalties collected, and except that the retailer's  
21 discount is not allowed for taxes paid on aviation fuel that  
22 are subject to the revenue use requirements of 49 U.S.C.  
23 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
24 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
25 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
26 the Uniform Penalty and Interest Act, as fully as if those

1 provisions were set forth herein.

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

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

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified and to the person named in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the home rule county retailers' occupation  
19 tax fund or the Local Government Aviation Trust Fund, as  
20 appropriate.

21 Except as otherwise provided in this paragraph, the  
22 Department shall forthwith pay over to the State Treasurer, ex  
23 officio, as trustee, all taxes and penalties collected  
24 hereunder for deposit into the Home Rule County Retailers'  
25 Occupation Tax Fund. Taxes and penalties collected on aviation  
26 fuel sold on or after December 1, 2019, shall be immediately

1 paid over by the Department to the State Treasurer, ex  
2 officio, as trustee, for deposit into the Local Government  
3 Aviation Trust Fund. The Department shall only pay moneys into  
4 the Local Government Aviation Trust Fund under this Section  
5 for so long as the revenue use requirements of 49 U.S.C.  
6 47107(b) and 49 U.S.C. 47133 are binding on the county.

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 Section 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 counties,

1 the counties to be those from which retailers have paid taxes  
2 or penalties hereunder to the Department during the second  
3 preceding calendar month. The amount to be paid to each county  
4 shall be the amount (not including credit memoranda and not  
5 including taxes and penalties collected on aviation fuel sold  
6 on or after December 1, 2019) collected hereunder during the  
7 second preceding calendar month by the Department plus an  
8 amount the Department determines is necessary to offset any  
9 amounts that were erroneously paid to a different taxing body,  
10 and not including an amount equal to the amount of refunds made  
11 during the second preceding calendar month by the Department  
12 on behalf of such county, and not including any amount which  
13 the Department determines is necessary to offset any amounts  
14 which were payable to a different taxing body but were  
15 erroneously paid to the county, and not including any amounts  
16 that are transferred to the STAR Bonds Revenue Fund, less 1.5%  
17 of the remainder, which the Department shall transfer into the  
18 Tax Compliance and Administration Fund. The Department, at the  
19 time of each monthly disbursement to the counties, shall  
20 prepare and certify to the State Comptroller the amount to be  
21 transferred into the Tax Compliance and Administration Fund  
22 under this Section. Within 10 days after receipt, by the  
23 Comptroller, of the disbursement certification to the counties  
24 and the Tax Compliance and Administration Fund provided for in  
25 this Section to be given to the Comptroller by the Department,  
26 the Comptroller shall cause the orders to be drawn for the

1       respective amounts in accordance with the directions contained  
2       in the certification.

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

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

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

5           An ordinance or resolution imposing or discontinuing a tax  
6 hereunder or effecting a change in the rate thereof shall be  
7 adopted and a certified copy thereof filed with the Department  
8 on or before the first day of June, whereupon the Department  
9 shall proceed to administer and enforce this Section as of the  
10 first day of September next following such adoption and  
11 filing. Beginning January 1, 1992, an ordinance or resolution  
12 imposing or discontinuing the tax hereunder or effecting a  
13 change in the rate thereof shall be adopted and a certified  
14 copy thereof filed with the Department on or before the first  
15 day of July, whereupon the Department shall proceed to  
16 administer and enforce this Section as of the first day of  
17 October next following such adoption and filing. Beginning  
18 January 1, 1993, an ordinance or resolution imposing or  
19 discontinuing the tax hereunder or effecting a change in the  
20 rate thereof shall be adopted and a certified copy thereof  
21 filed with the Department on or before the first day of  
22 October, whereupon the Department shall proceed to administer  
23 and enforce this Section as of the first day of January next  
24 following such adoption and filing. Beginning April 1, 1998,  
25 an 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 When certifying the amount of a monthly disbursement to a  
11 county under this Section, the Department shall increase or  
12 decrease such 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 This Section shall be known and may be cited as the Home  
17 Rule County Retailers' Occupation Tax Law.

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

19 (55 ILCS 5/5-1006.8)

20 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax  
21 Law.

22 (a) This Section may be referred to as the County Cannabis  
23 Retailers' Occupation Tax Law. The corporate authorities of  
24 any county may, by ordinance, impose a tax upon all persons  
25 engaged in the business of selling cannabis, other than

1 cannabis purchased under the Compassionate Use of Medical  
2 Cannabis Program Act, at retail in the county on the gross  
3 receipts from these sales made in the course of that business.  
4 If imposed, the tax shall be imposed only in 0.25% increments.  
5 The tax rate may not exceed: (i) 3.75% of the gross receipts of  
6 sales made in unincorporated areas of the county; and (ii) 3%  
7 of the gross receipts of sales made in a municipality located  
8 in the county. The tax imposed under this Section and all civil  
9 penalties that may be assessed as an incident of the tax shall  
10 be collected and enforced by the Department of Revenue. The  
11 Department of Revenue shall have full power to administer and  
12 enforce this Section; to collect all taxes and penalties due  
13 hereunder; to dispose of taxes and penalties so collected in  
14 the manner hereinafter provided; and to determine all rights  
15 to credit memoranda arising on account of the erroneous  
16 payment of tax or penalty under this Section. In the  
17 administration of and compliance with this Section, the  
18 Department of Revenue 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 described in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
24 1n, 2 through 2-65 (in respect to all provisions therein other  
25 than the State rate of tax), 2a, 2b, 2c, 2i, 3 (except as to  
26 the disposition of taxes and penalties collected), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d,  
2 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
3 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act  
4 as fully as if those provisions were set forth in this Section.

5 (b) Persons subject to any tax imposed under the authority  
6 granted in this Section may reimburse themselves for their  
7 seller's tax liability hereunder by separately stating that  
8 tax as an additional charge, which charge may be stated in  
9 combination, in a single amount, with any State tax that  
10 sellers are required to collect.

11 (c) Whenever the Department of Revenue determines that a  
12 refund should be made under this Section to a claimant instead  
13 of issuing a credit memorandum, the Department of Revenue  
14 shall notify the State Comptroller, who shall cause the order  
15 to be drawn for the amount specified and to the person named in  
16 the notification from the Department of Revenue.

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

22 As soon as possible after the first day of each month,  
23 beginning July 1, 2026, upon certification of the Department  
24 of Revenue, the Comptroller shall order transferred, and the  
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
26 local sales tax increment, as defined in the Statewide

1 Innovation Development and Economy Act, collected under this  
2 Section during the second preceding calendar month for sales  
3 within a STAR bond district.

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

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

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

1 (g) Notwithstanding any provision in this Section to the  
2 contrary, if an ordinance or resolution imposing a tax under  
3 this Section was adopted on or before October 1, 2020 and a  
4 certified copy thereof was filed with the Department of  
5 Revenue on or before November 1, 2020, then the Department  
6 shall proceed to administer and enforce this Section as of May  
7 1, 2021 for such ordinances or resolutions.

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

10 (55 ILCS 5/5-1006.9)

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

12 (a) The corporate authorities of any county may, by  
13 ordinance or resolution that takes effect on or after January  
14 1, 2026, impose a tax upon all persons engaged in the business  
15 of selling groceries at retail in the county, but outside of  
16 any municipality, on the gross receipts from those sales made  
17 in the course of that business. If imposed, the tax shall be at  
18 the rate of 1% of the gross receipts from these sales.

19 The tax imposed by a county under this subsection and all  
20 civil penalties that may be assessed as an incident of the tax  
21 shall be collected and enforced by the Department. 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 under this

1 subsection without registering separately with the Department  
2 under that ordinance or resolution or under this subsection.

3 The Department shall have full power to administer and  
4 enforce this subsection; to collect all taxes and penalties  
5 due under this subsection; to dispose of taxes and penalties  
6 so collected in the manner provided in this Section and under  
7 rules adopted by the Department; and to determine all rights  
8 to credit memoranda arising on account of the erroneous  
9 payment of tax or penalty under this subsection.

10 In the administration of, and compliance with, this  
11 subsection, the Department and persons who are subject to this  
12 subsection 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 prescribed in Sections 1, 2 through 2-65 (in respect to  
17 all provisions therein other than the State rate of tax and  
18 other than the exemption for food for human consumption that  
19 is to be consumed off the premises where it is sold (other than  
20 alcoholic beverages, food consisting of or infused with adult  
21 use cannabis, soft drinks, candy, and food that has been  
22 prepared for immediate consumption), which is authorized to be  
23 taxed as provided in this subsection), 2c, 3 (except as to the  
24 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
25 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,  
26 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of

1 the Uniform Penalty and Interest Act, as fully as if those  
2 provisions were set forth in this Section.

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

10 (b) If a tax has been imposed under subsection (a), then a  
11 service occupation tax must also be imposed at the same rate  
12 upon all persons engaged, in the county but outside of a  
13 municipality, in the business of making sales of service, who,  
14 as an incident to making those sales of service, transfer  
15 groceries, as defined in this Section, as an incident to a sale  
16 of service.

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

1           The Department shall have full power to administer and  
2 enforce this subsection, to collect all taxes and penalties  
3 due under this subsection, to dispose of taxes and penalties  
4 so collected in the manner provided in this Section and under  
5 rules adopted by the Department, and to determine all rights  
6 to credit memoranda arising on account of the erroneous  
7 payment of a tax or penalty under this subsection.

8           In the administration of and compliance with this  
9 subsection, the Department and persons who are subject to this  
10 subsection shall have the same rights, remedies, privileges,  
11 immunities, powers and duties, and be subject to the same  
12 conditions, restrictions, limitations, penalties and  
13 definitions of terms, and employ the same modes of procedure  
14 as are set forth in Sections 2, 2c, 3 through 3-50 (in respect  
15 to all provisions contained in those Sections other than: (i)  
16 the State rate of tax; (ii) the exemption for food for human  
17 consumption that is to be consumed off the premises where it is  
18 sold (other than alcoholic beverages, food consisting of or  
19 infused with adult use cannabis, soft drinks, candy, and food  
20 that has been prepared for immediate consumption), which is  
21 authorized to be taxed as provided in this subsection; and  
22 (iii) the exemption for food prepared for immediate  
23 consumption and transferred incident to a sale of service  
24 subject to the Service Occupation Tax Act or the Service Use  
25 Tax Act by an entity licensed under the Hospital Licensing  
26 Act, the Nursing Home Care Act, the Assisted Living and Shared

1 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the  
2 Specialized Mental Health Rehabilitation Act of 2013, or the  
3 Child Care Act of 1969, or an entity that holds a permit issued  
4 pursuant to the Life Care Facilities Act, which is authorized  
5 to be taxed as provided in this subsection), 4, 5, 7, 8, 9  
6 (except as to the disposition of taxes and penalties  
7 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the  
8 Service Occupation Tax Act and all provisions of the Uniform  
9 Penalty and Interest Act, as fully as if those provisions were  
10 set forth in this Section.

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

18 (c) The Department shall immediately pay over to the State  
19 Treasurer, ex officio, as trustee, all taxes and penalties  
20 collected under this Section. Those taxes and penalties shall  
21 be deposited into the County Grocery Tax Trust Fund, a trust  
22 fund created in the State treasury. Except as otherwise  
23 provided in this Section, moneys in the County Grocery Tax  
24 Trust Fund shall be used to make payments to counties and for  
25 the payment of refunds under this Section.

26 Moneys deposited into the County Grocery Tax Trust Fund

1 under this Section are not subject to appropriation and shall  
2 be used as provided in this Section. All deposits into the  
3 County Grocery Tax Trust Fund shall be held in the County  
4 Grocery Tax Trust Fund by the State Treasurer, ex officio, as  
5 trustee separate and apart from all public moneys or funds of  
6 this State.

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 County Grocery Tax Trust Fund.

14 (d) As soon as possible after the first day of each month,  
15 upon certification of the Department, the Comptroller shall  
16 order transferred, and the Treasurer shall transfer, to the  
17 STAR Bonds Revenue Fund the local sales tax increment, if any,  
18 as defined in the Innovation Development and Economy Act,  
19 collected under this Section.

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

1           After the monthly transfers ~~transfer~~ to the STAR Bonds  
2 Revenue Fund, if any, on or before the 25th day of each  
3 calendar month, the Department shall prepare and certify to  
4 the Comptroller the disbursement of stated sums of money to  
5 named counties, the counties to be those from which retailers  
6 have paid taxes or penalties under this Section to the  
7 Department during the second preceding calendar month. The  
8 amount to be paid to each county shall be the amount (not  
9 including credit memoranda) collected under this Section  
10 during the second preceding calendar month by the Department  
11 plus an amount the Department determines is necessary to  
12 offset any amounts that were erroneously paid to a different  
13 taxing body, and not including an amount equal to the amount of  
14 refunds made during the second preceding calendar month by the  
15 Department on behalf of such county, and not including any  
16 amount that the Department determines is necessary to offset  
17 any amounts that were payable to a different taxing body but  
18 were erroneously paid to the county, and not including any  
19 amounts that are transferred to the STAR Bonds Revenue Fund.  
20 Within 10 days after receipt by the Comptroller of the  
21 disbursement certification to the counties provided for in  
22 this Section to be given to the Comptroller by the Department,  
23 the Comptroller shall cause the orders to be drawn for the  
24 amounts in accordance with the directions contained in the  
25 certification.

26           (e) Nothing in this Section shall be construed to

1 authorize a county to impose a tax upon the privilege of  
2 engaging in any business which under the Constitution of the  
3 United States may not be made the subject of taxation by this  
4 State.

5 (f) Except as otherwise provided in this subsection, an  
6 ordinance or resolution imposing or discontinuing the tax  
7 hereunder or effecting a change in the rate thereof shall  
8 either (i) be adopted and a certified copy thereof filed with  
9 the Department on or before the first day of April, whereupon  
10 the Department shall proceed to administer and enforce this  
11 Section as of the first day of July next following the adoption  
12 and filing, or (ii) be adopted and a certified copy thereof  
13 filed with the Department on or before the first day of  
14 October, whereupon the Department shall proceed to administer  
15 and enforce this Section as of the first day of January next  
16 following the adoption and filing.

17 (g) When certifying the amount of a monthly disbursement  
18 to a county under this Section, the Department shall increase  
19 or decrease the amount by an amount necessary to offset any  
20 misallocation of previous disbursements. The offset amount  
21 shall be the amount erroneously disbursed within the previous  
22 6 months from the time a misallocation is discovered.

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

25 For purposes of the tax authorized to be imposed under  
26 subsection (a), "groceries" has the same meaning as "food for

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

7 For purposes of the tax authorized to be imposed under  
8 subsection (b), "groceries" has the same meaning as "food for  
9 human consumption that is to be consumed off the premises  
10 where it is sold (other than alcoholic beverages, food  
11 consisting of or infused with adult use cannabis, soft drinks,  
12 candy, and food that has been prepared for immediate  
13 consumption)", as further defined in Section 3-10 of the  
14 Service Occupation Tax Act.

15 For purposes of the tax authorized to be imposed under  
16 subsection (b), "groceries" also means food prepared for  
17 immediate consumption and transferred incident to a sale of  
18 service subject to the Service Occupation Tax Act or the  
19 Service Use Tax Act by an entity licensed under the Hospital  
20 Licensing Act, the Nursing Home Care Act, the Assisted Living  
21 and Shared Housing Act, the ID/DD Community Care Act, the  
22 MC/DD Act, the Specialized Mental Health Rehabilitation Act of  
23 2013, or the Child Care Act of 1969, or an entity that holds a  
24 permit issued pursuant to the Life Care Facilities Act.

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

1 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

2 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

3 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
4 The corporate authorities of a home rule county may impose a  
5 tax upon all persons engaged, in such county, in the business  
6 of making sales of service at the same rate of tax imposed  
7 pursuant to Section 5-1006 of the selling price of all  
8 tangible personal property transferred by such servicemen  
9 either in the form of tangible personal property or in the form  
10 of real estate as an incident to a sale of service. If imposed,  
11 such 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 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 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. The tax imposed by a home rule  
7 county pursuant to this Section and all civil penalties that  
8 may be assessed as an incident thereof shall be collected and  
9 enforced by the State Department of Revenue. The certificate  
10 of registration which is issued by the Department to a  
11 retailer under the Retailers' Occupation Tax Act or under the  
12 Service Occupation Tax Act shall permit such registrant to  
13 engage in a business which is taxable under any ordinance or  
14 resolution enacted pursuant to this Section without  
15 registering separately with the Department under such  
16 ordinance or resolution or under this Section. The Department  
17 shall have full power to administer and enforce this Section;  
18 to collect all taxes and penalties due hereunder; to dispose  
19 of taxes and penalties so collected in the manner hereinafter  
20 provided; and to determine all rights to credit memoranda  
21 arising on account of the erroneous payment of tax or penalty  
22 hereunder. In the administration of, and compliance with, this  
23 Section the Department and persons who are subject to this  
24 Section shall have the same rights, remedies, privileges,  
25 immunities, powers and duties, and be subject to the same  
26 conditions, restrictions, limitations, penalties and

1 definitions of terms, and employ the same modes of procedure,  
2 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
3 respect to all provisions therein other than the State rate of  
4 tax), 4 (except that the reference to the State shall be to the  
5 taxing county), 5, 7, 8 (except that the jurisdiction to which  
6 the tax shall be a debt to the extent indicated in that Section  
7 8 shall be the taxing county), 9 (except as to the disposition  
8 of taxes and penalties collected, and except that the returned  
9 merchandise credit for this county tax may not be taken  
10 against any State tax, and except that the retailer's discount  
11 is not allowed for taxes paid on aviation fuel that are subject  
12 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
13 U.S.C. 47133), 10, 11, 12 (except the reference therein to  
14 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
15 that any reference to the State shall mean the taxing county),  
16 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
17 Service Occupation Tax Act and Section 3-7 of the Uniform  
18 Penalty and Interest Act, as fully as if those provisions were  
19 set forth herein.

20 No tax may be imposed by a home rule county pursuant to  
21 this Section unless such county also imposes a tax at the same  
22 rate pursuant to Section 5-1006.

23 If, on January 1, 2025, a unit of local government has in  
24 effect a tax under this Section, or if, after January 1, 2025,  
25 a unit of local government imposes a tax under this Section,  
26 then that tax applies to leases of tangible personal property

1 in effect, entered into, or renewed on or after that date in  
2 the same manner as the tax under this Section and in accordance  
3 with the changes made by this amendatory Act of the 103rd  
4 General Assembly.

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

13 Whenever the Department determines that a refund should be  
14 made under this Section to a claimant instead of issuing  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the order to be drawn for the  
17 amount specified, and to the person named, in such  
18 notification from the Department. Such refund shall be paid by  
19 the State Treasurer out of the home rule county retailers'  
20 occupation tax fund or the Local Government Aviation Trust  
21 Fund, as appropriate.

22 Except as otherwise provided in this paragraph, the  
23 Department shall forthwith pay over to the State Treasurer, ex  
24 officio, as trustee, all taxes and penalties collected  
25 hereunder for deposit into the Home Rule County Retailers'  
26 Occupation Tax Fund. Taxes and penalties collected on aviation

1 fuel sold on or after December 1, 2019, shall be immediately  
2 paid over by the Department to the State Treasurer, ex  
3 officio, as trustee, for deposit into the Local Government  
4 Aviation Trust Fund. The Department shall only pay moneys into  
5 the Local Government Aviation Trust Fund under this Section  
6 for so long as the revenue use requirements of 49 U.S.C.  
7 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

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

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

1 the disbursement of stated sums of money to named counties,  
2 the counties to be those from which suppliers and servicemen  
3 have paid taxes or penalties hereunder to the Department  
4 during the second preceding calendar month. The amount to be  
5 paid to each county shall be the amount (not including credit  
6 memoranda and not including taxes and penalties collected on  
7 aviation fuel sold on or after December 1, 2019) collected  
8 hereunder during the second preceding calendar month by the  
9 Department, 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 amounts that are transferred to the STAR Bonds Revenue Fund,  
13 less 1.5% of the remainder, which the Department shall  
14 transfer into the Tax Compliance and Administration Fund. The  
15 Department, at the time of each monthly disbursement to the  
16 counties, shall prepare and certify to the State Comptroller  
17 the amount to be transferred into the Tax Compliance and  
18 Administration Fund under this Section. Within 10 days after  
19 receipt, by the Comptroller, of the disbursement certification  
20 to the counties and the Tax Compliance and Administration Fund  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 directions contained in such certification.

25 In addition to the disbursement required by the preceding  
26 paragraph, an allocation shall be made in each year to each

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

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

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

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

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

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

1 (55 ILCS 5/5-1030) (from Ch. 34, par. 5-1030)

2 Sec. 5-1030. Hotel rooms, tax on gross rental receipts.

3 (a) The corporate authorities of any county may by  
4 ordinance impose a tax upon all persons engaged in such county  
5 in the business of renting, leasing or letting rooms in a hotel  
6 which is not located within a city, village, or incorporated  
7 town that imposes a tax under Section 8-3-14 of the Illinois  
8 Municipal Code, as defined in "The Hotel Operators' Occupation  
9 Tax Act", at a rate not to exceed 5% of the gross rental  
10 receipts from such renting, leasing or letting, excluding,  
11 however, from gross rental receipts, the proceeds of such  
12 renting, leasing or letting to permanent residents of that  
13 hotel, and may provide for the administration and enforcement  
14 of the tax, and for the collection thereof from the persons  
15 subject to the tax, as the corporate authorities determine to  
16 be necessary or practicable for the effective administration  
17 of the tax. As provided in subsection (i) of Section 5-45 of  
18 the Statewide Innovation Development and Economy Act, the  
19 limitation on the rate of tax imposed under this subsection  
20 does not apply to a tax imposed under this subsection by the  
21 corporate authorities of a county on a business located within  
22 a STAR bond district established by the corporate authorities  
23 of the county under the Statewide Innovation Development and  
24 Economy Act.

25 (b) With the consent of municipalities representing at  
26 least 67% of the population of Winnebago County, as determined

1 by the 2010 federal decennial census and as expressed by  
2 resolution of the corporate authorities of those  
3 municipalities, the county board of Winnebago 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 2% 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 utilized solely for  
2 either: (1) encouraging, supporting, marketing, constructing,  
3 or 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.

10 (b-5) The county board of Sangamon County may, by  
11 ordinance, impose a tax upon all persons engaged in the county  
12 in the business of renting, leasing, or letting rooms in a  
13 hotel that imposes a tax under Section 8-3-14 of the Illinois  
14 Municipal Code, as defined in the Hotel Operators' Occupation  
15 Tax Act, at a rate not to exceed 3% of the gross rental  
16 receipts from renting, leasing, or letting, excluding,  
17 however, from gross rental receipts, the proceeds of the  
18 renting, leasing, or letting to permanent residents of that  
19 hotel, and may provide for the administration and enforcement  
20 of the tax, and for the collection thereof from the persons  
21 subject to the tax, as the county board determines to be  
22 necessary or practicable for the effective administration of  
23 the tax. As provided in subsection (i) of Section 5-45 of the  
24 Statewide Innovation Development and Economy Act, the  
25 limitation on the rate of tax imposed under this subsection  
26 does not apply to a tax imposed under this subsection by the

1 corporate authorities of a county on a business located within  
2 a STAR bond district established by the corporate authorities  
3 of the county under the Statewide Innovation Development and  
4 Economy Act. The tax shall be instituted on a county-wide  
5 basis and shall be in addition to any tax imposed by this or  
6 any other provision of law. The revenue generated under this  
7 subsection shall be accounted for and segregated from all  
8 other funds of the county and shall be used solely for either:  
9 (1) encouraging, supporting, marketing, constructing, or  
10 operating, either directly by the county or through other  
11 taxing bodies within the county, sports, arts, or other  
12 entertainment or tourism facilities or programs for the  
13 purpose of promoting tourism, competitiveness, job growth, and  
14 for the general health and well-being of the citizens of the  
15 county; ~~or~~ (2) payment towards debt services on bonds issued  
16 for the purposes set forth in this subsection; or (3) the  
17 purposes described in the Capital Area Tourism Authority Act.

18 (c) A Tourism Facility Board shall be established,  
19 comprised of a representative from the county and from each  
20 municipality that has approved the imposition of the tax under  
21 subsection (b) of this Section.

22 (1) A Board member's vote is weighted based on the  
23 municipality's population relative to the population of  
24 the county, with the county representing the population  
25 within unincorporated areas of the county. Representatives  
26 from the Rockford Park District and Rockford Area

1 Convention and Visitors Bureau shall serve as ex-officio  
2 members with no voting rights.

3 (2) The Board must meet not less frequently than once  
4 per year to direct the use of revenues collected from the  
5 tax imposed under subsection (b) of this Section that are  
6 not already directed for use pursuant to an  
7 intergovernmental agreement between the county and another  
8 entity represented on the Board, including the ex-officio  
9 members, and for any other reason the Board deems  
10 necessary. Affirmative actions of the Board shall require  
11 a weighted vote of Board members representing not less  
12 than 67% of the population of the county.

13 (3) The Board shall not be a separate unit of local  
14 government, shall have no paid staff, and members of the  
15 Board shall receive no compensation or reimbursement of  
16 expenses from proceeds of the tax imposed under subsection  
17 (b) of this Section.

18 (d) Persons subject to any tax imposed pursuant to  
19 authority granted by this Section may reimburse themselves for  
20 their tax liability for such tax by separately stating such  
21 tax as an additional charge, which charge may be stated in  
22 combination, in a single amount, with State tax imposed under  
23 "The Hotel Operators' Occupation Tax Act".

24 Nothing in this Section shall be construed to authorize a  
25 county to impose a tax upon the privilege of engaging in any  
26 business which under the Constitution of the United States may

1 not be made the subject of taxation by this State.

2 An ordinance or resolution imposing a tax hereunder or  
3 effecting a change in the rate thereof shall be effective on  
4 the first day of the calendar month next following its passage  
5 and required publication.

6 The amounts collected by any county pursuant to this  
7 Section shall be expended to promote tourism; conventions;  
8 expositions; theatrical, sports and cultural activities within  
9 that county or otherwise to attract nonresident overnight  
10 visitors to the county.

11 Any county may agree with any unit of local government,  
12 including any authority defined as a metropolitan exposition,  
13 auditorium and office building authority, fair and exposition  
14 authority, exposition and auditorium authority, or civic  
15 center authority created pursuant to provisions of Illinois  
16 law and the territory of which unit of local government or  
17 authority is co-extensive with or wholly within such county,  
18 to impose and collect for a period not to exceed 40 years, any  
19 portion or all of the tax authorized pursuant to this Section  
20 and to transmit such tax so collected to such unit of local  
21 government or authority. The amount so paid shall be expended  
22 by any such unit of local government or authority for the  
23 purposes for which such tax is authorized. Any such agreement  
24 must be authorized by resolution or ordinance, as the case may  
25 be, of such county and unit of local government or authority,  
26 and such agreement may provide for the irrevocable imposition

1 and collection of said tax at such rate, or amount as limited  
2 by a given rate, as may be agreed upon for the full period of  
3 time set forth in such agreement; and such agreement may  
4 further provide for any other terms as deemed necessary or  
5 advisable by such county and such unit of local government or  
6 authority. Any such agreement shall be binding and enforceable  
7 by either party to such agreement. Such agreement entered into  
8 pursuant to this Section shall not in any event constitute an  
9 indebtedness of such county subject to any limitation imposed  
10 by statute or otherwise.

11 (Source: P.A. 103-781, eff. 8-5-24.)

12 Section 10-40. The Illinois Municipal Code is amended by  
13 changing Sections 8-3-14a, 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4,  
14 8-11-1.6, 8-11-1.7, 8-11-5, 8-11-23, 8-11-24, and 11-74.3-6 as  
15 follows:

16 (65 ILCS 5/8-3-14a)

17 Sec. 8-3-14a. Municipal hotel use tax.

18 (a) The corporate authorities of any municipality may  
19 impose a tax upon the privilege of renting or leasing rooms in  
20 a hotel within the municipality at a rate not to exceed 5% of  
21 the rental or lease payment. As provided in subsection (i) of  
22 Section 5-45 of the Statewide Innovation Development and  
23 Economy Act, the limitation on the rate of tax imposed under  
24 this subsection does not apply to a tax imposed under this

1 subsection by the corporate authorities of a municipality on a  
2 business located within a STAR bond district established by  
3 the corporate authorities of the municipality under the  
4 Statewide Innovation Development and Economy Act. The  
5 corporate authorities may provide for the administration and  
6 enforcement of the tax and for the collection thereof from the  
7 persons subject to the tax, as the corporate authorities  
8 determine to be necessary or practical for the effective  
9 administration of the tax.

10 (b) Each hotel in the municipality shall collect the tax  
11 from the person making the rental or lease payment at the time  
12 that the payment is tendered to the hotel. The hotel shall, as  
13 trustee, remit the tax to the municipality.

14 (c) The tax authorized under this Section does not apply  
15 to any rental or lease payment by a permanent resident of that  
16 hotel or to any payment made to any hotel that is subject to  
17 the tax imposed under subsection (c) of Section 13 of the  
18 Metropolitan Pier and Exposition Authority Act. A municipality  
19 may not impose a tax under this Section if it imposes a tax  
20 under Section 8-3-14. Nothing in this Section may be construed  
21 to authorize a municipality to impose a tax upon the privilege  
22 of engaging in any business that under the Constitution of the  
23 United States may not be made the subject of taxation by this  
24 State.

25 (d) Except as otherwise provided in this Division, the  
26 moneys collected by a municipality under this Section may be

1 expended solely to promote tourism and conventions within that  
2 municipality or otherwise to attract nonresident overnight  
3 visitors to the municipality. No moneys received under this  
4 Section may be used to advertise for or otherwise promote new  
5 competition in the hotel business.

6 (e) As used in this Section, "hotel" has the meaning set  
7 forth in Section 2 of the Hotel Operators' Occupation Tax Act.  
8 (Source: P.A. 101-204, eff. 8-2-19.)

9 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

10 Sec. 8-4-1. No bonds shall be issued by the corporate  
11 authorities of any municipality until the question of  
12 authorizing such bonds has been submitted to the electors of  
13 that municipality provided that notice of the bond referendum,  
14 if held before July 1, 1999, has been given in accordance with  
15 the provisions of Section 12-5 of the Election Code in effect  
16 at the time of the bond referendum, at least 10 and not more  
17 than 45 days before the date of the election, notwithstanding  
18 the time for publication otherwise imposed by Section 12-5,  
19 and approved by a majority of the electors voting upon that  
20 question. Notices required in connection with the submission  
21 of public questions on or after July 1, 1999 shall be as set  
22 forth in Section 12-5 of the Election Code. The clerk shall  
23 certify the proposition of the corporate authorities to the  
24 proper election authority who shall submit the question at an  
25 election in accordance with the general election law, subject

1 to the notice provisions set forth in this Section.

2 Notice of any such election shall contain the amount of  
3 the bond issue, purpose for which issued, and maximum rate of  
4 interest.

5 In addition to all other authority to issue bonds, the  
6 Village of Indian Head Park is authorized to issue bonds for  
7 the purpose of paying the costs of making roadway improvements  
8 in an amount not to exceed the aggregate principal amount of  
9 \$2,500,000, provided that 60% of the votes cast at the general  
10 primary election held on March 18, 2014 are cast in favor of  
11 the issuance of the bonds, and the bonds are issued by December  
12 31, 2014.

13 However, without the submission of the question of issuing  
14 bonds to the electors, the corporate authorities of any  
15 municipality may authorize the issuance of any of the  
16 following bonds:

17 (1) Bonds to refund any existing bonded indebtedness;

18 (2) Bonds to fund or refund any existing judgment  
19 indebtedness;

20 (3) In any municipality of less than 500,000  
21 population, bonds to anticipate the collection of  
22 installments of special assessments and special taxes  
23 against property owned by the municipality and to  
24 anticipate the collection of the amount apportioned to the  
25 municipality as public benefits under Article 9;

26 (4) Bonds issued by any municipality under Sections

1 8-4-15 through 8-4-23, 11-23-1 through 11-23-12, 11-26-1  
2 through 11-26-6, 11-71-1 through 11-71-10, 11-74.3-1  
3 through 11-74.3-7, 11-74.4-1 through 11-74.4-11, 11-74.5-1  
4 through 11-74.5-15, 11-94-1 through 11-94-7, 11-102-1  
5 through 11-102-10, 11-103-11 through 11-103-15, 11-118-1  
6 through 11-118-6, 11-119-1 through 11-119-5, 11-129-1  
7 through 11-129-7, 11-133-1 through 11-133-4, 11-139-1  
8 through 11-139-12, 11-141-1 through 11-141-18 of this  
9 Code, or 10-801 through 10-808 of the Illinois Highway  
10 Code;

11 (5) Bonds issued by the board of education of any  
12 school district under the provisions of Sections 34-30  
13 through 34-36 of the School Code;

14 (6) Bonds issued by any municipality under the  
15 provisions of Division 6 of this Article 8; and by any  
16 municipality under the provisions of Division 7 of this  
17 Article 8; or under the provisions of Sections 11-121-4  
18 and 11-121-5;

19 (7) Bonds to pay for the purchase of voting machines  
20 by any municipality that has adopted Article 24 of the  
21 Election Code;

22 (8) Bonds issued by any municipality under Sections 15  
23 and 46 of the Environmental Protection Act;

24 (9) Bonds issued by the corporate authorities of any  
25 municipality under the provisions of Section 8-4-25 of  
26 this Article 8;

1           (10) Bonds issued under Section 8-4-26 of this Article  
2           8 by any municipality having a board of election  
3           commissioners;

4           (11) Bonds issued under the provisions of the Special  
5           Service Area Tax Act (repealed);

6           (12) Bonds issued under Section 8-5-16 of this Code;

7           (13) Bonds to finance the cost of the acquisition,  
8           construction, or improvement of water or wastewater  
9           treatment facilities mandated by an enforceable compliance  
10          schedule developed in connection with the federal Clean  
11          Water Act or a compliance order issued by the United  
12          States Environmental Protection Agency or the Illinois  
13          Pollution Control Board; provided that such bonds are  
14          authorized by an ordinance adopted by a three-fifths  
15          majority of the corporate authorities of the municipality  
16          issuing the bonds which ordinance shall specify that the  
17          construction or improvement of such facilities is  
18          necessary to alleviate an emergency condition in such  
19          municipality;

20          (14) Bonds issued by any municipality pursuant to  
21          Section 11-113.1-1;

22          (15) Bonds issued under Sections 11-74.6-1 through  
23          11-74.6-45, the Industrial Jobs Recovery Law of this Code;

24          (16) Bonds issued under the Innovation Development and  
25          Economy Act, except as may be required by Section 35 of  
26          that Act.

1           (17) Bonds issued under the Statewide Innovation  
2           Development and Economy Act, except as may be required by  
3           Section 5-60 of that Act.

4           (Source: P.A. 102-587, eff. 1-1-22; 103-605, eff. 7-1-24.)

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

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

1 "airport-related purposes" has the meaning ascribed in Section  
2 6z-20.2 of the State Finance Act. This exclusion for aviation  
3 fuel only applies for so long as the revenue use requirements  
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
5 municipality. The changes made to this Section by this  
6 amendatory Act of the 101st General Assembly are a denial and  
7 limitation of home rule powers and functions under subsection  
8 (g) of Section 6 of Article VII of the Illinois Constitution.  
9 The tax imposed by a home rule municipality under this Section  
10 and all civil penalties that may be assessed as an incident of  
11 the tax shall be collected and enforced by the State  
12 Department of Revenue. The certificate of registration that is  
13 issued by the Department to a retailer under the Retailers'  
14 Occupation Tax Act shall permit the retailer to engage in a  
15 business that is taxable under any ordinance or resolution  
16 enacted pursuant to this Section without registering  
17 separately with the Department under such ordinance or  
18 resolution or under this Section. The Department shall have  
19 full power to administer and enforce this Section; to collect  
20 all taxes and penalties due hereunder; to dispose of taxes and  
21 penalties so collected in the manner hereinafter provided; and  
22 to determine all rights to credit memoranda arising on account  
23 of the erroneous payment of tax or penalty hereunder. In the  
24 administration of, and compliance with, this Section the  
25 Department and persons who are subject to this Section shall  
26 have the same rights, remedies, privileges, immunities, powers

1 and duties, and be subject to the same conditions,  
2 restrictions, limitations, penalties and definitions of terms,  
3 and employ the same modes of procedure, as are prescribed in  
4 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65  
5 (in respect to all provisions therein other than the State  
6 rate of tax), 2c, 3 (except as to the disposition of taxes and  
7 penalties collected, and except that the retailer's discount  
8 is not allowed for taxes paid on aviation fuel that are subject  
9 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
10 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
11 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
13 Penalty and Interest Act, as fully as if those provisions were  
14 set forth herein.

15 No tax may be imposed by a home rule municipality under  
16 this Section unless the municipality also imposes a tax at the  
17 same rate under Section 8-11-5 of this Act.

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 under the authority

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

7 Whenever the Department determines that a refund should be  
8 made under this Section to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the order to be drawn for the  
11 amount specified and to the person named in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the home rule municipal retailers' occupation  
14 tax fund or the Local Government Aviation Trust Fund, as  
15 appropriate.

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

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

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 Section 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, the municipalities to be those from which  
23 retailers have paid taxes or penalties hereunder to the  
24 Department during the second preceding calendar month. The  
25 amount to be paid to each municipality shall be the amount (not  
26 including credit memoranda and not including taxes and

1 penalties collected on aviation fuel sold on or after December  
2 1, 2019) collected hereunder during the second preceding  
3 calendar month by the Department plus an amount the Department  
4 determines is necessary to offset any amounts that were  
5 erroneously paid to a different taxing body, and not including  
6 an amount equal to the amount of refunds made during the second  
7 preceding calendar month by the Department on behalf of such  
8 municipality, and not including any amount that the Department  
9 determines is necessary to offset any amounts that were  
10 payable to a different taxing body but were erroneously paid  
11 to the municipality, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
13 remainder, which the Department shall transfer into the Tax  
14 Compliance and Administration Fund. The Department, at the  
15 time of each monthly disbursement to the municipalities, shall  
16 prepare and certify to the State Comptroller the amount to be  
17 transferred into the Tax Compliance and Administration Fund  
18 under this Section. Within 10 days after receipt by the  
19 Comptroller of the disbursement certification to the  
20 municipalities and the Tax Compliance and Administration Fund  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 directions contained in the certification.

25 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

8 For the purpose of determining the local governmental unit  
9 whose tax is applicable, a retail sale by a producer of coal or  
10 other mineral mined in Illinois is a sale at retail at the  
11 place where the coal or other mineral mined in Illinois is  
12 extracted from the earth. This paragraph does not apply to  
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 United States Constitution as a sale  
16 in interstate or foreign commerce.

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

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

1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in  
3 the rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the  
12 Department shall proceed to administer and enforce this  
13 Section as of the first day of January next following the  
14 adoption and filing. However, a municipality located in a  
15 county with a population in excess of 3,000,000 that elected  
16 to become a home rule unit at the general primary election in  
17 1994 may adopt an ordinance or resolution imposing the tax  
18 under this Section and file a certified copy of the ordinance  
19 or resolution with the Department on or before July 1, 1994.  
20 The Department shall then proceed to administer and enforce  
21 this Section as of October 1, 1994. Beginning April 1, 1998, an  
22 ordinance or resolution imposing or discontinuing the tax  
23 hereunder or effecting a change in the rate thereof shall  
24 either (i) be adopted and a certified copy thereof filed with  
25 the Department on or before the first day of April, whereupon  
26 the Department shall proceed to administer and enforce this

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

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

13 Any unobligated balance remaining in the Municipal  
14 Retailers' Occupation Tax Fund on December 31, 1989, which  
15 fund was abolished by Public Act 85-1135, and all receipts of  
16 municipal tax as a result of audits of liability periods prior  
17 to January 1, 1990, shall be paid into the Local Government Tax  
18 Fund for distribution as provided by this Section prior to the  
19 enactment of Public Act 85-1135. All receipts of municipal tax  
20 as a result of an assessment not arising from an audit, for  
21 liability periods prior to January 1, 1990, shall be paid into  
22 the Local Government Tax Fund for distribution before July 1,  
23 1990, as provided by this Section prior to the enactment of  
24 Public Act 85-1135; and on and after July 1, 1990, all such  
25 receipts shall be distributed as provided in Section 6z-18 of  
26 the State Finance Act.

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

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

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

7           (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

8           Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
9 Occupation Tax Act. The corporate authorities of a non-home  
10 rule municipality may impose, by ordinance or resolution  
11 adopted in the manner described in Section 8-11-1.1, a tax  
12 upon all persons engaged in the business of selling tangible  
13 personal property, other than on an item of tangible personal  
14 property which is titled and registered by an agency of this  
15 State's Government, at retail in the municipality. If imposed,  
16 the tax shall be imposed on the gross receipts from such sales  
17 made in the course of such business. The proceeds of the tax  
18 may be used for public infrastructure or for property tax  
19 relief or both, as defined in Section 8-11-1.2. If the tax is  
20 approved by referendum on or after July 14, 2010 (the  
21 effective date of Public Act 96-1057) and before August 5,  
22 2024 (the effective date of Public Act 103-781), the corporate  
23 authorities of the non-home rule municipality may, until  
24 January 1, 2031, use the proceeds of the tax for expenditure on  
25 municipal operations, in addition to or in lieu of any

1 expenditure on public infrastructure or for property tax  
2 relief. If the tax is approved by an ordinance or resolution  
3 adopted on or after August 5, 2024 (the effective date of  
4 Public Act 103-781), the corporate authorities of the non-home  
5 rule municipality may, until January 1, 2031, use the proceeds  
6 of the tax for expenditure on municipal operations, in  
7 addition to or in lieu of any expenditure on public  
8 infrastructure or for property tax relief. The tax imposed may  
9 not be more than 1% and may be imposed only in 1/4% increments.  
10 The tax may not be imposed on tangible personal property taxed  
11 at the 1% rate under the Retailers' Occupation Tax Act (or at  
12 the 0% rate imposed under this amendatory Act of the 102nd  
13 General Assembly). Beginning December 1, 2019, this tax is not  
14 imposed on sales of aviation fuel unless the tax revenue is  
15 expended for airport-related purposes. If a municipality does  
16 not have an airport-related purpose to which it dedicates  
17 aviation fuel tax revenue, then aviation fuel is excluded from  
18 the tax. Each municipality must comply with the certification  
19 requirements for airport-related purposes under Section 2-22  
20 of the Retailers' Occupation Tax Act. For purposes of this  
21 Section, "airport-related purposes" has the meaning ascribed  
22 in Section 6z-20.2 of the State Finance Act. This exclusion  
23 for aviation fuel only applies for so long as the revenue use  
24 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
25 binding on the municipality. The tax imposed by a municipality  
26 pursuant to this Section and all civil penalties that may be

1 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 shall permit  
5 such retailer to engage in a business which is taxable under  
6 any ordinance or resolution enacted pursuant to this Section  
7 without registering separately with the Department under such  
8 ordinance or resolution or under this Section. The Department  
9 shall have full power to administer and enforce this Section;  
10 to collect all taxes and penalties due hereunder; to dispose  
11 of taxes and penalties so collected in the manner hereinafter  
12 provided, and to determine all rights to credit memoranda,  
13 arising on account of the erroneous payment of tax or penalty  
14 hereunder. In the administration of, and compliance with, this  
15 Section, the Department and persons who are subject to this  
16 Section shall have the same rights, remedies, privileges,  
17 immunities, powers and duties, and be subject to the same  
18 conditions, restrictions, limitations, penalties and  
19 definitions of terms, and employ the same modes of procedure,  
20 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
21 2 through 2-65 (in respect to all provisions therein other  
22 than the State rate of tax), 2c, 3 (except as to the  
23 disposition of taxes and penalties collected, and except that  
24 the retailer's discount is not allowed for taxes paid on  
25 aviation fuel that are subject to the revenue use requirements  
26 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,

1 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
2 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
3 Section 3-7 of the Uniform Penalty and Interest Act as fully as  
4 if those provisions were set forth herein.

5 No municipality may impose a tax under this Section unless  
6 the municipality also imposes a tax at the same rate under  
7 Section 8-11-1.4 of this Code.

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

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

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

1 amount specified, and to the person named, in such  
2 notification from the Department. Such refund shall be paid by  
3 the State Treasurer out of the non-home rule municipal  
4 retailers' occupation tax fund or the Local Government  
5 Aviation Trust Fund, as appropriate.

6 Except as otherwise provided, the Department shall  
7 forthwith pay over to the State Treasurer, ex officio, as  
8 trustee, all taxes and penalties collected hereunder for  
9 deposit into the Non-Home Rule Municipal Retailers' Occupation  
10 Tax Fund. Taxes and penalties collected on aviation fuel sold  
11 on or after December 1, 2019, shall be immediately paid over by  
12 the Department to the State Treasurer, ex officio, as trustee,  
13 for deposit into the Local Government Aviation Trust Fund. The  
14 Department shall only pay moneys into the Local Government  
15 Aviation Trust Fund under this Section for so long as the  
16 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
17 47133 are binding on the municipality.

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

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

1 beginning July 1, 2026, upon certification of the Department  
2 of Revenue, the Comptroller shall order transferred, and the  
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
4 local sales tax increment, as defined in the Statewide  
5 Innovation Development and Economy Act, collected under this  
6 Section during the second preceding calendar month for sales  
7 within a STAR bond district.

8       After the monthly transfers ~~transfer~~ to the STAR Bonds  
9 Revenue Fund, on or before the 25th day of each calendar month,  
10 the Department shall prepare and certify to the Comptroller  
11 the disbursement of stated sums of money to named  
12 municipalities, the municipalities to be those from which  
13 retailers have paid taxes or penalties hereunder to the  
14 Department during the second preceding calendar month. The  
15 amount to be paid to each municipality shall be the amount (not  
16 including credit memoranda and not including taxes and  
17 penalties collected on aviation fuel sold on or after December  
18 1, 2019) collected hereunder during the second preceding  
19 calendar month by the Department plus an amount the Department  
20 determines is necessary to offset any amounts which were  
21 erroneously paid to a different taxing body, and not including  
22 an amount equal to the amount of refunds made during the second  
23 preceding calendar month by the Department on behalf of such  
24 municipality, and not including any amount which the  
25 Department determines is necessary to offset any amounts which  
26 were payable to a different taxing body but were erroneously

1 paid to the municipality, and not including any amounts that  
2 are transferred to the STAR Bonds Revenue Fund, less 1.5% of  
3 the remainder, which the Department shall transfer into the  
4 Tax Compliance and Administration Fund. The Department, at the  
5 time of each monthly disbursement to the municipalities, shall  
6 prepare and certify to the State Comptroller the amount to be  
7 transferred into the Tax Compliance and Administration Fund  
8 under this Section. Within 10 days after receipt, by the  
9 Comptroller, of the disbursement certification to the  
10 municipalities and the Tax Compliance and Administration Fund  
11 provided for in this Section to be given to the Comptroller by  
12 the Department, the Comptroller shall cause the orders to be  
13 drawn for the respective amounts in accordance with the  
14 directions contained in such certification.

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

24 Nothing in this Section shall be construed to authorize a  
25 municipality to impose a tax upon the privilege of engaging in  
26 any business which under the constitution of the United States

1 may not be made the subject of taxation by this State.

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

8 The Department of Revenue shall implement Public Act  
9 91-649 so as to collect the tax on and after January 1, 2002.

10 As used in this Section, "municipal" and "municipality"  
11 mean 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  
14 Non-Home Rule Municipal Retailers' Occupation Tax Act.

15 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25;  
16 103-1055, eff. 12-20-24.)

17 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

18 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
19 Tax Act. The corporate authorities of a non-home rule  
20 municipality may impose, by ordinance or resolution adopted in  
21 the manner described in Section 8-11-1.1, a tax upon all  
22 persons engaged in the municipality in the business of making  
23 sales of service. If imposed, the tax shall be imposed on the  
24 selling price of all tangible personal property transferred by  
25 such servicemen, either in the form of tangible personal

1 property or in the form of real estate, as an incident to a  
2 sale of service. The proceeds of the tax may be used for public  
3 infrastructure or for property tax relief or both, as defined  
4 in Section 8-11-1.2. If the tax is approved by referendum on or  
5 after July 14, 2010 (the effective date of Public Act 96-1057)  
6 and before August 5, 2024 (the effective date of Public Act  
7 103-781), the corporate authorities of a non-home rule  
8 municipality may, until January 1, 2031, use the proceeds of  
9 the tax for expenditure on municipal operations, in addition  
10 to or in lieu of any expenditure on public infrastructure or  
11 for property tax relief. If the tax is approved by an ordinance  
12 or resolution adopted on or after August 5, 2024 (the  
13 effective date of Public Act 103-781), the corporate  
14 authorities of the non-home rule municipality may, until  
15 January 1, 2031, use the proceeds of the tax for expenditure on  
16 municipal operations, in addition to or in lieu of any  
17 expenditure on public infrastructure or for property tax  
18 relief. The tax imposed may not be more than 1% and may be  
19 imposed only in 1/4% increments. The tax may not be imposed on  
20 tangible personal property taxed at the 1% rate under the  
21 Service Occupation Tax Act (or at the 0% rate imposed under  
22 this amendatory Act of the 102nd General Assembly). Beginning  
23 December 1, 2019, this tax is not imposed on sales of aviation  
24 fuel unless the tax revenue is expended for airport-related  
25 purposes. If a municipality does not have an airport-related  
26 purpose to which it dedicates aviation fuel tax revenue, then

1 aviation fuel is excluded from the tax. Each municipality must  
2 comply with the certification requirements for airport-related  
3 purposes under Section 2-22 of the Retailers' Occupation Tax  
4 Act. For purposes of this Section, "airport-related purposes"  
5 has the meaning ascribed in Section 6z-20.2 of the State  
6 Finance Act. This exclusion for aviation fuel only applies for  
7 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
8 and 49 U.S.C. 47133 are binding on the municipality. The tax  
9 imposed by a municipality pursuant to this Section and all  
10 civil penalties that may be assessed as an incident thereof  
11 shall be collected and enforced by the State Department of  
12 Revenue. The certificate of registration which is issued by  
13 the Department to a retailer under the Retailers' Occupation  
14 Tax Act or under the Service Occupation Tax Act shall permit  
15 such registrant to engage in a business which is taxable under  
16 any ordinance or resolution enacted pursuant to this Section  
17 without registering separately with the Department under such  
18 ordinance or resolution or under this Section. The Department  
19 shall have full power to administer and enforce this Section;  
20 to collect all taxes and penalties due hereunder; to dispose  
21 of taxes and penalties so collected in the manner hereinafter  
22 provided, and to determine all rights to credit memoranda  
23 arising on account of the erroneous payment of tax or penalty  
24 hereunder. In the administration of, and compliance with, this  
25 Section the Department and persons who are subject to this  
26 Section shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same  
2 conditions, restrictions, limitations, penalties and  
3 definitions of terms, and employ the same modes of procedure,  
4 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
5 respect to all provisions therein other than the State rate of  
6 tax), 4 (except that the reference to the State shall be to the  
7 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
8 which the tax shall be a debt to the extent indicated in that  
9 Section 8 shall be the taxing municipality), 9 (except as to  
10 the disposition of taxes and penalties collected, and except  
11 that the returned merchandise credit for this municipal tax  
12 may not be taken against any State tax, and except that the  
13 retailer's discount is not allowed for taxes paid on aviation  
14 fuel that are subject to the revenue use requirements of 49  
15 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the  
16 reference therein to Section 2b of the Retailers' Occupation  
17 Tax Act), 13 (except that any reference to the State shall mean  
18 the taxing municipality), the first paragraph of Section 15,  
19 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
21 as if those provisions were set forth herein.

22 No municipality may impose a tax under this Section unless  
23 the municipality also imposes a tax at the same rate under  
24 Section 8-11-1.3 of this Code.

25 If, on January 1, 2025, a unit of local government has in  
26 effect a tax under this Section, or if, after January 1, 2025,

1 a unit of local government imposes a tax under this Section,  
2 then that tax applies to leases of tangible personal property  
3 in effect, entered into, or renewed on or after that date in  
4 the same manner as the tax under this Section and in accordance  
5 with the changes made by this amendatory Act of the 103rd  
6 General Assembly.

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

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the order to be drawn for the  
19 amount specified, and to the person named, in such  
20 notification from the Department. Such refund shall be paid by  
21 the State Treasurer out of the municipal retailers' occupation  
22 tax fund or the Local Government Aviation Trust Fund, as  
23 appropriate.

24 Except as otherwise provided in this paragraph, the  
25 Department shall forthwith pay over to the State Treasurer, ex  
26 officio, as trustee, all taxes and penalties collected

1 hereunder for deposit into the municipal retailers' occupation  
2 tax fund. Taxes and penalties collected on aviation fuel sold  
3 on or after December 1, 2019, shall be immediately paid over by  
4 the Department to the State Treasurer, ex officio, as trustee,  
5 for deposit into the Local Government Aviation Trust Fund. The  
6 Department shall only pay moneys into the Local Government  
7 Aviation Trust Fund under this Section for so long as the  
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
9 47133 are binding on the municipality.

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

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 After the monthly transfers ~~transfer~~ to the STAR Bonds

1 Revenue Fund, on or before the 25th day of each calendar month,  
2 the Department shall prepare and certify to the Comptroller  
3 the disbursement of stated sums of money to named  
4 municipalities, the municipalities to be those from which  
5 suppliers and servicemen have paid taxes or penalties  
6 hereunder to the Department during the second preceding  
7 calendar month. The amount to be paid to each municipality  
8 shall be the amount (not including credit memoranda and not  
9 including taxes and penalties collected on aviation fuel sold  
10 on or after December 1, 2019) collected hereunder during the  
11 second preceding calendar month by the Department, and not  
12 including an amount equal to the amount of refunds made during  
13 the second preceding calendar month by the Department on  
14 behalf of such municipality, and not including any amounts  
15 that are transferred to the STAR Bonds Revenue Fund, less 1.5%  
16 of the remainder, which the Department shall transfer into the  
17 Tax Compliance and Administration Fund. The Department, at the  
18 time of each monthly disbursement to the municipalities, shall  
19 prepare and certify to the State Comptroller the amount to be  
20 transferred into the Tax Compliance and Administration Fund  
21 under this Section. Within 10 days after receipt, by the  
22 Comptroller, of the disbursement certification to the  
23 municipalities, the General Revenue Fund, and the Tax  
24 Compliance and Administration Fund provided for in this  
25 Section to be given to the Comptroller by the Department, the  
26 Comptroller shall cause the orders to be drawn for the

1       respective amounts in accordance with the directions contained  
2       in such certification.

3             The Department of Revenue shall implement Public Act  
4       91-649 so as to collect the tax on and after January 1, 2002.

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

9             As used in this Section, "municipal" or "municipality"  
10       means or refers to a city, village or incorporated town,  
11       including an incorporated town which has superseded a civil  
12       township.

13             This Section shall be known and may be cited as the  
14       "Non-Home Rule Municipal Service Occupation Tax Act".

15       (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;  
16       103-592, eff. 1-1-25; 103-1055, eff. 12-20-24.)

17             (65 ILCS 5/8-11-1.6)

18             Sec. 8-11-1.6. Non-home rule municipal retailers'  
19       occupation tax; municipalities between 20,000 and 25,000. The  
20       corporate authorities of a non-home rule municipality with a  
21       population of more than 20,000 but less than 25,000 that has,  
22       prior to January 1, 1987, established a Redevelopment Project  
23       Area that has been certified as a State Sales Tax Boundary and  
24       has issued bonds or otherwise incurred indebtedness to pay for  
25       costs in excess of \$5,000,000, which is secured in part by a

1 tax increment allocation fund, in accordance with the  
2 provisions of Division 11-74.4 of this Code may, by passage of  
3 an ordinance, impose a tax upon all persons engaged in the  
4 business of selling tangible personal property, other than on  
5 an item of tangible personal property that is titled and  
6 registered by an agency of this State's Government, at retail  
7 in the municipality. This tax may not be imposed on tangible  
8 personal property taxed at the 1% rate under the Retailers'  
9 Occupation Tax Act (or at the 0% rate imposed under this  
10 amendatory Act of the 102nd General Assembly). Beginning  
11 December 1, 2019, this tax is not imposed on sales of aviation  
12 fuel unless the tax revenue is expended for airport-related  
13 purposes. If a municipality does not have an airport-related  
14 purpose to which it dedicates aviation fuel tax revenue, then  
15 aviation fuel is excluded from the tax. Each municipality must  
16 comply with the certification requirements for airport-related  
17 purposes under Section 2-22 of the Retailers' Occupation Tax  
18 Act. For purposes of this Section, "airport-related purposes"  
19 has the meaning ascribed in Section 6z-20.2 of the State  
20 Finance Act. This exclusion for aviation fuel only applies for  
21 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
22 and 49 U.S.C. 47133 are binding on the municipality. If  
23 imposed, the tax shall only be imposed in .25% increments of  
24 the gross receipts from such sales made in the course of  
25 business. Any tax imposed by a municipality under this Section  
26 and all civil penalties that may be assessed as an incident

1       thereof shall be collected and enforced by the State  
2       Department of Revenue. An ordinance imposing a tax hereunder  
3       or effecting a change in the rate thereof shall be adopted and  
4       a certified copy thereof filed with the Department on or  
5       before the first day of October, whereupon the Department  
6       shall proceed to administer and enforce this Section as of the  
7       first day of January next following such adoption and filing.  
8       The certificate of registration that is issued by the  
9       Department to a retailer under the Retailers' Occupation Tax  
10      Act shall permit the retailer to engage in a business that is  
11      taxable under any ordinance or resolution enacted under this  
12      Section without registering separately with the Department  
13      under the ordinance or resolution or under this Section. The  
14      Department shall have full power to administer and enforce  
15      this Section, to collect all taxes and penalties due  
16      hereunder, to dispose of taxes and penalties so collected in  
17      the manner hereinafter provided, and to determine all rights  
18      to credit memoranda, arising on account of the erroneous  
19      payment of tax or penalty hereunder. In the administration of,  
20      and compliance with this Section, the Department and persons  
21      who are subject to this Section shall have the same rights,  
22      remedies, privileges, immunities, powers, and duties, and be  
23      subject to the same conditions, restrictions, limitations,  
24      penalties, and definitions of terms, and employ the same modes  
25      of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
26      1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions

1 therein other than the State rate of tax), 2c, 3 (except as to  
2 the disposition of taxes and penalties collected, and except  
3 that the retailer's discount is not allowed for taxes paid on  
4 aviation fuel that are subject to the revenue use requirements  
5 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
6 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
7 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
8 Section 3-7 of the Uniform Penalty and Interest Act as fully as  
9 if those provisions were set forth herein.

10 A tax may not be imposed by a municipality under this  
11 Section unless the municipality also imposes a tax at the same  
12 rate under Section 8-11-1.7 of this Act.

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

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

1 bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be  
3 made under this Section to a claimant, instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified, and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the Non-Home Rule Municipal Retailers'  
9 Occupation Tax Fund, which is hereby created or the Local  
10 Government Aviation Trust Fund, as appropriate.

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

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the  
26 Department of Revenue, the Comptroller shall order

1 transferred, and the Treasurer shall transfer, to the STAR  
2 Bonds Revenue Fund the local sales tax increment, as defined  
3 in the Innovation Development and Economy Act, collected under  
4 this Section during the second preceding calendar month for  
5 sales within a STAR bond district.

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

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 named  
18 municipalities, the municipalities to be those from which  
19 retailers have paid taxes or penalties hereunder to the  
20 Department during the second preceding calendar month. The  
21 amount to be paid to each municipality shall be the amount (not  
22 including credit memoranda and not including taxes and  
23 penalties collected on aviation fuel sold on or after December  
24 1, 2019) collected hereunder during the second preceding  
25 calendar month by the Department plus an amount the Department  
26 determines is necessary to offset any amounts that were

1 erroneously paid to a different taxing body, and not including  
2 an amount equal to the amount of refunds made during the second  
3 preceding calendar month by the Department on behalf of the  
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, less 1.5% of the  
9 remainder, which the Department shall transfer into the Tax  
10 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 and the Tax Compliance and Administration Fund  
17 provided for in this Section to be given to the Comptroller by  
18 the Department, the Comptroller shall cause the orders to be  
19 drawn for the respective amounts in accordance with the  
20 directions contained in the certification.

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

1 seller to the purchaser at a point outside Illinois so that the  
2 sale is exempt under the federal Constitution as a sale in  
3 interstate or foreign commerce.

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

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

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

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

18 (65 ILCS 5/8-11-1.7)

19 Sec. 8-11-1.7. Non-home rule municipal service occupation  
20 tax; municipalities between 20,000 and 25,000. The corporate  
21 authorities of a non-home rule municipality with a population  
22 of more than 20,000 but less than 25,000 as determined by the  
23 last preceding decennial census that has, prior to January 1,  
24 1987, established a Redevelopment Project Area that has been  
25 certified as a State Sales Tax Boundary and has issued bonds or

1 otherwise incurred indebtedness to pay for costs in excess of  
2 \$5,000,000, which is secured in part by a tax increment  
3 allocation fund, in accordance with the provisions of Division  
4 11-74.4 of this Code may, by passage of an ordinance, impose a  
5 tax upon all persons engaged in the municipality in the  
6 business of making sales of service. If imposed, the tax shall  
7 only be imposed in .25% increments of the selling price of all  
8 tangible personal property transferred by such servicemen  
9 either in the form of tangible personal property or in the form  
10 of real estate as an incident to a sale of service. This tax  
11 may not be imposed on tangible personal property taxed at the  
12 1% rate under the Service Occupation Tax Act (or at the 0% rate  
13 imposed under this amendatory Act of the 102nd General  
14 Assembly). Beginning December 1, 2019, this tax is not imposed  
15 on sales of aviation fuel unless the tax revenue is expended  
16 for airport-related purposes. If a municipality does not have  
17 an airport-related purpose to which it dedicates aviation fuel  
18 tax revenue, then aviation fuel is excluded from the tax. Each  
19 municipality 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 municipality. The tax imposed by a municipality under this

1 Section and all civil penalties that may be assessed as an  
2 incident thereof shall be collected and enforced by the State  
3 Department of Revenue. An ordinance imposing a tax hereunder  
4 or effecting a change in the rate thereof shall be adopted and  
5 a certified copy thereof filed with the Department on or  
6 before the first day of October, whereupon the Department  
7 shall proceed to administer and enforce this Section as of the  
8 first day of January next following such adoption and filing.  
9 The certificate of registration that is issued by the  
10 Department to a retailer under the Retailers' Occupation Tax  
11 Act or under the Service Occupation Tax Act shall permit the  
12 registrant to engage in a business that is taxable under any  
13 ordinance or resolution enacted under this Section without  
14 registering separately with the Department under the ordinance  
15 or resolution or under this Section. The Department shall have  
16 full power to administer and enforce this Section, to collect  
17 all taxes and penalties due hereunder, to dispose of taxes and  
18 penalties so collected in a manner hereinafter provided, and  
19 to determine all rights to credit memoranda arising on account  
20 of the erroneous payment of tax or penalty hereunder. In the  
21 administration of and compliance with this Section, the  
22 Department and persons who are subject to this Section shall  
23 have the same rights, remedies, privileges, immunities,  
24 powers, and duties, and be subject to the same conditions,  
25 restrictions, limitations, penalties and definitions of terms,  
26 and employ the same modes of procedure, as are prescribed in

1 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
2 provisions therein other than the State rate of tax), 4  
3 (except that the reference to the State shall be to the taxing  
4 municipality), 5, 7, 8 (except that the jurisdiction to which  
5 the tax shall be a debt to the extent indicated in that Section  
6 8 shall be the taxing municipality), 9 (except as to the  
7 disposition of taxes and penalties collected, and except that  
8 the returned merchandise credit for this municipal tax may not  
9 be taken against any State tax, and except that the retailer's  
10 discount is not allowed for taxes paid on aviation fuel that  
11 are subject to the revenue use requirements of 49 U.S.C.  
12 47107(b) and 49 U.S.C. 47133), 10, 11, 12, (except the  
13 reference therein to Section 2b of the Retailers' Occupation  
14 Tax Act), 13 (except that any reference to the State shall mean  
15 the taxing municipality), the first paragraph of Sections 15,  
16 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and  
17 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
18 as if those provisions were set forth herein.

19 A tax may not be imposed by a municipality under this  
20 Section unless the municipality also imposes a tax at the same  
21 rate under Section 8-11-1.6 of this Act.

22 If, on January 1, 2025, a unit of local government has in  
23 effect a tax under this Section, or if, after January 1, 2025,  
24 a unit of local government imposes a tax under this Section,  
25 then that tax applies to leases of tangible personal property  
26 in effect, entered into, or renewed on or after that date in

1 the same manner as the tax under this Section and in accordance  
2 with the changes made by this amendatory Act of the 103rd  
3 General Assembly.

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

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified, and to the person named, in such  
17 notification from the Department. The refund shall be paid by  
18 the State Treasurer out of the Non-Home Rule Municipal  
19 Retailers' Occupation Tax Fund or the Local Government  
20 Aviation Trust Fund, as appropriate.

21 Except as otherwise provided in this paragraph, the  
22 Department shall forthwith pay over to the State Treasurer, ex  
23 officio, as trustee, all taxes and penalties collected  
24 hereunder for deposit into the Non-Home Rule Municipal  
25 Retailers' Occupation Tax Fund. Taxes and penalties collected  
26 on aviation fuel sold on or after December 1, 2019, shall be

1 immediately paid over by the Department to the State  
2 Treasurer, ex officio, as trustee, for deposit into the Local  
3 Government Aviation Trust Fund. The Department shall only pay  
4 moneys into the Local Government Aviation Trust Fund under  
5 this Section for so long as the revenue use requirements of 49  
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
7 Municipality.

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

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

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

1 the disbursement of stated sums of money to named  
2 municipalities, the municipalities to be those from which  
3 suppliers and servicemen have paid taxes or penalties  
4 hereunder 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 hereunder during the  
9 second preceding calendar month by the Department, and not  
10 including an amount equal to the amount of refunds made during  
11 the second preceding calendar month by the Department on  
12 behalf of such municipality, and not including any amounts  
13 that are transferred to the STAR Bonds Revenue Fund, less 1.5%  
14 of the remainder, which the Department shall transfer into the  
15 Tax Compliance and Administration Fund. The Department, at the  
16 time of each monthly disbursement to the municipalities, shall  
17 prepare and certify to the State Comptroller the amount to be  
18 transferred into the Tax Compliance and Administration Fund  
19 under this Section. Within 10 days after receipt by the  
20 Comptroller of the disbursement certification to the  
21 municipalities, the Tax Compliance and Administration Fund,  
22 and the General Revenue Fund, provided for in this Section to  
23 be given to the Comptroller by the Department, the Comptroller  
24 shall cause the orders to be drawn for the respective amounts  
25 in accordance with the directions contained in the  
26 certification.

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

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

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

13           Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
14 Act. The corporate authorities of a home rule municipality may  
15 impose a tax upon all persons engaged, in such municipality,  
16 in the business of making sales of service at the same rate of  
17 tax imposed pursuant to Section 8-11-1, of the selling price  
18 of all tangible personal property transferred by such  
19 servicemen either in the form of tangible personal property or  
20 in the form of real estate as an incident to a sale of service.  
21 If imposed, such tax shall only be imposed in 1/4% increments.  
22 On and after September 1, 1991, this additional tax may not be  
23 imposed on tangible personal property taxed at the 1% rate  
24 under the Service Occupation Tax Act (or at the 0% rate imposed  
25 under this amendatory Act of the 102nd General Assembly).

1 Beginning December 1, 2019, this tax may not be imposed on  
2 sales of aviation fuel unless the tax revenue is expended for  
3 airport-related purposes. If a municipality does not have an  
4 airport-related purpose to which it dedicates aviation fuel  
5 tax revenue, then aviation fuel shall be excluded from tax.  
6 Each municipality must comply with the certification  
7 requirements for airport-related purposes under Section 2-22  
8 of the Retailers' Occupation Tax Act. For purposes of this  
9 Section, "airport-related purposes" has the meaning ascribed  
10 in Section 6z-20.2 of the State Finance Act. This exception  
11 for aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
13 binding on the State. The changes made to this Section by this  
14 amendatory Act of the 101st General Assembly are a denial and  
15 limitation of home rule powers and functions under subsection  
16 (g) of Section 6 of Article VII of the Illinois Constitution.  
17 The tax imposed by a home rule municipality pursuant to this  
18 Section and all civil penalties that may be assessed as an  
19 incident thereof shall be collected and enforced by the State  
20 Department of Revenue. The certificate of registration which  
21 is issued by the Department to a retailer under the Retailers'  
22 Occupation Tax Act or under the Service Occupation Tax Act  
23 shall permit such registrant to engage in a business which is  
24 taxable under any ordinance or resolution enacted pursuant to  
25 this Section without registering separately with the  
26 Department under such ordinance or resolution or under this

1 Section. The Department shall have full power to administer  
2 and enforce this Section; to collect all taxes and penalties  
3 due hereunder; to dispose of taxes and penalties so collected  
4 in the manner hereinafter provided, and to determine all  
5 rights to credit memoranda arising on account of the erroneous  
6 payment of tax or penalty hereunder. In the administration of,  
7 and compliance with, this Section the Department and persons  
8 who are subject to this Section shall have the same rights,  
9 remedies, privileges, immunities, powers and duties, and be  
10 subject to the same conditions, restrictions, limitations,  
11 penalties and definitions of terms, and employ the same modes  
12 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
13 through 3-50 (in respect to all provisions therein other than  
14 the State rate of tax), 4 (except that the reference to the  
15 State shall be to the taxing municipality), 5, 7, 8 (except  
16 that the jurisdiction to which the tax shall be a debt to the  
17 extent indicated in that Section 8 shall be the taxing  
18 municipality), 9 (except as to the disposition of taxes and  
19 penalties collected, and except that the returned merchandise  
20 credit for this municipal tax may not be taken against any  
21 State tax, and except that the retailer's discount is not  
22 allowed for taxes paid on aviation fuel that are subject to the  
23 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
24 47133), 10, 11, 12 (except the reference therein to Section 2b  
25 of the Retailers' Occupation Tax Act), 13 (except that any  
26 reference to the State shall mean the taxing municipality),

1 the first paragraph of Section 15, 16, 17 (except that credit  
2 memoranda issued hereunder may not be used to discharge any  
3 State tax liability), 18, 19 and 20 of the Service Occupation  
4 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
5 Act, as fully as if those provisions were set forth herein.

6 No tax may be imposed by a home rule municipality pursuant  
7 to this Section unless such municipality also imposes a tax at  
8 the same rate pursuant to Section 8-11-1 of this Act.

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

17 Whenever the Department determines that a refund should be  
18 made under this Section to a claimant instead of issuing  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in such  
22 notification from the Department. Such refund shall be paid by  
23 the State Treasurer out of the home rule municipal retailers'  
24 occupation tax fund or the Local Government Aviation Trust  
25 Fund, as appropriate.

26 Except as otherwise provided in this paragraph, the

1 Department shall forthwith pay over to the State Treasurer, ex  
2 officio, as trustee, all taxes and penalties collected  
3 hereunder for deposit into the Home Rule Municipal Retailers'  
4 Occupation Tax Fund. Taxes and penalties collected on aviation  
5 fuel sold on or after December 1, 2019, shall be immediately  
6 paid over by the Department to the State Treasurer, ex  
7 officio, as trustee, for deposit into the Local Government  
8 Aviation Trust Fund. The Department shall only pay moneys into  
9 the Local Government Aviation Trust Fund under this Section  
10 for so long as the revenue use requirements of 49 U.S.C.  
11 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

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

20 As soon as possible after the first day of each month,  
21 beginning July 1, 2026, upon certification of the Department  
22 of Revenue, the Comptroller shall order transferred, and the  
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
24 local sales tax increment, as defined in the Statewide  
25 Innovation Development and Economy Act, collected under this  
26 Section during the second preceding calendar month for sales

1 within a STAR bond district.

2 After the monthly transfers ~~transfer~~ to the STAR Bonds  
3 Revenue Fund, on or before the 25th day of each calendar month,  
4 the Department shall prepare and certify to the Comptroller  
5 the disbursement of stated sums of money to named  
6 municipalities, the municipalities to be those from which  
7 suppliers and servicemen have paid taxes or penalties  
8 hereunder to the Department during the second preceding  
9 calendar month. The amount to be paid to each municipality  
10 shall be the amount (not including credit memoranda and not  
11 including taxes and penalties collected on aviation fuel sold  
12 on or after December 1, 2019) collected hereunder during the  
13 second preceding calendar month by the Department, and not  
14 including an amount equal to the amount of refunds made during  
15 the second preceding calendar month by the Department on  
16 behalf of such municipality, and not including any amounts  
17 that are transferred to the STAR Bonds Revenue Fund, less 1.5%  
18 of the remainder, which the Department shall transfer into the  
19 Tax Compliance and Administration Fund. The Department, at the  
20 time of each monthly disbursement to the municipalities, shall  
21 prepare and certify to the State Comptroller the amount to be  
22 transferred into the Tax Compliance and Administration Fund  
23 under this Section. Within 10 days after receipt, by the  
24 Comptroller, of the disbursement certification to the  
25 municipalities and the Tax Compliance and Administration Fund  
26 provided for in this Section to be given to the Comptroller by

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

4 In addition to the disbursement required by the preceding  
5 paragraph and in order to mitigate delays caused by  
6 distribution procedures, an allocation shall, if requested, be  
7 made within 10 days after January 14, 1991, and in November of  
8 1991 and each year thereafter, to each municipality that  
9 received more than \$500,000 during the preceding fiscal year,  
10 (July 1 through June 30) whether collected by the municipality  
11 or disbursed by the Department as required by this Section.  
12 Within 10 days after January 14, 1991, participating  
13 municipalities shall notify the Department in writing of their  
14 intent to participate. In addition, for the initial  
15 distribution, participating municipalities shall certify to  
16 the Department the amounts collected by the municipality for  
17 each month under its home rule occupation and service  
18 occupation tax during the period July 1, 1989 through June 30,  
19 1990. The allocation within 10 days after January 14, 1991,  
20 shall be in an amount equal to the monthly average of these  
21 amounts, excluding the 2 months of highest receipts. Monthly  
22 average for the period of July 1, 1990 through June 30, 1991  
23 will be determined as follows: the amounts collected by the  
24 municipality under its home rule occupation and service  
25 occupation tax during the period of July 1, 1990 through  
26 September 30, 1990, plus amounts collected by the Department

1 and paid to such municipality through June 30, 1991, excluding  
2 the 2 months of highest receipts. The monthly average for each  
3 subsequent period of July 1 through June 30 shall be an amount  
4 equal to the monthly distribution made to each such  
5 municipality under the preceding paragraph during this period,  
6 excluding the 2 months of highest receipts. The distribution  
7 made in November 1991 and each year thereafter under this  
8 paragraph and the preceding paragraph shall be reduced by the  
9 amount allocated and disbursed under this paragraph in the  
10 preceding period of July 1 through June 30. The Department  
11 shall prepare and certify to the Comptroller for disbursement  
12 the allocations made in accordance with this paragraph.

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

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

1 day of July, whereupon the Department shall proceed to  
2 administer and enforce this Section as of the first day of  
3 October next following such adoption and filing. Beginning  
4 January 1, 1993, an ordinance or resolution imposing or  
5 discontinuing the tax hereunder or effecting a change in the  
6 rate thereof shall be adopted and a certified copy thereof  
7 filed with the Department on or before the first day of  
8 October, whereupon the Department shall proceed to administer  
9 and enforce this Section as of the first day of January next  
10 following such adoption and filing. However, a municipality  
11 located in a county with a population in excess of 3,000,000  
12 that elected to become a home rule unit at the general primary  
13 election in 1994 may adopt an ordinance or resolution imposing  
14 the tax under this Section and file a certified copy of the  
15 ordinance or resolution with the Department on or before July  
16 1, 1994. The Department shall then proceed to administer and  
17 enforce this Section as of October 1, 1994. Beginning April 1,  
18 1998, an ordinance or resolution imposing or discontinuing the  
19 tax 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 Any unobligated balance remaining in the Municipal  
4 Retailers' Occupation Tax Fund on December 31, 1989, which  
5 fund was abolished by Public Act 85-1135, and all receipts of  
6 municipal tax as a result of audits of liability periods prior  
7 to January 1, 1990, shall be paid into the Local Government Tax  
8 Fund, for distribution as provided by this Section prior to  
9 the enactment of Public Act 85-1135. All receipts of municipal  
10 tax as a result of an assessment not arising from an audit, for  
11 liability periods prior to January 1, 1990, shall be paid into  
12 the Local Government Tax Fund for distribution before July 1,  
13 1990, as provided by this Section prior to the enactment of  
14 Public Act 85-1135, and on and after July 1, 1990, all such  
15 receipts shall be distributed as provided in Section 6z-18 of  
16 the State Finance Act.

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

20 This Section shall be known and may be cited as the Home  
21 Rule Municipal Service Occupation Tax Act.

22 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
23 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

24 (65 ILCS 5/8-11-23)

25 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax

1 Law.

2 (a) This Section may be referred to as the Municipal  
3 Cannabis Retailers' Occupation Tax Law. The corporate  
4 authorities of any municipality may, by ordinance, impose a  
5 tax upon all persons engaged in the business of selling  
6 cannabis, other than cannabis purchased under the  
7 Compassionate Use of Medical Cannabis Program Act, at retail  
8 in the municipality on the gross receipts from these sales  
9 made in the course of that business. If imposed, the tax may  
10 not exceed 3% of the gross receipts from these sales and shall  
11 only be imposed in 1/4% increments. The tax imposed under this  
12 Section and all civil penalties that may be assessed as an  
13 incident of the tax shall be collected and enforced by the  
14 Department of Revenue. The Department of Revenue shall have  
15 full power to administer and enforce this Section; to collect  
16 all taxes and penalties due hereunder; to dispose of taxes and  
17 penalties so collected in the manner hereinafter provided; and  
18 to determine all rights to credit memoranda arising on account  
19 of the erroneous payment of tax or penalty under this Section.  
20 In the administration of and compliance with this Section, the  
21 Department and persons who are subject to this Section shall  
22 have the same rights, remedies, privileges, immunities, powers  
23 and duties, and be subject to the same conditions,  
24 restrictions, limitations, penalties and definitions of terms,  
25 and employ the same modes of procedure, as are prescribed in  
26 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65

1 (in respect to all provisions therein other than the State  
2 rate of tax), 2a, 2b, 2c, 2i, 3 (except as to the disposition  
3 of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e,  
4 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,  
5 11a, 12, and 13 of the Retailers' Occupation Tax Act and  
6 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
7 as if those provisions were set forth herein.

8 (b) Persons subject to any tax imposed under the authority  
9 granted in this Section may reimburse themselves for their  
10 seller's tax liability hereunder by separately stating that  
11 tax as an additional charge, which charge may be stated in  
12 combination, in a single amount, with any State tax that  
13 sellers are required to collect.

14 (c) Whenever the Department of Revenue determines that a  
15 refund should be made under this Section to a claimant instead  
16 of issuing a credit memorandum, the Department of Revenue  
17 shall notify the State Comptroller, who shall cause the order  
18 to be drawn for the amount specified and to the person named in  
19 the notification from the Department of Revenue.

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

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 (e) After the monthly transfer to the STAR Bonds Revenue  
8 Fund, on or before the 25th day of each calendar month, the  
9 Department of Revenue shall prepare and certify to the  
10 Comptroller the amount of money to be disbursed from the Local  
11 Cannabis Retailers' Occupation Tax Trust Fund to  
12 municipalities from which retailers have paid taxes or  
13 penalties under this Section during the second preceding  
14 calendar month. The amount to be paid to each municipality  
15 shall be the amount (not including credit memoranda) collected  
16 under this Section from sales made in the municipality during  
17 the second preceding calendar month, plus an amount the  
18 Department of Revenue determines is necessary to offset any  
19 amounts that were erroneously paid to a different taxing body,  
20 and not including an amount equal to the amount of refunds made  
21 during the second preceding calendar month by the Department  
22 on behalf of such municipality, and not including any amount  
23 that the Department determines is necessary to offset any  
24 amounts that were payable to a different taxing body but were  
25 erroneously paid to the municipality, and not including any  
26 amounts that are transferred to the STAR Bonds Revenue Fund,

1 less 1.5% of the remainder, which the Department shall  
2 transfer into the Tax Compliance and Administration Fund. The  
3 Department, at the time of each monthly disbursement to the  
4 municipalities, shall prepare and certify to the State  
5 Comptroller the amount to be transferred into the Tax  
6 Compliance and Administration Fund under this Section. Within  
7 10 days after receipt by the Comptroller of the disbursement  
8 certification to the municipalities and the Tax Compliance and  
9 Administration Fund provided for in this Section to be given  
10 to the Comptroller by the Department, the Comptroller shall  
11 cause the orders to be drawn for the respective amounts in  
12 accordance with the directions contained in the certification.

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

1 a certified copy thereof filed with the Department on or  
2 before the first day of October, whereupon the Department  
3 shall proceed to administer and enforce this Section as of the  
4 first day of January next following the adoption and filing.

5 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

6 (65 ILCS 5/8-11-24)

7 Sec. 8-11-24. Municipal Grocery Occupation Tax Law.

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

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

24 The Department shall have full power to administer and  
25 enforce this subsection; to collect all taxes and penalties

1 due under this subsection; to dispose of taxes and penalties  
2 so collected in the manner provided in this Section and under  
3 rules adopted by the Department; and to determine all rights  
4 to credit memoranda arising on account of the erroneous  
5 payment of tax or penalty under this subsection.

6 In the administration of, and compliance with, this  
7 subsection, the Department and persons who are subject to this  
8 subsection shall have the same rights, remedies, privileges,  
9 immunities, powers, and duties, and be subject to the same  
10 conditions, restrictions, limitations, penalties and  
11 definitions of terms, and employ the same modes of procedure,  
12 as are prescribed in Sections 1, 2 through 2-65 (in respect to  
13 all provisions therein other than the State rate of tax and  
14 other than the exemption for food for human consumption that  
15 is to be consumed off the premises where it is sold (other than  
16 alcoholic beverages, food consisting of or infused with adult  
17 use cannabis, soft drinks, candy, and food that has been  
18 prepared for immediate consumption), which is authorized to be  
19 taxed as provided in this subsection), 2c, 3 (except as to the  
20 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
21 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,  
22 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of  
23 the Uniform Penalty and Interest Act, as fully as if those  
24 provisions were 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 seller's tax liability hereunder by separately stating that  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax which sellers  
4 are required to collect under the Use Tax Act, pursuant to such  
5 bracket schedules as the Department may prescribe.

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

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

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

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

1 (except as to the disposition of taxes and penalties  
2 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the  
3 Service Occupation Tax Act and all provisions of the Uniform  
4 Penalty and Interest Act, as fully as if those provisions were  
5 set forth in this Section.

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

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

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

1 or funds of this State.

2 Whenever the Department determines that a refund should be  
3 made under this Section to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the Municipal Grocery Tax Trust Fund.

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

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

22 After the monthly transfers ~~transfer~~ to the STAR Bonds  
23 Revenue Fund, if any, on or before the 25th day of each  
24 calendar month, the Department shall prepare and certify to  
25 the Comptroller the disbursement of stated sums of money to  
26 named municipalities, the municipalities to be those from

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

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

1           (f) Except as otherwise provided in this subsection, an  
2 ordinance or resolution imposing or discontinuing the tax  
3 hereunder 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 shall proceed to administer and enforce this  
7 Section as of the first day of July next following the adoption  
8 and filing or (ii) be adopted and a certified copy thereof  
9 filed with the Department on or before the first day of  
10 October, whereupon the Department shall proceed to administer  
11 and enforce this Section as of the first day of January next  
12 following the adoption and filing.

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

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

21           For purposes of the tax authorized to be imposed under  
22 subsection (a), "groceries" has the same meaning as "food for  
23 human consumption that is to be consumed off the premises  
24 where it is sold (other than alcoholic beverages, food  
25 consisting of or infused with adult use cannabis, soft drinks,  
26 candy, and food that has been prepared for immediate

1 consumption)", as further defined in Section 2-10 of the  
2 Retailers' Occupation Tax Act.

3 For purposes of the tax authorized to be imposed under  
4 subsection (b), "groceries" has the same meaning as "food for  
5 human consumption that is to be consumed off the premises  
6 where it is sold (other than alcoholic beverages, food  
7 consisting of or infused with adult use cannabis, soft drinks,  
8 candy, and food that has been prepared for immediate  
9 consumption)", as further defined in Section 3-10 of the  
10 Service Occupation Tax Act. For purposes of the tax authorized  
11 to be imposed under subsection (b), "groceries" also means  
12 food prepared for immediate consumption and transferred  
13 incident to a sale of service subject to the Service  
14 Occupation Tax Act or the Service Use Tax Act by an entity  
15 licensed under the Hospital Licensing Act, the Nursing Home  
16 Care Act, the Assisted Living and Shared Housing Act, the  
17 ID/DD Community Care Act, the MC/DD Act, the Specialized  
18 Mental Health Rehabilitation Act of 2013, or the Child Care  
19 Act of 1969, or an entity that holds a permit issued pursuant  
20 to the Life Care Facilities Act.

21 (i) This Section may be referred to as the Municipal  
22 Grocery Occupation Tax Law.

23 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

24 (65 ILCS 5/11-74.3-6)

25 Sec. 11-74.3-6. Business district revenue and obligations;

1 business district tax allocation fund.

2 (a) If the corporate authorities of a municipality have  
3 approved a business district plan, have designated a business  
4 district, and have elected to impose a tax by ordinance  
5 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
6 each year after the date of the approval of the ordinance but  
7 terminating upon the date all business district project costs  
8 and all obligations paying or reimbursing business district  
9 project costs, if any, have been paid, but in no event later  
10 than the dissolution date, all amounts generated by the  
11 retailers' occupation tax and service occupation tax shall be  
12 collected and the tax shall be enforced by the Department of  
13 Revenue in the same manner as all retailers' occupation taxes  
14 and service occupation taxes imposed in the municipality  
15 imposing the tax and all amounts generated by the hotel  
16 operators' occupation tax shall be collected and the tax shall  
17 be enforced by the municipality in the same manner as all hotel  
18 operators' occupation taxes imposed in the municipality  
19 imposing the tax. The corporate authorities of the  
20 municipality shall deposit the proceeds of the taxes imposed  
21 under subsections (10) and (11) of Section 11-74.3-3 into a  
22 special fund of the municipality called the "[Name of]  
23 Business District Tax Allocation Fund" for the purpose of  
24 paying or reimbursing business district project costs and  
25 obligations incurred in the payment of those costs.

26 (b) The corporate authorities of a municipality that has

1 designated a business district under this Law may, by  
2 ordinance, impose a Business District Retailers' Occupation  
3 Tax upon all persons engaged in the business of selling  
4 tangible personal property, other than an item of tangible  
5 personal property titled or registered with an agency of this  
6 State's government, at retail in the business district at a  
7 rate not to exceed 1% of the gross receipts from the sales made  
8 in the course of such business, to be imposed only in 0.25%  
9 increments. The tax may not be imposed on tangible personal  
10 property taxed at the rate of 1% under the Retailers'  
11 Occupation Tax Act (or at the 0% rate imposed under this  
12 amendatory Act of the 102nd General Assembly). Beginning  
13 December 1, 2019 and through December 31, 2020, this tax is not  
14 imposed on sales of aviation fuel unless the tax revenue is  
15 expended for airport-related purposes. If the District does  
16 not have an airport-related purpose to which it dedicates  
17 aviation fuel tax revenue, then aviation fuel is excluded from  
18 the tax. Each municipality must comply with the certification  
19 requirements for airport-related purposes under Section 2-22  
20 of the Retailers' Occupation Tax Act. For purposes of this  
21 Section, "airport-related purposes" has the meaning ascribed  
22 in Section 6z-20.2 of the State Finance Act. Beginning January  
23 1, 2021, this tax is not imposed on sales of aviation fuel for  
24 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
25 and 49 U.S.C. 47133 are binding on the District.

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 to a retailer under the Retailers' Occupation Tax Act shall  
5 permit the retailer to engage in a business that is taxable  
6 under any ordinance or resolution enacted pursuant to this  
7 subsection without registering separately with the Department  
8 under such ordinance or resolution or under this subsection.  
9 The Department of Revenue shall have full power to administer  
10 and enforce this subsection; to collect all taxes and  
11 penalties due under this subsection in the manner hereinafter  
12 provided; and to determine all rights to credit memoranda  
13 arising on account of the erroneous payment of tax or penalty  
14 under this subsection. In the administration of, and  
15 compliance with, this subsection, the Department and persons  
16 who are subject to this subsection shall have the same rights,  
17 remedies, privileges, immunities, powers and duties, and be  
18 subject to the same conditions, restrictions, limitations,  
19 penalties, exclusions, exemptions, and definitions of terms  
20 and employ the same modes of procedure, as are prescribed in  
21 Sections 1, 1a through 1o, 2 through 2-65 (in respect to all  
22 provisions therein other than the State rate of tax), 2c  
23 through 2h, 3 (except as to the disposition of taxes and  
24 penalties collected, and except that the retailer's discount  
25 is not allowed for taxes paid on aviation fuel that are subject  
26 to the revenue use requirements of 49 U.S.C. 47107(b) and 49

1 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,  
2 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers'  
3 Occupation Tax Act and all provisions of the Uniform Penalty  
4 and Interest Act, as fully as if those provisions were set  
5 forth herein.

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

13 Whenever the Department determines that a refund should be  
14 made under this subsection to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the order to be drawn for the  
17 amount specified and to the person named in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the business district retailers' occupation  
20 tax fund or the Local Government Aviation Trust Fund, as  
21 appropriate.

22 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, penalties, and interest  
25 collected under this subsection for deposit into the business  
26 district retailers' occupation tax fund. Taxes and penalties

1 collected on aviation fuel sold on or after December 1, 2019,  
2 shall be immediately paid over by the Department to the State  
3 Treasurer, ex officio, as trustee, for deposit into the Local  
4 Government Aviation Trust Fund. The Department shall only pay  
5 moneys into the Local Government Aviation Trust Fund under  
6 this Section for so long as the revenue use requirements of 49  
7 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
8 District.

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

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

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

1 the Department shall prepare and certify to the Comptroller  
2 the disbursement of stated sums of money to named  
3 municipalities from the business district retailers'  
4 occupation tax fund, the municipalities to be those from which  
5 retailers have paid taxes or penalties under this subsection  
6 to the Department during the second preceding calendar month.  
7 The amount to be paid to each municipality shall be the amount  
8 (not including credit memoranda and not including taxes and  
9 penalties collected on aviation fuel sold on or after December  
10 1, 2019) collected under this subsection during the second  
11 preceding calendar month by the Department plus an amount the  
12 Department determines is necessary to offset any amounts that  
13 were erroneously paid to a different taxing body, and not  
14 including an amount equal to the amount of refunds made during  
15 the second preceding calendar month by the Department, less 2%  
16 of that amount (except the amount collected on aviation fuel  
17 sold on or after December 1, 2019), which shall be deposited  
18 into the Tax Compliance and Administration Fund and shall be  
19 used by the Department, subject to appropriation, to cover the  
20 costs of the Department in administering and enforcing the  
21 provisions of this subsection, on behalf of such municipality,  
22 and not including any amount that the Department determines is  
23 necessary to offset any amounts that were payable to a  
24 different taxing body but were erroneously paid to the  
25 municipality, and not including any amounts that are  
26 transferred to the STAR Bonds Revenue Fund. Within 10 days

1 after receipt by the Comptroller of the disbursement  
2 certification to the municipalities provided for in this  
3 subsection to be given to the Comptroller by the Department,  
4 the Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with the directions contained  
6 in the certification. The proceeds of the tax paid to  
7 municipalities under this subsection shall be deposited into  
8 the Business District Tax Allocation Fund by the municipality.

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

22 The Department of Revenue shall not administer or enforce  
23 an ordinance imposing, discontinuing, or changing the rate of  
24 the tax under this subsection, until the municipality also  
25 provides, in the manner prescribed by the Department, the  
26 boundaries of the business district and each address in the

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

1 municipality.

2 A municipality that imposes the tax under this subsection  
3 must submit to the Department of Revenue any other information  
4 as the Department may require for the administration and  
5 enforcement of the tax.

6 When certifying the amount of a monthly disbursement to a  
7 municipality under this subsection, 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 Nothing in this subsection shall be construed to authorize  
13 the municipality to impose a tax upon the privilege of  
14 engaging in any business which under the Constitution of the  
15 United States may not be made the subject of taxation by this  
16 State.

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

19 (c) If a tax has been imposed under subsection (b), a  
20 Business District Service Occupation Tax shall also be imposed  
21 upon all persons engaged, in the business district, in the  
22 business of making sales of service, who, as an incident to  
23 making those sales of service, transfer tangible personal  
24 property within the business district, either in the form of  
25 tangible personal property or in the form of real estate as an  
26 incident to a sale of service. The tax shall be imposed at the

1 same rate as the tax imposed in subsection (b) and shall not  
2 exceed 1% of the selling price of tangible personal property  
3 so transferred within the business district, to be imposed  
4 only in 0.25% increments. The tax may not be imposed on  
5 tangible personal property taxed at the 1% rate under the  
6 Service Occupation Tax Act (or at the 0% rate imposed under  
7 this amendatory Act of the 102nd General Assembly). Beginning  
8 December 1, 2019, this tax is not imposed on sales of aviation  
9 fuel unless the tax revenue is expended for airport-related  
10 purposes. If the District does not have an airport-related  
11 purpose to which it dedicates aviation fuel tax revenue, then  
12 aviation fuel is excluded from the tax. Each municipality must  
13 comply with the certification requirements for airport-related  
14 purposes under Section 2-22 of the Retailers' Occupation Tax  
15 Act. For purposes of this Act, "airport-related purposes" has  
16 the meaning ascribed in Section 6z-20.2 of the State Finance  
17 Act. Beginning January 1, 2021, this tax is not imposed on  
18 sales of aviation fuel for so long as the revenue use  
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
20 binding on the District.

21 The tax imposed under this subsection and all civil  
22 penalties that may be assessed as an incident thereof shall be  
23 collected and enforced by the Department of Revenue. The  
24 certificate of registration which is issued by the Department  
25 to a retailer under the Retailers' Occupation Tax Act or under  
26 the Service Occupation Tax Act shall permit such registrant to

1 engage in a business which is taxable under any ordinance or  
2 resolution enacted pursuant to this subsection without  
3 registering separately with the Department under such  
4 ordinance or resolution or under this subsection. The  
5 Department of Revenue shall have full power to administer and  
6 enforce this subsection; to collect all taxes and penalties  
7 due under this subsection; to dispose of taxes and penalties  
8 so collected in the manner hereinafter provided; and to  
9 determine all rights to credit memoranda arising on account of  
10 the erroneous payment of tax or penalty under this subsection.  
11 In the administration of, and compliance with this subsection,  
12 the Department and persons who are subject to this subsection  
13 shall have the same rights, remedies, privileges, immunities,  
14 powers and duties, and be subject to the same conditions,  
15 restrictions, limitations, penalties, exclusions, exemptions,  
16 and definitions of terms and employ the same modes of  
17 procedure as are prescribed in Sections 2, 2a through 2d, 3  
18 through 3-50 (in respect to all provisions therein other than  
19 the State rate of tax), 4 (except that the reference to the  
20 State shall be to the business district), 5, 7, 8 (except that  
21 the jurisdiction to which the tax shall be a debt to the extent  
22 indicated in that Section 8 shall be the municipality), 9  
23 (except as to the disposition of taxes and penalties  
24 collected, and except that the returned merchandise credit for  
25 this tax may not be taken against any State tax, and except  
26 that the retailer's discount is not allowed for taxes paid on

1 aviation fuel that are subject to the revenue use requirements  
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except  
3 the reference therein to Section 2b of the Retailers'  
4 Occupation Tax Act), 13 (except that any reference to the  
5 State shall mean the municipality), the first paragraph of  
6 Section 15, and Sections 16, 17, 18, 19 and 20 of the Service  
7 Occupation Tax Act and all provisions of the Uniform Penalty  
8 and Interest Act, as fully as if those provisions were set  
9 forth herein.

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

18 Whenever the Department determines that a refund should be  
19 made under this subsection to a claimant instead of issuing  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the order to be drawn for the  
22 amount specified, and to the person named, in such  
23 notification from the Department. Such refund shall be paid by  
24 the State Treasurer out of the business district retailers'  
25 occupation tax fund or the Local Government Aviation Trust  
26 Fund, as appropriate.

1           Except as otherwise provided in this paragraph, the  
2 Department shall forthwith pay over to the State Treasurer, ex  
3 officio ~~ex officio~~, as trustee, all taxes, penalties, and  
4 interest collected under this subsection for deposit into the  
5 business district retailers' occupation tax fund. Taxes and  
6 penalties collected on aviation fuel sold on or after December  
7 1, 2019, shall be immediately paid over by the Department to  
8 the State Treasurer, ex officio, as trustee, for deposit into  
9 the Local Government Aviation Trust Fund. The Department shall  
10 only pay moneys into the Local Government Aviation Trust Fund  
11 under this Section for so long as the revenue use requirements  
12 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
13 District.

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 under  
20 this subsection during the second preceding calendar month for  
21 sales within a STAR bond district.

22           As soon as possible after the first day of each month,  
23 beginning July 1, 2026, upon certification of the Department  
24 of Revenue, the Comptroller shall order transferred, and the  
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
26 local sales tax increment, as defined in the Statewide

1 Innovation Development and Economy Act, collected under this  
2 Section during the second preceding calendar month for sales  
3 within a STAR bond district.

4 After the monthly transfers ~~transfer~~ to the STAR Bonds  
5 Revenue Fund, on or before the 25th day of each calendar month,  
6 the Department shall prepare and certify to the Comptroller  
7 the disbursement of stated sums of money to named  
8 municipalities from the business district retailers'  
9 occupation tax fund, the municipalities to be those from which  
10 suppliers and servicemen have paid taxes or penalties under  
11 this subsection to the Department during the second preceding  
12 calendar month. The amount to be paid to each municipality  
13 shall be the amount (not including credit memoranda and not  
14 including taxes and penalties collected on aviation fuel sold  
15 on or after December 1, 2019) collected under this subsection  
16 during the second preceding calendar month by the Department,  
17 less 2% of that amount (except the amount collected on  
18 aviation fuel sold on or after December 1, 2019), which shall  
19 be deposited into the Tax Compliance and Administration Fund  
20 and shall be used by the Department, subject to appropriation,  
21 to cover the costs of the Department in administering and  
22 enforcing the provisions of this subsection, and not including  
23 an amount equal to the amount of refunds made during the second  
24 preceding calendar month by the Department on behalf of such  
25 municipality, and not including any amounts that are  
26 transferred to the STAR Bonds Revenue Fund. Within 10 days

1 after receipt, by the Comptroller, of the disbursement  
2 certification to the municipalities, provided for in this  
3 subsection to be given to the Comptroller by the Department,  
4 the Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with the directions contained  
6 in such certification. The proceeds of the tax paid to  
7 municipalities under this subsection shall be deposited into  
8 the Business District Tax Allocation Fund by the municipality.

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

22 The Department of Revenue shall not administer or enforce  
23 an ordinance imposing, discontinuing, or changing the rate of  
24 the tax under this subsection, until the municipality also  
25 provides, in the manner prescribed by the Department, the  
26 boundaries of the business district in such a way that the

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

1 municipality.

2 A municipality that imposes the tax under this subsection  
3 must submit to the Department of Revenue any other information  
4 as the Department may require for the administration and  
5 enforcement of the tax.

6 Nothing in this subsection shall be construed to authorize  
7 the municipality to impose a tax upon the privilege of  
8 engaging in any business which under the Constitution of the  
9 United States may not be made the subject of taxation by the  
10 State.

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

13 (c-5) If, on January 1, 2025, a unit of local government  
14 has in effect a tax under this Section, or if, after January 1,  
15 2025, a unit of local government imposes a tax under this  
16 Section, then that tax applies to leases of tangible personal  
17 property in effect, entered into, or renewed on or after that  
18 date in the same manner as the tax under this Section and in  
19 accordance with the changes made by this amendatory Act of the  
20 103rd General Assembly.

21 (d) By ordinance, a municipality that has designated a  
22 business district under this Law may impose an occupation tax  
23 upon all persons engaged in the business district in the  
24 business of renting, leasing, or letting rooms in a hotel, as  
25 defined in the Hotel Operators' Occupation Tax Act, at a rate  
26 not to exceed 1% of the gross rental receipts from the renting,

1 leasing, or letting of hotel rooms within the business  
2 district, to be imposed only in 0.25% increments, excluding,  
3 however, from gross rental receipts the proceeds of renting,  
4 leasing, or letting to permanent residents of a hotel, as  
5 defined in the Hotel Operators' Occupation Tax Act, and  
6 proceeds from the tax imposed under subsection (c) of Section  
7 13 of the Metropolitan Pier and Exposition Authority Act.

8 The tax imposed by the municipality under this subsection  
9 and all civil penalties that may be assessed as an incident to  
10 that tax shall be collected and enforced by the municipality  
11 imposing the tax. The municipality shall have full power to  
12 administer and enforce this subsection, to collect all taxes  
13 and penalties due under this subsection, to dispose of taxes  
14 and penalties so collected in the manner provided in this  
15 subsection, and to determine all rights to credit memoranda  
16 arising on account of the erroneous payment of tax or penalty  
17 under this subsection. In the administration of and compliance  
18 with this subsection, the municipality and persons who are  
19 subject to this subsection shall have the same rights,  
20 remedies, privileges, immunities, powers, and duties, shall be  
21 subject to the same conditions, restrictions, limitations,  
22 penalties, and definitions of terms, and shall employ the same  
23 modes of procedure as are employed with respect to a tax  
24 adopted by the municipality under Section 8-3-14 of this Code.

25 Persons subject to any tax imposed under the authority  
26 granted in this subsection may reimburse themselves for their

1 tax liability for that tax by separately stating that tax as an  
2 additional charge, which charge may be stated in combination,  
3 in a single amount, with State taxes imposed under the Hotel  
4 Operators' Occupation Tax Act, and with any other tax.

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

9 The proceeds of the tax imposed under this subsection  
10 shall be deposited into the Business District Tax Allocation  
11 Fund.

12 (e) Obligations secured by the Business District Tax  
13 Allocation Fund may be issued to provide for the payment or  
14 reimbursement of business district project costs. Those  
15 obligations, when so issued, shall be retired in the manner  
16 provided in the ordinance authorizing the issuance of those  
17 obligations by the receipts of taxes imposed pursuant to  
18 subsections (10) and (11) of Section 11-74.3-3 and by other  
19 revenue designated or pledged by the municipality. A  
20 municipality may in the ordinance pledge, for any period of  
21 time up to and including the dissolution date, all or any part  
22 of the funds in and to be deposited into ~~in~~ the Business  
23 District Tax Allocation Fund to the payment of business  
24 district project costs and obligations. Whenever a  
25 municipality pledges all of the funds to the credit of a  
26 business district tax allocation fund to secure obligations

1 issued or to be issued to pay or reimburse business district  
2 project costs, the municipality may specifically provide that  
3 funds remaining to the credit of such business district tax  
4 allocation fund after the payment of such obligations shall be  
5 accounted for annually and shall be deemed to be "surplus"  
6 funds, and such "surplus" funds shall be expended by the  
7 municipality for any business district project cost as  
8 approved in the business district plan. Whenever a  
9 municipality pledges less than all of the monies to the credit  
10 of a business district tax allocation fund to secure  
11 obligations issued or to be issued to pay or reimburse  
12 business district project costs, the municipality shall  
13 provide that monies to the credit of the business district tax  
14 allocation fund and not subject to such pledge or otherwise  
15 encumbered or required for payment of contractual obligations  
16 for specific business district project costs shall be  
17 calculated annually and shall be deemed to be "surplus" funds,  
18 and such "surplus" funds shall be expended by the municipality  
19 for any business district project cost as approved in the  
20 business district plan.

21 No obligation issued pursuant to this Law and secured by a  
22 pledge of all or any portion of any revenues received or to be  
23 received by the municipality from the imposition of taxes  
24 pursuant to subsection (10) of Section 11-74.3-3, shall be  
25 deemed to constitute an economic incentive agreement under  
26 Section 8-11-20, notwithstanding the fact that such pledge

1 provides for the sharing, rebate, or payment of retailers'  
2 occupation taxes or service occupation taxes imposed pursuant  
3 to subsection (10) of Section 11-74.3-3 and received or to be  
4 received by the municipality from the development or  
5 redevelopment of properties in the business district.

6 Without limiting the foregoing in this Section, the  
7 municipality may further secure obligations secured by the  
8 business district tax allocation fund with a pledge, for a  
9 period not greater than the term of the obligations and in any  
10 case not longer than the dissolution date, of any part or any  
11 combination of the following: (i) net revenues of all or part  
12 of any business district project; (ii) taxes levied or imposed  
13 by the municipality on any or all property in the  
14 municipality, including, specifically, taxes levied or imposed  
15 by the municipality in a special service area pursuant to the  
16 Special Service Area Tax Law; (iii) the full faith and credit  
17 of the municipality; (iv) a mortgage on part or all of the  
18 business district project; or (v) any other taxes or  
19 anticipated receipts that the municipality may lawfully  
20 pledge.

21 Such obligations may be issued in one or more series, bear  
22 such date or dates, become due at such time or times as therein  
23 provided, but in any case not later than (i) 20 years after the  
24 date of issue or (ii) the dissolution date, whichever is  
25 earlier, bear interest payable at such intervals and at such  
26 rate or rates as set forth therein, except as may be limited by

1 applicable law, which rate or rates may be fixed or variable,  
2 be in such denominations, be in such form, either coupon,  
3 registered, or book-entry, carry such conversion, registration  
4 and exchange privileges, be subject to defeasance upon such  
5 terms, have such rank or priority, be executed in such manner,  
6 be payable in such medium or payment at such place or places  
7 within or without the State, make provision for a corporate  
8 trustee within or without the State with respect to such  
9 obligations, prescribe the rights, powers, and duties thereof  
10 to be exercised for the benefit of the municipality and the  
11 benefit of the owners of such obligations, provide for the  
12 holding in trust, investment, and use of moneys, funds, and  
13 accounts held under an ordinance, provide for assignment of  
14 and direct payment of the moneys to pay such obligations or to  
15 be deposited into such funds or accounts directly to such  
16 trustee, be subject to such terms of redemption with or  
17 without premium, and be sold at such price, all as the  
18 corporate authorities shall determine. No referendum approval  
19 of the electors shall be required as a condition to the  
20 issuance of obligations pursuant to this Law except as  
21 provided in this Section.

22 In the event the municipality authorizes the issuance of  
23 obligations pursuant to the authority of this Law secured by  
24 the full faith and credit of the municipality, or pledges ad  
25 valorem taxes pursuant to this subsection, which obligations  
26 are other than obligations which may be issued under home rule

1 powers provided by Section 6 of Article VII of the Illinois  
2 Constitution or which ad valorem taxes are other than ad  
3 valorem taxes which may be pledged under home rule powers  
4 provided by Section 6 of Article VII of the Illinois  
5 Constitution or which are levied in a special service area  
6 pursuant to the Special Service Area Tax Law, the ordinance  
7 authorizing the issuance of those obligations or pledging  
8 those taxes shall be published within 10 days after the  
9 ordinance has been adopted, in a newspaper having a general  
10 circulation within the municipality. The publication of the  
11 ordinance shall be accompanied by a notice of (i) the specific  
12 number of voters required to sign a petition requesting the  
13 question of the issuance of the obligations or pledging such  
14 ad valorem taxes to be submitted to the electors; (ii) the time  
15 within which the petition must be filed; and (iii) the date of  
16 the prospective referendum. The municipal clerk shall provide  
17 a petition form to any individual requesting one.

18 If no petition is filed with the municipal clerk, as  
19 hereinafter provided in this Section, within 21 days after the  
20 publication of the ordinance, the ordinance shall be in  
21 effect. However, if within that 21-day period a petition is  
22 filed with the municipal clerk, signed by electors numbering  
23 not less than 15% of the number of electors voting for the  
24 mayor or president at the last general municipal election,  
25 asking that the question of issuing obligations using full  
26 faith and credit of the municipality as security for the cost

1 of paying or reimbursing business district project costs, or  
2 of pledging such ad valorem taxes for the payment of those  
3 obligations, or both, be submitted to the electors of the  
4 municipality, the municipality shall not be authorized to  
5 issue obligations of the municipality using the full faith and  
6 credit of the municipality as security or pledging such ad  
7 valorem taxes for the payment of those obligations, or both,  
8 until the proposition has been submitted to and approved by a  
9 majority of the voters voting on the proposition at a  
10 regularly scheduled election. The municipality shall certify  
11 the proposition to the proper election authorities for  
12 submission in accordance with the general election law.

13 The ordinance authorizing the obligations may provide that  
14 the obligations shall contain a recital that they are issued  
15 pursuant to this Law, which recital shall be conclusive  
16 evidence of their validity and of the regularity of their  
17 issuance.

18 In the event the municipality authorizes issuance of  
19 obligations pursuant to this Law secured by the full faith and  
20 credit of the municipality, the ordinance authorizing the  
21 obligations may provide for the levy and collection of a  
22 direct annual tax upon all taxable property within the  
23 municipality sufficient to pay the principal thereof and  
24 interest thereon as it matures, which levy may be in addition  
25 to and exclusive of the maximum of all other taxes authorized  
26 to be levied by the municipality, which levy, however, shall

1 be abated to the extent that monies from other sources are  
2 available for payment of the obligations and the municipality  
3 certifies the amount of those monies available to the county  
4 clerk.

5 A certified copy of the ordinance shall be filed with the  
6 county clerk of each county in which any portion of the  
7 municipality is situated, and shall constitute the authority  
8 for the extension and collection of the taxes to be deposited  
9 into ~~in~~ the business district tax allocation fund.

10 A municipality may also issue its obligations to refund,  
11 in whole or in part, obligations theretofore issued by the  
12 municipality under the authority of this Law, whether at or  
13 prior to maturity. However, the last maturity of the refunding  
14 obligations shall not be expressed to mature later than the  
15 dissolution date.

16 In the event a municipality issues obligations under home  
17 rule powers or other legislative authority, the proceeds of  
18 which are pledged to pay or reimburse business district  
19 project costs, the municipality may, if it has followed the  
20 procedures in conformance with this Law, retire those  
21 obligations from funds in the business district tax allocation  
22 fund in amounts and in such manner as if those obligations had  
23 been issued pursuant to the provisions of this Law.

24 No obligations issued pursuant to this Law shall be  
25 regarded as indebtedness of the municipality issuing those  
26 obligations or any other taxing district for the purpose of

1 any limitation imposed by law.

2 Obligations issued pursuant to this Law shall not be  
3 subject to the provisions of the Bond Authorization Act.

4 (f) When business district project costs, including,  
5 without limitation, all obligations paying or reimbursing  
6 business district project costs have been paid, any surplus  
7 funds then remaining in the Business District Tax Allocation  
8 Fund shall be distributed to the municipal treasurer for  
9 deposit into the general corporate fund of the municipality.  
10 Upon payment of all business district project costs and  
11 retirement of all obligations paying or reimbursing business  
12 district project costs, but in no event more than 23 years  
13 after the date of adoption of the ordinance imposing taxes  
14 pursuant to subsection (10) or (11) of Section 11-74.3-3, the  
15 municipality shall adopt an ordinance immediately rescinding  
16 the taxes imposed pursuant to subsection (10) or (11) of  
17 Section 11-74.3-3.

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

19 (70 ILCS 925/Act rep.)

20 Section 10-43. The Mid-Illinois Medical District Act is  
21 repealed.

22 Section 10-45. The Metro-East Park and Recreation District  
23 Act is amended by changing Section 30 as follows:

1 (70 ILCS 1605/30)

2 Sec. 30. Taxes.

3 (a) The board shall impose a tax upon all persons engaged  
4 in the business of selling tangible personal property, other  
5 than personal property titled or registered with an agency of  
6 this State's government, at retail in the District on the  
7 gross receipts from the sales made in the course of business.  
8 This tax shall be imposed only at the rate of one-tenth of one  
9 per cent.

10 This additional tax may not be imposed on tangible  
11 personal property taxed at the 1% rate under the Retailers'  
12 Occupation Tax Act (or at the 0% rate imposed under this  
13 amendatory Act of the 102nd General Assembly). Beginning  
14 December 1, 2019 and through December 31, 2020, this tax is not  
15 imposed on sales of aviation fuel unless the tax revenue is  
16 expended for airport-related purposes. If the District does  
17 not have an airport-related purpose to which it dedicates  
18 aviation fuel tax revenue, then aviation fuel shall be  
19 excluded from tax. The board must comply with the  
20 certification requirements for airport-related purposes under  
21 Section 2-22 of the Retailers' Occupation Tax Act. For  
22 purposes of this Act, "airport-related purposes" has the  
23 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
24 Beginning January 1, 2021, this tax is not imposed on sales of  
25 aviation fuel 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. The tax imposed by the Board under this Section and  
2 all civil penalties that may be assessed as an incident of the  
3 tax shall be collected and enforced by the Department of  
4 Revenue. The certificate of registration that is issued by the  
5 Department to a retailer under the Retailers' Occupation Tax  
6 Act shall permit the retailer to engage in a business that is  
7 taxable without registering separately with the Department  
8 under an ordinance or resolution under this Section. The  
9 Department has full power to administer and enforce this  
10 Section, to collect all taxes and penalties due under this  
11 Section, to dispose of taxes and penalties so collected in the  
12 manner provided in this Section, and to determine all rights  
13 to credit memoranda arising on account of the erroneous  
14 payment of a tax or penalty under this Section. In the  
15 administration of and compliance with this Section, the  
16 Department and persons who are subject to this Section shall  
17 (i) have the same rights, remedies, privileges, immunities,  
18 powers, and duties, (ii) be subject to the same conditions,  
19 restrictions, limitations, penalties, and definitions of  
20 terms, and (iii) employ the same modes of procedure as are  
21 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
22 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions  
23 contained in those Sections other than the State rate of tax),  
24 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except provisions  
25 relating to transaction returns and quarter monthly payments,  
26 and except that the retailer's discount is not allowed for

1 taxes paid on aviation fuel that are subject to the revenue use  
2 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,  
3 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
4 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'  
5 Occupation Tax Act and the Uniform Penalty and Interest Act as  
6 if those provisions were set forth in this Section.

7 Persons subject to any tax imposed under the authority  
8 granted in this Section may reimburse themselves for their  
9 sellers' tax liability by separately stating the tax as an  
10 additional charge, which charge may be stated in combination,  
11 in a single amount, with State tax which sellers are required  
12 to collect under the Use Tax Act, pursuant to such bracketed  
13 schedules as the Department may prescribe.

14 Whenever the Department determines that a refund should be  
15 made under this Section to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the order to be drawn for the  
18 amount specified and to the person named in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the State Metro-East Park and Recreation  
21 District Fund or the Local Government Aviation Trust Fund, as  
22 appropriate.

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

1 sales of service, transfer tangible personal property within  
2 the District as an incident to a sale of service. This tax may  
3 not be imposed on tangible personal property taxed at the 1%  
4 rate under the Service Occupation Tax Act (or at the 0% rate  
5 imposed under this amendatory Act of the 102nd General  
6 Assembly). Beginning December 1, 2019 and through December 31,  
7 2020, this tax may not be imposed on sales of aviation fuel  
8 unless the tax revenue is expended for airport-related  
9 purposes. If the District does not have an airport-related  
10 purpose to which it dedicates aviation fuel tax revenue, then  
11 aviation fuel shall be excluded from tax. The board must  
12 comply with the certification requirements for airport-related  
13 purposes under Section 2-22 of the Retailers' Occupation Tax  
14 Act. For purposes of this Act, "airport-related purposes" has  
15 the meaning ascribed in Section 6z-20.2 of the State Finance  
16 Act. Beginning January 1, 2021, this tax is not imposed on  
17 sales of aviation fuel for so long as the revenue use  
18 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
19 binding on the District. The tax imposed under this subsection  
20 and all civil penalties that may be assessed as an incident  
21 thereof shall be collected and enforced by the Department of  
22 Revenue. The Department has full power to administer and  
23 enforce this subsection; to collect all taxes and penalties  
24 due hereunder; to dispose of taxes and penalties so collected  
25 in the manner hereinafter provided; and to determine all  
26 rights to credit memoranda arising on account of the erroneous

1 payment of tax or penalty hereunder. In the administration of,  
2 and compliance with this subsection, the Department and  
3 persons who are subject to this paragraph shall (i) have the  
4 same rights, remedies, privileges, immunities, powers, and  
5 duties, (ii) be subject to the same conditions, restrictions,  
6 limitations, penalties, exclusions, exemptions, and  
7 definitions of terms, and (iii) employ the same modes of  
8 procedure as are prescribed in Sections 2 (except that the  
9 reference to State in the definition of supplier maintaining a  
10 place of business in this State shall mean the District), 2a,  
11 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
12 other than the State rate of tax), 4 (except that the reference  
13 to the State shall be to the 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 District), 9 (except  
16 as to the disposition of taxes and penalties collected, and  
17 except that the retailer's discount is not allowed for taxes  
18 paid on aviation fuel that are subject to the revenue use  
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,  
20 11, 12 (except the reference therein to Section 2b of the  
21 Retailers' Occupation Tax Act), 13 (except that any reference  
22 to the State shall mean the District), Sections 15, 16, 17, 18,  
23 19 and 20 of the Service Occupation Tax Act and the Uniform  
24 Penalty and Interest Act, as fully as if those provisions were  
25 set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this subsection may reimburse themselves for their  
2 serviceman's tax liability 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 that servicemen are  
5 authorized to collect under the Service Use Tax Act, in  
6 accordance with such bracket schedules as the Department may  
7 prescribe.

8 Whenever the Department determines that a refund should be  
9 made under this subsection to a claimant instead of issuing a  
10 credit memorandum, the Department shall notify the State  
11 Comptroller, who shall cause the warrant to be drawn for the  
12 amount specified, and to the person named, in the notification  
13 from the Department. The refund shall be paid by the State  
14 Treasurer out of the State Metro-East Park and Recreation  
15 District Fund or the Local Government Aviation Trust Fund, as  
16 appropriate.

17 Nothing in this subsection shall be construed to authorize  
18 the board 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 the State.

21 (b-5) If, on January 1, 2025, a unit of local government  
22 has in effect a tax under this Section, or if, after January 1,  
23 2025, a unit of local government imposes a tax under this  
24 Section, then that tax applies to leases of tangible personal  
25 property in effect, entered into, or renewed on or after that  
26 date in the same manner as the tax under this Section and in

1 accordance with the changes made by this amendatory Act of the  
2 103rd General Assembly.

3 (c) Except as otherwise provided in this paragraph, the  
4 Department shall immediately pay over to the State Treasurer,  
5 ex officio, as trustee, all taxes and penalties collected  
6 under this Section to be deposited into the State Metro-East  
7 Park and Recreation District Fund, which shall be an  
8 unappropriated trust fund held outside of the State treasury.  
9 Taxes and penalties collected on aviation fuel sold on or  
10 after December 1, 2019 and through December 31, 2020, shall be  
11 immediately paid over by the Department to the State  
12 Treasurer, ex officio, as trustee, for deposit into the Local  
13 Government Aviation Trust Fund. The Department shall only pay  
14 moneys into the Local Government Aviation Trust Fund under  
15 this Act for so long as the revenue use requirements of 49  
16 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
17 District.

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

1 District imposes a tax on real property as provided in the  
2 definition of "local sales taxes" under the Innovation  
3 Development and Economy Act.

4 As soon as possible after the first day of each month,  
5 beginning June 1, 2026, upon certification of the Department  
6 of Revenue, the Comptroller shall order transferred, and the  
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
8 local sales tax increment, as defined in the Statewide  
9 Innovation Development and Economy Act, collected under this  
10 Section during the second preceding calendar month for sales  
11 within a STAR bond district. The Department shall make this  
12 certification only if the Metro East Park and Recreation  
13 District imposes a tax on real property as provided in the  
14 definition of "local sales taxes" under the Statewide  
15 Innovation Development and Economy Act.

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 pursuant to Section  
20 35 of this Act to the District from which retailers have paid  
21 taxes or penalties to the Department during the second  
22 preceding calendar month. The amount to be paid to the  
23 District shall be the amount (not including credit memoranda  
24 and not including taxes and penalties collected on aviation  
25 fuel sold on or after December 1, 2019 and through December 31,  
26 2020) collected under this Section during the second preceding

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

23 (d) For the purpose of determining whether a tax  
24 authorized under this Section is applicable, a retail sale by  
25 a producer of coal or another mineral mined in Illinois is a  
26 sale at retail at the place where the coal or other mineral

1 mined in Illinois is extracted from the earth. This paragraph  
2 does not apply to coal or another mineral when it is delivered  
3 or shipped by the seller to the purchaser at a point outside  
4 Illinois so that the sale is exempt under the United States  
5 Constitution as a sale in interstate or foreign commerce.

6 (e) Nothing in this Section shall be construed to  
7 authorize the board to impose a tax upon the privilege of  
8 engaging in any business that under the Constitution of the  
9 United States may not be made the subject of taxation by this  
10 State.

11 (f) An ordinance imposing a tax under this Section or an  
12 ordinance extending the imposition of a tax to an additional  
13 county or counties shall be certified by the board and filed  
14 with the Department of Revenue either (i) on or before the  
15 first day of April, whereupon the Department shall proceed to  
16 administer and enforce the tax as of the first day of July next  
17 following the filing; or (ii) on or before the first day of  
18 October, whereupon the Department shall proceed to administer  
19 and enforce the tax as of the first day of January next  
20 following the filing.

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

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

2 Section 10-50. The Local Mass Transit District Act is  
3 amended by changing Section 5.01 as follows:

4 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

5 Sec. 5.01. Metro East Mass Transit District; use and  
6 occupation taxes.

7 (a) The Board of Trustees of any Metro East Mass Transit  
8 District may, by ordinance adopted with the concurrence of  
9 two-thirds of the then trustees, impose throughout the  
10 District any or all of the taxes and fees provided in this  
11 Section. Except as otherwise provided, all taxes and fees  
12 imposed under this Section shall be used only for public mass  
13 transportation systems, and the amount used to provide mass  
14 transit service to unserved areas of the District shall be in  
15 the same proportion to the total proceeds as the number of  
16 persons residing in the unserved areas is to the total  
17 population of the District. Except as otherwise provided in  
18 this Act, taxes imposed under this Section and civil penalties  
19 imposed incident thereto shall be collected and enforced by  
20 the State Department of Revenue. The Department shall have the  
21 power to administer and enforce the taxes and to determine all  
22 rights for refunds for erroneous payments of the taxes.

23 (b) The Board may impose a Metro East Mass Transit  
24 District Retailers' Occupation Tax upon all persons engaged in

1 the business of selling tangible personal property at retail  
2 in the district at a rate of 1/4 of 1%, or as authorized under  
3 subsection (d-5) of this Section, of the gross receipts from  
4 the sales made in the course of such business within the  
5 district, including sales of food for human consumption that  
6 is to be consumed off the premises where it is sold (other than  
7 alcoholic beverages, food consisting of or infused with adult  
8 use cannabis, soft drinks, candy, and food that has been  
9 prepared for immediate consumption), except that the rate of  
10 tax imposed under this Section on sales of aviation fuel on or  
11 after December 1, 2019 shall be 0.25% in Madison County unless  
12 the Metro-East Mass Transit District in Madison County has an  
13 "airport-related purpose" and any additional amount authorized  
14 under subsection (d-5) is expended for airport-related  
15 purposes. If there is no airport-related purpose to which  
16 aviation fuel tax revenue is dedicated, then aviation fuel is  
17 excluded from any additional amount authorized under  
18 subsection (d-5). The rate in St. Clair County shall be 0.25%  
19 unless the Metro-East Mass Transit District in St. Clair  
20 County has an "airport-related purpose" and the additional  
21 0.50% of the 0.75% tax on aviation fuel imposed in that County  
22 is expended for airport-related purposes. If there is no  
23 airport-related purpose to which aviation fuel tax revenue is  
24 dedicated, then aviation fuel is excluded from the additional  
25 0.50% of the 0.75% tax.

26 The Board must comply with the certification requirements

1 for airport-related purposes under Section 2-22 of the  
2 Retailers' Occupation Tax Act. For purposes of this Section,  
3 "airport-related purposes" has the meaning ascribed in Section  
4 6z-20.2 of the State Finance Act. This exclusion for aviation  
5 fuel only applies for so long as the revenue use requirements  
6 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
7 District.

8 The tax imposed under this Section and all civil penalties  
9 that may be assessed as an incident thereof shall be collected  
10 and enforced by the State Department of Revenue. The  
11 Department shall have full power to administer and enforce  
12 this Section; to collect all taxes and penalties so collected  
13 in the manner hereinafter provided; and to determine all  
14 rights to credit memoranda arising on account of the erroneous  
15 payment of tax or penalty hereunder. In the administration of,  
16 and compliance with, this Section, the Department and persons  
17 who are subject to this Section shall have the same rights,  
18 remedies, privileges, immunities, powers and duties, and be  
19 subject to the same conditions, restrictions, limitations,  
20 penalties, exclusions, exemptions and definitions of terms and  
21 employ the same modes of procedure, as are prescribed in  
22 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
23 (in respect to all provisions therein other than the State  
24 rate of tax and other than the exemption for food for human  
25 consumption that is to be consumed off the premises where it is  
26 sold (other than alcoholic beverages, food consisting of or

1 infused with adult use cannabis, soft drinks, candy, and food  
2 that has been prepared for immediate consumption), which is  
3 taxed at the rate as provided in this subsection), 2c, 3  
4 (except as to the disposition of taxes and penalties  
5 collected, and except that the retailer's discount is not  
6 allowed for taxes paid on aviation fuel that are subject to the  
7 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
8 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6,  
9 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
10 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
11 Penalty and Interest Act, as fully as if those provisions were  
12 set forth herein.

13 Persons subject to any tax imposed under the Section may  
14 reimburse themselves for their seller's tax liability  
15 hereunder by separately stating the tax as an additional  
16 charge, which charge may be stated in combination, in a single  
17 amount, with State taxes that sellers are required to collect  
18 under the Use Tax Act, in accordance with such bracket  
19 schedules as the Department may prescribe.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the warrant to be drawn for the  
24 amount specified, and to the person named, in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Metro East Mass Transit District tax fund

1 established under paragraph (h) of this Section or the Local  
2 Government Aviation Trust Fund, as appropriate.

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

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

14 No tax shall be imposed or collected under this subsection  
15 on the sale of a motor vehicle in this State to a resident of  
16 another state if that motor vehicle will not be titled in this  
17 State.

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

23 (c) If a tax has been imposed under subsection (b), a Metro  
24 East Mass Transit District Service Occupation Tax shall also  
25 be imposed upon all persons engaged, in the district, in the  
26 business of making sales of service, who, as an incident to

1 making those sales of service, transfer tangible personal  
2 property within the District, either in the form of tangible  
3 personal property or in the form of real estate as an incident  
4 to a sale of service. The tax rate shall be (1) 1/4%, or as  
5 authorized under subsection (d-5) of this Section, of the  
6 selling price of tangible personal property so transferred  
7 within the district, including 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); and (2) 1/4%, or as  
12 authorized under subsection (d-5) of this Section, of the  
13 serviceman's cost price of food prepared for immediate  
14 consumption and transferred incident to a sale of service  
15 subject to the service occupation tax by an entity that is  
16 licensed under the Hospital Licensing Act, the Nursing Home  
17 Care Act, the Assisted Living and Shared Housing Act, the  
18 Specialized Mental Health Rehabilitation Act of 2013, the  
19 ID/DD Community Care Act, or the MC/DD Act, or the Child Care  
20 Act of 1969, or an entity that holds a permit issued pursuant  
21 to the Life Care Facilities Act. However, the rate of tax  
22 imposed in these Counties under this Section on sales of  
23 aviation fuel on or after December 1, 2019 shall be 0.25% in  
24 Madison County unless the Metro-East Mass Transit District in  
25 Madison County has an "airport-related purpose" and any  
26 additional amount authorized under subsection (d-5) 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 any additional  
4 amount authorized under subsection (d-5). The rate in St.  
5 Clair County shall be 0.25% unless the Metro-East Mass Transit  
6 District in St. Clair County has an "airport-related purpose"  
7 and the additional 0.50% of the 0.75% tax on aviation fuel is  
8 expended for airport-related purposes. If there is no  
9 airport-related purpose to which aviation fuel tax revenue is  
10 dedicated, then aviation fuel is excluded from the additional  
11 0.50% of the 0.75% tax.

12 The Board 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 District.

20 The tax imposed under this paragraph and all civil  
21 penalties that may be assessed as an incident thereof shall be  
22 collected and enforced by the State Department of Revenue. The  
23 Department shall have full power to administer and enforce  
24 this paragraph; to collect all taxes and penalties due  
25 hereunder; to dispose of taxes and penalties so collected in  
26 the manner hereinafter provided; and to determine all rights

1 to credit memoranda arising on account of the erroneous  
2 payment of tax or penalty hereunder. In the administration of,  
3 and compliance with this paragraph, the Department and persons  
4 who are subject to this paragraph shall have the same rights,  
5 remedies, privileges, immunities, powers and duties, and be  
6 subject to the same conditions, restrictions, limitations,  
7 penalties, exclusions, exemptions and definitions of terms and  
8 employ the same modes of procedure as are prescribed in  
9 Sections 1a-1, 2 (except that the reference to State in the  
10 definition of supplier maintaining a place of business in this  
11 State shall mean the Authority), 2a, 3 through 3-50 (in  
12 respect to all provisions therein other than (i) the State  
13 rate of tax; (ii) the exemption for food for human consumption  
14 that is to be consumed off the premises where it is sold (other  
15 than alcoholic beverages, food consisting of or infused with  
16 adult use cannabis, soft drinks, candy, and food that has been  
17 prepared for immediate consumption), which is taxed at the  
18 rate as provided in this subsection; and (iii) the exemption  
19 for food prepared for immediate consumption and transferred  
20 incident to a sale of service subject to the service  
21 occupation tax by an entity that is licensed under the  
22 Hospital Licensing Act, the Nursing Home Care Act, the  
23 Assisted Living and Shared Housing Act, the Specialized Mental  
24 Health Rehabilitation Act of 2013, the ID/DD Community Care  
25 Act, or the MC/DD Act, or the Child Care Act of 1969, or an  
26 entity that holds a permit issued pursuant to the Life Care

1 Facilities Act, which is taxed at the rate as provided in this  
2 subsection), 4 (except that the reference to the State shall  
3 be to the Authority), 5, 7, 8 (except that the jurisdiction to  
4 which the tax shall be a debt to the extent indicated in that  
5 Section 8 shall be the District), 9 (except as to the  
6 disposition of taxes and penalties collected, and except that  
7 the returned merchandise credit for this tax may not be taken  
8 against any State tax, and except that the retailer's discount  
9 is not allowed for taxes paid on aviation fuel that are subject  
10 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
11 U.S.C. 47133), 10, 11, 12 (except the reference therein to  
12 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
13 that any reference to the State shall mean the District), the  
14 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
15 Service Occupation Tax Act and Section 3-7 of the Uniform  
16 Penalty and Interest Act, as fully as if those provisions were  
17 set forth herein.

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

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the warrant 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 Metro East Mass Transit District tax fund  
7 established under paragraph (h) of this Section or the Local  
8 Government Aviation Trust Fund, as appropriate.

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

13 (d) If a tax has been imposed under subsection (b), a Metro  
14 East Mass Transit District Use Tax shall also be imposed upon  
15 the privilege of using, in the district, any item of tangible  
16 personal property that is purchased outside the district at  
17 retail from a retailer, and that is titled or registered with  
18 an agency of this State's government, at a rate of 1/4%, or as  
19 authorized under subsection (d-5) of this Section, of the  
20 selling price of the tangible personal property within the  
21 District, as "selling price" is defined in the Use Tax Act. The  
22 tax shall be collected from persons whose Illinois address for  
23 titling or registration purposes is given as being in the  
24 District. The tax shall be collected by the Department of  
25 Revenue for the Metro East Mass Transit District. The tax must  
26 be paid to the State, or an exemption determination must be

1 obtained from the Department of Revenue, before the title or  
2 certificate of registration for the property may be issued.  
3 The tax or proof of exemption may be transmitted to the  
4 Department by way of the State agency with which, or the State  
5 officer with whom, the tangible personal property must be  
6 titled or registered if the Department and the State agency or  
7 State officer determine that this procedure will expedite the  
8 processing of applications for title or registration.

9 The Department shall have full power to administer and  
10 enforce this paragraph; to collect all taxes, penalties and  
11 interest due hereunder; to dispose of taxes, penalties and  
12 interest so collected in the manner hereinafter provided; and  
13 to determine all rights to credit memoranda or refunds arising  
14 on account of the erroneous payment of tax, penalty or  
15 interest hereunder. In the administration of, and compliance  
16 with, this paragraph, the Department and persons who are  
17 subject to this paragraph shall have the same rights,  
18 remedies, privileges, immunities, powers and duties, and be  
19 subject to the same conditions, restrictions, limitations,  
20 penalties, exclusions, exemptions and definitions of terms and  
21 employ the same modes of procedure, as are prescribed in  
22 Sections 2 (except the definition of "retailer maintaining a  
23 place of business in this State"), 3 through 3-80 (except  
24 provisions pertaining to the State rate of tax, and except  
25 provisions concerning collection or refunding of the tax by  
26 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions

1 pertaining to claims by retailers and except the last  
2 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
3 and Section 3-7 of the Uniform Penalty and Interest Act, that  
4 are not inconsistent with this paragraph, as fully as if those  
5 provisions were set forth herein.

6 Whenever the Department determines that a refund should be  
7 made under this paragraph 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 Metro East Mass Transit District tax fund  
13 established under paragraph (h) of this Section.

14 (d-1) If, on January 1, 2025, a unit of local government  
15 has in effect a tax under subsections (b), (c), and (d) or if,  
16 after January 1, 2025, a unit of local government imposes a tax  
17 under subsections (b), (c), and (d), then that tax applies to  
18 leases of tangible personal property in effect, entered into,  
19 or renewed on or after that date in the same manner as the tax  
20 under this Section and in accordance with the changes made by  
21 this amendatory Act of the 103rd General Assembly.

22 (d-5) (A) The county board of any county participating in  
23 the Metro East Mass Transit District may authorize, by  
24 ordinance, a referendum on the question of whether the tax  
25 rates for the Metro East Mass Transit District Retailers'  
26 Occupation Tax, the Metro East Mass Transit District Service

1 Occupation Tax, and the Metro East Mass Transit District Use  
2 Tax for the District should be increased from 0.25% to 0.75%.  
3 Upon adopting the ordinance, the county board shall certify  
4 the proposition to the proper election officials who shall  
5 submit the proposition to the voters of the District at the  
6 next election, in accordance with the general election law.

7 The proposition shall be in substantially the following  
8 form:

9 Shall the tax rates for the Metro East Mass Transit  
10 District Retailers' Occupation Tax, the Metro East Mass  
11 Transit District Service Occupation Tax, and the Metro  
12 East Mass Transit District Use Tax be increased from 0.25%  
13 to 0.75%?

14 (B) Two thousand five hundred electors of any Metro East  
15 Mass Transit District may petition the Chief Judge of the  
16 Circuit Court, or any judge of that Circuit designated by the  
17 Chief Judge, in which that District is located to cause to be  
18 submitted to a vote of the electors the question whether the  
19 tax rates for the Metro East Mass Transit District Retailers'  
20 Occupation Tax, the Metro East Mass Transit District Service  
21 Occupation Tax, and the Metro East Mass Transit District Use  
22 Tax for the District should be increased from 0.25% to 0.75%.

23 Upon submission of such petition the court shall set a  
24 date not less than 10 nor more than 30 days thereafter for a  
25 hearing on the sufficiency thereof. Notice of the filing of  
26 such petition and of such date shall be given in writing to the

1 District and the County Clerk at least 7 days before the date  
2 of such hearing.

3 If such petition is found sufficient, the court shall  
4 enter an order to submit that proposition at the next  
5 election, in accordance with general election law.

6 The form of the petition shall be in substantially the  
7 following form: To the Circuit Court of the County of (name of  
8 county):

9 We, the undersigned electors of the (name of transit  
10 district), respectfully petition your honor to submit to a  
11 vote of the electors of (name of transit district) the  
12 following proposition:

13 Shall the tax rates for the Metro East Mass Transit  
14 District Retailers' Occupation Tax, the Metro East Mass  
15 Transit District Service Occupation Tax, and the Metro  
16 East Mass Transit District Use Tax be increased from 0.25%  
17 to 0.75%?

18 Name Address, with Street and Number.

19 .....  
20 .....

21 (C) The votes shall be recorded as "YES" or "NO". If a  
22 majority of all votes cast on the proposition are for the  
23 increase in the tax rates, the Metro East Mass Transit  
24 District shall begin imposing the increased rates in the  
25 District, and the Department of Revenue shall begin collecting  
26 the increased amounts, as provided under this Section. An

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

10 (D) If the voters have approved a referendum under this  
11 subsection, before November 1, 1994, to increase the tax rate  
12 under this subsection, the Metro East Mass Transit District  
13 Board of Trustees may adopt by a majority vote an ordinance at  
14 any time before January 1, 1995 that excludes from the rate  
15 increase tangible personal property that is titled or  
16 registered with an agency of this State's government. The  
17 ordinance excluding titled or registered tangible personal  
18 property from the rate increase must be filed with the  
19 Department at least 15 days before its effective date. At any  
20 time after adopting an ordinance excluding from the rate  
21 increase tangible personal property that is titled or  
22 registered with an agency of this State's government, the  
23 Metro East Mass Transit District Board of Trustees may adopt  
24 an ordinance applying the rate increase to that tangible  
25 personal property. The ordinance shall be adopted, and a  
26 certified copy of that ordinance shall be filed with the

1 Department, on or before October 1, whereupon the Department  
2 shall proceed to administer and enforce the rate increase  
3 against tangible personal property titled or registered with  
4 an agency of this State's government as of the following  
5 January 1. After December 31, 1995, any reimposed rate  
6 increase in effect under this subsection shall no longer apply  
7 to tangible personal property titled or registered with an  
8 agency of this State's government. Beginning January 1, 1996,  
9 the Board of Trustees of any Metro East Mass Transit District  
10 may never reimpose a previously excluded tax rate increase on  
11 tangible personal property titled or registered with an agency  
12 of this State's government. After July 1, 2004, if the voters  
13 have approved a referendum under this subsection to increase  
14 the tax rate under this subsection, the Metro East Mass  
15 Transit District Board of Trustees may adopt by a majority  
16 vote an ordinance that excludes from the rate increase  
17 tangible personal property that is titled or registered with  
18 an agency of this State's government. The ordinance excluding  
19 titled or registered tangible personal property from the rate  
20 increase shall be adopted, and a certified copy of that  
21 ordinance shall be filed with the Department on or before  
22 October 1, whereupon the Department shall administer and  
23 enforce this exclusion from the rate increase as of the  
24 following January 1, or on or before April 1, whereupon the  
25 Department shall administer and enforce this exclusion from  
26 the rate increase as of the following July 1. The Board of

1 Trustees of any Metro East Mass Transit District may never  
2 reimpose a previously excluded tax rate increase on tangible  
3 personal property titled or registered with an agency of this  
4 State's government.

5 (d-6) If the Board of Trustees of any Metro East Mass  
6 Transit District has imposed a rate increase under subsection  
7 (d-5) and filed an ordinance with the Department of Revenue  
8 excluding titled property from the higher rate, then that  
9 Board may, by ordinance adopted with the concurrence of  
10 two-thirds of the then trustees, impose throughout the  
11 District a fee. The fee on the excluded property shall not  
12 exceed \$20 per retail transaction or an amount equal to the  
13 amount of tax excluded, whichever is less, on tangible  
14 personal property that is titled or registered with an agency  
15 of this State's government. Beginning July 1, 2004, the fee  
16 shall apply only to titled property that is subject to either  
17 the Metro East Mass Transit District Retailers' Occupation Tax  
18 or the Metro East Mass Transit District Service Occupation  
19 Tax. No fee shall be imposed or collected under this  
20 subsection on the sale of a motor vehicle in this State to a  
21 resident of another state if that motor vehicle will not be  
22 titled in this State.

23 (d-7) Until June 30, 2004, if a fee has been imposed under  
24 subsection (d-6), a fee shall also be imposed upon the  
25 privilege of using, in the district, any item of tangible  
26 personal property that is titled or registered with any agency

1 of this State's government, in an amount equal to the amount of  
2 the fee imposed under subsection (d-6).

3 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
4 Board of Trustees of any Metro East Mass Transit District  
5 under subsection (d-6) and all civil penalties that may be  
6 assessed as an incident of the fees shall be collected and  
7 enforced by the State Department of Revenue. Reference to  
8 "taxes" in this Section shall be construed to apply to the  
9 administration, payment, and remittance of all fees under this  
10 Section. For purposes of any fee imposed under subsection  
11 (d-6), 4% of the fee, penalty, and interest received by the  
12 Department in the first 12 months that the fee is collected and  
13 enforced by the Department and 2% of the fee, penalty, and  
14 interest following the first 12 months (except the amount  
15 collected on aviation fuel sold on or after December 1, 2019)  
16 shall be deposited into the Tax Compliance and Administration  
17 Fund and shall be used by the Department, subject to  
18 appropriation, to cover the costs of the Department. No  
19 retailers' discount shall apply to any fee imposed under  
20 subsection (d-6).

21 (d-8) No item of titled property shall be subject to both  
22 the higher rate approved by referendum, as authorized under  
23 subsection (d-5), and any fee imposed under subsection (d-6)  
24 or (d-7).

25 (d-9) (Blank).

26 (d-10) (Blank).

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

10           (f) (Blank).

11           (g) Any ordinance imposing or discontinuing any tax under  
12 this Section shall be adopted and a certified copy thereof  
13 filed with the Department on or before June 1, whereupon the  
14 Department of Revenue shall proceed to administer and enforce  
15 this Section on behalf of the Metro East Mass Transit District  
16 as of September 1 next following such adoption and filing.  
17 Beginning January 1, 1992, an ordinance or resolution imposing  
18 or discontinuing the tax hereunder shall be adopted and a  
19 certified copy thereof filed with the Department on or before  
20 the first day of July, whereupon the Department shall proceed  
21 to administer and enforce this Section as of the first day of  
22 October next following such adoption and filing. Beginning  
23 January 1, 1993, except as provided in subsection (d-5) of  
24 this Section, an ordinance or resolution imposing or  
25 discontinuing the tax hereunder shall be adopted and a  
26 certified copy thereof filed with the Department on or before

1 the first day of October, whereupon the Department shall  
2 proceed to administer and enforce this Section as of the first  
3 day of January next following such adoption and filing, or,  
4 beginning January 1, 2004, on or before the first day of April,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of July next following  
7 the adoption and filing.

8 (h) Except as provided in subsection (d-7.1), the State  
9 Department of Revenue shall, upon collecting any taxes as  
10 provided in this Section, pay the taxes over to the State  
11 Treasurer as trustee for the District. The taxes shall be held  
12 in a trust fund outside the State treasury. If an  
13 airport-related purpose has been certified, taxes and  
14 penalties collected in St. Clair County on aviation fuel sold  
15 on or after December 1, 2019 from the 0.50% of the 0.75% rate  
16 shall be immediately paid over by the Department to the State  
17 Treasurer, ex officio, as trustee, for deposit into the Local  
18 Government Aviation Trust Fund. The Department shall only pay  
19 moneys into the Local Government Aviation Trust Fund under  
20 this Act for so long as the revenue use requirements of 49  
21 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
22 District.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the  
25 Department of Revenue, the Comptroller shall order  
26 transferred, and the Treasurer shall transfer, to the STAR

1 Bonds Revenue Fund the local sales tax increment, as defined  
2 in the Innovation Development and Economy Act, collected under  
3 this Section during the second preceding calendar month for  
4 sales within a STAR bond district. The Department shall make  
5 this certification only if the local mass transit district  
6 imposes a tax on real property as provided in the definition of  
7 "local sales taxes" under the Innovation Development and  
8 Economy Act.

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. The Department shall make this  
17 certification only if the local mass transit district imposes  
18 a tax on real property as provided in the definition of "local  
19 sales taxes" under the Statewide Innovation Development and  
20 Economy Act.

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 State Department of Revenue shall prepare and certify to  
24 the Comptroller of the State of Illinois the amount to be paid  
25 to the District, which shall be the amount (not including  
26 credit memoranda and not including taxes and penalties

1 collected on aviation fuel sold on or after December 1, 2019  
2 that are deposited into the Local Government Aviation Trust  
3 Fund) collected under this Section during the second preceding  
4 calendar month by the Department plus an amount the Department  
5 determines is necessary to offset any amounts that were  
6 erroneously paid to a different taxing body, and not including  
7 any amount equal to the amount of refunds made during the  
8 second preceding calendar month by the Department on behalf of  
9 the District, and not including any amount that the Department  
10 determines is necessary to offset any amounts that were  
11 payable to a different taxing body but were erroneously paid  
12 to the District, and less any amounts that are transferred to  
13 the STAR Bonds Revenue Fund, less 1.5% of the remainder, which  
14 the Department shall transfer into the Tax Compliance and  
15 Administration Fund. The Department, at the time of each  
16 monthly disbursement to the District, shall prepare and  
17 certify to the State Comptroller the amount to be transferred  
18 into the Tax Compliance and Administration Fund under this  
19 subsection. Within 10 days after receipt by the Comptroller of  
20 the certification of the amount to be paid to the District and  
21 the Tax Compliance and Administration Fund, the Comptroller  
22 shall cause an order to be drawn for payment for the amount in  
23 accordance with the direction in the certification.

24 (Source: P.A. 103-592, eff. 1-1-25; 104-6, eff. 1-1-26.)

25 Section 10-55. The Eminent Domain Act is amended by

1 changing Section 15-5-15 as follows:

2 (735 ILCS 30/15-5-15)

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

4 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70  
5 through 75. The following provisions of law may include  
6 express grants of the power to acquire property by  
7 condemnation or eminent domain:

8 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport  
9 authorities; for public airport facilities.

10 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport  
11 authorities; for removal of airport hazards.

12 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport  
13 authorities; for reduction of the height of objects or  
14 structures.

15 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate  
16 airport authorities; for general purposes.

17 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority  
18 Act; Kankakee River Valley Area Airport Authority; for  
19 acquisition of land for airports.

20 (70 ILCS 200/2-20); Civic Center Code; civic center  
21 authorities; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center  
23 Authority; for grounds, centers, buildings, and parking.

24 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan

1           Exposition, Auditorium and Office Building Authority; for  
2           grounds, centers, buildings, and parking.

3           (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center  
4           Authority; for grounds, centers, buildings, and parking.

5           (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic  
6           Center Authority; for grounds, centers, buildings, and  
7           parking.

8           (70 ILCS 200/35-35); Civic Center Code; Brownstown Park  
9           District Civic Center Authority; for grounds, centers,  
10          buildings, and parking.

11          (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic  
12          Center Authority; for grounds, centers, buildings, and  
13          parking.

14          (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic  
15          Center Authority; for grounds, centers, buildings, and  
16          parking.

17          (70 ILCS 200/60-30); Civic Center Code; Collinsville  
18          Metropolitan Exposition, Auditorium and Office Building  
19          Authority; for grounds, centers, buildings, and parking.

20          (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic  
21          Center Authority; for grounds, centers, buildings, and  
22          parking.

23          (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan  
24          Exposition, Auditorium and Office Building Authority; for  
25          grounds, centers, buildings, and parking.

26          (70 ILCS 200/80-15); Civic Center Code; DuPage County

1 Metropolitan Exposition, Auditorium and Office Building  
2 Authority; for grounds, centers, buildings, and parking.

3 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan  
4 Exposition, Auditorium and Office Building Authority; for  
5 grounds, centers, buildings, and parking.

6 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan  
7 Exposition, Auditorium and Office Building Authority; for  
8 grounds, centers, buildings, and parking.

9 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic  
10 Center Authority; for grounds, centers, buildings, and  
11 parking.

12 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic  
13 Center Authority; for grounds, centers, buildings, and  
14 parking.

15 (70 ILCS 200/120-25); Civic Center Code; Jefferson County  
16 Metropolitan Exposition, Auditorium and Office Building  
17 Authority; for grounds, centers, buildings, and parking.

18 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County  
19 Civic Center Authority; for grounds, centers, buildings,  
20 and parking.

21 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham  
22 Metropolitan Exposition, Auditorium and Office Building  
23 Authority; for grounds, centers, buildings, and parking.

24 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center  
25 Authority; for grounds, centers, buildings, and parking.

26 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic

1 Center Authority; for grounds, centers, buildings, and  
2 parking.

3 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan  
4 Civic Center Authority; for grounds, centers, buildings,  
5 and parking.

6 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center  
7 Authority; for grounds, centers, buildings, and parking.

8 (70 ILCS 200/165-35); Civic Center Code; Melrose Park  
9 Metropolitan Exposition Auditorium and Office Building  
10 Authority; for grounds, centers, buildings, and parking.

11 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan  
12 Exposition, Auditorium and Office Building Authorities;  
13 for general purposes.

14 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center  
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center  
17 Authority; for grounds, centers, buildings, and parking.

18 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center  
19 Authority; for grounds, centers, buildings, and parking.

20 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center  
21 Authority; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center  
23 Authority; for grounds, centers, buildings, and parking.

24 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center  
25 Authority; for grounds, centers, buildings, and parking.

26 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City

1 Civic Center Authority; for grounds, centers, buildings,  
2 and parking.

3 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan  
4 Exposition, Auditorium and Office Building Authority; for  
5 grounds, centers, buildings, and parking.

6 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic  
7 Center Authority; for grounds, centers, buildings, and  
8 parking.

9 (70 ILCS 200/230-35); Civic Center Code; River Forest  
10 Metropolitan Exposition, Auditorium and Office Building  
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic  
13 Center Authority; for grounds, centers, buildings, and  
14 parking.

15 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center  
16 Authority; for grounds, centers, buildings, and parking.

17 (70 ILCS 200/255-20); Civic Center Code; Springfield  
18 Metropolitan Exposition and Auditorium Authority; for  
19 grounds, centers, and parking.

20 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan  
21 Exposition, Auditorium and Office Building Authority; for  
22 grounds, centers, buildings, and parking.

23 (70 ILCS 200/265-20); Civic Center Code; Vermilion County  
24 Metropolitan Exposition, Auditorium and Office Building  
25 Authority; for grounds, centers, buildings, and parking.

26 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center

1 Authority; for grounds, centers, buildings, and parking.  
2 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic  
3 Center Authority; for grounds, centers, buildings, and  
4 parking.

5 (70 ILCS 200/280-20); Civic Center Code; Will County  
6 Metropolitan Exposition and Auditorium Authority; for  
7 grounds, centers, and parking.

8 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority  
9 Act; Metropolitan Pier and Exposition Authority; for  
10 general purposes, including quick-take power.

11 (70 ILCS 405/22.04); Soil and Water Conservation Districts  
12 Act; soil and water conservation districts; for general  
13 purposes.

14 (70 ILCS 410/10 and 410/12); Conservation District Act;  
15 conservation districts; for open space, wildland, scenic  
16 roadway, pathway, outdoor recreation, or other  
17 conservation benefits.

18 (70 ILCS 503/25); Chanute-Rantoul National Aviation Center  
19 Redevelopment Commission Act; Chanute-Rantoul National  
20 Aviation Center Redevelopment Commission; for general  
21 purposes.

22 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;  
23 Fort Sheridan Redevelopment Commission; for general  
24 purposes or to carry out comprehensive or redevelopment  
25 plans.

26 (70 ILCS 520/8); Southwestern Illinois Development Authority

1 Act; Southwestern Illinois Development Authority; for  
2 general purposes, including quick-take power.

3 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;  
4 drainage districts; for general purposes.

5 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;  
6 corporate authorities; for construction and maintenance of  
7 works.

8 (70 ILCS 705/10); Fire Protection District Act; fire  
9 protection districts; for general purposes.

10 (70 ILCS 750/20); Flood Prevention District Act; flood  
11 prevention districts; for general purposes.

12 (70 ILCS 805/6); Downstate Forest Preserve District Act;  
13 certain forest preserve districts; for general purposes.

14 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;  
15 certain forest preserve districts; for recreational and  
16 cultural facilities.

17 (70 ILCS 810/8); Cook County Forest Preserve District Act;  
18 Forest Preserve District of Cook County; for general  
19 purposes.

20 (70 ILCS 810/38); Cook County Forest Preserve District Act;  
21 Forest Preserve District of Cook County; for recreational  
22 facilities.

23 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital  
24 districts; for hospitals or hospital facilities.

25 (70 ILCS 915/3); Illinois Medical District Act; Illinois  
26 Medical District Commission; for general purposes.

1 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois  
2 Medical District Commission; quick-take power for the  
3 Illinois State Police Forensic Science Laboratory  
4 (obsolete).

5 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;  
6 tuberculosis sanitarium districts; for tuberculosis  
7 sanitariums.

8 Capital City Downtown Medical District Act; Capital City  
9 Downtown Medical District Commission; for general  
10 purposes.

11 ~~(70 ILCS 925/20); Mid-Illinois Medical District Act;~~  
12 ~~Mid-Illinois Medical District; for general purposes.~~

13 (70 ILCS 930/20); Mid-America Medical District Act;  
14 Mid-America Medical District Commission; for general  
15 purposes.

16 (70 ILCS 935/20); Roseland Community Medical District Act;  
17 medical district; for general purposes.

18 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito  
19 abatement districts; for general purposes.

20 (70 ILCS 1105/8); Museum District Act; museum districts; for  
21 general purposes.

22 (70 ILCS 1205/7-1); Park District Code; park districts; for  
23 streets and other purposes.

24 (70 ILCS 1205/8-1); Park District Code; park districts; for  
25 parks.

26 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park

1 districts; for airports and landing fields.

2 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park  
3 districts; for State land abutting public water and  
4 certain access rights.

5 (70 ILCS 1205/11.1-3); Park District Code; park districts; for  
6 harbors.

7 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;  
8 park districts; for street widening.

9 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water  
10 Control Act; park districts; for parks, boulevards,  
11 driveways, parkways, viaducts, bridges, or tunnels.

12 (70 ILCS 1250/2); Park Commissioners Street Control (1889)  
13 Act; park districts; for boulevards or driveways.

14 (70 ILCS 1290/1); Park District Aquarium and Museum Act;  
15 municipalities or park districts; for aquariums or  
16 museums.

17 (70 ILCS 1305/2); Park District Airport Zoning Act; park  
18 districts; for restriction of the height of structures.

19 (70 ILCS 1310/5); Park District Elevated Highway Act; park  
20 districts; for elevated highways.

21 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park  
22 District; for parks and other purposes.

23 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park  
24 District; for parking lots or garages.

25 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park  
26 District; for harbors.

1 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation  
2 Act; Lincoln Park Commissioners; for land and interests in  
3 land, including riparian rights.

4 (70 ILCS 1801/30); Alexander-Cairo Port District Act;  
5 Alexander-Cairo Port District; for general purposes.

6 (70 ILCS 1805/8); Havana Regional Port District Act; Havana  
7 Regional Port District; for general purposes.

8 (70 ILCS 1810/7); Illinois International Port District Act;  
9 Illinois International Port District; for general  
10 purposes.

11 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;  
12 Illinois Valley Regional Port District; for general  
13 purposes.

14 (70 ILCS 1820/4); Jackson-Union Counties Regional Port  
15 District Act; Jackson-Union Counties Regional Port  
16 District; for removal of airport hazards or reduction of  
17 the height of objects or structures.

18 (70 ILCS 1820/5); Jackson-Union Counties Regional Port  
19 District Act; Jackson-Union Counties Regional Port  
20 District; for general purposes.

21 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet  
22 Regional Port District; for removal of airport hazards.

23 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet  
24 Regional Port District; for reduction of the height of  
25 objects or structures.

26 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet

1 Regional Port District; for removal of hazards from ports  
2 and terminals.

3 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet  
4 Regional Port District; for general purposes.

5 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;  
6 Kaskaskia Regional Port District; for removal of hazards  
7 from ports and terminals.

8 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;  
9 Kaskaskia Regional Port District; for general purposes.

10 (70 ILCS 1831/30); Massac-Metropolis Port District Act;  
11 Massac-Metropolis Port District; for general purposes.

12 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;  
13 Mt. Carmel Regional Port District; for removal of airport  
14 hazards.

15 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port  
16 District; for general purposes.

17 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port  
18 District Act; Rock Island Regional Port District and  
19 participating municipalities; for general Port District  
20 purposes.

21 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca  
22 Regional Port District; for removal of airport hazards.

23 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca  
24 Regional Port District; for reduction of the height of  
25 objects or structures.

26 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca

1 Regional Port District; for general purposes.

2 (70 ILCS 1850/4); Shawneetown Regional Port District Act;  
3 Shawneetown Regional Port District; for removal of airport  
4 hazards or reduction of the height of objects or  
5 structures.

6 (70 ILCS 1850/5); Shawneetown Regional Port District Act;  
7 Shawneetown Regional Port District; for general purposes.

8 (70 ILCS 1860/4); Tri-City Regional Port District Act;  
9 Tri-City Regional Port District; for removal of airport  
10 hazards.

11 (70 ILCS 1860/5); Tri-City Regional Port District Act;  
12 Tri-City Regional Port District; for the development of  
13 facilities.

14 (70 ILCS 1863/11); Upper Mississippi River International Port  
15 District Act; Upper Mississippi River International Port  
16 District; for general purposes.

17 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port  
18 District; for removal of airport hazards.

19 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port  
20 District; for restricting the height of objects or  
21 structures.

22 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port  
23 District; for the development of facilities.

24 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad  
25 Terminal Authority (Chicago); for general purposes.

26 (70 ILCS 2105/9b); River Conservancy Districts Act; river

1 conservancy districts; for general purposes.

2 (70 ILCS 2105/10a); River Conservancy Districts Act; river  
3 conservancy districts; for corporate purposes.

4 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary  
5 districts; for corporate purposes.

6 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary  
7 districts; for improvements and works.

8 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary  
9 districts; for access to property.

10 (70 ILCS 2305/8); North Shore Water Reclamation District Act;  
11 North Shore Water Reclamation District; for corporate  
12 purposes.

13 (70 ILCS 2305/15); North Shore Water Reclamation District Act;  
14 North Shore Water Reclamation District; for improvements.

15 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary  
16 District of Decatur; for carrying out agreements to sell,  
17 convey, or disburse treated wastewater to a private  
18 entity.

19 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary  
20 districts; for corporate purposes.

21 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary  
22 districts; for improvements.

23 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of  
24 1917; sanitary districts; for waterworks.

25 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary  
26 districts; for public sewer and water utility treatment

1 works.

2 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary  
3 districts; for dams or other structures to regulate water  
4 flow.

5 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;  
6 Metropolitan Water Reclamation District; for corporate  
7 purposes.

8 (70 ILCS 2605/16); Metropolitan Water Reclamation District  
9 Act; Metropolitan Water Reclamation District; quick-take  
10 power for improvements.

11 (70 ILCS 2605/17); Metropolitan Water Reclamation District  
12 Act; Metropolitan Water Reclamation District; for bridges.

13 (70 ILCS 2605/35); Metropolitan Water Reclamation District  
14 Act; Metropolitan Water Reclamation District; for widening  
15 and deepening a navigable stream.

16 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary  
17 districts; for corporate purposes.

18 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary  
19 districts; for improvements.

20 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of  
21 1936; sanitary districts; for drainage systems.

22 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary  
23 districts; for dams or other structures to regulate water  
24 flow.

25 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary  
26 districts; for water supply.

1 (70 ILCS 2805/321); Sanitary District Act of 1936; sanitary  
2 districts; for waterworks.

3 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;  
4 Metro-East Sanitary District; for corporate purposes.

5 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;  
6 Metro-East Sanitary District; for access to property.

7 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;  
8 sanitary districts; for sewerage systems.

9 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;  
10 Illinois Sports Facilities Authority; quick-take power for  
11 its corporate purposes (obsolete).

12 (70 ILCS 3405/16); Surface Water Protection District Act;  
13 surface water protection districts; for corporate  
14 purposes.

15 (70 ILCS 3605/7); Metropolitan Transit Authority Act; Chicago  
16 Transit Authority; for transportation systems.

17 (70 ILCS 3605/8); Metropolitan Transit Authority Act; Chicago  
18 Transit Authority; for general purposes.

19 (70 ILCS 3605/10); Metropolitan Transit Authority Act; Chicago  
20 Transit Authority; for general purposes, including  
21 railroad property.

22 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;  
23 local mass transit districts; for general purposes.

24 (70 ILCS 3615/2.13); Regional Transportation Authority Act;  
25 Regional Transportation Authority; for general purposes.

26 (70 ILCS 3705/8 and 3705/12); Public Water District Act;

1 public water districts; for waterworks.  
2 (70 ILCS 3705/23a); Public Water District Act; public water  
3 districts; for sewerage properties.  
4 (70 ILCS 3705/23e); Public Water District Act; public water  
5 districts; for combined waterworks and sewerage systems.  
6 (70 ILCS 3715/6); Water Authorities Act; water authorities;  
7 for facilities to ensure adequate water supply.  
8 (70 ILCS 3715/27); Water Authorities Act; water authorities;  
9 for access to property.  
10 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library  
11 trustees; for library buildings.  
12 (75 ILCS 16/30-55.80); Public Library District Act of 1991;  
13 public library districts; for general purposes.  
14 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate  
15 authorities of city or park district, or board of park  
16 commissioners; for free public library buildings.  
17 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;  
18 revised 1-8-26.)

19 (Text of Section after amendment by P.A. 104-457)  
20 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70  
21 through 75. The following provisions of law may include  
22 express grants of the power to acquire property by  
23 condemnation or eminent domain:

24 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport

1 authorities; for public airport facilities.

2 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport  
3 authorities; for removal of airport hazards.

4 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport  
5 authorities; for reduction of the height of objects or  
6 structures.

7 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate  
8 airport authorities; for general purposes.

9 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority  
10 Act; Kankakee River Valley Area Airport Authority; for  
11 acquisition of land for airports.

12 (70 ILCS 200/2-20); Civic Center Code; civic center  
13 authorities; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center  
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan  
17 Exposition, Auditorium and Office Building Authority; for  
18 grounds, centers, buildings, and parking.

19 (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center  
20 Authority; for grounds, centers, buildings, and parking.

21 (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic  
22 Center Authority; for grounds, centers, buildings, and  
23 parking.

24 (70 ILCS 200/35-35); Civic Center Code; Brownstown Park  
25 District Civic Center Authority; for grounds, centers,  
26 buildings, and parking.

1 (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic  
2 Center Authority; for grounds, centers, buildings, and  
3 parking.

4 (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic  
5 Center Authority; for grounds, centers, buildings, and  
6 parking.

7 (70 ILCS 200/60-30); Civic Center Code; Collinsville  
8 Metropolitan Exposition, Auditorium and Office Building  
9 Authority; for grounds, centers, buildings, and parking.

10 (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic  
11 Center Authority; for grounds, centers, buildings, and  
12 parking.

13 (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan  
14 Exposition, Auditorium and Office Building Authority; for  
15 grounds, centers, buildings, and parking.

16 (70 ILCS 200/80-15); Civic Center Code; DuPage County  
17 Metropolitan Exposition, Auditorium and Office Building  
18 Authority; for grounds, centers, buildings, and parking.

19 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan  
20 Exposition, Auditorium and Office Building Authority; for  
21 grounds, centers, buildings, and parking.

22 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan  
23 Exposition, Auditorium and Office Building Authority; for  
24 grounds, centers, buildings, and parking.

25 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic  
26 Center Authority; for grounds, centers, buildings, and

1 parking.

2 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic  
3 Center Authority; for grounds, centers, buildings, and  
4 parking.

5 (70 ILCS 200/120-25); Civic Center Code; Jefferson County  
6 Metropolitan Exposition, Auditorium and Office Building  
7 Authority; for grounds, centers, buildings, and parking.

8 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County  
9 Civic Center Authority; for grounds, centers, buildings,  
10 and parking.

11 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham  
12 Metropolitan Exposition, Auditorium and Office Building  
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center  
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic  
17 Center Authority; for grounds, centers, buildings, and  
18 parking.

19 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan  
20 Civic Center Authority; for grounds, centers, buildings,  
21 and parking.

22 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center  
23 Authority; for grounds, centers, buildings, and parking.

24 (70 ILCS 200/165-35); Civic Center Code; Melrose Park  
25 Metropolitan Exposition Auditorium and Office Building  
26 Authority; for grounds, centers, buildings, and parking.

1 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan  
2 Exposition, Auditorium and Office Building Authorities;  
3 for general purposes.

4 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center  
5 Authority; for grounds, centers, buildings, and parking.

6 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center  
7 Authority; for grounds, centers, buildings, and parking.

8 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center  
9 Authority; for grounds, centers, buildings, and parking.

10 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center  
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center  
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center  
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City  
17 Civic Center Authority; for grounds, centers, buildings,  
18 and parking.

19 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan  
20 Exposition, Auditorium and Office Building Authority; for  
21 grounds, centers, buildings, and parking.

22 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic  
23 Center Authority; for grounds, centers, buildings, and  
24 parking.

25 (70 ILCS 200/230-35); Civic Center Code; River Forest  
26 Metropolitan Exposition, Auditorium and Office Building

1 Authority; for grounds, centers, buildings, and parking.  
2 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic  
3 Center Authority; for grounds, centers, buildings, and  
4 parking.

5 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center  
6 Authority; for grounds, centers, buildings, and parking.

7 (70 ILCS 200/255-20); Civic Center Code; Springfield  
8 Metropolitan Exposition and Auditorium Authority; for  
9 grounds, centers, and parking.

10 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan  
11 Exposition, Auditorium and Office Building Authority; for  
12 grounds, centers, buildings, and parking.

13 (70 ILCS 200/265-20); Civic Center Code; Vermilion County  
14 Metropolitan Exposition, Auditorium and Office Building  
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center  
17 Authority; for grounds, centers, buildings, and parking.

18 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic  
19 Center Authority; for grounds, centers, buildings, and  
20 parking.

21 (70 ILCS 200/280-20); Civic Center Code; Will County  
22 Metropolitan Exposition and Auditorium Authority; for  
23 grounds, centers, and parking.

24 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority  
25 Act; Metropolitan Pier and Exposition Authority; for  
26 general purposes, including quick-take power.

1 (70 ILCS 405/22.04); Soil and Water Conservation Districts  
2 Act; soil and water conservation districts; for general  
3 purposes.

4 (70 ILCS 410/10 and 410/12); Conservation District Act;  
5 conservation districts; for open space, wildland, scenic  
6 roadway, pathway, outdoor recreation, or other  
7 conservation benefits.

8 (70 ILCS 503/25); Chanute-Rantoul National Aviation Center  
9 Redevelopment Commission Act; Chanute-Rantoul National  
10 Aviation Center Redevelopment Commission; for general  
11 purposes.

12 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;  
13 Fort Sheridan Redevelopment Commission; for general  
14 purposes or to carry out comprehensive or redevelopment  
15 plans.

16 (70 ILCS 520/8); Southwestern Illinois Development Authority  
17 Act; Southwestern Illinois Development Authority; for  
18 general purposes, including quick-take power.

19 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;  
20 drainage districts; for general purposes.

21 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;  
22 corporate authorities; for construction and maintenance of  
23 works.

24 (70 ILCS 705/10); Fire Protection District Act; fire  
25 protection districts; for general purposes.

26 (70 ILCS 750/20); Flood Prevention District Act; flood

1 prevention districts; for general purposes.

2 (70 ILCS 805/6); Downstate Forest Preserve District Act;  
3 certain forest preserve districts; for general purposes.

4 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;  
5 certain forest preserve districts; for recreational and  
6 cultural facilities.

7 (70 ILCS 810/8); Cook County Forest Preserve District Act;  
8 Forest Preserve District of Cook County; for general  
9 purposes.

10 (70 ILCS 810/38); Cook County Forest Preserve District Act;  
11 Forest Preserve District of Cook County; for recreational  
12 facilities.

13 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital  
14 districts; for hospitals or hospital facilities.

15 (70 ILCS 915/3); Illinois Medical District Act; Illinois  
16 Medical District Commission; for general purposes.

17 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois  
18 Medical District Commission; quick-take power for the  
19 Illinois State Police Forensic Science Laboratory  
20 (obsolete).

21 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;  
22 tuberculosis sanitarium districts; for tuberculosis  
23 sanitariums.

24 Capital City Downtown Medical District Act; Capital City  
25 Downtown Medical District Commission; for general  
26 purposes.

1 ~~(70 ILCS 925/20); Mid-Illinois Medical District Act;~~  
2 ~~Mid-Illinois Medical District; for general purposes.~~

3 (70 ILCS 930/20); Mid-America Medical District Act;  
4 Mid-America Medical District Commission; for general  
5 purposes.

6 (70 ILCS 935/20); Roseland Community Medical District Act;  
7 medical district; for general purposes.

8 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito  
9 abatement districts; for general purposes.

10 (70 ILCS 1105/8); Museum District Act; museum districts; for  
11 general purposes.

12 (70 ILCS 1205/7-1); Park District Code; park districts; for  
13 streets and other purposes.

14 (70 ILCS 1205/8-1); Park District Code; park districts; for  
15 parks.

16 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park  
17 districts; for airports and landing fields.

18 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park  
19 districts; for State land abutting public water and  
20 certain access rights.

21 (70 ILCS 1205/11.1-3); Park District Code; park districts; for  
22 harbors.

23 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;  
24 park districts; for street widening.

25 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water  
26 Control Act; park districts; for parks, boulevards,

1 driveways, parkways, viaducts, bridges, or tunnels.  
2 (70 ILCS 1250/2); Park Commissioners Street Control (1889)  
3 Act; park districts; for boulevards or driveways.  
4 (70 ILCS 1290/1); Park District Aquarium and Museum Act;  
5 municipalities or park districts; for aquariums or  
6 museums.  
7 (70 ILCS 1305/2); Park District Airport Zoning Act; park  
8 districts; for restriction of the height of structures.  
9 (70 ILCS 1310/5); Park District Elevated Highway Act; park  
10 districts; for elevated highways.  
11 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park  
12 District; for parks and other purposes.  
13 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park  
14 District; for parking lots or garages.  
15 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park  
16 District; for harbors.  
17 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation  
18 Act; Lincoln Park Commissioners; for land and interests in  
19 land, including riparian rights.  
20 (70 ILCS 1801/30); Alexander-Cairo Port District Act;  
21 Alexander-Cairo Port District; for general purposes.  
22 (70 ILCS 1805/8); Havana Regional Port District Act; Havana  
23 Regional Port District; for general purposes.  
24 (70 ILCS 1810/7); Illinois International Port District Act;  
25 Illinois International Port District; for general  
26 purposes.

1 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;  
2 Illinois Valley Regional Port District; for general  
3 purposes.

4 (70 ILCS 1820/4); Jackson-Union Counties Regional Port  
5 District Act; Jackson-Union Counties Regional Port  
6 District; for removal of airport hazards or reduction of  
7 the height of objects or structures.

8 (70 ILCS 1820/5); Jackson-Union Counties Regional Port  
9 District Act; Jackson-Union Counties Regional Port  
10 District; for general purposes.

11 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet  
12 Regional Port District; for removal of airport hazards.

13 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet  
14 Regional Port District; for reduction of the height of  
15 objects or structures.

16 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet  
17 Regional Port District; for removal of hazards from ports  
18 and terminals.

19 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet  
20 Regional Port District; for general purposes.

21 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;  
22 Kaskaskia Regional Port District; for removal of hazards  
23 from ports and terminals.

24 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;  
25 Kaskaskia Regional Port District; for general purposes.

26 (70 ILCS 1831/30); Massac-Metropolis Port District Act;

1 Massac-Metropolis Port District; for general purposes.  
2 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;  
3 Mt. Carmel Regional Port District; for removal of airport  
4 hazards.  
5 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port  
6 District; for general purposes.  
7 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port  
8 District Act; Rock Island Regional Port District and  
9 participating municipalities; for general Port District  
10 purposes.  
11 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca  
12 Regional Port District; for removal of airport hazards.  
13 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca  
14 Regional Port District; for reduction of the height of  
15 objects or structures.  
16 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca  
17 Regional Port District; for general purposes.  
18 (70 ILCS 1850/4); Shawneetown Regional Port District Act;  
19 Shawneetown Regional Port District; for removal of airport  
20 hazards or reduction of the height of objects or  
21 structures.  
22 (70 ILCS 1850/5); Shawneetown Regional Port District Act;  
23 Shawneetown Regional Port District; for general purposes.  
24 (70 ILCS 1860/4); Tri-City Regional Port District Act;  
25 Tri-City Regional Port District; for removal of airport  
26 hazards.

1 (70 ILCS 1860/5); Tri-City Regional Port District Act;  
2 Tri-City Regional Port District; for the development of  
3 facilities.

4 (70 ILCS 1863/11); Upper Mississippi River International Port  
5 District Act; Upper Mississippi River International Port  
6 District; for general purposes.

7 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port  
8 District; for removal of airport hazards.

9 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port  
10 District; for restricting the height of objects or  
11 structures.

12 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port  
13 District; for the development of facilities.

14 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad  
15 Terminal Authority (Chicago); for general purposes.

16 (70 ILCS 2105/9b); River Conservancy Districts Act; river  
17 conservancy districts; for general purposes.

18 (70 ILCS 2105/10a); River Conservancy Districts Act; river  
19 conservancy districts; for corporate purposes.

20 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary  
21 districts; for corporate purposes.

22 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary  
23 districts; for improvements and works.

24 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary  
25 districts; for access to property.

26 (70 ILCS 2305/8); North Shore Water Reclamation District Act;

1 North Shore Water Reclamation District; for corporate  
2 purposes.

3 (70 ILCS 2305/15); North Shore Water Reclamation District Act;  
4 North Shore Water Reclamation District; for improvements.

5 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary  
6 District of Decatur; for carrying out agreements to sell,  
7 convey, or disburse treated wastewater to a private  
8 entity.

9 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary  
10 districts; for corporate purposes.

11 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary  
12 districts; for improvements.

13 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of  
14 1917; sanitary districts; for waterworks.

15 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary  
16 districts; for public sewer and water utility treatment  
17 works.

18 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary  
19 districts; for dams or other structures to regulate water  
20 flow.

21 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;  
22 Metropolitan Water Reclamation District; for corporate  
23 purposes.

24 (70 ILCS 2605/16); Metropolitan Water Reclamation District  
25 Act; Metropolitan Water Reclamation District; quick-take  
26 power for improvements.

1 (70 ILCS 2605/17); Metropolitan Water Reclamation District  
2 Act; Metropolitan Water Reclamation District; for bridges.  
3 (70 ILCS 2605/35); Metropolitan Water Reclamation District  
4 Act; Metropolitan Water Reclamation District; for widening  
5 and deepening a navigable stream.  
6 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary  
7 districts; for corporate purposes.  
8 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary  
9 districts; for improvements.  
10 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of  
11 1936; sanitary districts; for drainage systems.  
12 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary  
13 districts; for dams or other structures to regulate water  
14 flow.  
15 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary  
16 districts; for water supply.  
17 (70 ILCS 2805/32l); Sanitary District Act of 1936; sanitary  
18 districts; for waterworks.  
19 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;  
20 Metro-East Sanitary District; for corporate purposes.  
21 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;  
22 Metro-East Sanitary District; for access to property.  
23 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;  
24 sanitary districts; for sewerage systems.  
25 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;  
26 Illinois Sports Facilities Authority; quick-take power for

1 its corporate purposes (obsolete).

2 (70 ILCS 3405/16); Surface Water Protection District Act;  
3 surface water protection districts; for corporate  
4 purposes.

5 (70 ILCS 3605/7); Chicago Transit Authority Act; Chicago  
6 Transit Authority; for transportation systems.

7 (70 ILCS 3605/8); Chicago Transit Authority Act; Chicago  
8 Transit Authority; for general purposes.

9 (70 ILCS 3605/10); Chicago Transit Authority Act; Chicago  
10 Transit Authority; for general purposes, including  
11 railroad property.

12 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;  
13 local mass transit districts; for general purposes.

14 (70 ILCS 3615/2.13); Northern Illinois Transit Authority Act;  
15 Northern Illinois Transit Authority; for general purposes.

16 (70 ILCS 3705/8 and 3705/12); Public Water District Act;  
17 public water districts; for waterworks.

18 (70 ILCS 3705/23a); Public Water District Act; public water  
19 districts; for sewerage properties.

20 (70 ILCS 3705/23e); Public Water District Act; public water  
21 districts; for combined waterworks and sewerage systems.

22 (70 ILCS 3715/6); Water Authorities Act; water authorities;  
23 for facilities to ensure adequate water supply.

24 (70 ILCS 3715/27); Water Authorities Act; water authorities;  
25 for access to property.

26 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library

1 trustees; for library buildings.  
2 (75 ILCS 16/30-55.80); Public Library District Act of 1991;  
3 public library districts; for general purposes.  
4 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate  
5 authorities of city or park district, or board of park  
6 commissioners; for free public library buildings.  
7 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;  
8 104-457, Article 5, Section 5-925, eff. 6-1-26; 104-457,  
9 Article 10, Section 10-75, eff. 6-1-26; 104-457, Article 15,  
10 Section 15-210, eff. 6-1-26; revised 1-8-26.)

11 ARTICLE 90

12 Section 90-95. No acceleration or delay. Where this Act  
13 makes changes in a statute that is represented in this Act by  
14 text that is not yet or no longer in effect (for example, a  
15 Section represented by multiple versions), the use of that  
16 text does not accelerate or delay the taking effect of (i) the  
17 changes made by this Act or (ii) provisions derived from any  
18 other Public Act.

19 ARTICLE 97

20 Section 97-97. Severability. The provisions of this Act  
21 are severable under Section 1.31 of the Statute on Statutes.

1

ARTICLE 99

2

Section 99-99. Effective date. This Act takes effect upon

3

becoming law."