



Rep. Arthur Turner

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LRB100 15797 LNS 40502 a

1 AMENDMENT TO SENATE BILL 2641

2 AMENDMENT NO. _____. Amend Senate Bill 2641, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Automobile Renting Occupation and Use Tax
6 Act is amended by changing Section 2 as follows:

7 (35 ILCS 155/2) (from Ch. 120, par. 1702)

8 Sec. 2. Definitions. "Renting" means any transfer of the
9 possession or right to possession of an automobile to a user
10 for a valuable consideration for a period of one year or less,
11 including the facilitation of a privately-owned passenger
12 motor vehicle for use by persons other than the vehicle's
13 registered owner as an part of a personal car facilitation
14 transaction, as defined in Section 1-159.1b of the Illinois
15 Vehicle Code.

16 "Renting" does not include making a charge for the use of

1 an automobile where the rentor, either himself or through an
2 agent, furnishes a service of operating an automobile so that
3 the rentor remains in possession of the automobile, because
4 this does not constitute a transfer of possession or right to
5 possession of the automobile.

6 "Renting" does not include the making of a charge by an
7 automobile dealer for the use of an automobile as a
8 demonstrator in connection with the dealer's business of
9 selling, where the charge is merely made to recover the costs
10 of operating the automobile as a demonstrator and is not
11 intended as a rental or leasing charge in the ordinary sense.

12 "Automobile" means (1) any motor vehicle of the first
13 division, or (2) a motor vehicle of the second division which:
14 (A) is a self-contained motor vehicle designed or permanently
15 converted to provide living quarters for recreational, camping
16 or travel use, with direct walk through access to the living
17 quarters from the driver's seat; (B) is of the van
18 configuration designed for the transportation of not less than
19 7 nor more than 16 passengers, as defined in Section 1-146 of
20 the Illinois Vehicle Code; or (C) has a Gross Vehicle Weight
21 Rating, as defined in Section 1-124.5 of the Illinois Vehicle
22 Code, of 8,000 pounds or less.

23 "Department" means the Department of Revenue.

24 "Person" means any natural individual, firm, partnership,
25 association, joint stock company, joint adventure, public or
26 private corporation, limited liability company, or a receiver,

1 executor, trustee, conservator or other representative
2 appointed by order of any court.

3 "Rentor" means any person, firm, corporation or
4 association engaged in the business of renting or leasing
5 automobiles to users. For this purpose, the objective of making
6 a profit is not necessary to make the renting activity a
7 business.

8 "Rentee" means any user to whom the possession, or the
9 right to possession, of an automobile is transferred for a
10 valuable consideration for a period of one year or less,
11 whether paid for by the "rentee" or by someone else.

12 "Gross receipts" from the renting of tangible personal
13 property or "rent" means the total rental price or leasing
14 price. In the case of rental transactions in which the
15 consideration is paid to the rentor on an installment basis,
16 the amounts of such payments shall be included by the rentor in
17 gross receipts or rent only as and when payments are received
18 by the rentor.

19 "Gross receipts" does not include receipts received by an
20 automobile dealer from a manufacturer or service contract
21 provider for the use of an automobile by a person while that
22 person's automobile is being repaired by that automobile dealer
23 and the repair is made pursuant to a manufacturer's warranty or
24 a service contract where a manufacturer or service contract
25 provider reimburses that automobile dealer pursuant to a
26 manufacturer's warranty or a service contract and the

1 reimbursement is merely made to recover the costs of operating
2 the automobile as a loaner vehicle.

3 "Rental price" means the consideration for renting or
4 leasing an automobile valued in money, whether received in
5 money or otherwise, including cash credits, property and
6 services, and shall be determined without any deduction on
7 account of the cost of the property rented, the cost of
8 materials used, labor or service cost, or any other expense
9 whatsoever, but does not include charges that are added by a
10 rentor on account of the rentor's tax liability under this Act
11 or on account of the rentor's duty to collect, from the rentee,
12 the tax that is imposed by Section 4 of this Act. The phrase
13 "rental price" does not include compensation paid to a rentor
14 by a rentee in consideration of the waiver by the rentor of any
15 right of action or claim against the rentee for loss or damage
16 to the automobile rented and also does not include a separately
17 stated charge for insurance or recovery of refueling costs or
18 other separately stated charges that are not for the use of
19 tangible personal property.

20 (Source: P.A. 98-574, eff. 1-1-14.)

21 Section 10. The Counties Code is amended by changing
22 Section 5-1032 as follows:

23 (55 ILCS 5/5-1032) (from Ch. 34, par. 5-1032)

24 Sec. 5-1032. County Automobile Renting Occupation Tax. The

1 corporate authorities of a county may impose a tax upon all
2 persons engaged in the business of renting automobiles in the
3 county, but outside any municipality, at the rate of not to
4 exceed 1% of the gross receipts from such business. For the
5 purposes of imposing a tax under this Section, the facilitation
6 of a privately-owned passenger motor vehicle for use by a
7 person other than the vehicle's registered owner as a part of a
8 personal car facilitation transaction, as defined in Section
9 1-159.1b of the Illinois Vehicle Code, constitutes engaging in
10 the business of renting automobiles in the county. The tax
11 imposed by a county pursuant to this Section and all civil
12 penalties that may be assessed as an Incident thereof shall be
13 collected and enforced by the State Department of Revenue. The
14 certificate of registration which is issued by the Department
15 to a retailer under the "Retailers' Occupation Tax Act",
16 approved June 23, 1933, as amended, or under the "Automobile
17 Renting Occupation and Use Tax Act", enacted by the
18 Eighty-Second General Assembly, shall permit such person to
19 engage in a business which is taxable under any ordinance or
20 resolution enacted pursuant to this Section without
21 registering separately with the Department under such
22 ordinance or resolution or under this Section. The Department
23 shall have full power to administer and enforce this Section;
24 to collect all taxes and penalties due hereunder; to dispose of
25 taxes and penalties so collected in the manner hereinafter
26 provided, and to determine all rights to credit memoranda,

1 arising on account of the erroneous payment of tax or penalty
2 hereunder. In the administration of, and compliance with, this
3 Section, the Department and persons who are subject to this
4 Section shall have the same rights, remedies, privileges,
5 immunities, powers and duties, and be subject to the same
6 conditions, restrictions, limitations, penalties and
7 definitions of terms, and employ the same modes of procedure,
8 as are prescribed in Sections 2 and 3 (in respect to all
9 provisions therein other than the State rate of tax; and with
10 relation to the provisions of the "Retailers' Occupation Tax"
11 referred to therein, except as to the disposition of taxes and
12 penalties collected, and except for the provision allowing
13 retailers a deduction from the tax to cover certain costs, and
14 except that credit memoranda issued hereunder may not be used
15 to discharge any State tax liability) of the "Automobile
16 Renting Occupation and Use Tax Act", as the same are now or may
17 hereafter be amended, as fully as if provisions contained in
18 those Sections of said Act were set forth herein.

19 Persons subject to any tax imposed pursuant to the
20 authority granted in this Section may reimburse themselves for
21 their tax liability hereunder by separately stating such tax as
22 an additional charge, which charge may be stated in
23 combination, in a single amount, with State tax which sellers
24 are required to collect under the "Automobile Renting
25 Occupation and Use Tax Act" pursuant to such bracket schedules
26 as the Department may prescribe.

1 Whenever the Department determines that a refund should be
2 made under this Section to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified, and to the person named, in such notification
6 from the Department. Such refund shall be paid by the State
7 Treasurer out of the county automobile renting tax fund.

8 The Department shall forthwith pay over to the State
9 Treasurer, ex-officio, as trustee, all taxes and penalties
10 collected hereunder. On or before the 25th day of each calendar
11 month, the Department shall prepare and certify to the
12 Comptroller the disbursement of stated sums of money to named
13 counties from which renters have paid taxes or penalties
14 hereunder to the Department during the second preceding
15 calendar month. The amount to be paid to each county shall be
16 the amount (not including credit memoranda) collected
17 hereunder during the second preceding calendar month by the
18 Department, and not including an amount equal to the amount of
19 refunds made during the second preceding calendar month by the
20 Department on behalf of such county, less 2% of such balance,
21 which sum shall be retained by the State Treasurer to cover the
22 costs incurred by the Department in administering and enforcing
23 this Section as provided herein. The Department at the time of
24 each monthly disbursement to the counties shall prepare and
25 certify to the Comptroller the amount, so retained by the State
26 Treasurer, to be paid into the General Revenue Fund of the

1 State Treasury. Within 10 days after receipt, by the
2 Comptroller, of the disbursement certification to the counties
3 and the General Revenue Fund, provided for in this Section to
4 be given to the Comptroller by the Department, the Comptroller
5 shall cause the orders to be drawn for the respective amounts
6 in accordance with the directions contained in such
7 certification.

8 Nothing in this Section shall be construed to authorize a
9 county to impose a tax upon the privilege of engaging in any
10 business which under the constitution of the United States may
11 not be made the subject of taxation by this State.

12 An ordinance or resolution imposing a tax hereunder or
13 effecting a change in the rate thereof shall be effective on
14 the first day of the calendar month next following the month in
15 which such ordinance or resolution is passed. The corporate
16 authorities of any county which levies a tax authorized by this
17 Section shall transmit to the Department of Revenue on or not
18 later than 5 days after passage of the ordinance or resolution
19 a certified copy of the ordinance or resolution imposing such
20 tax whereupon the Department of Revenue shall proceed to
21 administer and enforce this Section on behalf of such county as
22 of the effective date of the ordinance or resolution. Upon a
23 change in rate of a tax levied hereunder, or upon the
24 discontinuance of the tax, the corporate authorities of the
25 county shall on or not later than 5 days after passage of the
26 ordinance or resolution discontinuing the tax or effecting a

1 change in rate transmit to the Department of Revenue a
2 certified copy of the ordinance or resolution effecting such
3 change or discontinuance.

4 The Department of Revenue must upon the request of the
5 County Clerk or County Board submit to a county a list of those
6 persons who are registered with the Department to pay
7 automobile renting occupation tax within the unincorporated
8 area of that governmental unit. This list shall contain only
9 the names of persons who have paid the tax and not the amount
10 of tax paid by such person.

11 This Section shall be known and may be cited as the "County
12 Automobile Renting Occupation Tax Law".

13 (Source: P.A. 86-962.)

14 Section 15. The Illinois Municipal Code is amended by
15 changing Section 8-11-7 as follows:

16 (65 ILCS 5/8-11-7) (from Ch. 24, par. 8-11-7)

17 Sec. 8-11-7. The corporate authorities of a municipality
18 may impose a tax upon all persons engaged in the business of
19 renting automobiles in the municipality at the rate of not to
20 exceed 1% of the gross receipts from such business. For the
21 purposes of imposing a tax under this Section, the facilitation
22 of a privately-owned passenger motor vehicle for use by a
23 person other than the vehicle's registered owner as a part of a
24 personal car facilitation transaction, as defined in Section

1 1-159.1b of the Illinois Vehicle Code, constitutes engaging in
2 the business of renting automobiles in the municipality. The
3 tax imposed by a municipality pursuant to this Section and all
4 civil penalties that may be assessed as an incident thereof
5 shall be collected and enforced by the State Department of
6 Revenue. The certificate of registration which is issued by the
7 Department to a retailer under the Retailers' Occupation Tax
8 Act or under the Automobile Renting Occupation and Use Tax Act
9 shall permit such person to engage in a business which is
10 taxable under any ordinance or resolution enacted pursuant to
11 this Section without registering separately with the
12 Department under such ordinance or resolution or under this
13 Section. The Department shall have full power to administer and
14 enforce this Section; to collect all taxes and penalties due
15 hereunder; to dispose of taxes and penalties so collected in
16 the manner hereinafter provided; and to determine all rights to
17 credit memoranda, arising on account of the erroneous payment
18 of tax or penalty hereunder. In the administration of, and
19 compliance with, this Section, the Department and persons who
20 are subject to this Section shall have the same rights,
21 remedies, privileges, immunities, powers and duties, and be
22 subject to the same conditions, restrictions, limitations,
23 penalties and definitions of terms, and employ the same modes
24 of procedure, as are prescribed in Sections 2 and 3 (in respect
25 to all provisions therein other than the State rate of tax; and
26 with relation to the provisions of the "Retailers' Occupation

1 Tax" referred to therein, except as to the disposition of taxes
2 and penalties collected, and except for the provision allowing
3 retailers a deduction from the tax to cover certain costs, and
4 except that credit memoranda issued hereunder may not be used
5 to discharge any State tax liability) of the Automobile Renting
6 Occupation and Use Tax Act, as fully as if those provisions
7 were set forth herein.

8 Persons subject to any tax imposed pursuant to the
9 authority granted in this Section may reimburse themselves for
10 their tax liability hereunder by separately stating such tax as
11 an additional charge, which charge may be stated in
12 combination, in a single amount, with State tax which sellers
13 are required to collect under the Automobile Renting Occupation
14 and Use Tax Act pursuant to such bracket schedules as the
15 Department may prescribe.

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the order to be drawn for the
20 amount specified, and to the person named, in such notification
21 from the Department. Such refund shall be paid by the State
22 Treasurer out of the municipal automobile renting tax fund.

23 The Department shall forthwith pay over to the State
24 Treasurer, ex-officio, as trustee, all taxes and penalties
25 collected hereunder. On or before the 25th day of each calendar
26 month, the Department shall prepare and certify to the

1 Comptroller the disbursement of stated sums of money to named
2 municipalities, the municipalities to be those from which
3 rentors have paid taxes or penalties hereunder to the
4 Department during the second preceding calendar month. The
5 amount to be paid to each municipality shall be the amount (not
6 including credit memoranda) collected hereunder during the
7 second preceding calendar month by the Department, and not
8 including an amount equal to the amount of refunds made during
9 the second preceding calendar month by the Department on behalf
10 of such municipality, less 1.6% of such balance, which sum
11 shall be retained by the State Treasurer to cover the costs
12 incurred by the Department in administering and enforcing this
13 Section as provided herein. The Department at the time of each
14 monthly disbursement to the municipalities shall prepare and
15 certify to the Comptroller the amount, so retained by the State
16 Treasurer, to be paid into the General Revenue Fund of the
17 State Treasury. Within 10 days after receipt, by the
18 Comptroller, of the disbursement certification to the
19 municipalities and the General Revenue Fund, provided for in
20 this Section to be given to the Comptroller by the Department,
21 the Comptroller shall cause the orders to be drawn for the
22 respective amounts in accordance with the directions contained
23 in such certification.

24 Nothing in this Section shall be construed to authorize a
25 municipality to impose a tax upon the privilege of engaging in
26 any business which under the Constitution of the United States

1 may not be made the subject of taxation by this State.

2 An ordinance or resolution imposing a tax hereunder or
3 effecting a change in the rate thereof shall be effective on
4 the first day of the calendar month next following publication
5 as provided in Section 1-2-4. The corporate authorities of any
6 municipality which levies a tax authorized by this Section
7 shall transmit to the Department of Revenue on or not later
8 than 5 days after publication a certified copy of the ordinance
9 or resolution imposing such tax whereupon the Department of
10 Revenue shall proceed to administer and enforce this Section on
11 behalf of such municipality as of the effective date of the
12 ordinance or resolution. Upon a change in rate of a tax levied
13 hereunder, or upon the discontinuance of the tax, the corporate
14 authorities of the municipality shall on or not later than 5
15 days after publication of the ordinance or resolution
16 discontinuing the tax or effecting a change in rate transmit to
17 the Department of Revenue a certified copy of the ordinance or
18 resolution effecting such change or discontinuance.

19 The Department of Revenue must upon the request of the
20 municipal clerk, city council or village board of trustees
21 submit to a city, village or incorporated town a list of those
22 persons who are registered with the Department to pay
23 automobile renting occupation tax within that governmental
24 unit. This list shall contain only the names of persons who
25 have paid the tax and not the amount of tax paid by such
26 person.

1 As used in this Section, "municipal" and "municipality"
2 means a city, village or incorporated town, including an
3 incorporated town which has superseded a civil township.

4 This Section shall be known and may be cited as the
5 "Municipal Automobile Renting Occupation Tax Act".

6 (Source: P.A. 86-1475.)

7 Section 20. The Illinois Vehicle Code is amended by
8 changing Sections 6-305.2, 6-305.3, and 9-101 and by adding
9 Sections 1-146.7, 1-159.1a, 1-159.1b, and 1-171.01e as
10 follows:

11 (625 ILCS 5/1-146.7 new)

12 Sec. 1-146.7. Motor vehicle rental company. Any person or
13 entity whose primary business is renting motor vehicles to the
14 public for 30 days or less, including a personal car
15 facilitation company as defined in Section 1-159.1a. "Motor
16 vehicle rental company" includes a rental car company, rental
17 car agency, automobile rental company, vehicle rental company,
18 rental owner, or any other similar entity that engages in the
19 rental of motor vehicles to the public.

20 (625 ILCS 5/1-159.1a new)

21 Sec. 1-159.1a. Personal car facilitation company. A legal
22 entity qualified to do business in this State engaged in the
23 business of facilitating the use, rental, or sharing of

1 privately-owned passenger motor vehicles for noncommercial use
2 by individuals within this State. "Personal car facilitation
3 company" does not include the registered owner of the vehicle
4 involved in a personal car facilitation transaction
5 facilitated by a personal car facilitation company.

6 (625 ILCS 5/1-159.1b new)

7 Sec. 1-159.1b. Personal car facilitation transaction. The
8 use of a privately-owned passenger motor vehicle by a person
9 other than the vehicle's registered owner as facilitated by a
10 personal car facilitation company.

11 (625 ILCS 5/1-171.01e new)

12 Sec. 1-171.01e. Rental agreement. An agreement for 30 days
13 or less setting forth the terms and conditions governing the
14 use of a motor vehicle provided by a motor vehicle rental
15 company.

16 (625 ILCS 5/6-305.2)

17 Sec. 6-305.2. Limited liability for damage.

18 (a) Damage to private passenger vehicle. A person who rents
19 a motor vehicle to another may hold the renter liable to the
20 extent permitted under subsections (b) through (d) for physical
21 or mechanical damage to the rented motor vehicle that occurs
22 during the time the motor vehicle is under the rental
23 agreement.

1 (b) Limits on liability: vehicle MSRP \$50,000 or less. The
2 total liability of a renter under subsection (a) for damage to
3 a motor vehicle with a Manufacturer's Suggested Retail Price
4 (MSRP) of \$50,000 or less may not exceed all of the following:

5 (1) The lesser of:

6 (A) Actual and reasonable costs that the person who
7 rents a motor vehicle to another incurred to repair the
8 motor vehicle or that the rental company would have
9 incurred if the motor vehicle had been repaired, which
10 shall reflect any discounts, price reductions, or
11 adjustments available to the rental company; or

12 (B) The fair market value of that motor vehicle
13 immediately before the damage occurred, as determined
14 in the customary market for the retail sale of that
15 motor vehicle; and

16 (2) Actual and reasonable costs incurred by the loss
17 due to theft of the rental motor vehicle up to \$2,000;
18 provided, however, that if it is established that the
19 renter or an authorized driver failed to exercise ordinary
20 care while in possession of the vehicle or that the renter
21 or an authorized driver committed or aided and abetted the
22 commission of the theft, then the damages shall be the
23 actual and reasonable costs of the rental vehicle up to its
24 fair market value, as determined by the customary market
25 for the sale of that vehicle.

26 For purposes of this subsection (b), for the period prior

1 to June 1, 1998, the maximum amount that may be recovered from
2 an authorized driver shall not exceed \$6,000; for the period
3 beginning June 1, 1998 through May 31, 1999, the maximum
4 recovery shall not exceed \$7,500; and for the period beginning
5 June 1, 1999 through May 31, 2000, the maximum recovery shall
6 not exceed \$9,000. Beginning June 1, 2000, and annually each
7 June 1 thereafter, the maximum amount that may be recovered
8 from an authorized driver shall be increased by \$500 above the
9 maximum recovery allowed immediately prior to June 1 of that
10 year.

11 (b-5) Limits on liability: vehicle MSRP more than \$50,000.
12 The total liability of a renter under subsection (a) for damage
13 to a motor vehicle with a Manufacturer's Suggested Retail Price
14 (MSRP) of more than \$50,000 may not exceed all of the
15 following:

16 (1) the lesser of:

17 (A) actual and reasonable costs that the person who
18 rents a motor vehicle to another incurred to repair the
19 motor vehicle or that the rental company would have
20 incurred if the motor vehicle had been repaired, which
21 shall reflect any discounts, price reductions, or
22 adjustments available to the rental company; or

23 (B) the fair market value of that motor vehicle
24 immediately before the damage occurred, as determined
25 in the customary market for the retail sale of that
26 motor vehicle; and

1 (2) the actual and reasonable costs incurred by the
2 loss due to theft of the rental motor vehicle up to
3 \$40,000.

4 The maximum recovery for a motor vehicle with a
5 Manufacturer's Suggested Retail Price (MSRP) of more than
6 \$50,000 under this subsection (b-5) shall not exceed \$40,000 on
7 the effective date of this amendatory Act of the 99th General
8 Assembly. On October 1, 2016, and for the next 3 years
9 thereafter, the maximum amount that may be recovered from an
10 authorized driver under this subsection (b-5) shall be
11 increased by \$2,500 above the prior year's maximum recovery. On
12 October 1, 2020, and for each year thereafter, the maximum
13 amount that may be recovered from an authorized driver under
14 this subsection (b-5) shall be increased by \$1,000 above the
15 prior year's maximum recovery.

16 (c) Multiple recoveries prohibited. Any person who rents a
17 motor vehicle to another may not hold the renter liable for any
18 amounts that the rental company recovers from any other party.

19 (d) Repair estimates. A person who rents a motor vehicle to
20 another may not collect or attempt to collect the amount
21 described in subsection (b) or (b-5) unless the rental company
22 obtains an estimate from a repair company or an appraiser in
23 the business of providing such appraisals on the costs of
24 repairing the motor vehicle, makes a copy of the estimate
25 available upon request to the renter who may be liable under
26 subsection (a), or the insurer of the renter, and submits a

1 copy of the estimate with any claim to collect the amount
2 described in subsection (b) or (b-5). In order to collect the
3 amount described in subsection (b-5), a person renting a motor
4 vehicle to another must also provide the renter's personal
5 insurance company with reasonable notice and an opportunity to
6 inspect damages.

7 (d-5) In the event of loss due to theft of the rental motor
8 vehicle with a MSRP more than \$50,000, the rental company shall
9 provide reasonable notice of the theft to the renter's personal
10 insurance company.

11 (e) Duty to mitigate. A claim against a renter resulting
12 from damage or loss to a rental vehicle must be reasonably and
13 rationally related to the actual loss incurred. A rental
14 company shall mitigate damages where possible and shall not
15 assert or collect any claim for physical damage which exceeds
16 the actual costs of the repair, including all discounts or
17 price reductions.

18 (f) No rental company shall require a deposit or an advance
19 charge against the credit card of a renter, in any form, for
20 damages to a vehicle which is in the renter's possession,
21 custody, or control. No rental company shall require any
22 payment for damage to the rental vehicle, upon the renter's
23 return of the vehicle in a damaged condition, until after the
24 cost of the damage to the vehicle and liability therefor is
25 agreed to between the rental company and renter or is
26 determined pursuant to law.

1 (g) If insurance coverage exists under the renter's
2 personal insurance policy and the coverage is confirmed during
3 regular business hours, the renter may require that the rental
4 company must submit any claims to the renter's personal
5 insurance carrier as the renter's agent. The rental company
6 shall not make any written or oral representations that it will
7 not present claims or negotiate with the renter's insurance
8 carrier. For purposes of this Section, confirmation of coverage
9 includes telephone confirmation from insurance company
10 representatives during regular business hours. After
11 confirmation of coverage, the amount of claim shall be resolved
12 between the insurance carrier and the rental company.

13 (h) For the purposes of the allocation of liability for
14 damage to a private passenger vehicle as established under this
15 Section, a motor vehicle rental company that is a personal car
16 facilitation company, as defined in Section 1-159.1a, shall, if
17 any damage to a vehicle occurs at any time when the vehicle is
18 not in possession of the vehicle's registered owner and at the
19 personal car facilitation company's designated location while
20 being made available to rent, under the operation and control
21 of a person other than the vehicle's registered owner under a
22 personal car facilitation transaction facilitated by that
23 company, or at the personal car facilitation company's
24 designated area not being made available to rent, but not yet
25 in the possession of the vehicle's registered owner, assume all
26 liability of the registered owner of the vehicle used in the

1 personal car facilitation transaction. Nothing in this
2 subsection (h) prevents a personal car facilitation company
3 from holding a renter in a personal car facilitation
4 transaction liable to the extent permitted under this Section.
5 A personal car facilitation company continues to be liable
6 under this subsection (h) until the end of the personal car
7 facilitation transaction as described in subsection (c) of
8 Section 30 of the Renter's Financial Responsibility and
9 Protection Act or as described in this subsection (h) while the
10 vehicle is at the designated location of the personal car
11 facilitation company. At no time shall the registered owner of
12 the vehicle or the owner's insurer be liable for any exposure,
13 including negligent entrustment, of the vehicle involved in a
14 personal car facilitation transaction as described in
15 subsection (c) of Section 30 of the Renter's Financial
16 Responsibility and Protection Act.

17 (Source: P.A. 99-201, eff. 10-1-15.)

18 (625 ILCS 5/6-305.3)

19 Sec. 6-305.3. Vehicle license cost recovery fee.

20 (a) As used in this Section:

21 "Motor vehicle rental company" has the meaning ascribed to
22 it in Section 1-146.7 of this Code ~~means a person or entity~~
23 ~~whose primary business is renting motor vehicles to the public~~
24 ~~for 30 days or less.~~

25 "Inspect" or "inspection" means a vehicle emissions

1 inspection under Chapter 13C of this Code.

2 "Rental agreement" has the meaning ascribed to it in
3 Section 1-171.01e of this Code ~~means an agreement for 30 days~~
4 ~~or less setting forth the terms and conditions governing the~~
5 ~~use of a motor vehicle provided by a rental company.~~

6 "Motor vehicle" means motor vehicles of the first division
7 and motor vehicles of the second division weighing not more
8 than 8,000 pounds.

9 "Vehicle license cost recovery fee" or "VLCRF" means a
10 charge that may be separately stated and charged on a rental
11 agreement in a vehicle rental transaction originating in
12 Illinois to recover costs incurred either directly or
13 indirectly by a motor vehicle rental company to license, title,
14 register, and inspect motor vehicles.

15 (b) Motor vehicle rental companies may include a separately
16 stated mandatory surcharge or fee in a rental agreement for
17 vehicle license cost recovery fees (VLCRF) and all applicable
18 taxes.

19 (c) If a motor vehicle rental company includes a VLCRF as
20 separately stated charge in a rental agreement, the amount of
21 the fee must represent the motor vehicle rental company's
22 good-faith estimate of the automobile rental company's daily
23 charge as calculated by the motor vehicle rental company to
24 recover its actual total annual motor vehicle titling,
25 registration, and inspection costs.

26 (d) If the total amount of the VLCRF collected by a motor

1 vehicle rental company under this Section in any calendar year
2 exceeds the motor vehicle rental company's actual costs to
3 license, title, register, and inspect for that calendar year,
4 the motor vehicle rental company shall do both of the
5 following:

6 (1) Retain the excess amount; and

7 (2) Adjust the estimated average per vehicle titling,
8 licensing, inspection, and registration charge for the
9 following calendar year by a corresponding amount.

10 (e) Nothing in subsection (d) of this Section shall prevent
11 a motor vehicle rental company from making adjustments to the
12 VLCRF during the calendar year.

13 (Source: P.A. 96-37, eff. 7-13-09; 97-595, eff. 8-26-11.)

14 (625 ILCS 5/9-101) (from Ch. 95 1/2, par. 9-101)

15 Sec. 9-101. Owner of for-rent motor vehicle to give proof
16 of financial responsibility. For purposes of this Chapter, "for
17 rent" means any transfer of the possession of or right to
18 possession of a motor vehicle to a user for a valuable
19 consideration for a period of less than one year, and "to
20 lease" means any transfer of the possession of or right to
21 possession of a motor vehicle to a user for a period of one
22 year or more. It is unlawful for the owner of any motor vehicle
23 to engage in the business, or to hold himself out to the public
24 generally as being engaged in the business of renting out such
25 motor vehicle to be operated by the customer, unless the owner

1 has given, and there is in full force and effect and on file
2 with the Secretary of State proof of financial responsibility
3 as hereinafter provided. For the purposes of this Section, the
4 facilitation of a privately-owned passenger motor vehicle for
5 use by a person other than the vehicle's registered owner as a
6 part of a personal car facilitation transaction shall
7 constitute engaging in the business of renting out motor
8 vehicles in this State. For the purposes of providing proof of
9 financial responsibility under this Section, a personal car
10 facilitation company shall be considered the owner of the
11 vehicle and financially responsible for that vehicle at any
12 time the vehicle is used in a personal car facilitation
13 transaction facilitated by that company and under the operation
14 and control of a person other than the vehicle's registered
15 owner. The delivery of a vehicle owned by an out of State
16 person or business to a renter in this State shall constitute
17 engaging in the rental business in this State for purposes of
18 this Section.

19 All owners of motor vehicles which are leased for a period
20 of one year or more are not required to provide proof of
21 insurance as required under this chapter, but instead must
22 comply with Section 7-601 of this Code and obtain vehicle
23 insurance in amounts no less than the minimum amount set for
24 bodily injury or death and for destruction of property pursuant
25 to Section 7-203 of this Code.

26 (Source: P.A. 86-880; 87-1220.)

1 Section 25. The Automated Traffic Control Systems in
2 Highway Construction or Maintenance Zones Act is amended by
3 changing Section 45 as follows:

4 (625 ILCS 7/45)

5 Sec. 45. Vehicle rental or leasing company's
6 identification of a renter or lessee.

7 (a) A Uniform Traffic Citation issued under this Act to a
8 motor vehicle rental or leasing company shall be dismissed with
9 respect to the rental or leasing company if:

10 (1) the company responds to the Uniform Traffic
11 Citation by submitting, within 30 days of the mailing of
12 the citation, an affidavit of non-liability stating that,
13 at the time of the alleged speeding or other traffic
14 violation, the vehicle was in the custody and control of a
15 renter or lessee under the terms of a rental agreement or
16 lease; and

17 (2) the company provides the driver's license number,
18 name, and address of the renter or lessee.

19 (a-5) A Uniform Traffic Citation issued under this Act to
20 the registered owner of a vehicle used in personal car
21 facilitation transaction, as defined in Section 1-159.1b of the
22 Illinois Vehicle Code, shall be dismissed with respect to the
23 registered owner if:

24 (1) the registered owner responds to the Uniform

1 Traffic Citation by submitting, within 30 days of the
2 mailing of the citation, an affidavit of non-liability
3 stating that, at the time of the alleged speeding or other
4 traffic violation, the vehicle was under the operation and
5 control of a person other than the vehicle's registered
6 owner under a personal car facilitation transaction
7 facilitated by a personal car facilitation company; and

8 (2) the registered owner provides proof of the
9 transaction facilitated by the personal car facilitation
10 company between the registered owner of the vehicle and the
11 driver of the vehicle during the alleged violation.

12 (b) A Uniform Traffic Citation dismissed with respect to a
13 motor vehicle rental or leasing company in accordance with
14 subsection (a) may then be issued and delivered by mail or
15 other means to the renter or lessee identified in the affidavit
16 of non-liability.

17 (Source: P.A. 93-947, eff. 8-19-04.)

18 Section 30. The Renter's Financial Responsibility and
19 Protection Act is amended by changing Section 10 and by adding
20 Section 30 as follows:

21 (625 ILCS 27/10)

22 Sec. 10. Definitions. As used in this Act:

23 "Personal car facilitation company" means a legal entity
24 qualified to do business in this State engaged in the business

1 of facilitating the use, rental, or sharing of privately-owned
2 passenger motor vehicles for noncommercial use by individuals
3 within this State. "Personal car facilitation company" does not
4 include the registered owner of the vehicle facilitated by a
5 personal car facilitation company for the purpose of personal
6 car facilitation.

7 "Personal car facilitation transaction" means the use of a
8 privately-owned passenger motor vehicle by a person other than
9 the vehicle's registered owner as facilitated by a personal car
10 facilitation company.

11 "Rental Company" means a person or entity that rents
12 private passenger vehicles to the public for 30 days or less.
13 "Rental company" includes a personal car facilitation company.

14 "Renter" means a person or entity that obtains the use of a
15 private passenger vehicle from a rental company under terms of
16 a rental agreement.

17 "Rental Agreement" means an agreement for 30 days or less
18 setting forth the terms and conditions governing the use of a
19 private passenger vehicle provided by a rental company.

20 "Authorized Driver" means: the renter; the renter's spouse
21 if the spouse is a licensed driver and satisfies the rental
22 company's minimum age requirement; the renter's employer,
23 employee, or co-worker if that person is a licensed driver,
24 satisfies the rental company's minimum age requirement, and at
25 the time of the rental is engaged in a business activity with
26 the renter; any person who is expressly listed by the rental

1 company on the rental agreement as an authorized driver; and
2 any person driving directly to a medical or police facility
3 under circumstances reasonably believed to constitute an
4 emergency and who is a licensed driver.

5 "Damage Waiver" means a rental company's agreement not to
6 hold an authorized driver liable for all or a part of any
7 damage to or loss of a rented vehicle for which the renter may
8 be liable pursuant to Section 6-305.2. "Damage Waiver" shall
9 encompass within its meaning other similar terms used by rental
10 companies, such as "Collision Damage Waiver", "Loss Damage
11 Waiver", "Physical Damage Waiver", and the like.

12 (Source: P.A. 90-113, eff. 7-14-97.)

13 (625 ILCS 27/30 new)

14 Sec. 30. Personal car facilitation company obligations and
15 liability.

16 (a) Notwithstanding any provision to the contrary, a rental
17 company that is a personal car facilitation company shall, when
18 applicable, be subject to the statutory and regulatory
19 obligations pertaining to all motor vehicle rental companies.

20 (b) If any loss or injury occurs at any time a vehicle is
21 under the operation and control of a person other than the
22 vehicle's registered owner under a personal car facilitation
23 transaction facilitated by a personal car facilitation
24 company, the company shall assume all liability of the
25 registered owner of the vehicle used in the personal car

1 facilitation transaction and shall be considered the vehicle's
2 owner for all purposes.

3 (c) A personal car facilitation company continues to be
4 liable under subsection (b) of this Section until the vehicle
5 is returned to a location designated by the company, and one of
6 the following occur:

7 (1) the expiration of the personal car facilitation
8 period established for the vehicle occurs;

9 (2) the intent to terminate the vehicle's personal car
10 facilitation transaction is verifiably communicated to the
11 company; or

12 (3) the vehicle's registered owner takes possession
13 and control of the vehicle.

14 If any loss giving rise to a claim occurs, the personal car
15 facilitation company shall initially assume liability for a
16 claim in which a dispute exists as to who was in control of the
17 vehicle and seek indemnification if it is later determined that
18 the registered owner was in possession of the vehicle.

19 (d) At no time shall the registered owner of the vehicle or
20 the owner's insurer be held liable for any loss, injury,
21 damage, or violation involving his or her vehicle occurring
22 during a personal car facilitation transaction unless it is
23 shown that the registered owner was operating or in control of
24 the vehicle at the time of the loss, injury, damage, or
25 violation.

26 (e) Notwithstanding any provision to the contrary, for the

1 purposes of the issuance of a civil penalty for a violation of
2 Section 11-208.6, 11-208.8, 11-208.9, or 11-1201.1 of the
3 Illinois Vehicle Code, the violation shall be dismissed with
4 respect to the registered owner of the vehicle, and the
5 personal car facilitation company shall be considered the
6 vehicle's owner for purposes of violation, if:

7 (1) the registered owner responds to the citation by
8 submitting, within 30 days of the mailing of the citation,
9 an affidavit of non-liability stating that, at the time of
10 the alleged violation, the vehicle was under the operation
11 and control of a person other than the vehicle's registered
12 owner under a personal car facilitation transaction
13 facilitated by a personal car facilitation company; and

14 (2) the registered owner provides proof of the
15 transaction facilitated by the personal car facilitation
16 company with the driver of his or her vehicle during the
17 alleged violation.

18 (f) Nothing in this Section shall limit the liability of
19 the personal car facilitation company for any acts or omissions
20 by the company that result in injury to any persons as a result
21 of the use or operation of a vehicle during a personal car
22 facilitation transaction.

23 (g) The personal car facilitation company shall collect and
24 verify records pertaining to the use of a vehicle, including,
25 but not limited to, times used, fees paid by the rentor, and
26 revenues received by the vehicle owner, and provide that

1 information upon request to the registered vehicle owner, the
2 owner's insurer, and the insurer of a person operating the
3 vehicle during the personal car transaction and shall retain
4 the records for a reasonable period after the expiration of the
5 applicable personal injury statute of limitations.

6 (h) The personal car facilitation company shall have sole
7 responsibility for any equipment, such as a GPS system or other
8 special equipment, that is put in or on the vehicle to monitor
9 or facilitate the transaction, and shall agree to indemnify and
10 hold harmless the vehicle owner for any damage to or theft of
11 such equipment."