



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB2682

by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the State Finance Act. Creates the State Aviation Program Fund, the Local Government Aviation Trust Fund, and the Aviation Fuel Sales Tax Refund Fund. Provides that moneys in the State Aviation Program Fund shall be used by the Department of Transportation for the purposes of administering a State Aviation Program. Provides that the State Aviation Program shall include grants to units of local government for airport-related purposes. Provides that moneys in the Local Government Aviation Trust Fund shall be used by units of local government for airport-related purposes. Provides that moneys in the Aviation Fuel Sales Tax Refund Fund shall be used by the Department of Revenue to pay refunds. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act to provide that moneys received from the tax paid on aviation fuel shall be deposited into those Funds. Amends the Motor Fuel Tax Law to provide that certain money received by the Department of Revenue for aviation fuel sold or used on or after December 1 shall be deposited into the State Aviation Program Fund. Amends the Innovation Development and Economy Act, the Counties Code, the Illinois Municipal Code, the Civic Center Code, the Flood Prevention District Act, the Metro-East Park and Recreation District Act, the Local Mass Transit District Act, the Regional Transportation Authority Act, and the Water Commission Act of 1985. Prohibits certain local retailers' occupation taxes on aviation fuel unless the unit of local government has an airport-related purpose. Amends the Illinois Municipal Code. Requires municipalities that have implemented a Residential Sound Insulation Program to perform an in-home air quality test at a residence located in the municipality if certain conditions are met. Effective immediately.

LRB101 09562 HLH 54660 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The State Finance Act is amended by adding  
5 Sections 5.891, 5.892, 5.893, 6z-20.1, 6z-20.2, and 6z-20.3 as  
6 follows:

7 (30 ILCS 105/5.891 new)

8 Sec. 5.891. The State Aviation Program Fund.

9 (30 ILCS 105/5.892 new)

10 Sec. 5.892. The Local Government Aviation Trust Fund.

11 (30 ILCS 105/5.893 new)

12 Sec. 5.893. The Aviation Fuel Sales Tax Refund Fund.

13 (30 ILCS 105/6z-20.1 new)

14 Sec. 6z-20.1. The State Aviation Program Fund.

15 (a) The State Aviation Program Fund is created in the State  
16 Treasury. Moneys in the Fund shall be used by the Department of  
17 Transportation for the purposes of administering a State  
18 Aviation Program. Subject to appropriation, the moneys shall be  
19 used for the purpose of distributing grants to units of local  
20 government to be used for airport-related purposes. Grants to

1 units of local government from the Fund shall be distributed  
2 proportionately based on equal part enplanements, total cargo,  
3 and airport operations. With regard to enplanements that occur  
4 within a municipality with a population of over 500,000, grants  
5 shall be distributed only to the municipality.

6 (b) For grants to a unit of government, "airport-related  
7 purposes" means the capital costs of: (1) an airport; (2) a  
8 local airport system; or (3) any other local facility that is  
9 owned or operated by the person or entity that owns or operates  
10 the airport that is directly and substantially related to the  
11 air transportation of passengers or property as provided in 49  
12 U.S.C. 47133, including (i) the replacement of sound-reducing  
13 windows and doors installed under the Residential Sound  
14 Insulation Program and (ii) in-home air quality testing in  
15 residences in which windows or doors were installed under the  
16 Residential Sound Insulation Program.

17 (30 ILCS 105/6z-20.2 new)

18 Sec. 6z-20.2. The Local Government Aviation Trust Fund. The  
19 Local Government Aviation Trust Fund is created as a trust fund  
20 in the State Treasury. Moneys in the Trust Fund shall be used  
21 by units of local government for airport-related purposes. For  
22 purposes of this Section, "airport-related purposes" means the  
23 capital or operating costs of: (1) an airport; (2) a local  
24 airport system; or (3) any other local facility that is owned  
25 or operated by the person or entity that owns or operates the

1 airport that is directly and substantially related to the air  
2 transportation of passengers or property as provided in 49  
3 U.S.C. 47133, including (i) the replacement of sound-reducing  
4 windows and doors installed under the Residential Sound  
5 Insulation Program and (ii) in-home air quality testing in  
6 residences in which windows or doors were installed under the  
7 Residential Sound Insulation Program.

8 Moneys in the Trust Fund are not subject to appropriation  
9 and shall be used solely as provided in this Section. All  
10 deposits into the Trust Fund shall be held in the Trust Fund by  
11 the State Treasurer, ex officio, as trustee separate and apart  
12 from all public moneys or funds of this State.

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 units of local  
16 government, the units of local government to be those from  
17 which retailers or servicemen have paid tax or penalties to the  
18 Department during the second preceding calendar month on sales  
19 of aviation fuel. The amount to be paid to each unit of local  
20 government shall be the amount (not including credit memoranda)  
21 collected during the second preceding calendar month by the  
22 Department and paid into the Local Government Aviation Trust  
23 Fund, plus an amount the Department determines is necessary to  
24 offset any amounts which were erroneously paid to a different  
25 taxing body, and not including an amount equal to the amount of  
26 refunds made during the second preceding calendar month by the

1 Department, and not including any amount which the Department  
2 determines is necessary to offset any amounts which are payable  
3 to a different taxing body but were erroneously paid to the  
4 unit of local government. Within 10 days after receipt by the  
5 Comptroller of the certification for disbursement to the units  
6 of local government, provided for in this Section to be given  
7 to the Comptroller by the Department, the Comptroller shall  
8 cause the orders to be drawn for the respective amounts in  
9 accordance with the directions contained in the certification.

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

16 (30 ILCS 105/6z-20.3 new)

17 Sec. 6z-20.3. The Aviation Fuel Sales Tax Refund Fund.

18 (a) The Aviation Fuel Sales Tax Refund Fund is hereby  
19 created as a special fund in the State Treasury. Moneys in the  
20 Aviation Fuel Sales Tax Refund Fund shall be used by the  
21 Department of Revenue to pay refunds of Use Tax, Service Use  
22 Tax, Service Occupation Tax, and Retailers' Occupation Tax paid  
23 on aviation fuel in the manner provided in Section 19 of the  
24 Use Tax Act, Section 17 of the Service Use Tax Act, Section 17  
25 of the Service Occupation Tax Act, and Section 6 of the

1 Retailers' Occupation Tax Act.

2 (b) Moneys in the Aviation Fuel Sales Tax Refund Fund shall  
3 be expended exclusively for the purpose of paying refunds  
4 pursuant to this Section.

5 (c) The Director of Revenue shall order payment of refunds  
6 under this Section from the Aviation Fuel Sales Tax Refund Fund  
7 only to the extent that amounts collected pursuant to Section 3  
8 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
9 Act, Section 9 of the Service Occupation Tax Act, and Section 9  
10 of the Service Use Tax Act on aviation fuel have been deposited  
11 and retained in the Fund.

12 As soon as possible after the end of each fiscal year, the  
13 Director of Revenue shall order transferred and the State  
14 Treasurer and State Comptroller shall transfer from the  
15 Aviation Fuel Sales Tax Refund Fund to the State Aviation  
16 Program Fund 20% of any surplus remaining as of the end of such  
17 fiscal year and shall transfer from the Aviation Fuel Sales Tax  
18 Refund Fund to the General Revenue Fund 80% of any surplus  
19 remaining as of the end of such fiscal year.

20 This Section shall constitute an irrevocable and  
21 continuing appropriation from the Aviation Fuel Sales Tax  
22 Refund Fund for the purpose of paying refunds in accordance  
23 with the provisions of this Section.

24 Section 10. The Use Tax Act is amended by changing Sections  
25 9 and 19 as follows:

1 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

2 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
3 and trailers that are required to be registered with an agency  
4 of this State, each retailer required or authorized to collect  
5 the tax imposed by this Act shall pay to the Department the  
6 amount of such tax (except as otherwise provided) at the time  
7 when he is required to file his return for the period during  
8 which such tax was collected, less a discount of 2.1% prior to  
9 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
10 per calendar year, whichever is greater, which is allowed to  
11 reimburse the retailer for expenses incurred in collecting the  
12 tax, keeping records, preparing and filing returns, remitting  
13 the tax and supplying data to the Department on request. The  
14 discount under this Section is not allowed for taxes paid on  
15 aviation fuel that are deposited into the State Aviation  
16 Program Fund under this Act. In the case of retailers who  
17 report and pay the tax on a transaction by transaction basis,  
18 as provided in this Section, such discount shall be taken with  
19 each such tax remittance instead of when such retailer files  
20 his periodic return. The discount allowed under this Section is  
21 allowed only for returns that are filed in the manner required  
22 by this Act. The Department may disallow the discount for  
23 retailers whose certificate of registration is revoked at the  
24 time the return is filed, but only if the Department's decision  
25 to revoke the certificate of registration has become final. A

1 retailer need not remit that part of any tax collected by him  
2 to the extent that he is required to remit and does remit the  
3 tax imposed by the Retailers' Occupation Tax Act, with respect  
4 to the sale of the same property.

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

15 Except as provided in this Section, on or before the  
16 twentieth day of each calendar month, such retailer shall file  
17 a return for the preceding calendar month. Such return shall be  
18 filed on forms prescribed by the Department and shall furnish  
19 such information as the Department may reasonably require. On  
20 and after January 1, 2018, except for returns for motor  
21 vehicles, watercraft, aircraft, and trailers that are required  
22 to be registered with an agency of this State, with respect to  
23 retailers whose annual gross receipts average \$20,000 or more,  
24 all returns required to be filed pursuant to this Act shall be  
25 filed electronically. Retailers who demonstrate that they do  
26 not have access to the Internet or demonstrate hardship in



1 filing electronically may petition the Department to waive the  
2 electronic filing requirement.

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

- 10 1. The name of the seller;
- 11 2. The address of the principal place of business from  
12 which he engages in the business of selling tangible  
13 personal property at retail in this State;
- 14 3. The total amount of taxable receipts received by him  
15 during the preceding calendar month from sales of tangible  
16 personal property by him during such preceding calendar  
17 month, including receipts from charge and time sales, but  
18 less all deductions allowed by law;
- 19 4. The amount of credit provided in Section 2d of this  
20 Act;
- 21 5. The amount of tax due;
- 22 5-5. The signature of the taxpayer; and
- 23 6. Such other reasonable information as the Department  
24 may require.

25 Beginning on January 1, 2020, each retailer required or  
26 authorized to collect the tax imposed by this Act on aviation

1 fuel sold at retail in this State during the preceding calendar  
2 month shall, instead of reporting and paying tax on aviation  
3 fuel as otherwise required by this Section, file and pay tax to  
4 the Department on an aviation fuel tax return, on or before the  
5 twentieth day of each calendar month. The requirements related  
6 to the return shall be as otherwise provided in this Section.  
7 Notwithstanding any other provisions of this Act to the  
8 contrary, retailers collecting tax on aviation fuel shall file  
9 all aviation fuel tax returns and shall make all aviation fuel  
10 fee payments by electronic means in the manner and form  
11 required by the Department. For purposes of this paragraph,  
12 "aviation fuel" means a product that is intended for use or  
13 offered for sale as fuel for an aircraft.

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

18       Beginning October 1, 1993, a taxpayer who has an average  
19 monthly tax liability of \$150,000 or more shall make all  
20 payments required by rules of the Department by electronic  
21 funds transfer. Beginning October 1, 1994, a taxpayer who has  
22 an average monthly tax liability of \$100,000 or more shall make  
23 all payments required by rules of the Department by electronic  
24 funds transfer. Beginning October 1, 1995, a taxpayer who has  
25 an average monthly tax liability of \$50,000 or more shall make  
26 all payments required by rules of the Department by electronic

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

17 Before August 1 of each year beginning in 1993, the  
18 Department shall notify all taxpayers required to make payments  
19 by electronic funds transfer. All taxpayers required to make  
20 payments by electronic funds transfer shall make those payments  
21 for a minimum of one year beginning on October 1.

22 Any taxpayer not required to make payments by electronic  
23 funds transfer may make payments by electronic funds transfer  
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds  
26 transfer and any taxpayers authorized to voluntarily make

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

3 The Department shall adopt such rules as are necessary to  
4 effectuate a program of electronic funds transfer and the  
5 requirements of this Section.

6 Before October 1, 2000, if the taxpayer's average monthly  
7 tax liability to the Department under this Act, the Retailers'  
8 Occupation Tax Act, the Service Occupation Tax Act, the Service  
9 Use Tax Act was \$10,000 or more during the preceding 4 complete  
10 calendar quarters, he shall file a return with the Department  
11 each month by the 20th day of the month next following the  
12 month during which such tax liability is incurred and shall  
13 make payments to the Department on or before the 7th, 15th,  
14 22nd and last day of the month during which such liability is  
15 incurred. On and after October 1, 2000, if the taxpayer's  
16 average monthly tax liability to the Department under this Act,  
17 the Retailers' Occupation Tax Act, the Service Occupation Tax  
18 Act, and the Service Use Tax Act was \$20,000 or more during the  
19 preceding 4 complete calendar quarters, he shall file a return  
20 with the Department each month by the 20th day of the month  
21 next following the month during which such tax liability is  
22 incurred and shall make payment to the Department on or before  
23 the 7th, 15th, 22nd and last day of the month during which such  
24 liability is incurred. If the month during which such tax  
25 liability is incurred began prior to January 1, 1985, each  
26 payment shall be in an amount equal to 1/4 of the taxpayer's

1 actual liability for the month or an amount set by the  
2 Department not to exceed 1/4 of the average monthly liability  
3 of the taxpayer to the Department for the preceding 4 complete  
4 calendar quarters (excluding the month of highest liability and  
5 the month of lowest liability in such 4 quarter period). If the  
6 month during which such tax liability is incurred begins on or  
7 after January 1, 1985, and prior to January 1, 1987, each  
8 payment shall be in an amount equal to 22.5% of the taxpayer's  
9 actual liability for the month or 27.5% of the taxpayer's  
10 liability for the same calendar month of the preceding year. If  
11 the month during which such tax liability is incurred begins on  
12 or after January 1, 1987, and prior to January 1, 1988, each  
13 payment shall be in an amount equal to 22.5% of the taxpayer's  
14 actual liability for the month or 26.25% of the taxpayer's  
15 liability for the same calendar month of the preceding year. If  
16 the month during which such tax liability is incurred begins on  
17 or after January 1, 1988, and prior to January 1, 1989, or  
18 begins on or after January 1, 1996, each payment shall be in an  
19 amount equal to 22.5% of the taxpayer's actual liability for  
20 the month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year. If the month during which  
22 such tax liability is incurred begins on or after January 1,  
23 1989, and prior to January 1, 1996, each payment shall be in an  
24 amount equal to 22.5% of the taxpayer's actual liability for  
25 the month or 25% of the taxpayer's liability for the same  
26 calendar month of the preceding year or 100% of the taxpayer's

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

1 4 preceding complete calendar quarter period is less than  
2 \$20,000. However, if a taxpayer can show the Department that a  
3 substantial change in the taxpayer's business has occurred  
4 which causes the taxpayer to anticipate that his average  
5 monthly tax liability for the reasonably foreseeable future  
6 will fall below the \$20,000 threshold stated above, then such  
7 taxpayer may petition the Department for a change in such  
8 taxpayer's reporting status. The Department shall change such  
9 taxpayer's reporting status unless it finds that such change is  
10 seasonal in nature and not likely to be long term. If any such  
11 quarter monthly payment is not paid at the time or in the  
12 amount required by this Section, then the taxpayer shall be  
13 liable for penalties and interest on the difference between the  
14 minimum amount due and the amount of such quarter monthly  
15 payment actually and timely paid, except insofar as the  
16 taxpayer has previously made payments for that month to the  
17 Department in excess of the minimum payments previously due as  
18 provided in this Section. The Department shall make reasonable  
19 rules and regulations to govern the quarter monthly payment  
20 amount and quarter monthly payment dates for taxpayers who file  
21 on other than a calendar monthly basis.

22 If any such payment provided for in this Section exceeds  
23 the taxpayer's liabilities under this Act, the Retailers'  
24 Occupation Tax Act, the Service Occupation Tax Act and the  
25 Service Use Tax Act, as shown by an original monthly return,  
26 the Department shall issue to the taxpayer a credit memorandum

1 no later than 30 days after the date of payment, which  
2 memorandum may be submitted by the taxpayer to the Department  
3 in payment of tax liability subsequently to be remitted by the  
4 taxpayer to the Department or be assigned by the taxpayer to a  
5 similar taxpayer under this Act, the Retailers' Occupation Tax  
6 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
7 in accordance with reasonable rules and regulations to be  
8 prescribed by the Department, except that if such excess  
9 payment is shown on an original monthly return and is made  
10 after December 31, 1986, no credit memorandum shall be issued,  
11 unless requested by the taxpayer. If no such request is made,  
12 the taxpayer may credit such excess payment against tax  
13 liability subsequently to be remitted by the taxpayer to the  
14 Department under this Act, the Retailers' Occupation Tax Act,  
15 the Service Occupation Tax Act or the Service Use Tax Act, in  
16 accordance with reasonable rules and regulations prescribed by  
17 the Department. If the Department subsequently determines that  
18 all or any part of the credit taken was not actually due to the  
19 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
20 be reduced by 2.1% or 1.75% of the difference between the  
21 credit taken and that actually due, and the taxpayer shall be  
22 liable for penalties and interest on such difference.

23 If the retailer is otherwise required to file a monthly  
24 return and if the retailer's average monthly tax liability to  
25 the Department does not exceed \$200, the Department may  
26 authorize his returns to be filed on a quarter annual basis,



1 with the return for January, February, and March of a given  
2 year being due by April 20 of such year; with the return for  
3 April, May and June of a given year being due by July 20 of such  
4 year; with the return for July, August and September of a given  
5 year being due by October 20 of such year, and with the return  
6 for October, November and December of a given year being due by  
7 January 20 of the following year.

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

14 Such quarter annual and annual returns, as to form and  
15 substance, shall be subject to the same requirements as monthly  
16 returns.

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

24 In addition, with respect to motor vehicles, watercraft,  
25 aircraft, and trailers that are required to be registered with  
26 an agency of this State, except as otherwise provided in this

1 Section, every retailer selling this kind of tangible personal  
2 property shall file, with the Department, upon a form to be  
3 prescribed and supplied by the Department, a separate return  
4 for each such item of tangible personal property which the  
5 retailer sells, except that if, in the same transaction, (i) a  
6 retailer of aircraft, watercraft, motor vehicles or trailers  
7 transfers more than one aircraft, watercraft, motor vehicle or  
8 trailer to another aircraft, watercraft, motor vehicle or  
9 trailer retailer for the purpose of resale or (ii) a retailer  
10 of aircraft, watercraft, motor vehicles, or trailers transfers  
11 more than one aircraft, watercraft, motor vehicle, or trailer  
12 to a purchaser for use as a qualifying rolling stock as  
13 provided in Section 3-55 of this Act, then that seller may  
14 report the transfer of all the aircraft, watercraft, motor  
15 vehicles or trailers involved in that transaction to the  
16 Department on the same uniform invoice-transaction reporting  
17 return form. For purposes of this Section, "watercraft" means a  
18 Class 2, Class 3, or Class 4 watercraft as defined in Section  
19 3-2 of the Boat Registration and Safety Act, a personal  
20 watercraft, or any boat equipped with an inboard motor.

21 In addition, with respect to motor vehicles, watercraft,  
22 aircraft, and trailers that are required to be registered with  
23 an agency of this State, every person who is engaged in the  
24 business of leasing or renting such items and who, in  
25 connection with such business, sells any such item to a  
26 retailer for the purpose of resale is, notwithstanding any

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

11 The transaction reporting return in the case of motor  
12 vehicles or trailers that are required to be registered with an  
13 agency of this State, shall be the same document as the Uniform  
14 Invoice referred to in Section 5-402 of the Illinois Vehicle  
15 Code and must show the name and address of the seller; the name  
16 and address of the purchaser; the amount of the selling price  
17 including the amount allowed by the retailer for traded-in  
18 property, if any; the amount allowed by the retailer for the  
19 traded-in tangible personal property, if any, to the extent to  
20 which Section 2 of this Act allows an exemption for the value  
21 of traded-in property; the balance payable after deducting such  
22 trade-in allowance from the total selling price; the amount of  
23 tax due from the retailer with respect to such transaction; the  
24 amount of tax collected from the purchaser by the retailer on  
25 such transaction (or satisfactory evidence that such tax is not  
26 due in that particular instance, if that is claimed to be the

1 fact); the place and date of the sale; a sufficient  
2 identification of the property sold; such other information as  
3 is required in Section 5-402 of the Illinois Vehicle Code, and  
4 such other information as the Department may reasonably  
5 require.

6 The transaction reporting return in the case of watercraft  
7 and aircraft must show the name and address of the seller; the  
8 name and address of the purchaser; the amount of the selling  
9 price including the amount allowed by the retailer for  
10 traded-in property, if any; the amount allowed by the retailer  
11 for the traded-in tangible personal property, if any, to the  
12 extent to which Section 2 of this Act allows an exemption for  
13 the value of traded-in property; the balance payable after  
14 deducting such trade-in allowance from the total selling price;  
15 the amount of tax due from the retailer with respect to such  
16 transaction; the amount of tax collected from the purchaser by  
17 the retailer on such transaction (or satisfactory evidence that  
18 such tax is not due in that particular instance, if that is  
19 claimed to be the fact); the place and date of the sale, a  
20 sufficient identification of the property sold, and such other  
21 information as the Department may reasonably require.

22 Such transaction reporting return shall be filed not later  
23 than 20 days after the date of delivery of the item that is  
24 being sold, but may be filed by the retailer at any time sooner  
25 than that if he chooses to do so. The transaction reporting  
26 return and tax remittance or proof of exemption from the tax

1 that is imposed by this Act may be transmitted to the  
2 Department by way of the State agency with which, or State  
3 officer with whom, the tangible personal property must be  
4 titled or registered (if titling or registration is required)  
5 if the Department and such agency or State officer determine  
6 that this procedure will expedite the processing of  
7 applications for title or registration.

8 With each such transaction reporting return, the retailer  
9 shall remit the proper amount of tax due (or shall submit  
10 satisfactory evidence that the sale is not taxable if that is  
11 the case), to the Department or its agents, whereupon the  
12 Department shall issue, in the purchaser's name, a tax receipt  
13 (or a certificate of exemption if the Department is satisfied  
14 that the particular sale is tax exempt) which such purchaser  
15 may submit to the agency with which, or State officer with  
16 whom, he must title or register the tangible personal property  
17 that is involved (if titling or registration is required) in  
18 support of such purchaser's application for an Illinois  
19 certificate or other evidence of title or registration to such  
20 tangible personal property.

21 No retailer's failure or refusal to remit tax under this  
22 Act precludes a user, who has paid the proper tax to the  
23 retailer, from obtaining his certificate of title or other  
24 evidence of title or registration (if titling or registration  
25 is required) upon satisfying the Department that such user has  
26 paid the proper tax (if tax is due) to the retailer. The

1 Department shall adopt appropriate rules to carry out the  
2 mandate of this paragraph.

3 If the user who would otherwise pay tax to the retailer  
4 wants the transaction reporting return filed and the payment of  
5 tax or proof of exemption made to the Department before the  
6 retailer is willing to take these actions and such user has not  
7 paid the tax to the retailer, such user may certify to the fact  
8 of such delay by the retailer, and may (upon the Department  
9 being satisfied of the truth of such certification) transmit  
10 the information required by the transaction reporting return  
11 and the remittance for tax or proof of exemption directly to  
12 the Department and obtain his tax receipt or exemption  
13 determination, in which event the transaction reporting return  
14 and tax remittance (if a tax payment was required) shall be  
15 credited by the Department to the proper retailer's account  
16 with the Department, but without the 2.1% or 1.75% discount  
17 provided for in this Section being allowed. When the user pays  
18 the tax directly to the Department, he shall pay the tax in the  
19 same amount and in the same form in which it would be remitted  
20 if the tax had been remitted to the Department by the retailer.

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

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

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

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

25 Where the retailer has more than one business registered  
26 with the Department under separate registration under this Act,

1 such retailer may not file each return that is due as a single  
2 return covering all such registered businesses, but shall file  
3 separate returns for each such registered business.

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

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

16 Beginning January 1, 1990, each month the Department shall  
17 pay into the State and Local Sales Tax Reform Fund, a special  
18 fund in the State Treasury, 20% of the net revenue realized for  
19 the preceding month from the 6.25% general rate on the selling  
20 price of tangible personal property, other than (i) tangible  
21 personal property which is purchased outside Illinois at retail  
22 from a retailer and which is titled or registered by an agency  
23 of this State's government and (ii) aviation fuel sold on or  
24 after December 1, 2019. This exception for aviation fuel only  
25 applies for so long as the revenue use requirements of 49  
26 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.



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

13       Beginning August 1, 2000, each month the Department shall  
14 pay into the State and Local Sales Tax Reform Fund 100% of the  
15 net revenue realized for the preceding month from the 1.25%  
16 rate on the selling price of motor fuel and gasohol. Beginning  
17 September 1, 2010, each month the Department shall pay into the  
18 State and Local Sales Tax Reform Fund 100% of the net revenue  
19 realized for the preceding month from the 1.25% rate on the  
20 selling price of sales tax holiday items.

21       Beginning January 1, 1990, each month the Department shall  
22 pay into the Local Government Tax Fund 16% of the net revenue  
23 realized for the preceding month from the 6.25% general rate on  
24 the selling price of tangible personal property which is  
25 purchased outside Illinois at retail from a retailer and which  
26 is titled or registered by an agency of this State's

1 government.

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

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

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

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

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

12 Of the remainder of the moneys received by the Department  
13 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
14 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
15 and after July 1, 1989, 3.8% thereof shall be paid into the  
16 Build Illinois Fund; provided, however, that if in any fiscal  
17 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
18 may be, of the moneys received by the Department and required  
19 to be paid into the Build Illinois Fund pursuant to Section 3  
20 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
21 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
22 Service Occupation Tax Act, such Acts being hereinafter called  
23 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
24 may be, of moneys being hereinafter called the "Tax Act  
25 Amount", and (2) the amount transferred to the Build Illinois  
26 Fund from the State and Local Sales Tax Reform Fund shall be

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

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 as provided in the preceding paragraph or in any amendment

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

11	Fiscal Year	Total Deposit
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000
26	2007	119,000,000

1	2008	126,000,000
2	2009	132,000,000
3	2010	139,000,000
4	2011	146,000,000
5	2012	153,000,000
6	2013	161,000,000
7	2014	170,000,000
8	2015	179,000,000
9	2016	189,000,000
10	2017	199,000,000
11	2018	210,000,000
12	2019	221,000,000
13	2020	233,000,000
14	2021	246,000,000
15	2022	260,000,000
16	2023	275,000,000
17	2024	275,000,000
18	2025	275,000,000
19	2026	279,000,000
20	2027	292,000,000
21	2028	307,000,000
22	2029	322,000,000
23	2030	338,000,000
24	2031	350,000,000
25	2032	350,000,000
26	and	

1           each fiscal year  
2           thereafter that bonds  
3           are outstanding under  
4           Section 13.2 of the  
5           Metropolitan Pier and  
6           Exposition Authority Act,  
7       but not after fiscal year 2060.

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

21           Subject to payment of amounts into the Capital Projects  
22           Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois  
23           Fund, and the McCormick Place Expansion Project Fund pursuant  
24           to the preceding paragraphs or in any amendments thereto  
25           hereafter enacted, the Department shall each month deposit into  
26           the Aviation Fuel Sales Tax Refund Fund an amount estimated by



1 the Department to be required for refunds of the 80% portion of  
2 the tax on aviation fuel under this Act.

3 Subject to payment of amounts into the Build Illinois Fund  
4 and the McCormick Place Expansion Project Fund pursuant to the  
5 preceding paragraphs or in any amendments thereto hereafter  
6 enacted, beginning July 1, 1993 and ending on September 30,  
7 2013, the Department shall each month pay into the Illinois Tax  
8 Increment Fund 0.27% of 80% of the net revenue realized for the  
9 preceding month from the 6.25% general rate on the selling  
10 price of tangible personal property.

11 Subject to payment of amounts into the Build Illinois Fund  
12 and the McCormick Place Expansion Project Fund pursuant to the  
13 preceding paragraphs or in any amendments thereto hereafter  
14 enacted, beginning with the receipt of the first report of  
15 taxes paid by an eligible business and continuing for a 25-year  
16 period, the Department shall each month pay into the Energy  
17 Infrastructure Fund 80% of the net revenue realized from the  
18 6.25% general rate on the selling price of Illinois-mined coal  
19 that was sold to an eligible business. For purposes of this  
20 paragraph, the term "eligible business" means a new electric  
21 generating facility certified pursuant to Section 605-332 of  
22 the Department of Commerce and Economic Opportunity Law of the  
23 Civil Administrative Code of Illinois.

24 Subject to payment of amounts into the Build Illinois Fund,  
25 the McCormick Place Expansion Project Fund, the Illinois Tax  
26 Increment Fund, and the Energy Infrastructure Fund pursuant to

1 the preceding paragraphs or in any amendments to this Section  
2 hereafter enacted, beginning on the first day of the first  
3 calendar month to occur on or after August 26, 2014 (the  
4 effective date of Public Act 98-1098), each month, from the  
5 collections made under Section 9 of the Use Tax Act, Section 9  
6 of the Service Use Tax Act, Section 9 of the Service Occupation  
7 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
8 the Department shall pay into the Tax Compliance and  
9 Administration Fund, to be used, subject to appropriation, to  
10 fund additional auditors and compliance personnel at the  
11 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
12 the cash receipts collected during the preceding fiscal year by  
13 the Audit Bureau of the Department under the Use Tax Act, the  
14 Service Use Tax Act, the Service Occupation Tax Act, the  
15 Retailers' Occupation Tax Act, and associated local occupation  
16 and use taxes administered by the Department (except the amount  
17 collected on aviation fuel sold on or after December 1, 2019).

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

26 Of the remainder of the moneys received by the Department

1 pursuant to this Act, 75% thereof shall be paid into the State  
2 Treasury and 25% shall be reserved in a special account and  
3 used only for the transfer to the Common School Fund as part of  
4 the monthly transfer from the General Revenue Fund in  
5 accordance with Section 8a of the State Finance Act.

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

13 Net revenue realized for a month shall be the revenue  
14 collected by the State pursuant to this Act, less the amount  
15 paid out during that month as refunds to taxpayers for  
16 overpayment of liability.

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

24 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
25 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.  
26 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

1 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

2 Sec. 19. If it shall appear that an amount of tax or  
3 penalty or interest has been paid in error hereunder to the  
4 Department by a purchaser, as distinguished from the retailer,  
5 whether such amount be paid through a mistake of fact or an  
6 error of law, such purchaser may file a claim for credit or  
7 refund with the Department in accordance with Sections 6, 6a,  
8 6b, 6c, and 6d of the Retailers' Occupation Tax Act. If it  
9 shall appear that an amount of tax or penalty or interest has  
10 been paid in error to the Department hereunder by a retailer  
11 who is required or authorized to collect and remit the use tax,  
12 whether such amount be paid through a mistake of fact or an  
13 error of law, such retailer may file a claim for credit or  
14 refund with the Department in accordance with Sections 6, 6a,  
15 6b, 6c, and 6d of the Retailers' Occupation Tax Act, provided  
16 that no credit or refund shall be allowed for any amount paid  
17 by any such retailer unless it shall appear that he bore the  
18 burden of such amount and did not shift the burden thereof to  
19 anyone else (as in the case of a duplicated tax payment which  
20 the retailer made to the Department and did not collect from  
21 anyone else), or unless it shall appear that he or she or his  
22 or her legal representative has unconditionally repaid such  
23 amount to his vendee (1) who bore the burden thereof and has  
24 not shifted such burden directly or indirectly in any manner  
25 whatsoever; (2) who, if he has shifted such burden, has repaid

1 unconditionally such amount to his or her own vendee, and (3)  
2 who is not entitled to receive any reimbursement therefor from  
3 any other source than from his vendor, nor to be relieved of  
4 such burden in any other manner whatsoever. If it shall appear  
5 that an amount of tax has been paid in error hereunder by the  
6 purchaser to a retailer, who retained such tax as reimbursement  
7 for his or her tax liability on the same sale under the  
8 Retailers' Occupation Tax Act, and who remitted the amount  
9 involved to the Department under the Retailers' Occupation Tax  
10 Act, whether such amount be paid through a mistake of fact or  
11 an error of law, the procedure for recovering such tax shall be  
12 that prescribed in Sections 6, 6a, 6b and 6c of the Retailers'  
13 Occupation Tax Act.

14 Any credit or refund that is allowed under this Section  
15 shall bear interest at the rate and in the manner specified in  
16 the Uniform Penalty and Interest Act.

17 Any claim filed hereunder shall be filed upon a form  
18 prescribed and furnished by the Department. The claim shall be  
19 signed by the claimant (or by the claimant's legal  
20 representative if the claimant shall have died or become a  
21 person under legal disability), or by a duly authorized agent  
22 of the claimant or his or her legal representative.

23 A claim for credit or refund shall be considered to have  
24 been filed with the Department on the date upon which it is  
25 received by the Department. Upon receipt of any claim for  
26 credit or refund filed under this Act, any officer or employee

1 of the Department, authorized in writing by the Director of  
2 Revenue to acknowledge receipt of such claims on behalf of the  
3 Department, shall execute on behalf of the Department, and  
4 shall deliver or mail to the claimant or his duly authorized  
5 agent, a written receipt, acknowledging that the claim has been  
6 filed with the Department, describing the claim in sufficient  
7 detail to identify it and stating the date upon which the claim  
8 was received by the Department. Such written receipt shall be  
9 prima facie evidence that the Department received the claim  
10 described in such receipt and shall be prima facie evidence of  
11 the date when such claim was received by the Department. In the  
12 absence of such a written receipt, the records of the  
13 Department as to when the claim was received by the Department,  
14 or as to whether or not the claim was received at all by the  
15 Department, shall be deemed to be prima facie correct upon  
16 these questions in the event of any dispute between the  
17 claimant (or his or her legal representative) and the  
18 Department concerning these questions.

19 In case the Department determines that the claimant is  
20 entitled to a refund, such refund shall be made only from the  
21 Aviation Fuel Sales Tax Refund Fund or from such appropriation  
22 as may be available for that purpose, as appropriate. If it  
23 appears unlikely that the amount available ~~appropriated~~ would  
24 permit everyone having a claim allowed during the period  
25 covered by such appropriation or from the Aviation Fuel Sales  
26 Tax Refund Fund, as appropriate, to elect to receive a cash

1 refund, the Department, by rule or regulation, shall provide  
2 for the payment of refunds in hardship cases and shall define  
3 what types of cases qualify as hardship cases.

4 If a retailer who has failed to pay use tax on gross  
5 receipts from retail sales is required by the Department to pay  
6 such tax, such retailer, without filing any formal claim with  
7 the Department, shall be allowed to take credit against such  
8 use tax liability to the extent, if any, to which such retailer  
9 has paid an amount equivalent to retailers' occupation tax or  
10 has paid use tax in error to his or her vendor or vendors of the  
11 same tangible personal property which such retailer bought for  
12 resale and did not first use before selling it, and no penalty  
13 or interest shall be charged to such retailer on the amount of  
14 such credit. However, when such credit is allowed to the  
15 retailer by the Department, the vendor is precluded from  
16 refunding any of that tax to the retailer and filing a claim  
17 for credit or refund with respect thereto with the Department.  
18 The provisions of this amendatory Act shall be applied  
19 retroactively, regardless of the date of the transaction.

20 (Source: P.A. 99-217, eff. 7-31-15.)

21 Section 15. The Service Use Tax Act is amended by changing  
22 Sections 9 and 17 as follows:

23 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

24 Sec. 9. Each serviceman required or authorized to collect

1 the tax herein imposed shall pay to the Department the amount  
2 of such tax (except as otherwise provided) at the time when he  
3 is required to file his return for the period during which such  
4 tax was collected, less a discount of 2.1% prior to January 1,  
5 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
6 year, whichever is greater, which is allowed to reimburse the  
7 serviceman for expenses incurred in collecting the tax, keeping  
8 records, preparing and filing returns, remitting the tax and  
9 supplying data to the Department on request. The discount under  
10 this Section is not allowed for taxes paid on aviation fuel  
11 that are deposited into the State Aviation Program Fund under  
12 this Act. The discount allowed under this Section is allowed  
13 only for returns that are filed in the manner required by this  
14 Act. The Department may disallow the discount for servicemen  
15 whose certificate of registration is revoked at the time the  
16 return is filed, but only if the Department's decision to  
17 revoke the certificate of registration has become final. A  
18 serviceman need not remit that part of any tax collected by him  
19 to the extent that he is required to pay and does pay the tax  
20 imposed by the Service Occupation Tax Act with respect to his  
21 sale of service involving the incidental transfer by him of the  
22 same property.

23 Except as provided hereinafter in this Section, on or  
24 before the twentieth day of each calendar month, such  
25 serviceman shall file a return for the preceding calendar month  
26 in accordance with reasonable Rules and Regulations to be



1 promulgated by the Department. Such return shall be filed on a  
2 form prescribed by the Department and shall contain such  
3 information as the Department may reasonably require. On and  
4 after January 1, 2018, with respect to servicemen whose annual  
5 gross receipts average \$20,000 or more, all returns required to  
6 be filed pursuant to this Act shall be filed electronically.  
7 Servicemen who demonstrate that they do not have access to the  
8 Internet or demonstrate hardship in filing electronically may  
9 petition the Department to waive the electronic filing  
10 requirement.

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

18 1. The name of the seller;

19 2. The address of the principal place of business from  
20 which he engages in business as a serviceman in this State;

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

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

- 1           5. The amount of tax due;
- 2           5-5. The signature of the taxpayer; and
- 3           6. Such other reasonable information as the Department
- 4           may require.

5           Beginning on January 1, 2020, each serviceman required or

6           authorized to collect the tax imposed by this Act on aviation

7           fuel transferred as an incident of a sale of service in this

8           State during the preceding calendar month shall, instead of

9           reporting and paying tax on aviation fuel as otherwise required

10          by this Section, report and pay the tax by filing an aviation

11          fuel tax return with the Department on or before the twentieth

12          day of each calendar month. The requirements related to the

13          return shall be as otherwise provided in this Section.

14          Notwithstanding any other provisions of this Act to the

15          contrary, servicemen collecting tax on aviation fuel shall file

16          all aviation fuel tax returns and shall make all aviation fuel

17          tax payments by electronic means in the manner and form

18          required by the Department. For purposes of this paragraph,

19          "aviation fuel" means a product that is intended for use or

20          offered for sale as fuel for an aircraft.

21          If a taxpayer fails to sign a return within 30 days after

22          the proper notice and demand for signature by the Department,

23          the return shall be considered valid and any amount shown to be

24          due on the return shall be deemed assessed.

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

26          monthly tax liability of \$150,000 or more shall make all

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

24 Before August 1 of each year beginning in 1993, the  
25 Department shall notify all taxpayers required to make payments  
26 by electronic funds transfer. All taxpayers required to make

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

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

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

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

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

24 If the serviceman is otherwise required to file a monthly  
25 or quarterly return and if the serviceman's average monthly tax  
26 liability to the Department does not exceed \$50, the Department

1 may authorize his returns to be filed on an annual basis, with  
2 the return for a given year being due by January 20 of the  
3 following year.

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

7 Notwithstanding any other provision in this Act concerning  
8 the time within which a serviceman may file his return, in the  
9 case of any serviceman who ceases to engage in a kind of  
10 business which makes him responsible for filing returns under  
11 this Act, such serviceman shall file a final return under this  
12 Act with the Department not more than 1 month after  
13 discontinuing such business.

14 Where a serviceman collects the tax with respect to the  
15 selling price of property which he sells and the purchaser  
16 thereafter returns such property and the serviceman refunds the  
17 selling price thereof to the purchaser, such serviceman shall  
18 also refund, to the purchaser, the tax so collected from the  
19 purchaser. When filing his return for the period in which he  
20 refunds such tax to the purchaser, the serviceman may deduct  
21 the amount of the tax so refunded by him to the purchaser from  
22 any other Service Use Tax, Service Occupation Tax, retailers'  
23 occupation tax or use tax which such serviceman may be required  
24 to pay or remit to the Department, as shown by such return,  
25 provided that the amount of the tax to be deducted shall  
26 previously have been remitted to the Department by such

1 serviceman. If the serviceman shall not previously have  
2 remitted the amount of such tax to the Department, he shall be  
3 entitled to no deduction hereunder upon refunding such tax to  
4 the purchaser.

5 Any serviceman filing a return hereunder shall also include  
6 the total tax upon the selling price of tangible personal  
7 property purchased for use by him as an incident to a sale of  
8 service, and such serviceman shall remit the amount of such tax  
9 to the Department when filing such return.

10 If experience indicates such action to be practicable, the  
11 Department may prescribe and furnish a combination or joint  
12 return which will enable servicemen, who are required to file  
13 returns hereunder and also under the Service Occupation Tax  
14 Act, to furnish all the return information required by both  
15 Acts on the one form.

16 Where the serviceman has more than one business registered  
17 with the Department under separate registration hereunder,  
18 such serviceman shall not file each return that is due as a  
19 single return covering all such registered businesses, but  
20 shall file separate returns for each such registered business.

21 Beginning January 1, 1990, each month the Department shall  
22 pay into the State and Local Tax Reform Fund, a special fund in  
23 the State Treasury, the net revenue realized for the preceding  
24 month from the 1% tax imposed under this Act.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the State and Local Sales Tax Reform Fund 20% of the

1 net revenue realized for the preceding month from the 6.25%  
2 general rate on transfers of tangible personal property, other  
3 than (i) tangible personal property which is purchased outside  
4 Illinois at retail from a retailer and which is titled or  
5 registered by an agency of this State's government and (ii)  
6 aviation fuel sold on or after December 1, 2019. This exception  
7 for aviation fuel only applies for so long as the revenue use  
8 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
9 binding on the State.

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

22 Beginning August 1, 2000, each month the Department shall  
23 pay into the State and Local Sales Tax Reform Fund 100% of the  
24 net revenue realized for the preceding month from the 1.25%  
25 rate on the selling price of motor fuel and gasohol.

26 Beginning October 1, 2009, each month the Department shall

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

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

22 Beginning July 1, 2015, of the remainder of the moneys  
23 received by the Department under the Use Tax Act, this Act, the  
24 Service Occupation Tax Act, and the Retailers' Occupation Tax  
25 Act, each month the Department shall deposit \$500,000 into the  
26 State Crime Laboratory Fund.



1           Of the remainder of the moneys received by the Department  
2 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
3 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
4 and after July 1, 1989, 3.8% thereof shall be paid into the  
5 Build Illinois Fund; provided, however, that if in any fiscal  
6 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
7 may be, of the moneys received by the Department and required  
8 to be paid into the Build Illinois Fund pursuant to Section 3  
9 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
10 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
11 Service Occupation Tax Act, such Acts being hereinafter called  
12 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
13 may be, of moneys being hereinafter called the "Tax Act  
14 Amount", and (2) the amount transferred to the Build Illinois  
15 Fund from the State and Local Sales Tax Reform Fund shall be  
16 less than the Annual Specified Amount (as defined in Section 3  
17 of the Retailers' Occupation Tax Act), an amount equal to the  
18 difference shall be immediately paid into the Build Illinois  
19 Fund from other moneys received by the Department pursuant to  
20 the Tax Acts; and further provided, that if on the last  
21 business day of any month the sum of (1) the Tax Act Amount  
22 required to be deposited into the Build Illinois Bond Account  
23 in the Build Illinois Fund during such month and (2) the amount  
24 transferred during such month to the Build Illinois Fund from  
25 the State and Local Sales Tax Reform Fund shall have been less  
26 than 1/12 of the Annual Specified Amount, an amount equal to

1 the difference shall be immediately paid into the Build  
2 Illinois Fund from other moneys received by the Department  
3 pursuant to the Tax Acts; and, further provided, that in no  
4 event shall the payments required under the preceding proviso  
5 result in aggregate payments into the Build Illinois Fund  
6 pursuant to this clause (b) for any fiscal year in excess of  
7 the greater of (i) the Tax Act Amount or (ii) the Annual  
8 Specified Amount for such fiscal year; and, further provided,  
9 that the amounts payable into the Build Illinois Fund under  
10 this clause (b) shall be payable only until such time as the  
11 aggregate amount on deposit under each trust indenture securing  
12 Bonds issued and outstanding pursuant to the Build Illinois  
13 Bond Act is sufficient, taking into account any future  
14 investment income, to fully provide, in accordance with such  
15 indenture, for the defeasance of or the payment of the  
16 principal of, premium, if any, and interest on the Bonds  
17 secured by such indenture and on any Bonds expected to be  
18 issued thereafter and all fees and costs payable with respect  
19 thereto, all as certified by the Director of the Bureau of the  
20 Budget (now Governor's Office of Management and Budget). If on  
21 the last business day of any month in which Bonds are  
22 outstanding pursuant to the Build Illinois Bond Act, the  
23 aggregate of the moneys deposited in the Build Illinois Bond  
24 Account in the Build Illinois Fund in such month shall be less  
25 than the amount required to be transferred in such month from  
26 the Build Illinois Bond Account to the Build Illinois Bond

1 Retirement and Interest Fund pursuant to Section 13 of the  
2 Build Illinois Bond Act, an amount equal to such deficiency  
3 shall be immediately paid from other moneys received by the  
4 Department pursuant to the Tax Acts to the Build Illinois Fund;  
5 provided, however, that any amounts paid to the Build Illinois  
6 Fund in any fiscal year pursuant to this sentence shall be  
7 deemed to constitute payments pursuant to clause (b) of the  
8 preceding sentence and shall reduce the amount otherwise  
9 payable for such fiscal year pursuant to clause (b) of the  
10 preceding sentence. The moneys received by the Department  
11 pursuant to this Act and required to be deposited into the  
12 Build Illinois Fund are subject to the pledge, claim and charge  
13 set forth in Section 12 of the Build Illinois Bond Act.

14 Subject to payment of amounts into the Build Illinois Fund  
15 as provided in the preceding paragraph or in any amendment  
16 thereto hereafter enacted, the following specified monthly  
17 installment of the amount requested in the certificate of the  
18 Chairman of the Metropolitan Pier and Exposition Authority  
19 provided under Section 8.25f of the State Finance Act, but not  
20 in excess of the sums designated as "Total Deposit", shall be  
21 deposited in the aggregate from collections under Section 9 of  
22 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
23 9 of the Service Occupation Tax Act, and Section 3 of the  
24 Retailers' Occupation Tax Act into the McCormick Place  
25 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
1		
2	1993	\$0
3	1994	53,000,000
4	1995	58,000,000
5	1996	61,000,000
6	1997	64,000,000
7	1998	68,000,000
8	1999	71,000,000
9	2000	75,000,000
10	2001	80,000,000
11	2002	93,000,000
12	2003	99,000,000
13	2004	103,000,000
14	2005	108,000,000
15	2006	113,000,000
16	2007	119,000,000
17	2008	126,000,000
18	2009	132,000,000
19	2010	139,000,000
20	2011	146,000,000
21	2012	153,000,000
22	2013	161,000,000
23	2014	170,000,000
24	2015	179,000,000
25	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	246,000,000
6	2022	260,000,000
7	2023	275,000,000
8	2024	275,000,000
9	2025	275,000,000
10	2026	279,000,000
11	2027	292,000,000
12	2028	307,000,000
13	2029	322,000,000
14	2030	338,000,000
15	2031	350,000,000
16	2032	350,000,000

17                   and  
18                    each fiscal year  
19                   thereafter that bonds  
20                   are outstanding under  
21                   Section 13.2 of the  
22                   Metropolitan Pier and  
23                   Exposition Authority Act,  
24                   but not after fiscal year 2060.

25                   Beginning July 20, 1993 and in each month of each fiscal  
26                   year thereafter, one-eighth of the amount requested in the

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

12 Subject to payment of amounts into the Capital Projects  
13 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois  
14 Fund, and the McCormick Place Expansion Project Fund pursuant  
15 to the preceding paragraphs or in any amendments thereto  
16 hereafter enacted, the Department shall each month deposit into  
17 the Aviation Fuel Sales Tax Refund Fund an amount estimated by  
18 the Department to be required for refunds of the 80% portion of  
19 the tax on aviation fuel under this Act.

20 Subject to payment of amounts into the Build Illinois Fund  
21 and the McCormick Place Expansion Project Fund pursuant to the  
22 preceding paragraphs or in any amendments thereto hereafter  
23 enacted, beginning July 1, 1993 and ending on September 30,  
24 2013, the Department shall each month pay into the Illinois Tax  
25 Increment Fund 0.27% of 80% of the net revenue realized for the  
26 preceding month from the 6.25% general rate on the selling

1 price of tangible personal property.

2 Subject to payment of amounts into the Build Illinois Fund  
3 and the McCormick Place Expansion Project Fund pursuant to the  
4 preceding paragraphs or in any amendments thereto hereafter  
5 enacted, beginning with the receipt of the first report of  
6 taxes paid by an eligible business and continuing for a 25-year  
7 period, the Department shall each month pay into the Energy  
8 Infrastructure Fund 80% of the net revenue realized from the  
9 6.25% general rate on the selling price of Illinois-mined coal  
10 that was sold to an eligible business. For purposes of this  
11 paragraph, the term "eligible business" means a new electric  
12 generating facility certified pursuant to Section 605-332 of  
13 the Department of Commerce and Economic Opportunity Law of the  
14 Civil Administrative Code of Illinois.

15 Subject to payment of amounts into the Build Illinois Fund,  
16 the McCormick Place Expansion Project Fund, the Illinois Tax  
17 Increment Fund, and the Energy Infrastructure Fund pursuant to  
18 the preceding paragraphs or in any amendments to this Section  
19 hereafter enacted, beginning on the first day of the first  
20 calendar month to occur on or after August 26, 2014 (the  
21 effective date of Public Act 98-1098), each month, from the  
22 collections made under Section 9 of the Use Tax Act, Section 9  
23 of the Service Use Tax Act, Section 9 of the Service Occupation  
24 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
25 the Department shall pay into the Tax Compliance and  
26 Administration Fund, to be used, subject to appropriation, to

1 fund additional auditors and compliance personnel at the  
2 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
3 the cash receipts collected during the preceding fiscal year by  
4 the Audit Bureau of the Department under the Use Tax Act, the  
5 Service Use Tax Act, the Service Occupation Tax Act, the  
6 Retailers' Occupation Tax Act, and associated local occupation  
7 and use taxes administered by the Department (except the amount  
8 collected on aviation fuel sold on or after December 1, 2019).

9 Subject to payments of amounts into the Build Illinois  
10 Fund, the McCormick Place Expansion Project Fund, the Illinois  
11 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
12 Compliance and Administration Fund as provided in this Section,  
13 beginning on July 1, 2018 the Department shall pay each month  
14 into the Downstate Public Transportation Fund the moneys  
15 required to be so paid under Section 2-3 of the Downstate  
16 Public Transportation Act.

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

24 As soon as possible after the first day of each month, upon  
25 certification of the Department of Revenue, the Comptroller  
26 shall order transferred and the Treasurer shall transfer from



1 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
2 equal to 1.7% of 80% of the net revenue realized under this Act  
3 for the second preceding month. Beginning April 1, 2000, this  
4 transfer is no longer required and shall not be made.

5 Net revenue realized for a month shall be the revenue  
6 collected by the State pursuant to this Act, less the amount  
7 paid out during that month as refunds to taxpayers for  
8 overpayment of liability.

9 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
10 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.  
11 8-14-18; 100-1171, eff. 1-4-19.)

12 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

13 Sec. 17. If it shall appear that an amount of tax or  
14 penalty or interest has been paid in error hereunder to the  
15 Department by a purchaser, as distinguished from the  
16 serviceman, whether such amount be paid through a mistake of  
17 fact or an error of law, such purchaser may file a claim for  
18 credit or refund with the Department. If it shall appear that  
19 an amount of tax or penalty or interest has been paid in error  
20 to the Department hereunder by a serviceman who is required or  
21 authorized to collect and remit the Service Use Tax, whether  
22 such amount be paid through a mistake of fact or an error of  
23 law, such serviceman may file a claim for credit or refund with  
24 the Department, provided that no credit shall be allowed or  
25 refund made for any amount paid by any such serviceman unless

1 it shall appear that he bore the burden of such amount and did  
2 not shift the burden thereof to anyone else (as in the case of  
3 a duplicated tax payment which the serviceman made to the  
4 Department and did not collect from anyone else), or unless it  
5 shall appear that he or his legal representative has  
6 unconditionally repaid such amount to his vendee (1) who bore  
7 the burden thereof and has not shifted such burden directly or  
8 indirectly in any manner whatsoever; (2) who, if he has shifted  
9 such burden, has repaid unconditionally such amount to his own  
10 vendee, and (3) who is not entitled to receive any  
11 reimbursement therefor from any other source than from his  
12 vendor, nor to be relieved of such burden in any other manner  
13 whatsoever. If it shall appear that an amount of tax has been  
14 paid in error hereunder by the purchaser to a serviceman, who  
15 retained such tax as reimbursement for his tax liability on the  
16 same sale of service under the Service Occupation Tax Act, and  
17 who paid such tax as required by the Service Occupation Tax  
18 Act, whether such amount be paid through a mistake of fact or  
19 an error of law, the procedure for recovering such tax shall be  
20 that prescribed in Sections 17, 18, 19 and 20 of the Service  
21 Occupation Tax Act.

22 Any credit or refund that is allowed under this Section  
23 shall bear interest at the rate and in the manner specified in  
24 the Uniform Penalty and Interest Act.

25 Any claim filed hereunder shall be filed upon a form  
26 prescribed and furnished by the Department. The claim shall be

1 signed by the claimant (or by the claimant's legal  
2 representative if the claimant shall have died or become a  
3 person under legal disability), or by a duly authorized agent  
4 of the claimant or his or her legal representative.

5 A claim for credit or refund shall be considered to have  
6 been filed with the Department on the date upon which it is  
7 received by the Department. Upon receipt of any claim for  
8 credit or refund filed under this Act, any officer or employee  
9 of the Department, authorized in writing by the Director of  
10 Revenue to acknowledge receipt of such claims on behalf of the  
11 Department, shall execute on behalf of the Department, and  
12 shall deliver or mail to the claimant or his duly authorized  
13 agent, a written receipt, acknowledging that the claim has been  
14 filed with the Department, describing the claim in sufficient  
15 detail to identify it and stating the date upon which the claim  
16 was received by the Department. Such written receipt shall be  
17 prima facie evidence that the Department received the claim  
18 described in such receipt and shall be prima facie evidence of  
19 the date when such claim was received by the Department. In the  
20 absence of such a written receipt, the records of the  
21 Department as to when the claim was received by the Department,  
22 or as to whether or not the claim was received at all by the  
23 Department, shall be deemed to be prima facie correct upon  
24 these questions in the event of any dispute between the  
25 claimant (or his or her legal representative) and the  
26 Department concerning these questions.

1           In case the Department determines that the claimant is  
2 entitled to a refund, such refund shall be made only from the  
3 Aviation Fuel Sales Tax Refund Fund or from such appropriation  
4 as may be available for that purpose, as appropriate. If it  
5 appears unlikely that the amount available ~~appropriated~~ would  
6 permit everyone having a claim allowed during the period  
7 covered by such appropriation or from the Aviation Fuel Sales  
8 Tax Refund Fund, as appropriate, to elect to receive a cash  
9 refund, the Department, by rule or regulation, shall provide  
10 for the payment of refunds in hardship cases and shall define  
11 what types of cases qualify as hardship cases.

12       (Source: P.A. 87-205.)

13           Section 20. The Service Occupation Tax Act is amended by  
14 changing Sections 9 and 17 as follows:

15           (35 ILCS 115/9) (from Ch. 120, par. 439.109)

16           Sec. 9. Each serviceman required or authorized to collect  
17 the tax herein imposed shall pay to the Department the amount  
18 of such tax at the time when he is required to file his return  
19 for the period during which such tax was collectible, less a  
20 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
21 after January 1, 1990, or \$5 per calendar year, whichever is  
22 greater, which is allowed to reimburse the serviceman for  
23 expenses incurred in collecting the tax, keeping records,  
24 preparing and filing returns, remitting the tax and supplying

1 data to the Department on request. The discount under this  
2 Section is not allowed for taxes paid on aviation fuel that are  
3 deposited into the State Aviation Program Fund under this Act.

4 The discount allowed under this Section is allowed only for  
5 returns that are filed in the manner required by this Act. The  
6 Department may disallow the discount for servicemen whose  
7 certificate of registration is revoked at the time the return  
8 is filed, but only if the Department's decision to revoke the  
9 certificate of registration has become final.

10 Where such tangible personal property is sold under a  
11 conditional sales contract, or under any other form of sale  
12 wherein the payment of the principal sum, or a part thereof, is  
13 extended beyond the close of the period for which the return is  
14 filed, the serviceman, in collecting the tax may collect, for  
15 each tax return period, only the tax applicable to the part of  
16 the selling price actually received during such tax return  
17 period.

18 Except as provided hereinafter in this Section, on or  
19 before the twentieth day of each calendar month, such  
20 serviceman shall file a return for the preceding calendar month  
21 in accordance with reasonable rules and regulations to be  
22 promulgated by the Department of Revenue. Such return shall be  
23 filed on a form prescribed by the Department and shall contain  
24 such information as the Department may reasonably require. On  
25 and after January 1, 2018, with respect to servicemen whose  
26 annual gross receipts average \$20,000 or more, all returns

1 required to be filed pursuant to this Act shall be filed  
2 electronically. Servicemen who demonstrate that they do not  
3 have access to the Internet or demonstrate hardship in filing  
4 electronically may petition the Department to waive the  
5 electronic filing requirement.

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

- 13 1. The name of the seller;
- 14 2. The address of the principal place of business from  
15 which he engages in business as a serviceman in this State;
- 16 3. The total amount of taxable receipts received by him  
17 during the preceding calendar month, including receipts  
18 from charge and time sales, but less all deductions allowed  
19 by law;
- 20 4. The amount of credit provided in Section 2d of this  
21 Act;
- 22 5. The amount of tax due;
- 23 5-5. The signature of the taxpayer; and
- 24 6. Such other reasonable information as the Department  
25 may require.

26 Beginning on January 1, 2020, each serviceman required or

1 authorized to collect the tax herein imposed on aviation fuel  
2 acquired as an incident to the purchase of a service in this  
3 State during the preceding calendar month shall, instead of  
4 reporting and paying tax as otherwise required by this Section,  
5 file an aviation fuel tax return with the Department on or  
6 before the twentieth day of each calendar month. The  
7 requirements related to the return shall be as otherwise  
8 provided in this Section. Notwithstanding any other provisions  
9 of this Act to the contrary, servicemen transferring aviation  
10 fuel incident to sales of service shall file all aviation fuel  
11 tax returns and shall make all aviation fuel tax payments by  
12 electronic means in the manner and form required by the  
13 Department. For purposes of this paragraph, "aviation fuel"  
14 means a product that is intended for use or offered for sale as  
15 fuel for an aircraft.

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

20 Prior to October 1, 2003, and on and after September 1,  
21 2004 a serviceman may accept a Manufacturer's Purchase Credit  
22 certification from a purchaser in satisfaction of Service Use  
23 Tax as provided in Section 3-70 of the Service Use Tax Act if  
24 the purchaser provides the appropriate documentation as  
25 required by Section 3-70 of the Service Use Tax Act. A  
26 Manufacturer's Purchase Credit certification, accepted prior

1 to October 1, 2003 or on or after September 1, 2004 by a  
2 serviceman as provided in Section 3-70 of the Service Use Tax  
3 Act, may be used by that serviceman to satisfy Service  
4 Occupation Tax liability in the amount claimed in the  
5 certification, not to exceed 6.25% of the receipts subject to  
6 tax from a qualifying purchase. A Manufacturer's Purchase  
7 Credit reported on any original or amended return filed under  
8 this Act after October 20, 2003 for reporting periods prior to  
9 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
10 Credit reported on annual returns due on or after January 1,  
11 2005 will be disallowed for periods prior to September 1, 2004.  
12 No Manufacturer's Purchase Credit may be used after September  
13 30, 2003 through August 31, 2004 to satisfy any tax liability  
14 imposed under this Act, including any audit liability.

15 If the serviceman's average monthly tax liability to the  
16 Department does not exceed \$200, the Department may authorize  
17 his returns to be filed on a quarter annual basis, with the  
18 return for January, February and March of a given year being  
19 due by April 20 of such year; with the return for April, May  
20 and June of a given year being due by July 20 of such year; with  
21 the return for July, August and September of a given year being  
22 due by October 20 of such year, and with the return for  
23 October, November and December of a given year being due by  
24 January 20 of the following year.

25 If the serviceman's average monthly tax liability to the  
26 Department does not exceed \$50, the Department may authorize



1 his returns to be filed on an annual basis, with the return for  
2 a given year being due by January 20 of the following year.

3 Such quarter annual and annual returns, as to form and  
4 substance, shall be subject to the same requirements as monthly  
5 returns.

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

13 Beginning October 1, 1993, a taxpayer who has an average  
14 monthly tax liability of \$150,000 or more shall make all  
15 payments required by rules of the Department by electronic  
16 funds transfer. Beginning October 1, 1994, a taxpayer who has  
17 an average monthly tax liability of \$100,000 or more shall make  
18 all payments required by rules of the Department by electronic  
19 funds transfer. Beginning October 1, 1995, a taxpayer who has  
20 an average monthly tax liability of \$50,000 or more shall make  
21 all payments required by rules of the Department by electronic  
22 funds transfer. Beginning October 1, 2000, a taxpayer who has  
23 an annual tax liability of \$200,000 or more shall make all  
24 payments required by rules of the Department by electronic  
25 funds transfer. The term "annual tax liability" shall be the  
26 sum of the taxpayer's liabilities under this Act, and under all

1 other State and local occupation and use tax laws administered  
2 by the Department, for the immediately preceding calendar year.  
3 The term "average monthly tax liability" means the sum of the  
4 taxpayer's liabilities under this Act, and under all other  
5 State and local occupation and use tax laws administered by the  
6 Department, for the immediately preceding calendar year  
7 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
8 a tax liability in the amount set forth in subsection (b) of  
9 Section 2505-210 of the Department of Revenue Law shall make  
10 all payments required by rules of the Department by electronic  
11 funds transfer.

12 Before August 1 of each year beginning in 1993, the  
13 Department shall notify all taxpayers required to make payments  
14 by electronic funds transfer. All taxpayers required to make  
15 payments by electronic funds transfer shall make those payments  
16 for a minimum of one year beginning on October 1.

17 Any taxpayer not required to make payments by electronic  
18 funds transfer may make payments by electronic funds transfer  
19 with the permission of the Department.

20 All taxpayers required to make payment by electronic funds  
21 transfer and any taxpayers authorized to voluntarily make  
22 payments by electronic funds transfer shall make those payments  
23 in the manner authorized by the Department.

24 The Department shall adopt such rules as are necessary to  
25 effectuate a program of electronic funds transfer and the  
26 requirements of this Section.

1           Where a serviceman collects the tax with respect to the  
2 selling price of tangible personal property which he sells and  
3 the purchaser thereafter returns such tangible personal  
4 property and the serviceman refunds the selling price thereof  
5 to the purchaser, such serviceman shall also refund, to the  
6 purchaser, the tax so collected from the purchaser. When filing  
7 his return for the period in which he refunds such tax to the  
8 purchaser, the serviceman may deduct the amount of the tax so  
9 refunded by him to the purchaser from any other Service  
10 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or  
11 Use Tax which such serviceman may be required to pay or remit  
12 to the Department, as shown by such return, provided that the  
13 amount of the tax to be deducted shall previously have been  
14 remitted to the Department by such serviceman. If the  
15 serviceman shall not previously have remitted the amount of  
16 such tax to the Department, he shall be entitled to no  
17 deduction hereunder upon refunding such tax to the purchaser.

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

25           Where the serviceman has more than one business registered  
26 with the Department under separate registrations hereunder,

1 such serviceman shall file separate returns for each registered  
2 business.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the Local Government Tax Fund the revenue realized for  
5 the preceding month from the 1% tax imposed under this Act.

6 Beginning January 1, 1990, each month the Department shall  
7 pay into the County and Mass Transit District Fund 4% of the  
8 revenue realized for the preceding month from the 6.25% general  
9 rate on sales of tangible personal property other than aviation  
10 fuel sold on or after December 1, 2019. This exception for  
11 aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
13 binding on the State.

14 For aviation fuel sold on or after December 1, 2019, each  
15 month the Department shall pay into the State Aviation Program  
16 Fund 4% of the net revenue realized for the preceding month  
17 from the 6.25% general rate on the selling price of aviation  
18 fuel, less an amount estimated by the Department to be required  
19 for refunds of the 4% portion of the tax on aviation fuel under  
20 this Act, which amount shall be deposited into the Aviation  
21 Fuel Sales Tax Refund Fund. The Department shall only pay  
22 moneys into the State Aviation Program Fund and the Aviation  
23 Fuel Sales Tax Refund Fund under this Act for so long as the  
24 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
25 47133 are binding on the State.

26 Beginning August 1, 2000, each month the Department shall

1 pay into the County and Mass Transit District Fund 20% of the  
2 net revenue realized for the preceding month from the 1.25%  
3 rate on the selling price of motor fuel and gasohol.

4 Beginning January 1, 1990, each month the Department shall  
5 pay into the Local Government Tax Fund 16% of the revenue  
6 realized for the preceding month from the 6.25% general rate on  
7 transfers of tangible personal property other than aviation  
8 fuel sold on or after December 1, 2019. This exception for  
9 aviation fuel only applies for so long as the revenue use  
10 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
11 binding on the State.

12 For aviation fuel sold on or after December 1, 2019, each  
13 month the Department shall pay into the State Aviation Program  
14 Fund 16% of the net revenue realized for the preceding month  
15 from the 6.25% general rate on the selling price of aviation  
16 fuel, less an amount estimated by the Department to be required  
17 for refunds of the 16% portion of the tax on aviation fuel  
18 under this Act, which amount shall be deposited into the  
19 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
20 pay moneys into the State Aviation Program Fund and the  
21 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
22 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
23 U.S.C. 47133 are binding on the State.

24 Beginning August 1, 2000, each month the Department shall  
25 pay into the Local Government Tax Fund 80% of the net revenue  
26 realized for the preceding month from the 1.25% rate on the

1 selling price of motor fuel and gasohol.

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

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

24 Beginning July 1, 2015, of the remainder of the moneys  
25 received by the Department under the Use Tax Act, the Service  
26 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,

1 each month the Department shall deposit \$500,000 into the State  
2 Crime Laboratory Fund.

3 Of the remainder of the moneys received by the Department  
4 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
5 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
6 and after July 1, 1989, 3.8% thereof shall be paid into the  
7 Build Illinois Fund; provided, however, that if in any fiscal  
8 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
9 may be, of the moneys received by the Department and required  
10 to be paid into the Build Illinois Fund pursuant to Section 3  
11 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
12 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
13 Service Occupation Tax Act, such Acts being hereinafter called  
14 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
15 may be, of moneys being hereinafter called the "Tax Act  
16 Amount", and (2) the amount transferred to the Build Illinois  
17 Fund from the State and Local Sales Tax Reform Fund shall be  
18 less than the Annual Specified Amount (as defined in Section 3  
19 of the Retailers' Occupation Tax Act), an amount equal to the  
20 difference shall be immediately paid into the Build Illinois  
21 Fund from other moneys received by the Department pursuant to  
22 the Tax Acts; and further provided, that if on the last  
23 business day of any month the sum of (1) the Tax Act Amount  
24 required to be deposited into the Build Illinois Account in the  
25 Build Illinois Fund during such month and (2) the amount  
26 transferred during such month to the Build Illinois Fund from

1 the State and Local Sales Tax Reform Fund shall have been less  
2 than 1/12 of the Annual Specified Amount, an amount equal to  
3 the difference shall be immediately paid into the Build  
4 Illinois Fund from other moneys received by the Department  
5 pursuant to the Tax Acts; and, further provided, that in no  
6 event shall the payments required under the preceding proviso  
7 result in aggregate payments into the Build Illinois Fund  
8 pursuant to this clause (b) for any fiscal year in excess of  
9 the greater of (i) the Tax Act Amount or (ii) the Annual  
10 Specified Amount for such fiscal year; and, further provided,  
11 that the amounts payable into the Build Illinois Fund under  
12 this clause (b) shall be payable only until such time as the  
13 aggregate amount on deposit under each trust indenture securing  
14 Bonds issued and outstanding pursuant to the Build Illinois  
15 Bond Act is sufficient, taking into account any future  
16 investment income, to fully provide, in accordance with such  
17 indenture, for the defeasance of or the payment of the  
18 principal of, premium, if any, and interest on the Bonds  
19 secured by such indenture and on any Bonds expected to be  
20 issued thereafter and all fees and costs payable with respect  
21 thereto, all as certified by the Director of the Bureau of the  
22 Budget (now Governor's Office of Management and Budget). If on  
23 the last business day of any month in which Bonds are  
24 outstanding pursuant to the Build Illinois Bond Act, the  
25 aggregate of the moneys deposited in the Build Illinois Bond  
26 Account in the Build Illinois Fund in such month shall be less



1 than the amount required to be transferred in such month from  
2 the Build Illinois Bond Account to the Build Illinois Bond  
3 Retirement and Interest Fund pursuant to Section 13 of the  
4 Build Illinois Bond Act, an amount equal to such deficiency  
5 shall be immediately paid from other moneys received by the  
6 Department pursuant to the Tax Acts to the Build Illinois Fund;  
7 provided, however, that any amounts paid to the Build Illinois  
8 Fund in any fiscal year pursuant to this sentence shall be  
9 deemed to constitute payments pursuant to clause (b) of the  
10 preceding sentence and shall reduce the amount otherwise  
11 payable for such fiscal year pursuant to clause (b) of the  
12 preceding sentence. The moneys received by the Department  
13 pursuant to this Act and required to be deposited into the  
14 Build Illinois Fund are subject to the pledge, claim and charge  
15 set forth in Section 12 of the Build Illinois Bond Act.

16 Subject to payment of amounts into the Build Illinois Fund  
17 as provided in the preceding paragraph or in any amendment  
18 thereto hereafter enacted, the following specified monthly  
19 installment of the amount requested in the certificate of the  
20 Chairman of the Metropolitan Pier and Exposition Authority  
21 provided under Section 8.25f of the State Finance Act, but not  
22 in excess of the sums designated as "Total Deposit", shall be  
23 deposited in the aggregate from collections under Section 9 of  
24 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
25 9 of the Service Occupation Tax Act, and Section 3 of the  
26 Retailers' Occupation Tax Act into the McCormick Place

1 Expansion Project Fund in the specified fiscal years.

2		Total
	Fiscal Year	Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	246,000,000
7	2022	260,000,000
8	2023	275,000,000
9	2024	275,000,000
10	2025	275,000,000
11	2026	279,000,000
12	2027	292,000,000
13	2028	307,000,000
14	2029	322,000,000
15	2030	338,000,000
16	2031	350,000,000
17	2032	350,000,000

18 and

19 each fiscal year

20 thereafter that bonds

21 are outstanding under

22 Section 13.2 of the

23 Metropolitan Pier and

24 Exposition Authority Act,

25 but not after fiscal year 2060.

26 Beginning July 20, 1993 and in each month of each fiscal

1 year thereafter, one-eighth of the amount requested in the  
2 certificate of the Chairman of the Metropolitan Pier and  
3 Exposition Authority for that fiscal year, less the amount  
4 deposited into the McCormick Place Expansion Project Fund by  
5 the State Treasurer in the respective month under subsection  
6 (g) of Section 13 of the Metropolitan Pier and Exposition  
7 Authority Act, plus cumulative deficiencies in the deposits  
8 required under this Section for previous months and years,  
9 shall be deposited into the McCormick Place Expansion Project  
10 Fund, until the full amount requested for the fiscal year, but  
11 not in excess of the amount specified above as "Total Deposit",  
12 has been deposited.

13 Subject to payment of amounts into the Capital Projects  
14 Fund, the Build Illinois Fund, and the McCormick Place  
15 Expansion Project Fund pursuant to the preceding paragraphs or  
16 in any amendments thereto hereafter enacted, the Department  
17 shall each month deposit into the Aviation Fuel Sales Tax  
18 Refund Fund an amount estimated by the Department to be  
19 required for refunds of the 80% portion of the tax on aviation  
20 fuel under this Act.

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

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

3 Subject to payment of amounts into the Build Illinois Fund  
4 and the McCormick Place Expansion Project Fund pursuant to the  
5 preceding paragraphs or in any amendments thereto hereafter  
6 enacted, beginning with the receipt of the first report of  
7 taxes paid by an eligible business and continuing for a 25-year  
8 period, the Department shall each month pay into the Energy  
9 Infrastructure Fund 80% of the net revenue realized from the  
10 6.25% general rate on the selling price of Illinois-mined coal  
11 that was sold to an eligible business. For purposes of this  
12 paragraph, the term "eligible business" means a new electric  
13 generating facility certified pursuant to Section 605-332 of  
14 the Department of Commerce and Economic Opportunity Law of the  
15 Civil Administrative Code of Illinois.

16 Subject to payment of amounts into the Build Illinois Fund,  
17 the McCormick Place Expansion Project Fund, the Illinois Tax  
18 Increment Fund, and the Energy Infrastructure Fund pursuant to  
19 the preceding paragraphs or in any amendments to this Section  
20 hereafter enacted, beginning on the first day of the first  
21 calendar month to occur on or after August 26, 2014 (the  
22 effective date of Public Act 98-1098), each month, from the  
23 collections made under Section 9 of the Use Tax Act, Section 9  
24 of the Service Use Tax Act, Section 9 of the Service Occupation  
25 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
26 the Department shall pay into the Tax Compliance and

1 Administration Fund, to be used, subject to appropriation, to  
2 fund additional auditors and compliance personnel at the  
3 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
4 the cash receipts collected during the preceding fiscal year by  
5 the Audit Bureau of the Department under the Use Tax Act, the  
6 Service Use Tax Act, the Service Occupation Tax Act, the  
7 Retailers' Occupation Tax Act, and associated local occupation  
8 and use taxes administered by the Department (except the amount  
9 collected on aviation fuel sold on or after December 1, 2019).

10 Subject to payments of amounts into the Build Illinois  
11 Fund, the McCormick Place Expansion Project Fund, the Illinois  
12 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
13 Compliance and Administration Fund as provided in this Section,  
14 beginning on July 1, 2018 the Department shall pay each month  
15 into the Downstate Public Transportation Fund the moneys  
16 required to be so paid under Section 2-3 of the Downstate  
17 Public Transportation Act.

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

25 The Department may, upon separate written notice to a  
26 taxpayer, require the taxpayer to prepare and file with the

1 Department on a form prescribed by the Department within not  
2 less than 60 days after receipt of the notice an annual  
3 information return for the tax year specified in the notice.  
4 Such annual return to the Department shall include a statement  
5 of gross receipts as shown by the taxpayer's last Federal  
6 income tax return. If the total receipts of the business as  
7 reported in the Federal income tax return do not agree with the  
8 gross receipts reported to the Department of Revenue for the  
9 same period, the taxpayer shall attach to his annual return a  
10 schedule showing a reconciliation of the 2 amounts and the  
11 reasons for the difference. The taxpayer's annual return to the  
12 Department shall also disclose the cost of goods sold by the  
13 taxpayer during the year covered by such return, opening and  
14 closing inventories of such goods for such year, cost of goods  
15 used from stock or taken from stock and given away by the  
16 taxpayer during such year, pay roll information of the  
17 taxpayer's business during such year and any additional  
18 reasonable information which the Department deems would be  
19 helpful in determining the accuracy of the monthly, quarterly  
20 or annual returns filed by such taxpayer as hereinbefore  
21 provided for in this Section.

22 If the annual information return required by this Section  
23 is not filed when and as required, the taxpayer shall be liable  
24 as follows:

- 25 (i) Until January 1, 1994, the taxpayer shall be liable  
26 for a penalty equal to 1/6 of 1% of the tax due from such

1 taxpayer under this Act during the period to be covered by  
2 the annual return for each month or fraction of a month  
3 until such return is filed as required, the penalty to be  
4 assessed and collected in the same manner as any other  
5 penalty provided for in this Act.

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

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

17 The foregoing portion of this Section concerning the filing  
18 of an annual information return shall not apply to a serviceman  
19 who is not required to file an income tax return with the  
20 United States Government.

21 As soon as possible after the first day of each month, upon  
22 certification of the Department of Revenue, the Comptroller  
23 shall order transferred and the Treasurer shall transfer from  
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
25 equal to 1.7% of 80% of the net revenue realized under this Act  
26 for the second preceding month. Beginning April 1, 2000, this



1 transfer is no longer required and shall not be made.

2 Net revenue realized for a month shall be the revenue  
3 collected by the State pursuant to this Act, less the amount  
4 paid out during that month as refunds to taxpayers for  
5 overpayment of liability.

6 For greater simplicity of administration, it shall be  
7 permissible for manufacturers, importers and wholesalers whose  
8 products are sold by numerous servicemen in Illinois, and who  
9 wish to do so, to assume the responsibility for accounting and  
10 paying to the Department all tax accruing under this Act with  
11 respect to such sales, if the servicemen who are affected do  
12 not make written objection to the Department to this  
13 arrangement.

14 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
15 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.  
16 8-14-18; 100-1171, eff. 1-4-19.)

17 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

18 Sec. 17. If it shall appear that an amount of tax or  
19 penalty or interest has been paid in error hereunder directly  
20 to the Department by a serviceman, whether such amount be paid  
21 through a mistake of fact or an error of law, such serviceman  
22 may file a claim for credit or refund with the Department. If  
23 it shall appear that an amount of tax or penalty or interest  
24 has been paid in error to the Department hereunder by a  
25 supplier who is required or authorized to collect and remit the

1 Service Occupation Tax, whether such amount be paid through a  
2 mistake of fact or an error of law, such supplier may file a  
3 claim for credit or refund with the Department, provided that  
4 no credit shall be allowed nor any refund made for any amount  
5 paid by any such supplier unless it shall appear that he bore  
6 the burden of such amount and did not shift the burden thereof  
7 to anyone else (as in the case of a duplicated tax payment  
8 which the supplier made to the Department and did not collect  
9 from anyone else), or unless it shall appear that he or his  
10 legal representative has unconditionally repaid such amount to  
11 his vendee (1) who bore the burden thereof and has not shifted  
12 such burden directly or indirectly in any manner whatsoever;  
13 (2) who, if he has shifted such burden, has repaid  
14 unconditionally such amount to his own vendee, and (3) who is  
15 not entitled to receive any reimbursement therefor from any  
16 other source than from his supplier, nor to be relieved of such  
17 burden in any other manner whatsoever.

18 Any credit or refund that is allowed under this Section  
19 shall bear interest at the rate and in the manner specified in  
20 the Uniform Penalty and Interest Act.

21 Any claim filed hereunder shall be filed upon a form  
22 prescribed and furnished by the Department. The claim shall be  
23 signed by the claimant (or by the claimant's legal  
24 representative if the claimant shall have died or become a  
25 person under legal disability), or by a duly authorized agent  
26 of the claimant or his or her legal representative.

1           A claim for credit or refund shall be considered to have  
2           been filed with the Department on the date upon which it is  
3           received by the Department. Upon receipt of any claim for  
4           credit or refund filed under this Act, any officer or employee  
5           of the Department, authorized in writing by the Director of  
6           Revenue to acknowledge receipt of such claims on behalf of the  
7           Department, shall execute on behalf of the Department, and  
8           shall deliver or mail to the claimant or his or her duly  
9           authorized agent, a written receipt, acknowledging that the  
10          claim has been filed with the Department, describing the claim  
11          in sufficient detail to identify it and stating the date upon  
12          which the claim was received by the Department. Such written  
13          receipt shall be prima facie evidence that the Department  
14          received the claim described in such receipt and shall be prima  
15          facie evidence of the date when such claim was received by the  
16          Department. In the absence of such a written receipt, the  
17          records of the Department as to when the claim was received by  
18          the Department, or as to whether or not the claim was received  
19          at all by the Department, shall be deemed to be prima facie  
20          correct upon these questions in the event of any dispute  
21          between the claimant (or his legal representative) and the  
22          Department concerning these questions.

23           In case the Department determines that the claimant is  
24           entitled to a refund, such refund shall be made only from the  
25           Aviation Fuel Sales Tax Refund Fund or from such appropriation  
26           as may be available for that purpose, as appropriate. If it

1 appears unlikely that the amount available ~~appropriated~~ would  
2 permit everyone having a claim allowed during the period  
3 covered by such appropriation or from the Aviation Fuel Sales  
4 Tax Refund Fund, as appropriate, to elect to receive a cash  
5 refund, the Department, by rule or regulation, shall provide  
6 for the payment of refunds in hardship cases and shall define  
7 what types of cases qualify as hardship cases.

8 (Source: P.A. 87-205.)

9 Section 25. The Retailers' Occupation Tax Act is amended by  
10 changing Sections 3, 6, and 11 as follows:

11 (35 ILCS 120/3) (from Ch. 120, par. 442)

12 Sec. 3. Except as provided in this Section, on or before  
13 the twentieth day of each calendar month, every person engaged  
14 in the business of selling tangible personal property at retail  
15 in this State during the preceding calendar month shall file a  
16 return with the Department, stating:

17 1. The name of the seller;

18 2. His residence address and the address of his  
19 principal place of business and the address of the  
20 principal place of business (if that is a different  
21 address) from which he engages in the business of selling  
22 tangible personal property at retail in this State;

23 3. Total amount of receipts received by him during the  
24 preceding calendar month or quarter, as the case may be,

1 from sales of tangible personal property, and from services  
2 furnished, by him during such preceding calendar month or  
3 quarter;

4 4. Total amount received by him during the preceding  
5 calendar month or quarter on charge and time sales of  
6 tangible personal property, and from services furnished,  
7 by him prior to the month or quarter for which the return  
8 is filed;

9 5. Deductions allowed by law;

10 6. Gross receipts which were received by him during the  
11 preceding calendar month or quarter and upon the basis of  
12 which the tax is imposed;

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

15 8. The amount of tax due;

16 9. The signature of the taxpayer; and

17 10. Such other reasonable information as the  
18 Department may require.

19 On and after January 1, 2018, except for returns for motor  
20 vehicles, watercraft, aircraft, and trailers that are required  
21 to be registered with an agency of this State, with respect to  
22 retailers whose annual gross receipts average \$20,000 or more,  
23 all returns required to be filed pursuant to this Act shall be  
24 filed electronically. Retailers who demonstrate that they do  
25 not have access to the Internet or demonstrate hardship in  
26 filing electronically may petition the Department to waive the

1 electronic filing requirement.

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

6 Each return shall be accompanied by the statement of  
7 prepaid tax issued pursuant to Section 2e for which credit is  
8 claimed.

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

1 used after September 30, 2003 through August 31, 2004 to  
2 satisfy any tax liability imposed under this Act, including any  
3 audit liability.

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

- 11 1. The name of the seller;
- 12 2. The address of the principal place of business from  
13 which he engages in the business of selling tangible  
14 personal property at retail in this State;
- 15 3. The total amount of taxable receipts received by him  
16 during the preceding calendar month from sales of tangible  
17 personal property by him during such preceding calendar  
18 month, including receipts from charge and time sales, but  
19 less all deductions allowed by law;
- 20 4. The amount of credit provided in Section 2d of this  
21 Act;
- 22 5. The amount of tax due; and
- 23 6. Such other reasonable information as the Department  
24 may require.

25 Beginning on January 1, 2020, every person engaged in the  
26 business of selling aviation fuel at retail in this State

1 during the preceding calendar month shall, instead of reporting  
2 and paying tax as otherwise required by this Section, file an  
3 aviation fuel tax return with the Department on or before the  
4 twentieth day of each calendar month. The requirements related  
5 to the return shall be as otherwise provided in this Section.  
6 Notwithstanding any other provisions of this Act to the  
7 contrary, retailers selling aviation fuel shall file all  
8 aviation fuel tax returns and shall make all aviation fuel tax  
9 payments by electronic means in the manner and form required by  
10 the Department. For purposes of this paragraph, "aviation fuel"  
11 means a product that is intended for use or offered for sale as  
12 fuel for an aircraft.

13       Beginning on October 1, 2003, any person who is not a  
14 licensed distributor, importing distributor, or manufacturer,  
15 as defined in the Liquor Control Act of 1934, but is engaged in  
16 the business of selling, at retail, alcoholic liquor shall file  
17 a statement with the Department of Revenue, in a format and at  
18 a time prescribed by the Department, showing the total amount  
19 paid for alcoholic liquor purchased during the preceding month  
20 and such other information as is reasonably required by the  
21 Department. The Department may adopt rules to require that this  
22 statement be filed in an electronic or telephonic format. Such  
23 rules may provide for exceptions from the filing requirements  
24 of this paragraph. For the purposes of this paragraph, the term  
25 "alcoholic liquor" shall have the meaning prescribed in the  
26 Liquor Control Act of 1934.



1           Beginning on October 1, 2003, every distributor, importing  
2 distributor, and manufacturer of alcoholic liquor as defined in  
3 the Liquor Control Act of 1934, shall file a statement with the  
4 Department of Revenue, no later than the 10th day of the month  
5 for the preceding month during which transactions occurred, by  
6 electronic means, showing the total amount of gross receipts  
7 from the sale of alcoholic liquor sold or distributed during  
8 the preceding month to purchasers; identifying the purchaser to  
9 whom it was sold or distributed; the purchaser's tax  
10 registration number; and such other information reasonably  
11 required by the Department. A distributor, importing  
12 distributor, or manufacturer of alcoholic liquor must  
13 personally deliver, mail, or provide by electronic means to  
14 each retailer listed on the monthly statement a report  
15 containing a cumulative total of that distributor's, importing  
16 distributor's, or manufacturer's total sales of alcoholic  
17 liquor to that retailer no later than the 10th day of the month  
18 for the preceding month during which the transaction occurred.  
19 The distributor, importing distributor, or manufacturer shall  
20 notify the retailer as to the method by which the distributor,  
21 importing distributor, or manufacturer will provide the sales  
22 information. If the retailer is unable to receive the sales  
23 information by electronic means, the distributor, importing  
24 distributor, or manufacturer shall furnish the sales  
25 information by personal delivery or by mail. For purposes of  
26 this paragraph, the term "electronic means" includes, but is

1 not limited to, the use of a secure Internet website, e-mail,  
2 or facsimile.

3 If a total amount of less than \$1 is payable, refundable or  
4 creditable, such amount shall be disregarded if it is less than  
5 50 cents and shall be increased to \$1 if it is 50 cents or more.

6 Beginning October 1, 1993, a taxpayer who has an average  
7 monthly tax liability of \$150,000 or more shall make all  
8 payments required by rules of the Department by electronic  
9 funds transfer. Beginning October 1, 1994, a taxpayer who has  
10 an average monthly tax liability of \$100,000 or more shall make  
11 all payments required by rules of the Department by electronic  
12 funds transfer. Beginning October 1, 1995, a taxpayer who has  
13 an average monthly tax liability of \$50,000 or more shall make  
14 all payments required by rules of the Department by electronic  
15 funds transfer. Beginning October 1, 2000, a taxpayer who has  
16 an annual tax liability of \$200,000 or more shall make all  
17 payments required by rules of the Department by electronic  
18 funds transfer. The term "annual tax liability" shall be the  
19 sum of the taxpayer's liabilities under this Act, and under all  
20 other State and local occupation and use tax laws administered  
21 by the Department, for the immediately preceding calendar year.  
22 The term "average monthly tax liability" shall be the sum of  
23 the taxpayer's liabilities under this Act, and under all other  
24 State and local occupation and use tax laws administered by the  
25 Department, for the immediately preceding calendar year  
26 divided by 12. Beginning on October 1, 2002, a taxpayer who has

1 a tax liability in the amount set forth in subsection (b) of  
2 Section 2505-210 of the Department of Revenue Law shall make  
3 all payments required by rules of the Department by electronic  
4 funds transfer.

5 Before August 1 of each year beginning in 1993, the  
6 Department shall notify all taxpayers required to make payments  
7 by electronic funds transfer. All taxpayers required to make  
8 payments by electronic funds transfer shall make those payments  
9 for a minimum of one year beginning on October 1.

10 Any taxpayer not required to make payments by electronic  
11 funds transfer may make payments by electronic funds transfer  
12 with the permission of the Department.

13 All taxpayers required to make payment by electronic funds  
14 transfer and any taxpayers authorized to voluntarily make  
15 payments by electronic funds transfer shall make those payments  
16 in the manner authorized by the Department.

17 The Department shall adopt such rules as are necessary to  
18 effectuate a program of electronic funds transfer and the  
19 requirements of this Section.

20 Any amount which is required to be shown or reported on any  
21 return or other document under this Act shall, if such amount  
22 is not a whole-dollar amount, be increased to the nearest  
23 whole-dollar amount in any case where the fractional part of a  
24 dollar is 50 cents or more, and decreased to the nearest  
25 whole-dollar amount where the fractional part of a dollar is  
26 less than 50 cents.

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

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

18           Such quarter annual and annual returns, as to form and  
19 substance, shall be subject to the same requirements as monthly  
20 returns.

21           Notwithstanding any other provision in this Act concerning  
22 the time within which a retailer may file his return, in the  
23 case of any retailer who ceases to engage in a kind of business  
24 which makes him responsible for filing returns under this Act,  
25 such retailer shall file a final return under this Act with the  
26 Department not more than one month after discontinuing such

1 business.

2 Where the same person has more than one business registered  
3 with the Department under separate registrations under this  
4 Act, such person may not file each return that is due as a  
5 single return covering all such registered businesses, but  
6 shall file separate returns for each such registered business.

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

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

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

20 Any retailer who sells only motor vehicles, watercraft,  
21 aircraft, or trailers that are required to be registered with  
22 an agency of this State, so that all retailers' occupation tax  
23 liability is required to be reported, and is reported, on such  
24 transaction reporting returns and who is not otherwise required  
25 to file monthly or quarterly returns, need not file monthly or  
26 quarterly returns. However, those retailers shall be required

1 to file returns on an annual basis.

2 The transaction reporting return, in the case of motor  
3 vehicles or trailers that are required to be registered with an  
4 agency of this State, shall be the same document as the Uniform  
5 Invoice referred to in Section 5-402 of the Illinois Vehicle  
6 Code and must show the name and address of the seller; the name  
7 and address of the purchaser; the amount of the selling price  
8 including the amount allowed by the retailer for traded-in  
9 property, if any; the amount allowed by the retailer for the  
10 traded-in tangible personal property, if any, to the extent to  
11 which Section 1 of this Act allows an exemption for the value  
12 of traded-in property; the balance payable after deducting such  
13 trade-in allowance from the total selling price; the amount of  
14 tax due from the retailer with respect to such transaction; the  
15 amount of tax collected from the purchaser by the retailer on  
16 such transaction (or satisfactory evidence that such tax is not  
17 due in that particular instance, if that is claimed to be the  
18 fact); the place and date of the sale; a sufficient  
19 identification of the property sold; such other information as  
20 is required in Section 5-402 of the Illinois Vehicle Code, and  
21 such other information as the Department may reasonably  
22 require.

23 The transaction reporting return in the case of watercraft  
24 or aircraft must show the name and address of the seller; the  
25 name and address of the purchaser; the amount of the selling  
26 price including the amount allowed by the retailer for

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

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

25 With each such transaction reporting return, the retailer  
26 shall remit the proper amount of tax due (or shall submit



1 satisfactory evidence that the sale is not taxable if that is  
2 the case), to the Department or its agents, whereupon the  
3 Department shall issue, in the purchaser's name, a use tax  
4 receipt (or a certificate of exemption if the Department is  
5 satisfied that the particular sale is tax exempt) which such  
6 purchaser may submit to the agency with which, or State officer  
7 with whom, he must title or register the tangible personal  
8 property that is involved (if titling or registration is  
9 required) in support of such purchaser's application for an  
10 Illinois certificate or other evidence of title or registration  
11 to such tangible personal property.

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

20 If the user who would otherwise pay tax to the retailer  
21 wants the transaction reporting return filed and the payment of  
22 the tax or proof of exemption made to the Department before the  
23 retailer is willing to take these actions and such user has not  
24 paid the tax to the retailer, such user may certify to the fact  
25 of such delay by the retailer and may (upon the Department  
26 being satisfied of the truth of such certification) transmit

1 the information required by the transaction reporting return  
2 and the remittance for tax or proof of exemption directly to  
3 the Department and obtain his tax receipt or exemption  
4 determination, in which event the transaction reporting return  
5 and tax remittance (if a tax payment was required) shall be  
6 credited by the Department to the proper retailer's account  
7 with the Department, but without the 2.1% or 1.75% discount  
8 provided for in this Section being allowed. When the user pays  
9 the tax directly to the Department, he shall pay the tax in the  
10 same amount and in the same form in which it would be remitted  
11 if the tax had been remitted to the Department by the retailer.

12 Refunds made by the seller during the preceding return  
13 period to purchasers, on account of tangible personal property  
14 returned to the seller, shall be allowed as a deduction under  
15 subdivision 5 of his monthly or quarterly return, as the case  
16 may be, in case the seller had theretofore included the  
17 receipts from the sale of such tangible personal property in a  
18 return filed by him and had paid the tax imposed by this Act  
19 with respect to such receipts.

20 Where the seller is a corporation, the return filed on  
21 behalf of such corporation shall be signed by the president,  
22 vice-president, secretary or treasurer or by the properly  
23 accredited agent of such corporation.

24 Where the seller is a limited liability company, the return  
25 filed on behalf of the limited liability company shall be  
26 signed by a manager, member, or properly accredited agent of

1 the limited liability company.

2 Except as provided in this Section, the retailer filing the  
3 return under this Section shall, at the time of filing such  
4 return, pay to the Department the amount of tax imposed by this  
5 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
6 on and after January 1, 1990, or \$5 per calendar year,  
7 whichever is greater, which is allowed to reimburse the  
8 retailer for the expenses incurred in keeping records,  
9 preparing and filing returns, remitting the tax and supplying  
10 data to the Department on request. The discount under this  
11 Section is not allowed for taxes paid on aviation fuel that are  
12 deposited into the State Aviation Program Fund under this Act.  
13 Any prepayment made pursuant to Section 2d of this Act shall be  
14 included in the amount on which such 2.1% or 1.75% discount is  
15 computed. In the case of retailers who report and pay the tax  
16 on a transaction by transaction basis, as provided in this  
17 Section, such discount shall be taken with each such tax  
18 remittance instead of when such retailer files his periodic  
19 return. The discount allowed under this Section is allowed only  
20 for returns that are filed in the manner required by this Act.  
21 The Department may disallow the discount for retailers whose  
22 certificate of registration is revoked at the time the return  
23 is filed, but only if the Department's decision to revoke the  
24 certificate of registration has become final.

25 Before October 1, 2000, if the taxpayer's average monthly  
26 tax liability to the Department under this Act, the Use Tax

1 Act, the Service Occupation Tax Act, and the Service Use Tax  
2 Act, excluding any liability for prepaid sales tax to be  
3 remitted in accordance with Section 2d of this Act, was \$10,000  
4 or more during the preceding 4 complete calendar quarters, he  
5 shall file a return with the Department each month by the 20th  
6 day of the month next following the month during which such tax  
7 liability is incurred and shall make payments to the Department  
8 on or before the 7th, 15th, 22nd and last day of the month  
9 during which such liability is incurred. On and after October  
10 1, 2000, if the taxpayer's average monthly tax liability to the  
11 Department under this Act, the Use Tax Act, the Service  
12 Occupation Tax Act, and the Service Use Tax Act, excluding any  
13 liability for prepaid sales tax to be remitted in accordance  
14 with Section 2d of this Act, was \$20,000 or more during the  
15 preceding 4 complete calendar quarters, he shall file a return  
16 with the Department each month by the 20th day of the month  
17 next following the month during which such tax liability is  
18 incurred and shall make payment to the Department on or before  
19 the 7th, 15th, 22nd and last day of the month during which such  
20 liability is incurred. If the month during which such tax  
21 liability is incurred began prior to January 1, 1985, each  
22 payment shall be in an amount equal to 1/4 of the taxpayer's  
23 actual liability for the month or an amount set by the  
24 Department not to exceed 1/4 of the average monthly liability  
25 of the taxpayer to the Department for the preceding 4 complete  
26 calendar quarters (excluding the month of highest liability and

1 the month of lowest liability in such 4 quarter period). If the  
2 month during which such tax liability is incurred begins on or  
3 after January 1, 1985 and prior to January 1, 1987, each  
4 payment shall be in an amount equal to 22.5% of the taxpayer's  
5 actual liability for the month or 27.5% of the taxpayer's  
6 liability for the same calendar month of the preceding year. If  
7 the month during which such tax liability is incurred begins on  
8 or after January 1, 1987 and prior to January 1, 1988, each  
9 payment shall be in an amount equal to 22.5% of the taxpayer's  
10 actual liability for the month or 26.25% of the taxpayer's  
11 liability for the same calendar month of the preceding year. If  
12 the month during which such tax liability is incurred begins on  
13 or after January 1, 1988, and prior to January 1, 1989, or  
14 begins on or after January 1, 1996, each payment shall be in an  
15 amount equal to 22.5% of the taxpayer's actual liability for  
16 the month or 25% of the taxpayer's liability for the same  
17 calendar month of the preceding year. If the month during which  
18 such tax liability is incurred begins on or after January 1,  
19 1989, and prior to January 1, 1996, each payment shall be in an  
20 amount equal to 22.5% of the taxpayer's actual liability for  
21 the month or 25% of the taxpayer's liability for the same  
22 calendar month of the preceding year or 100% of the taxpayer's  
23 actual liability for the quarter monthly reporting period. The  
24 amount of such quarter monthly payments shall be credited  
25 against the final tax liability of the taxpayer's return for  
26 that month. Before October 1, 2000, once applicable, the

1 requirement of the making of quarter monthly payments to the  
2 Department by taxpayers having an average monthly tax liability  
3 of \$10,000 or more as determined in the manner provided above  
4 shall continue until such taxpayer's average monthly liability  
5 to the Department during the preceding 4 complete calendar  
6 quarters (excluding the month of highest liability and the  
7 month of lowest liability) is less than \$9,000, or until such  
8 taxpayer's average monthly liability to the Department as  
9 computed for each calendar quarter of the 4 preceding complete  
10 calendar quarter period is less than \$10,000. However, if a  
11 taxpayer can show the Department that a substantial change in  
12 the taxpayer's business has occurred which causes the taxpayer  
13 to anticipate that his average monthly tax liability for the  
14 reasonably foreseeable future will fall below the \$10,000  
15 threshold stated above, then such taxpayer may petition the  
16 Department for a change in such taxpayer's reporting status. On  
17 and after October 1, 2000, once applicable, the requirement of  
18 the making of quarter monthly payments to the Department by  
19 taxpayers having an average monthly tax liability of \$20,000 or  
20 more as determined in the manner provided above shall continue  
21 until such taxpayer's average monthly liability to the  
22 Department during the preceding 4 complete calendar quarters  
23 (excluding the month of highest liability and the month of  
24 lowest liability) is less than \$19,000 or until such taxpayer's  
25 average monthly liability to the Department as computed for  
26 each calendar quarter of the 4 preceding complete calendar

1 quarter period is less than \$20,000. However, if a taxpayer can  
2 show the Department that a substantial change in the taxpayer's  
3 business has occurred which causes the taxpayer to anticipate  
4 that his average monthly tax liability for the reasonably  
5 foreseeable future will fall below the \$20,000 threshold stated  
6 above, then such taxpayer may petition the Department for a  
7 change in such taxpayer's reporting status. The Department  
8 shall change such taxpayer's reporting status unless it finds  
9 that such change is seasonal in nature and not likely to be  
10 long term. If any such quarter monthly payment is not paid at  
11 the time or in the amount required by this Section, then the  
12 taxpayer shall be liable for penalties and interest on the  
13 difference between the minimum amount due as a payment and the  
14 amount of such quarter monthly payment actually and timely  
15 paid, except insofar as the taxpayer has previously made  
16 payments for that month to the Department in excess of the  
17 minimum payments previously due as provided in this Section.  
18 The Department shall make reasonable rules and regulations to  
19 govern the quarter monthly payment amount and quarter monthly  
20 payment dates for taxpayers who file on other than a calendar  
21 monthly basis.

22 The provisions of this paragraph apply before October 1,  
23 2001. Without regard to whether a taxpayer is required to make  
24 quarter monthly payments as specified above, any taxpayer who  
25 is required by Section 2d of this Act to collect and remit  
26 prepaid taxes and has collected prepaid taxes which average in

1 excess of \$25,000 per month during the preceding 2 complete  
2 calendar quarters, shall file a return with the Department as  
3 required by Section 2f and shall make payments to the  
4 Department on or before the 7th, 15th, 22nd and last day of the  
5 month during which such liability is incurred. If the month  
6 during which such tax liability is incurred began prior to  
7 September 1, 1985 (the effective date of Public Act 84-221),  
8 each payment shall be in an amount not less than 22.5% of the  
9 taxpayer's actual liability under Section 2d. If the month  
10 during which such tax liability is incurred begins on or after  
11 January 1, 1986, each payment shall be in an amount equal to  
12 22.5% of the taxpayer's actual liability for the month or 27.5%  
13 of the taxpayer's liability for the same calendar month of the  
14 preceding calendar year. If the month during which such tax  
15 liability is incurred begins on or after January 1, 1987, each  
16 payment shall be in an amount equal to 22.5% of the taxpayer's  
17 actual liability for the month or 26.25% of the taxpayer's  
18 liability for the same calendar month of the preceding year.  
19 The amount of such quarter monthly payments shall be credited  
20 against the final tax liability of the taxpayer's return for  
21 that month filed under this Section or Section 2f, as the case  
22 may be. Once applicable, the requirement of the making of  
23 quarter monthly payments to the Department pursuant to this  
24 paragraph shall continue until such taxpayer's average monthly  
25 prepaid tax collections during the preceding 2 complete  
26 calendar quarters is \$25,000 or less. If any such quarter



1 monthly payment is not paid at the time or in the amount  
2 required, the taxpayer shall be liable for penalties and  
3 interest on such difference, except insofar as the taxpayer has  
4 previously made payments for that month in excess of the  
5 minimum payments previously due.

6 The provisions of this paragraph apply on and after October  
7 1, 2001. Without regard to whether a taxpayer is required to  
8 make quarter monthly payments as specified above, any taxpayer  
9 who is required by Section 2d of this Act to collect and remit  
10 prepaid taxes and has collected prepaid taxes that average in  
11 excess of \$20,000 per month during the preceding 4 complete  
12 calendar quarters shall file a return with the Department as  
13 required by Section 2f and shall make payments to the  
14 Department on or before the 7th, 15th, 22nd and last day of the  
15 month during which the liability is incurred. Each payment  
16 shall be in an amount equal to 22.5% of the taxpayer's actual  
17 liability for the month or 25% of the taxpayer's liability for  
18 the same calendar month of the preceding year. The amount of  
19 the quarter monthly payments shall be credited against the  
20 final tax liability of the taxpayer's return for that month  
21 filed under this Section or Section 2f, as the case may be.  
22 Once applicable, the requirement of the making of quarter  
23 monthly payments to the Department pursuant to this paragraph  
24 shall continue until the taxpayer's average monthly prepaid tax  
25 collections during the preceding 4 complete calendar quarters  
26 (excluding the month of highest liability and the month of

1 lowest liability) is less than \$19,000 or until such taxpayer's  
2 average monthly liability to the Department as computed for  
3 each calendar quarter of the 4 preceding complete calendar  
4 quarters is less than \$20,000. If any such quarter monthly  
5 payment is not paid at the time or in the amount required, the  
6 taxpayer shall be liable for penalties and interest on such  
7 difference, except insofar as the taxpayer has previously made  
8 payments for that month in excess of the minimum payments  
9 previously due.

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

1 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
2 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
3 of the difference between the credit taken and that actually  
4 due, and that taxpayer shall be liable for penalties and  
5 interest on such difference.

6 If a retailer of motor fuel is entitled to a credit under  
7 Section 2d of this Act which exceeds the taxpayer's liability  
8 to the Department under this Act for the month which the  
9 taxpayer is filing a return, the Department shall issue the  
10 taxpayer a credit memorandum for the excess.

11 Beginning January 1, 1990, each month the Department shall  
12 pay into the Local Government Tax Fund, a special fund in the  
13 State treasury which is hereby created, the net revenue  
14 realized for the preceding month from the 1% tax imposed under  
15 this Act.

16 Beginning January 1, 1990, each month the Department shall  
17 pay into the County and Mass Transit District Fund, a special  
18 fund in the State treasury which is hereby created, 4% of the  
19 net revenue realized for the preceding month from the 6.25%  
20 general rate other than aviation fuel sold on or after December  
21 1, 2019. This exception for aviation fuel only applies for so  
22 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
23 49 U.S.C. 47133 are binding on the State.

24 For aviation fuel sold on or after December 1, 2019, each  
25 month the Department shall pay into the State Aviation Program  
26 Fund 4% of the net revenue realized for the preceding month

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

10 Beginning August 1, 2000, each month the Department shall  
11 pay into the County and Mass Transit District Fund 20% of the  
12 net revenue realized for the preceding month from the 1.25%  
13 rate on the selling price of motor fuel and gasohol. Beginning  
14 September 1, 2010, each month the Department shall pay into the  
15 County and Mass Transit District Fund 20% of the net revenue  
16 realized for the preceding month from the 1.25% rate on the  
17 selling price of sales tax holiday items.

18 Beginning January 1, 1990, each month the Department shall  
19 pay into the Local Government Tax Fund 16% of the net revenue  
20 realized for the preceding month from the 6.25% general rate on  
21 the selling price of tangible personal property other than  
22 aviation fuel sold on or after December 1, 2019. This exception  
23 for aviation fuel only applies for so long as the revenue use  
24 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
25 binding on the State.

26 For aviation fuel sold on or after December 1, 2019, each

1 month the Department shall pay into the State Aviation Program  
2 Fund 16% of the net revenue realized for the preceding month  
3 from the 6.25% general rate on the selling price of aviation  
4 fuel, less an amount estimated by the Department to be required  
5 for refunds of the 16% portion of the tax on aviation fuel  
6 under this Act, which amount shall be deposited into the  
7 Aviation fuel Sales Tax Refund Fund. The Department shall only  
8 pay moneys into the State Aviation Program Fund and the  
9 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
10 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
11 U.S.C. 47133 are binding on the State.

12       Beginning August 1, 2000, each month the Department shall  
13 pay into the Local Government Tax Fund 80% of the net revenue  
14 realized for the preceding month from the 1.25% rate on the  
15 selling price of motor fuel and gasohol. Beginning September 1,  
16 2010, each month the Department shall pay into the Local  
17 Government Tax Fund 80% of the net revenue realized for the  
18 preceding month from the 1.25% rate on the selling price of  
19 sales tax holiday items.

20       Beginning October 1, 2009, each month the Department shall  
21 pay into the Capital Projects Fund an amount that is equal to  
22 an amount estimated by the Department to represent 80% of the  
23 net revenue realized for the preceding month from the sale of  
24 candy, grooming and hygiene products, and soft drinks that had  
25 been taxed at a rate of 1% prior to September 1, 2009 but that  
26 are now taxed at 6.25%.

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

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

24           Beginning July 1, 2015, of the remainder of the moneys  
25 received by the Department under the Use Tax Act, the Service  
26 Use Tax Act, the Service Occupation Tax Act, and this Act, each

1 month the Department shall deposit \$500,000 into the State  
2 Crime Laboratory Fund.

3 Of the remainder of the moneys received by the Department  
4 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
5 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
6 and after July 1, 1989, 3.8% thereof shall be paid into the  
7 Build Illinois Fund; provided, however, that if in any fiscal  
8 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
9 may be, of the moneys received by the Department and required  
10 to be paid into the Build Illinois Fund pursuant to this Act,  
11 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
12 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
13 being hereinafter called the "Tax Acts" and such aggregate of  
14 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
15 called the "Tax Act Amount", and (2) the amount transferred to  
16 the Build Illinois Fund from the State and Local Sales Tax  
17 Reform Fund shall be less than the Annual Specified Amount (as  
18 hereinafter defined), an amount equal to the difference shall  
19 be immediately paid into the Build Illinois Fund from other  
20 moneys received by the Department pursuant to the Tax Acts; the  
21 "Annual Specified Amount" means the amounts specified below for  
22 fiscal years 1986 through 1993:

23	Fiscal Year	Annual Specified Amount
24	1986	\$54,800,000
25	1987	\$76,650,000
26	1988	\$80,480,000

1	1989	\$88,510,000
2	1990	\$115,330,000
3	1991	\$145,470,000
4	1992	\$182,730,000
5	1993	\$206,520,000;

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



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

1 and charge set forth in Section 12 of the Build Illinois Bond  
 2 Act.

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

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

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023	275,000,000
22	2024	275,000,000
23	2025	275,000,000
24	2026	279,000,000
25	2027	292,000,000
26	2028	307,000,000

1	2029	322,000,000
2	2030	338,000,000
3	2031	350,000,000
4	2032	350,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

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

26 Subject to payment of amounts into the Capital Projects

1 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois  
2 Fund, and the McCormick Place Expansion Project Fund pursuant  
3 to the preceding paragraphs or in any amendments thereto  
4 hereafter enacted, the Department shall each month deposit into  
5 the Aviation Fuel Sales Tax Refund Fund an amount estimated by  
6 the Department to be required for refunds of the 80% portion of  
7 the tax on aviation fuel under this Act.

8 Subject to payment of amounts into the Build Illinois Fund  
9 and the McCormick Place Expansion Project Fund pursuant to the  
10 preceding paragraphs or in any amendments thereto hereafter  
11 enacted, beginning July 1, 1993 and ending on September 30,  
12 2013, the Department shall each month pay into the Illinois Tax  
13 Increment Fund 0.27% of 80% of the net revenue realized for the  
14 preceding month from the 6.25% general rate on the selling  
15 price of tangible personal property.

16 Subject to payment of amounts into the Build Illinois Fund  
17 and the McCormick Place Expansion Project Fund pursuant to the  
18 preceding paragraphs or in any amendments thereto hereafter  
19 enacted, beginning with the receipt of the first report of  
20 taxes paid by an eligible business and continuing for a 25-year  
21 period, the Department shall each month pay into the Energy  
22 Infrastructure Fund 80% of the net revenue realized from the  
23 6.25% general rate on the selling price of Illinois-mined coal  
24 that was sold to an eligible business. For purposes of this  
25 paragraph, the term "eligible business" means a new electric  
26 generating facility certified pursuant to Section 605-332 of

1 the Department of Commerce and Economic Opportunity Law of the  
2 Civil Administrative Code of Illinois.

3 Subject to payment of amounts into the Build Illinois Fund,  
4 the McCormick Place Expansion Project Fund, the Illinois Tax  
5 Increment Fund, and the Energy Infrastructure Fund pursuant to  
6 the preceding paragraphs or in any amendments to this Section  
7 hereafter enacted, beginning on the first day of the first  
8 calendar month to occur on or after August 26, 2014 (the  
9 effective date of Public Act 98-1098), each month, from the  
10 collections made under Section 9 of the Use Tax Act, Section 9  
11 of the Service Use Tax Act, Section 9 of the Service Occupation  
12 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
13 the Department shall pay into the Tax Compliance and  
14 Administration Fund, to be used, subject to appropriation, to  
15 fund additional auditors and compliance personnel at the  
16 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
17 the cash receipts collected during the preceding fiscal year by  
18 the Audit Bureau of the Department under the Use Tax Act, the  
19 Service Use Tax Act, the Service Occupation Tax Act, the  
20 Retailers' Occupation Tax Act, and associated local occupation  
21 and use taxes administered by the Department (except the amount  
22 collected on aviation fuel sold on or after December 1, 2019).

23 Subject to payments of amounts into the Build Illinois  
24 Fund, the McCormick Place Expansion Project Fund, the Illinois  
25 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
26 Compliance and Administration Fund as provided in this Section,

1 beginning on July 1, 2018 the Department shall pay each month  
2 into the Downstate Public Transportation Fund the moneys  
3 required to be so paid under Section 2-3 of the Downstate  
4 Public Transportation Act.

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

11 The Department may, upon separate written notice to a  
12 taxpayer, require the taxpayer to prepare and file with the  
13 Department on a form prescribed by the Department within not  
14 less than 60 days after receipt of the notice an annual  
15 information return for the tax year specified in the notice.  
16 Such annual return to the Department shall include a statement  
17 of gross receipts as shown by the retailer's last Federal  
18 income tax return. If the total receipts of the business as  
19 reported in the Federal income tax return do not agree with the  
20 gross receipts reported to the Department of Revenue for the  
21 same period, the retailer shall attach to his annual return a  
22 schedule showing a reconciliation of the 2 amounts and the  
23 reasons for the difference. The retailer's annual return to the  
24 Department shall also disclose the cost of goods sold by the  
25 retailer during the year covered by such return, opening and  
26 closing inventories of such goods for such year, costs of goods

1 used from stock or taken from stock and given away by the  
2 retailer during such year, payroll information of the  
3 retailer's business during such year and any additional  
4 reasonable information which the Department deems would be  
5 helpful in determining the accuracy of the monthly, quarterly  
6 or annual returns filed by such retailer as provided for in  
7 this Section.

8 If the annual information return required by this Section  
9 is not filed when and as required, the taxpayer shall be liable  
10 as follows:

11 (i) Until January 1, 1994, the taxpayer shall be liable  
12 for a penalty equal to 1/6 of 1% of the tax due from such  
13 taxpayer under this Act during the period to be covered by  
14 the annual return for each month or fraction of a month  
15 until such return is filed as required, the penalty to be  
16 assessed and collected in the same manner as any other  
17 penalty provided for in this Act.

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

21 The chief executive officer, proprietor, owner or highest  
22 ranking manager shall sign the annual return to certify the  
23 accuracy of the information contained therein. Any person who  
24 willfully signs the annual return containing false or  
25 inaccurate information shall be guilty of perjury and punished  
26 accordingly. The annual return form prescribed by the



1 Department shall include a warning that the person signing the  
2 return may be liable for perjury.

3 The provisions of this Section concerning the filing of an  
4 annual information return do not apply to a retailer who is not  
5 required to file an income tax return with the United States  
6 Government.

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

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

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

25 Any person who promotes, organizes, provides retail  
26 selling space for concessionaires or other types of sellers at

1 the Illinois State Fair, DuQuoin State Fair, county fairs,  
2 local fairs, art shows, flea markets and similar exhibitions or  
3 events, including any transient merchant as defined by Section  
4 2 of the Transient Merchant Act of 1987, is required to file a  
5 report with the Department providing the name of the merchant's  
6 business, the name of the person or persons engaged in  
7 merchant's business, the permanent address and Illinois  
8 Retailers Occupation Tax Registration Number of the merchant,  
9 the dates and location of the event and other reasonable  
10 information that the Department may require. The report must be  
11 filed not later than the 20th day of the month next following  
12 the month during which the event with retail sales was held.  
13 Any person who fails to file a report required by this Section  
14 commits a business offense and is subject to a fine not to  
15 exceed \$250.

16 Any person engaged in the business of selling tangible  
17 personal property at retail as a concessionaire or other type  
18 of seller at the Illinois State Fair, county fairs, art shows,  
19 flea markets and similar exhibitions or events, or any  
20 transient merchants, as defined by Section 2 of the Transient  
21 Merchant Act of 1987, may be required to make a daily report of  
22 the amount of such sales to the Department and to make a daily  
23 payment of the full amount of tax due. The Department shall  
24 impose this requirement when it finds that there is a  
25 significant risk of loss of revenue to the State at such an  
26 exhibition or event. Such a finding shall be based on evidence

1 that a substantial number of concessionaires or other sellers  
2 who are not residents of Illinois will be engaging in the  
3 business of selling tangible personal property at retail at the  
4 exhibition or event, or other evidence of a significant risk of  
5 loss of revenue to the State. The Department shall notify  
6 concessionaires and other sellers affected by the imposition of  
7 this requirement. In the absence of notification by the  
8 Department, the concessionaires and other sellers shall file  
9 their returns as otherwise required in this Section.

10 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
11 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.  
12 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

13 (35 ILCS 120/6) (from Ch. 120, par. 445)

14 Sec. 6. Credit memorandum or refund. If it appears, after  
15 claim therefor filed with the Department, that an amount of tax  
16 or penalty or interest has been paid which was not due under  
17 this Act, whether as the result of a mistake of fact or an  
18 error of law, except as hereinafter provided, then the  
19 Department shall issue a credit memorandum or refund to the  
20 person who made the erroneous payment or, if that person died  
21 or became a person under legal disability, to his or her legal  
22 representative, as such. For purposes of this Section, the tax  
23 is deemed to be erroneously paid by a retailer when the  
24 manufacturer of a motor vehicle sold by the retailer accepts  
25 the return of that automobile and refunds to the purchaser the

1 selling price of that vehicle as provided in the New Vehicle  
2 Buyer Protection Act. When a motor vehicle is returned for a  
3 refund of the purchase price under the New Vehicle Buyer  
4 Protection Act, the Department shall issue a credit memorandum  
5 or a refund for the amount of tax paid by the retailer under  
6 this Act attributable to the initial sale of that vehicle.  
7 Claims submitted by the retailer are subject to the same  
8 restrictions and procedures provided for in this Act. If it is  
9 determined that the Department should issue a credit memorandum  
10 or refund, the Department may first apply the amount thereof  
11 against any tax or penalty or interest due or to become due  
12 under this Act or under the Use Tax Act, the Service Occupation  
13 Tax Act, the Service Use Tax Act, any local occupation or use  
14 tax administered by the Department, Section 4 of the Water  
15 Commission Act of 1985, subsections (b), (c) and (d) of Section  
16 5.01 of the Local Mass Transit District Act, or subsections  
17 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
18 Authority Act, from the person who made the erroneous payment.  
19 If no tax or penalty or interest is due and no proceeding is  
20 pending to determine whether such person is indebted to the  
21 Department for tax or penalty or interest, the credit  
22 memorandum or refund shall be issued to the claimant; or (in  
23 the case of a credit memorandum) the credit memorandum may be  
24 assigned and set over by the lawful holder thereof, subject to  
25 reasonable rules of the Department, to any other person who is  
26 subject to this Act, the Use Tax Act, the Service Occupation

1 Tax Act, the Service Use Tax Act, any local occupation or use  
2 tax administered by the Department, Section 4 of the Water  
3 Commission Act of 1985, subsections (b), (c) and (d) of Section  
4 5.01 of the Local Mass Transit District Act, or subsections  
5 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
6 Authority Act, and the amount thereof applied by the Department  
7 against any tax or penalty or interest due or to become due  
8 under this Act or under the Use Tax Act, the Service Occupation  
9 Tax Act, the Service Use Tax Act, any local occupation or use  
10 tax administered by the Department, Section 4 of the Water  
11 Commission Act of 1985, subsections (b), (c) and (d) of Section  
12 5.01 of the Local Mass Transit District Act, or subsections  
13 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
14 Authority Act, from such assignee. However, as to any claim for  
15 credit or refund filed with the Department on and after each  
16 January 1 and July 1 no amount of tax or penalty or interest  
17 erroneously paid (either in total or partial liquidation of a  
18 tax or penalty or amount of interest under this Act) more than  
19 3 years prior to such January 1 and July 1, respectively, shall  
20 be credited or refunded, except that if both the Department and  
21 the taxpayer have agreed to an extension of time to issue a  
22 notice of tax liability as provided in Section 4 of this Act,  
23 such claim may be filed at any time prior to the expiration of  
24 the period agreed upon.

25 No claim may be allowed for any amount paid to the  
26 Department, whether paid voluntarily or involuntarily, if paid

1 in total or partial liquidation of an assessment which had  
2 become final before the claim for credit or refund to recover  
3 the amount so paid is filed with the Department, or if paid in  
4 total or partial liquidation of a judgment or order of court.  
5 No credit may be allowed or refund made for any amount paid by  
6 or collected from any claimant unless it appears (a) that the  
7 claimant bore the burden of such amount and has not been  
8 relieved thereof nor reimbursed therefor and has not shifted  
9 such burden directly or indirectly through inclusion of such  
10 amount in the price of the tangible personal property sold by  
11 him or her or in any manner whatsoever; and that no  
12 understanding or agreement, written or oral, exists whereby he  
13 or she or his or her legal representative may be relieved of  
14 the burden of such amount, be reimbursed therefor or may shift  
15 the burden thereof; or (b) that he or she or his or her legal  
16 representative has repaid unconditionally such amount to his or  
17 her vendee (1) who bore the burden thereof and has not shifted  
18 such burden directly or indirectly, in any manner whatsoever;  
19 (2) who, if he or she has shifted such burden, has repaid  
20 unconditionally such amount to his own vendee; and (3) who is  
21 not entitled to receive any reimbursement therefor from any  
22 other source than from his or her vendor, nor to be relieved of  
23 such burden in any manner whatsoever. No credit may be allowed  
24 or refund made for any amount paid by or collected from any  
25 claimant unless it appears that the claimant has  
26 unconditionally repaid, to the purchaser, any amount collected

1 from the purchaser and retained by the claimant with respect to  
2 the same transaction under the Use Tax Act.

3 Any credit or refund that is allowed under this Section  
4 shall bear interest at the rate and in the manner specified in  
5 the Uniform Penalty and Interest Act.

6 In case the Department determines that the claimant is  
7 entitled to a refund, such refund shall be made only from the  
8 Aviation Fuel Sales Tax Refund Fund or from such appropriation  
9 as may be available for that purpose, as appropriate. If it  
10 appears unlikely that the amount available ~~appropriated~~ would  
11 permit everyone having a claim allowed during the period  
12 covered by such appropriation or from the Aviation Fuel Sales  
13 Tax Refund Fund, as appropriate, to elect to receive a cash  
14 refund, the Department, by rule or regulation, shall provide  
15 for the payment of refunds in hardship cases and shall define  
16 what types of cases qualify as hardship cases.

17 If a retailer who has failed to pay retailers' occupation  
18 tax on gross receipts from retail sales is required by the  
19 Department to pay such tax, such retailer, without filing any  
20 formal claim with the Department, shall be allowed to take  
21 credit against such retailers' occupation tax liability to the  
22 extent, if any, to which such retailer has paid an amount  
23 equivalent to retailers' occupation tax or has paid use tax in  
24 error to his or her vendor or vendors of the same tangible  
25 personal property which such retailer bought for resale and did  
26 not first use before selling it, and no penalty or interest

1 shall be charged to such retailer on the amount of such credit.  
2 However, when such credit is allowed to the retailer by the  
3 Department, the vendor is precluded from refunding any of that  
4 tax to the retailer and filing a claim for credit or refund  
5 with respect thereto with the Department. The provisions of  
6 this amendatory Act shall be applied retroactively, regardless  
7 of the date of the transaction.

8 (Source: P.A. 91-901, eff. 1-1-01.)

9 (35 ILCS 120/11) (from Ch. 120, par. 450)

10 Sec. 11. All information received by the Department from  
11 returns filed under this Act, or from any investigation  
12 conducted under this Act, shall be confidential, except for  
13 official purposes, and any person who divulges any such  
14 information in any manner, except in accordance with a proper  
15 judicial order or as otherwise provided by law, shall be guilty  
16 of a Class B misdemeanor with a fine not to exceed \$7,500.

17 Nothing in this Act prevents the Director of Revenue from  
18 publishing or making available to the public the names and  
19 addresses of persons filing returns under this Act, or  
20 reasonable statistics concerning the operation of the tax by  
21 grouping the contents of returns so the information in any  
22 individual return is not disclosed.

23 Nothing in this Act prevents the Director of Revenue from  
24 divulging to the United States Government or the government of  
25 any other state, or any officer or agency thereof, for



1 exclusively official purposes, information received by the  
2 Department in administering this Act, provided that such other  
3 governmental agency agrees to divulge requested tax  
4 information to the Department.

5 The Department's furnishing of information derived from a  
6 taxpayer's return or from an investigation conducted under this  
7 Act to the surety on a taxpayer's bond that has been furnished  
8 to the Department under this Act, either to provide notice to  
9 such surety of its potential liability under the bond or, in  
10 order to support the Department's demand for payment from such  
11 surety under the bond, is an official purpose within the  
12 meaning of this Section.

13 The furnishing upon request of information obtained by the  
14 Department from returns filed under this Act or investigations  
15 conducted under this Act to the Illinois Liquor Control  
16 Commission for official use is deemed to be an official purpose  
17 within the meaning of this Section.

18 Notice to a surety of potential liability shall not be  
19 given unless the taxpayer has first been notified, not less  
20 than 10 days prior thereto, of the Department's intent to so  
21 notify the surety.

22 The furnishing upon request of the Auditor General, or his  
23 authorized agents, for official use, of returns filed and  
24 information related thereto under this Act is deemed to be an  
25 official purpose within the meaning of this Section.

26 Where an appeal or a protest has been filed on behalf of a

1 taxpayer, the furnishing upon request of the attorney for the  
2 taxpayer of returns filed by the taxpayer and information  
3 related thereto under this Act is deemed to be an official  
4 purpose within the meaning of this Section.

5 The furnishing of financial information to a municipality  
6 or county, upon request of the chief executive officer thereof,  
7 is an official purpose within the meaning of this Section,  
8 provided the municipality or county agrees in writing to the  
9 requirements of this Section. Information provided to  
10 municipalities and counties under this paragraph shall be  
11 limited to: (1) the business name; (2) the business address;  
12 (3) the standard classification number assigned to the  
13 business; (4) net revenue distributed to the requesting  
14 municipality or county that is directly related to the  
15 requesting municipality's or county's local share of the  
16 proceeds under the Use Tax Act, the Service Use Tax Act, the  
17 Service Occupation Tax Act, and the Retailers' Occupation Tax  
18 Act distributed from the Local Government Tax Fund, and, if  
19 applicable, any locally imposed retailers' occupation tax or  
20 service occupation tax; and (5) a listing of all businesses  
21 within the requesting municipality or county by account  
22 identification number and address. On and after July 1, 2015,  
23 the furnishing of financial information to municipalities and  
24 counties under this paragraph may be by electronic means.

25 Information so provided shall be subject to all  
26 confidentiality provisions of this Section. The written

1 agreement shall provide for reciprocity, limitations on  
2 access, disclosure, and procedures for requesting information.

3 The Department may make available to the Board of Trustees  
4 of any Metro East Mass Transit District information contained  
5 on transaction reporting returns required to be filed under  
6 Section 3 of this Act that report sales made within the  
7 boundary of the taxing authority of that Metro East Mass  
8 Transit District, as provided in Section 5.01 of the Local Mass  
9 Transit District Act. The disclosure shall be made pursuant to  
10 a written agreement between the Department and the Board of  
11 Trustees of a Metro East Mass Transit District, which is an  
12 official purpose within the meaning of this Section. The  
13 written agreement between the Department and the Board of  
14 Trustees of a Metro East Mass Transit District shall provide  
15 for reciprocity, limitations on access, disclosure, and  
16 procedures for requesting information. Information so provided  
17 shall be subject to all confidentiality provisions of this  
18 Section.

19 The Director may make available to any State agency,  
20 including the Illinois Supreme Court, which licenses persons to  
21 engage in any occupation, information that a person licensed by  
22 such agency has failed to file returns under this Act or pay  
23 the tax, penalty and interest shown therein, or has failed to  
24 pay any final assessment of tax, penalty or interest due under  
25 this Act. The Director may make available to any State agency,  
26 including the Illinois Supreme Court, information regarding

1 whether a bidder, contractor, or an affiliate of a bidder or  
2 contractor has failed to collect and remit Illinois Use tax on  
3 sales into Illinois, or any tax under this Act or pay the tax,  
4 penalty, and interest shown therein, or has failed to pay any  
5 final assessment of tax, penalty, or interest due under this  
6 Act, for the limited purpose of enforcing bidder and contractor  
7 certifications. The Director may make available to units of  
8 local government and school districts that require bidder and  
9 contractor certifications, as set forth in Sections 50-11 and  
10 50-12 of the Illinois Procurement Code, information regarding  
11 whether a bidder, contractor, or an affiliate of a bidder or  
12 contractor has failed to collect and remit Illinois Use tax on  
13 sales into Illinois, file returns under this Act, or pay the  
14 tax, penalty, and interest shown therein, or has failed to pay  
15 any final assessment of tax, penalty, or interest due under  
16 this Act, for the limited purpose of enforcing bidder and  
17 contractor certifications. For purposes of this Section, the  
18 term "affiliate" means any entity that (1) directly,  
19 indirectly, or constructively controls another entity, (2) is  
20 directly, indirectly, or constructively controlled by another  
21 entity, or (3) is subject to the control of a common entity.  
22 For purposes of this Section, an entity controls another entity  
23 if it owns, directly or individually, more than 10% of the  
24 voting securities of that entity. As used in this Section, the  
25 term "voting security" means a security that (1) confers upon  
26 the holder the right to vote for the election of members of the

1 board of directors or similar governing body of the business or  
2 (2) is convertible into, or entitles the holder to receive upon  
3 its exercise, a security that confers such a right to vote. A  
4 general partnership interest is a voting security.

5 The Director may make available to any State agency,  
6 including the Illinois Supreme Court, units of local  
7 government, and school districts, information regarding  
8 whether a bidder or contractor is an affiliate of a person who  
9 is not collecting and remitting Illinois Use taxes for the  
10 limited purpose of enforcing bidder and contractor  
11 certifications.

12 The Director may also make available to the Secretary of  
13 State information that a limited liability company, which has  
14 filed articles of organization with the Secretary of State, or  
15 corporation which has been issued a certificate of  
16 incorporation by the Secretary of State has failed to file  
17 returns under this Act or pay the tax, penalty and interest  
18 shown therein, or has failed to pay any final assessment of  
19 tax, penalty or interest due under this Act. An assessment is  
20 final when all proceedings in court for review of such  
21 assessment have terminated or the time for the taking thereof  
22 has expired without such proceedings being instituted.

23 The Director shall make available for public inspection in  
24 the Department's principal office and for publication, at cost,  
25 administrative decisions issued on or after January 1, 1995.  
26 These decisions are to be made available in a manner so that

1 the following taxpayer information is not disclosed:

2 (1) The names, addresses, and identification numbers  
3 of the taxpayer, related entities, and employees.

4 (2) At the sole discretion of the Director, trade  
5 secrets or other confidential information identified as  
6 such by the taxpayer, no later than 30 days after receipt  
7 of an administrative decision, by such means as the  
8 Department shall provide by rule.

9 The Director shall determine the appropriate extent of the  
10 deletions allowed in paragraph (2). In the event the taxpayer  
11 does not submit deletions, the Director shall make only the  
12 deletions specified in paragraph (1).

13 The Director shall make available for public inspection and  
14 publication an administrative decision within 180 days after  
15 the issuance of the administrative decision. The term  
16 "administrative decision" has the same meaning as defined in  
17 Section 3-101 of Article III of the Code of Civil Procedure.  
18 Costs collected under this Section shall be paid into the Tax  
19 Compliance and Administration Fund.

20 Nothing contained in this Act shall prevent the Director  
21 from divulging information to any person pursuant to a request  
22 or authorization made by the taxpayer or by an authorized  
23 representative of the taxpayer.

24 The furnishing of information obtained by the Department  
25 from returns filed under this amendatory Act of the 101st  
26 General Assembly to the Department of Transportation for

1 purposes of compliance with this amendatory Act of the 101st  
2 General Assembly regarding aviation fuel is deemed to be an  
3 official purpose within the meaning of this Section.

4 (Source: P.A. 98-1058, eff. 1-1-15; 99-517, eff. 6-30-16.)

5 Section 30. The Motor Fuel Tax Law is amended by changing  
6 Sections 2, 2b, and 8a as follows:

7 (35 ILCS 505/2) (from Ch. 120, par. 418)

8 Sec. 2. A tax is imposed on the privilege of operating  
9 motor vehicles upon the public highways and recreational-type  
10 watercraft upon the waters of this State.

11 (a) Prior to August 1, 1989, the tax is imposed at the rate  
12 of 13 cents per gallon on all motor fuel used in motor vehicles  
13 operating on the public highways and recreational type  
14 watercraft operating upon the waters of this State. Beginning  
15 on August 1, 1989 and until January 1, 1990, the rate of the  
16 tax imposed in this paragraph shall be 16 cents per gallon.  
17 Beginning January 1, 1990, the rate of tax imposed in this  
18 paragraph, including the tax on compressed natural gas, shall  
19 be 19 cents per gallon.

20 (b) The tax on the privilege of operating motor vehicles  
21 which use diesel fuel, liquefied natural gas, or propane shall  
22 be the rate according to paragraph (a) plus an additional 2 1/2  
23 cents per gallon. "Diesel fuel" is defined as any product  
24 intended for use or offered for sale as a fuel for engines in

1 which the fuel is injected into the combustion chamber and  
2 ignited by pressure without electric spark.

3 (c) A tax is imposed upon the privilege of engaging in the  
4 business of selling motor fuel as a retailer or reseller on all  
5 motor fuel used in motor vehicles operating on the public  
6 highways and recreational type watercraft operating upon the  
7 waters of this State: (1) at the rate of 3 cents per gallon on  
8 motor fuel owned or possessed by such retailer or reseller at  
9 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per  
10 gallon on motor fuel owned or possessed by such retailer or  
11 reseller at 12:01 A.M. on January 1, 1990.

12 Retailers and resellers who are subject to this additional  
13 tax shall be required to inventory such motor fuel and pay this  
14 additional tax in a manner prescribed by the Department of  
15 Revenue.

16 The tax imposed in this paragraph (c) shall be in addition  
17 to all other taxes imposed by the State of Illinois or any unit  
18 of local government in this State.

19 (d) Except as provided in Section 2a, the collection of a  
20 tax based on gallonage of gasoline used for the propulsion of  
21 any aircraft is prohibited on and after October 1, 1979, and  
22 the collection of a tax based on gallonage of special fuel used  
23 for the propulsion of any aircraft is prohibited on and after  
24 December 1, 2019.

25 (e) The collection of a tax, based on gallonage of all  
26 products commonly or commercially known or sold as 1-K



1 kerosene, regardless of its classification or uses, is  
2 prohibited (i) on and after July 1, 1992 until December 31,  
3 1999, except when the 1-K kerosene is either: (1) delivered  
4 into bulk storage facilities of a bulk user, or (2) delivered  
5 directly into the fuel supply tanks of motor vehicles and (ii)  
6 on and after January 1, 2000. Beginning on January 1, 2000, the  
7 collection of a tax, based on gallonage of all products  
8 commonly or commercially known or sold as 1-K kerosene,  
9 regardless of its classification or uses, is prohibited except  
10 when the 1-K kerosene is delivered directly into a storage tank  
11 that is located at a facility that has withdrawal facilities  
12 that are readily accessible to and are capable of dispensing  
13 1-K kerosene into the fuel supply tanks of motor vehicles. For  
14 purposes of this subsection (e), a facility is considered to  
15 have withdrawal facilities that are not "readily accessible to  
16 and capable of dispensing 1-K kerosene into the fuel supply  
17 tanks of motor vehicles" only if the 1-K kerosene is delivered  
18 from: (i) a dispenser hose that is short enough so that it will  
19 not reach the fuel supply tank of a motor vehicle or (ii) a  
20 dispenser that is enclosed by a fence or other physical barrier  
21 so that a vehicle cannot pull alongside the dispenser to permit  
22 fueling.

23 Any person who sells or uses 1-K kerosene for use in motor  
24 vehicles upon which the tax imposed by this Law has not been  
25 paid shall be liable for any tax due on the sales or use of 1-K  
26 kerosene.

1 (Source: P.A. 100-9, eff. 7-1-17.)

2 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

3 Sec. 2b. Receiver's monthly return. In addition to the tax  
4 collection and reporting responsibilities imposed elsewhere in  
5 this Act, a person who is required to pay the tax imposed by  
6 Section 2a of this Act shall pay the tax to the Department by  
7 return showing all fuel purchased, acquired or received and  
8 sold, distributed or used during the preceding calendar month  
9 including losses of fuel as the result of evaporation or  
10 shrinkage due to temperature variations, and such other  
11 reasonable information as the Department may require. Losses of  
12 fuel as the result of evaporation or shrinkage due to  
13 temperature variations may not exceed 1% of the total gallons  
14 in storage at the beginning of the month, plus the receipts of  
15 gallonage during the month, minus the gallonage remaining in  
16 storage at the end of the month. Any loss reported that is in  
17 excess of this amount shall be subject to the tax imposed by  
18 Section 2a of this Law. On and after July 1, 2001, for each  
19 6-month period January through June, net losses of fuel (for  
20 each category of fuel that is required to be reported on a  
21 return) as the result of evaporation or shrinkage due to  
22 temperature variations may not exceed 1% of the total gallons  
23 in storage at the beginning of each January, plus the receipts  
24 of gallonage each January through June, minus the gallonage  
25 remaining in storage at the end of each June. On and after July

1 1, 2001, for each 6-month period July through December, net  
2 losses of fuel (for each category of fuel that is required to  
3 be reported on a return) as the result of evaporation or  
4 shrinkage due to temperature variations may not exceed 1% of  
5 the total gallons in storage at the beginning of each July,  
6 plus the receipts of gallonage each July through December,  
7 minus the gallonage remaining in storage at the end of each  
8 December. Any net loss reported that is in excess of this  
9 amount shall be subject to the tax imposed by Section 2a of  
10 this Law. For purposes of this Section, "net loss" means the  
11 number of gallons gained through temperature variations minus  
12 the number of gallons lost through temperature variations or  
13 evaporation for each of the respective 6-month periods.

14 The return shall be prescribed by the Department and shall  
15 be filed between the 1st and 20th days of each calendar month.  
16 The Department may, in its discretion, combine the returns  
17 filed under this Section, Section 5, and Section 5a of this  
18 Act. The return must be accompanied by appropriate  
19 computer-generated magnetic media supporting schedule data in  
20 the format required by the Department, unless, as provided by  
21 rule, the Department grants an exception upon petition of a  
22 taxpayer. If the return is filed timely, the seller shall take  
23 a discount of 2% through June 30, 2003 and 1.75% thereafter  
24 which is allowed to reimburse the seller for the expenses  
25 incurred in keeping records, preparing and filing returns,  
26 collecting and remitting the tax and supplying data to the

1 Department on request. The discount, however, shall be  
2 applicable only to the amount of payment which accompanies a  
3 return that is filed timely in accordance with this Section.The  
4 discount under this Section is not allowed for taxes paid on  
5 aviation fuel that are deposited into the State Aviation  
6 Program Fund under this Act.

7 Beginning on January 1, 2020, each person who is required  
8 to pay the tax imposed under Section 2a of this Act on aviation  
9 fuel sold or used in this State during the preceding calendar  
10 month shall, instead of reporting and paying tax on aviation  
11 fuel as otherwise required by this Section, report and pay such  
12 tax on a separate aviation fuel tax return, on or before the  
13 twentieth day of each calendar month. The requirements related  
14 to the return shall be as otherwise provided in this Section.  
15 Notwithstanding any other provisions of this Act to the  
16 contrary, a person required to pay the tax imposed by Section  
17 2a of this Act on aviation fuel shall file all aviation fuel  
18 tax returns and shall make all aviation fuel tax payments by  
19 electronic means in the manner and form required by the  
20 Department. For purposes of this paragraph, "aviation fuel"  
21 means a product that is intended for use or offered for sale as  
22 fuel for an aircraft.

23 If any payment provided for in this Section exceeds the  
24 receiver's liabilities under this Act, as shown on an original  
25 return, the Department may authorize the receiver to credit  
26 such excess payment against liability subsequently to be

1 remitted to the Department under this Act, in accordance with  
2 reasonable rules adopted by the Department. If the Department  
3 subsequently determines that all or any part of the credit  
4 taken was not actually due to the receiver, the receiver's  
5 discount shall be reduced by an amount equal to the difference  
6 between the discount as applied to the credit taken and that  
7 actually due, and that receiver shall be liable for penalties  
8 and interest on such difference.

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

10 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

11 Sec. 8a. All money received by the Department under Section  
12 2a of this Act, except money received from taxes on aviation  
13 fuel sold or used on or after December 1, 2019, shall be  
14 deposited in the Underground Storage Tank Fund created by  
15 Section 57.11 of the Environmental Protection Act, as now or  
16 hereafter amended. All money received by the Department under  
17 Section 2a of this Act for aviation fuel sold or used on or  
18 after December 1, 2019, shall be deposited into the State  
19 Aviation Program Fund. This exception for aviation fuel only  
20 applies for so long as the revenue use requirements of 49  
21 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.  
22 For purposes of this section, "aviation fuel" means a product  
23 that is intended for use or offered for sale as fuel for an  
24 aircraft.

25 (Source: P.A. 88-496.)

1 Section 35. The Innovation Development and Economy Act is  
2 amended by changing Sections 10 and 31 as follows:

3 (50 ILCS 470/10)

4 Sec. 10. Definitions. As used in this Act, the following  
5 words and phrases shall have the following meanings unless a  
6 different meaning clearly appears from the context:

7 "Base year" means the calendar year immediately prior to  
8 the calendar year in which the STAR bond district is  
9 established.

10 "Commence work" means the manifest commencement of actual  
11 operations on the development site, such as, erecting a  
12 building, general on-site and off-site grading and utility  
13 installations, commencing design and construction  
14 documentation, ordering lead-time materials, excavating the  
15 ground to lay a foundation or a basement, or work of like  
16 description which a reasonable person would recognize as being  
17 done with the intention and purpose to continue work until the  
18 project is completed.

19 "County" means the county in which a proposed STAR bond  
20 district is located.

21 "De minimis" means an amount less than 15% of the land area  
22 within a STAR bond district.

23 "Department of Revenue" means the Department of Revenue of  
24 the State of Illinois.

1 "Destination user" means an owner, operator, licensee,  
2 co-developer, subdeveloper, or tenant (i) that operates a  
3 business within a STAR bond district that is a retail store  
4 having at least 150,000 square feet of sales floor area; (ii)  
5 that at the time of opening does not have another Illinois  
6 location within a 70 mile radius; (iii) that has an annual  
7 average of not less than 30% of customers who travel from at  
8 least 75 miles away or from out-of-state, as demonstrated by  
9 data from a comparable existing store or stores, or, if there  
10 is no comparable existing store, as demonstrated by an economic  
11 analysis that shows that the proposed retailer will have an  
12 annual average of not less than 30% of customers who travel  
13 from at least 75 miles away or from out-of-state; and (iv) that  
14 makes an initial capital investment, including project costs  
15 and other direct costs, of not less than \$30,000,000 for such  
16 retail store.

17 "Destination hotel" means a hotel (as that term is defined  
18 in Section 2 of the Hotel Operators' Occupation Tax Act)  
19 complex having at least 150 guest rooms and which also includes  
20 a venue for entertainment attractions, rides, or other  
21 activities oriented toward the entertainment and amusement of  
22 its guests and other patrons.

23 "Developer" means any individual, corporation, trust,  
24 estate, partnership, limited liability partnership, limited  
25 liability company, or other entity. The term does not include a  
26 not-for-profit entity, political subdivision, or other agency

1 or instrumentality of the State.

2 "Director" means the Director of Revenue, who shall consult  
3 with the Director of Commerce and Economic Opportunity in any  
4 approvals or decisions required by the Director under this Act.

5 "Economic impact study" means a study conducted by an  
6 independent economist to project the financial benefit of the  
7 proposed STAR bond project to the local, regional, and State  
8 economies, consider the proposed adverse impacts on similar  
9 projects and businesses, as well as municipalities within the  
10 projected market area, and draw conclusions about the net  
11 effect of the proposed STAR bond project on the local,  
12 regional, and State economies. A copy of the economic impact  
13 study shall be provided to the Director for review.

14 "Eligible area" means any improved or vacant area that (i)  
15 is contiguous and is not, in the aggregate, less than 250 acres  
16 nor more than 500 acres which must include only parcels of real  
17 property directly and substantially benefited by the proposed  
18 STAR bond district plan, (ii) is adjacent to a federal  
19 interstate highway, (iii) is within one mile of 2 State  
20 highways, (iv) is within one mile of an entertainment user, or  
21 a major or minor league sports stadium or other similar  
22 entertainment venue that had an initial capital investment of  
23 at least \$20,000,000, and (v) includes land that was previously  
24 surface or strip mined. The area may be bisected by streets,  
25 highways, roads, alleys, railways, bike paths, streams,  
26 rivers, and other waterways and still be deemed contiguous. In



1 addition, in order to constitute an eligible area one of the  
2 following requirements must be satisfied and all of which are  
3 subject to the review and approval of the Director as provided  
4 in subsection (d) of Section 15:

5 (a) the governing body of the political subdivision  
6 shall have determined that the area meets the requirements  
7 of a "blighted area" as defined under the Tax Increment  
8 Allocation Redevelopment Act; or

9 (b) the governing body of the political subdivision  
10 shall have determined that the area is a blighted area as  
11 determined under the provisions of Section 11-74.3-5 of the  
12 Illinois Municipal Code; or

13 (c) the governing body of the political subdivision  
14 shall make the following findings:

15 (i) that the vacant portions of the area have  
16 remained vacant for at least one year, or that any  
17 building located on a vacant portion of the property  
18 was demolished within the last year and that the  
19 building would have qualified under item (ii) of this  
20 subsection;

21 (ii) if portions of the area are currently  
22 developed, that the use, condition, and character of  
23 the buildings on the property are not consistent with  
24 the purposes set forth in Section 5;

25 (iii) that the STAR bond district is expected to  
26 create or retain job opportunities within the

1 political subdivision;

2 (iv) that the STAR bond district will serve to  
3 further the development of adjacent areas;

4 (v) that without the availability of STAR bonds,  
5 the projects described in the STAR bond district plan  
6 would not be possible;

7 (vi) that the master developer meets high  
8 standards of creditworthiness and financial strength  
9 as demonstrated by one or more of the following: (i)  
10 corporate debenture ratings of BBB or higher by  
11 Standard & Poor's Corporation or Baa or higher by  
12 Moody's Investors Service, Inc.; (ii) a letter from a  
13 financial institution with assets of \$10,000,000 or  
14 more attesting to the financial strength of the master  
15 developer; or (iii) specific evidence of equity  
16 financing for not less than 10% of the estimated total  
17 STAR bond project costs;

18 (vii) that the STAR bond district will strengthen  
19 the commercial sector of the political subdivision;

20 (viii) that the STAR bond district will enhance the  
21 tax base of the political subdivision; and

22 (ix) that the formation of a STAR bond district is  
23 in the best interest of the political subdivision.

24 "Entertainment user" means an owner, operator, licensee,  
25 co-developer, subdeveloper, or tenant that operates a business  
26 within a STAR bond district that has a primary use of providing

1 a venue for entertainment attractions, rides, or other  
2 activities oriented toward the entertainment and amusement of  
3 its patrons, occupies at least 20 acres of land in the STAR  
4 bond district, and makes an initial capital investment,  
5 including project costs and other direct and indirect costs, of  
6 not less than \$25,000,000 for that venue.

7 "Feasibility study" means a feasibility study as defined in  
8 subsection (b) of Section 20.

9 "Infrastructure" means the public improvements and private  
10 improvements that serve the public purposes set forth in  
11 Section 5 of this Act and that benefit the STAR bond district  
12 or any STAR bond projects, including, but not limited to,  
13 streets, drives and driveways, traffic and directional signs  
14 and signals, parking lots and parking facilities,  
15 interchanges, highways, sidewalks, bridges, underpasses and  
16 overpasses, bike and walking trails, sanitary storm sewers and  
17 lift stations, drainage conduits, channels, levees, canals,  
18 storm water detention and retention facilities, utilities and  
19 utility connections, water mains and extensions, and street and  
20 parking lot lighting and connections.

21 "Local sales taxes" means any locally imposed taxes  
22 received by a municipality, county, or other local governmental  
23 entity arising from sales by retailers and servicemen within a  
24 STAR bond district, including business district sales taxes and  
25 STAR bond occupation taxes, and that portion of the net revenue  
26 realized under the Retailers' Occupation Tax Act, the Use Tax

1 Act, the Service Use Tax Act, and the Service Occupation Tax  
2 Act from transactions at places of business located within a  
3 STAR bond district that is deposited into the Local Government  
4 Tax Fund and the County and Mass Transit District Fund. For the  
5 purpose of this Act, "local sales taxes" does not include (i)  
6 any taxes authorized pursuant to the Local Mass Transit  
7 District Act or the Metro-East Park and Recreation District Act  
8 for so long as the applicable taxing district does not impose a  
9 tax on real property, (ii) county school facility occupation  
10 taxes imposed pursuant to Section 5-1006.7 of the Counties  
11 Code, or (iii) any taxes authorized under the Flood Prevention  
12 District Act.

13 "Local sales tax increment" means, except as otherwise  
14 provided in this Section, with respect to local sales taxes  
15 administered by the Illinois Department of Revenue, (i) all of  
16 the local sales tax paid by destination users, destination  
17 hotels, and entertainment users that is in excess of the local  
18 sales tax paid by destination users, destination hotels, and  
19 entertainment users for the same month in the base year, as  
20 determined by the Illinois Department of Revenue, (ii) in the  
21 case of a municipality forming a STAR bond district that is  
22 wholly within the corporate boundaries of the municipality and  
23 in the case of a municipality and county forming a STAR bond  
24 district that is only partially within such municipality, that  
25 portion of the local sales tax paid by taxpayers that are not  
26 destination users, destination hotels, or entertainment users

1 that is in excess of the local sales tax paid by taxpayers that  
2 are not destination users, destination hotels, or  
3 entertainment users for the same month in the base year, as  
4 determined by the Illinois Department of Revenue, and (iii) in  
5 the case of a county in which a STAR bond district is formed  
6 that is wholly within a municipality, that portion of the local  
7 sales tax paid by taxpayers that are not destination users,  
8 destination hotels, or entertainment users that is in excess of  
9 the local sales tax paid by taxpayers that are not destination  
10 users, destination hotels, or entertainment users for the same  
11 month in the base year, as determined by the Illinois  
12 Department of Revenue, but only if the corporate authorities of  
13 the county adopts an ordinance, and files a copy with the  
14 Department within the same time frames as required for STAR  
15 bond occupation taxes under Section 31, that designates the  
16 taxes referenced in this clause (iii) as part of the local  
17 sales tax increment under this Act. "Local sales tax increment"  
18 means, with respect to local sales taxes administered by a  
19 municipality, county, or other unit of local government, that  
20 portion of the local sales tax that is in excess of the local  
21 sales tax for the same month in the base year, as determined by  
22 the respective municipality, county, or other unit of local  
23 government. If any portion of local sales taxes are, at the  
24 time of formation of a STAR bond district, already subject to  
25 tax increment financing under the Tax Increment Allocation  
26 Redevelopment Act, then the local sales tax increment for such

1 portion shall be frozen at the base year established in  
2 accordance with this Act, and all future incremental increases  
3 shall be included in the "local sales tax increment" under this  
4 Act. Any party otherwise entitled to receipt of incremental  
5 local sales tax revenues through an existing tax increment  
6 financing district shall be entitled to continue to receive  
7 such revenues up to the amount frozen in the base year. Nothing  
8 in this Act shall affect the prior qualification of existing  
9 redevelopment project costs incurred that are eligible for  
10 reimbursement under the Tax Increment Allocation Redevelopment  
11 Act. In such event, prior to approving a STAR bond district,  
12 the political subdivision forming the STAR bond district shall  
13 take such action as is necessary, including amending the  
14 existing tax increment financing district redevelopment plan,  
15 to carry out the provisions of this Act. The Illinois  
16 Department of Revenue shall allocate the local sales tax  
17 increment only if the local sales tax is administered by the  
18 Department. "Local sales tax increment" does not include taxes  
19 and penalties collected on aviation fuel, as defined in Section  
20 3 of the Retailers' Occupation Tax, sold on or after December  
21 1, 2019.

22 "Market study" means a study to determine the ability of  
23 the proposed STAR bond project to gain market share locally and  
24 regionally and to remain profitable past the term of repayment  
25 of STAR bonds.

26 "Master developer" means a developer cooperating with a

1 political subdivision to plan, develop, and implement a STAR  
2 bond project plan for a STAR bond district. Subject to the  
3 limitations of Section 25, the master developer may work with  
4 and transfer certain development rights to other developers for  
5 the purpose of implementing STAR bond project plans and  
6 achieving the purposes of this Act. A master developer for a  
7 STAR bond district shall be appointed by a political  
8 subdivision in the resolution establishing the STAR bond  
9 district, and the master developer must, at the time of  
10 appointment, own or have control of, through purchase  
11 agreements, option contracts, or other means, not less than 50%  
12 of the acreage within the STAR bond district and the master  
13 developer or its affiliate must have ownership or control on  
14 June 1, 2010.

15 "Master development agreement" means an agreement between  
16 the master developer and the political subdivision to govern a  
17 STAR bond district and any STAR bond projects.

18 "Municipality" means the city, village, or incorporated  
19 town in which a proposed STAR bond district is located.

20 "Pledged STAR revenues" means those sales tax and revenues  
21 and other sources of funds pledged to pay debt service on STAR  
22 bonds or to pay project costs pursuant to Section 30.  
23 Notwithstanding any provision to the contrary, the following  
24 revenues shall not constitute pledged STAR revenues or be  
25 available to pay principal and interest on STAR bonds: any  
26 State sales tax increment or local sales tax increment from a

1 retail entity initiating operations in a STAR bond district  
2 while terminating operations at another Illinois location  
3 within 25 miles of the STAR bond district. For purposes of this  
4 paragraph, "terminating operations" means a closing of a retail  
5 operation that is directly related to the opening of the same  
6 operation or like retail entity owned or operated by more than  
7 50% of the original ownership in a STAR bond district within  
8 one year before or after initiating operations in the STAR bond  
9 district, but it does not mean closing an operation for reasons  
10 beyond the control of the retail entity, as documented by the  
11 retail entity, subject to a reasonable finding by the  
12 municipality (or county if such retail operation is not located  
13 within a municipality) in which the terminated operations were  
14 located that the closed location contained inadequate space,  
15 had become economically obsolete, or was no longer a viable  
16 location for the retailer or serviceman.

17 "Political subdivision" means a municipality or county  
18 which undertakes to establish a STAR bond district pursuant to  
19 the provisions of this Act.

20 "Project costs" means and includes the sum total of all  
21 costs incurred or estimated to be incurred on or following the  
22 date of establishment of a STAR bond district that are  
23 reasonable or necessary to implement a STAR bond district plan  
24 or any STAR bond project plans, or both, including costs  
25 incurred for public improvements and private improvements that  
26 serve the public purposes set forth in Section 5 of this Act.



1 Such costs include without limitation the following:

2 (a) costs of studies, surveys, development of plans and  
3 specifications, formation, implementation, and  
4 administration of a STAR bond district, STAR bond district  
5 plan, any STAR bond projects, or any STAR bond project  
6 plans, including, but not limited to, staff and  
7 professional service costs for architectural, engineering,  
8 legal, financial, planning, or other services, provided  
9 however that no charges for professional services may be  
10 based on a percentage of the tax increment collected and no  
11 contracts for professional services, excluding  
12 architectural and engineering services, may be entered  
13 into if the terms of the contract extend beyond a period of  
14 3 years;

15 (b) property assembly costs, including, but not  
16 limited to, acquisition of land and other real property or  
17 rights or interests therein, located within the boundaries  
18 of a STAR bond district, demolition of buildings, site  
19 preparation, site improvements that serve as an engineered  
20 barrier addressing ground level or below ground  
21 environmental contamination, including, but not limited  
22 to, parking lots and other concrete or asphalt barriers,  
23 the clearing and grading of land, and importing additional  
24 soil and fill materials, or removal of soil and fill  
25 materials from the site;

26 (c) subject to paragraph (d), costs of buildings and

1 other vertical improvements that are located within the  
2 boundaries of a STAR bond district and owned by a political  
3 subdivision or other public entity, including without  
4 limitation police and fire stations, educational  
5 facilities, and public restrooms and rest areas;

6 (c-1) costs of buildings and other vertical  
7 improvements that are located within the boundaries of a  
8 STAR bond district and owned by a destination user or  
9 destination hotel; except that only 2 destination users in  
10 a STAR bond district and one destination hotel are eligible  
11 to include the cost of those vertical improvements as  
12 project costs;

13 (c-5) costs of buildings; rides and attractions, which  
14 include carousels, slides, roller coasters, displays,  
15 models, towers, works of art, and similar theme and  
16 amusement park improvements; and other vertical  
17 improvements that are located within the boundaries of a  
18 STAR bond district and owned by an entertainment user;  
19 except that only one entertainment user in a STAR bond  
20 district is eligible to include the cost of those vertical  
21 improvements as project costs;

22 (d) costs of the design and construction of  
23 infrastructure and public works located within the  
24 boundaries of a STAR bond district that are reasonable or  
25 necessary to implement a STAR bond district plan or any  
26 STAR bond project plans, or both, except that project costs

1 shall not include the cost of constructing a new municipal  
2 public building principally used to provide offices,  
3 storage space, or conference facilities or vehicle  
4 storage, maintenance, or repair for administrative, public  
5 safety, or public works personnel and that is not intended  
6 to replace an existing public building unless the political  
7 subdivision makes a reasonable determination in a STAR bond  
8 district plan or any STAR bond project plans, supported by  
9 information that provides the basis for that  
10 determination, that the new municipal building is required  
11 to meet an increase in the need for public safety purposes  
12 anticipated to result from the implementation of the STAR  
13 bond district plan or any STAR bond project plans;

14 (e) costs of the design and construction of the  
15 following improvements located outside the boundaries of a  
16 STAR bond district, provided that the costs are essential  
17 to further the purpose and development of a STAR bond  
18 district plan and either (i) part of and connected to  
19 sewer, water, or utility service lines that physically  
20 connect to the STAR bond district or (ii) significant  
21 improvements for adjacent offsite highways, streets,  
22 roadways, and interchanges that are approved by the  
23 Illinois Department of Transportation. No other cost of  
24 infrastructure and public works improvements located  
25 outside the boundaries of a STAR bond district may be  
26 deemed project costs;

1           (f) costs of job training and retraining projects,  
2           including the cost of "welfare to work" programs  
3           implemented by businesses located within a STAR bond  
4           district;

5           (g) financing costs, including, but not limited to, all  
6           necessary and incidental expenses related to the issuance  
7           of obligations and which may include payment of interest on  
8           any obligations issued hereunder including interest  
9           accruing during the estimated period of construction of any  
10          improvements in a STAR bond district or any STAR bond  
11          projects for which such obligations are issued and for not  
12          exceeding 36 months thereafter and including reasonable  
13          reserves related thereto;

14          (h) to the extent the political subdivision by written  
15          agreement accepts and approves the same, all or a portion  
16          of a taxing district's capital costs resulting from a STAR  
17          bond district or STAR bond projects necessarily incurred or  
18          to be incurred within a taxing district in furtherance of  
19          the objectives of a STAR bond district plan or STAR bond  
20          project plans;

21          (i) interest cost incurred by a developer for project  
22          costs related to the acquisition, formation,  
23          implementation, development, construction, and  
24          administration of a STAR bond district, STAR bond district  
25          plan, STAR bond projects, or any STAR bond project plans  
26          provided that:

1 (i) payment of such costs in any one year may not  
2 exceed 30% of the annual interest costs incurred by the  
3 developer with regard to the STAR bond district or any  
4 STAR bond projects during that year; and

5 (ii) the total of such interest payments paid  
6 pursuant to this Act may not exceed 30% of the total  
7 cost paid or incurred by the developer for a STAR bond  
8 district or STAR bond projects, plus project costs,  
9 excluding any property assembly costs incurred by a  
10 political subdivision pursuant to this Act;

11 (j) costs of common areas located within the boundaries  
12 of a STAR bond district;

13 (k) costs of landscaping and plantings, retaining  
14 walls and fences, man-made lakes and ponds, shelters,  
15 benches, lighting, and similar amenities located within  
16 the boundaries of a STAR bond district;

17 (l) costs of mounted building signs, site monument, and  
18 pylon signs located within the boundaries of a STAR bond  
19 district; or

20 (m) if included in the STAR bond district plan and  
21 approved in writing by the Director, salaries or a portion  
22 of salaries for local government employees to the extent  
23 the same are directly attributable to the work of such  
24 employees on the establishment and management of a STAR  
25 bond district or any STAR bond projects.

26 Except as specified in items (a) through (m), "project

1 costs" shall not include:

2 (i) the cost of construction of buildings that are  
3 privately owned or owned by a municipality and leased to a  
4 developer or retail user for non-entertainment retail  
5 uses;

6 (ii) moving expenses for employees of the businesses  
7 locating within the STAR bond district;

8 (iii) property taxes for property located in the STAR  
9 bond district;

10 (iv) lobbying costs; and

11 (v) general overhead or administrative costs of the  
12 political subdivision that would still have been incurred  
13 by the political subdivision if the political subdivision  
14 had not established a STAR bond district.

15 "Project development agreement" means any one or more  
16 agreements, including any amendments thereto, between a master  
17 developer and any co-developer or subdeveloper in connection  
18 with a STAR bond project, which project development agreement  
19 may include the political subdivision as a party.

20 "Projected market area" means any area within the State in  
21 which a STAR bond district or STAR bond project is projected to  
22 have a significant fiscal or market impact as determined by the  
23 Director.

24 "Resolution" means a resolution, order, ordinance, or  
25 other appropriate form of legislative action of a political  
26 subdivision or other applicable public entity approved by a

1 vote of a majority of a quorum at a meeting of the governing  
2 body of the political subdivision or applicable public entity.

3 "STAR bond" means a sales tax and revenue bond, note, or  
4 other obligation payable from pledged STAR revenues and issued  
5 by a political subdivision, the proceeds of which shall be used  
6 only to pay project costs as defined in this Act.

7 "STAR bond district" means the specific area declared to be  
8 an eligible area as determined by the political subdivision,  
9 and approved by the Director, in which the political  
10 subdivision may develop one or more STAR bond projects.

11 "STAR bond district plan" means the preliminary or  
12 conceptual plan that generally identifies the proposed STAR  
13 bond project areas and identifies in a general manner the  
14 buildings, facilities, and improvements to be constructed or  
15 improved in each STAR bond project area.

16 "STAR bond project" means a project within a STAR bond  
17 district which is approved pursuant to Section 20.

18 "STAR bond project area" means the geographic area within a  
19 STAR bond district in which there may be one or more STAR bond  
20 projects.

21 "STAR bond project plan" means the written plan adopted by  
22 a political subdivision for the development of a STAR bond  
23 project in a STAR bond district; the plan may include, but is  
24 not limited to, (i) project costs incurred prior to the date of  
25 the STAR bond project plan and estimated future STAR bond  
26 project costs, (ii) proposed sources of funds to pay those

1 costs, (iii) the nature and estimated term of any obligations  
2 to be issued by the political subdivision to pay those costs,  
3 (iv) the most recent equalized assessed valuation of the STAR  
4 bond project area, (v) an estimate of the equalized assessed  
5 valuation of the STAR bond district or applicable project area  
6 after completion of a STAR bond project, (vi) a general  
7 description of the types of any known or proposed developers,  
8 users, or tenants of the STAR bond project or projects included  
9 in the plan, (vii) a general description of the type,  
10 structure, and character of the property or facilities to be  
11 developed or improved, (viii) a description of the general land  
12 uses to apply to the STAR bond project, and (ix) a general  
13 description or an estimate of the type, class, and number of  
14 employees to be employed in the operation of the STAR bond  
15 project.

16 "State sales tax" means all of the net revenue realized  
17 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
18 Service Use Tax Act, and the Service Occupation Tax Act from  
19 transactions at places of business located within a STAR bond  
20 district, excluding that portion of the net revenue realized  
21 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
22 Service Use Tax Act, and the Service Occupation Tax Act from  
23 transactions at places of business located within a STAR bond  
24 district that is deposited into the Local Government Tax Fund  
25 and the County and Mass Transit District Fund.

26 "State sales tax increment" means (i) 100% of that portion



1 of the State sales tax that is in excess of the State sales tax  
2 for the same month in the base year, as determined by the  
3 Department of Revenue, from transactions at up to 2 destination  
4 users, one destination hotel, and one entertainment user  
5 located within a STAR bond district, which destination users,  
6 destination hotel, and entertainment user shall be designated  
7 by the master developer and approved by the political  
8 subdivision and the Director in conjunction with the applicable  
9 STAR bond project approval, and (ii) 25% of that portion of the  
10 State sales tax that is in excess of the State sales tax for  
11 the same month in the base year, as determined by the  
12 Department of Revenue, from all other transactions within a  
13 STAR bond district. If any portion of State sales taxes are, at  
14 the time of formation of a STAR bond district, already subject  
15 to tax increment financing under the Tax Increment Allocation  
16 Redevelopment Act, then the State sales tax increment for such  
17 portion shall be frozen at the base year established in  
18 accordance with this Act, and all future incremental increases  
19 shall be included in the State sales tax increment under this  
20 Act. Any party otherwise entitled to receipt of incremental  
21 State sales tax revenues through an existing tax increment  
22 financing district shall be entitled to continue to receive  
23 such revenues up to the amount frozen in the base year. Nothing  
24 in this Act shall affect the prior qualification of existing  
25 redevelopment project costs incurred that are eligible for  
26 reimbursement under the Tax Increment Allocation Redevelopment

1 Act. In such event, prior to approving a STAR bond district,  
2 the political subdivision forming the STAR bond district shall  
3 take such action as is necessary, including amending the  
4 existing tax increment financing district redevelopment plan,  
5 to carry out the provisions of this Act.

6 "Substantial change" means a change wherein the proposed  
7 STAR bond project plan differs substantially in size, scope, or  
8 use from the approved STAR bond district plan or STAR bond  
9 project plan.

10 "Taxpayer" means an individual, partnership, corporation,  
11 limited liability company, trust, estate, or other entity that  
12 is subject to the Illinois Income Tax Act.

13 "Total development costs" means the aggregate public and  
14 private investment in a STAR bond district, including project  
15 costs and other direct and indirect costs related to the  
16 development of the STAR bond district.

17 "Traditional retail use" means the operation of a business  
18 that derives at least 90% of its annual gross revenue from  
19 sales at retail, as that phrase is defined by Section 1 of the  
20 Retailers' Occupation Tax Act, but does not include the  
21 operations of destination users, entertainment users,  
22 restaurants, hotels, retail uses within hotels, or any other  
23 non-retail uses.

24 "Vacant" means that portion of the land in a proposed STAR  
25 bond district that is not occupied by a building, facility, or  
26 other vertical improvement.

1 (Source: P.A. 99-642, eff. 7-28-16.)

2 (50 ILCS 470/31)

3 Sec. 31. STAR bond occupation taxes.

4 (a) If the corporate authorities of a political subdivision  
5 have established a STAR bond district and have elected to  
6 impose a tax by ordinance pursuant to subsection (b) or (c) of  
7 this Section, each year after the date of the adoption of the  
8 ordinance and until all STAR bond project costs and all  
9 political subdivision obligations financing the STAR bond  
10 project costs, if any, have been paid in accordance with the  
11 STAR bond project plans, but in no event longer than the  
12 maximum maturity date of the last of the STAR bonds issued for  
13 projects in the STAR bond district, all amounts generated by  
14 the retailers' occupation tax and service occupation tax shall  
15 be collected and the tax shall be enforced by the Department of  
16 Revenue in the same manner as all retailers' occupation taxes  
17 and service occupation taxes imposed in the political  
18 subdivision imposing the tax. The corporate authorities of the  
19 political subdivision shall deposit the proceeds of the taxes  
20 imposed under subsections (b) and (c) into either (i) a special  
21 fund held by the corporate authorities of the political  
22 subdivision called the STAR Bonds Tax Allocation Fund for the  
23 purpose of paying STAR bond project costs and obligations  
24 incurred in the payment of those costs if such taxes are  
25 designated as pledged STAR revenues by resolution or ordinance

1 of the political subdivision or (ii) the political  
2 subdivision's general corporate fund if such taxes are not  
3 designated as pledged STAR revenues by resolution or ordinance.

4 The tax imposed under this Section by a municipality may be  
5 imposed only on the portion of a STAR bond district that is  
6 within the boundaries of the municipality. For any part of a  
7 STAR bond district that lies outside of the boundaries of that  
8 municipality, the municipality in which the other part of the  
9 STAR bond district lies (or the county, in cases where a  
10 portion of the STAR bond district lies in the unincorporated  
11 area of a county) is authorized to impose the tax under this  
12 Section on that part of the STAR bond district.

13 (b) The corporate authorities of a political subdivision  
14 that has established a STAR bond district under this Act may,  
15 by ordinance or resolution, impose a STAR Bond Retailers'  
16 Occupation Tax upon all persons engaged in the business of  
17 selling tangible personal property, other than an item of  
18 tangible personal property titled or registered with an agency  
19 of this State's government, at retail in the STAR bond district  
20 at a rate not to exceed 1% of the gross receipts from the sales  
21 made in the course of that business, to be imposed only in  
22 0.25% increments. The tax may not be imposed on tangible  
23 personal property taxed at the 1% rate under the Retailers'  
24 Occupation Tax Act. Beginning December 1, 2019, this tax is not  
25 imposed on sales of aviation fuel unless the tax revenue is  
26 expended for airport-related purposes. If the District does not

1 have an airport-related purpose to which aviation fuel tax  
2 revenue is dedicated, then aviation fuel is excluded from the  
3 tax. The municipality must comply with the certification  
4 requirements for airport-related purposes under Section  
5 8-11-22 of the Illinois Municipal Code. For purposes of this  
6 Act, "airport-related purposes" has the meaning ascribed in  
7 Section 6z-20.2 of the State Finance Act. This exclusion for  
8 aviation fuel only applies for so long as the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
10 binding on the District.

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

1 subsection shall have the same rights, remedies, privileges,  
2 immunities, powers, and duties, and be subject to the same  
3 conditions, restrictions, limitations, penalties, exclusions,  
4 exemptions, and definitions of terms and employ the same modes  
5 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
6 through 2-65 (in respect to all provisions therein other than  
7 the State rate of tax), 2c through 2h, 3 (except as to the  
8 disposition of taxes and penalties collected, and except that  
9 the retailer's discount is not allowed for taxes paid on  
10 aviation fuel that are deposited into the Local Government  
11 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,  
12 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
13 Retailers' Occupation Tax Act and all provisions of the Uniform  
14 Penalty and Interest Act, as fully as if those provisions were  
15 set forth herein.

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

18 (c) If a tax has been imposed under subsection (b), a STAR  
19 Bond Service Occupation Tax shall also be imposed upon all  
20 persons engaged, in the STAR bond district, in the business of  
21 making sales of service, who, as an incident to making those  
22 sales of service, transfer tangible personal property within  
23 the STAR bond district, either in the form of tangible personal  
24 property or in the form of real estate as an incident to a sale  
25 of service. The tax shall be imposed at the same rate as the  
26 tax imposed in subsection (b) and shall not exceed 1% of the

1 selling price of tangible personal property so transferred  
2 within the STAR bond district, to be imposed only in 0.25%  
3 increments. The tax may not be imposed on tangible personal  
4 property taxed at the 1% rate under the Service Occupation Tax  
5 Act. Beginning December 1, 2019, this tax is not imposed on  
6 sales of aviation fuel unless the tax revenue is expended for  
7 airport-related purposes. If the District does not have an  
8 airport-related purpose to which aviation fuel tax revenue is  
9 dedicated, then aviation fuel is excluded from the tax. The  
10 municipality must comply with the certification requirements  
11 for airport-related purposes under Section 8-11-22 of the  
12 Illinois Municipal Code. For purposes of this Act,  
13 "airport-related purposes" has the meaning ascribed in Section  
14 6z-20.2 of the State Finance Act. This exclusion for aviation  
15 fuel only applies for so long as the revenue use requirements  
16 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
17 District.

18 The tax imposed under this subsection and all civil  
19 penalties that may be assessed as an incident thereof shall be  
20 collected and enforced by the Department of Revenue. The  
21 certificate of registration that is issued by the Department to  
22 a retailer under the Retailers' Occupation Tax Act or under the  
23 Service Occupation Tax Act shall permit the registrant to  
24 engage in a business that is taxable under any ordinance or  
25 resolution enacted pursuant to this subsection without  
26 registering separately with the Department under that

1 ordinance or resolution or under this subsection. The  
2 Department of Revenue shall have full power to administer and  
3 enforce this subsection, to collect all taxes and penalties due  
4 under this subsection, to dispose of taxes and penalties so  
5 collected in the manner hereinafter provided, and to determine  
6 all rights to credit memoranda arising on account of the  
7 erroneous payment of tax or penalty under this subsection. In  
8 the administration of, and compliance with this subsection, the  
9 Department and persons who are subject to this subsection shall  
10 have the same rights, remedies, privileges, immunities,  
11 powers, and duties, and be subject to the same conditions,  
12 restrictions, limitations, penalties, exclusions, exemptions,  
13 and definitions of terms and employ the same modes of procedure  
14 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
15 (in respect to all provisions therein other than the State rate  
16 of tax), 4 (except that the reference to the State shall be to  
17 the STAR bond district), 5, 7, 8 (except that the jurisdiction  
18 to which the tax shall be a debt to the extent indicated in  
19 that Section 8 shall be the political subdivision), 9 (except  
20 as to the disposition of taxes and penalties collected, and  
21 except that the returned merchandise credit for this tax may  
22 not be taken against any State tax, and except that the  
23 retailer's discount is not allowed for taxes paid on aviation  
24 fuel that are deposited into the Local Government Aviation  
25 Trust Fund), 10, 11, 12 (except the reference therein to  
26 Section 2b of the Retailers' Occupation Tax Act), 13 (except



1 that any reference to the State shall mean the political  
2 subdivision), the first paragraph of Section 15, and Sections  
3 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all  
4 provisions of the Uniform Penalty and Interest Act, as fully as  
5 if those provisions were set forth herein.

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

8 (d) Persons subject to any tax imposed under this Section  
9 may reimburse themselves for their seller's tax liability under  
10 this Section by separately stating the tax as an additional  
11 charge, which charge may be stated in combination, in a single  
12 amount, with State taxes that sellers are required to collect  
13 under the Use Tax Act, in accordance with such bracket  
14 schedules as the Department may prescribe.

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the order to be drawn for the  
19 amount specified and to the person named in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the STAR Bond Retailers' Occupation Tax Fund.

22 Except as otherwise provided in this paragraph, the ~~The~~  
23 Department shall immediately pay over to the State Treasurer,  
24 ex officio, as trustee, all taxes, penalties, and interest  
25 collected under this Section for deposit into the STAR Bond  
26 Retailers' Occupation Tax Fund. Taxes and penalties collected

1 on aviation fuel sold on or after December 1, 2019, shall be  
2 immediately paid over by the Department to the State Treasurer,  
3 ex officio, as trustee, for deposit into the Local Government  
4 Aviation Trust Fund. The Department shall only pay moneys into  
5 the State Aviation Program Fund under this Act for so long as  
6 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
7 U.S.C. 47133 are binding on the District. On or before the 25th  
8 day of each calendar month, the Department shall prepare and  
9 certify to the Comptroller the disbursement of stated sums of  
10 money to named political subdivisions from the STAR Bond  
11 Retailers' Occupation Tax Fund, the political subdivisions to  
12 be those from which retailers have paid taxes or penalties  
13 under this Section to the Department during the second  
14 preceding calendar month. The amount to be paid to each  
15 political subdivision shall be the amount (not including credit  
16 memoranda and not including taxes and penalties collected on  
17 aviation fuel sold on or after December 1, 2019) collected  
18 under this Section during the second preceding calendar month  
19 by the Department plus an amount the Department determines is  
20 necessary to offset any amounts that were erroneously paid to a  
21 different taxing body, and not including an amount equal to the  
22 amount of refunds made during the second preceding calendar  
23 month by the Department, less 3% of that amount, which shall be  
24 deposited into the Tax Compliance and Administration Fund and  
25 shall be used by the Department, subject to appropriation, to  
26 cover the costs of the Department in administering and

1 enforcing the provisions of this Section, on behalf of such  
2 political subdivision, and not including any amount that the  
3 Department determines is necessary to offset any amounts that  
4 were payable to a different taxing body but were erroneously  
5 paid to the political subdivision. Within 10 days after receipt  
6 by the Comptroller of the disbursement certification to the  
7 political subdivisions provided for in this Section to be given  
8 to the Comptroller by the Department, the Comptroller shall  
9 cause the orders to be drawn for the respective amounts in  
10 accordance with the directions contained in the certification.  
11 The proceeds of the tax paid to political subdivisions under  
12 this Section shall be deposited into either (i) the STAR Bonds  
13 Tax Allocation Fund by the political subdivision if the  
14 political subdivision has designated them as pledged STAR  
15 revenues by resolution or ordinance or (ii) the political  
16 subdivision's general corporate fund if the political  
17 subdivision has not designated them as pledged STAR revenues.

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

1 October, whereupon, if all other requirements of this Section  
2 are met, the Department shall proceed to administer and enforce  
3 this Section as of the first day of January next following the  
4 adoption and filing.

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

1 change, addition, or deletion beginning on the following July 1  
2 and on or before October 1 for administration and enforcement  
3 by the Department of the change, addition, or deletion  
4 beginning on the following January 1. The retailers in the STAR  
5 bond district shall be responsible for charging the tax imposed  
6 under this Section. If a retailer is incorrectly included or  
7 excluded from the list of those required to collect the tax  
8 under this Section, both the Department of Revenue and the  
9 retailer shall be held harmless if they reasonably relied on  
10 information provided by the political subdivision.

11 A political subdivision that imposes the tax under this  
12 Section must submit to the Department of Revenue any other  
13 information as the Department may require that is necessary for  
14 the administration and enforcement of the tax.

15 When certifying the amount of a monthly disbursement to a  
16 political subdivision under this Section, the Department shall  
17 increase or decrease the amount by an amount necessary to  
18 offset any misallocation of previous disbursements. The offset  
19 amount shall be the amount erroneously disbursed within the  
20 previous 6 months from the time a misallocation is discovered.

21 Nothing in this Section shall be construed to authorize the  
22 political subdivision to impose a tax upon the privilege of  
23 engaging in any business which under the Constitution of the  
24 United States may not be made the subject of taxation by this  
25 State.

26 (e) When STAR bond project costs, including, without

1 limitation, all political subdivision obligations financing  
2 STAR bond project costs, have been paid, any surplus funds then  
3 remaining in the STAR Bonds Tax Allocation Fund shall be  
4 distributed to the treasurer of the political subdivision for  
5 deposit into the political subdivision's general corporate  
6 fund. Upon payment of all STAR bond project costs and  
7 retirement of obligations, but in no event later than the  
8 maximum maturity date of the last of the STAR bonds issued in  
9 the STAR bond district, the political subdivision shall adopt  
10 an ordinance immediately rescinding the taxes imposed pursuant  
11 to this Section and file a certified copy of the ordinance with  
12 the Department in the form and manner as described in this  
13 Section.

14 (Source: P.A. 99-143, eff. 7-27-15; 100-1171, eff. 1-4-19.)

15 Section 40. The Counties Code is amended by changing  
16 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008.5, 5-1009,  
17 and 5-1035.1 and by adding Section 5-1184 as follows:

18 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

19 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
20 Law. Any county that is a home rule unit may impose a tax upon  
21 all persons engaged in the business of selling tangible  
22 personal property, other than an item of tangible personal  
23 property titled or registered with an agency of this State's  
24 government, at retail in the county on the gross receipts from

1 such sales made in the course of their business. If imposed,  
2 this tax shall only be imposed in 1/4% increments. On and after  
3 September 1, 1991, this additional tax may not be imposed on  
4 tangible personal property taxed at the 1% rate under the  
5 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
6 tax is not imposed on sales of aviation fuel unless the tax  
7 revenue is expended for airport-related purposes. If the county  
8 does not have an airport-related purpose to which it dedicates  
9 aviation fuel tax revenue, then aviation fuel is excluded from  
10 the tax. The county must comply with the certification  
11 requirements for airport-related purposes under Section  
12 5-1184. For purposes of this Act, "airport-related purposes"  
13 has the meaning ascribed in Section 6z-20.2 of the State  
14 Finance Act. This exclusion for aviation fuel only applies for  
15 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
16 and 49 U.S.C. 47133 are binding on the county. The changes made  
17 to this Section by this amendatory Act of the 101st General  
18 Assembly are a denial and limitation of home rule powers and  
19 functions under subsection (g) of Section 6 of Article VII of  
20 the Illinois Constitution. The tax imposed by a home rule  
21 county pursuant to this Section and all civil penalties that  
22 may be assessed as an incident thereof shall be collected and  
23 enforced by the State Department of Revenue. The certificate of  
24 registration that is issued by the Department to a retailer  
25 under the Retailers' Occupation Tax Act shall permit the  
26 retailer to engage in a business that is taxable under any

1 ordinance or resolution enacted pursuant to this Section  
2 without registering separately with the Department under such  
3 ordinance or resolution or under this Section. The Department  
4 shall have full power to administer and enforce this Section;  
5 to collect all taxes and penalties due hereunder; to dispose of  
6 taxes and penalties so collected 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 hereunder. In the administration of, and compliance with, this  
10 Section, the Department and persons who are subject to this  
11 Section shall have the same rights, remedies, privileges,  
12 immunities, powers and duties, and be subject to the same  
13 conditions, restrictions, limitations, penalties and  
14 definitions of terms, and employ the same modes of procedure,  
15 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
16 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions  
17 therein other than the State rate of tax), 4, 5, 5a, 5b, 5c,  
18 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
19 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
21 as if those provisions were set forth herein.

22 No tax may be imposed by a home rule county pursuant to  
23 this Section unless the county also imposes a tax at the same  
24 rate pursuant to Section 5-1007.

25 Persons subject to any tax imposed pursuant to the  
26 authority granted in this Section may reimburse themselves for



1 their seller's tax liability hereunder by separately stating  
2 such tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax which sellers  
4 are required to collect under the Use Tax Act, pursuant to such  
5 bracket schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be  
7 made under this Section to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the order to be drawn for the  
10 amount specified and to the person named in the notification  
11 from the Department. The refund shall be paid by the State  
12 Treasurer out of the home rule county retailers' occupation tax  
13 fund.

14 Except as otherwise provided in this paragraph, the ~~The~~  
15 Department shall forthwith pay over to the State Treasurer, ex  
16 officio, as trustee, all taxes and penalties collected  
17 hereunder for deposit into the Home Rule County Retailers'  
18 Occupation Tax Fund. Taxes and penalties collected on aviation  
19 fuel sold on or after December 1, 2019, shall be immediately  
20 paid over by the Department to the State Treasurer, ex officio,  
21 as trustee, for deposit into the Local Government Aviation  
22 Trust Fund. The Department shall only pay moneys into the Local  
23 Government Aviation Trust Fund under this Act for so long as  
24 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
25 U.S.C. 47133 are binding on the county.

26 As soon as possible after the first day of each month,

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

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on or before the 25th day of each calendar month, the  
10 Department shall prepare and certify to the Comptroller the  
11 disbursement of stated sums of money to named counties, the  
12 counties to be those from which retailers have paid taxes or  
13 penalties hereunder to the Department during the second  
14 preceding calendar month. The amount to be paid to each county  
15 shall be the amount (not including credit memoranda and not  
16 including taxes and penalties collected on aviation fuel sold  
17 on or after December 1, 2019) collected hereunder during the  
18 second preceding calendar month by the Department plus an  
19 amount the Department determines is necessary to offset any  
20 amounts that were erroneously paid to a different taxing body,  
21 and not including an amount equal to the amount of refunds made  
22 during the second preceding calendar month by the Department on  
23 behalf of such county, and not including any amount which the  
24 Department determines is necessary to offset any amounts which  
25 were payable to a different taxing body but were erroneously  
26 paid to the county, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
2 remainder, which the Department shall transfer into the Tax  
3 Compliance and Administration Fund. The Department, at the time  
4 of each monthly disbursement to the counties, shall prepare and  
5 certify to the State Comptroller the amount to be transferred  
6 into the Tax Compliance and Administration Fund under this  
7 Section. Within 10 days after receipt, by the Comptroller, of  
8 the disbursement certification to the counties and the Tax  
9 Compliance and Administration Fund provided for in this Section  
10 to be given to the Comptroller by the Department, the  
11 Comptroller shall cause the orders to be drawn for the  
12 respective amounts in accordance with the directions contained  
13 in the certification.

14 In addition to the disbursement required by the preceding  
15 paragraph, an allocation shall be made in March of each year to  
16 each county that received more than \$500,000 in disbursements  
17 under the preceding paragraph in the preceding calendar year.  
18 The allocation shall be in an amount equal to the average  
19 monthly distribution made to each such county under the  
20 preceding paragraph during the preceding calendar year  
21 (excluding the 2 months of highest receipts). The distribution  
22 made in March of each year subsequent to the year in which an  
23 allocation was made pursuant to this paragraph and the  
24 preceding paragraph shall be reduced by the amount allocated  
25 and disbursed under this paragraph in the preceding calendar  
26 year. The Department shall prepare and certify to the

1 Comptroller for disbursement the allocations made in  
2 accordance with this paragraph.

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

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

16 An ordinance or resolution imposing or discontinuing a tax  
17 hereunder or effecting a change in the rate thereof shall be  
18 adopted and a certified copy thereof filed with the Department  
19 on or before the first day of June, whereupon the Department  
20 shall proceed to administer and enforce this Section as of the  
21 first day of September next following such adoption and filing.  
22 Beginning January 1, 1992, an ordinance or resolution imposing  
23 or discontinuing the tax hereunder or effecting a change in the  
24 rate thereof shall be adopted and a certified copy thereof  
25 filed with the Department on or before the first day of July,  
26 whereupon the Department shall proceed to administer and

1 enforce this Section as of the first day of October next  
2 following such adoption and filing. Beginning January 1, 1993,  
3 an ordinance or resolution imposing or discontinuing the tax  
4 hereunder or effecting a change in the rate thereof shall be  
5 adopted and a certified copy thereof filed with the Department  
6 on or before the first day of October, whereupon the Department  
7 shall proceed to administer and enforce this Section as of the  
8 first day of January next following such adoption and filing.  
9 Beginning April 1, 1998, an ordinance or resolution imposing or  
10 discontinuing the tax hereunder or effecting a change in the  
11 rate thereof shall either (i) be adopted and a certified copy  
12 thereof filed with the Department on or before the first day of  
13 April, whereupon the Department shall proceed to administer and  
14 enforce this Section as of the first day of July next following  
15 the adoption and filing; or (ii) be adopted and a certified  
16 copy thereof filed with the Department on or before the first  
17 day of October, whereupon the Department shall proceed to  
18 administer and enforce this Section as of the first day of  
19 January next following the adoption and filing.

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

26 This Section shall be known and may be cited as the Home

1 Rule County Retailers' Occupation Tax Law.

2 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;  
3 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

4 (55 ILCS 5/5-1006.5)

5 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
6 For Public Safety, Public Facilities, Mental Health, Substance  
7 Abuse, or Transportation.

8 (a) The county board of any county may impose a tax upon  
9 all persons engaged in the business of selling tangible  
10 personal property, other than personal property titled or  
11 registered with an agency of this State's government, at retail  
12 in the county on the gross receipts from the sales made in the  
13 course of business to provide revenue to be used exclusively  
14 for public safety, public facility, mental health, substance  
15 abuse, or transportation purposes in that county (except as  
16 otherwise provided in this Section), if a proposition for the  
17 tax has been submitted to the electors of that county and  
18 approved by a majority of those voting on the question. If  
19 imposed, this tax shall be imposed only in one-quarter percent  
20 increments. By resolution, the county board may order the  
21 proposition to be submitted at any election. If the tax is  
22 imposed for transportation purposes for expenditures for  
23 public highways or as authorized under the Illinois Highway  
24 Code, the county board must publish notice of the existence of  
25 its long-range highway transportation plan as required or

1 described in Section 5-301 of the Illinois Highway Code and  
2 must make the plan publicly available prior to approval of the  
3 ordinance or resolution imposing the tax. If the tax is imposed  
4 for transportation purposes for expenditures for passenger  
5 rail transportation, the county board must publish notice of  
6 the existence of its long-range passenger rail transportation  
7 plan and must make the plan publicly available prior to  
8 approval of the ordinance or resolution imposing the tax.

9 If a tax is imposed for public facilities purposes, then  
10 the name of the project may be included in the proposition at  
11 the discretion of the county board as determined in the  
12 enabling resolution. For example, the "XXX Nursing Home" or the  
13 "YYY Museum".

14 The county clerk shall certify the question to the proper  
15 election authority, who shall submit the proposition at an  
16 election in accordance with the general election law.

17 (1) The proposition for public safety purposes shall be  
18 in substantially the following form:

19 "To pay for public safety purposes, shall (name of  
20 county) be authorized to impose an increase on its share of  
21 local sales taxes by (insert rate)?"

22 As additional information on the ballot below the  
23 question shall appear the following:

24 "This would mean that a consumer would pay an  
25 additional (insert amount) in sales tax for every \$100 of  
26 tangible personal property bought at retail."

1           The county board may also opt to establish a sunset  
2 provision at which time the additional sales tax would  
3 cease being collected, if not terminated earlier by a vote  
4 of the county board. If the county board votes to include a  
5 sunset provision, the proposition for public safety  
6 purposes shall be in substantially the following form:

7           "To pay for public safety purposes, shall (name of  
8 county) be authorized to impose an increase on its share of  
9 local sales taxes by (insert rate) for a period not to  
10 exceed (insert number of years)?"

11           As additional information on the ballot below the  
12 question shall appear the following:

13           "This would mean that a consumer would pay an  
14 additional (insert amount) in sales tax for every \$100 of  
15 tangible personal property bought at retail. If imposed,  
16 the additional tax would cease being collected at the end  
17 of (insert number of years), if not terminated earlier by a  
18 vote of the county board."

19           For the purposes of the paragraph, "public safety  
20 purposes" means crime prevention, detention, fire  
21 fighting, police, medical, ambulance, or other emergency  
22 services.

23           Votes shall be recorded as "Yes" or "No".

24           Beginning on the January 1 or July 1, whichever is  
25 first, that occurs not less than 30 days after May 31, 2015  
26 (the effective date of Public Act 99-4), Adams County may



1 impose a public safety retailers' occupation tax and  
2 service occupation tax at the rate of 0.25%, as provided in  
3 the referendum approved by the voters on April 7, 2015,  
4 notwithstanding the omission of the additional information  
5 that is otherwise required to be printed on the ballot  
6 below the question pursuant to this item (1).

7 (2) The proposition for transportation purposes shall  
8 be in substantially the following form:

9 "To pay for improvements to roads and other  
10 transportation purposes, shall (name of county) be  
11 authorized to impose an increase on its share of local  
12 sales taxes by (insert rate)?"

13 As additional information on the ballot below the  
14 question shall appear the following:

15 "This would mean that a consumer would pay an  
16 additional (insert amount) in sales tax for every \$100 of  
17 tangible personal property bought at retail."

18 The county board may also opt to establish a sunset  
19 provision at which time the additional sales tax would  
20 cease being collected, if not terminated earlier by a vote  
21 of the county board. If the county board votes to include a  
22 sunset provision, the proposition for transportation  
23 purposes shall be in substantially the following form:

24 "To pay for road improvements and other transportation  
25 purposes, shall (name of county) be authorized to impose an  
26 increase on its share of local sales taxes by (insert rate)

1 for a period not to exceed (insert number of years)?"

2 As additional information on the ballot below the  
3 question shall appear the following:

4 "This would mean that a consumer would pay an  
5 additional (insert amount) in sales tax for every \$100 of  
6 tangible personal property bought at retail. If imposed,  
7 the additional tax would cease being collected at the end  
8 of (insert number of years), if not terminated earlier by a  
9 vote of the county board."

10 For the purposes of this paragraph, transportation  
11 purposes means construction, maintenance, operation, and  
12 improvement of public highways, any other purpose for which  
13 a county may expend funds under the Illinois Highway Code,  
14 and passenger rail transportation.

15 The votes shall be recorded as "Yes" or "No".

16 (3) The proposition for public facilities purposes  
17 shall be in substantially the following form:

18 "To pay for public facilities purposes, shall (name of  
19 county) be authorized to impose an increase on its share of  
20 local sales taxes by (insert rate)?"

21 As additional information on the ballot below the  
22 question shall appear the following:

23 "This would mean that a consumer would pay an  
24 additional (insert amount) in sales tax for every \$100 of  
25 tangible personal property bought at retail."

26 The county board may also opt to establish a sunset

1 provision at which time the additional sales tax would  
2 cease being collected, if not terminated earlier by a vote  
3 of the county board. If the county board votes to include a  
4 sunset provision, the proposition for public facilities  
5 purposes shall be in substantially the following form:

6 "To pay for public facilities purposes, shall (name of  
7 county) be authorized to impose an increase on its share of  
8 local sales taxes by (insert rate) for a period not to  
9 exceed (insert number of years)?"

10 As additional information on the ballot below the  
11 question shall appear the following:

12 "This would mean that a consumer would pay an  
13 additional (insert amount) in sales tax for every \$100 of  
14 tangible personal property bought at retail. If imposed,  
15 the additional tax would cease being collected at the end  
16 of (insert number of years), if not terminated earlier by a  
17 vote of the county board."

18 For purposes of this Section, "public facilities  
19 purposes" means the acquisition, development,  
20 construction, reconstruction, rehabilitation, improvement,  
21 financing, architectural planning, and installation of  
22 capital facilities consisting of buildings, structures,  
23 and durable equipment and for the acquisition and  
24 improvement of real property and interest in real property  
25 required, or expected to be required, in connection with  
26 the public facilities, for use by the county for the

1           furnishing of governmental services to its citizens,  
2           including but not limited to museums and nursing homes.

3           The votes shall be recorded as "Yes" or "No".

4           (4) The proposition for mental health purposes shall be  
5           in substantially the following form:

6           "To pay for mental health purposes, shall (name of  
7           county) be authorized to impose an increase on its share of  
8           local sales taxes by (insert rate)?"

9           As additional information on the ballot below the  
10          question shall appear the following:

11          "This would mean that a consumer would pay an  
12          additional (insert amount) in sales tax for every \$100 of  
13          tangible personal property bought at retail."

14          The county board may also opt to establish a sunset  
15          provision at which time the additional sales tax would  
16          cease being collected, if not terminated earlier by a vote  
17          of the county board. If the county board votes to include a  
18          sunset provision, the proposition for public facilities  
19          purposes shall be in substantially the following form:

20          "To pay for mental health purposes, shall (name of  
21          county) be authorized to impose an increase on its share of  
22          local sales taxes by (insert rate) for a period not to  
23          exceed (insert number of years)?"

24          As additional information on the ballot below the  
25          question shall appear the following:

26          "This would mean that a consumer would pay an

1 additional (insert amount) in sales tax for every \$100 of  
2 tangible personal property bought at retail. If imposed,  
3 the additional tax would cease being collected at the end  
4 of (insert number of years), if not terminated earlier by a  
5 vote of the county board."

6 The votes shall be recorded as "Yes" or "No".

7 (5) The proposition for substance abuse purposes shall  
8 be in substantially the following form:

9 "To pay for substance abuse purposes, shall (name of  
10 county) be authorized to impose an increase on its share of  
11 local sales taxes by (insert rate)?"

12 As additional information on the ballot below the  
13 question shall appear the following:

14 "This would mean that a consumer would pay an  
15 additional (insert amount) in sales tax for every \$100 of  
16 tangible personal property bought at retail."

17 The county board may also opt to establish a sunset  
18 provision at which time the additional sales tax would  
19 cease being collected, if not terminated earlier by a vote  
20 of the county board. If the county board votes to include a  
21 sunset provision, the proposition for public facilities  
22 purposes shall be in substantially the following form:

23 "To pay for substance abuse purposes, shall (name of  
24 county) be authorized to impose an increase on its share of  
25 local sales taxes by (insert rate) for a period not to  
26 exceed (insert number of years)?"

1           As additional information on the ballot below the  
2 question shall appear the following:

3           "This would mean that a consumer would pay an  
4 additional (insert amount) in sales tax for every \$100 of  
5 tangible personal property bought at retail. If imposed,  
6 the additional tax would cease being collected at the end  
7 of (insert number of years), if not terminated earlier by a  
8 vote of the county board."

9           The votes shall be recorded as "Yes" or "No".

10          If a majority of the electors voting on the proposition  
11 vote in favor of it, the county may impose the tax. A county  
12 may not submit more than one proposition authorized by this  
13 Section to the electors at any one time.

14          This additional tax may not be imposed on tangible personal  
15 property taxed at the 1% rate under the Retailers' Occupation  
16 Tax Act. Beginning December 1, 2019, this tax is not imposed on  
17 sales of aviation fuel unless the tax revenue is expended for  
18 airport-related purposes. If the county does not have an  
19 airport-related purpose to which it dedicates aviation fuel tax  
20 revenue, then aviation fuel is excluded from the tax. The  
21 county must comply with the certification requirements for  
22 airport-related purposes under Section 5-1184. For purposes of  
23 this Act, "airport-related purposes" has the meaning ascribed  
24 in Section 6z-20.2 of the State Finance Act. This exclusion for  
25 aviation fuel only applies for so long as the revenue use  
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the county. The tax imposed by a county under this  
2 Section and all civil penalties that may be assessed as an  
3 incident of the tax shall be collected and enforced by the  
4 Illinois Department of Revenue and deposited into a special  
5 fund created for that purpose. The certificate of registration  
6 that is issued by the Department to a retailer under the  
7 Retailers' Occupation Tax Act shall permit the retailer to  
8 engage in a business that is taxable without registering  
9 separately with the Department under an ordinance or resolution  
10 under this Section. The Department has full power to administer  
11 and enforce this Section, to collect all taxes and penalties  
12 due under this Section, to dispose of taxes and penalties so  
13 collected in the manner provided in this Section, and to  
14 determine all rights to credit memoranda arising on account of  
15 the erroneous payment of a tax or penalty under this Section.  
16 In the administration of and compliance with this Section, the  
17 Department and persons who are subject to this Section shall  
18 (i) have the same rights, remedies, privileges, immunities,  
19 powers, and duties, (ii) be subject to the same conditions,  
20 restrictions, limitations, penalties, and definitions of  
21 terms, and (iii) employ the same modes of procedure as are  
22 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
23 1n, 2 through 2-70 (in respect to all provisions contained in  
24 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
25 (except provisions relating to transaction returns and quarter  
26 monthly payments, and except that the retailer's discount is

1 not allowed for taxes paid on aviation fuel that are deposited  
2 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,  
3 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
4 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
5 and Section 3-7 of the Uniform Penalty and Interest Act as if  
6 those provisions were set forth in this Section.

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

14 Whenever the Department determines that a refund should be  
15 made under this Section to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the order to be drawn for the  
18 amount specified and to the person named in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the County Public Safety, Public Facilities,  
21 Mental Health, Substance Abuse, or Transportation Retailers'  
22 Occupation Tax Fund.

23 (b) If a tax has been imposed under subsection (a), a  
24 service occupation tax shall also be imposed at the same rate  
25 upon all persons engaged, in the county, in the business of  
26 making sales of service, who, as an incident to making those



1 sales of service, transfer tangible personal property within  
2 the county as an incident to a sale of service. This tax may  
3 not be imposed on tangible personal property taxed at the 1%  
4 rate under the Service Occupation Tax Act. Beginning December  
5 1, 2019, this tax is not imposed on sales of aviation fuel  
6 unless the tax revenue is expended for airport-related  
7 purposes. If the county does not have an airport-related  
8 purpose to which it dedicates aviation fuel tax revenue, then  
9 aviation fuel is excluded from the tax. The county must comply  
10 with the certification requirements for airport-related  
11 purposes under Section 5-1184. For purposes of this Act,  
12 "airport-related purposes" has the meaning ascribed in Section  
13 6z-20.2 of the State Finance Act. This exclusion for aviation  
14 fuel only applies for so long as the revenue use requirements  
15 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
16 county. The tax imposed under this subsection and all civil  
17 penalties that may be assessed as an incident thereof shall be  
18 collected and enforced by the Department of Revenue. The  
19 Department has full power to administer and enforce this  
20 subsection; to collect all taxes and penalties due hereunder;  
21 to dispose of taxes and penalties so collected in the manner  
22 hereinafter provided; and to determine all rights to credit  
23 memoranda arising on account of the erroneous payment of tax or  
24 penalty hereunder. In the administration of, and compliance  
25 with this subsection, the Department and persons who are  
26 subject to this paragraph shall (i) have the same rights,

1 remedies, privileges, immunities, powers, and duties, (ii) be  
2 subject to the same conditions, restrictions, limitations,  
3 penalties, exclusions, exemptions, and definitions of terms,  
4 and (iii) employ the same modes of procedure as are prescribed  
5 in Sections 2 (except that the reference to State in the  
6 definition of supplier maintaining a place of business in this  
7 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in  
8 respect to all provisions therein other than the State rate of  
9 tax), 4 (except that the reference to the State shall be to the  
10 county), 5, 7, 8 (except that the jurisdiction to which the tax  
11 shall be a debt to the extent indicated in that Section 8 shall  
12 be the county), 9 (except as to the disposition of taxes and  
13 penalties collected, and except that the retailer's discount is  
14 not allowed for taxes paid on aviation fuel that are deposited  
15 into the Local Government Aviation Trust Fund), 10, 11, 12  
16 (except the reference therein to Section 2b of the Retailers'  
17 Occupation Tax Act), 13 (except that any reference to the State  
18 shall mean the county), Section 15, 16, 17, 18, 19 and 20 of  
19 the Service Occupation Tax Act and Section 3-7 of the Uniform  
20 Penalty and Interest Act, as fully as if those provisions were  
21 set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this subsection may reimburse themselves for their  
24 serviceman's tax liability by separately stating the tax as an  
25 additional charge, which charge may be stated in combination,  
26 in a single amount, with State tax that servicemen are

1 authorized to collect under the Service Use Tax Act, in  
2 accordance with such bracket schedules as the Department may  
3 prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this subsection to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the warrant to be drawn for the  
8 amount specified, and to the person named, in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the County Public Safety, Public Facilities,  
11 Mental Health, Substance Abuse, or Transportation Retailers'  
12 Occupation Fund.

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

17 (c) Except as otherwise provided in this paragraph, the ~~The~~  
18 Department shall immediately pay over to the State Treasurer,  
19 ex officio, as trustee, all taxes and penalties collected under  
20 this Section to be deposited into the County Public Safety,  
21 Public Facilities, Mental Health, Substance Abuse, or  
22 Transportation Retailers' Occupation Tax Fund, which shall be  
23 an unappropriated trust fund held outside of the State  
24 treasury. Taxes and penalties collected on aviation fuel sold  
25 on or after December 1, 2019, shall be immediately paid over by  
26 the Department to the State Treasurer, ex officio, as trustee,

1 for deposit into the Local Government Aviation Trust Fund. The  
2 Department shall only pay moneys into the Local Government  
3 Aviation Trust Fund under this Act for so long as the revenue  
4 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
5 binding on the county.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,  
15 on or before the 25th day of each calendar month, the  
16 Department shall prepare and certify to the Comptroller the  
17 disbursement of stated sums of money to the counties from which  
18 retailers have paid taxes or penalties to the Department during  
19 the second preceding calendar month. The amount to be paid to  
20 each county, and deposited by the county into its special fund  
21 created for the purposes of this Section, shall be the amount  
22 (not including credit memoranda and not including taxes and  
23 penalties collected on aviation fuel sold on or after December  
24 1, 2019) collected under this Section during the second  
25 preceding calendar month by the Department plus an amount the  
26 Department determines is necessary to offset any amounts that

1 were erroneously paid to a different taxing body, and not  
2 including (i) an amount equal to the amount of refunds made  
3 during the second preceding calendar month by the Department on  
4 behalf of the county, (ii) any amount that the Department  
5 determines is necessary to offset any amounts that were payable  
6 to a different taxing body but were erroneously paid to the  
7 county, (iii) any amounts that are transferred to the STAR  
8 Bonds Revenue Fund, and (iv) 1.5% of the remainder, which shall  
9 be transferred into the Tax Compliance and Administration Fund.  
10 The Department, at the time of each monthly disbursement to the  
11 counties, shall prepare and certify to the State Comptroller  
12 the amount to be transferred into the Tax Compliance and  
13 Administration Fund under this subsection. Within 10 days after  
14 receipt by the Comptroller of the disbursement certification to  
15 the counties and the Tax Compliance and Administration Fund  
16 provided for in this Section to be given to the Comptroller by  
17 the Department, the Comptroller shall cause the orders to be  
18 drawn for the respective amounts in accordance with directions  
19 contained in the certification.

20 In addition to the disbursement required by the preceding  
21 paragraph, an allocation shall be made in March of each year to  
22 each county that received more than \$500,000 in disbursements  
23 under the preceding paragraph in the preceding calendar year.  
24 The allocation shall be in an amount equal to the average  
25 monthly distribution made to each such county under the  
26 preceding paragraph during the preceding calendar year

1 (excluding the 2 months of highest receipts). The distribution  
2 made in March of each year subsequent to the year in which an  
3 allocation was made pursuant to this paragraph and the  
4 preceding paragraph shall be reduced by the amount allocated  
5 and disbursed under this paragraph in the preceding calendar  
6 year. The Department shall prepare and certify to the  
7 Comptroller for disbursement the allocations made in  
8 accordance with this paragraph.

9 A county may direct, by ordinance, that all or a portion of  
10 the taxes and penalties collected under the Special County  
11 Retailers' Occupation Tax For Public Safety, Public  
12 Facilities, Mental Health, Substance Abuse, or Transportation  
13 be deposited into the Transportation Development Partnership  
14 Trust Fund.

15 (d) For the purpose of determining the local governmental  
16 unit whose tax is applicable, a retail sale by a producer of  
17 coal or another mineral mined in Illinois is a sale at retail  
18 at the place where the coal or other mineral mined in Illinois  
19 is extracted from the earth. This paragraph does not apply to  
20 coal or another mineral when it is delivered or shipped by the  
21 seller to the purchaser at a point outside Illinois so that the  
22 sale is exempt under the United States Constitution as a sale  
23 in interstate or foreign commerce.

24 (e) Nothing in this Section shall be construed to authorize  
25 a county to impose a tax upon the privilege of engaging in any  
26 business that under the Constitution of the United States may

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

2 (e-5) If a county imposes a tax under this Section, the  
3 county board may, by ordinance, discontinue or lower the rate  
4 of the tax. If the county board lowers the tax rate or  
5 discontinues the tax, a referendum must be held in accordance  
6 with subsection (a) of this Section in order to increase the  
7 rate of the tax or to reimpose the discontinued tax.

8 (f) Beginning April 1, 1998 and through December 31, 2013,  
9 the results of any election authorizing a proposition to impose  
10 a tax under this Section or effecting a change in the rate of  
11 tax, or any ordinance lowering the rate or discontinuing the  
12 tax, shall be certified by the county clerk and filed with the  
13 Illinois Department of Revenue either (i) on or before the  
14 first day of April, whereupon the Department shall proceed to  
15 administer and enforce the tax as of the first day of July next  
16 following the filing; or (ii) on or before the first day of  
17 October, whereupon the Department shall proceed to administer  
18 and enforce the tax as of the first day of January next  
19 following the filing.

20 Beginning January 1, 2014, the results of any election  
21 authorizing a proposition to impose a tax under this Section or  
22 effecting an increase in the rate of tax, along with the  
23 ordinance adopted to impose the tax or increase the rate of the  
24 tax, or any ordinance adopted to lower the rate or discontinue  
25 the tax, shall be certified by the county clerk and filed with  
26 the Illinois Department of Revenue either (i) on or before the

1 first day of May, whereupon the Department shall proceed to  
2 administer and enforce the tax as of the first day of July next  
3 following the adoption and filing; or (ii) on or before the  
4 first day of October, whereupon the Department shall proceed to  
5 administer and enforce the tax as of the first day of January  
6 next following the adoption and filing.

7 (g) When certifying the amount of a monthly disbursement to  
8 a county under this Section, the Department shall increase or  
9 decrease the amounts by an amount necessary to offset any  
10 miscalculation of previous disbursements. The offset amount  
11 shall be the amount erroneously disbursed within the previous 6  
12 months from the time a miscalculation is discovered.

13 (h) This Section may be cited as the "Special County  
14 Occupation Tax For Public Safety, Public Facilities, Mental  
15 Health, Substance Abuse, or Transportation Law".

16 (i) For purposes of this Section, "public safety" includes,  
17 but is not limited to, crime prevention, detention, fire  
18 fighting, police, medical, ambulance, or other emergency  
19 services. The county may share tax proceeds received under this  
20 Section for public safety purposes, including proceeds  
21 received before August 4, 2009 (the effective date of Public  
22 Act 96-124), with any fire protection district located in the  
23 county. For the purposes of this Section, "transportation"  
24 includes, but is not limited to, the construction, maintenance,  
25 operation, and improvement of public highways, any other  
26 purpose for which a county may expend funds under the Illinois



1 Highway Code, and passenger rail transportation. For the  
2 purposes of this Section, "public facilities purposes"  
3 includes, but is not limited to, the acquisition, development,  
4 construction, reconstruction, rehabilitation, improvement,  
5 financing, architectural planning, and installation of capital  
6 facilities consisting of buildings, structures, and durable  
7 equipment and for the acquisition and improvement of real  
8 property and interest in real property required, or expected to  
9 be required, in connection with the public facilities, for use  
10 by the county for the furnishing of governmental services to  
11 its citizens, including but not limited to museums and nursing  
12 homes.

13 (j) The Department may promulgate rules to implement Public  
14 Act 95-1002 only to the extent necessary to apply the existing  
15 rules for the Special County Retailers' Occupation Tax for  
16 Public Safety to this new purpose for public facilities.

17 (Source: P.A. 99-4, eff. 5-31-15; 99-217, eff. 7-31-15; 99-642,  
18 eff. 7-28-16; 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
19 100-1167, eff. 1-4-19; 100-1171, eff. 1-4-19; revised 1-9-19.)

20 (55 ILCS 5/5-1006.7)

21 Sec. 5-1006.7. School facility occupation taxes.

22 (a) In any county, a tax shall be imposed upon all persons  
23 engaged in the business of selling tangible personal property,  
24 other than personal property titled or registered with an  
25 agency of this State's government, at retail in the county on

1 the gross receipts from the sales made in the course of  
2 business to provide revenue to be used exclusively for school  
3 facility purposes (except as otherwise provided in this  
4 Section) if a proposition for the tax has been submitted to the  
5 electors of that county and approved by a majority of those  
6 voting on the question as provided in subsection (c). The tax  
7 under this Section shall be imposed only in one-quarter percent  
8 increments and may not exceed 1%.

9 This additional tax may not be imposed on tangible personal  
10 property taxed at the 1% rate under the Retailers' Occupation  
11 Tax Act. Beginning 194, this tax is not imposed on sales of  
12 aviation fuel unless the tax revenue is expended for  
13 airport-related purposes. If the county does not have an  
14 airport-related purpose to which it dedicates aviation fuel tax  
15 revenue, then aviation fuel is excluded from the tax. The  
16 county must comply with the certification requirements for  
17 airport-related purposes under Section 5-1184. For purposes of  
18 this Act, "airport-related purposes" has the meaning ascribed  
19 in Section 6z-20.2 of the State Finance Act. This exclusion for  
20 aviation fuel only applies for so long as the revenue use  
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
22 binding on the county. The Department of Revenue has full power  
23 to administer and enforce this subsection, to collect all taxes  
24 and penalties due under this subsection, to dispose of taxes  
25 and penalties so collected in the manner provided in this  
26 subsection, and to determine all rights to credit memoranda

1 arising on account of the erroneous payment of a tax or penalty  
2 under this subsection. The Department shall deposit all taxes  
3 and penalties collected under this subsection into a special  
4 fund created for that purpose.

5 In the administration of and compliance with this  
6 subsection, the Department and persons who are subject to this  
7 subsection (i) have the same rights, remedies, privileges,  
8 immunities, powers, and duties, (ii) are subject to the same  
9 conditions, restrictions, limitations, penalties, and  
10 definitions of terms, and (iii) shall employ the same modes of  
11 procedure as are set forth in Sections 1 through 1o, 2 through  
12 2-70 (in respect to all provisions contained in those Sections  
13 other than the State rate of tax), 2a through 2h, 3 (except as  
14 to the disposition of taxes and penalties collected, and except  
15 that the retailer's discount is not allowed for taxes paid on  
16 aviation fuel that are deposited into the Local Government  
17 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
18 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
19 of the Retailers' Occupation Tax Act and all provisions of the  
20 Uniform Penalty and Interest Act as if those provisions were  
21 set forth in this subsection.

22 The certificate of registration that is issued by the  
23 Department to a retailer under the Retailers' Occupation Tax  
24 Act permits the retailer to engage in a business that is  
25 taxable without registering separately with the Department  
26 under an ordinance or resolution under this subsection.

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

8           (b) If a tax has been imposed under subsection (a), then a  
9 service occupation tax must also be imposed at the same rate  
10 upon all persons engaged, in the county, in the business of  
11 making sales of service, who, as an incident to making those  
12 sales of service, transfer tangible personal property within  
13 the county as an incident to a sale of service.

14           This tax may not be imposed on tangible personal property  
15 taxed at the 1% rate under the Service Occupation Tax Act.  
16 Beginning December 1, 2019, this tax is not imposed on sales of  
17 aviation fuel unless the tax revenue is expended for  
18 airport-related purposes. If the county does not have an  
19 airport-related purpose to which it dedicates aviation fuel tax  
20 revenue, then aviation fuel is excluded from the tax. The  
21 county must comply with the certification requirements for  
22 airport-related purposes under Section 5-1184. For purposes of  
23 this Act, "airport-related purposes" has the meaning ascribed  
24 in Section 6z-20.2 of the State Finance Act. This exclusion for  
25 aviation fuel only applies for so long as the revenue use  
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the county.

2       The tax imposed under this subsection and all civil  
3 penalties that may be assessed as an incident thereof shall be  
4 collected and enforced by the Department and deposited into a  
5 special fund created for that purpose. The Department has full  
6 power to administer and enforce this subsection, to collect all  
7 taxes and penalties due under this subsection, to dispose of  
8 taxes and penalties so collected in the manner provided in this  
9 subsection, and to determine all rights to credit memoranda  
10 arising on account of the erroneous payment of a tax or penalty  
11 under this subsection.

12       In the administration of and compliance with this  
13 subsection, the Department and persons who are subject to this  
14 subsection shall (i) have the same rights, remedies,  
15 privileges, immunities, powers and duties, (ii) be subject to  
16 the same conditions, restrictions, limitations, penalties and  
17 definition of terms, and (iii) employ the same modes of  
18 procedure as are set forth in Sections 2 (except that that  
19 reference to State in the definition of supplier maintaining a  
20 place of business in this State means the county), 2a through  
21 2d, 3 through 3-50 (in respect to all provisions contained in  
22 those Sections other than the State rate of tax), 4 (except  
23 that the reference to the State shall be to the county), 5, 7,  
24 8 (except that the jurisdiction to which the tax is a debt to  
25 the extent indicated in that Section 8 is the county), 9  
26 (except as to the disposition of taxes and penalties collected,

1 and except that the retailer's discount is not allowed for  
2 taxes paid on aviation fuel that are deposited into the Local  
3 Government Aviation Trust Fund), 10, 11, 12 (except the  
4 reference therein to Section 2b of the Retailers' Occupation  
5 Tax Act), 13 (except that any reference to the State means the  
6 county), Section 15, 16, 17, 18, 19, and 20 of the Service  
7 Occupation Tax Act and all provisions of the Uniform Penalty  
8 and Interest Act, as fully as if those provisions were set  
9 forth herein.

10 Persons subject to any tax imposed under the authority  
11 granted in this subsection may reimburse themselves for their  
12 serviceman's tax liability by separately stating the tax as an  
13 additional charge, which may be stated in combination, in a  
14 single amount, with State tax that servicemen are authorized to  
15 collect under the Service Use Tax Act, pursuant to any  
16 bracketed schedules set forth by the Department.

17 (c) The tax under this Section may not be imposed until the  
18 question of imposing the tax has been submitted to the electors  
19 of the county at a regular election and approved by a majority  
20 of the electors voting on the question. For all regular  
21 elections held prior to August 23, 2011 (the effective date of  
22 Public Act 97-542), upon a resolution by the county board or a  
23 resolution by school district boards that represent at least  
24 51% of the student enrollment within the county, the county  
25 board must certify the question to the proper election  
26 authority in accordance with the Election Code.

1           For all regular elections held prior to August 23, 2011  
2           (the effective date of Public Act 97-542), the election  
3           authority must submit the question in substantially the  
4           following form:

5                   Shall (name of county) be authorized to impose a  
6           retailers' occupation tax and a service occupation tax  
7           (commonly referred to as a "sales tax") at a rate of  
8           (insert rate) to be used exclusively for school facility  
9           purposes?

10          The election authority must record the votes as "Yes" or "No".

11           If a majority of the electors voting on the question vote  
12          in the affirmative, then the county may, thereafter, impose the  
13          tax.

14           For all regular elections held on or after August 23, 2011  
15          (the effective date of Public Act 97-542), the regional  
16          superintendent of schools for the county must, upon receipt of  
17          a resolution or resolutions of school district boards that  
18          represent more than 50% of the student enrollment within the  
19          county, certify the question to the proper election authority  
20          for submission to the electors of the county at the next  
21          regular election at which the question lawfully may be  
22          submitted to the electors, all in accordance with the Election  
23          Code.

24           For all regular elections held on or after August 23, 2011  
25          (the effective date of Public Act 97-542), the election  
26          authority must submit the question in substantially the

1 following form:

2 Shall a retailers' occupation tax and a service  
3 occupation tax (commonly referred to as a "sales tax") be  
4 imposed in (name of county) at a rate of (insert rate) to  
5 be used exclusively for school facility purposes?

6 The election authority must record the votes as "Yes" or "No".

7 If a majority of the electors voting on the question vote  
8 in the affirmative, then the tax shall be imposed at the rate  
9 set forth in the question.

10 For the purposes of this subsection (c), "enrollment" means  
11 the head count of the students residing in the county on the  
12 last school day of September of each year, which must be  
13 reported on the Illinois State Board of Education Public School  
14 Fall Enrollment/Housing Report.

15 (d) Except as otherwise provided, the ~~The~~ Department shall  
16 immediately pay over to the State Treasurer, ex officio, as  
17 trustee, all taxes and penalties collected under this Section  
18 to be deposited into the School Facility Occupation Tax Fund,  
19 which shall be an unappropriated trust fund held outside the  
20 State treasury. Taxes and penalties collected on aviation fuel  
21 sold on or after December 1, 2019, shall be immediately paid  
22 over by the Department to the State Treasurer, ex officio, as  
23 trustee, for deposit into the Local Government Aviation Trust  
24 Fund. The Department shall only pay moneys into the Local  
25 Government Aviation Trust Fund under this Act for so long as  
26 the revenue use requirements of 49 U.S.C. 47107(b) and 49



1 U.S.C. 47133 are binding on the county.

2       On or before the 25th day of each calendar month, the  
3 Department shall prepare and certify to the Comptroller the  
4 disbursement of stated sums of money to the regional  
5 superintendents of schools in counties from which retailers or  
6 servicemen have paid taxes or penalties to the Department  
7 during the second preceding calendar month. The amount to be  
8 paid to each regional superintendent of schools and disbursed  
9 to him or her in accordance with Section 3-14.31 of the School  
10 Code, is equal to the amount (not including credit memoranda  
11 and not including taxes and penalties collected on aviation  
12 fuel sold on or after December 1, 2019) collected from the  
13 county under this Section during the second preceding calendar  
14 month by the Department, (i) less 2% of that amount (except the  
15 amount collected on aviation fuel sold on or after December 1,  
16 2019), which shall be deposited into the Tax Compliance and  
17 Administration Fund and shall be used by the Department,  
18 subject to appropriation, to cover the costs of the Department  
19 in administering and enforcing the provisions of this Section,  
20 on behalf of the county, (ii) plus an amount that the  
21 Department determines is necessary to offset any amounts that  
22 were erroneously paid to a different taxing body; (iii) less an  
23 amount equal to the amount of refunds made during the second  
24 preceding calendar month by the Department on behalf of the  
25 county; and (iv) less any amount that the Department determines  
26 is necessary to offset any amounts that were payable to a

1 different taxing body but were erroneously paid to the county.  
2 When certifying the amount of a monthly disbursement to a  
3 regional superintendent of schools under this Section, the  
4 Department shall increase or decrease the amounts by an amount  
5 necessary to offset any miscalculation of previous  
6 disbursements within the previous 6 months from the time a  
7 miscalculation is discovered.

8       Within 10 days after receipt by the Comptroller from the  
9 Department of the disbursement certification to the regional  
10 superintendents of the schools provided for in this Section,  
11 the Comptroller shall cause the orders to be drawn for the  
12 respective amounts in accordance with directions contained in  
13 the certification.

14       If the Department determines that a refund should be made  
15 under this Section to a claimant instead of issuing a credit  
16 memorandum, then the Department shall notify the Comptroller,  
17 who shall cause the order to be drawn for the amount specified  
18 and to the person named in the notification from the  
19 Department. The refund shall be paid by the Treasurer out of  
20 the School Facility Occupation Tax Fund.

21       (e) For the purposes of determining the local governmental  
22 unit whose tax is applicable, a retail sale by a producer of  
23 coal or another mineral mined in Illinois is a sale at retail  
24 at the place where the coal or other mineral mined in Illinois  
25 is extracted from the earth. This subsection does not apply to  
26 coal or another mineral when it is delivered or shipped by the

1 seller to the purchaser at a point outside Illinois so that the  
2 sale is exempt under the United States Constitution as a sale  
3 in interstate or foreign commerce.

4 (f) Nothing in this Section may be construed to authorize a  
5 tax to be imposed upon the privilege of engaging in any  
6 business that under the Constitution of the United States may  
7 not be made the subject of taxation by this State.

8 (g) If a county board imposes a tax under this Section  
9 pursuant to a referendum held before August 23, 2011 (the  
10 effective date of Public Act 97-542) at a rate below the rate  
11 set forth in the question approved by a majority of electors of  
12 that county voting on the question as provided in subsection  
13 (c), then the county board may, by ordinance, increase the rate  
14 of the tax up to the rate set forth in the question approved by  
15 a majority of electors of that county voting on the question as  
16 provided in subsection (c). If a county board imposes a tax  
17 under this Section pursuant to a referendum held before August  
18 23, 2011 (the effective date of Public Act 97-542), then the  
19 board may, by ordinance, discontinue or reduce the rate of the  
20 tax. If a tax is imposed under this Section pursuant to a  
21 referendum held on or after August 23, 2011 (the effective date  
22 of Public Act 97-542), then the county board may reduce or  
23 discontinue the tax, but only in accordance with subsection  
24 (h-5) of this Section. If, however, a school board issues bonds  
25 that are secured by the proceeds of the tax under this Section,  
26 then the county board may not reduce the tax rate or

1     discontinue the tax if that rate reduction or discontinuance  
2     would adversely affect the school board's ability to pay the  
3     principal and interest on those bonds as they become due or  
4     necessitate the extension of additional property taxes to pay  
5     the principal and interest on those bonds. If the county board  
6     reduces the tax rate or discontinues the tax, then a referendum  
7     must be held in accordance with subsection (c) of this Section  
8     in order to increase the rate of the tax or to reimpose the  
9     discontinued tax.

10         Until January 1, 2014, the results of any election that  
11     imposes, reduces, or discontinues a tax under this Section must  
12     be certified by the election authority, and any ordinance that  
13     increases or lowers the rate or discontinues the tax must be  
14     certified by the county clerk and, in each case, filed with the  
15     Illinois Department of Revenue either (i) on or before the  
16     first day of April, whereupon the Department shall proceed to  
17     administer and enforce the tax or change in the rate as of the  
18     first day of July next following the filing; or (ii) on or  
19     before the first day of October, whereupon the Department shall  
20     proceed to administer and enforce the tax or change in the rate  
21     as of the first day of January next following the filing.

22         Beginning January 1, 2014, the results of any election that  
23     imposes, reduces, or discontinues a tax under this Section must  
24     be certified by the election authority, and any ordinance that  
25     increases or lowers the rate or discontinues the tax must be  
26     certified by the county clerk and, in each case, filed with the

1 Illinois Department of Revenue either (i) on or before the  
2 first day of May, whereupon the Department shall proceed to  
3 administer and enforce the tax or change in the rate as of the  
4 first day of July next following the filing; or (ii) on or  
5 before the first day of October, whereupon the Department shall  
6 proceed to administer and enforce the tax or change in the rate  
7 as of the first day of January next following the filing.

8 (h) For purposes of this Section, "school facility  
9 purposes" means (i) the acquisition, development,  
10 construction, reconstruction, rehabilitation, improvement,  
11 financing, architectural planning, and installation of capital  
12 facilities consisting of buildings, structures, and durable  
13 equipment and for the acquisition and improvement of real  
14 property and interest in real property required, or expected to  
15 be required, in connection with the capital facilities and (ii)  
16 the payment of bonds or other obligations heretofore or  
17 hereafter issued, including bonds or other obligations  
18 heretofore or hereafter issued to refund or to continue to  
19 refund bonds or other obligations issued, for school facility  
20 purposes, provided that the taxes levied to pay those bonds are  
21 abated by the amount of the taxes imposed under this Section  
22 that are used to pay those bonds. "School-facility purposes"  
23 also includes fire prevention, safety, energy conservation,  
24 accessibility, school security, and specified repair purposes  
25 set forth under Section 17-2.11 of the School Code.

26 (h-5) A county board in a county where a tax has been

1 imposed under this Section pursuant to a referendum held on or  
2 after August 23, 2011 (the effective date of Public Act 97-542)  
3 may, by ordinance or resolution, submit to the voters of the  
4 county the question of reducing or discontinuing the tax. In  
5 the ordinance or resolution, the county board shall certify the  
6 question to the proper election authority in accordance with  
7 the Election Code. The election authority must submit the  
8 question in substantially the following form:

9           Shall the school facility retailers' occupation tax  
10           and service occupation tax (commonly referred to as the  
11           "school facility sales tax") currently imposed in (name of  
12           county) at a rate of (insert rate) be (reduced to (insert  
13           rate)) (discontinued)?

14 If a majority of the electors voting on the question vote in  
15 the affirmative, then, subject to the provisions of subsection  
16 (g) of this Section, the tax shall be reduced or discontinued  
17 as set forth in the question.

18           (i) This Section does not apply to Cook County.

19           (j) This Section may be cited as the County School Facility  
20 Occupation Tax Law.

21 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;  
22 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

23           (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

24           Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
25 The corporate authorities of a home rule county may impose a

1 tax upon all persons engaged, in such county, in the business  
2 of making sales of service at the same rate of tax imposed  
3 pursuant to Section 5-1006 of the selling price of all tangible  
4 personal property transferred by such servicemen either in the  
5 form of tangible personal property or in the form of real  
6 estate as an incident to a sale of service. If imposed, such  
7 tax shall only be imposed in 1/4% increments. On and after  
8 September 1, 1991, this additional tax may not be imposed on  
9 tangible personal property taxed at the 1% rate under the  
10 Service Occupation Tax Act. Beginning December 1, 2019, this  
11 tax is not imposed on sales of aviation fuel unless the tax  
12 revenue is expended for airport-related purposes. If the county  
13 does not have an airport-related purpose to which it dedicates  
14 aviation fuel tax revenue, then aviation fuel is excluded from  
15 the tax. The county must comply with the certification  
16 requirements for airport-related purposes under Section  
17 5-1184. For purposes of this Act, "airport-related purposes"  
18 has the meaning ascribed in Section 6z-20.2 of the State  
19 Finance Act. This exclusion for aviation fuel only applies for  
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
21 and 49 U.S.C. 47133 are binding on the county. The changes made  
22 to this Section by this amendatory Act of the 101st General  
23 Assembly are a denial and limitation of home rule powers and  
24 functions under subsection (g) of Section 6 of Article VII of  
25 the Illinois Constitution. The tax imposed by a home rule  
26 county pursuant to this Section and all civil penalties that

1 may be assessed as an incident thereof shall be collected and  
2 enforced by the State Department of Revenue. The certificate of  
3 registration which is issued by the Department to a retailer  
4 under the Retailers' Occupation Tax Act or under the Service  
5 Occupation Tax Act shall permit such registrant to engage in a  
6 business which is taxable under any ordinance or resolution  
7 enacted pursuant to this Section without registering  
8 separately with the Department under such ordinance or  
9 resolution or under this Section. The Department shall have  
10 full power to administer and enforce this Section; to collect  
11 all taxes and penalties due hereunder; to dispose of taxes and  
12 penalties so collected in the manner hereinafter provided; and  
13 to determine all rights to credit memoranda arising on account  
14 of the erroneous payment of tax or penalty hereunder. In the  
15 administration of, and compliance with, this Section the  
16 Department and persons who are subject to this Section shall  
17 have the same rights, remedies, privileges, immunities, powers  
18 and duties, and be subject to the same conditions,  
19 restrictions, limitations, penalties and definitions of terms,  
20 and employ the same modes of procedure, as are prescribed in  
21 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
22 provisions therein other than the State rate of tax), 4 (except  
23 that the reference to the State shall be to the taxing county),  
24 5, 7, 8 (except that the jurisdiction to which the tax shall be  
25 a debt to the extent indicated in that Section 8 shall be the  
26 taxing county), 9 (except as to the disposition of taxes and



1 penalties collected, and except that the returned merchandise  
2 credit for this county tax may not be taken against any State  
3 tax, and except that the retailer's discount is not allowed for  
4 taxes paid on aviation fuel that are deposited into the Local  
5 Government Aviation Trust Fund), 10, 11, 12 (except the  
6 reference therein to Section 2b of the Retailers' Occupation  
7 Tax Act), 13 (except that any reference to the State shall mean  
8 the taxing county), the first paragraph of Section 15, 16, 17,  
9 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7  
10 of the Uniform Penalty and Interest Act, as fully as if those  
11 provisions were set forth herein.

12 No tax may be imposed by a home rule county pursuant to  
13 this Section unless such county also imposes a tax at the same  
14 rate pursuant to Section 5-1006.

15 Persons subject to any tax imposed pursuant to the  
16 authority granted in this Section may reimburse themselves for  
17 their serviceman's tax liability hereunder by separately  
18 stating such tax as an additional charge, which charge may be  
19 stated in combination, in a single amount, with State tax which  
20 servicemen are authorized to collect under the Service Use Tax  
21 Act, pursuant to such bracket schedules as the Department may  
22 prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this Section to a claimant instead of issuing credit  
25 memorandum, the Department shall notify the State Comptroller,  
26 who shall cause the order to be drawn for the amount specified,

1 and to the person named, in such notification from the  
2 Department. Such refund shall be paid by the State Treasurer  
3 out of the home rule county retailers' occupation tax fund.

4 Except as otherwise provided in this paragraph, the ~~The~~  
5 Department shall forthwith pay over to the State Treasurer, ex  
6 officio ~~ex officio~~, as trustee, all taxes and penalties  
7 collected hereunder for deposit into the Home Rule County  
8 Retailers' Occupation Tax Fund. Taxes and penalties collected  
9 on aviation fuel sold on or after December 1, 2019, shall be  
10 immediately paid over by the Department to the State Treasurer,  
11 ex officio, as trustee, for deposit into the Local Government  
12 Aviation Trust Fund. The Department shall only pay moneys into  
13 the Local Government Aviation Trust Fund under this Act for so  
14 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
15 49 U.S.C. 47133 are binding on the county.

16 As soon as possible after the first day of each month,  
17 beginning January 1, 2011, upon certification of the Department  
18 of Revenue, the Comptroller shall order transferred, and the  
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
20 local sales tax increment, as defined in the Innovation  
21 Development and Economy Act, collected under this Section  
22 during the second preceding calendar month for sales within a  
23 STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,  
25 on or before the 25th day of each calendar month, the  
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named counties, the  
2 counties to be those from which suppliers and servicemen have  
3 paid taxes or penalties hereunder to the Department during the  
4 second preceding calendar month. The amount to be paid to each  
5 county shall be the amount (not including credit memoranda and  
6 not including taxes and penalties collected on aviation fuel  
7 sold on or after December 1, 2019) collected hereunder during  
8 the second preceding calendar month by the Department, and not  
9 including an amount equal to the amount of refunds made during  
10 the second preceding calendar month by the Department on behalf  
11 of such county, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
13 remainder, which the Department shall transfer into the Tax  
14 Compliance and Administration Fund. The Department, at the time  
15 of each monthly disbursement to the counties, shall prepare and  
16 certify to the State Comptroller the amount to be transferred  
17 into the Tax Compliance and Administration Fund under this  
18 Section. Within 10 days after receipt, by the Comptroller, of  
19 the disbursement certification to the counties and the Tax  
20 Compliance and Administration Fund provided for in this Section  
21 to be given to the Comptroller by the Department, the  
22 Comptroller shall cause the orders to be drawn for the  
23 respective amounts in accordance with the directions contained  
24 in such certification.

25 In addition to the disbursement required by the preceding  
26 paragraph, an allocation shall be made in each year to each

1 county which received more than \$500,000 in disbursements under  
2 the preceding paragraph in the preceding calendar year. The  
3 allocation shall be in an amount equal to the average monthly  
4 distribution made to each such county under the preceding  
5 paragraph during the preceding calendar year (excluding the 2  
6 months of highest receipts). The distribution made in March of  
7 each year subsequent to the year in which an allocation was  
8 made pursuant to this paragraph and the preceding paragraph  
9 shall be reduced by the amount allocated and disbursed under  
10 this paragraph in the preceding calendar year. The Department  
11 shall prepare and certify to the Comptroller for disbursement  
12 the allocations made in accordance with this paragraph.

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

17 An ordinance or resolution imposing or discontinuing a tax  
18 hereunder or effecting a change in the rate thereof shall be  
19 adopted and a certified copy thereof filed with the Department  
20 on or before the first day of June, whereupon the Department  
21 shall proceed to administer and enforce this Section as of the  
22 first day of September next following such adoption and filing.  
23 Beginning January 1, 1992, an ordinance or resolution imposing  
24 or discontinuing the tax hereunder or effecting a change in the  
25 rate thereof shall be adopted and a certified copy thereof  
26 filed with the Department on or before the first day of July,

1 whereupon the Department shall proceed to administer and  
2 enforce this Section as of the first day of October next  
3 following such adoption and filing. Beginning January 1, 1993,  
4 an ordinance or resolution imposing or discontinuing the tax  
5 hereunder or effecting a change in the rate thereof shall be  
6 adopted and a certified copy thereof filed with the Department  
7 on or before the first day of October, whereupon the Department  
8 shall proceed to administer and enforce this Section as of the  
9 first day of January next following such adoption and filing.  
10 Beginning April 1, 1998, an ordinance or resolution imposing or  
11 discontinuing the tax hereunder or effecting a change in the  
12 rate thereof shall either (i) be adopted and a certified copy  
13 thereof filed with the Department on or before the first day of  
14 April, whereupon the Department shall proceed to administer and  
15 enforce this Section as of the first day of July next following  
16 the adoption and filing; or (ii) be adopted and a certified  
17 copy thereof filed with the Department on or before the first  
18 day of October, whereupon the Department shall proceed to  
19 administer and enforce this Section as of the first day of  
20 January next following the adoption and filing.

21 This Section shall be known and may be cited as the Home  
22 Rule County Service Occupation Tax Law.

23 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
24 100-1171, eff. 1-4-19; revised 1-9-19.)

1           Sec. 5-1008.5. Use and occupation taxes.

2           (a) The Rock Island County Board may adopt a resolution  
3 that authorizes a referendum on the question of whether the  
4 county shall be authorized to impose a retailers' occupation  
5 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
6 1% on behalf of the economic development activities of Rock  
7 Island County and communities located within the county. The  
8 county board shall certify the question to the proper election  
9 authorities who shall submit the question to the voters of the  
10 county at the next regularly scheduled election in accordance  
11 with the general election law. The question shall be in  
12 substantially the following form:

13                 Shall Rock Island County be authorized to impose a  
14 retailers' occupation tax, a service occupation tax, and a  
15 use tax at the rate of 1/4 of 1% for the sole purpose of  
16 economic development activities, including creation and  
17 retention of job opportunities, support of affordable  
18 housing opportunities, and enhancement of quality of life  
19 improvements?

20           Votes shall be recorded as "yes" or "no". If a majority of  
21 all votes cast on the proposition are in favor of the  
22 proposition, the county is authorized to impose the tax.

23           (b) The county shall impose the retailers' occupation tax  
24 upon all persons engaged in the business of selling tangible  
25 personal property at retail in the county, at the rate approved  
26 by referendum, on the gross receipts from the sales made in the

1 course of those businesses within the county. This additional  
2 tax may not be imposed on tangible personal property taxed at  
3 the 1% rate under the Retailers' Occupation Tax Act. Beginning  
4 December 1, 2019, this tax is not imposed on sales of aviation  
5 fuel unless the tax revenue is expended for airport-related  
6 purposes. If the county does not have an airport-related  
7 purpose to which it dedicates aviation fuel tax revenue, then  
8 aviation fuel is excluded from the tax. The county must comply  
9 with the certification requirements for airport-related  
10 purposes under Section 5-1184. For purposes of this Act,  
11 "airport-related purposes" has the meaning ascribed in Section  
12 6z-20.2 of the State Finance Act. This exclusion for aviation  
13 fuel only applies for so long as the revenue use requirements  
14 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
15 county. The tax imposed under this Section and all civil  
16 penalties that may be assessed as an incident of the tax shall  
17 be collected and enforced by the Department of Revenue. The  
18 Department has full power to administer and enforce this  
19 Section; to collect all taxes and penalties so collected in the  
20 manner provided in this Section; and to determine all rights to  
21 credit memoranda arising on account of the erroneous payment of  
22 tax or penalty under this Section. In the administration of,  
23 and compliance with, this Section, the Department and persons  
24 who are subject to this Section shall (i) have the same rights,  
25 remedies, privileges, immunities, powers and duties, (ii) be  
26 subject to the same conditions, restrictions, limitations,

1 penalties, exclusions, exemptions, and definitions of terms,  
2 and (iii) employ the same modes of procedure as are prescribed  
3 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,  
4 2-5, 2-5.5, 2-10 (in respect to all provisions other than the  
5 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as  
6 to the disposition of taxes and penalties collected and  
7 provisions related to quarter monthly payments , and except  
8 that the retailer's discount is not allowed for taxes paid on  
9 aviation fuel that are deposited into the Local Government  
10 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,  
11 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
13 Penalty and Interest Act, as fully as if those provisions were  
14 set forth in this subsection.

15 Persons subject to any tax imposed under this subsection  
16 may reimburse themselves for their seller's tax liability by  
17 separately stating the tax as an additional charge, which  
18 charge may be stated in combination, in a single amount, with  
19 State taxes that sellers are required to collect, in accordance  
20 with bracket schedules prescribed by the Department.

21 Whenever the Department determines that a refund should be  
22 made under this subsection to a claimant instead of issuing a  
23 credit memorandum, the Department shall notify the State  
24 Comptroller, who shall cause the warrant to be drawn for the  
25 amount specified, and to the person named, in the notification  
26 from the Department. The refund shall be paid by the State



1 Treasurer out of the tax fund referenced under paragraph (g) of  
2 this Section.

3 If a tax is imposed under this subsection (b), a tax shall  
4 also be imposed at the same rate under subsections (c) and (d)  
5 of this Section.

6 For the purpose of determining whether a tax authorized  
7 under this Section is applicable, a retail sale, by a producer  
8 of coal or another mineral mined in Illinois, is a sale at  
9 retail at the place where the coal or other mineral mined in  
10 Illinois is extracted from the earth. This paragraph does not  
11 apply to coal or another mineral when it is delivered or  
12 shipped by the seller to the purchaser at a point outside  
13 Illinois so that the sale is exempt under the federal  
14 Constitution as a sale in interstate or foreign commerce.

15 Nothing in this Section shall be construed to authorize the  
16 county to impose a tax upon the privilege of engaging in any  
17 business that under the Constitution of the United States may  
18 not be made the subject of taxation by this State.

19 (c) If a tax has been imposed under subsection (b), a  
20 service occupation tax shall also be imposed at the same rate  
21 upon all persons engaged, in the county, in the business of  
22 making sales of service, who, as an incident to making those  
23 sales of service, transfer tangible personal property within  
24 the county as an incident to a sale of service. This additional  
25 tax may not be imposed on tangible personal property taxed at  
26 the 1% rate under the Service Occupation Tax Act. Beginning

1 December 1, 2019, this tax is not imposed on sales of aviation  
2 fuel unless the tax revenue is expended for airport-related  
3 purposes. If the county does not have an airport-related  
4 purpose to which it dedicates aviation fuel tax revenue, then  
5 aviation fuel is excluded from the tax. The county must comply  
6 with the certification requirements for airport-related  
7 purposes under Section 5-1184. For purposes of this Act,  
8 "airport-related purposes" has the meaning ascribed in Section  
9 6z-20.2 of the State Finance Act. This exclusion for aviation  
10 fuel only applies for so long as the revenue use requirements  
11 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
12 county. The tax imposed under this subsection and all civil  
13 penalties that may be assessed as an incident of the tax shall  
14 be collected and enforced by the Department of Revenue. The  
15 Department has full power to administer and enforce this  
16 paragraph; to collect all taxes and penalties due under this  
17 Section; to dispose of taxes and penalties so collected in the  
18 manner provided in this Section; and to determine all rights to  
19 credit memoranda arising on account of the erroneous payment of  
20 tax or penalty under this Section. In the administration of,  
21 and compliance with this paragraph, the Department and persons  
22 who are subject to this paragraph shall (i) have the same  
23 rights, remedies, privileges, immunities, powers, and duties,  
24 (ii) be subject to the same conditions, restrictions,  
25 limitations, penalties, exclusions, exemptions, and  
26 definitions of terms, and (iii) employ the same modes of

1 procedure as are prescribed in Sections 2 (except that the  
2 reference to State in the definition of supplier maintaining a  
3 place of business in this State shall mean the county), 2a, 2b,  
4 3 through 3-55 (in respect to all provisions other than the  
5 State rate of tax), 4 (except that the reference to the State  
6 shall be to the county), 5, 7, 8 (except that the jurisdiction  
7 to which the tax shall be a debt to the extent indicated in  
8 that Section 8 shall be the county), 9 (except as to the  
9 disposition of taxes and penalties collected, and except that  
10 the returned merchandise credit for this tax may not be taken  
11 against any State tax, and except that the retailer's discount  
12 is not allowed for taxes paid on aviation fuel that are  
13 deposited into the Local Government Aviation Trust Fund), 11,  
14 12 (except the reference to Section 2b of the Retailers'  
15 Occupation Tax Act), 13 (except that any reference to the State  
16 shall mean the county), 15, 16, 17, 18, 19 and 20 of the  
17 Service Occupation Tax Act and Section 3-7 of the Uniform  
18 Penalty and Interest Act, as fully as if those provisions were  
19 set forth in this subsection.

20 Persons subject to any tax imposed under the authority  
21 granted in this subsection may reimburse themselves for their  
22 serviceman's tax liability by separately stating the tax as an  
23 additional charge, which charge may be stated in combination,  
24 in a single amount, with State tax that servicemen are  
25 authorized to collect under the Service Use Tax Act, in  
26 accordance with bracket schedules prescribed by the

1 Department.

2 Whenever the Department determines that a refund should be  
3 made under this subsection to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the warrant to be drawn for the  
6 amount specified, and to the person named, in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the tax fund referenced under paragraph (g) of  
9 this Section.

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

14 (d) If a tax has been imposed under subsection (b), a use  
15 tax shall also be imposed at the same rate upon the privilege  
16 of using, in the county, any item of tangible personal property  
17 that is purchased outside the county at retail from a retailer,  
18 and that is titled or registered at a location within the  
19 county with an agency of this State's government. "Selling  
20 price" is defined as in the Use Tax Act. The tax shall be  
21 collected from persons whose Illinois address for titling or  
22 registration purposes is given as being in the county. The tax  
23 shall be collected by the Department of Revenue for the county.  
24 The tax must be paid to the State, or an exemption  
25 determination must be obtained from the Department of Revenue,  
26 before the title or certificate of registration for the

1 property may be issued. The tax or proof of exemption may be  
2 transmitted to the Department by way of the State agency with  
3 which, or the State officer with whom, the tangible personal  
4 property must be titled or registered if the Department and the  
5 State agency or State officer determine that this procedure  
6 will expedite the processing of applications for title or  
7 registration.

8 The Department has full power to administer and enforce  
9 this paragraph; to collect all taxes, penalties, and interest  
10 due under this Section; to dispose of taxes, penalties, and  
11 interest so collected in the manner provided in this Section;  
12 and to determine all rights to credit memoranda or refunds  
13 arising on account of the erroneous payment of tax, penalty, or  
14 interest under this Section. In the administration of, and  
15 compliance with, this subsection, the Department and persons  
16 who are subject to this paragraph shall (i) have the same  
17 rights, remedies, privileges, immunities, powers, and duties,  
18 (ii) be subject to the same conditions, restrictions,  
19 limitations, penalties, exclusions, exemptions, and  
20 definitions of terms, and (iii) employ the same modes of  
21 procedure as are prescribed in Sections 2 (except the  
22 definition of "retailer maintaining a place of business in this  
23 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
24 7, 8 (except that the jurisdiction to which the tax shall be a  
25 debt to the extent indicated in that Section 8 shall be the  
26 county), 9 (except provisions relating to quarter monthly

1 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
2 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
3 Interest Act, that are not inconsistent with this paragraph, as  
4 fully as if those provisions were set forth in this subsection.

5 Whenever the Department determines that a refund should be  
6 made under this subsection to a claimant instead of issuing a  
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 the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of the tax fund referenced under paragraph (g) of  
12 this Section.

13 (e) A certificate of registration issued by the State  
14 Department of Revenue to a retailer under the Retailers'  
15 Occupation Tax Act or under the Service Occupation Tax Act  
16 shall permit the registrant to engage in a business that is  
17 taxed under the tax imposed under paragraphs (b), (c), or (d)  
18 of this Section and no additional registration shall be  
19 required. A certificate issued under the Use Tax Act or the  
20 Service Use Tax Act shall be applicable with regard to any tax  
21 imposed under paragraph (c) of this Section.

22 (f) The results of any election authorizing a proposition  
23 to impose a tax under this Section or effecting a change in the  
24 rate of tax shall be certified by the proper election  
25 authorities and filed with the Illinois Department on or before  
26 the first day of October. In addition, an ordinance imposing,

1 discontinuing, or effecting a change in the rate of tax under  
2 this Section shall be adopted and a certified copy of the  
3 ordinance filed with the Department on or before the first day  
4 of October. After proper receipt of the certifications, the  
5 Department shall proceed to administer and enforce this Section  
6 as of the first day of January next following the adoption and  
7 filing.

8 (g) Except as otherwise provided in paragraph (g-2), the  
9 ~~The~~ Department of Revenue shall, upon collecting any taxes and  
10 penalties as provided in this Section, pay the taxes and  
11 penalties over to the State Treasurer as trustee for the  
12 county. The taxes and penalties shall be held in a trust fund  
13 outside the State Treasury. On or before the 25th day of each  
14 calendar month, the Department of Revenue shall prepare and  
15 certify to the Comptroller of the State of Illinois the amount  
16 to be paid to the county, which shall be the balance in the  
17 fund, less any amount determined by the Department to be  
18 necessary for the payment of refunds. Within 10 days after  
19 receipt by the Comptroller of the certification of the amount  
20 to be paid to the county, the Comptroller shall cause an order  
21 to be drawn for payment for the amount in accordance with the  
22 directions contained in the certification. Amounts received  
23 from the tax imposed under this Section shall be used only for  
24 the economic development activities of the county and  
25 communities located within the county.

26 (g-2) Taxes and penalties collected on aviation fuel sold

1 on or after December 1, 2019, shall be immediately paid over by  
2 the Department to the State Treasurer, ex officio, as trustee,  
3 for deposit into the Local Government Aviation Trust Fund. The  
4 Department shall only pay moneys into the Local Government  
5 Aviation Trust Fund under this Act for so long as the revenue  
6 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
7 binding on the county.

8 (h) When certifying the amount of a monthly disbursement to  
9 the county under this Section, the Department shall increase or  
10 decrease the amounts by an amount necessary to offset any  
11 miscalculation of previous disbursements. The offset amount  
12 shall be the amount erroneously disbursed within the previous 6  
13 months from the time a miscalculation is discovered.

14 (i) This Section may be cited as the Rock Island County Use  
15 and Occupation Tax Law.

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

17 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

18 Sec. 5-1009. Limitation on home rule powers. Except as  
19 provided in Sections 5-1006, 5-1006.5, 5-1007 and 5-1008, on  
20 and after September 1, 1990, no home rule county has the  
21 authority to impose, pursuant to its home rule authority, a  
22 retailer's occupation tax, service occupation tax, use tax,  
23 sales tax or other tax on the use, sale or purchase of tangible  
24 personal property based on the gross receipts from such sales  
25 or the selling or purchase price of said tangible personal



1 property. Notwithstanding the foregoing, this Section does not  
2 preempt any home rule imposed tax such as the following: (1) a  
3 tax on alcoholic beverages, whether based on gross receipts,  
4 volume sold or any other measurement; (2) a tax based on the  
5 number of units of cigarettes or tobacco products; (3) a tax,  
6 however measured, based on the use of a hotel or motel room or  
7 similar facility; (4) a tax, however measured, on the sale or  
8 transfer of real property; (5) a tax, however measured, on  
9 lease receipts; (6) a tax on food prepared for immediate  
10 consumption and on alcoholic beverages sold by a business which  
11 provides for on premise consumption of said food or alcoholic  
12 beverages; or (7) other taxes not based on the selling or  
13 purchase price or gross receipts from the use, sale or purchase  
14 of tangible personal property. This Section does not preempt a  
15 home rule county from imposing a tax, however measured, on the  
16 use, for consideration, of a parking lot, garage, or other  
17 parking facility.

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

1 binding on the county.

2 This Section is a limitation, pursuant to subsection (g) of  
3 Section 6 of Article VII of the Illinois Constitution, on the  
4 power of home rule units to tax. The changes made to this  
5 Section by this amendatory Act of the 101st General Assembly  
6 are a denial and limitation of home rule powers and functions  
7 under subsection (g) of Section 6 of Article VII of the  
8 Illinois Constitution.

9 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

10 (55 ILCS 5/5-1035.1) (from Ch. 34, par. 5-1035.1)

11 Sec. 5-1035.1. County Motor Fuel Tax Law. The county board  
12 of the counties of DuPage, Kane and McHenry may, by an  
13 ordinance or resolution adopted by an affirmative vote of a  
14 majority of the members elected or appointed to the county  
15 board, impose a tax upon all persons engaged in the county in  
16 the business of selling motor fuel, as now or hereafter defined  
17 in the Motor Fuel Tax Law, at retail for the operation of motor  
18 vehicles upon public highways or for the operation of  
19 recreational watercraft upon waterways. The collection of a tax  
20 under this Section based on gallonage of gasoline used for the  
21 propulsion of any aircraft is prohibited, and the collection of  
22 a tax based on gallonage of special fuel used for the  
23 propulsion of any aircraft is prohibited on and after December  
24 1, 2019. Kane County may exempt diesel fuel from the tax  
25 imposed pursuant to this Section. The tax may be imposed, in

1 half-cent increments, at a rate not exceeding 4 cents per  
2 gallon of motor fuel sold at retail within the county for the  
3 purpose of use or consumption and not for the purpose of  
4 resale. The proceeds from the tax shall be used by the county  
5 solely for the purpose of operating, constructing and improving  
6 public highways and waterways, and acquiring real property and  
7 right-of-ways for public highways and waterways within the  
8 county imposing the tax.

9 A tax imposed pursuant to this Section, and all civil  
10 penalties that may be assessed as an incident thereof, shall be  
11 administered, collected and enforced by the Illinois  
12 Department of Revenue in the same manner as the tax imposed  
13 under the Retailers' Occupation Tax Act, as now or hereafter  
14 amended, insofar as may be practicable; except that in the  
15 event of a conflict with the provisions of this Section, this  
16 Section shall control. The Department of Revenue shall have  
17 full power: to administer and enforce this Section; to collect  
18 all taxes and penalties due hereunder; to dispose of taxes and  
19 penalties so collected in the manner hereinafter provided; and  
20 to determine all rights to credit memoranda arising on account  
21 of the erroneous payment of tax or penalty hereunder.

22 Whenever the Department determines that a refund shall be  
23 made under this Section to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the order to be drawn for the  
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the County Option Motor Fuel Tax Fund.

3 The Department shall forthwith pay over to the State  
4 Treasurer, ex-officio, as trustee, all taxes and penalties  
5 collected hereunder, which shall be deposited into the County  
6 Option Motor Fuel Tax Fund, a special fund in the State  
7 Treasury which is hereby created. On or before the 25th day of  
8 each calendar month, the Department shall prepare and certify  
9 to the State Comptroller the disbursement of stated sums of  
10 money to named counties for which taxpayers have paid taxes or  
11 penalties hereunder to the Department during the second  
12 preceding calendar month. The amount to be paid to each county  
13 shall be the amount (not including credit memoranda) collected  
14 hereunder from retailers within the county during the second  
15 preceding calendar month by the Department, but not including  
16 an amount equal to the amount of refunds made during the second  
17 preceding calendar month by the Department on behalf of the  
18 county; less 2% of the balance, which sum shall be retained by  
19 the State Treasurer to cover the costs incurred by the  
20 Department in administering and enforcing the provisions of  
21 this Section. The Department, at the time of each monthly  
22 disbursement to the counties, shall prepare and certify to the  
23 Comptroller the amount so retained by the State Treasurer,  
24 which shall be transferred into the Tax Compliance and  
25 Administration Fund.

26 A county may direct, by ordinance, that all or a portion of

1 the taxes and penalties collected under the County Option Motor  
2 Fuel Tax shall be deposited into the Transportation Development  
3 Partnership Trust Fund.

4 Nothing in this Section shall be construed to authorize a  
5 county to impose a tax upon the privilege of engaging in any  
6 business which under the Constitution of the United States may  
7 not be made the subject of taxation by this State.

8 An ordinance or resolution imposing a tax hereunder or  
9 effecting a change in the rate thereof shall be effective on  
10 the first day of the second calendar month next following the  
11 month in which the ordinance or resolution is adopted and a  
12 certified copy thereof is filed with the Department of Revenue,  
13 whereupon the Department of Revenue shall proceed to administer  
14 and enforce this Section on behalf of the county as of the  
15 effective date of the ordinance or resolution. Upon a change in  
16 rate of a tax levied hereunder, or upon the discontinuance of  
17 the tax, the county board of the county shall, on or not later  
18 than 5 days after the effective date of the ordinance or  
19 resolution discontinuing the tax or effecting a change in rate,  
20 transmit to the Department of Revenue a certified copy of the  
21 ordinance or resolution effecting the change or  
22 discontinuance.

23 This Section shall be known and may be cited as the County  
24 Motor Fuel Tax Law.

25 (Source: P.A. 98-1049, eff. 8-25-14.)

1 (55 ILCS 5/5-1184 new)

2 Sec. 5-1184. Certification for airport-related purposes.  
3 On or before September, 1 2019, and on or before each April 1  
4 and October 1 thereafter, each county must certify to the  
5 Illinois Department of Transportation, in the form and manner  
6 required by the Department, whether the county has an  
7 airport-related purpose, which would allow any Retailers'  
8 Occupation Tax and Service Occupation Tax imposed by the county  
9 to include tax on aviation fuel. On or before October 1, 2019,  
10 and on or before each May 1 and November 1 thereafter, the  
11 Department of Transportation shall provide to the Department of  
12 Revenue, a list of units of local government which have  
13 certified to the Department of Transportation that they have  
14 airport-related purposes, which would allow any Retailers'  
15 Occupation Tax and Service Occupation Tax imposed by the units  
16 of local government to include tax on aviation fuel. All  
17 disputes regarding whether or not a unit of local government  
18 has an airport-related purpose shall be resolved by the  
19 Illinois Department of Transportation.

20 Section 45. The Illinois Municipal Code is amended by  
21 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
22 8-11-1.7, 8-11-5, 8-11-6a, and 11-74.3-6 and by adding Sections  
23 8-11-22 and 11-101-3 as follows:

24 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

1           Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
2 Act. The corporate authorities of a home rule municipality may  
3 impose a tax upon all persons engaged in the business of  
4 selling tangible personal property, other than an item of  
5 tangible personal property titled or registered with an agency  
6 of this State's government, at retail in the municipality on  
7 the gross receipts from these sales made in the course of such  
8 business. If imposed, the tax shall only be imposed in 1/4%  
9 increments. On and after September 1, 1991, this additional tax  
10 may not be imposed on tangible personal property taxed at the  
11 1% rate under the Retailers' Occupation Tax Act. Beginning  
12 December 1, 2019, this tax is not imposed on sales of aviation  
13 fuel unless the tax revenue is expended for airport-related  
14 purposes. If a municipality does not have an airport-related  
15 purpose to which it dedicates aviation fuel tax revenue, then  
16 aviation fuel is excluded from the tax. Each municipality must  
17 comply with the certification requirements for airport-related  
18 purposes under Section 8-11-22. For purposes of this Act,  
19 "airport-related purposes" has the meaning ascribed in Section  
20 6z-20.2 of the State Finance Act. This exclusion for aviation  
21 fuel only applies for so long as the revenue use requirements  
22 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
23 municipality. The changes made to this Section by this  
24 amendatory Act of the 101st General Assembly are a denial and  
25 limitation of home rule powers and functions under subsection  
26 (g) of Section 6 of Article VII of the Illinois Constitution.

1 The tax imposed by a home rule municipality under this Section  
2 and all civil penalties that may be assessed as an incident of  
3 the tax shall be collected and enforced by the State Department  
4 of Revenue. The certificate of registration that is issued by  
5 the Department to a retailer under the Retailers' Occupation  
6 Tax Act shall permit the retailer to engage in a business that  
7 is taxable under any ordinance or resolution enacted pursuant  
8 to this Section without registering separately with the  
9 Department under such ordinance or resolution or under this  
10 Section. The Department shall have full power to administer and  
11 enforce this Section; to collect all taxes and penalties due  
12 hereunder; to dispose of taxes and penalties so collected in  
13 the manner hereinafter provided; and to determine all rights to  
14 credit memoranda arising on account of the erroneous payment of  
15 tax or penalty hereunder. In the administration of, and  
16 compliance with, this Section the Department and persons who  
17 are subject to this Section shall have the same rights,  
18 remedies, privileges, immunities, powers and duties, and be  
19 subject to the same conditions, restrictions, limitations,  
20 penalties and definitions of terms, and employ the same modes  
21 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,  
22 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
23 provisions therein other than the State rate of tax), 2c, 3  
24 (except as to the disposition of taxes and penalties collected,  
25 and except that the retailer's discount is not allowed for  
26 taxes paid on aviation fuel that are deposited into the Local



1 Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
2 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
3 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
4 the Uniform Penalty and Interest Act, as fully as if those  
5 provisions were set forth herein.

6 No tax may be imposed by a home rule municipality under  
7 this Section unless the municipality also imposes a tax at the  
8 same rate under Section 8-11-5 of this Act.

9 Persons subject to any tax imposed under the authority  
10 granted in this Section may reimburse themselves for their  
11 seller's tax liability hereunder by separately stating that tax  
12 as an additional charge, which charge may be stated in  
13 combination, in a single amount, with State tax which sellers  
14 are required to collect under the Use Tax Act, pursuant to such  
15 bracket schedules as the 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 the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the home rule municipal retailers' occupation  
23 tax fund.

24 Except as otherwise provided in this paragraph, the ~~The~~  
25 Department shall immediately pay over to the State Treasurer,  
26 ex officio, as trustee, all taxes and penalties collected

1     hereunder for deposit into the Home Rule Municipal Retailers'  
2     Occupation Tax Fund. Taxes and penalties collected on aviation  
3     fuel sold on or after December 1, 2019, shall be immediately  
4     paid over by the Department to the State Treasurer, ex officio,  
5     as trustee, for deposit into the Local Government Aviation  
6     Trust Fund. The Department shall only pay moneys into the Local  
7     Government Aviation Trust Fund under this Act for so long as  
8     the revenue use requirements of 49 U.S.C. 47107(b) and 49  
9     U.S.C. 47133 are binding on the State.

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

18         After the monthly transfer to the STAR Bonds Revenue Fund,  
19     on or before the 25th day of each calendar month, the  
20     Department shall prepare and certify to the Comptroller the  
21     disbursement of stated sums of money to named municipalities,  
22     the municipalities to be those from which retailers have paid  
23     taxes or penalties hereunder to the Department during the  
24     second preceding calendar month. The amount to be paid to each  
25     municipality shall be the amount (not including credit  
26     memoranda and not including taxes and penalties collected on

1 aviation fuel sold on or after December 1, 2019) collected  
2 hereunder during the second preceding calendar month by the  
3 Department plus an amount the Department determines is  
4 necessary to offset any amounts that were erroneously paid to a  
5 different taxing body, and not including an amount equal to the  
6 amount of refunds made during the second preceding calendar  
7 month by the Department on behalf of such municipality, and not  
8 including any amount that the Department determines is  
9 necessary to offset any amounts that were payable to a  
10 different taxing body but were erroneously paid to the  
11 municipality, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
13 remainder, which the Department shall transfer into the Tax  
14 Compliance and Administration Fund. The Department, at the time  
15 of each monthly disbursement to the municipalities, shall  
16 prepare and certify to the State Comptroller the amount to be  
17 transferred into the Tax Compliance and Administration Fund  
18 under this Section. Within 10 days after receipt by the  
19 Comptroller of the disbursement certification to the  
20 municipalities and the Tax Compliance and Administration Fund  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 directions contained in the certification.

25 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

8 For the purpose of determining the local governmental unit  
9 whose tax is applicable, a retail sale by a producer of coal or  
10 other mineral mined in Illinois is a sale at retail at the  
11 place where the coal or other mineral mined in Illinois is  
12 extracted from the earth. This paragraph does not apply to coal  
13 or other mineral when it is delivered or shipped by the seller  
14 to the purchaser at a point outside Illinois so that the sale  
15 is exempt under the United States Constitution as a sale in  
16 interstate or foreign commerce.

17 Nothing in this Section shall be construed to authorize a  
18 municipality to impose a tax upon the privilege of engaging in  
19 any business which under the Constitution of the United States  
20 may not be made the subject of taxation by this State.

21 An ordinance or resolution imposing or discontinuing a tax  
22 hereunder or effecting a change in the rate thereof shall be  
23 adopted and a certified copy thereof filed with the Department  
24 on or before the first day of June, whereupon the Department  
25 shall proceed to administer and enforce this Section as of the  
26 first day of September next following the adoption and filing.

1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the Department  
12 shall proceed to administer and enforce this Section as of the  
13 first day of January next following the adoption and filing.  
14 However, a municipality located in a county with a population  
15 in excess of 3,000,000 that elected to become a home rule unit  
16 at the general primary election in 1994 may adopt an ordinance  
17 or resolution imposing the tax under this Section and file a  
18 certified copy of the ordinance or resolution with the  
19 Department on or before July 1, 1994. The Department shall then  
20 proceed to administer and enforce this Section as of October 1,  
21 1994. Beginning April 1, 1998, an ordinance or resolution  
22 imposing or discontinuing the tax hereunder or effecting a  
23 change in the rate thereof shall either (i) be adopted and a  
24 certified copy thereof filed with the Department on or before  
25 the first day of April, whereupon the Department shall proceed  
26 to administer and enforce this Section as of the first day of

1 July next following the adoption and filing; or (ii) be adopted  
2 and a certified copy thereof filed with the Department on or  
3 before the first day of October, whereupon the Department shall  
4 proceed to administer and enforce this Section as of the first  
5 day of January next following the adoption and filing.

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

12 Any unobligated balance remaining in the Municipal  
13 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
14 was abolished by Public Act 85-1135, and all receipts of  
15 municipal tax as a result of audits of liability periods prior  
16 to January 1, 1990, shall be paid into the Local Government Tax  
17 Fund for distribution as provided by this Section prior to the  
18 enactment of Public Act 85-1135. All receipts of municipal tax  
19 as a result of an assessment not arising from an audit, for  
20 liability periods prior to January 1, 1990, shall be paid into  
21 the Local Government Tax Fund for distribution before July 1,  
22 1990, as provided by this Section prior to the enactment of  
23 Public Act 85-1135; and on and after July 1, 1990, all such  
24 receipts shall be distributed as provided in Section 6z-18 of  
25 the State Finance Act.

26 As used in this Section, "municipal" and "municipality"

1 means a city, village or incorporated town, including an  
2 incorporated town that has superseded a civil township.

3 This Section shall be known and may be cited as the Home  
4 Rule Municipal Retailers' Occupation Tax Act.

5 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;  
6 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

7 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

8 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
9 Occupation Tax Act. The corporate authorities of a non-home  
10 rule municipality may impose a tax upon all persons engaged in  
11 the business of selling tangible personal property, other than  
12 on an item of tangible personal property which is titled and  
13 registered by an agency of this State's Government, at retail  
14 in the municipality for expenditure on public infrastructure or  
15 for property tax relief or both as defined in Section 8-11-1.2  
16 if approved by referendum as provided in Section 8-11-1.1, of  
17 the gross receipts from such sales made in the course of such  
18 business. If the tax is approved by referendum on or after July  
19 14, 2010 (the effective date of Public Act 96-1057), the  
20 corporate authorities of a non-home rule municipality may,  
21 until December 31, 2020, use the proceeds of the tax for  
22 expenditure on municipal operations, in addition to or in lieu  
23 of any expenditure on public infrastructure or for property tax  
24 relief. The tax imposed may not be more than 1% and may be  
25 imposed only in 1/4% increments. The tax may not be imposed on



1 tangible personal property taxed at the 1% rate under the  
2 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
3 tax is not imposed on sales of aviation fuel unless the tax  
4 revenue is expended for airport-related purposes. If a  
5 municipality does not have an airport-related purpose to which  
6 it dedicates aviation fuel tax revenue, then aviation fuel is  
7 excluded from the tax. Each municipality must comply with the  
8 certification requirements for airport-related purposes under  
9 Section 8-11-22. For purposes of this Act, "airport-related  
10 purposes" has the meaning ascribed in Section 6z-20.2 of the  
11 State Finance Act. This exclusion for aviation fuel only  
12 applies for so long as the revenue use requirements of 49  
13 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
14 municipality. The tax imposed by a municipality pursuant to  
15 this Section and all civil penalties that may be assessed as an  
16 incident thereof shall be collected and enforced by the State  
17 Department of Revenue. The certificate of registration which is  
18 issued by the Department to a retailer under the Retailers'  
19 Occupation Tax Act shall permit such retailer to engage in a  
20 business which is taxable under any ordinance or resolution  
21 enacted pursuant to this Section without registering  
22 separately with the Department under such ordinance or  
23 resolution or under this Section. The Department shall have  
24 full power to administer and enforce this Section; to collect  
25 all taxes and penalties due hereunder; to dispose of taxes and  
26 penalties so collected in the manner hereinafter provided, and

1 to determine all rights to credit memoranda, arising on account  
2 of the erroneous payment of tax or penalty hereunder. In the  
3 administration of, and compliance with, this Section, the  
4 Department and persons who are subject to this Section shall  
5 have the same rights, remedies, privileges, immunities, powers  
6 and duties, and be subject to the same conditions,  
7 restrictions, limitations, penalties and definitions of terms,  
8 and employ the same modes of procedure, as are prescribed in  
9 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in  
10 respect to all provisions therein other than the State rate of  
11 tax), 2c, 3 (except as to the disposition of taxes and  
12 penalties collected, and except that the retailer's discount is  
13 not allowed for taxes paid on aviation fuel that are deposited  
14 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,  
15 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
16 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
17 Section 3-7 of the Uniform Penalty and Interest Act as fully as  
18 if those provisions were set forth herein.

19 No municipality may impose a tax under this Section unless  
20 the municipality also imposes a tax at the same rate under  
21 Section 8-11-1.4 of this Code.

22 Persons subject to any tax imposed pursuant to the  
23 authority granted in this Section may reimburse themselves for  
24 their seller's tax liability hereunder by separately stating  
25 such tax as an additional charge, which charge may be stated in  
26 combination, in a single amount, with State tax which sellers

1 are required to collect under the Use Tax Act, pursuant to such  
2 bracket schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this Section to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the order to be drawn for the  
7 amount specified, and to the person named, in such notification  
8 from the Department. Such refund shall be paid by the State  
9 Treasurer out of the non-home rule municipal retailers'  
10 occupation tax fund.

11 Except as otherwise provided, the ~~The~~ Department shall  
12 forthwith pay over to the State Treasurer, ex officio, as  
13 trustee, all taxes and penalties collected hereunder for  
14 deposit into the Non-Home Rule Municipal Retailers' Occupation  
15 Tax Fund. Taxes and penalties collected on aviation fuel sold  
16 on or after December 1, 2019, shall be immediately paid over by  
17 the Department to the State Treasurer, ex officio, as trustee,  
18 for deposit into the Local Government Aviation Trust Fund. The  
19 Department shall only pay moneys into the Local Government  
20 Aviation Trust Fund under this Act for so long as the revenue  
21 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
22 binding on the municipality.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the Department  
25 of Revenue, the Comptroller shall order transferred, and the  
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the Innovation  
2 Development and Economy Act, collected under this Section  
3 during the second preceding calendar month for sales within a  
4 STAR bond district.

5 After the monthly transfer to the STAR Bonds Revenue Fund,  
6 on or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money to named municipalities,  
9 the municipalities to be those from which retailers have paid  
10 taxes or penalties hereunder to the Department during the  
11 second preceding calendar month. The amount to be paid to each  
12 municipality shall be the amount (not including credit  
13 memoranda and not including taxes and penalties collected on  
14 aviation fuel sold on or after December 1, 2019) collected  
15 hereunder during the second preceding calendar month by the  
16 Department plus an amount the Department determines is  
17 necessary to offset any amounts which were erroneously paid to  
18 a different taxing body, and not including an amount equal to  
19 the amount of refunds made during the second preceding calendar  
20 month by the Department on behalf of such municipality, and not  
21 including any amount which the Department determines is  
22 necessary to offset any amounts which were payable to a  
23 different taxing body but were erroneously paid to the  
24 municipality, and not including any amounts that are  
25 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
26 remainder, which the Department shall transfer into the Tax

1 Compliance and Administration Fund. The Department, at the time  
2 of each monthly disbursement to the municipalities, shall  
3 prepare and certify to the State Comptroller the amount to be  
4 transferred into the Tax Compliance and Administration Fund  
5 under this Section. Within 10 days after receipt, by the  
6 Comptroller, of the disbursement certification to the  
7 municipalities and the Tax Compliance and Administration Fund  
8 provided for in this Section to be given to the Comptroller by  
9 the Department, the Comptroller shall cause the orders to be  
10 drawn for the respective amounts in accordance with the  
11 directions contained in such certification.

12 For the purpose of determining the local governmental unit  
13 whose tax is applicable, a retail sale, by a producer of coal  
14 or other mineral mined in Illinois, is a sale at retail at the  
15 place where the coal or other mineral mined in Illinois is  
16 extracted from the earth. This paragraph does not apply to coal  
17 or other mineral when it is delivered or shipped by the seller  
18 to the purchaser at a point outside Illinois so that the sale  
19 is exempt under the Federal Constitution as a sale in  
20 interstate or foreign commerce.

21 Nothing in this Section shall be construed to authorize a  
22 municipality to impose a tax upon the privilege of engaging in  
23 any business which under the constitution of the United States  
24 may not be made the subject of taxation by this State.

25 When certifying the amount of a monthly disbursement to a  
26 municipality under this Section, the Department shall increase

1 or decrease such amount by an amount necessary to offset any  
2 misallocation of previous disbursements. The offset amount  
3 shall be the amount erroneously disbursed within the previous 6  
4 months from the time a misallocation is discovered.

5 The Department of Revenue shall implement Public Act 91-649  
6 ~~this amendatory Act of the 91st General Assembly~~ so as to  
7 collect the tax on and after January 1, 2002.

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

11 This Section shall be known and may be cited as the  
12 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

13 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;  
14 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

15 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

16 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
17 Tax Act. The corporate authorities of a non-home rule  
18 municipality may impose a tax upon all persons engaged, in such  
19 municipality, in the business of making sales of service for  
20 expenditure on public infrastructure or for property tax relief  
21 or both as defined in Section 8-11-1.2 if approved by  
22 referendum as provided in Section 8-11-1.1, of the selling  
23 price of all tangible personal property transferred by such  
24 servicemen either in the form of tangible personal property or  
25 in the form of real estate as an incident to a sale of service.

1 If the tax is approved by referendum on or after July 14, 2010  
2 (the effective date of Public Act 96-1057), the corporate  
3 authorities of a non-home rule municipality may, until December  
4 31, 2020, use the proceeds of the tax for expenditure on  
5 municipal operations, in addition to or in lieu of any  
6 expenditure on public infrastructure or for property tax  
7 relief. The tax imposed may not be more than 1% and may be  
8 imposed only in 1/4% increments. The tax may not be imposed on  
9 tangible personal property taxed at the 1% rate under the  
10 Service Occupation Tax Act. Beginning December 1, 2019, this  
11 tax is not imposed on sales of aviation fuel unless the tax  
12 revenue is expended for airport-related purposes. If a  
13 municipality does not have an airport-related purpose to which  
14 it dedicates aviation fuel tax revenue, then aviation fuel is  
15 excluded from the tax. Each municipality must comply with the  
16 certification requirements for airport-related purposes under  
17 Section 8-11-22. For purposes of this Act, "airport-related  
18 purposes" has the meaning ascribed in Section 6z-20.2 of the  
19 State Finance Act. This exclusion for aviation fuel only  
20 applies for so long as the revenue use requirements of 49  
21 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
22 municipality. The tax imposed by a municipality pursuant to  
23 this Section and all civil penalties that may be assessed as an  
24 incident thereof shall be collected and enforced by the State  
25 Department of Revenue. The certificate of registration which is  
26 issued by the Department to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act  
2 shall permit such registrant to engage in a business which is  
3 taxable under any ordinance or resolution enacted pursuant to  
4 this Section without registering separately with the  
5 Department under such ordinance or resolution or under this  
6 Section. The Department shall have full power to administer and  
7 enforce this Section; to collect all taxes and penalties due  
8 hereunder; to dispose of taxes and penalties so collected in  
9 the manner hereinafter provided, and to determine all rights to  
10 credit memoranda arising on account of the erroneous payment of  
11 tax or penalty hereunder. In the administration of, and  
12 compliance with, this Section the Department and persons who  
13 are subject to this Section shall have the same rights,  
14 remedies, privileges, immunities, powers and duties, and be  
15 subject to the same conditions, restrictions, limitations,  
16 penalties and definitions of terms, and employ the same modes  
17 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
18 through 3-50 (in respect to all provisions therein other than  
19 the State rate of tax), 4 (except that the reference to the  
20 State shall be to the taxing municipality), 5, 7, 8 (except  
21 that the jurisdiction to which the tax shall be a debt to the  
22 extent indicated in that Section 8 shall be the taxing  
23 municipality), 9 (except as to the disposition of taxes and  
24 penalties collected, and except that the returned merchandise  
25 credit for this municipal tax may not be taken against any  
26 State tax , and except that the retailer's discount is not



1 allowed for taxes paid on aviation fuel that are deposited into  
2 the Local Government Aviation Trust Fund), 10, 11, 12 (except  
3 the reference therein to Section 2b of the Retailers'  
4 Occupation Tax Act), 13 (except that any reference to the State  
5 shall mean the taxing municipality), the first paragraph of  
6 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax  
7 Act and Section 3-7 of the Uniform Penalty and Interest Act, as  
8 fully as if those provisions were set forth herein.

9 No municipality may impose a tax under this Section unless  
10 the municipality also imposes a tax at the same rate under  
11 Section 8-11-1.3 of this Code.

12 Persons subject to any tax imposed pursuant to the  
13 authority granted in this Section may reimburse themselves for  
14 their serviceman's tax liability hereunder by separately  
15 stating such tax as an additional charge, which charge may be  
16 stated in combination, in a single amount, with State tax which  
17 servicemen are authorized to collect under the Service Use Tax  
18 Act, pursuant to such bracket schedules as the Department may  
19 prescribe.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing credit  
22 memorandum, the Department shall notify the State Comptroller,  
23 who shall cause the order to be drawn for the amount specified,  
24 and to the person named, in such notification from the  
25 Department. Such refund shall be paid by the State Treasurer  
26 out of the municipal retailers' occupation tax fund.

1       Except as otherwise provided in this paragraph, the~~The~~  
2       Department shall forthwith pay over to the State Treasurer, ex  
3       officio, as trustee, all taxes and penalties collected  
4       hereunder for deposit into the municipal retailers' occupation  
5       tax fund. Taxes and penalties collected on aviation fuel sold  
6       on or after December 1, 2019, shall be immediately paid over by  
7       the Department to the State Treasurer, ex officio, as trustee,  
8       for deposit into the Local Government Aviation Trust Fund. The  
9       Department shall only pay moneys into the Local Government  
10      Aviation Trust Fund under this Act for so long as the revenue  
11      use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
12      binding on the municipality.

13       As soon as possible after the first day of each month,  
14      beginning January 1, 2011, upon certification of the Department  
15      of Revenue, the Comptroller shall order transferred, and the  
16      Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
17      local sales tax increment, as defined in the Innovation  
18      Development and Economy Act, collected under this Section  
19      during the second preceding calendar month for sales within a  
20      STAR bond district.

21       After the monthly transfer to the STAR Bonds Revenue Fund,  
22      on or before the 25th day of each calendar month, the  
23      Department shall prepare and certify to the Comptroller the  
24      disbursement of stated sums of money to named municipalities,  
25      the municipalities to be those from which suppliers and  
26      servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The  
2 amount to be paid to each municipality shall be the amount (not  
3 including credit memoranda and not including taxes and  
4 penalties collected on aviation fuel sold on or after December  
5 1, 2019) collected hereunder during the second preceding  
6 calendar month by the Department, and not including an amount  
7 equal to the amount of refunds made during the second preceding  
8 calendar month by the Department on behalf of such  
9 municipality, and not including any amounts that are  
10 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
11 remainder, which the Department shall transfer into the Tax  
12 Compliance and Administration Fund. The Department, at the time  
13 of each monthly disbursement to the municipalities, shall  
14 prepare and certify to the State Comptroller the amount to be  
15 transferred into the Tax Compliance and Administration Fund  
16 under this Section. Within 10 days after receipt, by the  
17 Comptroller, of the disbursement certification to the  
18 municipalities, the General Revenue Fund, and the Tax  
19 Compliance and Administration Fund provided for in this Section  
20 to be given to the Comptroller by the Department, the  
21 Comptroller shall cause the orders to be drawn for the  
22 respective amounts in accordance with the directions contained  
23 in such certification.

24 The Department of Revenue shall implement Public Act 91-649  
25 ~~this amendatory Act of the 91st General Assembly~~ so as to  
26 collect the tax on and after January 1, 2002.

1           Nothing in this Section shall be construed to authorize a  
2 municipality to impose a tax upon the privilege of engaging in  
3 any business which under the constitution of the United States  
4 may not be made the subject of taxation by this State.

5           As used in this Section, "municipal" or "municipality"  
6 means or refers to a city, village or incorporated town,  
7 including an incorporated town which has superseded a civil  
8 township.

9           This Section shall be known and may be cited as the  
10 "Non-Home Rule Municipal Service Occupation Tax Act".

11           (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
12 100-1171, eff. 1-4-19; revised 1-9-19.)

13           (65 ILCS 5/8-11-1.6)

14           Sec. 8-11-1.6. Non-home rule municipal retailers'  
15 occupation tax; municipalities between 20,000 and 25,000. The  
16 corporate authorities of a non-home rule municipality with a  
17 population of more than 20,000 but less than 25,000 that has,  
18 prior to January 1, 1987, established a Redevelopment Project  
19 Area that has been certified as a State Sales Tax Boundary and  
20 has issued bonds or otherwise incurred indebtedness to pay for  
21 costs in excess of \$5,000,000, which is secured in part by a  
22 tax increment allocation fund, in accordance with the  
23 provisions of Division 11-74.4 of this Code may, by passage of  
24 an ordinance, impose a tax upon all persons engaged in the  
25 business of selling tangible personal property, other than on

1 an item of tangible personal property that is titled and  
2 registered by an agency of this State's Government, at retail  
3 in the municipality. This tax may not be imposed on tangible  
4 personal property taxed at the 1% rate under the Retailers'  
5 Occupation Tax Act. Beginning December 1, 2017, this tax is not  
6 imposed on sales of aviation fuel unless the tax revenue is  
7 expended for airport-related purposes. If a municipality does  
8 not have an airport-related purpose to which it dedicates  
9 aviation fuel tax revenue, then aviation fuel is excluded from  
10 the tax. Each municipality must comply with the certification  
11 requirements for airport-related purposes under Section  
12 8-11-22. For purposes of this Act, "airport-related purposes"  
13 has the meaning ascribed in Section 6z-20.2 of the State  
14 Finance Act. This exclusion for aviation fuel only applies for  
15 so long as the revenue use requirements of 49 U.S.C. §47107(b)  
16 and 49 U.S.C. §47133 are binding on the municipality. If  
17 imposed, the tax shall only be imposed in .25% increments of  
18 the gross receipts from such sales made in the course of  
19 business. Any tax imposed by a municipality under this Section  
20 and all civil penalties that may be assessed as an incident  
21 thereof shall be collected and enforced by the State Department  
22 of Revenue. An ordinance imposing a tax hereunder or effecting  
23 a change in the rate thereof shall be adopted and a certified  
24 copy thereof filed with the Department on or before the first  
25 day of October, whereupon the Department shall proceed to  
26 administer and enforce this Section as of the first day of

1 January next following such adoption and filing. The  
2 certificate of registration that is issued by the Department to  
3 a retailer under the Retailers' Occupation Tax Act shall permit  
4 the retailer to engage in a business that is taxable under any  
5 ordinance or resolution enacted under this Section without  
6 registering separately with the Department under the ordinance  
7 or resolution or under this Section. The Department shall have  
8 full power to administer and enforce this Section, to collect  
9 all taxes and penalties due hereunder, to dispose of taxes and  
10 penalties so collected in the manner hereinafter provided, and  
11 to determine all rights to credit memoranda, arising on account  
12 of the erroneous payment of tax or penalty hereunder. In the  
13 administration of, and compliance with this Section, the  
14 Department and persons who are subject to this Section shall  
15 have the same rights, remedies, privileges, immunities,  
16 powers, and duties, and be subject to the same conditions,  
17 restrictions, limitations, penalties, and definitions of  
18 terms, and employ the same modes of procedure, as are  
19 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
20 through 2-65 (in respect to all provisions therein other than  
21 the State rate of tax), 2c, 3 (except as to the disposition of  
22 taxes and penalties collected, and except that the retailer's  
23 discount is not allowed for taxes paid on aviation fuel that  
24 are deposited into the Local Government Aviation Trust Fund),  
25 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,  
26 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation

1 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act  
2 as fully as if those provisions were set forth herein.

3 A tax may not be imposed by a municipality under this  
4 Section unless the municipality also imposes a tax at the same  
5 rate under Section 8-11-1.7 of this Act.

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

13 Whenever the Department determines that a refund should be  
14 made under this Section to a claimant, instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the order to be drawn for the  
17 amount specified, and to the person named in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the Non-Home Rule Municipal Retailers'  
20 Occupation Tax Fund, which is hereby created.

21 Except as otherwise provided in this paragraph, the ~~The~~  
22 Department shall forthwith pay over to the State Treasurer, ex  
23 officio, as trustee, all taxes and penalties collected  
24 hereunder for deposit into the Non-Home Rule Municipal  
25 Retailers' Occupation Tax Fund. Taxes and penalties collected  
26 on aviation fuel sold on or after December 1, 2017, shall be

1 immediately paid over by the Department to the State Treasurer,  
2 ex officio, as trustee, for deposit into the Local Government  
3 Aviation Trust Fund. The Department shall only pay moneys into  
4 the Local Government Aviation Trust Fund under this Act for so  
5 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
6 49 U.S.C. §47133 are binding on the municipality.

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

15 After the monthly transfer to the STAR Bonds Revenue Fund,  
16 on or before the 25th day of each calendar month, the  
17 Department shall prepare and certify to the Comptroller the  
18 disbursement of stated sums of money to named municipalities,  
19 the municipalities to be those from which retailers have paid  
20 taxes or penalties hereunder to the Department during the  
21 second preceding calendar month. The amount to be paid to each  
22 municipality shall be the amount (not including credit  
23 memoranda and not including taxes and penalties collected on  
24 aviation fuel sold on or after December 1, 2017) collected  
25 hereunder during the second preceding calendar month by the  
26 Department plus an amount the Department determines is



1 necessary to offset any amounts that were erroneously paid to a  
2 different taxing body, and not including an amount equal to the  
3 amount of refunds made during the second preceding calendar  
4 month by the Department on behalf of the municipality, and not  
5 including any amount that the Department determines is  
6 necessary to offset any amounts that were payable to a  
7 different taxing body but were erroneously paid to the  
8 municipality, and not including any amounts that are  
9 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
10 remainder, which the Department shall transfer into the Tax  
11 Compliance and Administration Fund. The Department, at the time  
12 of each monthly disbursement to the municipalities, shall  
13 prepare and certify to the State Comptroller the amount to be  
14 transferred into the Tax Compliance and Administration Fund  
15 under this Section. Within 10 days after receipt by the  
16 Comptroller of the disbursement certification to the  
17 municipalities and the Tax Compliance and Administration Fund  
18 provided for in this Section to be given to the Comptroller by  
19 the Department, the Comptroller shall cause the orders to be  
20 drawn for the respective amounts in accordance with the  
21 directions contained in the certification.

22 For the purpose of determining the local governmental unit  
23 whose tax is applicable, a retail sale by a producer of coal or  
24 other mineral mined in Illinois is a sale at retail at the  
25 place where the coal or other mineral mined in Illinois is  
26 extracted from the earth. This paragraph does not apply to coal

1 or other mineral when it is delivered or shipped by the seller  
2 to the purchaser at a point outside Illinois so that the sale  
3 is exempt under the federal Constitution as a sale in  
4 interstate or foreign commerce.

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

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

15 As used in this Section, "municipal" and "municipality"  
16 means a city, village, or incorporated town, including an  
17 incorporated town that has superseded a civil township.

18 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;  
19 100-23, eff. 7-6-17; 100-587, eff. 6-4-18; 100-863, eff.  
20 8-14-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

21 (65 ILCS 5/8-11-1.7)

22 Sec. 8-11-1.7. Non-home rule municipal service occupation  
23 tax; municipalities between 20,000 and 25,000. The corporate  
24 authorities of a non-home rule municipality with a population  
25 of more than 20,000 but less than 25,000 as determined by the

1 last preceding decennial census that has, prior to January 1,  
2 1987, established a Redevelopment Project Area that has been  
3 certified as a State Sales Tax Boundary and has issued bonds or  
4 otherwise incurred indebtedness to pay for costs in excess of  
5 \$5,000,000, which is secured in part by a tax increment  
6 allocation fund, in accordance with the provisions of Division  
7 11-74.4 of this Code may, by passage of an ordinance, impose a  
8 tax upon all persons engaged in the municipality in the  
9 business of making sales of service. If imposed, the tax shall  
10 only be imposed in .25% increments of the selling price of all  
11 tangible personal property transferred by such servicemen  
12 either in the form of tangible personal property or in the form  
13 of real estate as an incident to a sale of service. This tax  
14 may not be imposed on tangible personal property taxed at the  
15 1% rate under the Service Occupation Tax Act. Beginning  
16 December 1, 2019, this tax is not imposed on sales of aviation  
17 fuel unless the tax revenue is expended for airport-related  
18 purposes. If a municipality does not have an airport-related  
19 purpose to which it dedicates aviation fuel tax revenue, then  
20 aviation fuel is excluded from the tax. Each municipality must  
21 comply with the certification requirements for airport-related  
22 purposes under Section 8-11-22. For purposes of this Act,  
23 "airport-related purposes" has the meaning ascribed in Section  
24 6z-20.2 of the State Finance Act. This exclusion for aviation  
25 fuel only applies for so long as the revenue use requirements  
26 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the

1 municipality. The tax imposed by a municipality under this  
2 Section and all civil penalties that may be assessed as an  
3 incident thereof shall be collected and enforced by the State  
4 Department of Revenue. An ordinance imposing a tax hereunder or  
5 effecting a change in the rate thereof shall be adopted and a  
6 certified copy thereof filed with the Department on or before  
7 the first day of October, whereupon the Department shall  
8 proceed to administer and enforce this Section as of the first  
9 day of January next following such adoption and filing. The  
10 certificate of registration that is issued by the Department to  
11 a retailer under the Retailers' Occupation Tax Act or under the  
12 Service Occupation Tax Act shall permit the registrant to  
13 engage in a business that is taxable under any ordinance or  
14 resolution enacted under this Section without registering  
15 separately with the Department under the ordinance or  
16 resolution or under this Section. The Department shall have  
17 full power to administer and enforce this Section, to collect  
18 all taxes and penalties due hereunder, to dispose of taxes and  
19 penalties so collected in a manner hereinafter provided, and to  
20 determine all rights to credit memoranda arising on account of  
21 the erroneous payment of tax or penalty hereunder. In the  
22 administration of and compliance with this Section, the  
23 Department and persons who are subject to this Section shall  
24 have the same rights, remedies, privileges, immunities,  
25 powers, and duties, and be subject to the same conditions,  
26 restrictions, limitations, penalties and definitions of terms,

1 and employ the same modes of procedure, as are prescribed in  
2 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
3 provisions therein other than the State rate of tax), 4 (except  
4 that the reference to the State shall be to the taxing  
5 municipality), 5, 7, 8 (except that the jurisdiction to which  
6 the tax shall be a debt to the extent indicated in that Section  
7 8 shall be the taxing municipality), 9 (except as to the  
8 disposition of taxes and penalties collected, and except that  
9 the returned merchandise credit for this municipal tax may not  
10 be taken against any State tax, and except that the retailer's  
11 discount is not allowed for taxes paid on aviation fuel that  
12 are deposited into the Local Government Aviation Trust Fund),  
13 10, 11, 12, (except the reference therein to Section 2b of the  
14 Retailers' Occupation Tax Act), 13 (except that any reference  
15 to the State shall mean the taxing municipality), the first  
16 paragraph of Sections 15, 16, 17, 18, 19, and 20 of the Service  
17 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
18 Interest Act, as fully as if those provisions were set forth  
19 herein.

20 A tax may not be imposed by a municipality under this  
21 Section unless the municipality also imposes a tax at the same  
22 rate under Section 8-11-1.6 of this Act.

23 Person subject to any tax imposed under the authority  
24 granted in this Section may reimburse themselves for their  
25 servicemen'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 servicemen  
2 are authorized to collect under the Service Use Tax Act, under  
3 such bracket schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this Section to a claimant instead of issuing credit  
6 memorandum, the Department shall notify the State Comptroller,  
7 who shall cause the order to be drawn for the amount specified,  
8 and to the person named, in such notification from the  
9 Department. The refund shall be paid by the State Treasurer out  
10 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

11 Except as otherwise provided in this paragraph, the ~~The~~  
12 Department shall forthwith pay over to the State Treasurer, ex  
13 officio, as trustee, all taxes and penalties collected  
14 hereunder for deposit into the Non-Home Rule Municipal  
15 Retailers' Occupation Tax Fund. Taxes and penalties collected  
16 on aviation fuel sold on or after December 1, 2019, shall be  
17 immediately paid over by the Department to the State Treasurer,  
18 ex officio, as trustee, for deposit into the Local Government  
19 Aviation Trust Fund. The Department shall only pay moneys into  
20 the Local Government Aviation Trust Fund under this Act for so  
21 long as the revenue use requirements of 49 U.S.C. §47107(b) and  
22 49 U.S.C. §47133 are binding on the Municipality.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the Department  
25 of Revenue, the Comptroller shall order transferred, and the  
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the Innovation  
2 Development and Economy Act, collected under this Section  
3 during the second preceding calendar month for sales within a  
4 STAR bond district.

5 After the monthly transfer to the STAR Bonds Revenue Fund,  
6 on or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money to named municipalities,  
9 the municipalities to be those from which suppliers and  
10 servicemen have paid taxes or penalties hereunder to the  
11 Department during the second preceding calendar month. The  
12 amount to be paid to each municipality shall be the amount (not  
13 including credit memoranda and not including taxes and  
14 penalties collected on aviation fuel sold on or after December  
15 1, 2019) collected hereunder during the second preceding  
16 calendar month by the Department, and not including an amount  
17 equal to the amount of refunds made during the second preceding  
18 calendar month by the Department on behalf of such  
19 municipality, and not including any amounts that are  
20 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
21 remainder, which the Department shall transfer into the Tax  
22 Compliance and Administration Fund. The Department, at the time  
23 of each monthly disbursement to the municipalities, shall  
24 prepare and certify to the State Comptroller the amount to be  
25 transferred into the Tax Compliance and Administration Fund  
26 under this Section. Within 10 days after receipt by the

1 Comptroller of the disbursement certification to the  
2 municipalities, the Tax Compliance and Administration Fund,  
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 the  
7 certification.

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

14 Nothing in this Section shall be construed to authorize a  
15 municipality to impose a tax upon the privilege of engaging in  
16 any business which under the constitution of the United States  
17 may not be made the subject of taxation by this State.

18 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
19 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

20 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

21 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
22 Act. The corporate authorities of a home rule municipality may  
23 impose a tax upon all persons engaged, in such municipality, in  
24 the business of making sales of service at the same rate of tax  
25 imposed pursuant to Section 8-11-1, of the selling price of all



1 tangible personal property transferred by such servicemen  
2 either in the form of tangible personal property or in the form  
3 of real estate as an incident to a sale of service. If imposed,  
4 such tax shall only be imposed in 1/4% increments. On and after  
5 September 1, 1991, this additional tax may not be imposed on  
6 tangible personal property taxed at the 1% rate under the  
7 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
8 tax may not be imposed on sales of aviation fuel unless the tax  
9 revenue is expended for airport-related purposes. If a  
10 municipality does not have an airport-related purpose to which  
11 it dedicates aviation fuel tax revenue, then aviation fuel  
12 shall be excluded from tax. Each municipality must comply with  
13 the certification requirements for airport-related purposes  
14 under Section 8-11-22. For purposes of this Act,  
15 "airport-related purposes" has the meaning ascribed in Section  
16 6z-20.2 of the State Finance Act. This exception for aviation  
17 fuel only applies for so long as the revenue use requirements  
18 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the  
19 State. The changes made to this Section by this amendatory Act  
20 of the 101st General Assembly are a denial and limitation of  
21 home rule powers and functions under subsection (g) of Section  
22 6 of Article VII of the Illinois Constitution. The tax imposed  
23 by a home rule municipality pursuant to this Section and all  
24 civil penalties that may be assessed as an incident thereof  
25 shall be collected and enforced by the State Department of  
26 Revenue. The certificate of registration which is issued by the

1 Department to a retailer under the Retailers' Occupation Tax  
2 Act or under the Service Occupation Tax Act shall permit such  
3 registrant to engage in a business which is taxable under any  
4 ordinance or resolution enacted pursuant to this Section  
5 without registering separately with the Department under such  
6 ordinance or resolution or under this Section. The Department  
7 shall have full power to administer and enforce this Section;  
8 to collect all taxes and penalties due hereunder; to dispose of  
9 taxes and penalties so collected in the manner hereinafter  
10 provided, and to determine all rights to credit memoranda  
11 arising on account of the erroneous payment of tax or penalty  
12 hereunder. In the administration of, and compliance with, this  
13 Section the Department and persons who are subject to this  
14 Section shall have the same rights, remedies, privileges,  
15 immunities, powers and duties, and be subject to the same  
16 conditions, restrictions, limitations, penalties and  
17 definitions of terms, and employ the same modes of procedure,  
18 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
19 respect to all provisions therein other than the State rate of  
20 tax), 4 (except that the reference to the State shall be to the  
21 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
22 which the tax shall be a debt to the extent indicated in that  
23 Section 8 shall be the taxing municipality), 9 (except as to  
24 the disposition of taxes and penalties collected, and except  
25 that the returned merchandise credit for this municipal tax may  
26 not be taken against any State tax), 10, 11, 12 (except the

1 reference therein to Section 2b of the Retailers' Occupation  
2 Tax Act), 13 (except that any reference to the State shall mean  
3 the taxing municipality), the first paragraph of Section 15,  
4 16, 17 (except that credit memoranda issued hereunder may not  
5 be used to discharge any State tax liability), 18, 19 and 20 of  
6 the Service Occupation Tax Act and Section 3-7 of the Uniform  
7 Penalty and Interest Act, as fully as if those provisions were  
8 set forth herein.

9 No tax may be imposed by a home rule municipality pursuant  
10 to this Section unless such municipality also imposes a tax at  
11 the same rate pursuant to Section 8-11-1 of this Act.

12 Persons subject to any tax imposed pursuant to the  
13 authority granted in this Section may reimburse themselves for  
14 their serviceman's tax liability hereunder by separately  
15 stating such tax as an additional charge, which charge may be  
16 stated in combination, in a single amount, with State tax which  
17 servicemen are authorized to collect under the Service Use Tax  
18 Act, pursuant to such bracket schedules as the Department may  
19 prescribe.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing credit  
22 memorandum, the Department shall notify the State Comptroller,  
23 who shall cause the order to be drawn for the amount specified,  
24 and to the person named, in such notification from the  
25 Department. Such refund shall be paid by the State Treasurer  
26 out of the home rule municipal retailers' occupation tax fund.

1       Except as otherwise provided in this paragraph, the ~~The~~  
2 Department shall forthwith pay over to the State Treasurer, ex  
3 officio ~~ex-officio~~, as trustee, all taxes and penalties  
4 collected hereunder for deposit into the Home Rule Municipal  
5 Retailers' Occupation Tax Fund. Taxes and penalties collected  
6 on aviation fuel sold on or after December 1, 2019, shall be  
7 immediately paid over by the Department to the State Treasurer,  
8 ex officio, as trustee, for deposit into the Local Government  
9 Aviation Trust Fund. The Department shall only pay moneys into  
10 the State Aviation Program Fund under this Act for so long as  
11 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
12 U.S.C. §47133 are binding on the municipality.

13       As soon as possible after the first day of each month,  
14 beginning January 1, 2011, upon certification of the Department  
15 of Revenue, the Comptroller shall order transferred, and the  
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
17 local sales tax increment, as defined in the Innovation  
18 Development and Economy Act, collected under this Section  
19 during the second preceding calendar month for sales within a  
20 STAR bond district.

21       After the monthly transfer to the STAR Bonds Revenue Fund,  
22 on or before the 25th day of each calendar month, the  
23 Department shall prepare and certify to the Comptroller the  
24 disbursement of stated sums of money to named municipalities,  
25 the municipalities to be those from which suppliers and  
26 servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The  
2 amount to be paid to each municipality shall be the amount (not  
3 including credit memoranda and not including taxes and  
4 penalties collected on aviation fuel sold on or after December  
5 1, 2019) collected hereunder during the second preceding  
6 calendar month by the Department, and not including an amount  
7 equal to the amount of refunds made during the second preceding  
8 calendar month by the Department on behalf of such  
9 municipality, and not including any amounts that are  
10 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
11 remainder, which the Department shall transfer into the Tax  
12 Compliance and Administration Fund. The Department, at the time  
13 of each monthly disbursement to the municipalities, shall  
14 prepare and certify to the State Comptroller the amount to be  
15 transferred into the Tax Compliance and Administration Fund  
16 under this Section. Within 10 days after receipt, by the  
17 Comptroller, of the disbursement certification to the  
18 municipalities and the Tax Compliance and Administration Fund  
19 provided for in this Section to be given to the Comptroller by  
20 the Department, the Comptroller shall cause the orders to be  
21 drawn for the respective amounts in accordance with the  
22 directions contained in such certification.

23 In addition to the disbursement required by the preceding  
24 paragraph and in order to mitigate delays caused by  
25 distribution procedures, an allocation shall, if requested, be  
26 made within 10 days after January 14, 1991, and in November of

1 1991 and each year thereafter, to each municipality that  
2 received more than \$500,000 during the preceding fiscal year,  
3 (July 1 through June 30) whether collected by the municipality  
4 or disbursed by the Department as required by this Section.  
5 Within 10 days after January 14, 1991, participating  
6 municipalities shall notify the Department in writing of their  
7 intent to participate. In addition, for the initial  
8 distribution, participating municipalities shall certify to  
9 the Department the amounts collected by the municipality for  
10 each month under its home rule occupation and service  
11 occupation tax during the period July 1, 1989 through June 30,  
12 1990. The allocation within 10 days after January 14, 1991,  
13 shall be in an amount equal to the monthly average of these  
14 amounts, excluding the 2 months of highest receipts. Monthly  
15 average for the period of July 1, 1990 through June 30, 1991  
16 will be determined as follows: the amounts collected by the  
17 municipality under its home rule occupation and service  
18 occupation tax during the period of July 1, 1990 through  
19 September 30, 1990, plus amounts collected by the Department  
20 and paid to such municipality through June 30, 1991, excluding  
21 the 2 months of highest receipts. The monthly average for each  
22 subsequent period of July 1 through June 30 shall be an amount  
23 equal to the monthly distribution made to each such  
24 municipality under the preceding paragraph during this period,  
25 excluding the 2 months of highest receipts. The distribution  
26 made in November 1991 and each year thereafter under this

1 paragraph and the preceding paragraph shall be reduced by the  
2 amount allocated and disbursed under this paragraph in the  
3 preceding period of July 1 through June 30. The Department  
4 shall prepare and certify to the Comptroller for disbursement  
5 the allocations made in accordance with this paragraph.

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

10 An ordinance or resolution imposing or discontinuing a tax  
11 hereunder or effecting a change in the rate thereof shall be  
12 adopted and a certified copy thereof filed with the Department  
13 on or before the first day of June, whereupon the Department  
14 shall proceed to administer and enforce this Section as of the  
15 first day of September next following such adoption and filing.  
16 Beginning January 1, 1992, an ordinance or resolution imposing  
17 or discontinuing the tax hereunder or effecting a change in the  
18 rate thereof shall be adopted and a certified copy thereof  
19 filed with the Department on or before the first day of July,  
20 whereupon the Department shall proceed to administer and  
21 enforce this Section as of the first day of October next  
22 following such adoption and filing. Beginning January 1, 1993,  
23 an ordinance or resolution imposing or discontinuing the tax  
24 hereunder or effecting a change in the rate thereof shall be  
25 adopted and a certified copy thereof filed with the Department  
26 on or before the first day of October, whereupon the Department

1 shall proceed to administer and enforce this Section as of the  
2 first day of January next following such adoption and filing.  
3 However, a municipality located in a county with a population  
4 in excess of 3,000,000 that elected to become a home rule unit  
5 at the general primary election in 1994 may adopt an ordinance  
6 or resolution imposing the tax under this Section and file a  
7 certified copy of the ordinance or resolution with the  
8 Department on or before July 1, 1994. The Department shall then  
9 proceed to administer and enforce this Section as of October 1,  
10 1994. Beginning April 1, 1998, an ordinance or resolution  
11 imposing or discontinuing the tax hereunder or effecting a  
12 change in the rate thereof shall either (i) be adopted and a  
13 certified copy thereof filed with the Department on or before  
14 the first day of April, whereupon the Department shall proceed  
15 to administer and enforce this Section as of the first day of  
16 July next following the adoption and filing; or (ii) be adopted  
17 and a certified copy thereof filed with the Department on or  
18 before the first day of October, whereupon the Department shall  
19 proceed to administer and enforce this Section as of the first  
20 day of January next following the adoption and filing.

21 Any unobligated balance remaining in the Municipal  
22 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
23 was abolished by Public Act 85-1135, and all receipts of  
24 municipal tax as a result of audits of liability periods prior  
25 to January 1, 1990, shall be paid into the Local Government Tax  
26 Fund, for distribution as provided by this Section prior to the



1 enactment of Public Act 85-1135. All receipts of municipal tax  
2 as a result of an assessment not arising from an audit, for  
3 liability periods prior to January 1, 1990, shall be paid into  
4 the Local Government Tax Fund for distribution before July 1,  
5 1990, as provided by this Section prior to the enactment of  
6 Public Act 85-1135, and on and after July 1, 1990, all such  
7 receipts shall be distributed as provided in Section 6z-18 of  
8 the State Finance Act.

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

12 This Section shall be known and may be cited as the Home  
13 Rule Municipal Service Occupation Tax Act.

14 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
15 100-1171, eff. 1-4-19; revised 1-9-19.)

16 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

17 Sec. 8-11-6a. Home rule municipalities; preemption of  
18 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,  
19 8-11-6, 8-11-6b, 8-11-6c, and 11-74.3-6 on and after September  
20 1, 1990, no home rule municipality has the authority to impose,  
21 pursuant to its home rule authority, a retailer's occupation  
22 tax, service occupation tax, use tax, sales tax or other tax on  
23 the use, sale or purchase of tangible personal property based  
24 on the gross receipts from such sales or the selling or  
25 purchase price of said tangible personal property.

1 Notwithstanding the foregoing, this Section does not preempt  
2 any home rule imposed tax such as the following: (1) a tax on  
3 alcoholic beverages, whether based on gross receipts, volume  
4 sold or any other measurement; (2) a tax based on the number of  
5 units of cigarettes or tobacco products (provided, however,  
6 that a home rule municipality that has not imposed a tax based  
7 on the number of units of cigarettes or tobacco products before  
8 July 1, 1993, shall not impose such a tax after that date); (3)  
9 a tax, however measured, based on the use of a hotel or motel  
10 room or similar facility; (4) a tax, however measured, on the  
11 sale or transfer of real property; (5) a tax, however measured,  
12 on lease receipts; (6) a tax on food prepared for immediate  
13 consumption and on alcoholic beverages sold by a business which  
14 provides for on premise consumption of said food or alcoholic  
15 beverages; or (7) other taxes not based on the selling or  
16 purchase price or gross receipts from the use, sale or purchase  
17 of tangible personal property. This Section does not preempt a  
18 home rule municipality with a population of more than 2,000,000  
19 from imposing a tax, however measured, on the use, for  
20 consideration, of a parking lot, garage, or other parking  
21 facility. This Section is not intended to affect any existing  
22 tax on food and beverages prepared for immediate consumption on  
23 the premises where the sale occurs, or any existing tax on  
24 alcoholic beverages, or any existing tax imposed on the charge  
25 for renting a hotel or motel room, which was in effect January  
26 15, 1988, or any extension of the effective date of such an

1 existing tax by ordinance of the municipality imposing the tax,  
2 which extension is hereby authorized, in any non-home rule  
3 municipality in which the imposition of such a tax has been  
4 upheld by judicial determination, nor is this Section intended  
5 to preempt the authority granted by Public Act 85-1006. On and  
6 after December 1, 2019, no home rule municipality has the  
7 authority to impose, pursuant to its home rule authority, a  
8 tax, however measured, on sales of aviation fuel, as defined in  
9 Section 3 of the Retailers' Occupation Tax Act, unless the tax  
10 revenue is expended for airport-related purposes. For purposes  
11 of this Section, "airport-related purposes" has the meaning  
12 ascribed in Section 6z-20.2 of the State Finance Act. Aviation  
13 fuel shall be excluded from tax only for so long as the revenue  
14 use requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are  
15 binding on the municipality. This Section is a limitation,  
16 pursuant to subsection (g) of Section 6 of Article VII of the  
17 Illinois Constitution, on the power of home rule units to tax.  
18 The changes made to this Section by this amendatory Act of the  
19 101st General Assembly are a denial and limitation of home rule  
20 powers and functions under subsection (g) of Section 6 of  
21 Article VII of the Illinois Constitution.

22 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

23 (65 ILCS 5/8-11-22 new)

24 Sec. 8-11-22. Certification for airport-related purposes.  
25 On or before September 1, 2019, and on or before each April 1

1 and October 1 thereafter, each municipality (and District in  
2 the case of business district operating within a municipality)  
3 must certify to the Department of Transportation, in the form  
4 and manner required by the Department, whether the municipality  
5 has an airport-related purpose, which would allow any  
6 Retailers' Occupation Tax and Service Occupation Tax imposed by  
7 the municipality to include tax on aviation fuel. On or before  
8 October 1, 2019, and on or before each May 1 and November 1  
9 thereafter, the Department of Transportation shall provide to  
10 the Department of Revenue, a list of units of local government  
11 which have certified to the Department of Transportation that  
12 they have airport-related purposes, which would allow any  
13 Retailers' Occupation Tax and Service Occupation Tax imposed by  
14 the unit of local government to include tax on aviation fuel.  
15 All disputes regarding whether or not a unit of local  
16 government has an airport-related purpose shall be resolved by  
17 the Department of Transportation.

18 (65 ILCS 5/11-74.3-6)

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

21 (a) If the corporate authorities of a municipality have  
22 approved a business district plan, have designated a business  
23 district, and have elected to impose a tax by ordinance  
24 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
25 each year after the date of the approval of the ordinance but

1 terminating upon the date all business district project costs  
2 and all obligations paying or reimbursing business district  
3 project costs, if any, have been paid, but in no event later  
4 than the dissolution date, all amounts generated by the  
5 retailers' occupation tax and service occupation tax shall be  
6 collected and the tax shall be enforced by the Department of  
7 Revenue in the same manner as all retailers' occupation taxes  
8 and service occupation taxes imposed in the municipality  
9 imposing the tax and all amounts generated by the hotel  
10 operators' occupation tax shall be collected and the tax shall  
11 be enforced by the municipality in the same manner as all hotel  
12 operators' occupation taxes imposed in the municipality  
13 imposing the tax. The corporate authorities of the municipality  
14 shall deposit the proceeds of the taxes imposed under  
15 subsections (10) and (11) of Section 11-74.3-3 into a special  
16 fund of the municipality called the "[Name of] Business  
17 District Tax Allocation Fund" for the purpose of paying or  
18 reimbursing business district project costs and obligations  
19 incurred in the payment of those costs.

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

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

17 The tax imposed under this subsection and all civil  
18 penalties that may be assessed as an incident thereof shall be  
19 collected and enforced by the Department of Revenue. The  
20 certificate of registration that is issued by the Department to  
21 a retailer under the Retailers' Occupation Tax Act shall permit  
22 the retailer to engage in a business that is taxable under any  
23 ordinance or resolution enacted pursuant to this subsection  
24 without registering separately with the Department under such  
25 ordinance or resolution or under this subsection. The  
26 Department of Revenue shall have full power to administer and

1 enforce this subsection; to collect all taxes and penalties due  
2 under this subsection in the manner hereinafter provided; and  
3 to determine all rights to credit memoranda arising on account  
4 of the erroneous payment of tax or penalty under this  
5 subsection. In the administration of, and compliance with, this  
6 subsection, the Department and persons who are subject to this  
7 subsection shall have the same rights, remedies, privileges,  
8 immunities, powers and duties, and be subject to the same  
9 conditions, restrictions, limitations, penalties, exclusions,  
10 exemptions, and definitions of terms and employ the same modes  
11 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
12 through 2-65 (in respect to all provisions therein other than  
13 the State rate of tax), 2c through 2h, 3 (except as to the  
14 disposition of taxes and penalties collected, and except that  
15 the retailer's discount is not allowed for taxes paid on  
16 aviation fuel that are deposited into the Local Government  
17 Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k,  
18 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
19 Retailers' Occupation Tax Act and all provisions of the Uniform  
20 Penalty and Interest Act, as fully as if those provisions were  
21 set forth herein.

22 Persons subject to any tax imposed under this subsection  
23 may reimburse themselves for their seller's tax liability under  
24 this subsection by separately stating the tax as an additional  
25 charge, which charge may be stated in combination, in a single  
26 amount, with State taxes that sellers are required to collect

1 under the Use Tax Act, in accordance with such bracket  
2 schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this subsection to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the order to be drawn for the  
7 amount specified and to the person named in the notification  
8 from the Department. The refund shall be paid by the State  
9 Treasurer out of the business district retailers' occupation  
10 tax fund.

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

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the Department  
25 of Revenue, the Comptroller shall order transferred, and the  
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the



1 local sales tax increment, as defined in the Innovation  
2 Development and Economy Act, collected under this subsection  
3 during the second preceding calendar month for sales within a  
4 STAR bond district.

5 After the monthly transfer to the STAR Bonds Revenue Fund,  
6 on or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money to named municipalities  
9 from the business district retailers' occupation tax fund, the  
10 municipalities to be those from which retailers have paid taxes  
11 or penalties under this subsection to the Department during the  
12 second preceding calendar month. The amount to be paid to each  
13 municipality shall be the amount (not including credit  
14 memoranda and not including taxes and penalties collected on  
15 aviation fuel sold on or after December 1, 2019) collected  
16 under this subsection during the second preceding calendar  
17 month by the Department plus an amount the Department  
18 determines is necessary to offset any amounts that were  
19 erroneously paid to a different taxing body, and not including  
20 an amount equal to the amount of refunds made 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 or  
23 after December 1, 2017), which shall be deposited into the Tax  
24 Compliance and Administration Fund and shall be used by the  
25 Department, subject to appropriation, to cover the costs of the  
26 Department in administering and enforcing the provisions of

1 this subsection, on behalf of such municipality, and not  
2 including any amount that the Department determines is  
3 necessary to offset any amounts that were payable to a  
4 different taxing body but were erroneously paid to the  
5 municipality, and not including any amounts that are  
6 transferred to the STAR Bonds Revenue Fund. Within 10 days  
7 after receipt by the Comptroller of the disbursement  
8 certification to the municipalities provided for in this  
9 subsection to be given to the Comptroller by the Department,  
10 the Comptroller shall cause the orders to be drawn for the  
11 respective amounts in accordance with the directions contained  
12 in the certification. The proceeds of the tax paid to  
13 municipalities under this subsection shall be deposited into  
14 the Business District Tax Allocation Fund by the municipality.

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

1 following the adoption and filing.

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

1 the business district shall be responsible for charging the tax  
2 imposed under this subsection. If a retailer is incorrectly  
3 included or excluded from the list of those required to collect  
4 the tax under this subsection, both the Department of Revenue  
5 and the retailer shall be held harmless if they reasonably  
6 relied on information provided by the 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 When certifying the amount of a monthly disbursement to a  
12 municipality under this subsection, the Department shall  
13 increase or decrease the amount by an amount necessary to  
14 offset any misallocation of previous disbursements. The offset  
15 amount shall be the amount erroneously disbursed within the  
16 previous 6 months from the time a misallocation is discovered.

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

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

23 (c) If a tax has been imposed under subsection (b), a  
24 Business District Service Occupation Tax shall also be imposed  
25 upon all persons engaged, in the business district, in the  
26 business of making sales of service, who, as an incident to

1 making those sales of service, transfer tangible personal  
2 property within the business district, either in the form of  
3 tangible personal property or in the form of real estate as an  
4 incident to a sale of service. The tax shall be imposed at the  
5 same rate as the tax imposed in subsection (b) and shall not  
6 exceed 1% of the selling price of tangible personal property so  
7 transferred within the business district, to be imposed only in  
8 0.25% increments. The tax may not be imposed on tangible  
9 personal property taxed at the 1% rate under the Service  
10 Occupation Tax Act. Beginning December 1, 2019, this tax is not  
11 imposed on sales of aviation fuel unless the tax revenue is  
12 expended for airport-related purposes. If the District does not  
13 have an airport-related purpose to which it dedicates aviation  
14 fuel tax revenue, then aviation fuel is excluded from the tax.  
15 Each municipality must comply with the certification  
16 requirements for airport-related purposes under Section  
17 8-11-22. For purposes of this Act, "airport-related purposes"  
18 has the meaning ascribed in Section 6z-20.2 of the State  
19 Finance Act. This exclusion for aviation fuel only applies for  
20 so long as the revenue use requirements of 49 U.S.C. §47107(b)  
21 and 49 U.S.C. §47133 are binding on the District.

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

1 the Service Occupation Tax Act shall permit such registrant to  
2 engage in a business which is taxable under any ordinance or  
3 resolution enacted pursuant to this subsection without  
4 registering separately with the Department under such  
5 ordinance or resolution or under this subsection. The  
6 Department of Revenue shall have full power to administer and  
7 enforce this subsection; to collect all taxes and penalties due  
8 under this subsection; to dispose of taxes and penalties so  
9 collected in the manner hereinafter provided; and to determine  
10 all rights to credit memoranda arising on account of the  
11 erroneous payment of tax or penalty under this subsection. In  
12 the administration of, and compliance with this subsection, the  
13 Department and persons who are subject to this subsection shall  
14 have the same rights, remedies, privileges, immunities, powers  
15 and duties, and be subject to the same conditions,  
16 restrictions, limitations, penalties, exclusions, exemptions,  
17 and definitions of terms and employ the same modes of procedure  
18 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
19 (in respect to all provisions therein other than the State rate  
20 of tax), 4 (except that the reference to the State shall be to  
21 the business district), 5, 7, 8 (except that the jurisdiction  
22 to which the tax shall be a debt to the extent indicated in  
23 that Section 8 shall be the municipality), 9 (except as to the  
24 disposition of taxes and penalties collected, and except that  
25 the returned merchandise credit for this tax may not be taken  
26 against any State tax, and except that the retailer's discount

1 is not allowed for taxes paid on aviation fuel that are  
2 deposited into the Local Government Aviation Trust Fund), 10,  
3 11, 12 (except the reference therein to Section 2b of the  
4 Retailers' Occupation Tax Act), 13 (except that any reference  
5 to the State shall mean the municipality), the first paragraph  
6 of Section 15, and Sections 16, 17, 18, 19 and 20 of the  
7 Service Occupation Tax Act and all provisions of the Uniform  
8 Penalty and Interest Act, as fully as if those provisions were  
9 set forth herein.

10 Persons subject to any tax imposed under the authority  
11 granted in this subsection may reimburse themselves for their  
12 serviceman's tax liability hereunder by separately stating the  
13 tax as an additional charge, which charge may be stated in  
14 combination, in a single amount, with State tax that servicemen  
15 are authorized to collect under the Service Use Tax Act, in  
16 accordance with such bracket schedules as the Department may  
17 prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this subsection to a claimant instead of issuing  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the order to be drawn for the  
22 amount specified, and to the person named, in such notification  
23 from the Department. Such refund shall be paid by the State  
24 Treasurer out of the business district retailers' occupation  
25 tax fund.

26 Except as otherwise provided in this paragraph, the ~~The~~

1 Department shall forthwith pay over to the State Treasurer,  
2 ex-officio, as trustee, all taxes, penalties, and interest  
3 collected under this subsection for deposit into the business  
4 district retailers' occupation tax fund. Taxes and penalties  
5 collected on aviation fuel sold on or after December 1, 2019,  
6 shall be immediately paid over by the Department to the State  
7 Treasurer, ex officio, as trustee, for deposit into the Local  
8 Government Aviation Trust Fund. The Department shall only pay  
9 moneys into the Local Government Aviation Trust Fund under this  
10 Act for so long as the revenue use requirements of 49 U.S.C.  
11 §47107(b) and 49 U.S.C. §47133 are binding on the District.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the Department  
14 of Revenue, the Comptroller shall order transferred, and the  
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
16 local sales tax increment, as defined in the Innovation  
17 Development and Economy Act, collected under this subsection  
18 during the second preceding calendar month for sales within a  
19 STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,  
21 on or before the 25th day of each calendar month, the  
22 Department shall prepare and certify to the Comptroller the  
23 disbursement of stated sums of money to named municipalities  
24 from the business district retailers' occupation tax fund, the  
25 municipalities to be those from which suppliers and servicemen  
26 have paid taxes or penalties under this subsection to the



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

25 An ordinance imposing or discontinuing the tax under this  
26 subsection or effecting a change in the rate thereof shall

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

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

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

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

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

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

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

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

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

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

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

15 The proceeds of the tax imposed under this subsection shall  
16 be deposited into the Business District Tax Allocation 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 project  
3 costs and obligations. Whenever a municipality pledges all of  
4 the funds to the credit of a business district tax allocation  
5 fund to secure obligations issued or to be issued to pay or  
6 reimburse business district project costs, the municipality  
7 may specifically provide that funds remaining to the credit of  
8 such business district tax allocation fund after the payment of  
9 such obligations shall be accounted for annually and shall be  
10 deemed to be "surplus" funds, and such "surplus" funds shall be  
11 expended by the municipality for any business district project  
12 cost as approved in the business district plan. Whenever a  
13 municipality pledges less than all of the monies to the credit  
14 of a business district tax allocation fund to secure  
15 obligations issued or to be issued to pay or reimburse business  
16 district project costs, the municipality shall provide that  
17 monies to the credit of the business district tax allocation  
18 fund and not subject to such pledge or otherwise encumbered or  
19 required for payment of contractual obligations for specific  
20 business district project costs shall be calculated annually  
21 and shall be deemed to be "surplus" funds, and such "surplus"  
22 funds shall be expended by the municipality for any business  
23 district project cost as approved in the business district  
24 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 municipality,  
18 including, specifically, taxes levied or imposed by the  
19 municipality in a special service area pursuant to the Special  
20 Service Area Tax Law; (iii) the full faith and credit of the  
21 municipality; (iv) a mortgage on part or all of the business  
22 district project; or (v) any other taxes or anticipated  
23 receipts that the municipality may lawfully pledge.

24 Such obligations may be issued in one or more series, bear  
25 such date or dates, become due at such time or times as therein  
26 provided, but in any case not later than (i) 20 years after the

1 date of issue or (ii) the dissolution date, whichever is  
2 earlier, bear interest payable at such intervals and at such  
3 rate or rates as set forth therein, except as may be limited by  
4 applicable law, which rate or rates may be fixed or variable,  
5 be in such denominations, be in such form, either coupon,  
6 registered, or book-entry, carry such conversion, registration  
7 and exchange privileges, be subject to defeasance upon such  
8 terms, have such rank or priority, be executed in such manner,  
9 be payable in such medium or payment at such place or places  
10 within or without the State, make provision for a corporate  
11 trustee within or without the State with respect to such  
12 obligations, prescribe the rights, powers, and duties thereof  
13 to be exercised for the benefit of the municipality and the  
14 benefit of the owners of such obligations, provide for the  
15 holding in trust, investment, and use of moneys, funds, and  
16 accounts held under an ordinance, provide for assignment of and  
17 direct payment of the moneys to pay such obligations or to be  
18 deposited into such funds or accounts directly to such trustee,  
19 be subject to such terms of redemption with or without premium,  
20 and be sold at such price, all as the corporate authorities  
21 shall determine. No referendum approval of the electors shall  
22 be required as a condition to the issuance of obligations  
23 pursuant to this Law except as provided in this Section.

24 In the event the municipality authorizes the issuance of  
25 obligations pursuant to the authority of this Law secured by  
26 the full faith and credit of the municipality, or pledges ad



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

20 If no petition is filed with the municipal clerk, as  
21 hereinafter provided in this Section, within 21 days after the  
22 publication of the ordinance, the ordinance shall be in effect.  
23 However, if within that 21-day period a petition is filed with  
24 the municipal clerk, signed by electors numbering not less than  
25 15% of the number of electors voting for the mayor or president  
26 at the last general municipal election, asking that the

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

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

20 In the event the municipality authorizes issuance of  
21 obligations pursuant to this Law secured by the full faith and  
22 credit of the municipality, the ordinance authorizing the  
23 obligations may provide for the levy and collection of a direct  
24 annual tax upon all taxable property within the municipality  
25 sufficient to pay the principal thereof and interest thereon as  
26 it matures, which levy may be in addition to and exclusive of

1 the maximum of all other taxes authorized to be levied by the  
2 municipality, which levy, however, shall be abated to the  
3 extent that monies from other sources are available for payment  
4 of the obligations and the municipality certifies the amount of  
5 those monies available to the county clerk.

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

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

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

25 No obligations issued pursuant to this Law shall be  
26 regarded as indebtedness of the municipality issuing those

1 obligations or any other taxing district for the purpose of any  
2 limitation imposed by law.

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

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

19 (Source: P.A. 99-143, eff. 7-27-15; 100-1171, eff. 1-4-19.)

20 (65 ILCS 5/11-101-3 new)

21 Sec. 11-101-3. Noise mitigation; air quality. A  
22 municipality that has implemented a Residential Sound  
23 Insulation Program to mitigate aircraft noise shall perform an  
24 in-home air quality test in a residence located in the  
25 municipality if (i) windows or doors were installed in the

1 residence under the Residential Sound Insulation Program and  
2 (ii) the owner or occupant of the residence requests that the  
3 test be performed. The municipality and owner of the residence  
4 shall mutually agree on (i) the entity that will perform the  
5 test and (ii) when the test will occur. If a health hazard  
6 exists, as determined by the results of the test, then the  
7 municipality shall replace all windows and doors in the  
8 residence, without regard to the status of any warranty on the  
9 windows and doors. This Section is a limitation of home rule  
10 powers and functions under subsection (i) of Section 6 of  
11 Article VII of the Illinois Constitution on the concurrent  
12 exercise by home rule units of powers and functions exercised  
13 by the State.

14 Section 50. The Civic Center Code is amended by changing  
15 Section 245-12 as follows:

16 (70 ILCS 200/245-12)

17 Sec. 245-12. Use and occupation taxes.

18 (a) The Authority may adopt a resolution that authorizes a  
19 referendum on the question of whether the Authority shall be  
20 authorized to impose a retailers' occupation tax, a service  
21 occupation tax, and a use tax in one-quarter percent increments  
22 at a rate not to exceed 1%. The Authority shall certify the  
23 question to the proper election authorities who shall submit  
24 the question to the voters of the metropolitan area at the next

1 regularly scheduled election in accordance with the general  
2 election law. The question shall be in substantially the  
3 following form:

4 "Shall the Salem Civic Center Authority be authorized to  
5 impose a retailers' occupation tax, a service occupation  
6 tax, and a use tax at the rate of (rate) for the sole  
7 purpose of obtaining funds for the support, construction,  
8 maintenance, or financing of a facility of the Authority?"

9 Votes shall be recorded as "yes" or "no". If a majority of  
10 all votes cast on the proposition are in favor of the  
11 proposition, the Authority is authorized to impose the tax.

12 (b) The Authority shall impose the retailers' occupation  
13 tax upon all persons engaged in the business of selling  
14 tangible personal property at retail in the metropolitan area,  
15 at the rate approved by referendum, on the gross receipts from  
16 the sales made in the course of such business within the  
17 metropolitan area. Beginning December 1, 2019, this tax is not  
18 imposed on sales of aviation fuel unless the tax revenue is  
19 expended for airport-related purposes. If the Authority does  
20 not have an airport-related purpose to which it dedicates  
21 aviation fuel tax revenue, then aviation fuel is excluded from  
22 the tax. For purposes of this Act, "airport-related purposes"  
23 has the meaning ascribed in Section 6z-20.2 of the State  
24 Finance Act. This exclusion for aviation fuel only applies for  
25 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
26 and 49 U.S.C. 47133 are binding on the Authority.

1       On or before September, 2019, and on or before each April 1  
2       and October 1 thereafter, the Authority must certify to the  
3       Department of Transportation, in the form and manner required  
4       by the Department, whether the Authority has an airport-related  
5       purpose, which would allow any Retailers' Occupation Tax and  
6       Service Occupation Tax imposed by the Authority to include tax  
7       on aviation fuel. On or before October 1, 2019, and on or  
8       before each May 1 and November 1 thereafter, the Department of  
9       Transportation shall provide to the Department of Revenue, a  
10       list of units of local government which have certified to the  
11       Department of Transportation that they have airport-related  
12       purposes, which would allow any Retailers' Occupation Tax and  
13       Service Occupation Tax imposed by the unit of local government  
14       to include tax on aviation fuel. All disputes regarding whether  
15       or not a unit of local government has an airport-related  
16       purpose shall be resolved by the Department of Transportation.

17       The tax imposed under this Section and all civil penalties  
18       that may be assessed as an incident thereof shall be collected  
19       and enforced by the Department of Revenue. The Department has  
20       full power to administer and enforce this Section; to collect  
21       all taxes and penalties so collected in the manner provided in  
22       this Section; and to determine all rights to credit memoranda  
23       arising on account of the erroneous payment of tax or penalty  
24       hereunder. In the administration of, and compliance with, this  
25       Section, the Department and persons who are subject to this  
26       Section shall (i) have the same rights, remedies, privileges,

1 immunities, powers and duties, (ii) be subject to the same  
2 conditions, restrictions, limitations, penalties, exclusions,  
3 exemptions, and definitions of terms, and (iii) employ the same  
4 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,  
5 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in  
6 respect to all provisions therein other than the State rate of  
7 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the  
8 disposition of taxes and penalties collected and provisions  
9 related to quarter monthly payments, and except that the  
10 retailer's discount is not allowed for taxes paid on aviation  
11 fuel that are deposited into the Local Government Aviation  
12 Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l,  
13 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
14 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
15 Penalty and Interest Act, as fully as if those provisions were  
16 set forth in this subsection.

17 Persons subject to any tax imposed under this subsection  
18 may reimburse themselves for their seller's tax liability by  
19 separately stating the tax as an additional charge, which  
20 charge may be stated in combination, in a single amount, with  
21 State taxes that sellers are required to collect, in accordance  
22 with such bracket schedules as the Department may prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this subsection to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the warrant to be drawn for the



1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the tax fund referenced under paragraph (g) of  
4 this Section.

5 If a tax is imposed under this subsection (b), a tax shall  
6 also be imposed at the same rate under subsections (c) and (d)  
7 of this Section.

8 For the purpose of determining whether a tax authorized  
9 under this Section is applicable, a retail sale, by a producer  
10 of coal or other mineral mined in Illinois, is a sale at retail  
11 at the place where the coal or other mineral mined in Illinois  
12 is extracted from the earth. This paragraph does not apply to  
13 coal or other mineral when it is delivered or shipped by the  
14 seller to the purchaser at a point outside Illinois so that the  
15 sale is exempt under the Federal Constitution as a sale in  
16 interstate or foreign commerce.

17 Nothing in this Section shall be construed to authorize the  
18 Authority to impose a tax upon the privilege of engaging in any  
19 business which under the Constitution of the United States may  
20 not be made the subject of taxation by this State.

21 (c) If a tax has been imposed under subsection (b), a  
22 service occupation tax shall also be imposed at the same rate  
23 upon all persons engaged, in the metropolitan area, in the  
24 business of making sales of service, who, as an incident to  
25 making those sales of service, transfer tangible personal  
26 property within the metropolitan area as an incident to a sale

1 of service. The tax imposed under this subsection and all civil  
2 penalties that may be assessed as an incident thereof shall be  
3 collected and enforced by the Department of Revenue.

4 Beginning December 1, 2019, this tax is not imposed on  
5 sales of aviation fuel unless the tax revenue is expended for  
6 airport-related purposes. If the Authority does not have an  
7 airport-related purpose to which it dedicates aviation fuel tax  
8 revenue, then aviation fuel is excluded from the tax. On or  
9 before September 1, 2019, and on or before each April 1 and  
10 October 1 thereafter, the Authority must certify to the  
11 Department of Transportation, in the form and manner required  
12 by the Department, whether the Authority has an airport-related  
13 purpose, which would allow any Retailers' Occupation Tax and  
14 Service Occupation Tax imposed by the Authority to include tax  
15 on aviation fuel. On or before October, 2019, and on or before  
16 each May 1 and November 1 thereafter, the Department of  
17 Transportation shall provide to the Department of Revenue, a  
18 list of units of local government which have certified to the  
19 Department of Transportation that they have airport-related  
20 purposes, which would allow any Retailers' Occupation Tax and  
21 Service Occupation Tax imposed by the unit of local government  
22 to include tax on aviation fuel. All disputes regarding whether  
23 or not a unit of local government has an airport-related  
24 purpose shall be resolved by the Department of Transportation.

25 The Department has full power to administer and enforce  
26 this paragraph; to collect all taxes and penalties due

1 hereunder; to dispose of taxes and penalties so collected in  
2 the manner hereinafter provided; and to determine all rights to  
3 credit memoranda arising on account of the erroneous payment of  
4 tax or penalty hereunder. In the administration of, and  
5 compliance with this paragraph, the Department and persons who  
6 are subject to this paragraph shall (i) have the same rights,  
7 remedies, privileges, immunities, powers, and duties, (ii) be  
8 subject to the same conditions, restrictions, limitations,  
9 penalties, exclusions, exemptions, and definitions of terms,  
10 and (iii) employ the same modes of procedure as are prescribed  
11 in Sections 2 (except that the reference to State in the  
12 definition of supplier maintaining a place of business in this  
13 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55  
14 (in respect to all provisions therein other than the State rate  
15 of tax), 4 (except that the reference to the State shall be to  
16 the Authority), 5, 7, 8 (except that the jurisdiction to which  
17 the tax shall be a debt to the extent indicated in that Section  
18 8 shall be the Authority), 9 (except as to the disposition of  
19 taxes and penalties collected, and except that the returned  
20 merchandise credit for this tax may not be taken against any  
21 State tax, and except that the retailer's discount is not  
22 allowed for taxes paid on aviation fuel that are deposited into  
23 the Local Government Aviation Trust Fund), 11, 12 (except the  
24 reference therein to Section 2b of the Retailers' Occupation  
25 Tax Act), 13 (except that any reference to the State shall mean  
26 the Authority), 15, 16, 17, 18, 19 and 20 of the Service

1 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
2 Interest Act, as fully as if those provisions were set forth  
3 herein.

4 Persons subject to any tax imposed under the authority  
5 granted in this subsection may reimburse themselves for their  
6 serviceman's tax liability by separately stating the tax as an  
7 additional charge, which charge may be stated in combination,  
8 in a single amount, with State tax that servicemen are  
9 authorized to collect under the Service Use Tax Act, in  
10 accordance with such bracket schedules as the Department may  
11 prescribe.

12 Whenever the Department determines that a refund should be  
13 made under this subsection to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the warrant to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the tax fund referenced under paragraph (g) of  
19 this Section.

20 Nothing in this paragraph shall be construed to authorize  
21 the Authority to impose a tax upon the privilege of engaging in  
22 any business which under the Constitution of the United States  
23 may not be made the subject of taxation by the State.

24 (d) If a tax has been imposed under subsection (b), a use  
25 tax shall also be imposed at the same rate upon the privilege  
26 of using, in the metropolitan area, any item of tangible

1 personal property that is purchased outside the metropolitan  
2 area at retail from a retailer, and that is titled or  
3 registered at a location within the metropolitan area with an  
4 agency of this State's government. "Selling price" is defined  
5 as in the Use Tax Act. The tax shall be collected from persons  
6 whose Illinois address for titling or registration purposes is  
7 given as being in the metropolitan area. The tax shall be  
8 collected by the Department of Revenue for the Authority. The  
9 tax must be paid to the State, or an exemption determination  
10 must be obtained from the Department of Revenue, before the  
11 title or certificate of registration for the property may be  
12 issued. The tax or proof of exemption may be transmitted to the  
13 Department by way of the State agency with which, or the State  
14 officer with whom, the tangible personal property must be  
15 titled or registered if the Department and the State agency or  
16 State officer determine that this procedure will expedite the  
17 processing of applications for title or registration.

18 The Department has full power to administer and enforce  
19 this paragraph; to collect all taxes, penalties and interest  
20 due hereunder; to dispose of taxes, penalties and interest so  
21 collected in the manner hereinafter provided; and to determine  
22 all rights to credit memoranda or refunds arising on account of  
23 the erroneous payment of tax, penalty or interest hereunder. In  
24 the administration of, and compliance with, this subsection,  
25 the Department and persons who are subject to this paragraph  
26 shall (i) have the same rights, remedies, privileges,

1 immunities, powers, and duties, (ii) be subject to the same  
2 conditions, restrictions, limitations, penalties, exclusions,  
3 exemptions, and definitions of terms, and (iii) employ the same  
4 modes of procedure as are prescribed in Sections 2 (except the  
5 definition of "retailer maintaining a place of business in this  
6 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
7 7, 8 (except that the jurisdiction to which the tax shall be a  
8 debt to the extent indicated in that Section 8 shall be the  
9 Authority), 9 (except provisions relating to quarter monthly  
10 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
11 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
12 Interest Act, that are not inconsistent with this paragraph, as  
13 fully as if those provisions were set forth herein.

14 Whenever the Department determines that a refund should be  
15 made under this subsection to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the order to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the tax fund referenced under paragraph (g) of  
21 this Section.

22 (e) A certificate of registration issued by the State  
23 Department of Revenue to a retailer under the Retailers'  
24 Occupation Tax Act or under the Service Occupation Tax Act  
25 shall permit the registrant to engage in a business that is  
26 taxed under the tax imposed under paragraphs (b), (c), or (d)

1 of this Section and no additional registration shall be  
2 required. A certificate issued under the Use Tax Act or the  
3 Service Use Tax Act shall be applicable with regard to any tax  
4 imposed under paragraph (c) of this Section.

5 (f) The results of any election authorizing a proposition  
6 to impose a tax under this Section or effecting a change in the  
7 rate of tax shall be certified by the proper election  
8 authorities and filed with the Illinois Department on or before  
9 the first day of April. In addition, an ordinance imposing,  
10 discontinuing, or effecting a change in the rate of tax under  
11 this Section shall be adopted and a certified copy thereof  
12 filed with the Department on or before the first day of April.  
13 After proper receipt of such certifications, the Department  
14 shall proceed to administer and enforce this Section as of the  
15 first day of July next following such adoption and filing.

16 (g) Except as otherwise provided, the ~~The~~ Department of  
17 Revenue shall, upon collecting any taxes and penalties as  
18 provided in this Section, pay the taxes and penalties over to  
19 the State Treasurer as trustee for the Authority. The taxes and  
20 penalties shall be held in a trust fund outside the State  
21 Treasury. Taxes and penalties collected on aviation fuel sold  
22 on or after December 1, 2019, shall be immediately paid over by  
23 the Department to the State Treasurer, ex officio, as trustee,  
24 for deposit into the Local Government Aviation Trust Fund. The  
25 Department shall only pay moneys into the State Aviation  
26 Program Fund under this Act for so long as the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
2 binding on the District. On or before the 25th day of each  
3 calendar month, the Department of Revenue shall prepare and  
4 certify to the Comptroller of the State of Illinois the amount  
5 to be paid to the Authority, which shall be the balance in the  
6 fund, less any amount determined by the Department to be  
7 necessary for the payment of refunds and not including taxes  
8 and penalties collected on aviation fuel sold on or after  
9 December 1, 2019. Within 10 days after receipt by the  
10 Comptroller of the certification of the amount to be paid to  
11 the Authority, the Comptroller shall cause an order to be drawn  
12 for payment for the amount in accordance with the directions  
13 contained in the certification. Amounts received from the tax  
14 imposed under this Section shall be used only for the support,  
15 construction, maintenance, or financing of a facility of the  
16 Authority.

17 (h) When certifying the amount of a monthly disbursement to  
18 the Authority under this Section, the Department shall increase  
19 or decrease the amounts by an amount necessary to offset any  
20 miscalculation of previous disbursements. The offset amount  
21 shall be the amount erroneously disbursed within the previous 6  
22 months from the time a miscalculation is discovered.

23 (i) This Section may be cited as the Salem Civic Center Use  
24 and Occupation Tax Law.

25 (Source: P.A. 98-1098, eff. 8-26-14.)



1 Section 55. The Flood Prevention District Act is amended by  
2 changing Section 25 as follows:

3 (70 ILCS 750/25)

4 Sec. 25. Flood prevention retailers' and service  
5 occupation taxes.

6 (a) If the Board of Commissioners of a flood prevention  
7 district determines that an emergency situation exists  
8 regarding levee repair or flood prevention, and upon an  
9 ordinance confirming the determination adopted by the  
10 affirmative vote of a majority of the members of the county  
11 board of the county in which the district is situated, the  
12 county may impose a flood prevention retailers' occupation tax  
13 upon all persons engaged in the business of selling tangible  
14 personal property at retail within the territory of the  
15 district to provide revenue to pay the costs of providing  
16 emergency levee repair and flood prevention and to secure the  
17 payment of bonds, notes, and other evidences of indebtedness  
18 issued under this Act for a period not to exceed 25 years or as  
19 required to repay the bonds, notes, and other evidences of  
20 indebtedness issued under this Act. The tax rate shall be 0.25%  
21 of the gross receipts from all taxable sales made in the course  
22 of that business. Beginning December 1, 2017, this tax is not  
23 imposed on sales of aviation fuel unless the tax revenue is  
24 expended for airport-related purposes. If the District does not  
25 have an airport-related purpose to which it dedicates aviation

1 fuel tax revenue, then aviation fuel is excluded from the tax.  
2 The County must comply with the certification requirements for  
3 airport-related purposes under Section 5-1184 of the Counties  
4 Code. The tax imposed under this Section and all civil  
5 penalties that may be assessed as an incident thereof shall be  
6 collected and enforced by the State Department of Revenue. The  
7 Department shall have full power to administer and enforce this  
8 Section; to collect all taxes and penalties so collected in the  
9 manner hereinafter provided; and to determine all rights to  
10 credit memoranda arising on account of the erroneous payment of  
11 tax or penalty hereunder.

12 For purposes of this Act, "airport-related purposes" has  
13 the meaning ascribed in Section 6z-20.2 of the State Finance  
14 Act. This exclusion for aviation fuel only applies for so long  
15 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
16 U.S.C. §47133 are binding on the District.

17 In the administration of and compliance with this  
18 subsection, the Department and persons who are subject to this  
19 subsection (i) have the same rights, remedies, privileges,  
20 immunities, powers, and duties, (ii) are subject to the same  
21 conditions, restrictions, limitations, penalties, and  
22 definitions of terms, and (iii) shall employ the same modes of  
23 procedure as are set forth in Sections 1 through 1o, 2 through  
24 2-70 (in respect to all provisions contained in those Sections  
25 other than the State rate of tax), 2a through 2h, 3 (except as  
26 to the disposition of taxes and penalties collected, and except

1 that the retailer's discount is not allowed for taxes paid on  
2 aviation fuel that are deposited into the Local Government  
3 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
4 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
5 Retailers' Occupation Tax Act and all provisions of the Uniform  
6 Penalty and Interest Act as if those provisions were set forth  
7 in this subsection.

8 Persons subject to any tax imposed under this Section may  
9 reimburse themselves for their seller's tax liability  
10 hereunder by separately stating the tax as an additional  
11 charge, which charge may be stated in combination in a single  
12 amount with State taxes that sellers are required to collect  
13 under the Use Tax Act, under any bracket schedules the  
14 Department may prescribe.

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

17 (b) If a tax has been imposed under subsection (a), a flood  
18 prevention service occupation tax shall also be imposed upon  
19 all persons engaged within the territory of the district in the  
20 business of making sales of service, who, as an incident to  
21 making the sales of service, transfer tangible personal  
22 property, either in the form of tangible personal property or  
23 in the form of real estate as an incident to a sale of service  
24 to provide revenue to pay the costs of providing emergency  
25 levee repair and flood prevention and to secure the payment of  
26 bonds, notes, and other evidences of indebtedness issued under

1 this Act for a period not to exceed 25 years or as required to  
2 repay the bonds, notes, and other evidences of indebtedness.  
3 The tax rate shall be 0.25% of the selling price of all  
4 tangible personal property transferred. Beginning December 1,  
5 2019, this tax is not imposed on sales of aviation fuel unless  
6 the tax revenue is expended for airport-related purposes. If  
7 the District does not have an airport-related purpose to which  
8 it dedicates aviation fuel tax revenue, then aviation fuel is  
9 excluded from the tax. The County must comply with the  
10 certification requirements for airport-related purposes under  
11 Section 5-1184 of the Counties Code. For purposes of this Act,  
12 "airport-related purposes" has the meaning ascribed in Section  
13 6z-20.2 of the State Finance Act. This exclusion for aviation  
14 fuel only applies for so long as the revenue use requirements  
15 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the  
16 District.

17 The tax imposed under this subsection and all civil  
18 penalties that may be assessed as an incident thereof shall be  
19 collected and enforced by the State Department of Revenue. The  
20 Department shall have full power to administer and enforce this  
21 subsection; to collect all taxes and penalties due hereunder;  
22 to dispose of taxes and penalties collected in the manner  
23 hereinafter provided; and to determine all rights to credit  
24 memoranda arising on account of the erroneous payment of tax or  
25 penalty hereunder.

26 In the administration of and compliance with this

1 subsection, the Department and persons who are subject to this  
2 subsection shall (i) have the same rights, remedies,  
3 privileges, immunities, powers, and duties, (ii) be subject to  
4 the same conditions, restrictions, limitations, penalties, and  
5 definitions of terms, and (iii) employ the same modes of  
6 procedure as are set forth in Sections 2 (except that the  
7 reference to State in the definition of supplier maintaining a  
8 place of business in this State means the district), 2a through  
9 2d, 3 through 3-50 (in respect to all provisions contained in  
10 those Sections other than the State rate of tax), 4 (except  
11 that the reference to the State shall be to the district), 5,  
12 7, 8 (except that the jurisdiction to which the tax is a debt  
13 to the extent indicated in that Section 8 is the district), 9  
14 (except as to the disposition of taxes and penalties collected,  
15 and except that the retailer's discount is not allowed for  
16 taxes paid on aviation fuel that are deposited into the Local  
17 Government Aviation Trust Fund), 10, 11, 12 (except the  
18 reference therein to Section 2b of the Retailers' Occupation  
19 Tax Act), 13 (except that any reference to the State means the  
20 district), Section 15, 16, 17, 18, 19, and 20 of the Service  
21 Occupation Tax Act and all provisions of the Uniform Penalty  
22 and Interest Act, as fully as if those provisions were set  
23 forth herein.

24 Persons subject to any tax imposed under the authority  
25 granted in this subsection may reimburse themselves for their  
26 serviceman's tax liability hereunder by separately stating the

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

5 (c) The taxes imposed in subsections (a) and (b) may not be  
6 imposed on personal property titled or registered with an  
7 agency of the State or on personal property taxed at the 1%  
8 rate under the Retailers' Occupation Tax Act and the Service  
9 Occupation Tax Act.

10 (d) Nothing in this Section shall be construed to authorize  
11 the district to impose a tax upon the privilege of engaging in  
12 any business that under the Constitution of the United States  
13 may not be made the subject of taxation by the State.

14 (e) The certificate of registration that is issued by the  
15 Department to a retailer under the Retailers' Occupation Tax  
16 Act or a serviceman under the Service Occupation Tax Act  
17 permits the retailer or serviceman to engage in a business that  
18 is taxable without registering separately with the Department  
19 under an ordinance or resolution under this Section.

20 (f) Except as otherwise provided, the ~~The~~ Department shall  
21 immediately pay over to the State Treasurer, ex officio, as  
22 trustee, all taxes and penalties collected under this Section  
23 to be deposited into the Flood Prevention Occupation Tax Fund,  
24 which shall be an unappropriated trust fund held outside the  
25 State treasury. Taxes and penalties collected on aviation fuel  
26 sold on or after December 1, 2017, shall be immediately paid

1 over by the Department to the State Treasurer, ex officio, as  
2 trustee, for deposit into the Local Government Aviation Trust  
3 Fund. The Department shall only pay moneys into the State  
4 Aviation Program Fund under this Act for so long as the revenue  
5 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133  
6 are binding on the District.

7 On or before the 25th day of each calendar month, the  
8 Department shall prepare and certify to the Comptroller the  
9 disbursement of stated sums of money to the counties from which  
10 retailers or servicemen have paid taxes or penalties to the  
11 Department during the second preceding calendar month. The  
12 amount to be paid to each county is equal to the amount (not  
13 including credit memoranda and not including taxes and  
14 penalties collected on aviation fuel sold on or after December  
15 1, 2017) collected from the county under this Section during  
16 the second preceding calendar month by the Department, (i) less  
17 2% of that amount (except the amount collected on aviation fuel  
18 sold on or after December 1, 2017), which shall be deposited  
19 into the Tax Compliance and Administration Fund and shall be  
20 used by the Department in administering and enforcing the  
21 provisions of this Section on behalf of the county, (ii) plus  
22 an amount that the Department determines is necessary to offset  
23 any amounts that were erroneously paid to a different taxing  
24 body; (iii) less an amount equal to the amount of refunds made  
25 during the second preceding calendar month by the Department on  
26 behalf of the county; and (iv) less any amount that the

1 Department determines is necessary to offset any amounts that  
2 were payable to a different taxing body but were erroneously  
3 paid to the county. When certifying the amount of a monthly  
4 disbursement to a county under this Section, the Department  
5 shall increase or decrease the amounts by an amount necessary  
6 to offset any miscalculation of previous disbursements within  
7 the previous 6 months from the time a miscalculation is  
8 discovered.

9 Within 10 days after receipt by the Comptroller from the  
10 Department of the disbursement certification to the counties  
11 provided for in this Section, the Comptroller shall cause the  
12 orders to be drawn for the respective amounts in accordance  
13 with directions contained in the certification.

14 If the Department determines that a refund should be made  
15 under this Section to a claimant instead of issuing a credit  
16 memorandum, then the Department shall notify the Comptroller,  
17 who shall cause the order to be drawn for the amount specified  
18 and to the person named in the notification from the  
19 Department. The refund shall be paid by the Treasurer out of  
20 the Flood Prevention Occupation Tax Fund.

21 (g) If a county imposes a tax under this Section, then the  
22 county board shall, by ordinance, discontinue the tax upon the  
23 payment of all indebtedness of the flood prevention district.  
24 The tax shall not be discontinued until all indebtedness of the  
25 District has been paid.

26 (h) Any ordinance imposing the tax under this Section, or



1 any ordinance that discontinues the tax, must be certified by  
2 the county clerk and filed with the Illinois Department of  
3 Revenue either (i) on or before the first day of April,  
4 whereupon the Department shall proceed to administer and  
5 enforce the tax or change in the rate as of the first day of  
6 July next following the filing; or (ii) on or before the first  
7 day of October, whereupon the Department shall proceed to  
8 administer and enforce the tax or change in the rate as of the  
9 first day of January next following the filing.

10 (j) County Flood Prevention Occupation Tax Fund. All  
11 proceeds received by a county from a tax distribution under  
12 this Section must be maintained in a special fund known as the  
13 [name of county] flood prevention occupation tax fund. The  
14 county shall, at the direction of the flood prevention  
15 district, use moneys in the fund to pay the costs of providing  
16 emergency levee repair and flood prevention and to pay bonds,  
17 notes, and other evidences of indebtedness issued under this  
18 Act.

19 (k) This Section may be cited as the Flood Prevention  
20 Occupation Tax Law.

21 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;  
22 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

23 Section 60. The Metro-East Park and Recreation District Act  
24 is amended by changing Section 30 as follows:

1 (70 ILCS 1605/30)

2 Sec. 30. Taxes.

3 (a) The board shall impose a tax upon all persons engaged  
4 in the business of selling tangible personal property, other  
5 than personal property titled or registered with an agency of  
6 this State's government, at retail in the District on the gross  
7 receipts from the sales made in the course of business. This  
8 tax shall be imposed only at the rate of one-tenth of one per  
9 cent.

10 This additional tax may not be imposed on tangible personal  
11 property taxed at the 1% rate under the Retailers' Occupation  
12 Tax Act. Beginning December 1, 2019, this tax is not imposed on  
13 sales of aviation fuel unless the tax revenue is expended for  
14 airport-related purposes. If the District does not have an  
15 airport-related purpose to which it dedicates aviation fuel tax  
16 revenue, then aviation fuel shall be excluded from tax. For  
17 purposes of this Act, "airport-related purposes" has the  
18 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
19 This exception for aviation fuel only applies for so long as  
20 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
21 U.S.C. §47133 are binding on the District. The tax imposed by  
22 the Board under this Section and all civil penalties that may  
23 be assessed as an incident of the tax shall be collected and  
24 enforced by the Department of Revenue. The certificate of  
25 registration that is issued by the Department to a retailer  
26 under the Retailers' Occupation Tax Act shall permit the

1 retailer to engage in a business that is taxable without  
2 registering separately with the Department under an ordinance  
3 or resolution under this Section. The Department has full power  
4 to administer and enforce this Section, to collect all taxes  
5 and penalties due under this Section, to dispose of taxes and  
6 penalties so collected in the manner provided in this Section,  
7 and to determine all rights to credit memoranda arising on  
8 account of the erroneous payment of a tax or penalty under this  
9 Section. In the administration of and compliance with this  
10 Section, the Department and persons who are subject to this  
11 Section shall (i) have the same rights, remedies, privileges,  
12 immunities, powers, and duties, (ii) be subject to the same  
13 conditions, restrictions, limitations, penalties, and  
14 definitions of terms, and (iii) employ the same modes of  
15 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,  
16 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all  
17 provisions contained in those Sections other than the State  
18 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except  
19 provisions relating to transaction returns and quarter monthly  
20 payments, and except that the retailer's discount is not  
21 allowed for taxes paid on aviation fuel that are deposited into  
22 the Local Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c,  
23 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
24 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
25 and the Uniform Penalty and Interest Act as if those provisions  
26 were set forth in this Section.

1       On or before September 1, 2019, and on or before each April  
2       1 and October 1 thereafter, the Board must certify to the  
3       Department of Transportation, in the form and manner required  
4       by the Department, whether the District has an airport-related  
5       purpose, which would allow any Retailers' Occupation Tax and  
6       Service Occupation Tax imposed by the District to include tax  
7       on aviation fuel. On or before October 1, 2017, and on or  
8       before each May 1 and November 1 thereafter, the Department of  
9       Transportation shall provide to the Department of Revenue, a  
10       list of units of local government which have certified to the  
11       Department of Transportation that they have airport-related  
12       purposes, which would allow any Retailers' Occupation Tax and  
13       Service Occupation Tax imposed by the unit of local government  
14       to include tax on aviation fuel. All disputes regarding whether  
15       or not a unit of local government has an airport-related  
16       purpose shall be resolved by the Department of Transportation.

17       Persons subject to any tax imposed under the authority  
18       granted in this Section may reimburse themselves for their  
19       sellers' tax liability by separately stating the tax as an  
20       additional charge, which charge may be stated in combination,  
21       in a single amount, with State tax which sellers are required  
22       to collect under the Use Tax Act, pursuant to such bracketed  
23       schedules as the Department may prescribe.

24       Whenever the Department determines that a refund should be  
25       made under this Section to a claimant instead of issuing a  
26       credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the State Metro-East Park and Recreation  
5 District Fund.

6 (b) If a tax has been imposed under subsection (a), a  
7 service occupation tax shall also be imposed at the same rate  
8 upon all persons engaged, in the District, in the business of  
9 making sales of service, who, as an incident to making those  
10 sales of service, transfer tangible personal property within  
11 the District as an incident to a sale of service. This tax may  
12 not be imposed on tangible personal property taxed at the 1%  
13 rate under the Service Occupation Tax Act. Beginning December  
14 1, 2019, this tax may not be imposed on sales of aviation fuel  
15 unless the tax revenue is expended for airport-related  
16 purposes. If the District does not have an airport-related  
17 purpose to which it dedicates aviation fuel tax revenue, then  
18 aviation fuel shall be excluded from tax. For purposes of this  
19 Act, "airport-related purposes" has the meaning ascribed in  
20 Section 6z-20.2 of the State Finance Act. This exception for  
21 aviation fuel only applies for so long as the revenue use  
22 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are  
23 binding on the District. The tax imposed under this subsection  
24 and all civil penalties that may be assessed as an incident  
25 thereof shall be collected and enforced by the Department of  
26 Revenue. The Department has full power to administer and

1 enforce this subsection; to collect all taxes and penalties due  
2 hereunder; to dispose of taxes and penalties so collected in  
3 the manner hereinafter provided; and to determine all rights to  
4 credit memoranda arising on account of the erroneous payment of  
5 tax or penalty hereunder. In the administration of, and  
6 compliance with this subsection, the Department and persons who  
7 are subject to this paragraph shall (i) have the same rights,  
8 remedies, privileges, immunities, powers, and duties, (ii) be  
9 subject to the same conditions, restrictions, limitations,  
10 penalties, exclusions, exemptions, and definitions of terms,  
11 and (iii) employ the same modes of procedure as are prescribed  
12 in Sections 2 (except that the reference to State in the  
13 definition of supplier maintaining a place of business in this  
14 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in  
15 respect to all provisions therein other than the State rate of  
16 tax), 4 (except that the reference to the State shall be to the  
17 District), 5, 7, 8 (except that the jurisdiction to which the  
18 tax shall be a debt to the extent indicated in that Section 8  
19 shall be the District), 9 (except as to the disposition of  
20 taxes and penalties collected, and except that the retailer's  
21 discount is not allowed for taxes paid on aviation fuel that  
22 are deposited into the Local Government Aviation Trust Fund),  
23 10, 11, 12 (except the reference therein to Section 2b of the  
24 Retailers' Occupation Tax Act), 13 (except that any reference  
25 to the State shall mean the District), Sections 15, 16, 17, 18,  
26 19 and 20 of the Service Occupation Tax Act and the Uniform

1 Penalty and Interest Act, as fully as if those provisions were  
2 set forth herein.

3 On or before September 1, 2017, and on or before each April  
4 1 and October 1 thereafter, the Board must certify to the  
5 Department of Transportation, in the form and manner required  
6 by the Department, whether the District has an airport-related  
7 purpose, which would allow any Retailers' Occupation Tax and  
8 Service Occupation Tax imposed by the District to include tax  
9 on aviation fuel. On or before October 1, 2017, and on or  
10 before each May 1 and November 1 thereafter, the Department of  
11 Transportation shall provide to the Department of Revenue, a  
12 list of units of local government which have certified to the  
13 Department of Transportation that they have airport-related  
14 purposes, which would allow any Retailers' Occupation Tax and  
15 Service Occupation Tax imposed by the unit of local government  
16 to include tax on aviation fuel. All disputes regarding whether  
17 or not a unit of local government has an airport-related  
18 purpose shall be resolved by the Department of Transportation.

19 Persons subject to any tax imposed under the authority  
20 granted in this subsection may reimburse themselves for their  
21 serviceman's tax liability by separately stating the tax as an  
22 additional charge, which charge may be stated in combination,  
23 in a single amount, with State tax that servicemen are  
24 authorized to collect under the Service Use Tax Act, in  
25 accordance with such bracket schedules as the Department may  
26 prescribe.

1           Whenever the Department determines that a refund should be  
2 made under this subsection to a claimant instead of issuing a  
3 credit memorandum, the Department shall notify the State  
4 Comptroller, who shall cause the warrant to be drawn for the  
5 amount specified, and to the person named, in the notification  
6 from the Department. The refund shall be paid by the State  
7 Treasurer out of the State Metro-East Park and Recreation  
8 District Fund.

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

13           (c) Except as otherwise provided in this paragraph, the ~~The~~  
14 Department shall immediately pay over to the State Treasurer,  
15 ex officio, as trustee, all taxes and penalties collected under  
16 this Section to be deposited into the State Metro-East Park and  
17 Recreation District Fund, which shall be an unappropriated  
18 trust fund held outside of the State treasury. Taxes and  
19 penalties collected on aviation fuel sold on or after December  
20 1, 2019, shall be immediately paid over by the Department to  
21 the State Treasurer, ex officio, as trustee, for deposit into  
22 the Local Government Aviation Trust Fund. The Department shall  
23 only pay moneys into the State Aviation Program Fund under this  
24 Act for so long as the revenue use requirements of 49 U.S.C.  
25 §47107(b) and 49 U.S.C. §47133 are binding on the District.

26           As soon as possible after the first day of each month,



1 beginning January 1, 2011, upon certification of the Department  
2 of Revenue, the Comptroller shall order transferred, and the  
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
4 local sales tax increment, as defined in the Innovation  
5 Development and Economy Act, collected under this Section  
6 during the second preceding calendar month for sales within a  
7 STAR bond district. The Department shall make this  
8 certification only if the Metro East Park and Recreation  
9 District imposes a tax on real property as provided in the  
10 definition of "local sales taxes" under the Innovation  
11 Development and Economy Act.

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 pursuant to Section 35 of  
16 this Act to the District from which retailers have paid taxes  
17 or penalties to the Department during the second preceding  
18 calendar month. The amount to be paid to the District shall be  
19 the amount (not including credit memoranda and not including  
20 taxes and penalties collected on aviation fuel sold on or after  
21 December 1, 2019) collected under this Section during the  
22 second preceding calendar month by the Department plus an  
23 amount the Department determines is necessary to offset any  
24 amounts that were erroneously paid to a different taxing body,  
25 and not including (i) an amount equal to the amount of refunds  
26 made during the second preceding calendar month by the

1 Department on behalf of the District, (ii) any amount that the  
2 Department determines is necessary to offset any amounts that  
3 were payable to a different taxing body but were erroneously  
4 paid to the District, (iii) any amounts that are transferred to  
5 the STAR Bonds Revenue Fund, and (iv) 1.5% of the remainder,  
6 which the Department shall transfer into the Tax Compliance and  
7 Administration Fund. The Department, at the time of each  
8 monthly disbursement to the District, shall prepare and certify  
9 to the State Comptroller the amount to be transferred into the  
10 Tax Compliance and Administration Fund under this subsection.  
11 Within 10 days after receipt by the Comptroller of the  
12 disbursement certification to the District and the Tax  
13 Compliance and Administration Fund provided for in this Section  
14 to be given to the Comptroller by the Department, the  
15 Comptroller shall cause the orders to be drawn for the  
16 respective amounts in accordance with directions contained in  
17 the certification.

18 (d) For the purpose of determining whether a tax authorized  
19 under this Section is applicable, a retail sale by a producer  
20 of coal or another mineral mined in Illinois is a sale at  
21 retail at the place where the coal or other mineral mined in  
22 Illinois is extracted from the earth. This paragraph does not  
23 apply to coal or another mineral when it is delivered or  
24 shipped by the seller to the purchaser at a point outside  
25 Illinois so that the sale is exempt under the United States  
26 Constitution as a sale in interstate or foreign commerce.

1           (e) Nothing in this Section shall be construed to authorize  
2 the board to impose a tax upon the privilege of engaging in any  
3 business that under the Constitution of the United States may  
4 not be made the subject of taxation by this State.

5           (f) An ordinance imposing a tax under this Section or an  
6 ordinance extending the imposition of a tax to an additional  
7 county or counties shall be certified by the board and filed  
8 with the Department of Revenue either (i) on or before the  
9 first day of April, whereupon the Department shall proceed to  
10 administer and enforce the tax as of the first day of July next  
11 following the filing; or (ii) on or before the first day of  
12 October, whereupon the Department shall proceed to administer  
13 and enforce the tax as of the first day of January next  
14 following the filing.

15           (g) When certifying the amount of a monthly disbursement to  
16 the District under this Section, the Department shall increase  
17 or decrease the amounts by an amount necessary to offset any  
18 misallocation of previous disbursements. The offset amount  
19 shall be the amount erroneously disbursed within the previous 6  
20 months from the time a misallocation is discovered.

21           (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;  
22 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

23           Section 65. The Local Mass Transit District Act is amended  
24 by changing Section 5.01 as follows:

1 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

2 Sec. 5.01. Metro East Mass Transit District; use and  
3 occupation taxes.

4 (a) The Board of Trustees of any Metro East Mass Transit  
5 District may, by ordinance adopted with the concurrence of  
6 two-thirds of the then trustees, impose throughout the District  
7 any or all of the taxes and fees provided in this Section.  
8 Except as otherwise provided, all ~~All~~ taxes and fees imposed  
9 under this Section shall be used only for public mass  
10 transportation systems, and the amount used to provide mass  
11 transit service to unserved areas of the District shall be in  
12 the same proportion to the total proceeds as the number of  
13 persons residing in the unserved areas is to the total  
14 population of the District. Except as otherwise provided in  
15 this Act, taxes imposed under this Section and civil penalties  
16 imposed incident thereto shall be collected and enforced by the  
17 State Department of Revenue. The Department shall have the  
18 power to administer and enforce the taxes and to determine all  
19 rights for refunds for erroneous payments of the taxes.

20 (b) The Board may impose a Metro East Mass Transit District  
21 Retailers' Occupation Tax upon all persons engaged in the  
22 business of selling tangible personal property at retail in the  
23 district at a rate of 1/4 of 1%, or as authorized under  
24 subsection (d-5) of this Section, of the gross receipts from  
25 the sales made in the course of such business within the  
26 district, except that the rate of tax imposed under this

1 Section on sales of aviation fuel on or after December 1, 2019  
2 shall be 0.25% in Madison County unless the Metro-East Mass  
3 Transit District in Madison County has an "airport-related  
4 purpose" and any additional amount authorized under subsection  
5 (d-5) is expended for airport-related purposes. If there is no  
6 airport-related purpose to which aviation fuel tax revenue is  
7 dedicated, then aviation fuel is excluded from any future  
8 increase in the tax. The rate in St. Clair County shall be  
9 0.25% unless the Metro-East Mass Transit District in St. Clair  
10 County has an "airport-related purpose" and the additional  
11 0.50% of the 0.75% tax on aviation fuel imposed in that County  
12 is expended for airport-related purposes. If there is no  
13 airport-related purpose to which aviation fuel tax revenue is  
14 dedicated, then aviation fuel is excluded from the tax.

15 On or before September, 2019, and on or before each April 1  
16 and October 1 thereafter, each Metro-East Mass Transit District  
17 and Madison and St. Clair Counties must certify to the  
18 Department of Transportation, in the form and manner required  
19 by the Department, whether they have an airport-related  
20 purpose, which would allow any Retailers' Occupation Tax and  
21 Service Occupation Tax imposed under this Act to include tax on  
22 aviation fuel. On or before October 1, 2019, and on or before  
23 each May 1 and November 1 thereafter, the Department of  
24 Transportation shall provide to the Department of Revenue, a  
25 list of units of local government which have certified to the  
26 Department of Transportation that they have airport-related

1 purposes, which would allow any Retailers' Occupation Tax and  
2 Service Occupation Tax imposed by the unit of local government  
3 to include tax on aviation fuel. All disputes regarding whether  
4 or not a unit of local government has an airport-related  
5 purpose shall be resolved by the Department of Transportation.

6 For purposes of this Act, "airport-related purposes" has  
7 the meaning ascribed in Section 6z-20.2 of the State Finance  
8 Act. This exclusion for aviation fuel only applies for so long  
9 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
10 U.S.C. 47133 are binding on the District.

11 The tax imposed under this Section and all civil penalties  
12 that may be assessed as an incident thereof shall be collected  
13 and enforced by the State Department of Revenue. The Department  
14 shall have full power to administer and enforce this Section;  
15 to collect all taxes and penalties so collected in the manner  
16 hereinafter provided; and to determine all rights to credit  
17 memoranda arising on account of the erroneous payment of tax or  
18 penalty hereunder. In the administration of, and compliance  
19 with, this Section, the Department and persons who are subject  
20 to this Section shall have the same rights, remedies,  
21 privileges, immunities, powers and duties, and be subject to  
22 the same conditions, restrictions, limitations, penalties,  
23 exclusions, exemptions and definitions of terms and employ the  
24 same modes of procedure, as are prescribed in Sections 1, 1a,  
25 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
26 provisions therein other than the State rate of tax), 2c, 3

1 (except as to the disposition of taxes and penalties collected,  
2 and except that the retailer's discount is not allowed for  
3 taxes paid on aviation fuel that are deposited into the Local  
4 Government Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g,  
5 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13,  
6 and 14 of the Retailers' Occupation Tax Act and Section 3-7 of  
7 the Uniform Penalty and Interest Act, as fully as if those  
8 provisions were set forth herein.

9 Persons subject to any tax imposed under the Section may  
10 reimburse themselves for their seller's tax liability  
11 hereunder by separately stating the tax as an additional  
12 charge, which charge may be stated in combination, in a single  
13 amount, with State taxes that sellers are required to collect  
14 under the Use Tax Act, in accordance with such bracket  
15 schedules as the 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 warrant to be drawn for the  
20 amount specified, and to the person named, in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the Metro East Mass Transit District tax fund  
23 established under paragraph (h) of this Section.

24 If a tax is imposed under this subsection (b), a tax shall  
25 also be imposed under subsections (c) and (d) of this Section.

26 For the purpose of determining whether a tax authorized

1 under this Section is applicable, a retail sale, by a producer  
2 of coal or other mineral mined in Illinois, is a sale at retail  
3 at the place where the coal or other mineral mined in Illinois  
4 is extracted from the earth. This paragraph does not apply to  
5 coal or other mineral when it is delivered or shipped by the  
6 seller to the purchaser at a point outside Illinois so that the  
7 sale is exempt under the Federal Constitution as a sale in  
8 interstate or foreign commerce.

9 No tax shall be imposed or collected under this subsection  
10 on the sale of a motor vehicle in this State to a resident of  
11 another state if that motor vehicle will not be titled in this  
12 State.

13 Nothing in this Section shall be construed to authorize the  
14 Metro East Mass Transit District to impose a tax upon the  
15 privilege of engaging in any business which under the  
16 Constitution of the United States may not be made the subject  
17 of taxation by this State.

18 (c) If a tax has been imposed under subsection (b), a Metro  
19 East Mass Transit District Service Occupation Tax shall also be  
20 imposed upon all persons engaged, in the district, in the  
21 business of making sales of service, who, as an incident to  
22 making those sales of service, transfer tangible personal  
23 property within the District, either in the form of tangible  
24 personal property or in the form of real estate as an incident  
25 to a sale of service. The tax rate shall be 1/4%, or as  
26 authorized under subsection (d-5) of this Section, of the



1 selling price of tangible personal property so transferred  
2 within the district, except that the rate of tax imposed in  
3 these Counties under this Section on sales of aviation fuel on  
4 or after December 1, 2019 shall be 0.25% in Madison County  
5 unless the Metro-East Mass Transit District in Madison County  
6 has an "airport-related purpose" and any additional amount  
7 authorized under subsection (d-5) is expended for  
8 airport-related purposes. If there is no airport-related  
9 purpose to which aviation fuel tax revenue is dedicated, then  
10 aviation fuel is excluded from any future increase in the tax.  
11 The rate in St. Clair County shall be 0.25% unless the  
12 Metro-East Mass Transit District in St. Clair County has an  
13 "airport-related purpose" and the additional 0.50% of the 0.75%  
14 tax on aviation fuel is expended for airport-related purposes.  
15 If there is no airport-related purpose to which aviation fuel  
16 tax revenue is dedicated, then aviation fuel is excluded from  
17 the tax.

18 On or before December 1, 2019, and on or before each May 1  
19 and November 1 thereafter, each Metro-East Mass Transit  
20 District and Madison and St. Clair Counties must certify to the  
21 Department of Transportation, in the form and manner required  
22 by the Department, whether they have an airport-related  
23 purpose, which would allow any Retailers' Occupation Tax and  
24 Service Occupation Tax imposed under this Act to include tax on  
25 aviation fuel. On or before October 1, 2019, and on or before  
26 each May 1 and November 1 thereafter, the Department of

1 Transportation shall provide to the Department of Revenue, a  
2 list of units of local government which have certified to the  
3 Department of Transportation that they have airport-related  
4 purposes, which would allow any Retailers' Occupation Tax and  
5 Service Occupation Tax imposed by the unit of local government  
6 to include tax on aviation fuel. All disputes regarding whether  
7 or not a unit of local government has an airport-related  
8 purpose shall be resolved by the Department of Transportation.

9 For purposes of this Act, "airport-related purposes" has  
10 the meaning ascribed in Section 6z-20.2 of the State Finance  
11 Act. This exclusion for aviation fuel only applies for so long  
12 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
13 U.S.C. 47133 are binding on the District.

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

1 exclusions, exemptions and definitions of terms and employ the  
2 same modes of procedure as are prescribed in Sections 1a-1, 2  
3 (except that the reference to State in the definition of  
4 supplier maintaining a place of business in this State shall  
5 mean the Authority), 2a, 3 through 3-50 (in respect to all  
6 provisions therein other than the State rate of tax), 4 (except  
7 that the reference to the State shall be to the Authority), 5,  
8 7, 8 (except that the jurisdiction to which the tax shall be a  
9 debt to the extent indicated in that Section 8 shall be the  
10 District), 9 (except as to the disposition of taxes and  
11 penalties collected, and except that the returned merchandise  
12 credit for this tax may not be taken against any State tax, and  
13 except that the retailer's discount is not allowed for taxes  
14 paid on aviation fuel that are deposited into the Local  
15 Government Aviation Trust Fund), 10, 11, 12 (except the  
16 reference therein to Section 2b of the Retailers' Occupation  
17 Tax Act), 13 (except that any reference to the State shall mean  
18 the District), the first paragraph of Section 15, 16, 17, 18,  
19 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
20 the Uniform Penalty and Interest Act, as fully as if those  
21 provisions were set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this paragraph may reimburse themselves for their  
24 serviceman's tax liability hereunder by separately stating the  
25 tax as an additional charge, which charge may be stated in  
26 combination, in a single amount, with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, in  
2 accordance with such bracket schedules as the Department may  
3 prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this paragraph to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the warrant to be drawn for the  
8 amount specified, and to the person named, in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the Metro East Mass Transit District tax fund  
11 established under paragraph (h) of this Section.

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

16 (d) If a tax has been imposed under subsection (b), a Metro  
17 East Mass Transit District Use Tax shall also be imposed upon  
18 the privilege of using, in the district, any item of tangible  
19 personal property that is purchased outside the district at  
20 retail from a retailer, and that is titled or registered with  
21 an agency of this State's government, at a rate of 1/4%, or as  
22 authorized under subsection (d-5) of this Section, of the  
23 selling price of the tangible personal property within the  
24 District, as "selling price" is defined in the Use Tax Act. The  
25 tax shall be collected from persons whose Illinois address for  
26 titling or registration purposes is given as being in the

1 District. The tax shall be collected by the Department of  
2 Revenue for the Metro East Mass Transit District. The tax must  
3 be paid to the State, or an exemption determination must be  
4 obtained from the Department of Revenue, before the title or  
5 certificate of registration for the property may be issued. The  
6 tax or proof of exemption may be transmitted to the Department  
7 by way of the State agency with which, or the State officer  
8 with whom, the tangible personal property must be titled or  
9 registered if the Department and the State agency or State  
10 officer determine that this procedure will expedite the  
11 processing of applications for title or registration.

12 The Department shall have full power to administer and  
13 enforce this paragraph; to collect all taxes, penalties and  
14 interest due hereunder; to dispose of taxes, penalties and  
15 interest so collected in the manner hereinafter provided; and  
16 to determine all rights to credit memoranda or refunds arising  
17 on account of the erroneous payment of tax, penalty or interest  
18 hereunder. In the administration of, and compliance with, this  
19 paragraph, the Department and persons who are subject to this  
20 paragraph shall have the same rights, remedies, privileges,  
21 immunities, powers and duties, and be subject to the same  
22 conditions, restrictions, limitations, penalties, exclusions,  
23 exemptions and definitions of terms and employ the same modes  
24 of procedure, as are prescribed in Sections 2 (except the  
25 definition of "retailer maintaining a place of business in this  
26 State"), 3 through 3-80 (except provisions pertaining to the

1 State rate of tax, and except provisions concerning collection  
2 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
3 19 (except the portions pertaining to claims by retailers and  
4 except the last paragraph concerning refunds), 20, 21 and 22 of  
5 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
6 Interest Act, that are not inconsistent with this paragraph, as  
7 fully as if those provisions were set forth herein.

8 Whenever the Department determines that a refund should be  
9 made under this paragraph 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 Metro East Mass Transit District tax fund  
15 established under paragraph (h) of this Section.

16 (d-5) (A) The county board of any county participating in  
17 the Metro East Mass Transit District may authorize, by  
18 ordinance, a referendum on the question of whether the tax  
19 rates for the Metro East Mass Transit District Retailers'  
20 Occupation Tax, the Metro East Mass Transit District Service  
21 Occupation Tax, and the Metro East Mass Transit District Use  
22 Tax for the District should be increased from 0.25% to 0.75%.  
23 Upon adopting the ordinance, the county board shall certify the  
24 proposition to the proper election officials who shall submit  
25 the proposition to the voters of the District at the next  
26 election, in accordance with the general election law.

1           The proposition shall be in substantially the following  
2 form:

3           Shall the tax rates for the Metro East Mass Transit  
4 District Retailers' Occupation Tax, the Metro East Mass  
5 Transit District Service Occupation Tax, and the Metro East  
6 Mass Transit District Use Tax be increased from 0.25% to  
7 0.75%?

8           (B) Two thousand five hundred electors of any Metro East  
9 Mass Transit District may petition the Chief Judge of the  
10 Circuit Court, or any judge of that Circuit designated by the  
11 Chief Judge, in which that District is located to cause to be  
12 submitted to a vote of the electors the question whether the  
13 tax rates for the Metro East Mass Transit District Retailers'  
14 Occupation Tax, the Metro East Mass Transit District Service  
15 Occupation Tax, and the Metro East Mass Transit District Use  
16 Tax for the District should be increased from 0.25% to 0.75%.

17           Upon submission of such petition the court shall set a date  
18 not less than 10 nor more than 30 days thereafter for a hearing  
19 on the sufficiency thereof. Notice of the filing of such  
20 petition and of such date shall be given in writing to the  
21 District and the County Clerk at least 7 days before the date  
22 of such hearing.

23           If such petition is found sufficient, the court shall enter  
24 an order to submit that proposition at the next election, in  
25 accordance with general election law.

26           The form of the petition shall be in substantially the

1 following form: To the Circuit Court of the County of (name of  
2 county):

3 We, the undersigned electors of the (name of transit  
4 district), respectfully petition your honor to submit to a  
5 vote of the electors of (name of transit district) the  
6 following proposition:

7 Shall the tax rates for the Metro East Mass Transit  
8 District Retailers' Occupation Tax, the Metro East Mass  
9 Transit District Service Occupation Tax, and the Metro East  
10 Mass Transit District Use Tax be increased from 0.25% to  
11 0.75%?

12 Name	Address, with Street and Number.
13 .....	.....
14 .....	.....

15 (C) The votes shall be recorded as "YES" or "NO". If a  
16 majority of all votes cast on the proposition are for the  
17 increase in the tax rates, the Metro East Mass Transit District  
18 shall begin imposing the increased rates in the District, and  
19 the Department of Revenue shall begin collecting the increased  
20 amounts, as provided under this Section. An ordinance imposing  
21 or discontinuing a tax hereunder or effecting a change in the  
22 rate thereof shall be adopted and a certified copy thereof  
23 filed with the Department on or before the first day of  
24 October, whereupon the Department shall proceed to administer  
25 and enforce this Section as of the first day of January next  
26 following the adoption and filing, or on or before the first



1 day of April, whereupon the Department shall proceed to  
2 administer and enforce this Section as of the first day of July  
3 next following the adoption and filing.

4 (D) If the voters have approved a referendum under this  
5 subsection, before November 1, 1994, to increase the tax rate  
6 under this subsection, the Metro East Mass Transit District  
7 Board of Trustees may adopt by a majority vote an ordinance at  
8 any time before January 1, 1995 that excludes from the rate  
9 increase tangible personal property that is titled or  
10 registered with an agency of this State's government. The  
11 ordinance excluding titled or registered tangible personal  
12 property from the rate increase must be filed with the  
13 Department at least 15 days before its effective date. At any  
14 time after adopting an ordinance excluding from the rate  
15 increase tangible personal property that is titled or  
16 registered with an agency of this State's government, the Metro  
17 East Mass Transit District Board of Trustees may adopt an  
18 ordinance applying the rate increase to that tangible personal  
19 property. The ordinance shall be adopted, and a certified copy  
20 of that ordinance shall be filed with the Department, on or  
21 before October 1, whereupon the Department shall proceed to  
22 administer and enforce the rate increase against tangible  
23 personal property titled or registered with an agency of this  
24 State's government as of the following January 1. After  
25 December 31, 1995, any reimposed rate increase in effect under  
26 this subsection shall no longer apply to tangible personal

1 property titled or registered with an agency of this State's  
2 government. Beginning January 1, 1996, the Board of Trustees of  
3 any Metro East Mass Transit District may never reimpose a  
4 previously excluded tax rate increase on tangible personal  
5 property titled or registered with an agency of this State's  
6 government. After July 1, 2004, if the voters have approved a  
7 referendum under this subsection to increase the tax rate under  
8 this subsection, the Metro East Mass Transit District Board of  
9 Trustees may adopt by a majority vote an ordinance that  
10 excludes from the rate increase tangible personal property that  
11 is titled or registered with an agency of this State's  
12 government. The ordinance excluding titled or registered  
13 tangible personal property from the rate increase shall be  
14 adopted, and a certified copy of that ordinance shall be filed  
15 with the Department on or before October 1, whereupon the  
16 Department shall administer and enforce this exclusion from the  
17 rate increase as of the following January 1, or on or before  
18 April 1, whereupon the Department shall administer and enforce  
19 this exclusion from the rate increase as of the following July  
20 1. The Board of Trustees of any Metro East Mass Transit  
21 District may never reimpose a previously excluded tax rate  
22 increase on tangible personal property titled or registered  
23 with an agency of this State's government.

24 (d-6) If the Board of Trustees of any Metro East Mass  
25 Transit District has imposed a rate increase under subsection  
26 (d-5) and filed an ordinance with the Department of Revenue

1 excluding titled property from the higher rate, then that Board  
2 may, by ordinance adopted with the concurrence of two-thirds of  
3 the then trustees, impose throughout the District a fee. The  
4 fee on the excluded property shall not exceed \$20 per retail  
5 transaction or an amount equal to the amount of tax excluded,  
6 whichever is less, on tangible personal property that is titled  
7 or registered with an agency of this State's government.  
8 Beginning July 1, 2004, the fee shall apply only to titled  
9 property that is subject to either the Metro East Mass Transit  
10 District Retailers' Occupation Tax or the Metro East Mass  
11 Transit District Service Occupation Tax. No fee shall be  
12 imposed or collected under this subsection on the sale of a  
13 motor vehicle in this State to a resident of another state if  
14 that motor vehicle will not be titled in this State.

15 (d-7) Until June 30, 2004, if a fee has been imposed under  
16 subsection (d-6), a fee shall also be imposed upon the  
17 privilege of using, in the district, any item of tangible  
18 personal property that is titled or registered with any agency  
19 of this State's government, in an amount equal to the amount of  
20 the fee imposed under subsection (d-6).

21 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
22 Board of Trustees of any Metro East Mass Transit District under  
23 subsection (d-6) and all civil penalties that may be assessed  
24 as an incident of the fees shall be collected and enforced by  
25 the State Department of Revenue. Reference to "taxes" in this  
26 Section shall be construed to apply to the administration,

1 payment, and remittance of all fees under this Section. For  
2 purposes of any fee imposed under subsection (d-6), 4% of the  
3 fee, penalty, and interest received by the Department in the  
4 first 12 months that the fee is collected and enforced by the  
5 Department and 2% of the fee, penalty, and interest following  
6 the first 12 months (except the amount collected on aviation  
7 fuel sold on or after December 1, 2019) shall be deposited into  
8 the Tax Compliance and Administration Fund and shall be used by  
9 the Department, subject to appropriation, to cover the costs of  
10 the Department. No retailers' discount shall apply to any fee  
11 imposed under subsection (d-6).

12 (d-8) No item of titled property shall be subject to both  
13 the higher rate approved by referendum, as authorized under  
14 subsection (d-5), and any fee imposed under subsection (d-6) or  
15 (d-7).

16 (d-9) (Blank).

17 (d-10) (Blank).

18 (e) A certificate of registration issued by the State  
19 Department of Revenue to a retailer under the Retailers'  
20 Occupation Tax Act or under the Service Occupation Tax Act  
21 shall permit the registrant to engage in a business that is  
22 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
23 this Section and no additional registration shall be required  
24 under the tax. A certificate issued under the Use Tax Act or  
25 the Service Use Tax Act shall be applicable with regard to any  
26 tax imposed under paragraph (c) of this Section.

1 (f) (Blank).

2 (g) Any ordinance imposing or discontinuing any tax under  
3 this Section shall be adopted and a certified copy thereof  
4 filed with the Department on or before June 1, whereupon the  
5 Department of Revenue shall proceed to administer and enforce  
6 this Section on behalf of the Metro East Mass Transit District  
7 as of September 1 next following such adoption and filing.  
8 Beginning January 1, 1992, an ordinance or resolution imposing  
9 or discontinuing the tax hereunder shall be adopted and a  
10 certified copy thereof filed with the Department on or before  
11 the first day of July, whereupon the Department shall proceed  
12 to administer and enforce this Section as of the first day of  
13 October next following such adoption and filing. Beginning  
14 January 1, 1993, except as provided in subsection (d-5) of this  
15 Section, an ordinance or resolution imposing or discontinuing  
16 the tax hereunder shall be adopted and a certified copy thereof  
17 filed with the Department on or before the first day of  
18 October, whereupon the Department shall proceed to administer  
19 and enforce this Section as of the first day of January next  
20 following such adoption and filing, or, beginning January 1,  
21 2004, on or before the first day of April, whereupon the  
22 Department shall proceed to administer and enforce this Section  
23 as of the first day of July next following the adoption and  
24 filing.

25 (h) Except as provided in subsection (d-7.1), the State  
26 Department of Revenue shall, upon collecting any taxes as

1 provided in this Section, pay the taxes over to the State  
2 Treasurer as trustee for the District. The taxes shall be held  
3 in a trust fund outside the State Treasury. Taxes and penalties  
4 collected in St. Clair Counties on aviation fuel sold on or  
5 after December 1, 2019 from the 0.50% of the 0.75% rate shall  
6 be immediately paid over by the Department to the State  
7 Treasurer, ex officio, as trustee, for deposit into the Local  
8 Government Aviation Trust Fund. The Department shall only pay  
9 moneys into the Local Government Aviation Trust Fund under this  
10 Act for so long as the revenue use requirements of 49 U.S.C.  
11 47107(b) and 49 U.S.C. 47133 are binding on the District.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the Department  
14 of Revenue, the Comptroller shall order transferred, and the  
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
16 local sales tax increment, as defined in the Innovation  
17 Development and Economy Act, collected under this Section  
18 during the second preceding calendar month for sales within a  
19 STAR bond district. The Department shall make this  
20 certification only if the local mass transit district imposes a  
21 tax on real property as provided in the definition of "local  
22 sales taxes" under the Innovation Development and Economy Act.

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on or before the 25th day of each calendar month, the State  
25 Department of Revenue shall prepare and certify to the  
26 Comptroller of the State of Illinois the amount to be paid to

1 the District, which shall be the amount (not including credit  
2 memoranda and not including taxes and penalties collected on  
3 aviation fuel sold on or after December 1, 2019) collected  
4 under this Section during the second preceding calendar month  
5 by the Department plus an amount the Department determines is  
6 necessary to offset any amounts that were erroneously paid to a  
7 different taxing body, and not including any amount equal to  
8 the amount of refunds made during the second preceding calendar  
9 month by the Department on behalf of the District, and not  
10 including any amount that the Department determines is  
11 necessary to offset any amounts that were payable to a  
12 different taxing body but were erroneously paid to the  
13 District, and less any amounts that are transferred to the STAR  
14 Bonds Revenue Fund, less 1.5% of the remainder, which the  
15 Department shall transfer into the Tax Compliance and  
16 Administration Fund. The Department, at the time of each  
17 monthly disbursement to the District, shall prepare and certify  
18 to the State Comptroller the amount to be transferred into the  
19 Tax Compliance and Administration Fund under this subsection.  
20 Within 10 days after receipt by the Comptroller of the  
21 certification of the amount to be paid to the District and the  
22 Tax Compliance and Administration Fund, the Comptroller shall  
23 cause an order to be drawn for payment for the amount in  
24 accordance with the direction in the certification.

25 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;  
26 100-587, eff. 6-4-18.)

1           Section 70. The Regional Transportation Authority Act is  
2 amended by changing Section 4.03 as follows:

3           (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

4           Sec. 4.03. Taxes.

5           (a) In order to carry out any of the powers or purposes of  
6 the Authority, the Board may by ordinance adopted with the  
7 concurrence of 12 of the then Directors, impose throughout the  
8 metropolitan region any or all of the taxes provided in this  
9 Section. Except as otherwise provided in this Act, taxes  
10 imposed under this Section and civil penalties imposed incident  
11 thereto shall be collected and enforced by the State Department  
12 of Revenue. The Department shall have the power to administer  
13 and enforce the taxes and to determine all rights for refunds  
14 for erroneous payments of the taxes. Nothing in Public Act  
15 95-708 is intended to invalidate any taxes currently imposed by  
16 the Authority. The increased vote requirements to impose a tax  
17 shall only apply to actions taken after January 1, 2008 (the  
18 effective date of Public Act 95-708).

19           (b) The Board may impose a public transportation tax upon  
20 all persons engaged in the metropolitan region in the business  
21 of selling at retail motor fuel for operation of motor vehicles  
22 upon public highways. The tax shall be at a rate not to exceed  
23 5% of the gross receipts from the sales of motor fuel in the  
24 course of the business. As used in this Act, the term "motor



1 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
2 The Board may provide for details of the tax. The provisions of  
3 any tax shall conform, as closely as may be practicable, to the  
4 provisions of the Municipal Retailers Occupation Tax Act,  
5 including without limitation, conformity to penalties with  
6 respect to the tax imposed and as to the powers of the State  
7 Department of Revenue to promulgate and enforce rules and  
8 regulations relating to the administration and enforcement of  
9 the provisions of the tax imposed, except that reference in the  
10 Act to any municipality shall refer to the Authority and the  
11 tax shall be imposed only with regard to receipts from sales of  
12 motor fuel in the metropolitan region, at rates as limited by  
13 this Section.

14 (c) In connection with the tax imposed under paragraph (b)  
15 of this Section the Board may impose a tax upon the privilege  
16 of using in the metropolitan region motor fuel for the  
17 operation of a motor vehicle upon public highways, the tax to  
18 be at a rate not in excess of the rate of tax imposed under  
19 paragraph (b) of this Section. The Board may provide for  
20 details of the tax.

21 (d) The Board may impose a motor vehicle parking tax upon  
22 the privilege of parking motor vehicles at off-street parking  
23 facilities in the metropolitan region at which a fee is  
24 charged, and may provide for reasonable classifications in and  
25 exemptions to the tax, for administration and enforcement  
26 thereof and for civil penalties and refunds thereunder and may

1 provide criminal penalties thereunder, the maximum penalties  
2 not to exceed the maximum criminal penalties provided in the  
3 Retailers' Occupation Tax Act. The Authority may collect and  
4 enforce the tax itself or by contract with any unit of local  
5 government. The State Department of Revenue shall have no  
6 responsibility for the collection and enforcement unless the  
7 Department agrees with the Authority to undertake the  
8 collection and enforcement. As used in this paragraph, the term  
9 "parking facility" means a parking area or structure having  
10 parking spaces for more than 2 vehicles at which motor vehicles  
11 are permitted to park in return for an hourly, daily, or other  
12 periodic fee, whether publicly or privately owned, but does not  
13 include parking spaces on a public street, the use of which is  
14 regulated by parking meters.

15 (e) The Board may impose a Regional Transportation  
16 Authority Retailers' Occupation Tax upon all persons engaged in  
17 the business of selling tangible personal property at retail in  
18 the metropolitan region. In Cook County, the tax rate shall be  
19 1.25% of the gross receipts from sales of tangible personal  
20 property taxed at the 1% rate under the Retailers' Occupation  
21 Tax Act, and 1% of the gross receipts from other taxable sales  
22 made in the course of that business. In DuPage, Kane, Lake,  
23 McHenry, and Will counties ~~Counties~~, the tax rate shall be  
24 0.75% of the gross receipts from all taxable sales made in the  
25 course of that business. except that the rate of tax imposed in  
26 these Counties under this Section on sales of aviation fuel on

1 or after December 1, 2019 shall be 0.25% unless the Regional  
2 Transportation Authority in DuPage, Kane, Lake, McHenry and  
3 Will counties has an "airport-related purpose" and the  
4 additional 0.50% of the 0.75% tax on aviation fuel is expended  
5 for airport-related purposes. If there is no airport-related  
6 purpose to which aviation fuel tax revenue is dedicated, then  
7 aviation fuel is excluded from the tax The tax imposed under  
8 this Section and all civil penalties that may be assessed as an  
9 incident thereof shall be collected and enforced by the State  
10 Department of Revenue. The Department shall have full power to  
11 administer and enforce this Section; to collect all taxes and  
12 penalties so collected in the manner hereinafter provided; and  
13 to determine all rights to credit memoranda arising on account  
14 of the erroneous payment of tax or penalty hereunder. In the  
15 administration of, and compliance with this Section, the  
16 Department and persons who are subject to this Section shall  
17 have the same rights, remedies, privileges, immunities, powers  
18 and duties, and be subject to the same conditions,  
19 restrictions, limitations, penalties, exclusions, exemptions  
20 and definitions of terms, and employ the same modes of  
21 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
22 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
23 therein other than the State rate of tax), 2c, 3 (except as to  
24 the disposition of taxes and penalties collected, and except  
25 that the retailer's discount is not allowed for taxes paid on  
26 aviation fuel that are deposited into the Local Government

1 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
2 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
3 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
4 Penalty and Interest Act, as fully as if those provisions were  
5 set forth herein.

6 On or before September 1, 2019, and on or before each April  
7 1 and October 1 thereafter, the Authority and Cook, DuPage,  
8 Kane, Lake, McHenry, and Will counties must certify to the  
9 Department of Transportation, in the form and manner required  
10 by the Department, whether they have an airport-related  
11 purpose, which would allow any Retailers' Occupation Tax and  
12 Service Occupation Tax imposed under this Act to include tax on  
13 aviation fuel. On or before October 1, 2017, and on or before  
14 each May 1 and November 1 thereafter, the Department of  
15 Transportation shall provide to the Department of Revenue, a  
16 list of units of local government which have certified to the  
17 Department of Transportation that they have airport-related  
18 purposes, which would allow any Retailers' Occupation Tax and  
19 Service Occupation Tax imposed by the unit of local government  
20 to include tax on aviation fuel. All disputes regarding whether  
21 or not a unit of local government has an airport-related  
22 purpose shall be resolved by the Department of Transportation.

23 For purposes of this Act, "airport-related purposes" has  
24 the meaning ascribed in Section 6z-20.2 of the State Finance  
25 Act. This exclusion for aviation fuel only applies for so long  
26 as the revenue use requirements of 49 U.S.C. §47107(b) and 49

1 U.S.C. §47133 are binding on the Authority.

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

9 Whenever the Department determines that a refund should be  
10 made under this Section to a claimant instead of issuing a  
11 credit memorandum, the Department shall notify the State  
12 Comptroller, who shall cause the warrant to be drawn for the  
13 amount specified, and to the person named, in the notification  
14 from the Department. The refund shall be paid by the State  
15 Treasurer out of the Regional Transportation Authority tax fund  
16 established under paragraph (n) of this Section.

17 If a tax is imposed under this subsection (e), a tax shall  
18 also be imposed under subsections (f) and (g) of this Section.

19 For the purpose of determining whether a tax authorized  
20 under this Section is applicable, a retail sale by a producer  
21 of coal or other mineral mined in Illinois, is a sale at retail  
22 at the place where the coal or other mineral mined in Illinois  
23 is extracted from the earth. This paragraph does not apply to  
24 coal or other mineral when it is delivered or shipped by the  
25 seller to the purchaser at a point outside Illinois so that the  
26 sale is exempt under the Federal Constitution as a sale in

1 interstate or foreign commerce.

2 No tax shall be imposed or collected under this subsection  
3 on the sale of a motor vehicle in this State to a resident of  
4 another state if that motor vehicle will not be titled in this  
5 State.

6 Nothing in this Section shall be construed to authorize the  
7 Regional Transportation Authority to impose a tax upon the  
8 privilege of engaging in any business that under the  
9 Constitution of the United States may not be made the subject  
10 of taxation by this State.

11 (f) If a tax has been imposed under paragraph (e), a  
12 Regional Transportation Authority Service Occupation Tax shall  
13 also be imposed upon all persons engaged, in the metropolitan  
14 region in the business of making sales of service, who as an  
15 incident to making the sales of service, transfer tangible  
16 personal property within the metropolitan region, either in the  
17 form of tangible personal property or in the form of real  
18 estate as an incident to a sale of service. In Cook County, the  
19 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
20 food prepared for immediate consumption and transferred  
21 incident to a sale of service subject to the service occupation  
22 tax by an entity licensed under the Hospital Licensing Act, the  
23 Nursing Home Care Act, the Specialized Mental Health  
24 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
25 the MC/DD Act that is located in the metropolitan region; (2)  
26 1.25% of the selling price of tangible personal property taxed

1 at the 1% rate under the Service Occupation Tax Act; and (3) 1%  
2 of the selling price from other taxable sales of tangible  
3 personal property transferred. In DuPage, Kane, Lake, McHenry  
4 and Will counties, Counties the rate shall be 0.75% of the  
5 selling price of all tangible personal property transferred  
6 except that the rate of tax imposed in these Counties under  
7 this Section on sales of aviation fuel on or after December 1,  
8 2019 shall be 0.25% unless the Regional Transportation  
9 Authority in DuPage, Kane, Lake, McHenry and Will counties has  
10 an "airport-related purpose" and the additional 0.50% of the  
11 0.75% tax on aviation fuel is expended for airport-related  
12 purposes. If there is no airport-related purpose to which  
13 aviation fuel tax revenue is dedicated, then aviation fuel is  
14 excluded from the tax.

15 On or before September 1, 2019, and on or before each April  
16 1 and October 1 thereafter, the Authority and Cook, DuPage,  
17 Kane, Lake, McHenry, and Will counties must certify to the  
18 Department of Transportation, in the form and manner required  
19 by the Department, whether they have an airport-related  
20 purpose, which would allow any Retailers' Occupation Tax and  
21 Service Occupation Tax imposed under this Act to include tax on  
22 aviation fuel. On or before October 1, 2017, and on or before  
23 each May 1 and November 1 thereafter, the Department of  
24 Transportation shall provide to the Department of Revenue, a  
25 list of units of local government which have certified to the  
26 Department of Transportation that they have airport-related

1 purposes, which would allow any Retailers' Occupation Tax and  
2 Service Occupation Tax imposed by the unit of local government  
3 to include tax on aviation fuel. All disputes regarding whether  
4 or not a unit of local government has an airport-related  
5 purpose shall be resolved by the Department of Transportation.

6 For purposes of this Act, "airport-related purposes" has  
7 the meaning ascribed in Section 6z-20.2 of the State Finance  
8 Act. This exclusion for aviation fuel only applies for so long  
9 as the revenue use requirements of 49 U.S.C. §47107(b) and 49  
10 U.S.C. §47133 are binding on the Authority.

11 The tax imposed under this paragraph 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 Department shall have full power to administer and enforce this  
15 paragraph; to collect all taxes and penalties due hereunder; to  
16 dispose of taxes and penalties collected in the manner  
17 hereinafter provided; and to determine all rights to credit  
18 memoranda arising on account of the erroneous payment of tax or  
19 penalty hereunder. In the administration of and compliance with  
20 this paragraph, the Department and persons who are subject to  
21 this paragraph shall have the same rights, remedies,  
22 privileges, immunities, powers and duties, and be subject to  
23 the same conditions, restrictions, limitations, penalties,  
24 exclusions, exemptions and definitions of terms, and employ the  
25 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
26 2a, 3 through 3-50 (in respect to all provisions therein other



1 than the State rate of tax), 4 (except that the reference to  
2 the State shall be to the Authority), 5, 7, 8 (except that the  
3 jurisdiction to which the tax shall be a debt to the extent  
4 indicated in that Section 8 shall be the Authority), 9 (except  
5 as to the disposition of taxes and penalties collected, and  
6 except that the returned merchandise credit for this tax may  
7 not be taken against any State tax, and except that the  
8 retailer's discount is not allowed for taxes paid on aviation  
9 fuel that are deposited into the Local Government Aviation  
10 Trust Fund), 10, 11, 12 (except the reference therein to  
11 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
12 that any reference to the State shall mean the Authority), the  
13 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
14 Service Occupation Tax Act and Section 3-7 of the Uniform  
15 Penalty and Interest Act, as fully as if those provisions were  
16 set forth herein.

17 Persons subject to any tax imposed under the authority  
18 granted in this paragraph may reimburse themselves for their  
19 serviceman's tax liability hereunder by separately stating the  
20 tax as an additional charge, that charge may be stated in  
21 combination in a single amount with State tax that servicemen  
22 are authorized to collect under the Service Use Tax Act, under  
23 any bracket schedules the Department may prescribe.

24 Whenever the Department determines that a refund should be  
25 made under this paragraph to a claimant instead of issuing a  
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the  
2 amount specified, and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the Regional Transportation Authority tax fund  
5 established under paragraph (n) of this Section.

6 Nothing in this paragraph shall be construed to authorize  
7 the Authority to impose a tax upon the privilege of engaging in  
8 any business that under the Constitution of the United States  
9 may not be made the subject of taxation by the State.

10 (g) If a tax has been imposed under paragraph (e), a tax  
11 shall also be imposed upon the privilege of using in the  
12 metropolitan region, any item of tangible personal property  
13 that is purchased outside the metropolitan region at retail  
14 from a retailer, and that is titled or registered with an  
15 agency of this State's government. In Cook County, the tax rate  
16 shall be 1% of the selling price of the tangible personal  
17 property, as "selling price" is defined in the Use Tax Act. In  
18 DuPage, Kane, Lake, McHenry and Will counties, the tax rate  
19 shall be 0.75% of the selling price of the tangible personal  
20 property, as "selling price" is defined in the Use Tax Act. The  
21 tax shall be collected from persons whose Illinois address for  
22 titling or registration purposes is given as being in the  
23 metropolitan region. The tax shall be collected by the  
24 Department of Revenue for the Regional Transportation  
25 Authority. The tax must be paid to the State, or an exemption  
26 determination must be obtained from the Department of Revenue,

1 before the title or certificate of registration for the  
2 property may be issued. The tax or proof of exemption may be  
3 transmitted to the Department by way of the State agency with  
4 which, or the State officer with whom, the tangible personal  
5 property must be titled or registered if the Department and the  
6 State agency or State officer determine that this procedure  
7 will expedite the processing of applications for title or  
8 registration.

9 The Department shall have full power to administer and  
10 enforce this paragraph; to collect all taxes, penalties, and  
11 interest due hereunder; to dispose of taxes, penalties, and  
12 interest collected in the manner hereinafter provided; and to  
13 determine all rights to credit memoranda or refunds arising on  
14 account of the erroneous payment of tax, penalty, or interest  
15 hereunder. In the administration of and compliance with this  
16 paragraph, the Department and persons who are subject to this  
17 paragraph shall have the same rights, remedies, privileges,  
18 immunities, powers and duties, and be subject to the same  
19 conditions, restrictions, limitations, penalties, exclusions,  
20 exemptions and definitions of terms and employ the same modes  
21 of procedure, as are prescribed in Sections 2 (except the  
22 definition of "retailer maintaining a place of business in this  
23 State"), 3 through 3-80 (except provisions pertaining to the  
24 State rate of tax, and except provisions concerning collection  
25 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
26 19 (except the portions pertaining to claims by retailers and

1 except the last paragraph concerning refunds), 20, 21 and 22 of  
2 the Use Tax Act, and are not inconsistent with this paragraph,  
3 as fully as if those provisions were set forth herein.

4 Whenever the Department determines that a refund should be  
5 made under this paragraph to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the order to be drawn for the  
8 amount specified, and to the person named in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the Regional Transportation Authority tax fund  
11 established under paragraph (n) of this Section.

12 (h) The Authority may impose a replacement vehicle tax of  
13 \$50 on any passenger car as defined in Section 1-157 of the  
14 Illinois Vehicle Code purchased within the metropolitan region  
15 by or on behalf of an insurance company to replace a passenger  
16 car of an insured person in settlement of a total loss claim.  
17 The tax imposed may not become effective before the first day  
18 of the month following the passage of the ordinance imposing  
19 the tax and receipt of a certified copy of the ordinance by the  
20 Department of Revenue. The Department of Revenue shall collect  
21 the tax for the Authority in accordance with Sections 3-2002  
22 and 3-2003 of the Illinois Vehicle Code.

23 Except as otherwise provided in this paragraph, the ~~The~~  
24 Department shall immediately pay over to the State Treasurer,  
25 ex officio, as trustee, all taxes collected hereunder Taxes and  
26 penalties collected in DuPage, Kane, Lake, McHenry and Will

1 Counties on aviation fuel sold on or after December 1, 2019  
2 from the 0.50% of the .75% rate shall be immediately paid over  
3 by the Department to the State Treasurer, ex officio, as  
4 trustee, for deposit into the Local Government Aviation Trust  
5 Fund. The Department shall only pay moneys into the Local  
6 Government Aviation Trust Fund under this Act for so long as  
7 the revenue use requirements of 49 U.S.C. §47107(b) and 49  
8 U.S.C. §47133 are binding on the Authority..

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

17       After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to the Authority. The  
21 amount to be paid to the Authority shall be the amount  
22 collected hereunder during the second preceding calendar month  
23 by the Department, less any amount determined by the Department  
24 to be necessary for the payment of refunds, and less any  
25 amounts that are transferred to the STAR Bonds Revenue Fund.  
26 Within 10 days after receipt by the Comptroller of the

1 disbursement certification to the Authority provided for in  
2 this Section to be given to the Comptroller by the Department,  
3 the Comptroller shall cause the orders to be drawn for that  
4 amount in accordance with the directions contained in the  
5 certification.

6 (i) The Board may not impose any other taxes except as it  
7 may from time to time be authorized by law to impose.

8 (j) A certificate of registration issued by the State  
9 Department of Revenue to a retailer under the Retailers'  
10 Occupation Tax Act or under the Service Occupation Tax Act  
11 shall permit the registrant to engage in a business that is  
12 taxed under the tax imposed under paragraphs (b), (e), (f) or  
13 (g) of this Section and no additional registration shall be  
14 required under the tax. A certificate issued under the Use Tax  
15 Act or the Service Use Tax Act shall be applicable with regard  
16 to any tax imposed under paragraph (c) of this Section.

17 (k) The provisions of any tax imposed under paragraph (c)  
18 of this Section shall conform as closely as may be practicable  
19 to the provisions of the Use Tax Act, including without  
20 limitation conformity as to penalties with respect to the tax  
21 imposed and as to the powers of the State Department of Revenue  
22 to promulgate and enforce rules and regulations relating to the  
23 administration and enforcement of the provisions of the tax  
24 imposed. The taxes shall be imposed only on use within the  
25 metropolitan region and at rates as provided in the paragraph.

26 (l) The Board in imposing any tax as provided in paragraphs

1 (b) and (c) of this Section, shall, after seeking the advice of  
2 the State Department of Revenue, provide means for retailers,  
3 users or purchasers of motor fuel for purposes other than those  
4 with regard to which the taxes may be imposed as provided in  
5 those paragraphs to receive refunds of taxes improperly paid,  
6 which provisions may be at variance with the refund provisions  
7 as applicable under the Municipal Retailers Occupation Tax Act.  
8 The State Department of Revenue may provide for certificates of  
9 registration for users or purchasers of motor fuel for purposes  
10 other than those with regard to which taxes may be imposed as  
11 provided in paragraphs (b) and (c) of this Section to  
12 facilitate the reporting and nontaxability of the exempt sales  
13 or uses.

14 (m) Any ordinance imposing or discontinuing any tax under  
15 this Section shall be adopted and a certified copy thereof  
16 filed with the Department on or before June 1, whereupon the  
17 Department of Revenue shall proceed to administer and enforce  
18 this Section on behalf of the Regional Transportation Authority  
19 as of September 1 next following such adoption and filing.  
20 Beginning January 1, 1992, an ordinance or resolution imposing  
21 or discontinuing the tax hereunder shall be adopted and a  
22 certified copy thereof filed with the Department on or before  
23 the first day of July, whereupon the Department shall proceed  
24 to administer and enforce this Section as of the first day of  
25 October next following such adoption and filing. Beginning  
26 January 1, 1993, an ordinance or resolution imposing,

1 increasing, decreasing, or discontinuing the tax hereunder  
2 shall be adopted and a certified copy thereof filed with the  
3 Department, whereupon the Department shall proceed to  
4 administer and enforce this Section as of the first day of the  
5 first month to occur not less than 60 days following such  
6 adoption and filing. Any ordinance or resolution of the  
7 Authority imposing a tax under this Section and in effect on  
8 August 1, 2007 shall remain in full force and effect and shall  
9 be administered by the Department of Revenue under the terms  
10 and conditions and rates of tax established by such ordinance  
11 or resolution until the Department begins administering and  
12 enforcing an increased tax under this Section as authorized by  
13 Public Act 95-708. The tax rates authorized by Public Act  
14 95-708 are effective only if imposed by ordinance of the  
15 Authority.

16 (n) Except as otherwise provided in this subsection (n),  
17 the State Department of Revenue shall, upon collecting any  
18 taxes as provided in this Section, pay the taxes over to the  
19 State Treasurer as trustee for the Authority. The taxes shall  
20 be held in a trust fund outside the State Treasury. On or  
21 before the 25th day of each calendar month, the State  
22 Department of Revenue shall prepare and certify to the  
23 Comptroller of the State of Illinois and to the Authority (i)  
24 the amount of taxes collected in each county ~~County~~ other than  
25 Cook County in the metropolitan region, (ii) the amount of  
26 taxes collected within the City of Chicago, and (iii) the



1 amount collected in that portion of Cook County outside of  
2 Chicago, each amount less the amount necessary for the payment  
3 of refunds to taxpayers located in those areas described in  
4 items (i), (ii), and (iii), and less 1.5% of the remainder,  
5 which shall be transferred from the trust fund into the Tax  
6 Compliance and Administration Fund. The Department, at the time  
7 of each monthly disbursement to the Authority, shall prepare  
8 and certify to the State Comptroller the amount to be  
9 transferred into the Tax Compliance and Administration Fund  
10 under this subsection. Within 10 days after receipt by the  
11 Comptroller of the certification of the amounts, the  
12 Comptroller shall cause an order to be drawn for the transfer  
13 of the amount certified into the Tax Compliance and  
14 Administration Fund and the payment of two-thirds of the  
15 amounts certified in item (i) of this subsection to the  
16 Authority and one-third of the amounts certified in item (i) of  
17 this subsection to the respective counties other than Cook  
18 County and the amount certified in items (ii) and (iii) of this  
19 subsection to the Authority.

20 In addition to the disbursement required by the preceding  
21 paragraph, an allocation shall be made in July 1991 and each  
22 year thereafter to the Regional Transportation Authority. The  
23 allocation shall be made in an amount equal to the average  
24 monthly distribution during the preceding calendar year  
25 (excluding the 2 months of lowest receipts) and the allocation  
26 shall include the amount of average monthly distribution from

1 the Regional Transportation Authority Occupation and Use Tax  
2 Replacement Fund. The distribution made in July 1992 and each  
3 year thereafter under this paragraph and the preceding  
4 paragraph shall be reduced by the amount allocated and  
5 disbursed under this paragraph in the preceding calendar year.  
6 The Department of Revenue shall prepare and certify to the  
7 Comptroller for disbursement the allocations made in  
8 accordance with this paragraph.

9 (o) Failure to adopt a budget ordinance or otherwise to  
10 comply with Section 4.01 of this Act or to adopt a Five-year  
11 Capital Program or otherwise to comply with paragraph (b) of  
12 Section 2.01 of this Act shall not affect the validity of any  
13 tax imposed by the Authority otherwise in conformity with law.

14 (p) At no time shall a public transportation tax or motor  
15 vehicle parking tax authorized under paragraphs (b), (c) and and  
16 (d) of this Section be in effect at the same time as any  
17 retailers' occupation, use or service occupation tax  
18 authorized under paragraphs (e), (f) and (g) of this Section  
19 is in effect.

20 Any taxes imposed under the authority provided in  
21 paragraphs (b), (c) and (d) shall remain in effect only until  
22 the time as any tax authorized by paragraph ~~paragraphs~~ (e),  
23 (f) and or (g) of this Section are imposed and becomes effective.  
24 Once any tax authorized by paragraph ~~paragraphs~~ (e), (f) and or  
25 (g) is imposed the Board may not reimpose taxes as authorized  
26 in paragraphs (b), (c) and (d) of the Section unless any tax

1 authorized by paragraph ~~paragraphs~~ (e), (f), or (g) of this  
2 Section becomes ineffective by means other than an ordinance of  
3 the Board.

4 (q) Any existing rights, remedies and obligations  
5 (including enforcement by the Regional Transportation  
6 Authority) arising under any tax imposed under paragraph  
7 ~~paragraphs~~ (b), (c), or (d) of this Section shall not be  
8 affected by the imposition of a tax under paragraph ~~paragraphs~~  
9 (e), (f), or (g) of this Section.

10 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;  
11 99-642, eff. 7-28-16; 100-23, eff. 7-6-17; 100-587, eff.  
12 6-4-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

13 Section 75. The Water Commission Act of 1985 is amended by  
14 changing Section 4 as follows:

15 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

16 Sec. 4. Taxes.

17 (a) The board of commissioners of any county water  
18 commission may, by ordinance, impose throughout the territory  
19 of the commission any or all of the taxes provided in this  
20 Section for its corporate purposes. However, no county water  
21 commission may impose any such tax unless the commission  
22 certifies the proposition of imposing the tax to the proper  
23 election officials, who shall submit the proposition to the  
24 voters residing in the territory at an election in accordance

1 with the general election law, and the proposition has been  
2 approved by a majority of those voting on the proposition.

3 The proposition shall be in the form provided in Section 5  
4 or shall be substantially in the following form:

5 -----

6	Shall the (insert corporate	
7	name of county water commission)	YES
8	impose (state type of tax or	-----
9	taxes to be imposed) at the	NO
10	rate of 1/4%?	

11 -----

12 Taxes imposed under this Section and civil penalties  
13 imposed incident thereto shall be collected and enforced by the  
14 State Department of Revenue. The Department shall have the  
15 power to administer and enforce the taxes and to determine all  
16 rights for refunds for erroneous payments of the taxes.

17 (b) The board of commissioners may impose a County Water  
18 Commission Retailers' Occupation Tax upon all persons engaged  
19 in the business of selling tangible personal property at retail  
20 in the territory of the commission at a rate of 1/4% of the  
21 gross receipts from the sales made in the course of such  
22 business within the territory. The tax imposed under this  
23 paragraph and all civil penalties that may be assessed as an  
24 incident thereof shall be collected and enforced by the State  
25 Department of Revenue. The Department shall have full power to  
26 administer and enforce this paragraph; to collect all taxes and

1 penalties due hereunder; to dispose of taxes and penalties so  
2 collected in the manner hereinafter provided; and to determine  
3 all rights to credit memoranda arising on account of the  
4 erroneous payment of tax or penalty hereunder. In the  
5 administration of, and compliance with, this paragraph, the  
6 Department and persons who are subject to this paragraph shall  
7 have the same rights, remedies, privileges, immunities, powers  
8 and duties, and be subject to the same conditions,  
9 restrictions, limitations, penalties, exclusions, exemptions  
10 and definitions of terms, and employ the same modes of  
11 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
12 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
13 therein other than the State rate of tax except that tangible  
14 personal property taxed at the 1% rate under the Retailers'  
15 Occupation Tax Act shall not be subject to tax hereunder), 2c,  
16 3 (except as to the disposition of taxes and penalties  
17 collected, and except that the retailer's discount is not  
18 allowed for taxes paid on aviation fuel sold on or after  
19 December 1, 2019), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
20 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and 13 of the  
21 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
22 Penalty and Interest Act, as fully as if those provisions were  
23 set forth herein.

24 Persons subject to any tax imposed under the authority  
25 granted in this paragraph may reimburse themselves for their  
26 seller's tax liability hereunder by separately stating the tax

1 as an additional charge, which charge may be stated in  
2 combination, in a single amount, with State taxes that sellers  
3 are required to collect under the Use Tax Act and under  
4 subsection (e) of Section 4.03 of the Regional Transportation  
5 Authority Act, in accordance with such bracket schedules as the  
6 Department may prescribe.

7 Whenever the Department determines that a refund should be  
8 made under this paragraph to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the warrant to be drawn for the  
11 amount specified, and to the person named, in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of a county water commission tax fund established  
14 under subsection (g) of this Section.

15 For the purpose of determining whether a tax authorized  
16 under this paragraph is applicable, a retail sale by a producer  
17 of coal or other mineral mined in Illinois is a sale at retail  
18 at the place where the coal or other mineral mined in Illinois  
19 is extracted from the earth. This paragraph does not apply to  
20 coal or other mineral when it is delivered or shipped by the  
21 seller to the purchaser at a point outside Illinois so that the  
22 sale is exempt under the Federal Constitution as a sale in  
23 interstate or foreign commerce.

24 If a tax is imposed under this subsection (b), a tax shall  
25 also be imposed under subsections (c) and (d) of this Section.

26 No tax shall be imposed or collected under this subsection

1 on the sale of a motor vehicle in this State to a resident of  
2 another state if that motor vehicle will not be titled in this  
3 State.

4 Nothing in this paragraph shall be construed to authorize a  
5 county water commission to impose a tax upon the privilege of  
6 engaging in any business which under the Constitution of the  
7 United States may not be made the subject of taxation by this  
8 State.

9 (c) If a tax has been imposed under subsection (b), a  
10 County Water Commission Service Occupation Tax shall also be  
11 imposed upon all persons engaged, in the territory of the  
12 commission, in the business of making sales of service, who, as  
13 an incident to making the sales of service, transfer tangible  
14 personal property within the territory. The tax rate shall be  
15 1/4% of the selling price of tangible personal property so  
16 transferred within the territory. The tax imposed under this  
17 paragraph and all civil penalties that may be assessed as an  
18 incident thereof shall be collected and enforced by the State  
19 Department of Revenue. The Department shall have full power to  
20 administer and enforce this paragraph; to collect all taxes and  
21 penalties due hereunder; to dispose of taxes and penalties so  
22 collected in the manner hereinafter provided; and to determine  
23 all rights to credit memoranda arising on account of the  
24 erroneous payment of tax or penalty hereunder. In the  
25 administration of, and compliance with, this paragraph, the  
26 Department and persons who are subject to this paragraph shall

1 have the same rights, remedies, privileges, immunities, powers  
2 and duties, and be subject to the same conditions,  
3 restrictions, limitations, penalties, exclusions, exemptions  
4 and definitions of terms, and employ the same modes of  
5 procedure, as are prescribed in Sections 1a-1, 2 (except that  
6 the reference to State in the definition of supplier  
7 maintaining a place of business in this State shall mean the  
8 territory of the commission), 2a, 3 through 3-50 (in respect to  
9 all provisions therein other than the State rate of tax except  
10 that tangible personal property taxed at the 1% rate under the  
11 Service Occupation Tax Act shall not be subject to tax  
12 hereunder), 4 (except that the reference to the State shall be  
13 to the territory of the commission), 5, 7, 8 (except that the  
14 jurisdiction to which the tax shall be a debt to the extent  
15 indicated in that Section 8 shall be the commission), 9 (except  
16 as to the disposition of taxes and penalties collected and  
17 except that the returned merchandise credit for this tax may  
18 not be taken against any State tax, and except that the  
19 retailer's discount is not allowed for taxes paid on aviation  
20 fuel sold on or after December 1, 2019), 10, 11, 12 (except the  
21 reference therein to Section 2b of the Retailers' Occupation  
22 Tax Act), 13 (except that any reference to the State shall mean  
23 the territory of the commission), the first paragraph of  
24 Section 15, 15.5, 16, 17, 18, 19, and 20 of the Service  
25 Occupation Tax Act as fully as if those provisions were set  
26 forth herein.



1           Persons subject to any tax imposed under the authority  
2 granted in this paragraph may reimburse themselves for their  
3 serviceman's tax liability hereunder by separately stating the  
4 tax as an additional charge, which charge may be stated in  
5 combination, in a single amount, with State tax that servicemen  
6 are authorized to collect under the Service Use Tax Act, and  
7 any tax for which servicemen may be liable under subsection (f)  
8 of Section 4.03 of the Regional Transportation Authority Act,  
9 in accordance with such bracket schedules as the Department may  
10 prescribe.

11           Whenever the Department determines that a refund should be  
12 made under this paragraph to a claimant instead of issuing a  
13 credit memorandum, the Department shall notify the State  
14 Comptroller, who shall cause the warrant to be drawn for the  
15 amount specified, and to the person named, in the notification  
16 from the Department. The refund shall be paid by the State  
17 Treasurer out of a county water commission tax fund established  
18 under subsection (g) of this Section.

19           Nothing in this paragraph shall be construed to authorize a  
20 county water commission to impose a tax upon the privilege of  
21 engaging in any business which under the Constitution of the  
22 United States may not be made the subject of taxation by the  
23 State.

24           (d) If a tax has been imposed under subsection (b), a tax  
25 shall also be imposed upon the privilege of using, in the  
26 territory of the commission, any item of tangible personal

1 property that is purchased outside the territory at retail from  
2 a retailer, and that is titled or registered with an agency of  
3 this State's government, at a rate of 1/4% of the selling price  
4 of the tangible personal property within the territory, as  
5 "selling price" is defined in the Use Tax Act. The tax shall be  
6 collected from persons whose Illinois address for titling or  
7 registration purposes is given as being in the territory. The  
8 tax shall be collected by the Department of Revenue for a  
9 county water commission. The tax must be paid to the State, or  
10 an exemption determination must be obtained from the Department  
11 of Revenue, before the title or certificate of registration for  
12 the property may be issued. The tax or proof of exemption may  
13 be transmitted to the Department by way of the State agency  
14 with which, or the State officer with whom, the tangible  
15 personal property must be titled or registered if the  
16 Department and the State agency or State officer determine that  
17 this procedure will expedite the processing of applications for  
18 title or registration.

19 The Department shall have full power to administer and  
20 enforce this paragraph; to collect all taxes, penalties, and  
21 interest due hereunder; to dispose of taxes, penalties, and  
22 interest so collected in the manner hereinafter provided; and  
23 to determine all rights to credit memoranda or refunds arising  
24 on account of the erroneous payment of tax, penalty, or  
25 interest hereunder. In the administration of and compliance  
26 with this paragraph, the Department and persons who are subject

1 to this paragraph shall have the same rights, remedies,  
2 privileges, immunities, powers, and duties, and be subject to  
3 the same conditions, restrictions, limitations, penalties,  
4 exclusions, exemptions, and definitions of terms and employ the  
5 same modes of procedure, as are prescribed in Sections 2  
6 (except the definition of "retailer maintaining a place of  
7 business in this State"), 3 through 3-80 (except provisions  
8 pertaining to the State rate of tax, and except provisions  
9 concerning collection or refunding of the tax by retailers), 4,  
10 11, 12, 12a, 14, 15, 19 (except the portions pertaining to  
11 claims by retailers and except the last paragraph concerning  
12 refunds), 20, 21, and 22 of the Use Tax Act and Section 3-7 of  
13 the Uniform Penalty and Interest Act that are not inconsistent  
14 with this paragraph, as fully as if those provisions were set  
15 forth herein.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph 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 the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of a county water commission tax fund established  
23 under subsection (g) of this Section.

24 (e) A certificate of registration issued by the State  
25 Department of Revenue to a retailer under the Retailers'  
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is  
2 taxed under the tax imposed under subsection (b), (c), or (d)  
3 of this Section and no additional registration shall be  
4 required under the tax. A certificate issued under the Use Tax  
5 Act or the Service Use Tax Act shall be applicable with regard  
6 to any tax imposed under subsection (c) of this Section.

7 (f) Any ordinance imposing or discontinuing any tax under  
8 this Section shall be adopted and a certified copy thereof  
9 filed with the Department on or before June 1, whereupon the  
10 Department of Revenue shall proceed to administer and enforce  
11 this Section on behalf of the county water commission as of  
12 September 1 next following the adoption and filing. Beginning  
13 January 1, 1992, an ordinance or resolution imposing or  
14 discontinuing the tax hereunder shall be adopted and a  
15 certified copy thereof filed with the Department on or before  
16 the first day of July, whereupon the Department shall proceed  
17 to administer and enforce this Section as of the first day of  
18 October next following such adoption and filing. Beginning  
19 January 1, 1993, an ordinance or resolution imposing or  
20 discontinuing the tax hereunder shall be adopted and a  
21 certified copy thereof filed with the Department on or before  
22 the first day of October, whereupon the Department shall  
23 proceed to administer and enforce this Section as of the first  
24 day of January next following such adoption and filing.

25 (g) The State Department of Revenue shall, upon collecting  
26 any taxes as provided in this Section, pay the taxes over to

1 the State Treasurer as trustee for the commission. The taxes  
2 shall be held in a trust fund outside the State Treasury.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on or before the 25th day of each calendar month, the State  
13 Department of Revenue shall prepare and certify to the  
14 Comptroller of the State of Illinois the amount to be paid to  
15 the commission, which shall be the amount (not including credit  
16 memoranda) collected under this Section during the second  
17 preceding calendar month by the Department plus an amount the  
18 Department determines is necessary to offset any amounts that  
19 were erroneously paid to a different taxing body, and not  
20 including any amount equal to the amount of refunds made during  
21 the second preceding calendar month by the Department on behalf  
22 of the commission, and not including any amount that the  
23 Department determines is necessary to offset any amounts that  
24 were payable to a different taxing body but were erroneously  
25 paid to the commission, and less any amounts that are  
26 transferred to the STAR Bonds Revenue Fund, less 1.5% of the

1 remainder, which shall be transferred into the Tax Compliance  
2 and Administration Fund. The Department, at the time of each  
3 monthly disbursement to the commission, shall prepare and  
4 certify to the State Comptroller the amount to be transferred  
5 into the Tax Compliance and Administration Fund under this  
6 subsection. Within 10 days after receipt by the Comptroller of  
7 the certification of the amount to be paid to the commission  
8 and the Tax Compliance and Administration Fund, the Comptroller  
9 shall cause an order to be drawn for the payment for the amount  
10 in accordance with the direction in the certification.

11 (h) Beginning June 1, 2016, any tax imposed pursuant to  
12 this Section may no longer be imposed or collected, unless a  
13 continuation of the tax is approved by the voters at a  
14 referendum as set forth in this Section.

15 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;  
16 100-23, eff. 7-6-17; 100-587, eff. 6-4-18; 100-863, eff.  
17 8-14-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

18 Section 80. The Environmental Impact Fee Law is amended by  
19 changing Sections 315 and 320 as follows:

20 (415 ILCS 125/315)

21 (Section scheduled to be repealed on January 1, 2025)

22 Sec. 315. Fee on receivers of fuel for sale or use;  
23 collection and reporting. A person that is required to pay the  
24 fee imposed by this Law shall pay the fee to the Department by

1 return showing all fuel purchased, acquired, or received and  
2 sold, distributed or used during the preceding calendar month,  
3 including losses of fuel as the result of evaporation or  
4 shrinkage due to temperature variations, and such other  
5 reasonable information as the Department may require. Losses of  
6 fuel as the result of evaporation or shrinkage due to  
7 temperature variations may not exceed 1% of the total gallons  
8 in storage at the beginning of the month, plus the receipts of  
9 gallonage during the month, minus the gallonage remaining in  
10 storage at the end of the month. Any loss reported that is in  
11 excess of this amount shall be subject to the fee imposed by  
12 Section 310 of this Law. On and after July 1, 2001, for each  
13 6-month period January through June, net losses of fuel (for  
14 each category of fuel that is required to be reported on a  
15 return) as the result of evaporation or shrinkage due to  
16 temperature variations may not exceed 1% of the total gallons  
17 in storage at the beginning of each January, plus the receipts  
18 of gallonage each January through June, minus the gallonage  
19 remaining in storage at the end of each June. On and after July  
20 1, 2001, for each 6-month period July through December, net  
21 losses of fuel (for each category of fuel that is required to  
22 be reported on a return) as the result of evaporation or  
23 shrinkage due to temperature variations may not exceed 1% of  
24 the total gallons in storage at the beginning of each July,  
25 plus the receipts of gallonage each July through December,  
26 minus the gallonage remaining in storage at the end of each

1 December. Any net loss reported that is in excess of this  
2 amount shall be subject to the fee imposed by Section 310 of  
3 this Law. For purposes of this Section, "net loss" means the  
4 number of gallons gained through temperature variations minus  
5 the number of gallons lost through temperature variations or  
6 evaporation for each of the respective 6-month periods.

7 The return shall be prescribed by the Department and shall  
8 be filed between the 1st and 20th days of each calendar month.  
9 The Department may, in its discretion, combine the return filed  
10 under this Law with the return filed under Section 2b of the  
11 Motor Fuel Tax Law. If the return is timely filed, the receiver  
12 may take a discount of 2% through June 30, 2003 and 1.75%  
13 thereafter to reimburse himself for the expenses incurred in  
14 keeping records, preparing and filing returns, collecting and  
15 remitting the fee, and supplying data to the Department on  
16 request. However, the discount applies only to the amount of  
17 the fee payment that accompanies a return that is timely filed  
18 in accordance with this Section. The discount is not permitted  
19 on fees paid on aviation fuel sold or used on and after  
20 December 1, 2019. This exception for aviation fuel only applies  
21 for so long as the revenue use requirements of 49 U.S.C. §47017  
22 (b) and 49 U.S.C. §47133 are binding on the State.

23 Beginning on January 1, 2018, each retailer required or  
24 authorized to collect the fee imposed by this Act on aviation  
25 fuel at retail in this State during the preceding calendar  
26 month shall, instead of reporting and paying tax on aviation



1 fuel as otherwise required by this Section, file an aviation  
2 fuel tax return with the Department, on or before the twentieth  
3 day of each calendar month. The requirements related to the  
4 return shall be as otherwise provided in this Section.  
5 Notwithstanding any other provisions of this Act to the  
6 contrary, retailers collecting fees on aviation fuel shall file  
7 all aviation fuel tax returns and shall make all aviation fuel  
8 fee payments by electronic means in the manner and form  
9 required by the Department. For purposes of this paragraph,  
10 "aviation fuel" means a product that is intended for use or  
11 offered for sale as fuel for an aircraft.

12 If any payment provided for in this Section exceeds the  
13 receiver's liabilities under this Act, as shown on an original  
14 return, the Department may authorize the receiver to credit  
15 such excess payment against liability subsequently to be  
16 remitted to the Department under this Act, in accordance with  
17 reasonable rules adopted by the Department. If the Department  
18 subsequently determines that all or any part of the credit  
19 taken was not actually due to the receiver, the receiver's  
20 discount shall be reduced by an amount equal to the difference  
21 between the discount as applied to the credit taken and that  
22 actually due, and that receiver shall be liable for penalties  
23 and interest on such difference.

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

1 (Section scheduled to be repealed on January 1, 2025)

2 Sec. 320. Deposit of fee receipts. Except as otherwise  
3 provided in this paragraph, all ~~All~~ money received by the  
4 Department under this Law shall be deposited in the Underground  
5 Storage Tank Fund created by Section 57.11 of the Environmental  
6 Protection Act. All money received for aviation fuel by the  
7 Department under this Law on or after December 1, 2019, shall  
8 be immediately paid over by the Department to the State  
9 Aviation Program Fund. The Department shall only pay such  
10 moneys into the State Aviation Program Fund under this Act for  
11 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
12 and 49 U.S.C. 47133 are binding on the State. For purposes of  
13 this section, "aviation fuel" means a product that is intended  
14 for use or offered for sale as fuel for an aircraft.

15 (Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96; 90-14,  
16 eff. 7-1-97.)

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

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