



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2769

Introduced 1/13/2026, by Sen. Patrick J. Joyce

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.3-6
65 ILCS 5/11-80-30 new

Amends the Illinois Municipal Code. Provides that a municipality may, by a two thirds-vote of its corporate authorities, transfer money among Business District Tax Allocation Funds of business districts if the business districts are under the control of the municipality and the transferred money is used for the purposes of paying business district project costs as defined in the Act. Further provides that all such transfers shall be documented and reported annually to the municipal corporate authorities. Requires documentation of the transfers to be made available to the public. Provides that the corporate authorities of a municipality may regulate the use and maintenance of parkways and may require the owner, lessee, and occupant of any property abutting a parkway to be responsible for maintenance of the parkway, including, but not limited to, cleanup and disposal of refuse, waste, and garbage in the parkway; watering and fertilizing plants, trees, and grasses in the parkway; and the routine care of the lawn of the parkway, including, but not limited to, watering, weeding, and mowing of the lawn of the parkway.

LRB104 16654 RTM 30058 b

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 11-74.3-6 and by adding Section 11-80-30 as
6 follows:

7 (65 ILCS 5/11-74.3-6)

8 Sec. 11-74.3-6. Business district revenue and obligations;
9 business district tax allocation fund.

10 (a) If the corporate authorities of a municipality have
11 approved a business district plan, have designated a business
12 district, and have elected to impose a tax by ordinance
13 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
14 each year after the date of the approval of the ordinance but
15 terminating upon the date all business district project costs
16 and all obligations paying or reimbursing business district
17 project costs, if any, have been paid, but in no event later
18 than the dissolution date, all amounts generated by the
19 retailers' occupation tax and service occupation tax shall be
20 collected and the tax shall be enforced by the Department of
21 Revenue in the same manner as all retailers' occupation taxes
22 and service occupation taxes imposed in the municipality
23 imposing the tax and all amounts generated by the hotel

1 operators' occupation tax shall be collected and the tax shall
2 be enforced by the municipality in the same manner as all hotel
3 operators' occupation taxes imposed in the municipality
4 imposing the tax. The corporate authorities of the
5 municipality shall deposit the proceeds of the taxes imposed
6 under subsections (10) and (11) of Section 11-74.3-3 into a
7 special fund of the municipality called the "[Name of]
8 Business District Tax Allocation Fund" for the purpose of
9 paying or reimbursing business district project costs and
10 obligations incurred in the payment of those costs.
11 Notwithstanding any other provision of this Act, a
12 municipality may, by a two-thirds vote of its corporate
13 authorities, transfer money among the Business District Tax
14 Allocation Funds of business districts if the business
15 districts are under the control of the municipality and the
16 transferred money is used for the purposes of paying business
17 district project costs as defined in this Act. All such
18 transfers shall be documented and reported annually to the
19 municipal corporate authorities, and that documentation shall
20 be made available to the public.

21 (b) The corporate authorities of a municipality that has
22 designated a business district under this Law may, by
23 ordinance, impose a Business District Retailers' Occupation
24 Tax upon all persons engaged in the business of selling
25 tangible personal property, other than an item of tangible
26 personal property titled or registered with an agency of this

1 State's government, at retail in the business district at a
2 rate not to exceed 1% of the gross receipts from the sales made
3 in the course of such business, to be imposed only in 0.25%
4 increments. The tax may not be imposed on tangible personal
5 property taxed at the rate of 1% under the Retailers'
6 Occupation Tax Act (or at the 0% rate imposed under this
7 amendatory Act of the 102nd General Assembly). Beginning
8 December 1, 2019 and through December 31, 2020, this tax is not
9 imposed on sales of aviation fuel unless the tax revenue is
10 expended for airport-related purposes. If the District does
11 not have an airport-related purpose to which it dedicates
12 aviation fuel tax revenue, then aviation fuel is excluded from
13 the tax. Each municipality must comply with the certification
14 requirements for airport-related purposes under Section 2-22
15 of the Retailers' Occupation Tax Act. For purposes of this
16 Section, "airport-related purposes" has the meaning ascribed
17 in Section 6z-20.2 of the State Finance Act. Beginning January
18 1, 2021, this tax is not imposed on sales of aviation fuel for
19 so long as the revenue use requirements of 49 U.S.C. 47107(b)
20 and 49 U.S.C. 47133 are binding on the District.

21 The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident thereof shall be
23 collected and enforced by the Department of Revenue. The
24 certificate of registration that is issued by the Department
25 to a retailer under the Retailers' Occupation Tax Act shall
26 permit the retailer to engage in a business that is taxable

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

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

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

17 Except as otherwise provided in this paragraph, the
18 Department shall immediately pay over to the State Treasurer,
19 ex officio, as trustee, all taxes, penalties, and interest
20 collected under this subsection for deposit into the business
21 district retailers' occupation tax fund. Taxes and penalties
22 collected on aviation fuel sold on or after December 1, 2019,
23 shall be immediately paid over by the Department to the State
24 Treasurer, ex officio, as trustee, for deposit into the Local
25 Government Aviation Trust Fund. The Department shall only pay
26 moneys into the Local Government Aviation Trust Fund under

1 this Section for so long as the revenue use requirements of 49
2 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
3 District.

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

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to named municipalities
16 from the business district retailers' occupation tax fund, the
17 municipalities to be those from which retailers have paid
18 taxes or penalties under this subsection to the Department
19 during the second preceding calendar month. The amount to be
20 paid to each municipality shall be the amount (not including
21 credit memoranda and not including taxes and penalties
22 collected on aviation fuel sold on or after December 1, 2019)
23 collected under this subsection during the second preceding
24 calendar month by the Department plus an amount the Department
25 determines is necessary to offset any amounts that were
26 erroneously paid to a different taxing body, and not including

1 an amount equal to the amount of refunds made during the second
2 preceding calendar month by the Department, less 2% of that
3 amount (except the amount collected on aviation fuel sold on
4 or after December 1, 2019), which shall be deposited into the
5 Tax Compliance and Administration Fund and shall be used by
6 the Department, subject to appropriation, to cover the costs
7 of the Department in administering and enforcing the
8 provisions of this subsection, on behalf of such municipality,
9 and not including any amount that the Department determines is
10 necessary to offset any amounts that were payable to a
11 different taxing body but were erroneously paid to the
12 municipality, and not including any amounts that are
13 transferred to the STAR Bonds Revenue Fund. Within 10 days
14 after receipt by the Comptroller of the disbursement
15 certification to the municipalities provided for in this
16 subsection to be given to the Comptroller by the Department,
17 the Comptroller shall cause the orders to be drawn for the
18 respective amounts in accordance with the directions contained
19 in the certification. The proceeds of the tax paid to
20 municipalities under this subsection shall be deposited into
21 the Business District Tax Allocation Fund by the municipality.

22 An ordinance imposing or discontinuing the tax under this
23 subsection or effecting a change in the rate thereof shall
24 either (i) be adopted and a certified copy thereof filed with
25 the Department on or before the first day of April, whereupon
26 the Department, if all other requirements of this subsection

1 are met, shall proceed to administer and enforce this
2 subsection as of the first day of July next following the
3 adoption and filing; or (ii) be adopted and a certified copy
4 thereof filed with the Department on or before the first day of
5 October, whereupon, if all other requirements of this
6 subsection are met, the Department shall proceed to administer
7 and enforce this subsection as of the first day of January next
8 following the adoption and filing.

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

1 prescribed by the Department. The municipality must provide
2 this boundary change information or address change, addition,
3 or deletion to the Department on or before April 1 for
4 administration and enforcement by the Department of the change
5 beginning on the following July 1 and on or before October 1
6 for administration and enforcement by the Department of the
7 change beginning on the following January 1. The retailers in
8 the business district shall be responsible for charging the
9 tax imposed under this subsection. If a retailer is
10 incorrectly included or excluded from the list of those
11 required to collect the tax under this subsection, both the
12 Department of Revenue and the retailer shall be held harmless
13 if they reasonably relied on information provided by the
14 municipality.

15 A municipality that imposes the tax under this subsection
16 must submit to the Department of Revenue any other information
17 as the Department may require for the administration and
18 enforcement of the tax.

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

25 Nothing in this subsection shall be construed to authorize
26 the municipality to impose a tax upon the privilege of

1 engaging in any business which under the Constitution of the
2 United States may not be made the subject of taxation by this
3 State.

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

6 (c) If a tax has been imposed under subsection (b), a
7 Business District Service Occupation Tax shall also be imposed
8 upon all persons engaged, in the business district, in the
9 business of making sales of service, who, as an incident to
10 making those sales of service, transfer tangible personal
11 property within the business district, either in the form of
12 tangible personal property or in the form of real estate as an
13 incident to a sale of service. The tax shall be imposed at the
14 same rate as the tax imposed in subsection (b) and shall not
15 exceed 1% of the selling price of tangible personal property
16 so transferred within the business district, to be imposed
17 only in 0.25% increments. The tax may not be imposed on
18 tangible personal property taxed at the 1% rate under the
19 Service Occupation Tax Act (or at the 0% rate imposed under
20 this amendatory Act of the 102nd General Assembly). Beginning
21 December 1, 2019, this tax is not imposed on sales of aviation
22 fuel unless the tax revenue is expended for airport-related
23 purposes. If the District does not have an airport-related
24 purpose to which it dedicates aviation fuel tax revenue, then
25 aviation fuel is excluded from the tax. Each municipality must
26 comply with the certification requirements for airport-related

1 purposes under Section 2-22 of the Retailers' Occupation Tax
2 Act. For purposes of this Act, "airport-related purposes" has
3 the meaning ascribed in Section 6z-20.2 of the State Finance
4 Act. Beginning January 1, 2021, this tax is not imposed on
5 sales of aviation fuel for so long as the revenue use
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
7 binding on the District.

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

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

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax that
2 servicemen are authorized to collect under the Service Use Tax
3 Act, in accordance with such bracket schedules as the
4 Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this subsection to a claimant instead of issuing
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order to be drawn for the
9 amount specified, and to the person named, in such
10 notification from the Department. Such refund shall be paid by
11 the State Treasurer out of the business district retailers'
12 occupation tax fund or the Local Government Aviation Trust
13 Fund, as appropriate.

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

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

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to named municipalities
13 from the business district retailers' occupation tax fund, the
14 municipalities to be those from which suppliers and servicemen
15 have paid taxes or penalties under this subsection to the
16 Department during the second preceding calendar month. The
17 amount to be paid to each municipality shall be the amount (not
18 including credit memoranda and not including taxes and
19 penalties collected on aviation fuel sold on or after December
20 1, 2019) collected under this subsection during the second
21 preceding calendar month by the Department, less 2% of that
22 amount (except the amount collected on aviation fuel sold on
23 or after December 1, 2019), which shall be deposited into the
24 Tax Compliance and Administration Fund and shall be used by
25 the Department, subject to appropriation, to cover the costs
26 of the Department in administering and enforcing the

1 provisions of this subsection, and not including an amount
2 equal to the amount of refunds made during the second
3 preceding calendar month by the Department on behalf of such
4 municipality, and not including any amounts that are
5 transferred to the STAR Bonds Revenue Fund. Within 10 days
6 after receipt, by the Comptroller, of the disbursement
7 certification to the municipalities, provided for in this
8 subsection to be given to the Comptroller by the Department,
9 the Comptroller shall cause the orders to be drawn for the
10 respective amounts in accordance with the directions contained
11 in such certification. The proceeds of the tax paid to
12 municipalities under this subsection shall be deposited into
13 the Business District Tax Allocation Fund by the municipality.

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

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

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

7 A municipality that imposes the tax under this subsection
8 must submit to the Department of Revenue any other information
9 as the Department may require for the administration and
10 enforcement of the tax.

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

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

18 (c-5) If, on January 1, 2025, a unit of local government
19 has in effect a tax under this Section, or if, after January 1,
20 2025, a unit of local government imposes a tax under this
21 Section, then that tax applies to leases of tangible personal
22 property in effect, entered into, or renewed on or after that
23 date in the same manner as the tax under this Section and in
24 accordance with the changes made by this amendatory Act of the
25 103rd General Assembly.

26 (d) By ordinance, a municipality that has designated a

1 business district under this Law may impose an occupation tax
2 upon all persons engaged in the business district in the
3 business of renting, leasing, or letting rooms in a hotel, as
4 defined in the Hotel Operators' Occupation Tax Act, at a rate
5 not to exceed 1% of the gross rental receipts from the renting,
6 leasing, or letting of hotel rooms within the business
7 district, to be imposed only in 0.25% increments, excluding,
8 however, from gross rental receipts the proceeds of renting,
9 leasing, or letting to permanent residents of a hotel, as
10 defined in the Hotel Operators' Occupation Tax Act, and
11 proceeds from the tax imposed under subsection (c) of Section
12 13 of the Metropolitan Pier and Exposition Authority Act.

13 The tax imposed by the municipality under this subsection
14 and all civil penalties that may be assessed as an incident to
15 that tax shall be collected and enforced by the municipality
16 imposing the tax. The municipality shall have full power to
17 administer and enforce this subsection, to collect all taxes
18 and penalties due under this subsection, to dispose of taxes
19 and penalties so collected in the manner provided in this
20 subsection, and to determine all rights to credit memoranda
21 arising on account of the erroneous payment of tax or penalty
22 under this subsection. In the administration of and compliance
23 with this subsection, the municipality and persons who are
24 subject to this subsection shall have the same rights,
25 remedies, privileges, immunities, powers, and duties, shall be
26 subject to the same conditions, restrictions, limitations,

1 penalties, and definitions of terms, and shall employ the same
2 modes of procedure as are employed with respect to a tax
3 adopted by the municipality under Section 8-3-14 of this Code.

4 Persons subject to any tax imposed under the authority
5 granted in this subsection may reimburse themselves for their
6 tax liability for that tax by separately stating that tax as an
7 additional charge, which charge may be stated in combination,
8 in a single amount, with State taxes imposed under the Hotel
9 Operators' Occupation Tax Act, and with any other tax.

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

14 The proceeds of the tax imposed under this subsection
15 shall be deposited into the Business District Tax Allocation
16 Fund.

17 (e) Obligations secured by the Business District Tax
18 Allocation Fund may be issued to provide for the payment or
19 reimbursement of business district project costs. Those
20 obligations, when so issued, shall be retired in the manner
21 provided in the ordinance authorizing the issuance of those
22 obligations by the receipts of taxes imposed pursuant to
23 subsections (10) and (11) of Section 11-74.3-3 and by other
24 revenue designated or pledged by the municipality. A
25 municipality may in the ordinance pledge, for any period of
26 time up to and including the dissolution date, all or any part

1 of the funds in and to be deposited in the Business District
2 Tax Allocation Fund to the payment of business district
3 project costs and obligations. Whenever a municipality pledges
4 all of the funds to the credit of a business district tax
5 allocation fund to secure obligations issued or to be issued
6 to pay or reimburse business district project costs, the
7 municipality may specifically provide that funds remaining to
8 the credit of such business district tax allocation fund after
9 the payment of such obligations shall be accounted for
10 annually and shall be deemed to be "surplus" funds, and such
11 "surplus" funds shall be expended by the municipality for any
12 business district project cost as approved in the business
13 district plan. Whenever a municipality pledges less than all
14 of the monies to the credit of a business district tax
15 allocation fund to secure obligations issued or to be issued
16 to pay or reimburse business district project costs, the
17 municipality shall provide that monies to the credit of the
18 business district tax allocation fund and not subject to such
19 pledge or otherwise encumbered or required for payment of
20 contractual obligations for specific business district project
21 costs shall be calculated annually and shall be deemed to be
22 "surplus" funds, and such "surplus" funds shall be expended by
23 the municipality for any business district project cost as
24 approved in the business district plan.

25 No obligation issued pursuant to this Law and secured by a
26 pledge of all or any portion of any revenues received or to be

1 received by the municipality from the imposition of taxes
2 pursuant to subsection (10) of Section 11-74.3-3, shall be
3 deemed to constitute an economic incentive agreement under
4 Section 8-11-20, notwithstanding the fact that such pledge
5 provides for the sharing, rebate, or payment of retailers'
6 occupation taxes or service occupation taxes imposed pursuant
7 to subsection (10) of Section 11-74.3-3 and received or to be
8 received by the municipality from the development or
9 redevelopment of properties in the business district.

10 Without limiting the foregoing in this Section, the
11 municipality may further secure obligations secured by the
12 business district tax allocation fund with a pledge, for a
13 period not greater than the term of the obligations and in any
14 case not longer than the dissolution date, of any part or any
15 combination of the following: (i) net revenues of all or part
16 of any business district project; (ii) taxes levied or imposed
17 by the municipality on any or all property in the
18 municipality, including, specifically, taxes levied or imposed
19 by the municipality in a special service area pursuant to the
20 Special Service Area Tax Law; (iii) the full faith and credit
21 of the municipality; (iv) a mortgage on part or all of the
22 business district project; or (v) any other taxes or
23 anticipated receipts that the municipality may lawfully
24 pledge.

25 Such obligations may be issued in one or more series, bear
26 such date or dates, become due at such time or times as therein

1 provided, but in any case not later than (i) 20 years after the
2 date of issue or (ii) the dissolution date, whichever is
3 earlier, bear interest payable at such intervals and at such
4 rate or rates as set forth therein, except as may be limited by
5 applicable law, which rate or rates may be fixed or variable,
6 be in such denominations, be in such form, either coupon,
7 registered, or book-entry, carry such conversion, registration
8 and exchange privileges, be subject to defeasance upon such
9 terms, have such rank or priority, be executed in such manner,
10 be payable in such medium or payment at such place or places
11 within or without the State, make provision for a corporate
12 trustee within or without the State with respect to such
13 obligations, prescribe the rights, powers, and duties thereof
14 to be exercised for the benefit of the municipality and the
15 benefit of the owners of such obligations, provide for the
16 holding in trust, investment, and use of moneys, funds, and
17 accounts held under an ordinance, provide for assignment of
18 and direct payment of the moneys to pay such obligations or to
19 be deposited into such funds or accounts directly to such
20 trustee, be subject to such terms of redemption with or
21 without premium, and be sold at such price, all as the
22 corporate authorities shall determine. No referendum approval
23 of the electors shall be required as a condition to the
24 issuance of obligations pursuant to this Law except as
25 provided in this Section.

26 In the event the municipality authorizes the issuance of

1 obligations pursuant to the authority of this Law secured by
2 the full faith and credit of the municipality, or pledges ad
3 valorem taxes pursuant to this subsection, which obligations
4 are other than obligations which may be issued under home rule
5 powers provided by Section 6 of Article VII of the Illinois
6 Constitution or which ad valorem taxes are other than ad
7 valorem taxes which may be pledged under home rule powers
8 provided by Section 6 of Article VII of the Illinois
9 Constitution or which are levied in a special service area
10 pursuant to the Special Service Area Tax Law, the ordinance
11 authorizing the issuance of those obligations or pledging
12 those taxes shall be published within 10 days after the
13 ordinance has been adopted, in a newspaper having a general
14 circulation within the municipality. The publication of the
15 ordinance shall be accompanied by a notice of (i) the specific
16 number of voters required to sign a petition requesting the
17 question of the issuance of the obligations or pledging such
18 ad valorem taxes to be submitted to the electors; (ii) the time
19 within which the petition must be filed; and (iii) the date of
20 the prospective referendum. The municipal clerk shall provide
21 a petition form to any individual requesting one.

22 If no petition is filed with the municipal clerk, as
23 hereinafter provided in this Section, within 21 days after the
24 publication of the ordinance, the ordinance shall be in
25 effect. However, if within that 21-day period a petition is
26 filed with the municipal clerk, signed by electors numbering

1 not less than 15% of the number of electors voting for the
2 mayor or president at the last general municipal election,
3 asking that the question of issuing obligations using full
4 faith and credit of the municipality as security for the cost
5 of paying or reimbursing business district project costs, or
6 of pledging such ad valorem taxes for the payment of those
7 obligations, or both, be submitted to the electors of the
8 municipality, the municipality shall not be authorized to
9 issue obligations of the municipality using the full faith and
10 credit of the municipality as security or pledging such ad
11 valorem taxes for the payment of those obligations, or both,
12 until the proposition has been submitted to and approved by a
13 majority of the voters voting on the proposition at a
14 regularly scheduled election. The municipality shall certify
15 the proposition to the proper election authorities for
16 submission in accordance with the general election law.

17 The ordinance authorizing the obligations may provide that
18 the obligations shall contain a recital that they are issued
19 pursuant to this Law, which recital shall be conclusive
20 evidence of their validity and of the regularity of their
21 issuance.

22 In the event the municipality authorizes issuance of
23 obligations pursuant to this Law secured by the full faith and
24 credit of the municipality, the ordinance authorizing the
25 obligations may provide for the levy and collection of a
26 direct annual tax upon all taxable property within the

1 municipality sufficient to pay the principal thereof and
2 interest thereon as it matures, which levy may be in addition
3 to and exclusive of the maximum of all other taxes authorized
4 to be levied by the municipality, which levy, however, shall
5 be abated to the extent that monies from other sources are
6 available for payment of the obligations and the municipality
7 certifies the amount of those monies available to the county
8 clerk.

9 A certified copy of the ordinance shall be filed with the
10 county clerk of each county in which any portion of the
11 municipality is situated, and shall constitute the authority
12 for the extension and collection of the taxes to be deposited
13 in the business district tax allocation fund.

14 A municipality may also issue its obligations to refund,
15 in whole or in part, obligations theretofore issued by the
16 municipality under the authority of this Law, whether at or
17 prior to maturity. However, the last maturity of the refunding
18 obligations shall not be expressed to mature later than the
19 dissolution date.

20 In the event a municipality issues obligations under home
21 rule powers or other legislative authority, the proceeds of
22 which are pledged to pay or reimburse business district
23 project costs, the municipality may, if it has followed the
24 procedures in conformance with this Law, retire those
25 obligations from funds in the business district tax allocation
26 fund in amounts and in such manner as if those obligations had

1 been issued pursuant to the provisions of this Law.

2 No obligations issued pursuant to this Law shall be
3 regarded as indebtedness of the municipality issuing those
4 obligations or any other taxing district for the purpose of
5 any limitation imposed by law.

6 Obligations issued pursuant to this Law shall not be
7 subject to the provisions of the Bond Authorization Act.

8 (f) When business district project costs, including,
9 without limitation, all obligations paying or reimbursing
10 business district project costs have been paid, any surplus
11 funds then remaining in the Business District Tax Allocation
12 Fund shall be distributed to the municipal treasurer for
13 deposit into the general corporate fund of the municipality.
14 Upon payment of all business district project costs and
15 retirement of all obligations paying or reimbursing business
16 district project costs, but in no event more than 23 years
17 after the date of adoption of the ordinance imposing taxes
18 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
19 municipality shall adopt an ordinance immediately rescinding
20 the taxes imposed pursuant to subsection (10) or (11) of
21 Section 11-74.3-3.

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

23 (65 ILCS 5/11-80-30 new)

24 Sec. 11-80-30. Parkways.

25 (a) As used in this Section, "parkway" means the portion

1 of a public right-of-way between the curb of a street and the
2 property line of private or public property, where a sidewalk
3 is often located.

4 (b) The corporate authorities of a municipality may
5 regulate the use and maintenance of a parkway and may require
6 the owner, lessee, and occupant of a property that abuts a
7 parkway to be responsible for maintenance of the parkway,
8 including, but not limited to, cleanup and disposal of refuse,
9 waste, and garbage in the parkway; watering and fertilizing
10 plants, trees, and grasses in the parkway; and the routine
11 care of the lawn of the parkway, including, but not limited to,
12 watering, weeding, and mowing of the lawn of the parkway.