



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3510

by Rep. Karina Villa

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.891 new	
30 ILCS 105/6z-107 new	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Amends the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act. Imposes a 7% surcharge on firearms and firearm component parts. Amends the State Finance Act. Creates the Student Mental Health Services Fund. Provides that the proceeds from the surcharge shall be deposited into the Fund. Provides that moneys in the Fund shall be used by the State Board of Education to provide mental health services at any public, non-public, or parochial school in the State. Effective immediately.

LRB101 10602 HLH 55708 b

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 and 6z-107 as follows:

6 (30 ILCS 105/5.891 new)

7 Sec. 5.891. The Student Mental Health Services Fund.

8 (30 ILCS 105/6z-107 new)

9 Sec. 6z-107. Student Mental Health Services Fund;
10 creation.

11 (a) The Student Mental Health Services Fund is hereby
12 created as a special fund in the State treasury. Moneys in the
13 Fund may be used by the State Board of Education to provide
14 mental health services at any public, non-public, or parochial
15 school in the State.

16 Section 10. The Use Tax Act is amended by changing Sections
17 3-10 and 9 as follows:

18 (35 ILCS 105/3-10)

19 Sec. 3-10. Rate of tax. Unless otherwise provided in this
20 Section, the tax imposed by this Act is at the rate of 6.25% of

1 either the selling price or the fair market value, if any, of
2 the tangible personal property. In all cases where property
3 functionally used or consumed is the same as the property that
4 was purchased at retail, then the tax is imposed on the selling
5 price of the property. In all cases where property functionally
6 used or consumed is a by-product or waste product that has been
7 refined, manufactured, or produced from property purchased at
8 retail, then the tax is imposed on the lower of the fair market
9 value, if any, of the specific property so used in this State
10 or on the selling price of the property purchased at retail.
11 For purposes of this Section "fair market value" means the
12 price at which property would change hands between a willing
13 buyer and a willing seller, neither being under any compulsion
14 to buy or sell and both having reasonable knowledge of the
15 relevant facts. The fair market value shall be established by
16 Illinois sales by the taxpayer of the same property as that
17 functionally used or consumed, or if there are no such sales by
18 the taxpayer, then comparable sales or purchases of property of
19 like kind and character in Illinois.

20 Beginning on July 1, 2000 and through December 31, 2000,
21 with respect to motor fuel, as defined in Section 1.1 of the
22 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
23 the Use Tax Act, the tax is imposed at the rate of 1.25%.

24 Beginning on August 6, 2010 through August 15, 2010, with
25 respect to sales tax holiday items as defined in Section 3-6 of
26 this Act, the tax is imposed at the rate of 1.25%.

1 With respect to gasohol, the tax imposed by this Act
2 applies to (i) 70% of the proceeds of sales made on or after
3 January 1, 1990, and before July 1, 2003, (ii) 80% of the
4 proceeds of sales made on or after July 1, 2003 and on or
5 before July 1, 2017, and (iii) 100% of the proceeds of sales
6 made thereafter. If, at any time, however, the tax under this
7 Act on sales of gasohol is imposed at the rate of 1.25%, then
8 the tax imposed by this Act applies to 100% of the proceeds of
9 sales of gasohol made during that time.

10 With respect to majority blended ethanol fuel, the tax
11 imposed by this Act does not apply to the proceeds of sales
12 made on or after July 1, 2003 and on or before December 31,
13 2023 but applies to 100% of the proceeds of sales made
14 thereafter.

15 With respect to biodiesel blends with no less than 1% and
16 no more than 10% biodiesel, the tax imposed by this Act applies
17 to (i) 80% of the proceeds of sales made on or after July 1,
18 2003 and on or before December 31, 2018 and (ii) 100% of the
19 proceeds of sales made thereafter. If, at any time, however,
20 the tax under this Act on sales of biodiesel blends with no
21 less than 1% and no more than 10% biodiesel is imposed at the
22 rate of 1.25%, then the tax imposed by this Act applies to 100%
23 of the proceeds of sales of biodiesel blends with no less than
24 1% and no more than 10% biodiesel made during that time.

25 With respect to 100% biodiesel and biodiesel blends with
26 more than 10% but no more than 99% biodiesel, the tax imposed

1 by this Act does not apply to the proceeds of sales made on or
2 after July 1, 2003 and on or before December 31, 2023 but
3 applies to 100% of the proceeds of sales made thereafter.

4 With respect to food for human consumption that is to be
5 consumed off the premises where it is sold (other than
6 alcoholic beverages, soft drinks, and food that has been
7 prepared for immediate consumption) and prescription and
8 nonprescription medicines, drugs, medical appliances, products
9 classified as Class III medical devices by the United States
10 Food and Drug Administration that are used for cancer treatment
11 pursuant to a prescription, as well as any accessories and
12 components related to those devices, modifications to a motor
13 vehicle for the purpose of rendering it usable by a person with
14 a disability, and insulin, urine testing materials, syringes,
15 and needles used by diabetics, for human use, the tax is
16 imposed at the rate of 1%. For the purposes of this Section,
17 until September 1, 2009: the term "soft drinks" means any
18 complete, finished, ready-to-use, non-alcoholic drink, whether
19 carbonated or not, including but not limited to soda water,
20 cola, fruit juice, vegetable juice, carbonated water, and all
21 other preparations commonly known as soft drinks of whatever
22 kind or description that are contained in any closed or sealed
23 bottle, can, carton, or container, regardless of size; but
24 "soft drinks" does not include coffee, tea, non-carbonated
25 water, infant formula, milk or milk products as defined in the
26 Grade A Pasteurized Milk and Milk Products Act, or drinks

1 containing 50% or more natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "soft drinks" means non-alcoholic
4 beverages that contain natural or artificial sweeteners. "Soft
5 drinks" do not include beverages that contain milk or milk
6 products, soy, rice or similar milk substitutes, or greater
7 than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other
9 provisions of this Act, "food for human consumption that is to
10 be consumed off the premises where it is sold" includes all
11 food sold through a vending machine, except soft drinks and
12 food products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine. Beginning
14 August 1, 2009, and notwithstanding any other provisions of
15 this Act, "food for human consumption that is to be consumed
16 off the premises where it is sold" includes all food sold
17 through a vending machine, except soft drinks, candy, and food
18 products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "food for human consumption that
22 is to be consumed off the premises where it is sold" does not
23 include candy. For purposes of this Section, "candy" means a
24 preparation of sugar, honey, or other natural or artificial
25 sweeteners in combination with chocolate, fruits, nuts or other
26 ingredients or flavorings in the form of bars, drops, or

1 pieces. "Candy" does not include any preparation that contains
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "nonprescription medicines and
5 drugs" does not include grooming and hygiene products. For
6 purposes of this Section, "grooming and hygiene products"
7 includes, but is not limited to, soaps and cleaning solutions,
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
9 lotions and screens, unless those products are available by
10 prescription only, regardless of whether the products meet the
11 definition of "over-the-counter-drugs". For the purposes of
12 this paragraph, "over-the-counter-drug" means a drug for human
13 use that contains a label that identifies the product as a drug
14 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
15 label includes:

- 16 (A) A "Drug Facts" panel; or
17 (B) A statement of the "active ingredient(s)" with a
18 list of those ingredients contained in the compound,
19 substance or preparation.

20 Beginning on the effective date of this amendatory Act of
21 the 98th General Assembly, "prescription and nonprescription
22 medicines and drugs" includes medical cannabis purchased from a
23 registered dispensing organization under the Compassionate Use
24 of Medical Cannabis Pilot Program Act.

25 Beginning January 1, 2020, in addition to all other rates
26 of tax imposed under this Act, a surcharge of 7% is imposed on

1 the selling price of (1) each firearm purchased in the State
2 and (2) each firearm component part that is purchased in the
3 State and sold separately from the firearm. "Firearm" has the
4 meaning ascribed to that term in Section 1.1 of the Firearm
5 Owners Identification Card Act.

6 If the property that is purchased at retail from a retailer
7 is acquired outside Illinois and used outside Illinois before
8 being brought to Illinois for use here and is taxable under
9 this Act, the "selling price" on which the tax is computed
10 shall be reduced by an amount that represents a reasonable
11 allowance for depreciation for the period of prior out-of-state
12 use.

13 (Source: P.A. 99-143, eff. 7-27-15; 99-858, eff. 8-19-16;
14 100-22, eff. 7-6-17.)

15 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

16 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
17 and trailers that are required to be registered with an agency
18 of this State, each retailer required or authorized to collect
19 the tax imposed by this Act shall pay to the Department the
20 amount of such tax (except as otherwise provided) at the time
21 when he is required to file his return for the period during
22 which such tax was collected, less a discount of 2.1% prior to
23 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
24 per calendar year, whichever is greater, which is allowed to
25 reimburse the retailer for expenses incurred in collecting the

1 tax, keeping records, preparing and filing returns, remitting
2 the tax and supplying data to the Department on request. In the
3 case of retailers who report and pay the tax on a transaction
4 by transaction basis, as provided in this Section, such
5 discount shall be taken with each such tax remittance instead
6 of when such retailer files his periodic return. The discount
7 allowed under this Section is allowed only for returns that are
8 filed in the manner required by this Act. The Department may
9 disallow the discount for retailers whose certificate of
10 registration is revoked at the time the return is filed, but
11 only if the Department's decision to revoke the certificate of
12 registration has become final. A retailer need not remit that
13 part of any tax collected by him to the extent that he is
14 required to remit and does remit the tax imposed by the
15 Retailers' Occupation Tax Act, with respect to the sale of the
16 same property.

17 Where such tangible personal property is sold under a
18 conditional sales contract, or under any other form of sale
19 wherein the payment of the principal sum, or a part thereof, is
20 extended beyond the close of the period for which the return is
21 filed, the retailer, in collecting the tax (except as to motor
22 vehicles, watercraft, aircraft, and trailers that are required
23 to be registered with an agency of this State), may collect for
24 each tax return period, only the tax applicable to that part of
25 the selling price actually received during such tax return
26 period.

1 Except as provided in this Section, on or before the
2 twentieth day of each calendar month, such retailer shall file
3 a return for the preceding calendar month. Such return shall be
4 filed on forms prescribed by the Department and shall furnish
5 such information as the Department may reasonably require. On
6 and after January 1, 2018, except for returns for motor
7 vehicles, watercraft, aircraft, and trailers that are required
8 to be registered with an agency of this State, with respect to
9 retailers whose annual gross receipts average \$20,000 or more,
10 all returns required to be filed pursuant to this Act shall be
11 filed electronically. Retailers who demonstrate that they do
12 not have access to the Internet or demonstrate hardship in
13 filing electronically may petition the Department to waive the
14 electronic filing requirement.

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

22 1. The name of the seller;

23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;

26 3. The total amount of taxable receipts received by him

1 during the preceding calendar month from sales of tangible
2 personal property by him during such preceding calendar
3 month, including receipts from charge and time sales, but
4 less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

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

15 Beginning October 1, 1993, a taxpayer who has an average
16 monthly tax liability of \$150,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. Beginning October 1, 1994, a taxpayer who has
19 an average monthly tax liability of \$100,000 or more shall make
20 all payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1995, a taxpayer who has
22 an average monthly tax liability of \$50,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 2000, a taxpayer who has
25 an annual tax liability of \$200,000 or more shall make all
26 payments required by rules of the Department by electronic

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

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

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

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

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the
2 requirements of this Section.

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

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

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

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

19 If any such payment provided for in this Section exceeds
20 the taxpayer's liabilities under this Act, the Retailers'
21 Occupation Tax Act, the Service Occupation Tax Act and the
22 Service Use Tax Act, as shown by an original monthly return,
23 the Department shall issue to the taxpayer a credit memorandum
24 no later than 30 days after the date of payment, which
25 memorandum may be submitted by the taxpayer to the Department
26 in payment of tax liability subsequently to be remitted by the

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

20 If the retailer is otherwise required to file a monthly
21 return and if the retailer's average monthly tax liability to
22 the Department does not exceed \$200, the Department may
23 authorize his returns to be filed on a quarter annual basis,
24 with the return for January, February, and March of a given
25 year being due by April 20 of such year; with the return for
26 April, May and June of a given year being due by July 20 of such

1 year; with the return for July, August and September of a given
2 year being due by October 20 of such year, and with the return
3 for October, November and December of a given year being due by
4 January 20 of the following year.

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

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

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

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, except as otherwise provided in this
24 Section, every retailer selling this kind of tangible personal
25 property shall file, with the Department, upon a form to be
26 prescribed and supplied by the Department, a separate return

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

18 In addition, with respect to motor vehicles, watercraft,
19 aircraft, and trailers that are required to be registered with
20 an agency of this State, every person who is engaged in the
21 business of leasing or renting such items and who, in
22 connection with such business, sells any such item to a
23 retailer for the purpose of resale is, notwithstanding any
24 other provision of this Section to the contrary, authorized to
25 meet the return-filing requirement of this Act by reporting the
26 transfer of all the aircraft, watercraft, motor vehicles, or

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

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

1 such other information as the Department may reasonably
2 require.

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

19 Such transaction reporting return shall be filed not later
20 than 20 days after the date of delivery of the item that is
21 being sold, but may be filed by the retailer at any time sooner
22 than that if he chooses to do so. The transaction reporting
23 return and tax remittance or proof of exemption from the tax
24 that is imposed by this Act may be transmitted to the
25 Department by way of the State agency with which, or State
26 officer with whom, the tangible personal property must be

1 titled or registered (if titling or registration is required)
2 if the Department and such agency or State officer determine
3 that this procedure will expedite the processing of
4 applications for title or registration.

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

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

26 If the user who would otherwise pay tax to the retailer

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

18 Where a retailer collects the tax with respect to the
19 selling price of tangible personal property which he sells and
20 the purchaser thereafter returns such tangible personal
21 property and the retailer refunds the selling price thereof to
22 the purchaser, such retailer shall also refund, to the
23 purchaser, the tax so collected from the purchaser. When filing
24 his return for the period in which he refunds such tax to the
25 purchaser, the retailer may deduct the amount of the tax so
26 refunded by him to the purchaser from any other use tax which

1 such retailer may be required to pay or remit to the
2 Department, as shown by such return, if the amount of the tax
3 to be deducted was previously remitted to the Department by
4 such retailer. If the retailer has not previously remitted the
5 amount of such tax to the Department, he is entitled to no
6 deduction under this Act upon refunding such tax to the
7 purchaser.

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

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

22 Where the retailer has more than one business registered
23 with the Department under separate registration under this Act,
24 such retailer may not file each return that is due as a single
25 return covering all such registered businesses, but shall file
26 separate returns for each such registered business.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund, a special
3 fund in the State Treasury which is hereby created, the net
4 revenue realized for the preceding month from the 1% tax
5 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 net revenue realized for the preceding month from the 6.25%
9 general rate on the selling price of tangible personal property
10 which is purchased outside Illinois at retail from a retailer
11 and which is titled or registered by an agency of this State's
12 government.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the State and Local Sales Tax Reform Fund, a special
15 fund in the State Treasury, 20% of the net revenue realized for
16 the preceding month from the 6.25% general rate on the selling
17 price of tangible personal property, other than tangible
18 personal property which is purchased outside Illinois at retail
19 from a retailer and which is titled or registered by an agency
20 of this State's government.

21 Beginning August 1, 2000, each month the Department shall
22 pay into the State and Local Sales Tax Reform Fund 100% of the
23 net revenue realized for the preceding month from the 1.25%
24 rate on the selling price of motor fuel and gasohol. Beginning
25 September 1, 2010, each month the Department shall pay into the
26 State and Local Sales Tax Reform Fund 100% of the net revenue

1 realized for the preceding month from the 1.25% rate on the
2 selling price of sales tax holiday items.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the Local Government Tax Fund 16% of the net revenue
5 realized for the preceding month from the 6.25% general rate on
6 the selling price of tangible personal property which is
7 purchased outside Illinois at retail from a retailer and which
8 is titled or registered by an agency of this State's
9 government.

10 Beginning October 1, 2009, each month the Department shall
11 pay into the Capital Projects Fund an amount that is equal to
12 an amount estimated by the Department to represent 80% of the
13 net revenue realized for the preceding month from the sale of
14 candy, grooming and hygiene products, and soft drinks that had
15 been taxed at a rate of 1% prior to September 1, 2009 but that
16 are now taxed at 6.25%.

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

26 Beginning July 1, 2013, each month the Department shall pay

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

15 Beginning July 1, 2015, of the remainder of the moneys
16 received by the Department under this Act, the Service Use Tax
17 Act, the Service Occupation Tax Act, and the Retailers'
18 Occupation Tax Act, each month the Department shall deposit
19 \$500,000 into the State Crime Laboratory Fund.

20 Beginning January 1, 2020, the Department shall pay into
21 the Student Mental Health Services Fund 100% of the net revenue
22 realized for the preceding month from the 7% surcharge on the
23 selling price of firearms and firearm component parts.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the
2 Build Illinois Fund; provided, however, that if in any fiscal
3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
4 may be, of the moneys received by the Department and required
5 to be paid into the Build Illinois Fund pursuant to Section 3
6 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
7 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
8 Service Occupation Tax Act, such Acts being hereinafter called
9 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
10 may be, of moneys being hereinafter called the "Tax Act
11 Amount", and (2) the amount transferred to the Build Illinois
12 Fund from the State and Local Sales Tax Reform Fund shall be
13 less than the Annual Specified Amount (as defined in Section 3
14 of the Retailers' Occupation Tax Act), an amount equal to the
15 difference shall be immediately paid into the Build Illinois
16 Fund from other moneys received by the Department pursuant to
17 the Tax Acts; and further provided, that if on the last
18 business day of any month the sum of (1) the Tax Act Amount
19 required to be deposited into the Build Illinois Bond Account
20 in the Build Illinois Fund during such month and (2) the amount
21 transferred during such month to the Build Illinois Fund from
22 the State and Local Sales Tax Reform Fund shall have been less
23 than 1/12 of the Annual Specified Amount, an amount equal to
24 the difference shall be immediately paid into the Build
25 Illinois Fund from other moneys received by the Department
26 pursuant to the Tax Acts; and, further provided, that in no

1 event shall the payments required under the preceding proviso
2 result in aggregate payments into the Build Illinois Fund
3 pursuant to this clause (b) for any fiscal year in excess of
4 the greater of (i) the Tax Act Amount or (ii) the Annual
5 Specified Amount for such fiscal year; and, further provided,
6 that the amounts payable into the Build Illinois Fund under
7 this clause (b) shall be payable only until such time as the
8 aggregate amount on deposit under each trust indenture securing
9 Bonds issued and outstanding pursuant to the Build Illinois
10 Bond Act is sufficient, taking into account any future
11 investment income, to fully provide, in accordance with such
12 indenture, for the defeasance of or the payment of the
13 principal of, premium, if any, and interest on the Bonds
14 secured by such indenture and on any Bonds expected to be
15 issued thereafter and all fees and costs payable with respect
16 thereto, all as certified by the Director of the Bureau of the
17 Budget (now Governor's Office of Management and Budget). If on
18 the last business day of any month in which Bonds are
19 outstanding pursuant to the Build Illinois Bond Act, the
20 aggregate of the moneys deposited in the Build Illinois Bond
21 Account in the Build Illinois Fund in such month shall be less
22 than the amount required to be transferred in such month from
23 the Build Illinois Bond Account to the Build Illinois Bond
24 Retirement and Interest Fund pursuant to Section 13 of the
25 Build Illinois Bond Act, an amount equal to such deficiency
26 shall be immediately paid from other moneys received by the

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

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

23	Fiscal Year	Total Deposit
24	1993	\$0
25	1994	53,000,000
26	1995	58,000,000

1	1996	61,000,000
2	1997	64,000,000
3	1998	68,000,000
4	1999	71,000,000
5	2000	75,000,000
6	2001	80,000,000
7	2002	93,000,000
8	2003	99,000,000
9	2004	103,000,000
10	2005	108,000,000
11	2006	113,000,000
12	2007	119,000,000
13	2008	126,000,000
14	2009	132,000,000
15	2010	139,000,000
16	2011	146,000,000
17	2012	153,000,000
18	2013	161,000,000
19	2014	170,000,000
20	2015	179,000,000
21	2016	189,000,000
22	2017	199,000,000
23	2018	210,000,000
24	2019	221,000,000
25	2020	233,000,000
26	2021	246,000,000

1	2022	260,000,000
2	2023	275,000,000
3	2024	275,000,000
4	2025	275,000,000
5	2026	279,000,000
6	2027	292,000,000
7	2028	307,000,000
8	2029	322,000,000
9	2030	338,000,000
10	2031	350,000,000
11	2032	350,000,000

12 and
13 each fiscal year
14 thereafter that bonds
15 are outstanding under
16 Section 13.2 of the
17 Metropolitan Pier and
18 Exposition Authority Act,
19 but not after fiscal year 2060.

20 Beginning July 20, 1993 and in each month of each fiscal
21 year thereafter, one-eighth of the amount requested in the
22 certificate of the Chairman of the Metropolitan Pier and
23 Exposition Authority for that fiscal year, less the amount
24 deposited into the McCormick Place Expansion Project Fund by
25 the State Treasurer in the respective month under subsection
26 (g) of Section 13 of the Metropolitan Pier and Exposition

1 Authority Act, plus cumulative deficiencies in the deposits
2 required under this Section for previous months and years,
3 shall be deposited into the McCormick Place Expansion Project
4 Fund, until the full amount requested for the fiscal year, but
5 not in excess of the amount specified above as "Total Deposit",
6 has been deposited.

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

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

1 Civil Administrative Code of Illinois.

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

21 Subject to payments of amounts into the Build Illinois
22 Fund, the McCormick Place Expansion Project Fund, the Illinois
23 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
24 Compliance and Administration Fund as provided in this Section,
25 beginning on July 1, 2018 the Department shall pay each month
26 into the Downstate Public Transportation Fund the moneys

1 required to be so paid under Section 2-3 of the Downstate
2 Public Transportation Act.

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

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

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

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

1 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
2 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
3 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

4 Section 15. The Service Use Tax Act is amended by changing
5 Sections 3-10 and 9 as follows:

6 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 the selling price of tangible personal property transferred as
10 an incident to the sale of service, but, for the purpose of
11 computing this tax, in no event shall the selling price be less
12 than the cost price of the property to the serviceman.

13 Beginning on July 1, 2000 and through December 31, 2000,
14 with respect to motor fuel, as defined in Section 1.1 of the
15 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
16 the Use Tax Act, the tax is imposed at the rate of 1.25%.

17 With respect to gasohol, as defined in the Use Tax Act, the
18 tax imposed by this Act applies to (i) 70% of the selling price
19 of property transferred as an incident to the sale of service
20 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
21 of the selling price of property transferred as an incident to
22 the sale of service on or after July 1, 2003 and on or before
23 July 1, 2017, and (iii) 100% of the selling price thereafter.
24 If, at any time, however, the tax under this Act on sales of

1 gasohol, as defined in the Use Tax Act, is imposed at the rate
2 of 1.25%, then the tax imposed by this Act applies to 100% of
3 the proceeds of sales of gasohol made during that time.

4 With respect to majority blended ethanol fuel, as defined
5 in the Use Tax Act, the tax imposed by this Act does not apply
6 to the selling price of property transferred as an incident to
7 the sale of service on or after July 1, 2003 and on or before
8 December 31, 2023 but applies to 100% of the selling price
9 thereafter.

10 With respect to biodiesel blends, as defined in the Use Tax
11 Act, with no less than 1% and no more than 10% biodiesel, the
12 tax imposed by this Act applies to (i) 80% of the selling price
13 of property transferred as an incident to the sale of service
14 on or after July 1, 2003 and on or before December 31, 2018 and
15 (ii) 100% of the proceeds of the selling price thereafter. If,
16 at any time, however, the tax under this Act on sales of
17 biodiesel blends, as defined in the Use Tax Act, with no less
18 than 1% and no more than 10% biodiesel is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of biodiesel blends with no less than 1%
21 and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel, as defined in the Use Tax
23 Act, and biodiesel blends, as defined in the Use Tax Act, with
24 more than 10% but no more than 99% biodiesel, the tax imposed
25 by this Act does not apply to the proceeds of the selling price
26 of property transferred as an incident to the sale of service

1 on or after July 1, 2003 and on or before December 31, 2023 but
2 applies to 100% of the selling price thereafter.

3 At the election of any registered serviceman made for each
4 fiscal year, sales of service in which the aggregate annual
5 cost price of tangible personal property transferred as an
6 incident to the sales of service is less than 35%, or 75% in
7 the case of servicemen transferring prescription drugs or
8 servicemen engaged in graphic arts production, of the aggregate
9 annual total gross receipts from all sales of service, the tax
10 imposed by this Act shall be based on the serviceman's cost
11 price of the tangible personal property transferred as an
12 incident to the sale of those services.

13 The tax shall be imposed at the rate of 1% on food prepared
14 for immediate consumption and transferred incident to a sale of
15 service subject to this Act or the Service Occupation Tax Act
16 by an entity licensed under the Hospital Licensing Act, the
17 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD
18 Act, the Specialized Mental Health Rehabilitation Act of 2013,
19 or the Child Care Act of 1969. The tax shall also be imposed at
20 the rate of 1% on food for human consumption that is to be
21 consumed off the premises where it is sold (other than
22 alcoholic beverages, soft drinks, and food that has been
23 prepared for immediate consumption and is not otherwise
24 included in this paragraph) and prescription and
25 nonprescription medicines, drugs, medical appliances, products
26 classified as Class III medical devices by the United States

1 Food and Drug Administration that are used for cancer treatment
2 pursuant to a prescription, as well as any accessories and
3 components related to those devices, modifications to a motor
4 vehicle for the purpose of rendering it usable by a person with
5 a disability, and insulin, urine testing materials, syringes,
6 and needles used by diabetics, for human use. For the purposes
7 of this Section, until September 1, 2009: the term "soft
8 drinks" means any complete, finished, ready-to-use,
9 non-alcoholic drink, whether carbonated or not, including but
10 not limited to soda water, cola, fruit juice, vegetable juice,
11 carbonated water, and all other preparations commonly known as
12 soft drinks of whatever kind or description that are contained
13 in any closed or sealed bottle, can, carton, or container,
14 regardless of size; but "soft drinks" does not include coffee,
15 tea, non-carbonated water, infant formula, milk or milk
16 products as defined in the Grade A Pasteurized Milk and Milk
17 Products Act, or drinks containing 50% or more natural fruit or
18 vegetable juice.

19 Notwithstanding any other provisions of this Act,
20 beginning September 1, 2009, "soft drinks" means non-alcoholic
21 beverages that contain natural or artificial sweeteners. "Soft
22 drinks" do not include beverages that contain milk or milk
23 products, soy, rice or similar milk substitutes, or greater
24 than 50% of vegetable or fruit juice by volume.

25 Until August 1, 2009, and notwithstanding any other
26 provisions of this Act, "food for human consumption that is to

1 be consumed off the premises where it is sold" includes all
2 food sold through a vending machine, except soft drinks and
3 food products that are dispensed hot from a vending machine,
4 regardless of the location of the vending machine. Beginning
5 August 1, 2009, and notwithstanding any other provisions of
6 this Act, "food for human consumption that is to be consumed
7 off the premises where it is sold" includes all food sold
8 through a vending machine, except soft drinks, candy, and food
9 products that are dispensed hot from a vending machine,
10 regardless of the location of the vending machine.

11 Notwithstanding any other provisions of this Act,
12 beginning September 1, 2009, "food for human consumption that
13 is to be consumed off the premises where it is sold" does not
14 include candy. For purposes of this Section, "candy" means a
15 preparation of sugar, honey, or other natural or artificial
16 sweeteners in combination with chocolate, fruits, nuts or other
17 ingredients or flavorings in the form of bars, drops, or
18 pieces. "Candy" does not include any preparation that contains
19 flour or requires refrigeration.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "nonprescription medicines and
22 drugs" does not include grooming and hygiene products. For
23 purposes of this Section, "grooming and hygiene products"
24 includes, but is not limited to, soaps and cleaning solutions,
25 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
26 lotions and screens, unless those products are available by

1 prescription only, regardless of whether the products meet the
2 definition of "over-the-counter-drugs". For the purposes of
3 this paragraph, "over-the-counter-drug" means a drug for human
4 use that contains a label that identifies the product as a drug
5 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
6 label includes:

7 (A) A "Drug Facts" panel; or

8 (B) A statement of the "active ingredient(s)" with a
9 list of those ingredients contained in the compound,
10 substance or preparation.

11 Beginning on January 1, 2014 (the effective date of Public
12 Act 98-122), "prescription and nonprescription medicines and
13 drugs" includes medical cannabis purchased from a registered
14 dispensing organization under the Compassionate Use of Medical
15 Cannabis Pilot Program Act.

16 Beginning January 1, 2020, in addition to all other rates
17 of tax imposed under this Act, a surcharge of 7% is imposed on
18 the selling price of (1) each firearm purchased in the State
19 and (2) each firearm component part that is purchased in the
20 State and sold separately from the firearm. "Firearm" has the
21 meaning ascribed to that term in Section 1.1 of the Firearm
22 Owners Identification Card Act.

23 If the property that is acquired from a serviceman is
24 acquired outside Illinois and used outside Illinois before
25 being brought to Illinois for use here and is taxable under
26 this Act, the "selling price" on which the tax is computed

1 shall be reduced by an amount that represents a reasonable
2 allowance for depreciation for the period of prior out-of-state
3 use.

4 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
5 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.
6 7-6-17.)

7 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

8 Sec. 9. Each serviceman required or authorized to collect
9 the tax herein imposed shall pay to the Department the amount
10 of such tax (except as otherwise provided) at the time when he
11 is required to file his return for the period during which such
12 tax was collected, less a discount of 2.1% prior to January 1,
13 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
14 year, whichever is greater, which is allowed to reimburse the
15 serviceman for expenses incurred in collecting the tax, keeping
16 records, preparing and filing returns, remitting the tax and
17 supplying data to the Department on request. The discount
18 allowed under this Section is allowed only for returns that are
19 filed in the manner required by this Act. The Department may
20 disallow the discount for servicemen whose certificate of
21 registration is revoked at the time the return is filed, but
22 only if the Department's decision to revoke the certificate of
23 registration has become final. A serviceman need not remit that
24 part of any tax collected by him to the extent that he is
25 required to pay and does pay the tax imposed by the Service

1 Occupation Tax Act with respect to his sale of service
2 involving the incidental transfer by him of the same property.

3 Except as provided hereinafter in this Section, on or
4 before the twentieth day of each calendar month, such
5 serviceman shall file a return for the preceding calendar month
6 in accordance with reasonable Rules and Regulations to be
7 promulgated by the Department. Such return shall be filed on a
8 form prescribed by the Department and shall contain such
9 information as the Department may reasonably require. On and
10 after January 1, 2018, with respect to servicemen whose annual
11 gross receipts average \$20,000 or more, all returns required to
12 be filed pursuant to this Act shall be filed electronically.
13 Servicemen who demonstrate that they do not have access to the
14 Internet or demonstrate hardship in filing electronically may
15 petition the Department to waive the electronic filing
16 requirement.

17 The Department may require returns to be filed on a
18 quarterly basis. If so required, a return for each calendar
19 quarter shall be filed on or before the twentieth day of the
20 calendar month following the end of such calendar quarter. The
21 taxpayer shall also file a return with the Department for each
22 of the first two months of each calendar quarter, on or before
23 the twentieth day of the following calendar month, stating:

- 24 1. The name of the seller;
- 25 2. The address of the principal place of business from
26 which he engages in business as a serviceman in this State;

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

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

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

15 Beginning October 1, 1993, a taxpayer who has an average
16 monthly tax liability of \$150,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. Beginning October 1, 1994, a taxpayer who has
19 an average monthly tax liability of \$100,000 or more shall make
20 all payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1995, a taxpayer who has
22 an average monthly tax liability of \$50,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 2000, a taxpayer who has
25 an annual tax liability of \$200,000 or more shall make all
26 payments required by rules of the Department by electronic

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

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

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

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

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the
2 requirements of this Section.

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

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

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

23 Notwithstanding any other provision in this Act concerning
24 the time within which a serviceman may file his return, in the
25 case of any serviceman who ceases to engage in a kind of
26 business which makes him responsible for filing returns under

1 this Act, such serviceman shall file a final return under this
2 Act with the Department not more than 1 month after
3 discontinuing such business.

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

21 Any serviceman filing a return hereunder shall also include
22 the total tax upon the selling price of tangible personal
23 property purchased for use by him as an incident to a sale of
24 service, and such serviceman shall remit the amount of such tax
25 to the Department when filing such return.

26 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint
2 return which will enable servicemen, who are required to file
3 returns hereunder and also under the Service Occupation Tax
4 Act, to furnish all the return information required by both
5 Acts on the one form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registration hereunder,
8 such serviceman shall not file each return that is due as a
9 single return covering all such registered businesses, but
10 shall file separate returns for each such registered business.

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

15 Beginning January 1, 1990, each month the Department shall
16 pay into the State and Local Sales Tax Reform Fund 20% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate on transfers of tangible personal property, other
19 than tangible personal property which is purchased outside
20 Illinois at retail from a retailer and which is titled or
21 registered by an agency of this State's government.

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 Beginning January 1, 2020, the Department shall pay into
2 the Student Mental Health Services Fund 100% of the net revenue
3 realized for the preceding month from the 3.75% surcharge on
4 the selling price of firearms and firearm component parts.

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

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

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

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

1 9 of the Service Occupation Tax Act, and Section 3 of the
2 Retailers' Occupation Tax Act into the McCormick Place
3 Expansion Project Fund in the specified fiscal years.

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

1	2014	170,000,000
2	2015	179,000,000
3	2016	189,000,000
4	2017	199,000,000
5	2018	210,000,000
6	2019	221,000,000
7	2020	233,000,000
8	2021	246,000,000
9	2022	260,000,000
10	2023	275,000,000
11	2024	275,000,000
12	2025	275,000,000
13	2026	279,000,000
14	2027	292,000,000
15	2028	307,000,000
16	2029	322,000,000
17	2030	338,000,000
18	2031	350,000,000
19	2032	350,000,000

20 and

21 each fiscal year
22 thereafter that bonds
23 are outstanding under
24 Section 13.2 of the
25 Metropolitan Pier and
26 Exposition Authority Act,

1 but not after fiscal year 2060.

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

15 Subject to payment of amounts into the Build Illinois Fund
16 and the McCormick Place Expansion Project Fund pursuant to the
17 preceding paragraphs or in any amendments thereto hereafter
18 enacted, beginning July 1, 1993 and ending on September 30,
19 2013, the Department shall each month pay into the Illinois Tax
20 Increment Fund 0.27% of 80% of the net revenue realized for the
21 preceding month from the 6.25% general rate on the selling
22 price of tangible personal property.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning with the receipt of the first report of

1 taxes paid by an eligible business and continuing for a 25-year
2 period, the Department shall each month pay into the Energy
3 Infrastructure Fund 80% of the net revenue realized from the
4 6.25% general rate on the selling price of Illinois-mined coal
5 that was sold to an eligible business. For purposes of this
6 paragraph, the term "eligible business" means a new electric
7 generating facility certified pursuant to Section 605-332 of
8 the Department of Commerce and Economic Opportunity Law of the
9 Civil Administrative Code of Illinois.

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

1 Retailers' Occupation Tax Act, and associated local occupation
2 and use taxes administered by the Department.

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

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

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

25 Net revenue realized for a month shall be the revenue
26 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

3 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
4 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.
5 8-14-18; 100-1171, eff. 1-4-19.)

6 Section 20. The Service Occupation Tax Act is amended by
7 changing Sections 3-10 and 9 as follows:

8 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

9 Sec. 3-10. Rate of tax. Unless otherwise provided in this
10 Section, the tax imposed by this Act is at the rate of 6.25% of
11 the "selling price", as defined in Section 2 of the Service Use
12 Tax Act, of the tangible personal property. For the purpose of
13 computing this tax, in no event shall the "selling price" be
14 less than the cost price to the serviceman of the tangible
15 personal property transferred. The selling price of each item
16 of tangible personal property transferred as an incident of a
17 sale of service may be shown as a distinct and separate item on
18 the serviceman's billing to the service customer. If the
19 selling price is not so shown, the selling price of the
20 tangible personal property is deemed to be 50% of the
21 serviceman's entire billing to the service customer. When,
22 however, a serviceman contracts to design, develop, and produce
23 special order machinery or equipment, the tax imposed by this
24 Act shall be based on the serviceman's cost price of the

1 tangible personal property transferred incident to the
2 completion of the contract.

3 Beginning on July 1, 2000 and through December 31, 2000,
4 with respect to motor fuel, as defined in Section 1.1 of the
5 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
6 the Use Tax Act, the tax is imposed at the rate of 1.25%.

7 With respect to gasohol, as defined in the Use Tax Act, the
8 tax imposed by this Act shall apply to (i) 70% of the cost
9 price of property transferred as an incident to the sale of
10 service on or after January 1, 1990, and before July 1, 2003,
11 (ii) 80% of the selling price of property transferred as an
12 incident to the sale of service on or after July 1, 2003 and on
13 or before July 1, 2017, and (iii) 100% of the cost price
14 thereafter. If, at any time, however, the tax under this Act on
15 sales of gasohol, as defined in the Use Tax Act, is imposed at
16 the rate of 1.25%, then the tax imposed by this Act applies to
17 100% of the proceeds of sales of gasohol made during that time.

18 With respect to majority blended ethanol fuel, as defined
19 in the Use Tax Act, the tax imposed by this Act does not apply
20 to the selling price of property transferred as an incident to
21 the sale of service on or after July 1, 2003 and on or before
22 December 31, 2023 but applies to 100% of the selling price
23 thereafter.

24 With respect to biodiesel blends, as defined in the Use Tax
25 Act, with no less than 1% and no more than 10% biodiesel, the
26 tax imposed by this Act applies to (i) 80% of the selling price

1 of property transferred as an incident to the sale of service
2 on or after July 1, 2003 and on or before December 31, 2018 and
3 (ii) 100% of the proceeds of the selling price thereafter. If,
4 at any time, however, the tax under this Act on sales of
5 biodiesel blends, as defined in the Use Tax Act, with no less
6 than 1% and no more than 10% biodiesel is imposed at the rate
7 of 1.25%, then the tax imposed by this Act applies to 100% of
8 the proceeds of sales of biodiesel blends with no less than 1%
9 and no more than 10% biodiesel made during that time.

10 With respect to 100% biodiesel, as defined in the Use Tax
11 Act, and biodiesel blends, as defined in the Use Tax Act, with
12 more than 10% but no more than 99% biodiesel material, the tax
13 imposed by this Act does not apply to the proceeds of the
14 selling price of property transferred as an incident to the
15 sale of service on or after July 1, 2003 and on or before
16 December 31, 2023 but applies to 100% of the selling price
17 thereafter.

18 At the election of any registered serviceman made for each
19 fiscal year, sales of service in which the aggregate annual
20 cost price of tangible personal property transferred as an
21 incident to the sales of service is less than 35%, or 75% in
22 the case of servicemen transferring prescription drugs or
23 servicemen engaged in graphic arts production, of the aggregate
24 annual total gross receipts from all sales of service, the tax
25 imposed by this Act shall be based on the serviceman's cost
26 price of the tangible personal property transferred incident to

1 the sale of those services.

2 The tax shall be imposed at the rate of 1% on food prepared
3 for immediate consumption and transferred incident to a sale of
4 service subject to this Act or the Service Occupation Tax Act
5 by an entity licensed under the Hospital Licensing Act, the
6 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD
7 Act, the Specialized Mental Health Rehabilitation Act of 2013,
8 or the Child Care Act of 1969. The tax shall also be imposed at
9 the rate of 1% on food for human consumption that is to be
10 consumed off the premises where it is sold (other than
11 alcoholic beverages, soft drinks, and food that has been
12 prepared for immediate consumption and is not otherwise
13 included in this paragraph) and prescription and
14 nonprescription medicines, drugs, medical appliances, products
15 classified as Class III medical devices by the United States
16 Food and Drug Administration that are used for cancer treatment
17 pursuant to a prescription, as well as any accessories and
18 components related to those devices, modifications to a motor
19 vehicle for the purpose of rendering it usable by a person with
20 a disability, and insulin, urine testing materials, syringes,
21 and needles used by diabetics, for human use. For the purposes
22 of this Section, until September 1, 2009: the term "soft
23 drinks" means any complete, finished, ready-to-use,
24 non-alcoholic drink, whether carbonated or not, including but
25 not limited to soda water, cola, fruit juice, vegetable juice,
26 carbonated water, and all other preparations commonly known as

1 soft drinks of whatever kind or description that are contained
2 in any closed or sealed can, carton, or container, regardless
3 of size; but "soft drinks" does not include coffee, tea,
4 non-carbonated water, infant formula, milk or milk products as
5 defined in the Grade A Pasteurized Milk and Milk Products Act,
6 or drinks containing 50% or more natural fruit or vegetable
7 juice.

8 Notwithstanding any other provisions of this Act,
9 beginning September 1, 2009, "soft drinks" means non-alcoholic
10 beverages that contain natural or artificial sweeteners. "Soft
11 drinks" do not include beverages that contain milk or milk
12 products, soy, rice or similar milk substitutes, or greater
13 than 50% of vegetable or fruit juice by volume.

14 Until August 1, 2009, and notwithstanding any other
15 provisions of this Act, "food for human consumption that is to
16 be consumed off the premises where it is sold" includes all
17 food sold through a vending machine, except soft drinks and
18 food products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine. Beginning
20 August 1, 2009, and notwithstanding any other provisions of
21 this Act, "food for human consumption that is to be consumed
22 off the premises where it is sold" includes all food sold
23 through a vending machine, except soft drinks, candy, and food
24 products that are dispensed hot from a vending machine,
25 regardless of the location of the vending machine.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "food for human consumption that
2 is to be consumed off the premises where it is sold" does not
3 include candy. For purposes of this Section, "candy" means a
4 preparation of sugar, honey, or other natural or artificial
5 sweeteners in combination with chocolate, fruits, nuts or other
6 ingredients or flavorings in the form of bars, drops, or
7 pieces. "Candy" does not include any preparation that contains
8 flour or requires refrigeration.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "nonprescription medicines and
11 drugs" does not include grooming and hygiene products. For
12 purposes of this Section, "grooming and hygiene products"
13 includes, but is not limited to, soaps and cleaning solutions,
14 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
15 lotions and screens, unless those products are available by
16 prescription only, regardless of whether the products meet the
17 definition of "over-the-counter-drugs". For the purposes of
18 this paragraph, "over-the-counter-drug" means a drug for human
19 use that contains a label that identifies the product as a drug
20 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
21 label includes:

22 (A) A "Drug Facts" panel; or

23 (B) A statement of the "active ingredient(s)" with a
24 list of those ingredients contained in the compound,
25 substance or preparation.

26 Beginning on January 1, 2014 (the effective date of Public

1 Act 98-122), "prescription and nonprescription medicines and
2 drugs" includes medical cannabis purchased from a registered
3 dispensing organization under the Compassionate Use of Medical
4 Cannabis Pilot Program Act.

5 Beginning January 1, 2020, in addition to all other rates
6 of tax imposed under this Act, a surcharge of 7% is imposed on
7 the selling price of (1) each firearm purchased in the State
8 and (2) each firearm component part that is purchased in the
9 State and sold separately from the firearm. "Firearm" has the
10 meaning ascribed to that term in Section 1.1 of the Firearm
11 Owners Identification Card Act.

12 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
13 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.
14 7-6-17.)

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
25 data to the Department on request. The discount allowed under

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

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

15 Except as provided hereinafter in this Section, on or
16 before the twentieth day of each calendar month, such
17 serviceman shall file a return for the preceding calendar month
18 in accordance with reasonable rules and regulations to be
19 promulgated by the Department of Revenue. Such return shall be
20 filed on a form prescribed by the Department and shall contain
21 such information as the Department may reasonably require. On
22 and after January 1, 2018, with respect to servicemen whose
23 annual gross receipts average \$20,000 or more, all returns
24 required to be filed pursuant to this Act shall be filed
25 electronically. Servicemen who demonstrate that they do not
26 have access to the Internet or demonstrate hardship in filing

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

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

1 Prior to October 1, 2003, and on and after September 1,
2 2004 a serviceman may accept a Manufacturer's Purchase Credit
3 certification from a purchaser in satisfaction of Service Use
4 Tax as provided in Section 3-70 of the Service Use Tax Act if
5 the purchaser provides the appropriate documentation as
6 required by Section 3-70 of the Service Use Tax Act. A
7 Manufacturer's Purchase Credit certification, accepted prior
8 to October 1, 2003 or on or after September 1, 2004 by a
9 serviceman as provided in Section 3-70 of the Service Use Tax
10 Act, may be used by that serviceman to satisfy Service
11 Occupation Tax liability in the amount claimed in the
12 certification, not to exceed 6.25% of the receipts subject to
13 tax from a qualifying purchase. A Manufacturer's Purchase
14 Credit reported on any original or amended return filed under
15 this Act after October 20, 2003 for reporting periods prior to
16 September 1, 2004 shall be disallowed. Manufacturer's Purchase
17 Credit reported on annual returns due on or after January 1,
18 2005 will be disallowed for periods prior to September 1, 2004.
19 No Manufacturer's Purchase Credit may be used after September
20 30, 2003 through August 31, 2004 to satisfy any tax liability
21 imposed under this Act, including any audit liability.

22 If the serviceman's average monthly tax liability to the
23 Department does not exceed \$200, the Department may authorize
24 his returns to be filed on a quarter annual basis, with the
25 return for January, February and March of a given year being
26 due by April 20 of such year; with the return for April, May

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

6 If the serviceman's average monthly tax liability to the
7 Department does not exceed \$50, the Department may authorize
8 his returns to be filed on an annual basis, with the return for
9 a given year being due by January 20 of the following year.

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

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

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

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

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

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

1 All taxpayers required to make payment by electronic funds
2 transfer and any taxpayers authorized to voluntarily make
3 payments by electronic funds transfer shall make those payments
4 in the manner authorized by the Department.

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

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

25 If experience indicates such action to be practicable, the
26 Department may prescribe and furnish a combination or joint

1 return which will enable servicemen, who are required to file
2 returns hereunder and also under the Retailers' Occupation Tax
3 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
4 the return information required by all said Acts on the one
5 form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registrations hereunder,
8 such serviceman shall file separate returns for each registered
9 business.

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

13 Beginning January 1, 1990, each month the Department shall
14 pay into the County and Mass Transit District Fund 4% of the
15 revenue realized for the preceding month from the 6.25% general
16 rate.

17 Beginning August 1, 2000, each month the Department shall
18 pay into the County and Mass Transit District Fund 20% of the
19 net revenue realized for the preceding month from the 1.25%
20 rate on the selling price of motor fuel and gasohol.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the Local Government Tax Fund 16% of the revenue
23 realized for the preceding month from the 6.25% general rate on
24 transfers of tangible personal property.

25 Beginning August 1, 2000, each month the Department shall
26 pay into the Local Government Tax Fund 80% of the net revenue

1 realized for the preceding month from the 1.25% rate on the
2 selling price of motor fuel and gasohol.

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

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

25 Beginning July 1, 2015, of the remainder of the moneys
26 received by the Department under the Use Tax Act, the Service

1 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
2 each month the Department shall deposit \$500,000 into the State
3 Crime Laboratory Fund.

4 Beginning January 1, 2020, the Department shall pay into
5 the Student Mental Health Services Fund 100% of the net revenue
6 realized for the preceding month from the 7% surcharge on the
7 selling price of firearms and firearm component parts.

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

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

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

21 Subject to payment of amounts into the Build Illinois Fund
22 as provided in the preceding paragraph or in any amendment
23 thereto hereafter enacted, the following specified monthly
24 installment of the amount requested in the certificate of the
25 Chairman of the Metropolitan Pier and Exposition Authority
26 provided under Section 8.25f of the State Finance Act, but not

1 in excess of the sums designated as "Total Deposit", shall be
2 deposited in the aggregate from collections under Section 9 of
3 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
4 9 of the Service Occupation Tax Act, and Section 3 of the
5 Retailers' Occupation Tax Act into the McCormick Place
6 Expansion Project Fund in the specified fiscal years.

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

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

23 and
24 each fiscal year
25 thereafter that bonds
26 are outstanding under

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2060.

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

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

26 Subject to payment of amounts into the Build Illinois Fund

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

13 Subject to payment of amounts into the Build Illinois Fund,
14 the McCormick Place Expansion Project Fund, the Illinois Tax
15 Increment Fund, and the Energy Infrastructure Fund pursuant to
16 the preceding paragraphs or in any amendments to this Section
17 hereafter enacted, beginning on the first day of the first
18 calendar month to occur on or after August 26, 2014 (the
19 effective date of Public Act 98-1098), each month, from the
20 collections made under Section 9 of the Use Tax Act, Section 9
21 of the Service Use Tax Act, Section 9 of the Service Occupation
22 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
23 the Department shall pay into the Tax Compliance and
24 Administration Fund, to be used, subject to appropriation, to
25 fund additional auditors and compliance personnel at the
26 Department of Revenue, an amount equal to 1/12 of 5% of 80% of

1 the cash receipts collected during the preceding fiscal year by
2 the Audit Bureau of the Department under the Use Tax Act, the
3 Service Use Tax Act, the Service Occupation Tax Act, the
4 Retailers' Occupation Tax Act, and associated local occupation
5 and use taxes administered by the Department.

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

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

21 The Department may, upon separate written notice to a
22 taxpayer, require the taxpayer to prepare and file with the
23 Department on a form prescribed by the Department within not
24 less than 60 days after receipt of the notice an annual
25 information return for the tax year specified in the notice.
26 Such annual return to the Department shall include a statement

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

18 If the annual information return required by this Section
19 is not filed when and as required, the taxpayer shall be liable
20 as follows:

21 (i) Until January 1, 1994, the taxpayer shall be liable
22 for a penalty equal to 1/6 of 1% of the tax due from such
23 taxpayer under this Act during the period to be covered by
24 the annual return for each month or fraction of a month
25 until such return is filed as required, the penalty to be
26 assessed and collected in the same manner as any other

1 penalty provided for in this Act.

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

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

13 The foregoing portion of this Section concerning the filing
14 of an annual information return shall not apply to a serviceman
15 who is not required to file an income tax return with the
16 United States Government.

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

24 Net revenue realized for a month shall be the revenue
25 collected by the State pursuant to this Act, less the amount
26 paid out during that month as refunds to taxpayers for

1 overpayment of liability.

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

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

13 Section 25. The Retailers' Occupation Tax Act is amended by
14 changing Sections 2-10 and 3 as follows:

15 (35 ILCS 120/2-10)

16 Sec. 2-10. Rate of tax. Unless otherwise provided in this
17 Section, the tax imposed by this Act is at the rate of 6.25% of
18 gross receipts from sales of tangible personal property made in
19 the course of business.

20 Beginning on July 1, 2000 and through December 31, 2000,
21 with respect to motor fuel, as defined in Section 1.1 of the
22 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
23 the Use Tax Act, the tax is imposed at the rate of 1.25%.

24 Beginning on August 6, 2010 through August 15, 2010, with

1 respect to sales tax holiday items as defined in Section 2-8 of
2 this Act, the tax is imposed at the rate of 1.25%.

3 Within 14 days after the effective date of this amendatory
4 Act of the 91st General Assembly, each retailer of motor fuel
5 and gasohol shall cause the following notice to be posted in a
6 prominently visible place on each retail dispensing device that
7 is used to dispense motor fuel or gasohol in the State of
8 Illinois: "As of July 1, 2000, the State of Illinois has
9 eliminated the State's share of sales tax on motor fuel and
10 gasohol through December 31, 2000. The price on this pump
11 should reflect the elimination of the tax." The notice shall be
12 printed in bold print on a sign that is no smaller than 4
13 inches by 8 inches. The sign shall be clearly visible to
14 customers. Any retailer who fails to post or maintain a
15 required sign through December 31, 2000 is guilty of a petty
16 offense for which the fine shall be \$500 per day per each
17 retail premises where a violation occurs.

18 With respect to gasohol, as defined in the Use Tax Act, the
19 tax imposed by this Act applies to (i) 70% of the proceeds of
20 sales made on or after January 1, 1990, and before July 1,
21 2003, (ii) 80% of the proceeds of sales made on or after July
22 1, 2003 and on or before July 1, 2017, and (iii) 100% of the
23 proceeds of sales made thereafter. If, at any time, however,
24 the tax under this Act on sales of gasohol, as defined in the
25 Use Tax Act, is imposed at the rate of 1.25%, then the tax
26 imposed by this Act applies to 100% of the proceeds of sales of

1 gasohol made during that time.

2 With respect to majority blended ethanol fuel, as defined
3 in the Use Tax Act, the tax imposed by this Act does not apply
4 to the proceeds of sales made on or after July 1, 2003 and on or
5 before December 31, 2023 but applies to 100% of the proceeds of
6 sales made thereafter.

7 With respect to biodiesel blends, as defined in the Use Tax
8 Act, with no less than 1% and no more than 10% biodiesel, the
9 tax imposed by this Act applies to (i) 80% of the proceeds of
10 sales made on or after July 1, 2003 and on or before December
11 31, 2018 and (ii) 100% of the proceeds of sales made
12 thereafter. If, at any time, however, the tax under this Act on
13 sales of biodiesel blends, as defined in the Use Tax Act, with
14 no less than 1% and no more than 10% biodiesel is imposed at
15 the rate of 1.25%, then the tax imposed by this Act applies to
16 100% of the proceeds of sales of biodiesel blends with no less
17 than 1% and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax
19 Act, and biodiesel blends, as defined in the Use Tax Act, with
20 more than 10% but no more than 99% biodiesel, the tax imposed
21 by this Act does not apply to the proceeds of sales made on or
22 after July 1, 2003 and on or before December 31, 2023 but
23 applies to 100% of the proceeds of sales made thereafter.

24 With respect to food for human consumption that is to be
25 consumed off the premises where it is sold (other than
26 alcoholic beverages, soft drinks, and food that has been

1 prepared for immediate consumption) and prescription and
2 nonprescription medicines, drugs, medical appliances, products
3 classified as Class III medical devices by the United States
4 Food and Drug Administration that are used for cancer treatment
5 pursuant to a prescription, as well as any accessories and
6 components related to those devices, modifications to a motor
7 vehicle for the purpose of rendering it usable by a person with
8 a disability, and insulin, urine testing materials, syringes,
9 and needles used by diabetics, for human use, the tax is
10 imposed at the rate of 1%. For the purposes of this Section,
11 until September 1, 2009: the term "soft drinks" means any
12 complete, finished, ready-to-use, non-alcoholic drink, whether
13 carbonated or not, including but not limited to soda water,
14 cola, fruit juice, vegetable juice, carbonated water, and all
15 other preparations commonly known as soft drinks of whatever
16 kind or description that are contained in any closed or sealed
17 bottle, can, carton, or container, regardless of size; but
18 "soft drinks" does not include coffee, tea, non-carbonated
19 water, infant formula, milk or milk products as defined in the
20 Grade A Pasteurized Milk and Milk Products Act, or drinks
21 containing 50% or more natural fruit or vegetable juice.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "soft drinks" means non-alcoholic
24 beverages that contain natural or artificial sweeteners. "Soft
25 drinks" do not include beverages that contain milk or milk
26 products, soy, rice or similar milk substitutes, or greater

1 than 50% of vegetable or fruit juice by volume.

2 Until August 1, 2009, and notwithstanding any other
3 provisions of this Act, "food for human consumption that is to
4 be consumed off the premises where it is sold" includes all
5 food sold through a vending machine, except soft drinks and
6 food products that are dispensed hot from a vending machine,
7 regardless of the location of the vending machine. Beginning
8 August 1, 2009, and notwithstanding any other provisions of
9 this Act, "food for human consumption that is to be consumed
10 off the premises where it is sold" includes all food sold
11 through a vending machine, except soft drinks, candy, and food
12 products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "food for human consumption that
16 is to be consumed off the premises where it is sold" does not
17 include candy. For purposes of this Section, "candy" means a
18 preparation of sugar, honey, or other natural or artificial
19 sweeteners in combination with chocolate, fruits, nuts or other
20 ingredients or flavorings in the form of bars, drops, or
21 pieces. "Candy" does not include any preparation that contains
22 flour or requires refrigeration.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "nonprescription medicines and
25 drugs" does not include grooming and hygiene products. For
26 purposes of this Section, "grooming and hygiene products"

1 includes, but is not limited to, soaps and cleaning solutions,
2 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
3 lotions and screens, unless those products are available by
4 prescription only, regardless of whether the products meet the
5 definition of "over-the-counter-drugs". For the purposes of
6 this paragraph, "over-the-counter-drug" means a drug for human
7 use that contains a label that identifies the product as a drug
8 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
9 label includes:

10 (A) A "Drug Facts" panel; or

11 (B) A statement of the "active ingredient(s)" with a
12 list of those ingredients contained in the compound,
13 substance or preparation.

14 Beginning on the effective date of this amendatory Act of
15 the 98th General Assembly, "prescription and nonprescription
16 medicines and drugs" includes medical cannabis purchased from a
17 registered dispensing organization under the Compassionate Use
18 of Medical Cannabis Pilot Program Act.

19 Beginning January 1, 2020, in addition to all other rates
20 of tax imposed under this Act, a surcharge of 7% is imposed on
21 the selling price of (1) each firearm purchased in the State
22 and (2) each firearm component part that is purchased in the
23 State and sold separately from the firearm. "Firearm" has the
24 meaning ascribed to that term in Section 1.1 of the Firearm
25 Owners Identification Card Act.

26 (Source: P.A. 99-143, eff. 7-27-15; 99-858, eff. 8-19-16;

1 100-22, eff. 7-6-17.)

2 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

8 1. The name of the seller;

9 2. His residence address and the address of his
10 principal place of business and the address of the
11 principal place of business (if that is a different
12 address) from which he engages in the business of selling
13 tangible personal property at retail in this State;

14 3. Total amount of receipts received by him during the
15 preceding calendar month or quarter, as the case may be,
16 from sales of tangible personal property, and from services
17 furnished, by him during such preceding calendar month or
18 quarter;

19 4. Total amount received by him during the preceding
20 calendar month or quarter on charge and time sales of
21 tangible personal property, and from services furnished,
22 by him prior to the month or quarter for which the return
23 is filed;

24 5. Deductions allowed by law;

25 6. Gross receipts which were received by him during the

1 preceding calendar month or quarter and upon the basis of
2 which the tax is imposed;

3 7. The amount of credit provided in Section 2d of this
4 Act;

5 8. The amount of tax due;

6 9. The signature of the taxpayer; and

7 10. Such other reasonable information as the
8 Department may require.

9 On and after January 1, 2018, except for returns for motor
10 vehicles, watercraft, aircraft, and trailers that are required
11 to be registered with an agency of this State, with respect to
12 retailers whose annual gross receipts average \$20,000 or more,
13 all returns required to be filed pursuant to this Act shall be
14 filed electronically. Retailers who demonstrate that they do
15 not have access to the Internet or demonstrate hardship in
16 filing electronically may petition the Department to waive the
17 electronic filing requirement.

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

22 Each return shall be accompanied by the statement of
23 prepaid tax issued pursuant to Section 2e for which credit is
24 claimed.

25 Prior to October 1, 2003, and on and after September 1,
26 2004 a retailer may accept a Manufacturer's Purchase Credit

1 certification from a purchaser in satisfaction of Use Tax as
2 provided in Section 3-85 of the Use Tax Act if the purchaser
3 provides the appropriate documentation as required by Section
4 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
5 certification, accepted by a retailer prior to October 1, 2003
6 and on and after September 1, 2004 as provided in Section 3-85
7 of the Use Tax Act, may be used by that retailer to satisfy
8 Retailers' Occupation Tax liability in the amount claimed in
9 the certification, not to exceed 6.25% of the receipts subject
10 to tax from a qualifying purchase. A Manufacturer's Purchase
11 Credit reported on any original or amended return filed under
12 this Act after October 20, 2003 for reporting periods prior to
13 September 1, 2004 shall be disallowed. Manufacturer's
14 Purchaser Credit reported on annual returns due on or after
15 January 1, 2005 will be disallowed for periods prior to
16 September 1, 2004. No Manufacturer's Purchase Credit may be
17 used after September 30, 2003 through August 31, 2004 to
18 satisfy any tax liability imposed under this Act, including any
19 audit liability.

20 The Department may require returns to be filed on a
21 quarterly basis. If so required, a return for each calendar
22 quarter shall be filed on or before the twentieth day of the
23 calendar month following the end of such calendar quarter. The
24 taxpayer shall also file a return with the Department for each
25 of the first two months of each calendar quarter, on or before
26 the twentieth day of the following calendar month, stating:

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

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

1 "alcoholic liquor" shall have the meaning prescribed in the
2 Liquor Control Act of 1934.

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

1 information by personal delivery or by mail. For purposes of
2 this paragraph, the term "electronic means" includes, but is
3 not limited to, the use of a secure Internet website, e-mail,
4 or facsimile.

5 If a total amount of less than \$1 is payable, refundable or
6 creditable, such amount shall be disregarded if it is less than
7 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

1 Department, for the immediately preceding calendar year
2 divided by 12. Beginning on October 1, 2002, a taxpayer who has
3 a tax liability in the amount set forth in subsection (b) of
4 Section 2505-210 of the Department of Revenue Law shall make
5 all payments required by rules of the Department by electronic
6 funds transfer.

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

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

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

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

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

1 whole-dollar amount where the fractional part of a dollar is
2 less than 50 cents.

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

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

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

23 Notwithstanding any other provision in this Act concerning
24 the time within which a retailer may file his return, in the
25 case of any retailer who ceases to engage in a kind of business
26 which makes him responsible for filing returns under this Act,

1 such retailer shall file a final return under this Act with the
2 Department not more than one month after discontinuing such
3 business.

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

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

1 the same uniform invoice-transaction reporting return form.
2 For purposes of this Section, "watercraft" means a Class 2,
3 Class 3, or Class 4 watercraft as defined in Section 3-2 of the
4 Boat Registration and Safety Act, a personal watercraft, or any
5 boat equipped with an inboard motor.

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

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

1 to file monthly or quarterly returns, need not file monthly or
2 quarterly returns. However, those retailers shall be required
3 to file returns on an annual basis.

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

25 The transaction reporting return in the case of watercraft
26 or aircraft must show the name and address of the seller; the

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

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

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

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

22 If the user who would otherwise pay tax to the retailer
23 wants the transaction reporting return filed and the payment of
24 the tax or proof of exemption made to the Department before the
25 retailer is willing to take these actions and such user has not
26 paid the tax to the retailer, such user may certify to the fact

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

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

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

26 Where the seller is a limited liability company, the return

1 filed on behalf of the limited liability company shall be
2 signed by a manager, member, or properly accredited agent of
3 the limited liability company.

4 Except as provided in this Section, the retailer filing the
5 return under this Section shall, at the time of filing such
6 return, pay to the Department the amount of tax imposed by this
7 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
8 on and after January 1, 1990, or \$5 per calendar year,
9 whichever is greater, which is allowed to reimburse the
10 retailer for the expenses incurred in keeping records,
11 preparing and filing returns, remitting the tax and supplying
12 data to the Department on request. Any prepayment made pursuant
13 to Section 2d of this Act shall be included in the amount on
14 which such 2.1% or 1.75% discount is computed. In the case of
15 retailers who report and pay the tax on a transaction by
16 transaction basis, as provided in this Section, such discount
17 shall be taken with each such tax remittance instead of when
18 such retailer files his periodic return. The discount allowed
19 under this Section is allowed only for returns that are filed
20 in the manner required by this Act. The Department may disallow
21 the discount for retailers whose certificate of registration is
22 revoked at the time the return is filed, but only if the
23 Department's decision to revoke the certificate of
24 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.

21 Beginning August 1, 2000, each month the Department shall
22 pay into the County and Mass Transit District Fund 20% of the
23 net revenue realized for the preceding month from the 1.25%
24 rate on the selling price of motor fuel and gasohol. Beginning
25 September 1, 2010, each month the Department shall pay into the
26 County and Mass Transit District Fund 20% of the net revenue

1 realized for the preceding month from the 1.25% rate on the
2 selling price of sales tax holiday items.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the Local Government Tax Fund 16% of the net revenue
5 realized for the preceding month from the 6.25% general rate on
6 the selling price of tangible personal property.

7 Beginning August 1, 2000, each month the Department shall
8 pay into the Local Government Tax Fund 80% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of motor fuel and gasohol. Beginning September 1,
11 2010, each month the Department shall pay into the Local
12 Government Tax Fund 80% of the net revenue realized for the
13 preceding month from the 1.25% rate on the selling price of
14 sales tax holiday items.

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

22 Beginning July 1, 2011, each month the Department shall pay
23 into the Clean Air Act Permit Fund 80% of the net revenue
24 realized for the preceding month from the 6.25% general rate on
25 the selling price of sorbents used in Illinois in the process
26 of sorbent injection as used to comply with the Environmental

1 Protection Act or the federal Clean Air Act, but the total
2 payment into the Clean Air Act Permit Fund under this Act and
3 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

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

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

24 Beginning January 1, 2020, the Department shall pay into
25 the Student Mental Health Services Fund 100% of the net revenue
26 realized for the preceding month from the 7% surcharge on the

1 selling price of firearms and firearm component parts.

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

22	Fiscal Year	Annual Specified Amount
23	1986	\$54,800,000
24	1987	\$76,650,000
25	1988	\$80,480,000
26	1989	\$88,510,000

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

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

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

1 Act.

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

	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000

1	2004	103,000,000
2	2005	108,000,000
3	2006	113,000,000
4	2007	119,000,000
5	2008	126,000,000
6	2009	132,000,000
7	2010	139,000,000
8	2011	146,000,000
9	2012	153,000,000
10	2013	161,000,000
11	2014	170,000,000
12	2015	179,000,000
13	2016	189,000,000
14	2017	199,000,000
15	2018	210,000,000
16	2019	221,000,000
17	2020	233,000,000
18	2021	246,000,000
19	2022	260,000,000
20	2023	275,000,000
21	2024	275,000,000
22	2025	275,000,000
23	2026	279,000,000
24	2027	292,000,000
25	2028	307,000,000
26	2029	322,000,000

1	2030	338,000,000
2	2031	350,000,000
3	2032	350,000,000

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

25 Subject to payment of amounts into the Build Illinois Fund
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter
2 enacted, beginning July 1, 1993 and ending on September 30,
3 2013, the Department shall each month pay into the Illinois Tax
4 Increment Fund 0.27% of 80% of the net revenue realized for the
5 preceding month from the 6.25% general rate on the selling
6 price of tangible personal property.

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

20 Subject to payment of amounts into the Build Illinois Fund,
21 the McCormick Place Expansion Project Fund, the Illinois Tax
22 Increment Fund, and the Energy Infrastructure Fund pursuant to
23 the preceding paragraphs or in any amendments to this Section
24 hereafter enacted, beginning on the first day of the first
25 calendar month to occur on or after August 26, 2014 (the
26 effective date of Public Act 98-1098), each month, from the

1 collections made under Section 9 of the Use Tax Act, Section 9
2 of the Service Use Tax Act, Section 9 of the Service Occupation
3 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
4 the Department shall pay into the Tax Compliance and
5 Administration Fund, to be used, subject to appropriation, to
6 fund additional auditors and compliance personnel at the
7 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
8 the cash receipts collected during the preceding fiscal year by
9 the Audit Bureau of the Department under the Use Tax Act, the
10 Service Use Tax Act, the Service Occupation Tax Act, the
11 Retailers' Occupation Tax Act, and associated local occupation
12 and use taxes administered by the Department.

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

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

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

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

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

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

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

19 The provisions of this Section concerning the filing of an
20 annual information return do not apply to a retailer who is not
21 required to file an income tax return with the United States
22 Government.

23 As soon as possible after the first day of each month, upon
24 certification of the Department of Revenue, the Comptroller
25 shall order transferred and the Treasurer shall transfer from
26 the General Revenue Fund to the Motor Fuel Tax Fund an amount

1 equal to 1.7% of 80% of the net revenue realized under this Act
2 for the second preceding month. Beginning April 1, 2000, this
3 transfer is no longer required and shall not be made.

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

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

15 Any person who promotes, organizes, provides retail
16 selling space for concessionaires or other types of sellers at
17 the Illinois State Fair, DuQuoin State Fair, county fairs,
18 local fairs, art shows, flea markets and similar exhibitions or
19 events, including any transient merchant as defined by Section
20 2 of the Transient Merchant Act of 1987, is required to file a
21 report with the Department providing the name of the merchant's
22 business, the name of the person or persons engaged in
23 merchant's business, the permanent address and Illinois
24 Retailers Occupation Tax Registration Number of the merchant,
25 the dates and location of the event and other reasonable
26 information that the Department may require. The report must be

1 filed not later than the 20th day of the month next following
2 the month during which the event with retail sales was held.
3 Any person who fails to file a report required by this Section
4 commits a business offense and is subject to a fine not to
5 exceed \$250.

6 Any person engaged in the business of selling tangible
7 personal property at retail as a concessionaire or other type
8 of seller at the Illinois State Fair, county fairs, art shows,
9 flea markets and similar exhibitions or events, or any
10 transient merchants, as defined by Section 2 of the Transient
11 Merchant Act of 1987, may be required to make a daily report of
12 the amount of such sales to the Department and to make a daily
13 payment of the full amount of tax due. The Department shall
14 impose this requirement when it finds that there is a
15 significant risk of loss of revenue to the State at such an
16 exhibition or event. Such a finding shall be based on evidence
17 that a substantial number of concessionaires or other sellers
18 who are not residents of Illinois will be engaging in the
19 business of selling tangible personal property at retail at the
20 exhibition or event, or other evidence of a significant risk of
21 loss of revenue to the State. The Department shall notify
22 concessionaires and other sellers affected by the imposition of
23 this requirement. In the absence of notification by the
24 Department, the concessionaires and other sellers shall file
25 their returns as otherwise required in this Section.

26 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;

1 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
2 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

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