



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB1575

by Rep. Ryan Spain

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.891 new

35 ILCS 615/3

35 ILCS 640/2-9

220 ILCS 5/13-301.4 new

from Ch. 120, par. 467.18

Amends the Public Utilities Act. Creates the Rural Illinois Utility Infrastructure Investment Program, under which the Illinois Commerce Commission shall make grants from the Rural Illinois Utility Infrastructure Investment Program Fund for qualified utility infrastructure projects. Amends the Gas Revenue Tax Act and the Electricity Excise Tax Law to provide that certain moneys collected under those Acts shall be deposited into the Fund. Amends the State Finance Act. Creates the Rural Illinois Utility Infrastructure Investment Program Fund as a special fund in the State treasury. Effective July 1, 2019.

LRB101 05073 JRG 50084 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The State Finance Act is amended by adding
5 Section 5.891 as follows:

6 (30 ILCS 105/5.891 new)

7 Sec. 5.891. Rural Illinois Utility Infrastructure
8 Investment Program Fund.

9 Section 10. The Gas Revenue Tax Act is amended by changing
10 Section 3 as follows:

11 (35 ILCS 615/3) (from Ch. 120, par. 467.18)

12 Sec. 3. Return of taxpayer; payment of tax. Except as
13 provided in this Section, on or before the 15th day of each
14 month, each taxpayer shall make a return to the Department for
15 the preceding calendar month, stating:

16 1. His name;

17 2. The address of his principal place of business, and
18 the address of the principal place of business (if that is
19 a different address) from which he engages in the business
20 of distributing, supplying, furnishing or selling gas in
21 this State;

1 3. The total number of therms for which payment was
2 received by him from customers during the preceding
3 calendar month and upon the basis of which the tax is
4 imposed;

5 4. Gross receipts which were received by him from
6 customers during the preceding calendar month from such
7 business, including budget plan and other customer-owned
8 amounts applied during such month in payment of charges
9 includible in gross receipts, and upon the basis of which
10 the tax is imposed;

11 5. Amount of tax (computed upon Items 3 and 4);

12 6. Such other reasonable information as the Department
13 may require.

14 In making such return the taxpayer may use any reasonable
15 method to derive reportable "therms" and "gross receipts" from
16 his billing and payment records.

17 Any taxpayer required to make payments under this Section
18 may make the payments by electronic funds transfer. The
19 Department shall adopt rules necessary to effectuate a program
20 of electronic funds transfer.

21 If the taxpayer's average monthly tax liability to the
22 Department does not exceed \$100.00, the Department may
23 authorize his returns to be filed on a quarter annual basis,
24 with the return for January, February and March of a given year
25 being due by April 30 of such year; with the return for April,
26 May and June of a given year being due by July 31 of such year;

1 with the return for July, August and September of a given year
2 being due by October 31 of such year, and with the return for
3 October, November and December of a given year being due by
4 January 31 of the following year.

5 If the taxpayer's average monthly tax liability to the
6 Department does not exceed \$20.00, the Department may authorize
7 his returns to be filed on an annual basis, with the return for
8 a given year being due by January 31 of the following year.

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

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

19 In making such return the taxpayer shall determine the
20 value of any reportable consideration other than money received
21 by him and shall include such value in his return. Such
22 determination shall be subject to review and revision by the
23 Department in the same manner as is provided in this Act for
24 the correction of returns.

25 Each taxpayer whose average monthly liability to the
26 Department under this Act was \$10,000 or more during the

1 preceding calendar year, excluding the month of highest
2 liability and the month of lowest liability in such calendar
3 year, and who is not operated by a unit of local government,
4 shall make estimated payments to the Department on or before
5 the 7th, 15th, 22nd and last day of the month during which tax
6 liability to the Department is incurred in an amount not less
7 than the lower of either 22.5% of the taxpayer's actual tax
8 liability for the month or 25% of the taxpayer's actual tax
9 liability for the same calendar month of the preceding year.
10 The amount of such quarter monthly payments shall be credited
11 against the final tax liability of the taxpayer's return for
12 that month. Any outstanding credit, approved by the Department,
13 arising from the taxpayer's overpayment of its final tax
14 liability for any month may be applied to reduce the amount of
15 any subsequent quarter monthly payment or credited against the
16 final tax liability of the taxpayer's return for any subsequent
17 month. If any quarter monthly payment is not paid at the time
18 or in the amount required by this Section, the taxpayer shall
19 be liable for penalty and interest on the difference between
20 the minimum amount due as a payment and the amount of such
21 payment actually and timely paid, except insofar as the
22 taxpayer has previously made payments for that month to the
23 Department in excess of the minimum payments previously due.

24 If the Director finds that the information required for the
25 making of an accurate return cannot reasonably be compiled by a
26 taxpayer within 15 days after the close of the calendar month

1 for which a return is to be made, he may grant an extension of
2 time for the filing of such return for a period of not to
3 exceed 31 calendar days. The granting of such an extension may
4 be conditioned upon the deposit by the taxpayer with the
5 Department of an amount of money not exceeding the amount
6 estimated by the Director to be due with the return so
7 extended. All such deposits, including any made before the
8 effective date of this amendatory Act of 1975 with the
9 Department, shall be credited against the taxpayer's
10 liabilities under this Act. If any such deposit exceeds the
11 taxpayer's present and probable future liabilities under this
12 Act, the Department shall issue to the taxpayer a credit
13 memorandum, which may be assigned by the taxpayer to a similar
14 taxpayer under this Act, in accordance with reasonable rules
15 and regulations to be prescribed by the Department.

16 The taxpayer making the return provided for in this Section
17 shall, at the time of making such return, pay to the Department
18 the amount of tax imposed by this Act. All moneys received by
19 the Department under this Act shall be paid into the General
20 Revenue Fund in the State Treasury, except as otherwise
21 provided. Beginning on the first day of the first calendar
22 month to occur on or after the effective date of this
23 amendatory Act of the 101st General Assembly, all moneys
24 received by the Department under this Act shall be paid into
25 the General Revenue Fund, less 1% which shall be paid into the
26 Rural Illinois Utility Infrastructure Investment Program Fund.

1 If any payment provided for in this Section exceeds the
2 taxpayer's liabilities under this Act, as shown on an original
3 return, the Department may authorize the taxpayer to credit
4 such excess payment against liability subsequently to be
5 remitted to the Department under this Act, in accordance with
6 reasonable rules adopted by the Department.

7 (Source: P.A. 100-1171, eff. 1-4-19.)

8 Section 15. The Electricity Excise Tax Law is amended by
9 changing Section 2-9 as follows:

10 (35 ILCS 640/2-9)

11 Sec. 2-9. Return and payment of tax by delivering supplier.
12 Each delivering supplier who is required or authorized to
13 collect the tax imposed by this Law shall make a return to the
14 Department on or before the 15th day of each month for the
15 preceding calendar month stating the following:

16 (1) The delivering supplier's name.

17 (2) The address of the delivering supplier's principal
18 place of business and the address of the principal place of
19 business (if that is a different address) from which the
20 delivering supplier engaged in the business of delivering
21 electricity in this State.

22 (3) The total number of kilowatt-hours which the
23 supplier delivered to or for purchasers during the
24 preceding calendar month and upon the basis of which the

1 tax is imposed.

2 (4) Amount of tax, computed upon Item (3) at the rates
3 stated in Section 2-4.

4 (5) An adjustment for uncollectible amounts of tax in
5 respect of prior period kilowatt-hour deliveries,
6 determined in accordance with rules and regulations
7 promulgated by the Department.

8 (5.5) The amount of credits to which the taxpayer is
9 entitled on account of purchases made under Section 8-403.1
10 of the Public Utilities Act.

11 (6) Such other information as the Department
12 reasonably may require.

13 In making such return the delivering supplier may use any
14 reasonable method to derive reportable "kilowatt-hours" from
15 the delivering supplier's records.

16 If the average monthly tax liability to the Department of
17 the delivering supplier does not exceed \$2,500, the Department
18 may authorize the delivering supplier's returns to be filed on
19 a quarter-annual basis, with the return for January, February
20 and March of a given year being due by April 30 of such year;
21 with the return for April, May and June of a given year being
22 due by July 31 of such year; with the return for July, August
23 and September of a given year being due by October 31 of such
24 year; and with the return for October, November and December of
25 a given year being due by January 31 of the following year.

26 If the average monthly tax liability to the Department of

1 the delivering supplier does not exceed \$1,000, the Department
2 may authorize the delivering supplier's returns to be filed on
3 an annual basis, with the return for a given year being due by
4 January 31 of the following year.

5 Such quarter-annual and annual returns, as to form and
6 substance, shall be subject to the same requirements as monthly
7 returns.

8 Notwithstanding any other provision in this Law concerning
9 the time within which a delivering supplier may file a return,
10 any such delivering supplier who ceases to engage in a kind of
11 business which makes the person responsible for filing returns
12 under this Law shall file a final return under this Law with
13 the Department not more than one month after discontinuing such
14 business.

15 Each delivering supplier whose average monthly liability
16 to the Department under this Law was \$10,000 or more during the
17 preceding calendar year, excluding the month of highest
18 liability and the month of lowest liability in such calendar
19 year, and who is not operated by a unit of local government,
20 shall make estimated payments to the Department on or before
21 the 7th, 15th, 22nd and last day of the month during which tax
22 liability to the Department is incurred in an amount not less
23 than the lower of either 22.5% of such delivering supplier's
24 actual tax liability for the month or 25% of such delivering
25 supplier's actual tax liability for the same calendar month of
26 the preceding year. The amount of such quarter-monthly payments

1 shall be credited against the final tax liability of such
2 delivering supplier's return for that month. An outstanding
3 credit approved by the Department or a credit memorandum issued
4 by the Department arising from such delivering supplier's
5 overpayment of his or her final tax liability for any month may
6 be applied to reduce the amount of any subsequent
7 quarter-monthly payment or credited against the final tax
8 liability of such delivering supplier's return for any
9 subsequent month. If any quarter-monthly payment is not paid at
10 the time or in the amount required by this Section, such
11 delivering supplier shall be liable for penalty and interest on
12 the difference between the minimum amount due as a payment and
13 the amount of such payment actually and timely paid, except
14 insofar as such delivering supplier has previously made
15 payments for that month to the Department in excess of the
16 minimum payments previously due.

17 If the Director finds that the information required for the
18 making of an accurate return cannot reasonably be compiled by
19 such delivering supplier within 15 days after the close of the
20 calendar month for which a return is to be made, the Director
21 may grant an extension of time for the filing of such return
22 for a period not to exceed 31 calendar days. The granting of
23 such an extension may be conditioned upon the deposit by such
24 delivering supplier with the Department of an amount of money
25 not exceeding the amount estimated by the Director to be due
26 with the return so extended. All such deposits shall be

1 credited against such delivering supplier's liabilities under
2 this Law. If the deposit exceeds such delivering supplier's
3 present and probable future liabilities under this Law, the
4 Department shall issue to such delivering supplier a credit
5 memorandum, which may be assigned by such delivering supplier
6 to a similar person under this Law, in accordance with
7 reasonable rules and regulations to be prescribed by the
8 Department.

9 The delivering supplier making the return provided for in
10 this Section shall, at the time of making such return, pay to
11 the Department the amount of tax imposed by this Law.

12 Until October 1, 2002, a delivering supplier who has an
13 average monthly tax liability of \$10,000 or more shall make all
14 payments required by rules of the Department by electronic
15 funds transfer. The term "average monthly tax liability" shall
16 be the sum of the delivering supplier's liabilities under this
17 Law for the immediately preceding calendar year divided by 12.
18 Beginning on October 1, 2002, a taxpayer who has a tax
19 liability in the amount set forth in subsection (b) of Section
20 2505-210 of the Department of Revenue Law shall make all
21 payments required by rules of the Department by electronic
22 funds transfer. Any delivering supplier not required to make
23 payments by electronic funds transfer may make payments by
24 electronic funds transfer with the permission of the
25 Department. All delivering suppliers required to make payments
26 by electronic funds transfer and any delivering suppliers

1 authorized to voluntarily make payments by electronic funds
2 transfer shall make those payments in the manner authorized by
3 the Department.

4 If any payment provided for in this Section exceeds the
5 delivering supplier's liabilities under this Act, as shown on
6 an original return, the Department may authorize the delivering
7 supplier to credit such excess payment against liability
8 subsequently to be remitted to the Department under this Act,
9 in accordance with reasonable rules adopted by the Department.

10 Through June 30, 2004, each month the Department shall pay
11 into the Public Utility Fund in the State treasury an amount
12 determined by the Director to be equal to 3.0% of the funds
13 received by the Department pursuant to this Section. Through
14 June 30, 2004, the remainder of all moneys received by the
15 Department under this Section shall be paid into the General
16 Revenue Fund in the State treasury. Beginning on July 1, 2004,
17 of the 3% of the funds received pursuant to this Section, each
18 month the Department shall pay \$416,667 into the General
19 Revenue Fund and the balance shall be paid into the Public
20 Utility Fund in the State treasury. Beginning on the first day
21 of the first calendar month to occur on or after the effective
22 date of this amendatory Act of the 101st General Assembly, of
23 the 3% of the funds received pursuant to this Section, each
24 month the Department shall pay \$416,667 into the General
25 Revenue Fund and the balance shall be paid into the Public
26 Utility Fund, less 1% which shall be paid into the Rural

1 Illinois Utility Infrastructure Investment Program Fund.

2 (Source: P.A. 100-1171, eff. 1-4-19.)

3 Section 20. The Public Utilities Act is amended by adding
4 Section 13-301.4 as follows:

5 (220 ILCS 5/13-301.4 new)

6 Sec. 13-301.4. Rural Illinois Utility Infrastructure
7 Investment Program.

8 (a) For purposes of this Section:

9 "Eligible entity" means:

10 (1) a business that: (A) is engaged in interstate or
11 intrastate commerce for the purpose of manufacturing,
12 processing, or assembling products; (B) employs no more
13 than 500 employees; and (C) is located in a county with
14 less than 50,000 inhabitants; or

15 (2) a county with less than 50,000 inhabitants.

16 "Qualifying utility infrastructure project" means the
17 construction or installation of gas or electric equipment used
18 in connection with the distribution and delivery of gas or
19 electricity to an eligible recipient.

20 (b) The Commission shall create the Rural Illinois Utility
21 Infrastructure Investment Program, under which the Commission
22 shall, subject to appropriation, make grants from moneys in the
23 Rural Illinois Utility Infrastructure Investment Program Fund
24 to eligible entities for the construction of gas or electric

1 infrastructure in eligible areas of the State. The Commission
2 shall adopt rules for administration of the Program, which
3 shall include that an eligible entity must include in its
4 application evidence that the grants will result in the
5 creation of new jobs and shall provide for the competitive
6 selection of recipients of grant funds available from the Fund
7 pursuant to the Illinois Procurement Code. Grants shall be
8 awarded to eligible entities chosen on the basis of the
9 criteria established in the rules.

10 (c) An eligible entity seeking a grant of funds from the
11 Rural Illinois Utility Infrastructure Investment Program shall
12 demonstrate to the Commission that the grant shall be used for
13 the construction of gas or electric infrastructure in an
14 eligible area and demonstrate that it satisfies all other
15 requirements of the rules adopted by the Commission. The
16 Commission shall determine the information that it deems
17 necessary to award grants pursuant to this Section.

18 (d) All eligible entities awarded grant moneys under this
19 Section shall maintain all records required by rule for the
20 period of time specified in the rules. The records shall be
21 subject to audit by the Commission, by an auditor appointed by
22 the State, or by a State officer authorized to conduct audits.

23 (e) The Rural Illinois Utility Infrastructure Investment
24 Program Fund is created as a special fund in the State
25 treasury. All moneys in the Fund shall be used by the
26 Commission to fund grants for qualified utility infrastructure

1 projects. The Commission may accept private and public funds,
2 including federal funds, for deposit into the Fund. Earnings
3 attributable to moneys in the Fund shall be deposited into the
4 Fund.

5 Section 99. Effective date. This Act takes effect July 1,
6 2019.