

HB2989



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2989

Introduced 2/6/2025, by Rep. Abdelnasser Rashid

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-6	
35 ILCS 105/3-10	
35 ILCS 105/9	
35 ILCS 120/2-8	
35 ILCS 120/2-10	
35 ILCS 120/3	

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Creates a sales tax holiday period for school supplies each year during the 10-day period that begins on the first Monday in August. Effective immediately.

LRB104 10865 HLH 20947 b

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

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

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

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

20 A portion of the money paid into the Local Government Tax
21 Fund from the 6.25% general use tax rate on the selling price
22 of tangible personal property which is purchased outside
23 Illinois at retail from a retailer and which is titled or

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

12 A portion of the money paid into the Local Government Tax
13 Fund from the 6.25% general rate (and, beginning July 1, 2000
14 and through December 31, 2000, the 1.25% rate on motor fuel and
15 gasohol, and during the sales tax holiday period, as defined
16 in Section 3-6 of the Use Tax Act and Section 2-8 of the
17 Retailers' Occupation Tax Act, ~~beginning on August 6, 2010~~
18 ~~through August 15, 2010, and beginning again on August 5, 2022~~
19 ~~through August 14, 2022,~~ the 1.25% rate on sales tax holiday
20 items) on sales subject to taxation under the Retailers'
21 Occupation Tax Act and the Service Occupation Tax Act, which
22 occurred in municipalities, shall be distributed to each
23 municipality, based upon the sales which occurred in that
24 municipality. The remainder shall be distributed to each
25 county, based upon the sales which occurred in the
26 unincorporated area of such 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 After the monthly transfer to the STAR Bonds Revenue Fund,
6 on or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to named municipalities
9 and counties, the municipalities and counties to be those
10 entitled to distribution of taxes or penalties paid to the
11 Department during the second preceding calendar month. The
12 amount to be paid to each municipality or county shall be the
13 amount (not including credit memoranda) collected during the
14 second preceding calendar month by the Department and paid
15 into the Local Government Tax Fund, plus an amount the
16 Department determines is necessary to offset any amounts which
17 were erroneously paid to a different taxing body, and not
18 including an amount equal to the amount of refunds made during
19 the second preceding calendar month by the Department, and not
20 including any amount which the Department determines is
21 necessary to offset any amounts which are payable to a
22 different taxing body but were erroneously paid to the
23 municipality or county, and not including any amounts that are
24 transferred to the STAR Bonds Revenue Fund. Within 10 days
25 after receipt, by the Comptroller, of the disbursement
26 certification to the municipalities and counties, provided for

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

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

11 The provisions directing the distributions from the
12 special fund in the State treasury provided for in this
13 Section shall constitute an irrevocable and continuing
14 appropriation of all amounts as provided herein. The State
15 Treasurer and State Comptroller are hereby authorized to make
16 distributions as provided in this Section.

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

25 As soon as possible after March 8, 2013 (the effective
26 date of Public Act 98-3), the State Comptroller shall order

1 and the State Treasurer shall transfer \$6,600,000 from the
2 Local Government Tax Fund to the Illinois State Medical
3 Disciplinary Fund.

4 (Source: P.A. 102-700, Article 60, Section 60-10, eff.
5 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;
6 103-154, eff. 6-30-23.)

7 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

8 Sec. 6z-20. County and Mass Transit District Fund. Of the
9 money received from the 6.25% general rate (and, beginning
10 July 1, 2000 and through December 31, 2000, the 1.25% rate on
11 motor fuel and gasohol, and during the sales tax holiday
12 period, as defined in Section 3-6 of the Use Tax Act and
13 Section 2-8 of the Retailers' Occupation Tax Act ~~beginning on~~
14 ~~August 6, 2010 through August 15, 2010, and beginning again on~~
15 ~~August 5, 2022 through August 14, 2022,~~ the 1.25% rate on sales
16 tax holiday items) on sales subject to taxation under the
17 Retailers' Occupation Tax Act and Service Occupation Tax Act
18 and paid into the County and Mass Transit District Fund,
19 distribution to the Regional Transportation Authority tax
20 fund, created pursuant to Section 4.03 of the Regional
21 Transportation Authority Act, for deposit therein shall be
22 made based upon the retail sales occurring in a county having
23 more than 3,000,000 inhabitants. The remainder shall be
24 distributed to each county having 3,000,000 or fewer
25 inhabitants based upon the retail sales occurring in each such

1 county.

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

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

1 January 14, 1991, which has not been paid to the Authority
2 prior to that date, shall be transferred to the Regional
3 Transportation Authority tax fund.

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

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

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

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

1 Compliance and Administration Fund under this Section. Within
2 10 days after receipt, by the Comptroller, of the disbursement
3 certification to the Regional Transportation Authority,
4 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 such certification.

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

16 The provisions directing the distributions from the
17 special fund in the State Treasury provided for in this
18 Section and from the Regional Transportation Authority tax
19 fund created by Section 4.03 of the Regional Transportation
20 Authority Act shall constitute an irrevocable and continuing
21 appropriation of all amounts as provided herein. The State
22 Treasurer and State Comptroller are hereby authorized to make
23 distributions as provided in this Section.

24 In construing any development, redevelopment, annexation,
25 preannexation or other lawful agreement in effect prior to
26 September 1, 1990, which describes or refers to receipts from

1 a county or municipal retailers' occupation tax, use tax or
2 service occupation tax which now cannot be imposed, such
3 description or reference shall be deemed to include the
4 replacement revenue for such abolished taxes, distributed from
5 the County and Mass Transit District Fund or Local Government
6 Distributive Fund, as the case may be.

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

8 Section 10. The Use Tax Act is amended by changing
9 Sections 3-6, 3-10, and 9 as follows:

10 (35 ILCS 105/3-6)

11 Sec. 3-6. Sales tax holiday items.

12 (a) Any tangible personal property described in this
13 subsection is a sales tax holiday item and qualifies for the
14 1.25% reduced rate of tax during the sales tax holiday period
15 ~~for the period set forth in Section 3-10 of this Act~~
16 ~~(hereinafter referred to as the Sales Tax Holiday Period)~~. The
17 reduced rate on these items shall be administered under the
18 provisions of subsection (b) of this Section. The following
19 items are subject to the reduced rate:

20 (1) Clothing items that each have a retail selling
21 price of less than \$125.

22 "Clothing" means, unless otherwise specified in this
23 Section, all human wearing apparel suitable for general
24 use. "Clothing" does not include clothing accessories,

1 protective equipment, or sport or recreational equipment.

2 "Clothing" includes, but is not limited to: household and
3 shop aprons; athletic supporters; bathing suits and caps;
4 belts and suspenders; boots; coats and jackets; ear muffs;
5 footlets; gloves and mittens for general use; hats and
6 caps; hosiery; insoles for shoes; lab coats; neckties;
7 overshoes; pantyhose; rainwear; rubber pants; sandals;
8 scarves; shoes and shoelaces; slippers; sneakers; socks
9 and stockings; steel-toed shoes; underwear; and school
10 uniforms.

11 "Clothing accessories" means, but is not limited to:
12 briefcases; cosmetics; hair notions, including, but not
13 limited to barrettes, hair bows, and hair nets; handbags;
14 handkerchiefs; jewelry; non-prescription sunglasses;
15 umbrellas; wallets; watches; and wigs and hair pieces.

16 "Protective equipment" means, but is not limited to:
17 breathing masks; clean room apparel and equipment; ear and
18 hearing protectors; face shields; hard hats; helmets;
19 paint or dust respirators; protective gloves; safety
20 glasses and goggles; safety belts; tool belts; and
21 welder's gloves and masks.

22 "Sport or recreational equipment" means, but is not
23 limited to: ballet and tap shoes; cleated or spiked
24 athletic shoes; gloves, including, but not limited to,
25 baseball, bowling, boxing, hockey, and golf gloves;
26 goggles; hand and elbow guards; life preservers and vests;

1 mouth guards; roller and ice skates; shin guards; shoulder
2 pads; ski boots; waders; and wetsuits and fins.

3 (2) School supplies. "School supplies" means, unless
4 otherwise specified in this Section, items used by a
5 student in a course of study. The purchase of school
6 supplies for use by persons other than students for use in
7 a course of study are not eligible for the reduced rate of
8 tax. "School supplies" do not include school art supplies;
9 school instructional materials; cameras; film and memory
10 cards; videocameras, tapes, and videotapes; computers;
11 cell phones; Personal Digital Assistants (PDAs); handheld
12 electronic schedulers; and school computer supplies.

13 "School supplies" includes, but is not limited to:
14 binders; book bags; calculators; cellophane tape;
15 blackboard chalk; compasses; composition books; crayons;
16 erasers; expandable, pocket, plastic, and manila folders;
17 glue, paste, and paste sticks; highlighters; index cards;
18 index card boxes; legal pads; lunch boxes; markers;
19 notebooks; paper, including loose leaf ruled notebook
20 paper, copy paper, graph paper, tracing paper, manila
21 paper, colored paper, poster board, and construction
22 paper; pencils; pencil leads; pens; ink and ink refills
23 for pens; pencil boxes and other school supply boxes;
24 pencil sharpeners; protractors; rulers; scissors; and
25 writing tablets.

26 "School art supply" means an item commonly used by a

1 student in a course of study for artwork and includes only
2 the following items: clay and glazes; acrylic, tempera,
3 and oil paint; paintbrushes for artwork; sketch and
4 drawing pads; and watercolors.

5 "School instructional material" means written material
6 commonly used by a student in a course of study as a
7 reference and to learn the subject being taught and
8 includes only the following items: reference books;
9 reference maps and globes; textbooks; and workbooks.

10 "School computer supply" means an item commonly used
11 by a student in a course of study in which a computer is
12 used and applies only to the following items: flashdrives
13 and other computer data storage devices; data storage
14 media, such as diskettes and compact disks; boxes and
15 cases for disk storage; external ports or drives; computer
16 cases; computer cables; computer printers; and printer
17 cartridges, toner, and ink.

18 (b) Administration. Notwithstanding any other provision of
19 this Act, the reduced rate of tax under Section 3-10 of this
20 Act for clothing and school supplies shall be administered by
21 the Department under the provisions of this subsection (b).

22 (1) Bundled sales. Items that qualify for the reduced
23 rate of tax that are bundled together with items that do
24 not qualify for the reduced rate of tax and that are sold
25 for one itemized price will be subject to the reduced rate
26 of tax only if the value of the items that qualify for the

1 reduced rate of tax exceeds the value of the items that do
2 not qualify for the reduced rate of tax.

3 (2) Coupons and discounts. An unreimbursed discount by
4 the seller reduces the sales price of the property so that
5 the discounted sales price determines whether the sales
6 price is within a sales tax holiday price threshold. A
7 coupon or other reduction in the sales price is treated as
8 a discount if the seller is not reimbursed for the coupon
9 or reduction amount by a third party.

10 (3) Splitting of items normally sold together.
11 Articles that are normally sold as a single unit must
12 continue to be sold in that manner. Such articles cannot
13 be priced separately and sold as individual items in order
14 to obtain the reduced rate of tax. For example, a pair of
15 shoes cannot have each shoe sold separately so that the
16 sales price of each shoe is within a sales tax holiday
17 price threshold.

18 (4) Rain checks. A rain check is a procedure that
19 allows a customer to purchase an item at a certain price at
20 a later time because the particular item was out of stock.
21 Eligible property that customers purchase during the sales
22 tax holiday period ~~Sales Tax Holiday Period~~ with the use
23 of a rain check will qualify for the reduced rate of tax
24 regardless of when the rain check was issued. Issuance of
25 a rain check during the sales tax holiday period ~~Sales Tax~~
26 ~~Holiday Period~~ will not qualify eligible property for the

1 reduced rate of tax if the property is actually purchased
2 after the sales tax holiday period ~~Sales Tax Holiday~~
3 ~~Period~~.

4 (5) Exchanges. The procedure for an exchange in
5 regards to a sales tax holiday is as follows:

6 (A) If a customer purchases an item of eligible
7 property during the sales tax holiday period ~~Sales Tax~~
8 ~~Holiday Period~~, but later exchanges the item for a
9 similar eligible item, even if a different size,
10 different color, or other feature, no additional tax
11 is due even if the exchange is made after the sales tax
12 holiday period ~~Sales Tax Holiday Period~~.

13 (B) If a customer purchases an item of eligible
14 property during the sales tax holiday period ~~Sales Tax~~
15 ~~Holiday Period~~, but after the sales tax holiday period
16 ~~Sales Tax Holiday Period~~ has ended, the customer
17 returns the item and receives credit on the purchase
18 of a different item, the 6.25% general merchandise
19 sales tax rate is due on the sale of the newly
20 purchased item.

21 (C) If a customer purchases an item of eligible
22 property before the sales tax holiday period ~~Sales Tax~~
23 ~~Holiday Period~~, but during the sales tax holiday
24 period ~~Sales Tax Holiday Period~~ the customer returns
25 the item and receives credit on the purchase of a
26 different item of eligible property, the reduced rate

1 of tax is due on the sale of the new item if the new
2 item is purchased during the sales tax holiday period
3 ~~Sales Tax Holiday Period~~.

4 (6) (Blank).

5 (7) Order date and back orders. For the purpose of a
6 sales tax holiday, eligible property qualifies for the
7 reduced rate of tax if: (i) the item is both delivered to
8 and paid for by the customer during the sales tax holiday
9 period ~~Sales Tax Holiday Period~~ or (ii) the customer
10 orders and pays for the item and the seller accepts the
11 order during the sales tax holiday period ~~Sales Tax~~
12 ~~Holiday Period~~ for immediate shipment, even if delivery is
13 made after the sales tax holiday period ~~Sales Tax Holiday~~
14 ~~Period~~. The seller accepts an order when the seller has
15 taken action to fill the order for immediate shipment.
16 Actions to fill an order include placement of an "in date"
17 stamp on an order or assignment of an "order number" to an
18 order within the sales tax holiday period ~~Sales Tax~~
19 ~~Holiday Period~~. An order is for immediate shipment when
20 the customer does not request delayed shipment. An order
21 is for immediate shipment notwithstanding that the
22 shipment may be delayed because of a backlog of orders or
23 because stock is currently unavailable to, or on back
24 order by, the seller.

25 (8) Returns. For a 60-day period immediately after the
26 sales tax holiday period ~~Sales Tax Holiday Period~~, if a

1 customer returns an item that would qualify for the
2 reduced rate of tax, credit for or refund of sales tax
3 shall be given only at the reduced rate unless the
4 customer provides a receipt or invoice that shows tax was
5 paid at the 6.25% general merchandise rate, or the seller
6 has sufficient documentation to show that tax was paid at
7 the 6.25% general merchandise rate on the specific item.
8 This 60-day period is set solely for the purpose of
9 designating a time period during which the customer must
10 provide documentation that shows that the appropriate
11 sales tax rate was paid on returned merchandise. The
12 60-day period is not intended to change a seller's policy
13 on the time period during which the seller will accept
14 returns.

15 (b-5) As used in this Section, "sales tax holiday period"
16 means:

- 17 (1) from August 6, 2010 through August 15, 2010;
18 (2) from August 5, 2022 through August 14, 2022; and
19 (3) in 2025 and each year thereafter, the 10-day
20 period that begins on the first Monday in August.

21 (c) The Department may implement the provisions of this
22 Section through the use of emergency rules, along with
23 permanent rules filed concurrently with such emergency rules,
24 in accordance with the provisions of Section 5-45 of the
25 Illinois Administrative Procedure Act. For purposes of the
26 Illinois Administrative Procedure Act, the adoption of rules

1 to implement the provisions of this Section shall be deemed an
2 emergency and necessary for the public interest, safety, and
3 welfare.

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

5 (35 ILCS 105/3-10)

6 Sec. 3-10. Rate of tax. Unless otherwise provided in this
7 Section, the tax imposed by this Act is at the rate of 6.25% of
8 either the selling price or the fair market value, if any, of
9 the tangible personal property, which, on and after January 1,
10 2025, includes leases of tangible personal property. In all
11 cases where property functionally used or consumed is the same
12 as the property that was purchased at retail, then the tax is
13 imposed on the selling price of the property. In all cases
14 where property functionally used or consumed is a by-product
15 or waste product that has been refined, manufactured, or
16 produced from property purchased at retail, then the tax is
17 imposed on the lower of the fair market value, if any, of the
18 specific property so used in this State or on the selling price
19 of the property purchased at retail. For purposes of this
20 Section "fair market value" means the price at which property
21 would change hands between a willing buyer and a willing
22 seller, neither being under any compulsion to buy or sell and
23 both having reasonable knowledge of the relevant facts. The
24 fair market value shall be established by Illinois sales by
25 the taxpayer of the same property as that functionally used or

1 consumed, or if there are no such sales by the taxpayer, then
2 comparable sales or purchases of property of like kind and
3 character in Illinois.

4 Beginning on July 1, 2000 and through December 31, 2000,
5 with respect to motor fuel, as defined in Section 1.1 of the
6 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
7 the Use Tax Act, the tax is imposed at the rate of 1.25%.

8 During the sales tax holiday period, as defined in Section
9 3-6, Beginning on August 6, 2010 through August 15, 2010, and
10 beginning again on August 5, 2022 through August 14, 2022,
11 with respect to sales tax holiday items described ~~as defined~~
12 in Section 3-6 ~~of this Act~~, the tax is imposed at the rate of
13 1.25%.

14 With respect to gasohol, the tax imposed by this Act
15 applies to (i) 70% of the proceeds of sales made on or after
16 January 1, 1990, and before July 1, 2003, (ii) 80% of the
17 proceeds of sales made on or after July 1, 2003 and on or
18 before July 1, 2017, (iii) 100% of the proceeds of sales made
19 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
20 the proceeds of sales made on or after January 1, 2024 and on
21 or before December 31, 2028, and (v) 100% of the proceeds of
22 sales made after December 31, 2028. If, at any time, however,
23 the tax under this Act on sales of gasohol is imposed at the
24 rate of 1.25%, then the tax imposed by this Act applies to 100%
25 of the proceeds of sales of gasohol made during that time.

26 With respect to mid-range ethanol blends, the tax imposed

1 by this Act applies to (i) 80% of the proceeds of sales made on
2 or after January 1, 2024 and on or before December 31, 2028 and
3 (ii) 100% of the proceeds of sales made thereafter. If, at any
4 time, however, the tax under this Act on sales of mid-range
5 ethanol blends is imposed at the rate of 1.25%, then the tax
6 imposed by this Act applies to 100% of the proceeds of sales of
7 mid-range ethanol blends made during that time.

8 With respect to majority blended ethanol fuel, the tax
9 imposed by this Act does not apply to the proceeds of sales
10 made on or after July 1, 2003 and on or before December 31,
11 2028 but applies to 100% of the proceeds of sales made
12 thereafter.

13 With respect to biodiesel blends with no less than 1% and
14 no more than 10% biodiesel, the tax imposed by this Act applies
15 to (i) 80% of the proceeds of sales made on or after July 1,
16 2003 and on or before December 31, 2018 and (ii) 100% of the
17 proceeds of sales made after December 31, 2018 and before
18 January 1, 2024. On and after January 1, 2024 and on or before
19 December 31, 2030, the taxation of biodiesel, renewable
20 diesel, and biodiesel blends shall be as provided in Section
21 3-5.1. If, at any time, however, the tax under this Act on
22 sales of biodiesel blends with no less than 1% and no more than
23 10% biodiesel is imposed at the rate of 1.25%, then the tax
24 imposed by this Act applies to 100% of the proceeds of sales of
25 biodiesel blends with no less than 1% and no more than 10%
26 biodiesel made during that time.

1 With respect to biodiesel and biodiesel blends with more
2 than 10% but no more than 99% biodiesel, the tax imposed by
3 this Act does not apply to the proceeds of sales made on or
4 after July 1, 2003 and on or before December 31, 2023. On and
5 after January 1, 2024 and on or before December 31, 2030, the
6 taxation of biodiesel, renewable diesel, and biodiesel blends
7 shall be as provided in Section 3-5.1.

8 Until July 1, 2022 and from July 1, 2023 through December
9 31, 2025, with respect to food for human consumption that is to
10 be consumed off the premises where it is sold (other than
11 alcoholic beverages, food consisting of or infused with adult
12 use cannabis, soft drinks, and food that has been prepared for
13 immediate consumption), the tax is imposed at the rate of 1%.
14 Beginning on July 1, 2022 and until July 1, 2023, with respect
15 to food for human consumption that is to be consumed off the
16 premises where it is sold (other than alcoholic beverages,
17 food consisting of or infused with adult use cannabis, soft
18 drinks, and food that has been prepared for immediate
19 consumption), the tax is imposed at the rate of 0%. On and
20 after January 1, 2026, food for human consumption that is to be
21 consumed off the premises where it is sold (other than
22 alcoholic beverages, food consisting of or infused with adult
23 use cannabis, soft drinks, candy, and food that has been
24 prepared for immediate consumption) is exempt from the tax
25 imposed by this Act.

26 With respect to prescription and nonprescription

1 medicines, drugs, medical appliances, products classified as
2 Class III medical devices by the United States Food and Drug
3 Administration that are used for cancer treatment pursuant to
4 a prescription, as well as any accessories and components
5 related to those devices, modifications to a motor vehicle for
6 the purpose of rendering it usable by a person with a
7 disability, and insulin, blood sugar testing materials,
8 syringes, and needles used by human diabetics, the tax is
9 imposed at the rate of 1%. For the purposes of this Section,
10 until September 1, 2009: the term "soft drinks" means any
11 complete, finished, ready-to-use, non-alcoholic drink, whether
12 carbonated or not, including, but not limited to, soda water,
13 cola, fruit juice, vegetable juice, carbonated water, and all
14 other preparations commonly known as soft drinks of whatever
15 kind or description that are contained in any closed or sealed
16 bottle, can, carton, or container, regardless of size; but
17 "soft drinks" does not include coffee, tea, non-carbonated
18 water, infant formula, milk or milk products as defined in the
19 Grade A Pasteurized Milk and Milk Products Act, or drinks
20 containing 50% or more natural fruit or vegetable juice.

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "soft drinks" means non-alcoholic
23 beverages that contain natural or artificial sweeteners. "Soft
24 drinks" does not include beverages that contain milk or milk
25 products, soy, rice or similar milk substitutes, or greater
26 than 50% of vegetable or fruit juice by volume.

1 Until August 1, 2009, and notwithstanding any other
2 provisions of this Act, "food for human consumption that is to
3 be consumed off the premises where it is sold" includes all
4 food sold through a vending machine, except soft drinks and
5 food products that are dispensed hot from a vending machine,
6 regardless of the location of the vending machine. Beginning
7 August 1, 2009, and notwithstanding any other provisions of
8 this Act, "food for human consumption that is to be consumed
9 off the premises where it is sold" includes all food sold
10 through a vending machine, except soft drinks, candy, and food
11 products that are dispensed hot from a vending machine,
12 regardless of the location of the vending machine.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "food for human consumption that
15 is to be consumed off the premises where it is sold" does not
16 include candy. For purposes of this Section, "candy" means a
17 preparation of sugar, honey, or other natural or artificial
18 sweeteners in combination with chocolate, fruits, nuts or
19 other ingredients or flavorings in the form of bars, drops, or
20 pieces. "Candy" does not include any preparation that contains
21 flour or requires refrigeration.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "nonprescription medicines and
24 drugs" does not include grooming and hygiene products. For
25 purposes of this Section, "grooming and hygiene products"
26 includes, but is not limited to, soaps and cleaning solutions,

1 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
2 lotions and screens, unless those products are available by
3 prescription only, regardless of whether the products meet the
4 definition of "over-the-counter-drugs". For the purposes of
5 this paragraph, "over-the-counter-drug" means a drug for human
6 use that contains a label that identifies the product as a drug
7 as required by 21 CFR 201.66. The "over-the-counter-drug"
8 label includes:

9 (A) a "Drug Facts" panel; or

10 (B) a statement of the "active ingredient(s)" with a
11 list of those ingredients contained in the compound,
12 substance or preparation.

13 Beginning on January 1, 2014 (the effective date of Public
14 Act 98-122), "prescription and nonprescription medicines and
15 drugs" includes medical cannabis purchased from a registered
16 dispensing organization under the Compassionate Use of Medical
17 Cannabis Program Act.

18 As used in this Section, "adult use cannabis" means
19 cannabis subject to tax under the Cannabis Cultivation
20 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
21 and does not include cannabis subject to tax under the
22 Compassionate Use of Medical Cannabis Program Act.

23 If the property that is purchased at retail from a
24 retailer is acquired outside Illinois and used outside
25 Illinois before being brought to Illinois for use here and is
26 taxable under this Act, the "selling price" on which the tax is

1 computed shall be reduced by an amount that represents a
2 reasonable allowance for depreciation for the period of prior
3 out-of-state use. No depreciation is allowed in cases where
4 the tax under this Act is imposed on lease receipts.

5 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
6 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
7 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
8 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
9 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

10 (35 ILCS 105/9)

11 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
12 and trailers that are required to be registered with an agency
13 of this State, each retailer required or authorized to collect
14 the tax imposed by this Act shall pay to the Department the
15 amount of such tax (except as otherwise provided) at the time
16 when he is required to file his return for the period during
17 which such tax was collected, less a discount of 2.1% prior to
18 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
19 per calendar year, whichever is greater, which is allowed to
20 reimburse the retailer for expenses incurred in collecting the
21 tax, keeping records, preparing and filing returns, remitting
22 the tax and supplying data to the Department on request.
23 Beginning with returns due on or after January 1, 2025, the
24 discount allowed in this Section, the Retailers' Occupation
25 Tax Act, the Service Occupation Tax Act, and the Service Use

1 Tax Act, including any local tax administered by the
2 Department and reported on the same return, shall not exceed
3 \$1,000 per month in the aggregate for returns other than
4 transaction returns filed during the month. When determining
5 the discount allowed under this Section, retailers shall
6 include the amount of tax that would have been due at the 6.25%
7 rate but for the 1.25% rate imposed on sales tax holiday items
8 under Public Act 102-700 or this amendatory Act of the 104th
9 General Assembly. The discount under this Section is not
10 allowed for the 1.25% portion of taxes paid on aviation fuel
11 that is subject to the revenue use requirements of 49 U.S.C.
12 47107(b) and 49 U.S.C. 47133. When determining the discount
13 allowed under this Section, retailers shall include the amount
14 of tax that would have been due at the 1% rate but for the 0%
15 rate imposed under Public Act 102-700. In the case of
16 retailers who report and pay the tax on a transaction by
17 transaction basis, as provided in this Section, such discount
18 shall be taken with each such tax remittance instead of when
19 such retailer files his periodic return, but, beginning with
20 returns due on or after January 1, 2025, the discount allowed
21 under this Section and the Retailers' Occupation Tax Act,
22 including any local tax administered by the Department and
23 reported on the same transaction return, shall not exceed
24 \$1,000 per month for all transaction returns filed during the
25 month. The discount allowed under this Section is allowed only
26 for returns that are filed in the manner required by this Act.

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

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

19 In the case of leases, except as otherwise provided in
20 this Act, the lessor, in collecting the tax, may collect for
21 each tax return period only the tax applicable to that part of
22 the selling price actually received during such tax return
23 period.

24 Except as provided in this Section, on or before the
25 twentieth day of each calendar month, such retailer shall file
26 a return for the preceding calendar month. Such return shall

1 be filed on forms prescribed by the Department and shall
2 furnish such information as the Department may reasonably
3 require. The return shall include the gross receipts on food
4 for human consumption that is to be consumed off the premises
5 where it is sold (other than alcoholic beverages, food
6 consisting of or infused with adult use cannabis, soft drinks,
7 and food that has been prepared for immediate consumption)
8 which were received during the preceding calendar month,
9 quarter, or year, as appropriate, and upon which tax would
10 have been due but for the 0% rate imposed under Public Act
11 102-700. The return shall also include the amount of tax that
12 would have been due on food for human consumption that is to be
13 consumed off the premises where it is sold (other than
14 alcoholic beverages, food consisting of or infused with adult
15 use cannabis, soft drinks, and food that has been prepared for
16 immediate consumption) but for the 0% rate imposed under
17 Public Act 102-700.

18 On and after January 1, 2018, except for returns required
19 to be filed prior to January 1, 2023 for motor vehicles,
20 watercraft, aircraft, and trailers that are required to be
21 registered with an agency of this State, with respect to
22 retailers whose annual gross receipts average \$20,000 or more,
23 all returns required to be filed pursuant to this Act shall be
24 filed electronically. On and after January 1, 2023, with
25 respect to retailers whose annual gross receipts average
26 \$20,000 or more, all returns required to be filed pursuant to

1 this Act, including, but not limited to, returns for motor
2 vehicles, watercraft, aircraft, and trailers that are required
3 to be registered with an agency of this State, shall be filed
4 electronically. Retailers who demonstrate that they do not
5 have access to the Internet or demonstrate hardship in filing
6 electronically may petition the Department to waive the
7 electronic filing requirement.

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

15 1. The name of the seller;

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

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

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

26 5. The amount of tax due;

1 5-5. The signature of the taxpayer; and

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

4 Each retailer required or authorized to collect the tax
5 imposed by this Act on aviation fuel sold at retail in this
6 State during the preceding calendar month shall, instead of
7 reporting and paying tax on aviation fuel as otherwise
8 required by this Section, report and pay such tax on a separate
9 aviation fuel tax return. The requirements related to the
10 return shall be as otherwise provided in this Section.
11 Notwithstanding any other provisions of this Act to the
12 contrary, retailers collecting tax on aviation fuel shall file
13 all aviation fuel tax returns and shall make all aviation fuel
14 tax payments by electronic means in the manner and form
15 required by the Department. For purposes of this Section,
16 "aviation fuel" means jet fuel and aviation gasoline.

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

21 Notwithstanding any other provision of this Act to the
22 contrary, retailers subject to tax on cannabis shall file all
23 cannabis tax returns and shall make all cannabis tax payments
24 by electronic means in the manner and form required by the
25 Department.

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

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

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

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

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

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

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

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

1 \$20,000 or more during the preceding 4 complete calendar
2 quarters, he shall file a return with the Department each
3 month by the 20th day of the month next following the month
4 during which such tax liability is incurred and shall make
5 payment to the Department on or before the 7th, 15th, 22nd and
6 last day of the month during which such liability is incurred.
7 If the month during which such tax liability is incurred began
8 prior to January 1, 1985, each payment shall be in an amount
9 equal to 1/4 of the taxpayer's actual liability for the month
10 or an amount set by the Department not to exceed 1/4 of the
11 average monthly liability of the taxpayer to the Department
12 for the preceding 4 complete calendar quarters (excluding the
13 month of highest liability and the month of lowest liability
14 in such 4 quarter period). If the month during which such tax
15 liability is incurred begins on or after January 1, 1985, and
16 prior to January 1, 1987, each payment shall be in an amount
17 equal to 22.5% of the taxpayer's actual liability for the
18 month or 27.5% of the taxpayer's liability for the same
19 calendar month of the preceding year. If the month during
20 which such tax liability is incurred begins on or after
21 January 1, 1987, and prior to January 1, 1988, each payment
22 shall be in an amount equal to 22.5% of the taxpayer's actual
23 liability for the month or 26.25% of the taxpayer's liability
24 for the same calendar month of the preceding year. If the month
25 during which such tax liability is incurred begins on or after
26 January 1, 1988, and prior to January 1, 1989, or begins on or

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

1 Department for change in such taxpayer's reporting status. On
2 and after October 1, 2000, once applicable, the requirement of
3 the making of quarter monthly payments to the Department shall
4 continue until such taxpayer's average monthly liability to
5 the Department during the preceding 4 complete calendar
6 quarters (excluding the month of highest liability and the
7 month of lowest liability) is less than \$19,000 or until such
8 taxpayer's average monthly liability to the Department as
9 computed for each calendar quarter of the 4 preceding complete
10 calendar quarter period is less than \$20,000. However, if a
11 taxpayer can show the Department that a substantial change in
12 the taxpayer's business has occurred which causes the taxpayer
13 to anticipate that his average monthly tax liability for the
14 reasonably foreseeable future will fall below the \$20,000
15 threshold stated above, then such taxpayer may petition the
16 Department for a change in such taxpayer's reporting status.
17 The Department shall change such taxpayer's reporting status
18 unless it finds that such change is seasonal in nature and not
19 likely to be long term. Quarter monthly payment status shall
20 be determined under this paragraph as if the rate reduction to
21 1.25% in Public Act 102-700 on sales tax holiday items had not
22 occurred. Quarter monthly payment status shall be determined
23 under this paragraph as if the rate reduction to 1.25% in this
24 amendatory Act of the 104th General Assembly on sales tax
25 holiday items had not occurred. For quarter monthly payments
26 due on or after July 1, 2023 and through June 30, 2024, "25% of

1 the taxpayer's liability for the same calendar month of the
2 preceding year" shall be determined as if the rate reduction
3 to 1.25% in Public Act 102-700 on sales tax holiday items had
4 not occurred. For quarter monthly payments due on or after
5 July 1, 2025 and through June 30, 2026, "25% of the taxpayer's
6 liability for the same calendar month of the preceding year"
7 shall be determined as if the rate reduction to 1.25% in this
8 amendatory Act of the 104th General Assembly on sales tax
9 holiday items had not occurred. Quarter monthly payment status
10 shall be determined under this paragraph as if the rate
11 reduction to 0% in Public Act 102-700 on 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, and food that
15 has been prepared for immediate consumption) had not occurred.
16 For quarter monthly payments due under this paragraph on or
17 after July 1, 2023 and through June 30, 2024, "25% of the
18 taxpayer's liability for the same calendar month of the
19 preceding year" shall be determined as if the rate reduction
20 to 0% in Public Act 102-700 had not occurred. If any such
21 quarter monthly payment is not paid at the time or in the
22 amount required by this Section, then the taxpayer shall be
23 liable for penalties and interest on the difference between
24 the minimum amount due and the amount of such quarter monthly
25 payment actually and timely paid, except insofar as the
26 taxpayer has previously made payments for that month to the

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

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

1 the Department. If the Department subsequently determines that
2 all or any part of the credit taken was not actually due to the
3 taxpayer, the taxpayer's vendor's discount shall be reduced,
4 if necessary, to reflect the difference between the credit
5 taken and that actually due, and the taxpayer shall be liable
6 for penalties and interest on such difference.

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

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

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

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

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

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

5 In addition, with respect to motor vehicles, watercraft,
6 aircraft, and trailers that are required to be registered with
7 an agency of this State, every person who is engaged in the
8 business of leasing or renting such items and who, in
9 connection with such business, sells any such item to a
10 retailer for the purpose of resale is, notwithstanding any
11 other provision of this Section to the contrary, authorized to
12 meet the return-filing requirement of this Act by reporting
13 the transfer of all the aircraft, watercraft, motor vehicles,
14 or trailers transferred for resale during a month to the
15 Department on the same uniform invoice-transaction reporting
16 return form on or before the 20th of the month following the
17 month in which the transfer takes place. Notwithstanding any
18 other provision of this Act to the contrary, all returns filed
19 under this paragraph must be filed by electronic means in the
20 manner and form as required by the Department.

21 The transaction reporting return in the case of motor
22 vehicles or trailers that are required to be registered with
23 an agency of this State, shall be the same document as the
24 Uniform Invoice referred to in Section 5-402 of the Illinois
25 Vehicle Code and must show the name and address of the seller;
26 the name and address of the purchaser; the amount of the

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

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

1 purchaser by the retailer on such transaction (or satisfactory
2 evidence that such tax is not due in that particular instance,
3 if that is claimed to be the fact); the place and date of the
4 sale, a sufficient identification of the property sold, and
5 such other information as the Department may reasonably
6 require.

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

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

1 whom, he must title or register the tangible personal property
2 that is involved (if titling or registration is required) in
3 support of such purchaser's application for an Illinois
4 certificate or other evidence of title or registration to such
5 tangible personal property.

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

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

1 with the Department, but without the vendor's discount
2 provided for in this Section being allowed. When the user pays
3 the tax directly to the Department, he shall pay the tax in the
4 same amount and in the same form in which it would be remitted
5 if the tax had been remitted to the Department by the retailer.

6 On and after January 1, 2025, with respect to the lease of
7 trailers, other than semitrailers as defined in Section 1-187
8 of the Illinois Vehicle Code, that are required to be
9 registered with an agency of this State and that are subject to
10 the tax on lease receipts under this Act, notwithstanding any
11 other provision of this Act to the contrary, for the purpose of
12 reporting and paying tax under this Act on those lease
13 receipts, lessors shall file returns in addition to and
14 separate from the transaction reporting return. Lessors shall
15 file those lease returns and make payment to the Department by
16 electronic means on or before the 20th day of each month
17 following the month, quarter, or year, as applicable, in which
18 lease receipts were received. All lease receipts received by
19 the lessor from the lease of those trailers during the same
20 reporting period shall be reported and tax shall be paid on a
21 single return form to be prescribed by the Department.

22 Where a retailer collects the tax with respect to the
23 selling price of tangible personal property which he sells and
24 the purchaser thereafter returns such tangible personal
25 property and the retailer refunds the selling price thereof to
26 the purchaser, such retailer shall also refund, to the

1 purchaser, the tax so collected from the purchaser. When
2 filing his return for the period in which he refunds such tax
3 to the purchaser, the retailer may deduct the amount of the tax
4 so refunded by him to the purchaser from any other use tax
5 which such retailer may be required to pay or remit to the
6 Department, as shown by such return, if the amount of the tax
7 to be deducted was previously remitted to the Department by
8 such retailer. If the retailer has not previously remitted the
9 amount of such tax to the Department, he is entitled to no
10 deduction under this Act upon refunding such tax to the
11 purchaser.

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

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

26 Where the retailer has more than one business registered

1 with the Department under separate registration under this
2 Act, such retailer may not file each return that is due as a
3 single return covering all such registered businesses, but
4 shall file separate returns for each such registered business.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the State and Local Sales Tax Reform Fund, a special
7 fund in the State Treasury which is hereby created, the net
8 revenue realized for the preceding month from the 1% tax
9 imposed under this Act.

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

17 Beginning January 1, 1990, each month the Department shall
18 pay into the State and Local Sales Tax Reform Fund, a special
19 fund in the State Treasury, 20% of the net revenue realized for
20 the preceding month from the 6.25% general rate on the selling
21 price of tangible personal property, other than (i) tangible
22 personal property which is purchased outside Illinois at
23 retail from a retailer and which is titled or registered by an
24 agency of this State's government and (ii) aviation fuel sold
25 on or after December 1, 2019. This exception for aviation fuel
26 only applies for so long as the revenue use requirements of 49

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

2 For aviation fuel sold on or after December 1, 2019, each
3 month the Department shall pay into the State Aviation Program
4 Fund 20% of the net revenue realized for the preceding month
5 from the 6.25% general rate on the selling price of aviation
6 fuel, less an amount estimated by the Department to be
7 required for refunds of the 20% portion of the tax on aviation
8 fuel under this Act, which amount shall be deposited into the
9 Aviation Fuel Sales Tax Refund Fund. The Department shall only
10 pay moneys into the State Aviation Program Fund and the
11 Aviation Fuels Sales Tax Refund Fund under this Act for so long
12 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
13 U.S.C. 47133 are binding on the State.

14 Beginning August 1, 2000, each month the Department shall
15 pay into the State and Local Sales Tax Reform Fund 100% of the
16 net revenue realized for the preceding month from the 1.25%
17 rate on the selling price of motor fuel and gasohol. If, in any
18 month, the tax on sales tax holiday items, as defined in
19 Section 3-6, is imposed at the rate of 1.25%, then the
20 Department shall pay 100% of the net revenue realized for that
21 month from the 1.25% rate on the selling price of sales tax
22 holiday items into the State and Local Sales Tax Reform Fund.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund 16% of the net revenue
25 realized for the preceding month from the 6.25% general rate
26 on the selling price of tangible personal property which is

1 purchased outside Illinois at retail from a retailer and which
2 is titled or registered by an agency of this State's
3 government.

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

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

20 Beginning July 1, 2013, each month the Department shall
21 pay into the Underground Storage Tank Fund from the proceeds
22 collected under this Act, the Service Use Tax Act, the Service
23 Occupation Tax Act, and the Retailers' Occupation Tax Act an
24 amount equal to the average monthly deficit in the Underground
25 Storage Tank Fund during the prior year, as certified annually
26 by the Illinois Environmental Protection Agency, but the total

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

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

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

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

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

1 Act.

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

14	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000
26	2004	103,000,000

1	2005	108,000,000
2	2006	113,000,000
3	2007	119,000,000
4	2008	126,000,000
5	2009	132,000,000
6	2010	139,000,000
7	2011	146,000,000
8	2012	153,000,000
9	2013	161,000,000
10	2014	170,000,000
11	2015	179,000,000
12	2016	189,000,000
13	2017	199,000,000
14	2018	210,000,000
15	2019	221,000,000
16	2020	233,000,000
17	2021	300,000,000
18	2022	300,000,000
19	2023	300,000,000
20	2024	300,000,000
21	2025	300,000,000
22	2026	300,000,000
23	2027	375,000,000
24	2028	375,000,000
25	2029	375,000,000
26	2030	375,000,000

1	2031	375,000,000
2	2032	375,000,000
3	2033	375,000,000
4	2034	375,000,000
5	2035	375,000,000
6	2036	450,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 Deposit", has been deposited.

2 Subject to payment of amounts into the Capital Projects
3 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
4 and the McCormick Place Expansion Project Fund pursuant to the
5 preceding paragraphs or in any amendments thereto hereafter
6 enacted, for aviation fuel sold on or after December 1, 2019,
7 the Department shall each month deposit into the Aviation Fuel
8 Sales Tax Refund Fund an amount estimated by the Department to
9 be required for refunds of the 80% portion of the tax on
10 aviation fuel under this Act. The Department shall only
11 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
12 under this paragraph for so long as the revenue use
13 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
14 binding on the State.

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

23 Subject to payment of amounts into the Build Illinois
24 Fund, the McCormick Place Expansion Project Fund, the Illinois
25 Tax Increment Fund, and the Energy Infrastructure Fund
26 pursuant to the preceding paragraphs or in any amendments to

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

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

23 Subject to successful execution and delivery of a
24 public-private agreement between the public agency and private
25 entity and completion of the civic build, beginning on July 1,
26 2023, of the remainder of the moneys received by the

1 Department under the Use Tax Act, the Service Use Tax Act, the
 2 Service Occupation Tax Act, and this Act, the Department shall
 3 deposit the following specified deposits in the aggregate from
 4 collections under the Use Tax Act, the Service Use Tax Act, the
 5 Service Occupation Tax Act, and the Retailers' Occupation Tax
 6 Act, as required under Section 8.25g of the State Finance Act
 7 for distribution consistent with the Public-Private
 8 Partnership for Civic and Transit Infrastructure Project Act.
 9 The moneys received by the Department pursuant to this Act and
 10 required to be deposited into the Civic and Transit
 11 Infrastructure Fund are subject to the pledge, claim, and
 12 charge set forth in Section 25-55 of the Public-Private
 13 Partnership for Civic and Transit Infrastructure Project Act.
 14 As used in this paragraph, "civic build", "private entity",
 15 "public-private agreement", and "public agency" have the
 16 meanings provided in Section 25-10 of the Public-Private
 17 Partnership for Civic and Transit Infrastructure Project Act.

18	Fiscal Year.....	Total Deposit
19	2024	\$200,000,000
20	2025	\$206,000,000
21	2026	\$212,200,000
22	2027	\$218,500,000
23	2028	\$225,100,000
24	2029	\$288,700,000
25	2030	\$298,900,000
26	2031	\$309,300,000

1	2032	.....	\$320,100,000
2	2033	.....	\$331,200,000
3	2034	.....	\$341,200,000
4	2035	.....	\$351,400,000
5	2036	.....	\$361,900,000
6	2037	.....	\$372,800,000
7	2038	.....	\$384,000,000
8	2039	.....	\$395,500,000
9	2040	.....	\$407,400,000
10	2041	.....	\$419,600,000
11	2042	.....	\$432,200,000
12	2043	.....	\$445,100,000

13 Beginning July 1, 2021 and until July 1, 2022, subject to
14 the payment of amounts into the State and Local Sales Tax
15 Reform Fund, the Build Illinois Fund, the McCormick Place
16 Expansion Project Fund, the Illinois Tax Increment Fund, and
17 the Tax Compliance and Administration Fund as provided in this
18 Section, the Department shall pay each month into the Road
19 Fund the amount estimated to represent 16% of the net revenue
20 realized from the taxes imposed on motor fuel and gasohol.
21 Beginning July 1, 2022 and until July 1, 2023, subject to the
22 payment of amounts into the State and Local Sales Tax Reform
23 Fund, the Build Illinois Fund, the McCormick Place Expansion
24 Project Fund, the Illinois Tax Increment Fund, and the Tax
25 Compliance and Administration Fund as provided in this
26 Section, the Department shall pay each month into the Road

1 Fund the amount estimated to represent 32% of the net revenue
2 realized from the taxes imposed on motor fuel and gasohol.
3 Beginning July 1, 2023 and until July 1, 2024, subject to the
4 payment of amounts into the State and Local Sales Tax Reform
5 Fund, the Build Illinois Fund, the McCormick Place Expansion
6 Project Fund, the Illinois Tax Increment Fund, and the Tax
7 Compliance and Administration Fund as provided in this
8 Section, the Department shall pay each month into the Road
9 Fund the amount estimated to represent 48% of the net revenue
10 realized from the taxes imposed on motor fuel and gasohol.
11 Beginning July 1, 2024 and until July 1, 2025, subject to the
12 payment of amounts into the State and Local Sales Tax Reform
13 Fund, the Build Illinois Fund, the McCormick Place Expansion
14 Project Fund, the Illinois Tax Increment Fund, and the Tax
15 Compliance and Administration Fund as provided in this
16 Section, the Department shall pay each month into the Road
17 Fund the amount estimated to represent 64% of the net revenue
18 realized from the taxes imposed on motor fuel and gasohol.
19 Beginning on July 1, 2025, subject to the payment of amounts
20 into the State and Local Sales Tax Reform Fund, the Build
21 Illinois Fund, the McCormick Place Expansion Project Fund, the
22 Illinois Tax Increment Fund, and the Tax Compliance and
23 Administration Fund as provided in this Section, the
24 Department shall pay each month into the Road Fund the amount
25 estimated to represent 80% of the net revenue realized from
26 the taxes imposed on motor fuel and gasohol. As used in this

1 paragraph "motor fuel" has the meaning given to that term in
2 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the
3 meaning given to that term in Section 3-40 of this Act.

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

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

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

21 For greater simplicity of administration, manufacturers,
22 importers and wholesalers whose products are sold at retail in
23 Illinois by numerous retailers, and who wish to do so, may
24 assume the responsibility for accounting and paying to the
25 Department all tax accruing under this Act with respect to
26 such sales, if the retailers who are affected do not make

1 written objection to the Department to this arrangement.
2 (Source: P.A. 102-700, Article 60, Section 60-15, eff.
3 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;
4 102-1019, eff. 1-1-23; 103-154, eff. 6-30-23; 103-363, eff.
5 7-28-23; 103-592, Article 75, Section 75-5, eff. 1-1-25;
6 103-592, Article 110, Section 110-5, eff. 6-7-24; 103-1055,
7 eff. 12-20-24.)

8 Section 15. The Retailers' Occupation Tax Act is amended
9 by changing Sections 2-8, 2-10 and 3 as follows:

10 (35 ILCS 120/2-8)

11 Sec. 2-8. Sales tax holiday items.

12 (a) Any tangible personal property described in this
13 subsection is a sales tax holiday item and qualifies for the
14 1.25% reduced rate of tax for the sales tax holiday period
15 ~~period set forth in Section 2-10 of this Act (hereinafter~~
16 ~~referred to as the Sales Tax Holiday Period)~~. The reduced rate
17 on these items shall be administered under the provisions of
18 subsection (b) of this Section. The following items are
19 subject to the reduced rate:

20 (1) Clothing items that each have a retail selling
21 price of less than \$125.

22 "Clothing" means, unless otherwise specified in this
23 Section, all human wearing apparel suitable for general
24 use. "Clothing" does not include clothing accessories,

1 protective equipment, or sport or recreational equipment.

2 "Clothing" includes, but is not limited to: household and
3 shop aprons; athletic supporters; bathing suits and caps;
4 belts and suspenders; boots; coats and jackets; ear muffs;
5 footlets; gloves and mittens for general use; hats and
6 caps; hosiery; insoles for shoes; lab coats; neckties;
7 overshoes; pantyhose; rainwear; rubber pants; sandals;
8 scarves; shoes and shoelaces; slippers; sneakers; socks
9 and stockings; steel-toed shoes; underwear; and school
10 uniforms.

11 "Clothing accessories" means, but is not limited to:
12 briefcases; cosmetics; hair notions, including, but not
13 limited to barrettes, hair bows, and hair nets; handbags;
14 handkerchiefs; jewelry; non-prescription sunglasses;
15 umbrellas; wallets; watches; and wigs and hair pieces.

16 "Protective equipment" means, but is not limited to:
17 breathing masks; clean room apparel and equipment; ear and
18 hearing protectors; face shields; hard hats; helmets;
19 paint or dust respirators; protective gloves; safety
20 glasses and goggles; safety belts; tool belts; and
21 welder's gloves and masks.

22 "Sport or recreational equipment" means, but is not
23 limited to: ballet and tap shoes; cleated or spiked
24 athletic shoes; gloves, including, but not limited to,
25 baseball, bowling, boxing, hockey, and golf gloves;
26 goggles; hand and elbow guards; life preservers and vests;

1 mouth guards; roller and ice skates; shin guards; shoulder
2 pads; ski boots; waders; and wetsuits and fins.

3 (2) School supplies. "School supplies" means, unless
4 otherwise specified in this Section, items used by a
5 student in a course of study. The purchase of school
6 supplies for use by persons other than students for use in
7 a course of study are not eligible for the reduced rate of
8 tax. "School supplies" do not include school art supplies;
9 school instructional materials; cameras; film and memory
10 cards; videocameras, tapes, and videotapes; computers;
11 cell phones; Personal Digital Assistants (PDAs); handheld
12 electronic schedulers; and school computer supplies.

13 "School supplies" includes, but is not limited to:
14 binders; book bags; calculators; cellophane tape;
15 blackboard chalk; compasses; composition books; crayons;
16 erasers; expandable, pocket, plastic, and manila folders;
17 glue, paste, and paste sticks; highlighters; index cards;
18 index card boxes; legal pads; lunch boxes; markers;
19 notebooks; paper, including loose leaf ruled notebook
20 paper, copy paper, graph paper, tracing paper, manila
21 paper, colored paper, poster board, and construction
22 paper; pencils; pencil leads; pens; ink and ink refills
23 for pens; pencil boxes and other school supply boxes;
24 pencil sharpeners; protractors; rulers; scissors; and
25 writing tablets.

26 "School art supply" means an item commonly used by a

1 student in a course of study for artwork and includes only
2 the following items: clay and glazes; acrylic, tempera,
3 and oil paint; paintbrushes for artwork; sketch and
4 drawing pads; and watercolors.

5 "School instructional material" means written material
6 commonly used by a student in a course of study as a
7 reference and to learn the subject being taught and
8 includes only the following items: reference books;
9 reference maps and globes; textbooks; and workbooks.

10 "School computer supply" means an item commonly used
11 by a student in a course of study in which a computer is
12 used and applies only to the following items: flashdrives
13 and other computer data storage devices; data storage
14 media, such as diskettes and compact disks; boxes and
15 cases for disk storage; external ports or drives; computer
16 cases; computer cables; computer printers; and printer
17 cartridges, toner, and ink.

18 (b) Administration. Notwithstanding any other provision of
19 this Act, the reduced rate of tax under Section 3-10 of this
20 Act for clothing and school supplies shall be administered by
21 the Department under the provisions of this subsection (b).

22 (1) Bundled sales. Items that qualify for the reduced
23 rate of tax that are bundled together with items that do
24 not qualify for the reduced rate of tax and that are sold
25 for one itemized price will be subject to the reduced rate
26 of tax only if the value of the items that qualify for the

1 reduced rate of tax exceeds the value of the items that do
2 not qualify for the reduced rate of tax.

3 (2) Coupons and discounts. An unreimbursed discount by
4 the seller reduces the sales price of the property so that
5 the discounted sales price determines whether the sales
6 price is within a sales tax holiday price threshold. A
7 coupon or other reduction in the sales price is treated as
8 a discount if the seller is not reimbursed for the coupon
9 or reduction amount by a third party.

10 (3) Splitting of items normally sold together.
11 Articles that are normally sold as a single unit must
12 continue to be sold in that manner. Such articles cannot
13 be priced separately and sold as individual items in order
14 to obtain the reduced rate of tax. For example, a pair of
15 shoes cannot have each shoe sold separately so that the
16 sales price of each shoe is within a sales tax holiday
17 price threshold.

18 (4) Rain checks. A rain check is a procedure that
19 allows a customer to purchase an item at a certain price at
20 a later time because the particular item was out of stock.
21 Eligible property that customers purchase during the sales
22 tax holiday period ~~Sales Tax Holiday Period~~ with the use
23 of a rain check will qualify for the reduced rate of tax
24 regardless of when the rain check was issued. Issuance of
25 a rain check during the sales tax holiday period ~~Sales Tax~~
26 ~~Holiday Period~~ will not qualify eligible property for the

1 reduced rate of tax if the property is actually purchased
2 after the sales tax holiday period ~~Sales Tax Holiday~~
3 ~~Period~~.

4 (5) Exchanges. The procedure for an exchange in
5 regards to a sales tax holiday is as follows:

6 (A) If a customer purchases an item of eligible
7 property during the sales tax holiday period ~~Sales Tax~~
8 ~~Holiday Period~~, but later exchanges the item for a
9 similar eligible item, even if a different size,
10 different color, or other feature, no additional tax
11 is due even if the exchange is made after the sales tax
12 holiday period ~~Sales Tax Holiday Period~~.

13 (B) If a customer purchases an item of eligible
14 property during the sales tax holiday period ~~Sales Tax~~
15 ~~Holiday Period~~, but after the sales tax holiday period
16 ~~Sales Tax Holiday Period~~ has ended, the customer
17 returns the item and receives credit on the purchase
18 of a different item, the 6.25% general merchandise
19 sales tax rate is due on the sale of the newly
20 purchased item.

21 (C) If a customer purchases an item of eligible
22 property before the sales tax holiday period ~~Sales Tax~~
23 ~~Holiday Period~~, but during the sales tax holiday
24 period ~~Sales Tax Holiday Period~~ the customer returns
25 the item and receives credit on the purchase of a
26 different item of eligible property, the reduced rate

1 of tax is due on the sale of the new item if the new
2 item is purchased during the sales tax holiday period
3 ~~Sales Tax Holiday Period~~.

4 (6) (Blank).

5 (7) Order date and back orders. For the purpose of a
6 sales tax holiday, eligible property qualifies for the
7 reduced rate of tax if: (i) the item is both delivered to
8 and paid for by the customer during the sales tax holiday
9 period ~~Sales Tax Holiday Period~~ or (ii) the customer
10 orders and pays for the item and the seller accepts the
11 order during the sales tax holiday period ~~Sales Tax~~
12 ~~Holiday Period~~ for immediate shipment, even if delivery is
13 made after the sales tax holiday period ~~Sales Tax Holiday~~
14 ~~Period~~. The seller accepts an order when the seller has
15 taken action to fill the order for immediate shipment.
16 Actions to fill an order include placement of an "in date"
17 stamp on an order or assignment of an "order number" to an
18 order within the sales tax holiday period ~~Sales Tax~~
19 ~~Holiday Period~~. An order is for immediate shipment when
20 the customer does not request delayed shipment. An order
21 is for immediate shipment notwithstanding that the
22 shipment may be delayed because of a backlog of orders or
23 because stock is currently unavailable to, or on back
24 order by, the seller.

25 (8) Returns. For a 60-day period immediately after the
26 sales tax holiday period ~~Sales Tax Holiday Period~~, if a

1 customer returns an item that would qualify for the
2 reduced rate of tax, credit for or refund of sales tax
3 shall be given only at the reduced rate unless the
4 customer provides a receipt or invoice that shows tax was
5 paid at the 6.25% general merchandise rate, or the seller
6 has sufficient documentation to show that tax was paid at
7 the 6.25% general merchandise rate on the specific item.
8 This 60-day period is set solely for the purpose of
9 designating a time period during which the customer must
10 provide documentation that shows that the appropriate
11 sales tax rate was paid on returned merchandise. The
12 60-day period is not intended to change a seller's policy
13 on the time period during which the seller will accept
14 returns.

15 (b-5) As used in this Section, "sales tax holiday period"
16 means:

- 17 (1) from August 6, 2010 through August 15, 2010;
18 (2) from August 5, 2022 through August 14, 2022; and
19 (3) in 2025 and each year thereafter, the 10-day
20 period that begins on the first Monday in August.

21 (c) The Department may implement the provisions of this
22 Section through the use of emergency rules, along with
23 permanent rules filed concurrently with such emergency rules,
24 in accordance with the provisions of Section 5-45 of the
25 Illinois Administrative Procedure Act. For purposes of the
26 Illinois Administrative Procedure Act, the adoption of rules

1 to implement the provisions of this Section shall be deemed an
2 emergency and necessary for the public interest, safety, and
3 welfare.

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

5 (35 ILCS 120/2-10)

6 Sec. 2-10. Rate of tax. Unless otherwise provided in this
7 Section, the tax imposed by this Act is at the rate of 6.25% of
8 gross receipts from sales, which, on and after January 1,
9 2025, includes leases, of tangible personal property made in
10 the course of business.

11 Beginning on July 1, 2000 and through December 31, 2000,
12 with respect to motor fuel, as defined in Section 1.1 of the
13 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
14 the Use Tax Act, the tax is imposed at the rate of 1.25%.

15 During the sales tax holiday period, as defined in Section
16 2-8, Beginning on August 6, 2010 through August 15, 2010, and
17 beginning again on August 5, 2022 through August 14, 2022,
18 with respect to sales tax holiday items described ~~as defined~~
19 in Section 2-8 ~~of this Act~~, the tax is imposed at the rate of
20 1.25%.

21 Within 14 days after July 1, 2000 (the effective date of
22 Public Act 91-872), each retailer of motor fuel and gasohol
23 shall cause the following notice to be posted in a prominently
24 visible place on each retail dispensing device that is used to
25 dispense motor fuel or gasohol in the State of Illinois: "As of

1 July 1, 2000, the State of Illinois has eliminated the State's
2 share of sales tax on motor fuel and gasohol through December
3 31, 2000. The price on this pump should reflect the
4 elimination of the tax." The notice shall be printed in bold
5 print on a sign that is no smaller than 4 inches by 8 inches.
6 The sign shall be clearly visible to customers. Any retailer
7 who fails to post or maintain a required sign through December
8 31, 2000 is guilty of a petty offense for which the fine shall
9 be \$500 per day per each retail premises where a violation
10 occurs.

11 With respect to gasohol, as defined in the Use Tax Act, the
12 tax imposed by this Act applies to (i) 70% of the proceeds of
13 sales made on or after January 1, 1990, and before July 1,
14 2003, (ii) 80% of the proceeds of sales made on or after July
15 1, 2003 and on or before July 1, 2017, (iii) 100% of the
16 proceeds of sales made after July 1, 2017 and prior to January
17 1, 2024, (iv) 90% of the proceeds of sales made on or after
18 January 1, 2024 and on or before December 31, 2028, and (v)
19 100% of the proceeds of sales made after December 31, 2028. If,
20 at any time, however, the tax under this Act on sales of
21 gasohol, as defined in the Use Tax Act, is imposed at the rate
22 of 1.25%, then the tax imposed by this Act applies to 100% of
23 the proceeds of sales of gasohol made during that time.

24 With respect to mid-range ethanol blends, as defined in
25 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
26 applies to (i) 80% of the proceeds of sales made on or after

1 January 1, 2024 and on or before December 31, 2028 and (ii)
2 100% of the proceeds of sales made after December 31, 2028. If,
3 at any time, however, the tax under this Act on sales of
4 mid-range ethanol blends is imposed at the rate of 1.25%, then
5 the tax imposed by this Act applies to 100% of the proceeds of
6 sales of mid-range ethanol blends made during that time.

7 With respect to majority blended ethanol fuel, as defined
8 in the Use Tax Act, the tax imposed by this Act does not apply
9 to the proceeds of sales made on or after July 1, 2003 and on
10 or before December 31, 2028 but applies to 100% of the proceeds
11 of sales made thereafter.

12 With respect to biodiesel blends, as defined in the Use
13 Tax Act, with no less than 1% and no more than 10% biodiesel,
14 the tax imposed by this Act applies to (i) 80% of the proceeds
15 of sales made on or after July 1, 2003 and on or before
16 December 31, 2018 and (ii) 100% of the proceeds of sales made
17 after December 31, 2018 and before January 1, 2024. On and
18 after January 1, 2024 and on or before December 31, 2030, the
19 taxation of biodiesel, renewable diesel, and biodiesel blends
20 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
21 at any time, however, the tax under this Act on sales of
22 biodiesel blends, as defined in the Use Tax Act, with no less
23 than 1% and no more than 10% biodiesel is imposed at the rate
24 of 1.25%, then the tax imposed by this Act applies to 100% of
25 the proceeds of sales of biodiesel blends with no less than 1%
26 and no more than 10% biodiesel made during that time.

1 With respect to biodiesel, as defined in the Use Tax Act,
2 and biodiesel blends, as defined in the Use Tax Act, with more
3 than 10% but no more than 99% biodiesel, the tax imposed by
4 this Act does not apply to the proceeds of sales made on or
5 after July 1, 2003 and on or before December 31, 2023. On and
6 after January 1, 2024 and on or before December 31, 2030, the
7 taxation of biodiesel, renewable diesel, and biodiesel blends
8 shall be as provided in Section 3-5.1 of the Use Tax Act.

9 Until July 1, 2022 and from July 1, 2023 through December
10 31, 2025, with respect to food for human consumption that is to
11 be consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, and food that has been prepared for
14 immediate consumption), the tax is imposed at the rate of 1%.
15 Beginning July 1, 2022 and until July 1, 2023, with respect to
16 food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages,
18 food consisting of or infused with adult use cannabis, soft
19 drinks, and food that has been prepared for immediate
20 consumption), the tax is imposed at the rate of 0%. On and
21 after January 1, 2026, food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, food consisting of or infused with adult
24 use cannabis, soft drinks, candy, and food that has been
25 prepared for immediate consumption) is exempt from the tax
26 imposed by this Act.

1 With respect to prescription and nonprescription
2 medicines, drugs, medical appliances, products classified as
3 Class III medical devices by the United States Food and Drug
4 Administration that are used for cancer treatment pursuant to
5 a prescription, as well as any accessories and components
6 related to those devices, modifications to a motor vehicle for
7 the purpose of rendering it usable by a person with a
8 disability, and insulin, blood sugar testing materials,
9 syringes, and needles used by human diabetics, the tax is
10 imposed at the rate of 1%. For the purposes of this Section,
11 until September 1, 2009: the term "soft drinks" means any
12 complete, finished, ready-to-use, non-alcoholic drink, whether
13 carbonated or not, including, but not limited to, soda water,
14 cola, fruit juice, vegetable juice, carbonated water, and all
15 other preparations commonly known as soft drinks of whatever
16 kind or description that are contained in any closed or sealed
17 bottle, can, carton, or container, regardless of size; but
18 "soft drinks" does not include coffee, tea, non-carbonated
19 water, infant formula, milk or milk products as defined in the
20 Grade A Pasteurized Milk and Milk Products Act, or drinks
21 containing 50% or more natural fruit or vegetable juice.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "soft drinks" means non-alcoholic
24 beverages that contain natural or artificial sweeteners. "Soft
25 drinks" does not include beverages that contain milk or milk
26 products, soy, rice or similar milk substitutes, or greater

1 than 50% of vegetable or fruit juice by volume.

2 Until August 1, 2009, and notwithstanding any other
3 provisions of this Act, "food for human consumption that is to
4 be consumed off the premises where it is sold" includes all
5 food sold through a vending machine, except soft drinks and
6 food products that are dispensed hot from a vending machine,
7 regardless of the location of the vending machine. Beginning
8 August 1, 2009, and notwithstanding any other provisions of
9 this Act, "food for human consumption that is to be consumed
10 off the premises where it is sold" includes all food sold
11 through a vending machine, except soft drinks, candy, and food
12 products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "food for human consumption that
16 is to be consumed off the premises where it is sold" does not
17 include candy. For purposes of this Section, "candy" means a
18 preparation of sugar, honey, or other natural or artificial
19 sweeteners in combination with chocolate, fruits, nuts or
20 other ingredients or flavorings in the form of bars, drops, or
21 pieces. "Candy" does not include any preparation that contains
22 flour or requires refrigeration.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "nonprescription medicines and
25 drugs" does not include grooming and hygiene products. For
26 purposes of this Section, "grooming and hygiene products"

1 includes, but is not limited to, soaps and cleaning solutions,
2 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
3 lotions and screens, unless those products are available by
4 prescription only, regardless of whether the products meet the
5 definition of "over-the-counter-drugs". For the purposes of
6 this paragraph, "over-the-counter-drug" means a drug for human
7 use that contains a label that identifies the product as a drug
8 as required by 21 CFR 201.66. The "over-the-counter-drug"
9 label includes:

10 (A) a "Drug Facts" panel; or

11 (B) a statement of the "active ingredient(s)" with a
12 list of those ingredients contained in the compound,
13 substance or preparation.

14 Beginning on January 1, 2014 (the effective date of Public
15 Act 98-122), "prescription and nonprescription medicines and
16 drugs" includes medical cannabis purchased from a registered
17 dispensing organization under the Compassionate Use of Medical
18 Cannabis Program Act.

19 As used in this Section, "adult use cannabis" means
20 cannabis subject to tax under the Cannabis Cultivation
21 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
22 and does not include cannabis subject to tax under the
23 Compassionate Use of Medical Cannabis Program Act.

24 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
25 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
26 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.

1 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
2 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

3 (35 ILCS 120/3)

4 Sec. 3. Except as provided in this Section, on or before
5 the twentieth day of each calendar month, every person engaged
6 in the business of selling, which, on and after January 1,
7 2025, includes leasing, tangible personal property at retail
8 in this State during the preceding calendar month shall file a
9 return with the Department, stating:

10 1. The name of the seller;

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

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

21 4. Total amount received by him during the preceding
22 calendar month or quarter on charge and time sales of
23 tangible personal property, and from services furnished,
24 by him prior to the month or quarter for which the return
25 is filed;

1 5. Deductions allowed by law;

2 6. Gross receipts which were received by him during
3 the preceding calendar month or quarter and upon the basis
4 of which the tax is imposed, including gross receipts on
5 food for human consumption that is to be consumed off the
6 premises where it is sold (other than alcoholic beverages,
7 food consisting of or infused with adult use cannabis,
8 soft drinks, and food that has been prepared for immediate
9 consumption) which were received during the preceding
10 calendar month or quarter and upon which tax would have
11 been due but for the 0% rate imposed under Public Act
12 102-700;

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

15 8. The amount of tax due, including the amount of tax
16 that would have been due on food for human consumption
17 that is to be consumed off the premises where it is sold
18 (other than alcoholic beverages, food consisting of or
19 infused with adult use cannabis, soft drinks, and food
20 that has been prepared for immediate consumption) but for
21 the 0% rate imposed under Public Act 102-700;

22 9. The signature of the taxpayer; and

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

25 In the case of leases, except as otherwise provided in
26 this Act, the lessor must remit for each tax return period only

1 the tax applicable to that part of the selling price actually
2 received during such tax return period.

3 On and after January 1, 2018, except for returns required
4 to be filed prior to January 1, 2023 for motor vehicles,
5 watercraft, aircraft, and trailers that are required to be
6 registered with an agency of this State, with respect to
7 retailers whose annual gross receipts average \$20,000 or more,
8 all returns required to be filed pursuant to this Act shall be
9 filed electronically. On and after January 1, 2023, with
10 respect to retailers whose annual gross receipts average
11 \$20,000 or more, all returns required to be filed pursuant to
12 this Act, including, but not limited to, returns for motor
13 vehicles, watercraft, aircraft, and trailers that are required
14 to be registered with an agency of this State, shall be filed
15 electronically. Retailers who demonstrate that they do not
16 have access to the Internet or demonstrate hardship in filing
17 electronically may petition the Department to waive the
18 electronic filing requirement.

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

23 Each return shall be accompanied by the statement of
24 prepaid tax issued pursuant to Section 2e for which credit is
25 claimed.

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

1 2004, a retailer may accept a Manufacturer's Purchase Credit
2 certification from a purchaser in satisfaction of Use Tax as
3 provided in Section 3-85 of the Use Tax Act if the purchaser
4 provides the appropriate documentation as required by Section
5 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
6 certification, accepted by a retailer prior to October 1, 2003
7 and on and after September 1, 2004 as provided in Section 3-85
8 of the Use Tax Act, may be used by that retailer to satisfy
9 Retailers' Occupation Tax liability in the amount claimed in
10 the certification, not to exceed 6.25% of the receipts subject
11 to tax from a qualifying purchase. A Manufacturer's Purchase
12 Credit reported on any original or amended return filed under
13 this Act after October 20, 2003 for reporting periods prior to
14 September 1, 2004 shall be disallowed. Manufacturer's Purchase
15 Credit reported on annual returns due on or after January 1,
16 2005 will be disallowed for periods prior to September 1,
17 2004. No Manufacturer's Purchase Credit may be used after
18 September 30, 2003 through August 31, 2004 to satisfy any tax
19 liability imposed under this Act, including any audit
20 liability.

21 Beginning on July 1, 2023 and through December 31, 2032, a
22 retailer may accept a Sustainable Aviation Fuel Purchase
23 Credit certification from an air common carrier-purchaser in
24 satisfaction of Use Tax on aviation fuel as provided in
25 Section 3-87 of the Use Tax Act if the purchaser provides the
26 appropriate documentation as required by Section 3-87 of the

1 Use Tax Act. A Sustainable Aviation Fuel Purchase Credit
2 certification accepted by a retailer in accordance with this
3 paragraph may be used by that retailer to satisfy Retailers'
4 Occupation Tax liability (but not in satisfaction of penalty
5 or interest) in the amount claimed in the certification, not
6 to exceed 6.25% of the receipts subject to tax from a sale of
7 aviation fuel. In addition, for a sale of aviation fuel to
8 qualify to earn the Sustainable Aviation Fuel Purchase Credit,
9 retailers must retain in their books and records a
10 certification from the producer of the aviation fuel that the
11 aviation fuel sold by the retailer and for which a sustainable
12 aviation fuel purchase credit was earned meets the definition
13 of sustainable aviation fuel under Section 3-87 of the Use Tax
14 Act. The documentation must include detail sufficient for the
15 Department to determine the number of gallons of sustainable
16 aviation fuel sold.

17 The Department may require returns to be filed on a
18 quarterly basis. If so required, a return for each calendar
19 quarter shall be filed on or before the twentieth day of the
20 calendar month following the end of such calendar quarter. The
21 taxpayer shall also file a return with the Department for each
22 of the first 2 months of each calendar quarter, on or before
23 the twentieth day of the following calendar month, stating:

- 24 1. The name of the seller;
- 25 2. The address of the principal place of business from
26 which he engages in the business of selling tangible

1 personal property at retail in this State;

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

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

9 5. The amount of tax due; and

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

12 Every person engaged in the business of selling aviation
13 fuel at retail in this State during the preceding calendar
14 month shall, instead of reporting and paying tax as otherwise
15 required by this Section, report and pay such tax on a separate
16 aviation fuel tax return. The requirements related to the
17 return shall be as otherwise provided in this Section.
18 Notwithstanding any other provisions of this Act to the
19 contrary, retailers selling aviation fuel shall file all
20 aviation fuel tax returns and shall make all aviation fuel tax
21 payments by electronic means in the manner and form required
22 by the Department. For purposes of this Section, "aviation
23 fuel" means jet fuel and aviation gasoline.

24 Beginning on October 1, 2003, any person who is not a
25 licensed distributor, importing distributor, or manufacturer,
26 as defined in the Liquor Control Act of 1934, but is engaged in

1 the business of selling, at retail, alcoholic liquor shall
2 file a statement with the Department of Revenue, in a format
3 and at a time prescribed by the Department, showing the total
4 amount paid for alcoholic liquor purchased during the
5 preceding month and such other information as is reasonably
6 required by the Department. The Department may adopt rules to
7 require that this statement be filed in an electronic or
8 telephonic format. Such rules may provide for exceptions from
9 the filing requirements of this paragraph. For the purposes of
10 this paragraph, the term "alcoholic liquor" shall have the
11 meaning prescribed in the Liquor Control Act of 1934.

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

1 distributor's, importing distributor's, or manufacturer's
2 total sales of alcoholic liquor to that retailer no later than
3 the 10th day of the month for the preceding month during which
4 the transaction occurred. The distributor, importing
5 distributor, or manufacturer shall notify the retailer as to
6 the method by which the distributor, importing distributor, or
7 manufacturer will provide the sales information. If the
8 retailer is unable to receive the sales information by
9 electronic means, the distributor, importing distributor, or
10 manufacturer shall furnish the sales information by personal
11 delivery or by mail. For purposes of this paragraph, the term
12 "electronic means" includes, but is not limited to, the use of
13 a secure Internet website, e-mail, or facsimile.

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

18 Notwithstanding any other provision of this Act to the
19 contrary, retailers subject to tax on cannabis shall file all
20 cannabis tax returns and shall make all cannabis tax payments
21 by electronic means in the manner and form required by the
22 Department.

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

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

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

1 Any taxpayer not required to make payments by electronic
2 funds transfer may make payments by electronic funds transfer
3 with the permission of the Department.

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

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

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

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

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

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

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

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

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

25 In addition, with respect to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered with

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

23 In addition, with respect to motor vehicles, watercraft,
24 aircraft, and trailers that are required to be registered with
25 an agency of this State, every person who is engaged in the
26 business of leasing or renting such items and who, in

1 connection with such business, sells any such item to a
2 retailer for the purpose of resale is, notwithstanding any
3 other provision of this Section to the contrary, authorized to
4 meet the return-filing requirement of this Act by reporting
5 the transfer of all the aircraft, watercraft, motor vehicles,
6 or trailers transferred for resale during a month to the
7 Department on the same uniform invoice-transaction reporting
8 return form on or before the 20th of the month following the
9 month in which the transfer takes place. Notwithstanding any
10 other provision of this Act to the contrary, all returns filed
11 under this paragraph must be filed by electronic means in the
12 manner and form as required by the Department.

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

21 The transaction reporting return, in the case of motor
22 vehicles or trailers that are required to be registered with
23 an agency of this State, shall be the same document as the
24 Uniform Invoice referred to in Section 5-402 of the Illinois
25 Vehicle Code and must show the name and address of the seller;
26 the name and address of the purchaser; the amount of the

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

16 The transaction reporting return in the case of watercraft
17 or aircraft must show the name and address of the seller; the
18 name and address of the purchaser; the amount of the selling
19 price including the amount allowed by the retailer for
20 traded-in property, if any; the amount allowed by the retailer
21 for the traded-in tangible personal property, if any, to the
22 extent to which Section 1 of this Act allows an exemption for
23 the value of traded-in property; the balance payable after
24 deducting such trade-in allowance from the total selling
25 price; the amount of tax due from the retailer with respect to
26 such transaction; the amount of tax collected from the

1 purchaser by the retailer on such transaction (or satisfactory
2 evidence that such tax is not due in that particular instance,
3 if that is claimed to be the fact); the place and date of the
4 sale, a sufficient identification of the property sold, and
5 such other information as the Department may reasonably
6 require.

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

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

1 officer with whom, he must title or register the tangible
2 personal property that is involved (if titling or registration
3 is required) in support of such purchaser's application for an
4 Illinois certificate or other evidence of title or
5 registration to such tangible personal property.

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

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

1 with the Department, but without the vendor's discount
2 provided for in this Section being allowed. When the user pays
3 the tax directly to the Department, he shall pay the tax in the
4 same amount and in the same form in which it would be remitted
5 if the tax had been remitted to the Department by the retailer.

6 On and after January 1, 2025, with respect to the lease of
7 trailers, other than semitrailers as defined in Section 1-187
8 of the Illinois Vehicle Code, that are required to be
9 registered with an agency of this State and that are subject to
10 the tax on lease receipts under this Act, notwithstanding any
11 other provision of this Act to the contrary, for the purpose of
12 reporting and paying tax under this Act on those lease
13 receipts, lessors shall file returns in addition to and
14 separate from the transaction reporting return. Lessors shall
15 file those lease returns and make payment to the Department by
16 electronic means on or before the 20th day of each month
17 following the month, quarter, or year, as applicable, in which
18 lease receipts were received. All lease receipts received by
19 the lessor from the lease of those trailers during the same
20 reporting period shall be reported and tax shall be paid on a
21 single return form to be prescribed by the Department.

22 Refunds made by the seller during the preceding return
23 period to purchasers, on account of tangible personal property
24 returned to the seller, shall be allowed as a deduction under
25 subdivision 5 of his monthly or quarterly return, as the case
26 may be, in case the seller had theretofore included the

1 receipts from the sale of such tangible personal property in a
2 return filed by him and had paid the tax imposed by this Act
3 with respect to such receipts.

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

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

12 Except as provided in this Section, the retailer filing
13 the return under this Section shall, at the time of filing such
14 return, pay to the Department the amount of tax imposed by this
15 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
16 on and after January 1, 1990, or \$5 per calendar year,
17 whichever is greater, which is allowed to reimburse the
18 retailer for the expenses incurred in keeping records,
19 preparing and filing returns, remitting the tax and supplying
20 data to the Department on request. On and after January 1,
21 2021, a certified service provider, as defined in the Leveling
22 the Playing Field for Illinois Retail Act, filing the return
23 under this Section on behalf of a remote retailer shall, at the
24 time of such return, pay to the Department the amount of tax
25 imposed by this Act less a discount of 1.75%. A remote retailer
26 using a certified service provider to file a return on its

1 behalf, as provided in the Leveling the Playing Field for
2 Illinois Retail Act, is not eligible for the discount.
3 Beginning with returns due on or after January 1, 2025, the
4 vendor's discount allowed in this Section, the Service
5 Occupation Tax Act, the Use Tax Act, and the Service Use Tax
6 Act, including any local tax administered by the Department
7 and reported on the same return, shall not exceed \$1,000 per
8 month in the aggregate for returns other than transaction
9 returns filed during the month. When determining the discount
10 allowed under this Section, retailers shall include the amount
11 of tax that would have been due at the 1% rate but for the 0%
12 rate imposed under Public Act 102-700. When determining the
13 discount allowed under this Section, retailers shall include
14 the amount of tax that would have been due at the 6.25% rate
15 but for the 1.25% rate imposed on sales tax holiday items under
16 Public Act 102-700. The discount under this Section is not
17 allowed for the 1.25% portion of taxes paid on aviation fuel
18 that is subject to the revenue use requirements of 49 U.S.C.
19 47107(b) and 49 U.S.C. 47133. Any prepayment made pursuant to
20 Section 2d of this Act shall be included in the amount on which
21 such discount is computed. In the case of retailers who report
22 and pay the tax on a transaction by transaction basis, as
23 provided in this Section, such discount shall be taken with
24 each such tax remittance instead of when such retailer files
25 his periodic return, but, beginning with returns due on or
26 after January 1, 2025, the vendor's discount allowed under

1 this Section and the Use Tax Act, including any local tax
2 administered by the Department and reported on the same
3 transaction return, shall not exceed \$1,000 per month for all
4 transaction returns filed during the month. The discount
5 allowed under this Section is allowed only for returns that
6 are filed in the manner required by this Act. The Department
7 may disallow the discount for retailers whose certificate of
8 registration is revoked at the time the return is filed, but
9 only if the Department's decision to revoke the certificate of
10 registration has become final.

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

1 \$20,000 or more during the preceding 4 complete calendar
2 quarters, he shall file a return with the Department each
3 month by the 20th day of the month next following the month
4 during which such tax liability is incurred and shall make
5 payment to the Department on or before the 7th, 15th, 22nd and
6 last day of the month during which such liability is incurred.
7 If the month during which such tax liability is incurred began
8 prior to January 1, 1985, each payment shall be in an amount
9 equal to 1/4 of the taxpayer's actual liability for the month
10 or an amount set by the Department not to exceed 1/4 of the
11 average monthly liability of the taxpayer to the Department
12 for the preceding 4 complete calendar quarters (excluding the
13 month of highest liability and the month of lowest liability
14 in such 4 quarter period). If the month during which such tax
15 liability is incurred begins on or after January 1, 1985 and
16 prior to January 1, 1987, each payment shall be in an amount
17 equal to 22.5% of the taxpayer's actual liability for the
18 month or 27.5% of the taxpayer's liability for the same
19 calendar month of the preceding year. If the month during
20 which such tax liability is incurred begins on or after
21 January 1, 1987 and prior to January 1, 1988, each payment
22 shall be in an amount equal to 22.5% of the taxpayer's actual
23 liability for the month or 26.25% of the taxpayer's liability
24 for the same calendar month of the preceding year. If the month
25 during which such tax liability is incurred begins on or after
26 January 1, 1988, and prior to January 1, 1989, or begins on or

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

1 reasonably foreseeable future will fall below the \$10,000
2 threshold stated above, then such taxpayer may petition the
3 Department for a change in such taxpayer's reporting status.
4 On and after October 1, 2000, once applicable, the requirement
5 of the making of quarter monthly payments to the Department by
6 taxpayers having an average monthly tax liability of \$20,000
7 or more as determined in the manner provided above shall
8 continue until such taxpayer's average monthly liability to
9 the Department during the preceding 4 complete calendar
10 quarters (excluding the month of highest liability and the
11 month of lowest liability) is less than \$19,000 or until such
12 taxpayer's average monthly liability to the Department as
13 computed for each calendar quarter of the 4 preceding complete
14 calendar quarter period is less than \$20,000. However, if a
15 taxpayer can show the Department that a substantial change in
16 the taxpayer's business has occurred which causes the taxpayer
17 to anticipate that his average monthly tax liability for the
18 reasonably foreseeable future will fall below the \$20,000
19 threshold stated above, then such taxpayer may petition the
20 Department for a change in such taxpayer's reporting status.
21 The Department shall change such taxpayer's reporting status
22 unless it finds that such change is seasonal in nature and not
23 likely to be long term. Quarter monthly payment status shall
24 be determined under this paragraph as if the rate reduction to
25 0% in Public Act 102-700 on food for human consumption that is
26 to be consumed off the premises where it is sold (other than

1 alcoholic beverages, food consisting of or infused with adult
2 use cannabis, soft drinks, and food that has been prepared for
3 immediate consumption) had not occurred. For quarter monthly
4 payments due under this paragraph on or after July 1, 2023 and
5 through June 30, 2024, "25% of the taxpayer's liability for
6 the same calendar month of the preceding year" shall be
7 determined as if the rate reduction to 0% in Public Act 102-700
8 had not occurred. Quarter monthly payment status shall be
9 determined under this paragraph as if the rate reduction to
10 1.25% in Public Act 102-700 on sales tax holiday items had not
11 occurred. Quarter monthly payment status shall be determined
12 under this paragraph as if the rate reduction to 1.25% in this
13 amendatory Act of the 104th General Assembly on sales tax
14 holiday items had not occurred. For quarter monthly payments
15 due on or after July 1, 2023 and through June 30, 2024, "25% of
16 the taxpayer's liability for the same calendar month of the
17 preceding year" shall be determined as if the rate reduction
18 to 1.25% in Public Act 102-700 on sales tax holiday items had
19 not occurred. For quarter monthly payments due on or after
20 July 1, 2025 and through June 30, 2026, "25% of the taxpayer's
21 liability for the same calendar month of the preceding year"
22 shall be determined as if the rate reduction to 1.25% in this
23 amendatory Act of the 104th General Assembly on sales tax
24 holiday items had not occurred. If any such quarter monthly
25 payment is not paid at the time or in the amount required by
26 this Section, then the taxpayer shall be liable for penalties

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

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

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

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

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

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

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund, a special fund in the

1 State treasury which is hereby created, the net revenue
2 realized for the preceding month from the 1% tax imposed under
3 this Act.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the County and Mass Transit District Fund, a special
6 fund in the State treasury which is hereby created, 4% of the
7 net revenue realized for the preceding month from the 6.25%
8 general rate other than aviation fuel sold on or after
9 December 1, 2019. This exception for aviation fuel only
10 applies for so long as the revenue use requirements of 49
11 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

12 Beginning August 1, 2000, each month the Department shall
13 pay into the County and Mass Transit District Fund 20% of the
14 net revenue realized for the preceding month from the 1.25%
15 rate on the selling price of motor fuel and gasohol. If, in any
16 month, the tax on sales tax holiday items, as defined in
17 Section 2-8, is imposed at the rate of 1.25%, then the
18 Department shall pay 20% of the net revenue realized for that
19 month from the 1.25% rate on the selling price of sales tax
20 holiday items into the County and Mass Transit District Fund.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the Local Government Tax Fund 16% of the net revenue
23 realized for the preceding month from the 6.25% general rate
24 on the selling price of tangible personal property other than
25 aviation fuel sold on or after December 1, 2019. This
26 exception for aviation fuel only applies for so long as the

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

3 For aviation fuel sold on or after December 1, 2019, each
4 month the Department shall pay into the State Aviation Program
5 Fund 20% of the net revenue realized for the preceding month
6 from the 6.25% general rate on the selling price of aviation
7 fuel, less an amount estimated by the Department to be
8 required for refunds of the 20% portion of the tax on aviation
9 fuel under this Act, which amount shall be deposited into the
10 Aviation Fuel Sales Tax Refund Fund. The Department shall only
11 pay moneys into the State Aviation Program Fund and the
12 Aviation Fuel Sales Tax Refund Fund under this Act for so long
13 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
14 U.S.C. 47133 are binding on the State.

15 Beginning August 1, 2000, each month the Department shall
16 pay into the Local Government Tax Fund 80% of the net revenue
17 realized for the preceding month from the 1.25% rate on the
18 selling price of motor fuel and gasohol. If, in any month, the
19 tax on sales tax holiday items, as defined in Section 2-8, is
20 imposed at the rate of 1.25%, then the Department shall pay 80%
21 of the net revenue realized for that month from the 1.25% rate
22 on the selling price of sales tax holiday items into the Local
23 Government Tax Fund.

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

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

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

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

1 into the fund, excluding payments made pursuant to this
2 paragraph.

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

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

1 below for fiscal years 1986 through 1993:

2	Fiscal Year	Annual Specified Amount
3	1986	\$54,800,000
4	1987	\$76,650,000
5	1988	\$80,480,000
6	1989	\$88,510,000
7	1990	\$115,330,000
8	1991	\$145,470,000
9	1992	\$182,730,000
10	1993	\$206,520,000;

11 and means the Certified Annual Debt Service Requirement (as
12 defined in Section 13 of the Build Illinois Bond Act) or the
13 Tax Act Amount, whichever is greater, for fiscal year 1994 and
14 each fiscal year thereafter; and further provided, that if on
15 the last business day of any month the sum of (1) the Tax Act
16 Amount required to be deposited into the Build Illinois Bond
17 Account in the Build Illinois Fund during such month and (2)
18 the amount transferred to the Build Illinois Fund from the
19 State and Local Sales Tax Reform Fund shall have been less than
20 1/12 of the Annual Specified Amount, an amount equal to the
21 difference shall be immediately paid into the Build Illinois
22 Fund from other moneys received by the Department pursuant to
23 the Tax Acts; and, further provided, that in no event shall the
24 payments required under the preceding proviso result in
25 aggregate payments into the Build Illinois Fund pursuant to
26 this clause (b) for any fiscal year in excess of the greater of

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

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

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

20	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000
26	1998	68,000,000

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	300,000,000
24	2022	300,000,000
25	2023	300,000,000
26	2024	300,000,000

1	2025	300,000,000
2	2026	300,000,000
3	2027	375,000,000
4	2028	375,000,000
5	2029	375,000,000
6	2030	375,000,000
7	2031	375,000,000
8	2032	375,000,000
9	2033	375,000,000
10	2034	375,000,000
11	2035	375,000,000
12	2036	450,000,000

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

21 Beginning July 20, 1993 and in each month of each fiscal
22 year thereafter, one-eighth of the amount requested in the
23 certificate of the Chairman of the Metropolitan Pier and
24 Exposition Authority for that fiscal year, less the amount
25 deposited into the McCormick Place Expansion Project Fund by
26 the State Treasurer in the respective month under subsection

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

8 Subject to payment of amounts into the Capital Projects
9 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
10 and the McCormick Place Expansion Project Fund pursuant to the
11 preceding paragraphs or in any amendments thereto hereafter
12 enacted, for aviation fuel sold on or after December 1, 2019,
13 the Department shall each month deposit into the Aviation Fuel
14 Sales Tax Refund Fund an amount estimated by the Department to
15 be required for refunds of the 80% portion of the tax on
16 aviation fuel under this Act. The Department shall only
17 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
18 under this paragraph 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 State.

21 Subject to payment of amounts into the Build Illinois Fund
22 and the McCormick Place Expansion Project Fund pursuant to the
23 preceding paragraphs or in any amendments thereto hereafter
24 enacted, beginning July 1, 1993 and ending on September 30,
25 2013, the Department shall each month pay into the Illinois
26 Tax Increment Fund 0.27% of 80% of the net revenue realized for

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

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

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

1 each month into the Downstate Public Transportation Fund the
 2 moneys required to be so paid under Section 2-3 of the
 3 Downstate Public Transportation Act.

4 Subject to successful execution and delivery of a
 5 public-private agreement between the public agency and private
 6 entity and completion of the civic build, beginning on July 1,
 7 2023, of the remainder of the moneys received by the
 8 Department under the Use Tax Act, the Service Use Tax Act, the
 9 Service Occupation Tax Act, and this Act, the Department shall
 10 deposit the following specified deposits in the aggregate from
 11 collections under the Use Tax Act, the Service Use Tax Act, the
 12 Service Occupation Tax Act, and the Retailers' Occupation Tax
 13 Act, as required under Section 8.25g of the State Finance Act
 14 for distribution consistent with the Public-Private
 15 Partnership for Civic and Transit Infrastructure Project Act.
 16 The moneys received by the Department pursuant to this Act and
 17 required to be deposited into the Civic and Transit
 18 Infrastructure Fund are subject to the pledge, claim and
 19 charge set forth in Section 25-55 of the Public-Private
 20 Partnership for Civic and Transit Infrastructure Project Act.
 21 As used in this paragraph, "civic build", "private entity",
 22 "public-private agreement", and "public agency" have the
 23 meanings provided in Section 25-10 of the Public-Private
 24 Partnership for Civic and Transit Infrastructure Project Act.

25	Fiscal Year.....	Total Deposit
26	2024	\$200,000,000

1	2025	.....	\$206,000,000
2	2026	.....	\$212,200,000
3	2027	.....	\$218,500,000
4	2028	.....	\$225,100,000
5	2029	.....	\$288,700,000
6	2030	.....	\$298,900,000
7	2031	.....	\$309,300,000
8	2032	.....	\$320,100,000
9	2033	.....	\$331,200,000
10	2034	.....	\$341,200,000
11	2035	.....	\$351,400,000
12	2036	.....	\$361,900,000
13	2037	.....	\$372,800,000
14	2038	.....	\$384,000,000
15	2039	.....	\$395,500,000
16	2040	.....	\$407,400,000
17	2041	.....	\$419,600,000
18	2042	.....	\$432,200,000
19	2043	.....	\$445,100,000

20 Beginning July 1, 2021 and until July 1, 2022, subject to
21 the payment of amounts into the County and Mass Transit
22 District Fund, the Local Government Tax Fund, the Build
23 Illinois Fund, the McCormick Place Expansion Project Fund, the
24 Illinois Tax Increment Fund, and the Tax Compliance and
25 Administration Fund as provided in this Section, the
26 Department shall pay each month into the Road Fund the amount

1 estimated to represent 16% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2022 and until July 1, 2023, subject to the payment of amounts
4 into the County and Mass Transit District Fund, the Local
5 Government Tax Fund, the Build Illinois Fund, the McCormick
6 Place Expansion Project Fund, the Illinois Tax Increment Fund,
7 and the Tax Compliance and Administration Fund as provided in
8 this Section, the Department shall pay each month into the
9 Road Fund the amount estimated to represent 32% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning July 1, 2023 and until July 1, 2024,
12 subject to the payment of amounts into the County and Mass
13 Transit District Fund, the Local Government Tax Fund, the
14 Build Illinois Fund, the McCormick Place Expansion Project
15 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
16 and Administration Fund as provided in this Section, the
17 Department shall pay each month into the Road Fund the amount
18 estimated to represent 48% of the net revenue realized from
19 the taxes imposed on motor fuel and gasohol. Beginning July 1,
20 2024 and until July 1, 2025, subject to the payment of amounts
21 into the County and Mass Transit District Fund, the Local
22 Government Tax Fund, the Build Illinois Fund, the McCormick
23 Place Expansion Project Fund, the Illinois Tax Increment Fund,
24 and the Tax Compliance and Administration Fund as provided in
25 this Section, the Department shall pay each month into the
26 Road Fund the amount estimated to represent 64% of the net

1 revenue realized from the taxes imposed on motor fuel and
2 gasohol. Beginning on July 1, 2025, subject to the payment of
3 amounts into the County and Mass Transit District Fund, the
4 Local Government Tax Fund, the Build Illinois Fund, the
5 McCormick Place Expansion Project Fund, the Illinois Tax
6 Increment Fund, and the Tax Compliance and Administration Fund
7 as provided in this Section, the Department shall pay each
8 month into the Road Fund the amount estimated to represent 80%
9 of the net revenue realized from the taxes imposed on motor
10 fuel and gasohol. As used in this paragraph "motor fuel" has
11 the meaning given to that term in Section 1.1 of the Motor Fuel
12 Tax Law, and "gasohol" has the meaning given to that term in
13 Section 3-40 of the Use Tax Act.

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

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

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

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

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

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

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

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

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

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

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

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

25 Any person engaged in the business of selling tangible
26 personal property at retail as a concessionaire or other type

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

19 (Source: P.A. 102-634, eff. 8-27-21; 102-700, Article 60,
20 Section 60-30, eff. 4-19-22; 102-700, Article 65, Section
21 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.
22 1-1-23; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-363,
23 eff. 7-28-23; 103-592, Article 75, Section 75-20, eff. 1-1-25;
24 103-592, Article 110, Section 110-20, eff. 6-7-24; 103-605,
25 eff. 7-1-24; 103-1055, eff. 12-20-24.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.