HB5807

LRB104 22392 HLH 38835 b

104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5807

by Rep. Travis Weaver

SYNOPSIS AS INTRODUCED:

35 ILCS 190/Act rep.	
55 ILCS 5/5-1009	from Ch. 34, par. 5-1009
65 ILCS 5/8-11-6a	from Ch. 24, par. 8-11-6a

Repeals the Targeted Advertising Services Tax Act. Amends the Counties Code and the Illinois Municipal Code to make conforming changes. Effective immediately.

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A BILL FOR

AN ACT concerning revenue.

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

(35 ILCS 190/Act rep.)

Section 5. The Targeted Advertising Services Tax Act is repealed.

Section 10. The Counties Code is amended by changing Section 5-1009 as follows:

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

Sec. 5-1009. Limitation on home rule powers. Except as provided in Sections 5-1006, 5-1006.5, 5-1006.8, 5-1006.9, 5-1007, and 5-1008, on and after September 1, 1990, no home rule county has the authority to impose, pursuant to its home rule authority, a retailers' occupation tax, service occupation tax, use tax, sales tax, or other tax on the use, sale, or purchase of tangible personal property based on the gross receipts from such sales or the selling or purchase price of said tangible personal property. Notwithstanding the foregoing, this Section does not preempt any home rule imposed tax such as the following: (1) a tax on alcoholic beverages, whether based on gross receipts, volume sold, or any other measurement; (2) a tax based on the number of units of cigarettes or tobacco products; (3) a tax, however measured, based on the use of a hotel or motel room or similar facility; (4) a tax, however measured, on the sale or transfer of real property; (5) a tax, however measured, on lease receipts; (6) a tax on food prepared for immediate consumption and on alcoholic beverages sold by a business which provides for on premise consumption of said food or alcoholic beverages; or (7) other taxes not based on the selling or purchase price or gross receipts from the use, sale, or purchase of tangible personal property. This Section does not preempt a home rule county from imposing a tax, however measured, on the use, for consideration, of a parking lot, garage, or other parking facility.

On and after December 1, 2019, no home rule county has the authority to impose, pursuant to its home rule authority, a tax, however measured, on sales of aviation fuel, as defined in Section 3 of the Retailers' Occupation Tax Act, unless the tax revenue is expended for airport-related purposes. For purposes of this Section, "airport-related purposes" has the meaning ascribed in Section 6z-20.2 of the State Finance Act. Aviation fuel shall be excluded from tax only for so long as the revenue use requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are binding on the county.

~~On and after the effective date of this amendatory Act of the 104th General Assembly, no home rule county has the authority to impose, pursuant to its home rule authority, a~~

~~tax, however measured, on sales of targeted advertising services, as defined in Section 1-10 of the Targeted Advertising Services Tax Act, an occupation tax, use tax, sales tax, or other tax on the use, sale, or purchase of targeted advertising services based on the gross receipts from such sales or the selling or purchase price of said targeted advertising services.~~

This Section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on the power of home rule units to tax. The changes made to this Section by Public Act 101-10 are a denial and limitation of home rule powers and functions under subsection (g) of Section 6 of Article VII of the Illinois Constitution.

(Source: P.A. 103-781, eff. 8-5-24; 104-417, eff. 8-15-25; 104-468, eff. 6-16-26.)

Section 15. The Illinois Municipal Code is amended by changing Section 8-11-6a as follows:

(65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

Sec. 8-11-6a. Home rule municipalities; preemption of certain taxes. Except as provided in Sections 8-11-1, 8-11-5, 8-11-6, 8-11-6b, 8-11-6c, 8-11-23, 8-11-24, and 11-74.3-6 on and after September 1, 1990, no home rule municipality has the authority to impose, pursuant to its home rule authority, a retailer's occupation tax, service occupation tax, use tax, sales tax or other tax on the use, sale or purchase of tangible personal property based on the gross receipts from such sales or the selling or purchase price of said tangible personal property. Notwithstanding the foregoing, this Section does not preempt any home rule imposed tax such as the following: (1) a tax on alcoholic beverages, whether based on gross receipts, volume sold or any other measurement; (2) a tax based on the number of units of cigarettes or tobacco products (provided, however, that a home rule municipality that has not imposed a tax based on the number of units of cigarettes or tobacco products before July 1, 1993, shall not impose such a tax after that date); (3) a tax, however measured, based on the use of a hotel or motel room or similar facility; (4) a tax, however measured, on the sale or transfer of real property; (5) a tax, however measured, on lease receipts; (6) a tax on food prepared for immediate consumption and on alcoholic beverages sold by a business which provides for on premise consumption of said food or alcoholic beverages; or (7) other taxes not based on the selling or purchase price or gross receipts from the use, sale or purchase of tangible personal property. This Section does not preempt a home rule municipality with a population of more than 2,000,000 from imposing a tax, however measured, on the use, for consideration, of a parking lot, garage, or other parking facility. This Section is not intended to affect any existing tax on food and beverages prepared for immediate consumption on the premises where the sale occurs, or any existing tax on alcoholic beverages, or any existing tax imposed on the charge for renting a hotel or motel room, which was in effect January 15, 1988, or any extension of the effective date of such an existing tax by ordinance of the municipality imposing the tax, which extension is hereby authorized, in any non-home rule municipality in which the imposition of such a tax has been upheld by judicial determination, nor is this Section intended to preempt the authority granted by Public Act 85-1006. On and after December 1, 2019, no home rule municipality has the authority to impose, pursuant to its home rule authority, a tax, however measured, on sales of aviation fuel, as defined in Section 3 of the Retailers' Occupation Tax Act, unless the tax is not subject to the revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133, or unless the tax revenue is expended for airport-related purposes. For purposes of this Section, "airport-related purposes" has the meaning ascribed in Section 6z-20.2 of the State Finance Act. Aviation fuel shall be excluded from tax only if, and for so long as, the revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the municipality. ~~On and after the effective date of this amendatory Act of the 104th General Assembly, no home rule municipality has the authority to impose, pursuant to its home rule authority, a tax, however measured, on sales of targeted advertising services, as defined in Section 1-10 of the Targeted Advertising Services~~

~~Tax Act, an occupation tax, use tax, sales tax, or other tax on the use, sale, or purchase of targeted advertising services based on the gross receipts from such sales or the selling or purchase price of said targeted advertising services.~~ This Section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on the power of home rule units to tax. The changes made to this Section by Public Act 101-10 are a denial and limitation of home rule powers and functions under subsection (g) of Section 6 of Article VII of the Illinois Constitution.

(Source: P.A. 103-781, eff. 8-5-24; 104-468, eff. 6-16-26.)

Section 99. Effective date. This Act takes effect upon becoming law.