



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB3057

Introduced 2/5/2020, by Sen. Jil Tracy

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.8	
55 ILCS 5/5-1007	from Ch. 34, par. 5-1007
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
65 ILCS 5/8-11-1.6	
65 ILCS 5/8-11-1.7	
65 ILCS 5/8-11-5	from Ch. 24, par. 8-11-5
65 ILCS 5/8-11-23	
70 ILCS 1605/30	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03
70 ILCS 3720/4	from Ch. 111 2/3, par. 254

Amends the State Finance Act, Counties Code, Illinois Municipal Code, Metro-East Park and Recreation District Act, Local Mass Transit District Act, Regional Transportation Authority Act, and Water Commission Act of 1985. Provides that the amounts transferred into the Tax Compliance and Administration Fund shall be reduced from 1.5% to 1%. Effective July 1, 2020.

LRB101 16787 HLH 66180 b

1 AN ACT concerning local government.

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

4 Section 5. The State Finance Act is amended by changing  
5 Section 6z-20 as follows:

6 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

7 Sec. 6z-20. County and Mass Transit District Fund. Of the  
8 money received from the 6.25% general rate (and, beginning July  
9 1, 2000 and through December 31, 2000, the 1.25% rate on motor  
10 fuel and gasohol, and beginning on August 6, 2010 through  
11 August 15, 2010, the 1.25% rate on sales tax holiday items) on  
12 sales subject to taxation under the Retailers' Occupation Tax  
13 Act and Service Occupation Tax Act and paid into the County and  
14 Mass Transit District Fund, distribution to the Regional  
15 Transportation Authority tax fund, created pursuant to Section  
16 4.03 of the Regional Transportation Authority Act, for deposit  
17 therein shall be made based upon the retail sales occurring in  
18 a county having more than 3,000,000 inhabitants. The remainder  
19 shall be distributed to each county having 3,000,000 or fewer  
20 inhabitants based upon the retail sales occurring in each such  
21 county.

22 For the purpose of determining allocation to the local  
23 government unit, a retail sale by a producer of coal or other

1 mineral mined in Illinois is a sale at retail at the place  
2 where the coal or other mineral mined in Illinois is extracted  
3 from the earth. This paragraph does not apply to coal or other  
4 mineral when it is delivered or shipped by the seller to the  
5 purchaser at a point outside Illinois so that the sale is  
6 exempt under the United States Constitution as a sale in  
7 interstate or foreign commerce.

8 Of the money received from the 6.25% general use tax rate  
9 on tangible personal property which is purchased outside  
10 Illinois at retail from a retailer and which is titled or  
11 registered by any agency of this State's government and paid  
12 into the County and Mass Transit District Fund, the amount for  
13 which Illinois addresses for titling or registration purposes  
14 are given as being in each county having more than 3,000,000  
15 inhabitants shall be distributed into the Regional  
16 Transportation Authority tax fund, created pursuant to Section  
17 4.03 of the Regional Transportation Authority Act. The  
18 remainder of the money paid from such sales shall be  
19 distributed to each county based on sales for which Illinois  
20 addresses for titling or registration purposes are given as  
21 being located in the county. Any money paid into the Regional  
22 Transportation Authority Occupation and Use Tax Replacement  
23 Fund from the County and Mass Transit District Fund prior to  
24 January 14, 1991, which has not been paid to the Authority  
25 prior to that date, shall be transferred to the Regional  
26 Transportation Authority tax fund.

1           Whenever the Department determines that a refund of money  
2 paid into the County and Mass Transit District Fund should be  
3 made to a claimant instead of issuing a credit memorandum, the  
4 Department shall notify the State Comptroller, who shall cause  
5 the order to be drawn for the amount specified, and to the  
6 person named, in such notification from the Department. Such  
7 refund shall be paid by the State Treasurer out of the County  
8 and Mass Transit District Fund.

9           As soon as possible after the first day of each month,  
10 beginning January 1, 2011, upon certification of the Department  
11 of Revenue, the Comptroller shall order transferred, and the  
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
13 local sales tax increment, as defined in the Innovation  
14 Development and Economy Act, collected during the second  
15 preceding calendar month for sales within a STAR bond district  
16 and deposited into the County and Mass Transit District Fund,  
17 less 3% of that amount, which shall be transferred into the Tax  
18 Compliance and Administration Fund and shall be used by the  
19 Department, subject to appropriation, to cover the costs of the  
20 Department in administering the Innovation Development and  
21 Economy Act.

22           After the monthly transfer to the STAR Bonds Revenue Fund,  
23 on or before the 25th day of each calendar month, the  
24 Department shall prepare and certify to the Comptroller the  
25 disbursement of stated sums of money to the Regional  
26 Transportation Authority and to named counties, the counties to

1 be those entitled to distribution, as hereinabove provided, of  
2 taxes or penalties paid to the Department during the second  
3 preceding calendar month. The amount to be paid to the Regional  
4 Transportation Authority and each county having 3,000,000 or  
5 fewer inhabitants shall be the amount (not including credit  
6 memoranda) collected during the second preceding calendar  
7 month by the Department and paid into the County and Mass  
8 Transit District Fund, plus an amount the Department determines  
9 is necessary to offset any amounts which were erroneously paid  
10 to a different taxing body, and not including an amount equal  
11 to the amount of refunds made during the second preceding  
12 calendar month by the Department, and not including any amount  
13 which the Department determines is necessary to offset any  
14 amounts which were payable to a different taxing body but were  
15 erroneously paid to the Regional Transportation Authority or  
16 county, and not including any amounts that are transferred to  
17 the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the amount to be  
18 paid to the Regional Transportation Authority, which shall be  
19 transferred into the Tax Compliance and Administration Fund.  
20 The Department, at the time of each monthly disbursement to the  
21 Regional Transportation Authority, shall prepare and certify  
22 to the State Comptroller the amount to be transferred into the  
23 Tax Compliance and Administration Fund under this Section.  
24 Within 10 days after receipt, by the Comptroller, of the  
25 disbursement certification to the Regional Transportation  
26 Authority, counties, and the Tax Compliance and Administration

1 Fund provided for in this Section to be given to the  
2 Comptroller by the Department, the Comptroller shall cause the  
3 orders to be drawn for the respective amounts in accordance  
4 with the directions contained in such certification.

5 When certifying the amount of a monthly disbursement to the  
6 Regional Transportation Authority or to a county under this  
7 Section, the Department shall increase or decrease that amount  
8 by an amount necessary to offset any misallocation of previous  
9 disbursements. The offset amount shall be the amount  
10 erroneously disbursed within the 6 months preceding the time a  
11 misallocation is discovered.

12 The provisions directing the distributions from the  
13 special fund in the State Treasury provided for in this Section  
14 and from the Regional Transportation Authority tax fund created  
15 by Section 4.03 of the Regional Transportation Authority Act  
16 shall constitute an irrevocable and continuing appropriation  
17 of all amounts as provided herein. The State Treasurer and  
18 State Comptroller are hereby authorized to make distributions  
19 as provided in this Section.

20 In construing any development, redevelopment, annexation,  
21 preannexation or other lawful agreement in effect prior to  
22 September 1, 1990, which describes or refers to receipts from a  
23 county or municipal retailers' occupation tax, use tax or  
24 service occupation tax which now cannot be imposed, such  
25 description or reference shall be deemed to include the  
26 replacement revenue for such abolished taxes, distributed from

1 the County and Mass Transit District Fund or Local Government  
2 Distributive Fund, as the case may be.

3 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18.)

4 Section 10. The Counties Code is amended by changing  
5 Sections 5-1006, 5-1006.5, 5-1006.8, and 5-1007 as follows:

6 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

7 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
8 Law. Any county that is a home rule unit may impose a tax upon  
9 all persons engaged in the business of selling tangible  
10 personal property, other than an item of tangible personal  
11 property titled or registered with an agency of this State's  
12 government, at retail in the county on the gross receipts from  
13 such sales made in the course of their business. If imposed,  
14 this tax shall only be imposed in 1/4% increments. On and after  
15 September 1, 1991, this additional tax may not be imposed on  
16 tangible personal property taxed at the 1% rate under the  
17 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
18 tax is not imposed on sales of aviation fuel unless the tax  
19 revenue is expended for airport-related purposes. If the county  
20 does not have an airport-related purpose to which it dedicates  
21 aviation fuel tax revenue, then aviation fuel is excluded from  
22 the tax. The county must comply with the certification  
23 requirements for airport-related purposes under Section 2-22  
24 of the Retailers' Occupation Tax Act. For purposes of this

1 Section, "airport-related purposes" has the meaning ascribed  
2 in Section 6z-20.2 of the State Finance Act. This exclusion for  
3 aviation fuel only applies for so long as the revenue use  
4 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
5 binding on the county. The changes made to this Section by this  
6 amendatory Act of the 101st General Assembly are a denial and  
7 limitation of home rule powers and functions under subsection  
8 (g) of Section 6 of Article VII of the Illinois Constitution.  
9 The tax imposed by a home rule county pursuant to this Section  
10 and all civil penalties that may be assessed as an incident  
11 thereof shall be collected and enforced by the State Department  
12 of Revenue. The certificate of registration that is issued by  
13 the Department to a retailer under the Retailers' Occupation  
14 Tax Act shall permit the retailer to engage in a business that  
15 is taxable under any ordinance or resolution enacted pursuant  
16 to this Section without registering separately with the  
17 Department under such ordinance or resolution or under this  
18 Section. The Department shall have full power to administer and  
19 enforce this Section; to collect all taxes and penalties due  
20 hereunder; to dispose of taxes and penalties so collected in  
21 the manner hereinafter provided; and to determine all rights to  
22 credit memoranda arising on account of the erroneous payment of  
23 tax or penalty hereunder. In the administration of, and  
24 compliance with, this Section, the Department and persons who  
25 are subject to this Section shall have the same rights,  
26 remedies, privileges, immunities, powers and duties, and be



1 subject to the same conditions, restrictions, limitations,  
2 penalties and definitions of terms, and employ the same modes  
3 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
4 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
5 provisions therein other than the State rate of tax), 3 (except  
6 as to the disposition of taxes and penalties collected, and  
7 except that the retailer's discount is not allowed for taxes  
8 paid on aviation fuel that are subject to the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,  
10 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
11 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax  
12 Act and Section 3-7 of the Uniform Penalty and Interest Act, as  
13 fully as if those provisions were set forth herein.

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

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

24 Whenever the Department determines that a refund should be  
25 made under this Section to a claimant instead of issuing a  
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the home rule county retailers' occupation tax  
5 fund or the Local Government Aviation Trust Fund, as  
6 appropriate.

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

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

1           After the monthly transfer to the STAR Bonds Revenue Fund,  
2           on or before the 25th day of each calendar month, the  
3           Department shall prepare and certify to the Comptroller the  
4           disbursement of stated sums of money to named counties, the  
5           counties to be those from which retailers have paid taxes or  
6           penalties hereunder to the Department during the second  
7           preceding calendar month. The amount to be paid to each county  
8           shall be the amount (not including credit memoranda and not  
9           including taxes and penalties collected on aviation fuel sold  
10          on or after December 1, 2019) collected hereunder during the  
11          second preceding calendar month by the Department plus an  
12          amount the Department determines is necessary to offset any  
13          amounts that were erroneously paid to a different taxing body,  
14          and not including an amount equal to the amount of refunds made  
15          during the second preceding calendar month by the Department on  
16          behalf of such county, and not including any amount which the  
17          Department determines is necessary to offset any amounts which  
18          were payable to a different taxing body but were erroneously  
19          paid to the county, and not including any amounts that are  
20          transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
21          remainder, which the Department shall transfer into the Tax  
22          Compliance and Administration Fund. The Department, at the time  
23          of each monthly disbursement to the counties, shall prepare and  
24          certify to the State Comptroller the amount to be transferred  
25          into the Tax Compliance and Administration Fund under this  
26          Section. Within 10 days after receipt, by the Comptroller, of

1 the disbursement certification to the counties and the Tax  
2 Compliance and Administration Fund provided for in this Section  
3 to be given to the Comptroller by the Department, the  
4 Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with the directions contained  
6 in the certification.

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

22 For the purpose of determining the local governmental unit  
23 whose tax is applicable, a retail sale by a producer of coal or  
24 other mineral mined in Illinois is a sale at retail at the  
25 place where the coal or other mineral mined in Illinois is  
26 extracted from the earth. This paragraph does not apply to coal

1 or other mineral when it is delivered or shipped by the seller  
2 to the purchaser at a point outside Illinois so that the sale  
3 is exempt under the United States Constitution as a sale in  
4 interstate or foreign commerce.

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

9 An ordinance or resolution imposing or discontinuing a tax  
10 hereunder or effecting a change in the rate thereof shall be  
11 adopted and a certified copy thereof filed with the Department  
12 on or before the first day of June, whereupon the Department  
13 shall proceed to administer and enforce this Section as of the  
14 first day of September next following such adoption and filing.  
15 Beginning January 1, 1992, an ordinance or resolution imposing  
16 or discontinuing the tax hereunder or effecting a change in the  
17 rate thereof shall be adopted and a certified copy thereof  
18 filed with the Department on or before the first day of July,  
19 whereupon the Department shall proceed to administer and  
20 enforce this Section as of the first day of October next  
21 following such adoption and filing. Beginning January 1, 1993,  
22 an ordinance or resolution imposing or discontinuing the tax  
23 hereunder or effecting a change in the rate thereof shall be  
24 adopted and a certified copy thereof filed with the Department  
25 on or before the first day of October, whereupon the Department  
26 shall proceed to administer and enforce this Section as of the

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

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

19 This Section shall be known and may be cited as the Home  
20 Rule County Retailers' Occupation Tax Law.

21 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
22 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
23 7-12-19; 101-604, eff. 12-13-19.)

24 (55 ILCS 5/5-1006.5)

25 Sec. 5-1006.5. Special County Retailers' Occupation Tax

1 For Public Safety, Public Facilities, Mental Health, Substance  
2 Abuse, or Transportation.

3 (a) The county board of any county may impose a tax upon  
4 all persons engaged in the business of selling tangible  
5 personal property, other than personal property titled or  
6 registered with an agency of this State's government, at retail  
7 in the county on the gross receipts from the sales made in the  
8 course of business to provide revenue to be used exclusively  
9 for public safety, public facility, mental health, substance  
10 abuse, or transportation purposes in that county (except as  
11 otherwise provided in this Section), if a proposition for the  
12 tax has been submitted to the electors of that county and  
13 approved by a majority of those voting on the question. If  
14 imposed, this tax shall be imposed only in one-quarter percent  
15 increments. By resolution, the county board may order the  
16 proposition to be submitted at any election. If the tax is  
17 imposed for transportation purposes for expenditures for  
18 public highways or as authorized under the Illinois Highway  
19 Code, the county board must publish notice of the existence of  
20 its long-range highway transportation plan as required or  
21 described in Section 5-301 of the Illinois Highway Code and  
22 must make the plan publicly available prior to approval of the  
23 ordinance or resolution imposing the tax. If the tax is imposed  
24 for transportation purposes for expenditures for passenger  
25 rail transportation, the county board must publish notice of  
26 the existence of its long-range passenger rail transportation

1 plan and must make the plan publicly available prior to  
2 approval of the ordinance or resolution imposing the tax.

3 If a tax is imposed for public facilities purposes, then  
4 the name of the project may be included in the proposition at  
5 the discretion of the county board as determined in the  
6 enabling resolution. For example, the "XXX Nursing Home" or the  
7 "YYY Museum".

8 The county clerk shall certify the question to the proper  
9 election authority, who shall submit the proposition at an  
10 election in accordance with the general election law.

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

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

16 As additional information on the ballot below the  
17 question shall appear the following:

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

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



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

5            As additional information on the ballot below the  
6 question shall appear the following:

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

13            For the purposes of the paragraph, "public safety  
14 purposes" means crime prevention, detention, fire  
15 fighting, police, medical, ambulance, or other emergency  
16 services.

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

18            Beginning on the January 1 or July 1, whichever is  
19 first, that occurs not less than 30 days after May 31, 2015  
20 (the effective date of Public Act 99-4), Adams County may  
21 impose a public safety retailers' occupation tax and  
22 service occupation tax at the rate of 0.25%, as provided in  
23 the referendum approved by the voters on April 7, 2015,  
24 notwithstanding the omission of the additional information  
25 that is otherwise required to be printed on the ballot  
26 below the question pursuant to this item (1).

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

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

7           As additional information on the ballot below the  
8 question shall appear the following:

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

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

18           "To pay for road improvements and other transportation  
19 purposes, shall (name of county) be authorized to impose an  
20 increase on its share of local sales taxes by (insert rate)  
21 for a period not to exceed (insert number of years)?"

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

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

1 the additional tax would cease being collected at the end  
2 of (insert number of years), if not terminated earlier by a  
3 vote of the county board."

4 For the purposes of this paragraph, transportation  
5 purposes means construction, maintenance, operation, and  
6 improvement of public highways, any other purpose for which  
7 a county may expend funds under the Illinois Highway Code,  
8 and passenger rail transportation.

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

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

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

15 As additional information on the ballot below the  
16 question shall appear the following:

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

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

26 "To pay for public facilities purposes, shall (name of

1 county) be authorized to impose an increase on its share of  
2 local sales taxes by (insert rate) for a period not to  
3 exceed (insert number of years)?"

4 As additional information on the ballot below the  
5 question shall appear the following:

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

12 For purposes of this Section, "public facilities  
13 purposes" means the acquisition, development,  
14 construction, reconstruction, rehabilitation, improvement,  
15 financing, architectural planning, and installation of  
16 capital facilities consisting of buildings, structures,  
17 and durable equipment and for the acquisition and  
18 improvement of real property and interest in real property  
19 required, or expected to be required, in connection with  
20 the public facilities, for use by the county for the  
21 furnishing of governmental services to its citizens,  
22 including, but not limited to, museums and nursing homes.

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

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

26 "To pay for mental health purposes, shall (name of

1 county) be authorized to impose an increase on its share of  
2 local sales taxes by (insert rate)?"

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

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

8 The county board may also opt to establish a sunset  
9 provision at which time the additional sales tax would  
10 cease being collected, if not terminated earlier by a vote  
11 of the county board. If the county board votes to include a  
12 sunset provision, the proposition for public facilities  
13 purposes shall be in substantially the following form:

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

18 As additional information on the ballot below the  
19 question shall appear the following:

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

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

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

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

6           As additional information on the ballot below the  
7 question shall appear the following:

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

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

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

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

23           "This would mean that a consumer would pay an  
24 additional (insert amount) in sales tax for every \$100 of  
25 tangible personal property bought at retail. If imposed,  
26 the additional tax would cease being collected at the end

1 of (insert number of years), if not terminated earlier by a  
2 vote of the county board."

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

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

8 This additional tax may not be imposed on tangible personal  
9 property taxed at the 1% rate under the Retailers' Occupation  
10 Tax Act. Beginning December 1, 2019 and through December 31,  
11 2020, this tax is not imposed on sales of aviation fuel unless  
12 the tax revenue is expended for airport-related purposes. If  
13 the county does not have an airport-related purpose to which it  
14 dedicates aviation fuel tax revenue, then aviation fuel is  
15 excluded from the tax. The county must comply with the  
16 certification requirements for airport-related purposes under  
17 Section 2-22 of the Retailers' Occupation Tax Act. For purposes  
18 of this Section, "airport-related purposes" has the meaning  
19 ascribed in Section 6z-20.2 of the State Finance Act. Beginning  
20 January 1, 2021, this tax is not imposed on sales of aviation  
21 fuel for so long as the revenue use requirements of 49 U.S.C.  
22 47107(b) and 49 U.S.C. 47133 are binding on the county. The tax  
23 imposed by a county under this Section and all civil penalties  
24 that may be assessed as an incident of the tax shall be  
25 collected and enforced by the Illinois Department of Revenue  
26 and deposited into a special fund created for that purpose. The

1 certificate of registration that is issued by the Department to  
2 a retailer under the Retailers' Occupation Tax Act shall permit  
3 the retailer to engage in a business that is taxable without  
4 registering separately with the Department under an ordinance  
5 or resolution under this Section. The Department has full power  
6 to administer and enforce this Section, to collect all taxes  
7 and penalties due under this Section, to dispose of taxes and  
8 penalties so collected in the manner provided in this Section,  
9 and to determine all rights to credit memoranda arising on  
10 account of the erroneous payment of a tax or penalty under this  
11 Section. In the administration of and compliance with this  
12 Section, the Department and persons who are subject to this  
13 Section shall (i) have the same rights, remedies, privileges,  
14 immunities, powers, and duties, (ii) be subject to the same  
15 conditions, restrictions, limitations, penalties, and  
16 definitions of terms, and (iii) employ the same modes of  
17 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,  
18 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all  
19 provisions contained in those Sections other than the State  
20 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to  
21 transaction returns and quarter monthly payments, and except  
22 that the retailer's discount is not allowed for taxes paid on  
23 aviation fuel that are deposited into the Local Government  
24 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
25 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
26 of the Retailers' Occupation Tax Act and Section 3-7 of the



1 Uniform Penalty and Interest Act as if those provisions were  
2 set forth in this Section.

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

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

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

1 rate under the Service Occupation Tax Act. Beginning December  
2 1, 2019 and through December 31, 2020, this tax is not imposed  
3 on sales of aviation fuel unless the tax revenue is expended  
4 for airport-related purposes. If the county does not have an  
5 airport-related purpose to which it dedicates aviation fuel tax  
6 revenue, then aviation fuel is excluded from the tax. The  
7 county must comply with the certification requirements for  
8 airport-related purposes under Section 2-22 of the Retailers'  
9 Occupation Tax Act. For purposes of this Section,  
10 "airport-related purposes" has the meaning ascribed in Section  
11 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
12 this tax is not imposed on sales of aviation fuel for so long  
13 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
14 U.S.C. 47133 are binding on the county. The tax imposed under  
15 this subsection and all civil penalties that may be assessed as  
16 an incident thereof shall be collected and enforced by the  
17 Department of Revenue. The Department has full power to  
18 administer and enforce this subsection; to collect all taxes  
19 and penalties due hereunder; to dispose of taxes and penalties  
20 so collected in the manner hereinafter provided; and to  
21 determine all rights to credit memoranda arising on account of  
22 the erroneous payment of tax or penalty hereunder. In the  
23 administration of and compliance with this subsection, the  
24 Department and persons who are subject to this paragraph shall  
25 (i) have the same rights, remedies, privileges, immunities,  
26 powers, and duties, (ii) be subject to the same conditions,

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

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

1 prescribe.

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

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

16 (c) Except as otherwise provided in this paragraph, the  
17 Department shall immediately pay over to the State Treasurer,  
18 ex officio, as trustee, all taxes and penalties collected under  
19 this Section to be deposited into the County Public Safety,  
20 Public Facilities, Mental Health, Substance Abuse, or  
21 Transportation Retailers' Occupation Tax Fund, which shall be  
22 an unappropriated trust fund held outside of the State  
23 treasury. Taxes and penalties collected on aviation fuel sold  
24 on or after December 1, 2019 and through December 31, 2020,  
25 shall be immediately paid over by the Department to the State  
26 Treasurer, ex officio, as trustee, for deposit into the Local

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

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

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to the counties from which  
17 retailers have paid taxes or penalties to the Department during  
18 the second preceding calendar month. The amount to be paid to  
19 each county, and deposited by the county into its special fund  
20 created for the purposes of this Section, shall be the amount  
21 (not including credit memoranda and not including taxes and  
22 penalties collected on aviation fuel sold on or after December  
23 1, 2019 and through December 31, 2020) collected under this  
24 Section during the second preceding calendar month by the  
25 Department plus an amount the Department determines is  
26 necessary to offset any amounts that were erroneously paid to a

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

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

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

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

18 (e) Nothing in this Section shall be construed to authorize  
19 a county to impose a tax upon the privilege of engaging in any  
20 business that under the Constitution of the United States may  
21 not be made the subject of taxation by this State.

22 (e-5) If a county imposes a tax under this Section, the  
23 county board may, by ordinance, discontinue or lower the rate  
24 of the tax. If the county board lowers the tax rate or  
25 discontinues the tax, a referendum must be held in accordance  
26 with subsection (a) of this Section in order to increase the

1 rate of the tax or to reimpose the discontinued tax.

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

14 Beginning January 1, 2014, the results of any election  
15 authorizing a proposition to impose a tax under this Section or  
16 effecting an increase in the rate of tax, along with the  
17 ordinance adopted to impose the tax or increase the rate of the  
18 tax, or any ordinance adopted to lower the rate or discontinue  
19 the tax, shall be certified by the county clerk and filed with  
20 the Illinois Department of Revenue either (i) on or before the  
21 first day of May, whereupon the Department shall proceed to  
22 administer and enforce the tax as of the first day of July next  
23 following the adoption and filing; or (ii) on or before the  
24 first day of October, whereupon the Department shall proceed to  
25 administer and enforce the tax as of the first day of January  
26 next following the adoption and filing.



1           (g) When certifying the amount of a monthly disbursement to  
2 a county under this Section, the Department shall increase or  
3 decrease the amounts by an amount necessary to offset any  
4 miscalculation of previous disbursements. The offset amount  
5 shall be the amount erroneously disbursed within the previous 6  
6 months from the time a miscalculation is discovered.

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

10          (i) For purposes of this Section, "public safety" includes,  
11 but is not limited to, crime prevention, detention, fire  
12 fighting, police, medical, ambulance, or other emergency  
13 services. The county may share tax proceeds received under this  
14 Section for public safety purposes, including proceeds  
15 received before August 4, 2009 (the effective date of Public  
16 Act 96-124), with any fire protection district located in the  
17 county. For the purposes of this Section, "transportation"  
18 includes, but is not limited to, the construction, maintenance,  
19 operation, and improvement of public highways, any other  
20 purpose for which a county may expend funds under the Illinois  
21 Highway Code, and passenger rail transportation. For the  
22 purposes of this Section, "public facilities purposes"  
23 includes, but is not limited to, the acquisition, development,  
24 construction, reconstruction, rehabilitation, improvement,  
25 financing, architectural planning, and installation of capital  
26 facilities consisting of buildings, structures, and durable

1 equipment and for the acquisition and improvement of real  
2 property and interest in real property required, or expected to  
3 be required, in connection with the public facilities, for use  
4 by the county for the furnishing of governmental services to  
5 its citizens, including, but not limited to, museums and  
6 nursing homes.

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

11 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
12 100-1167, eff. 1-4-19; 100-1171, eff. 1-4-19; 101-10, eff.  
13 6-5-19; 101-81, eff. 7-12-19; 101-275, eff. 8-9-19; 101-604,  
14 eff. 12-13-19.)

15 (55 ILCS 5/5-1006.8)

16 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax  
17 Law.

18 (a) This Section may be referred to as the County Cannabis  
19 Retailers' Occupation Tax Law. The corporate authorities of any  
20 county may, by ordinance, impose a tax upon all persons engaged  
21 in the business of selling cannabis, other than cannabis  
22 purchased under the Compassionate Use of Medical Cannabis  
23 Program Act, at retail in the county on the gross receipts from  
24 these sales made in the course of that business. If imposed,  
25 the tax shall be imposed only in 0.25% increments. The tax rate

1 may not exceed: (i) 3.75% of the gross receipts of sales made  
2 in unincorporated areas of the county; and (ii) 3% of the gross  
3 receipts of sales made in a municipality located in the county.  
4 The tax imposed under this Section and all civil penalties that  
5 may be assessed as an incident of the tax shall be collected  
6 and enforced by the Department of Revenue. The Department of  
7 Revenue shall have full power to administer and enforce this  
8 Section; to collect all taxes and penalties due hereunder; to  
9 dispose of taxes and penalties so collected in the manner  
10 hereinafter provided; and to determine all rights to credit  
11 memoranda arising on account of the erroneous payment of tax or  
12 penalty under this Section. In the administration of and  
13 compliance with this Section, the Department of Revenue and  
14 persons who are subject to this Section shall have the same  
15 rights, remedies, privileges, immunities, powers and duties,  
16 and be subject to the same conditions, restrictions,  
17 limitations, penalties, and definitions of terms, and employ  
18 the same modes of procedure, as are described in Sections 1,  
19 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect  
20 to all provisions therein other than the State rate of tax),  
21 2a, 2b, 2c, 2i, 3 (except as to the disposition of taxes and  
22 penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
23 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
24 of the Retailers' Occupation Tax Act and Section 3-7 of the  
25 Uniform Penalty and Interest Act as fully as if those  
26 provisions were set forth in this Section.

1           (b) Persons subject to any tax imposed under the authority  
2 granted in this Section may reimburse themselves for their  
3 seller's tax liability hereunder by separately stating that tax  
4 as an additional charge, which charge may be stated in  
5 combination, in a single amount, with any State tax that  
6 sellers are required to collect.

7           (c) Whenever the Department of Revenue determines that a  
8 refund should be made under this Section to a claimant instead  
9 of issuing a credit memorandum, the Department of Revenue shall  
10 notify the State Comptroller, who shall cause the order to be  
11 drawn for the amount specified and to the person named in the  
12 notification from the Department of Revenue.

13           (d) The Department of Revenue shall immediately pay over to  
14 the State Treasurer, *ex officio*, as trustee, all taxes and  
15 penalties collected hereunder for deposit into the Local  
16 Cannabis Retailers' Occupation Tax Trust Fund.

17           (e) On or before the 25th day of each calendar month, the  
18 Department of Revenue shall prepare and certify to the  
19 Comptroller the amount of money to be disbursed from the Local  
20 Cannabis Retailers' Occupation Tax Trust Fund to counties from  
21 which retailers have paid taxes or penalties under this Section  
22 during the second preceding calendar month. The amount to be  
23 paid to each county shall be the amount (not including credit  
24 memoranda) collected under this Section from sales made in the  
25 county during the second preceding calendar month, plus an  
26 amount the Department of Revenue determines is necessary to

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

20 (f) An ordinance or resolution imposing or discontinuing a  
21 tax under this Section or effecting a change in the rate  
22 thereof that is adopted on or after June 25, 2019 (the  
23 effective date of Public Act 101-27) and for which a certified  
24 copy is filed with the Department on or before April 1, 2020  
25 shall be administered and enforced by the Department beginning  
26 on July 1, 2020. For ordinances filed with the Department after

1 April 1, 2020, an ordinance or resolution imposing or  
2 discontinuing a tax under this Section or effecting a change in  
3 the rate thereof shall either (i) be adopted and a certified  
4 copy thereof filed with the Department on or before the first  
5 day of April, whereupon the Department shall proceed to  
6 administer and enforce this Section as of the first day of July  
7 next following the adoption and filing; or (ii) be adopted and  
8 a certified copy thereof filed with the Department on or before  
9 the first day of October, whereupon the Department shall  
10 proceed to administer and enforce this Section as of the first  
11 day of January next following the adoption and filing.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;  
13 101-593, eff. 12-4-19.)

14 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

15 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
16 The corporate authorities of a home rule county may impose a  
17 tax upon all persons engaged, in such county, in the business  
18 of making sales of service at the same rate of tax imposed  
19 pursuant to Section 5-1006 of the selling price of all tangible  
20 personal property transferred by such servicemen either in the  
21 form of tangible personal property or in the form of real  
22 estate as an incident to a sale of service. If imposed, such  
23 tax shall only be imposed in 1/4% increments. On and after  
24 September 1, 1991, this additional tax may not be imposed on  
25 tangible personal property taxed at the 1% rate under the

1 Service Occupation Tax Act. Beginning December 1, 2019, this  
2 tax is not imposed on sales of aviation fuel unless the tax  
3 revenue is expended for airport-related purposes. If the county  
4 does not have an airport-related purpose to which it dedicates  
5 aviation fuel tax revenue, then aviation fuel is excluded from  
6 the tax. The county must comply with the certification  
7 requirements for airport-related purposes under Section 2-22  
8 of the Retailers' Occupation Tax Act. For purposes of this  
9 Section, "airport-related purposes" has the meaning ascribed  
10 in Section 6z-20.2 of the State Finance Act. This exclusion for  
11 aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
13 binding on the county. The changes made to this Section by this  
14 amendatory Act of the 101st General Assembly are a denial and  
15 limitation of home rule powers and functions under subsection  
16 (g) of Section 6 of Article VII of the Illinois Constitution.  
17 The tax imposed by a home rule county pursuant to this Section  
18 and all civil penalties that may be assessed as an incident  
19 thereof shall be collected and enforced by the State Department  
20 of Revenue. The certificate of registration which is issued by  
21 the Department to a retailer under the Retailers' Occupation  
22 Tax Act or under the Service Occupation Tax Act shall permit  
23 such registrant to engage in a business which is taxable under  
24 any ordinance or resolution enacted pursuant to this Section  
25 without registering separately with the Department under such  
26 ordinance or resolution or under this Section. The Department

1 shall have full power to administer and enforce this Section;  
2 to collect all taxes and penalties due hereunder; to dispose of  
3 taxes and penalties so collected in the manner hereinafter  
4 provided; and to determine all rights to credit memoranda  
5 arising on account of the erroneous payment of tax or penalty  
6 hereunder. In the administration of, and compliance with, this  
7 Section the Department and persons who are subject to this  
8 Section shall have the same rights, remedies, privileges,  
9 immunities, powers and duties, and be subject to the same  
10 conditions, restrictions, limitations, penalties and  
11 definitions of terms, and employ the same modes of procedure,  
12 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
13 respect to all provisions therein other than the State rate of  
14 tax), 4 (except that the reference to the State shall be to the  
15 taxing county), 5, 7, 8 (except that the jurisdiction to which  
16 the tax shall be a debt to the extent indicated in that Section  
17 8 shall be the taxing county), 9 (except as to the disposition  
18 of taxes and penalties collected, and except that the returned  
19 merchandise credit for this county tax may not be taken against  
20 any State tax, and except that the retailer's discount is not  
21 allowed for taxes paid on aviation fuel that are subject to the  
22 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
23 47133), 10, 11, 12 (except the reference therein to Section 2b  
24 of the Retailers' Occupation Tax Act), 13 (except that any  
25 reference to the State shall mean the taxing county), the first  
26 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service



1 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
2 Interest Act, as fully as if those provisions were set forth  
3 herein.

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

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

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing credit  
17 memorandum, the Department shall notify the State Comptroller,  
18 who shall cause the order to be drawn for the amount specified,  
19 and to the person named, in such notification from the  
20 Department. Such refund shall be paid by the State Treasurer  
21 out of the home rule county retailers' occupation tax fund or  
22 the Local Government Aviation Trust Fund, as appropriate.

23 Except as otherwise provided in this paragraph, the  
24 Department shall forthwith pay over to the State Treasurer, ex  
25 officio, as trustee, all taxes and penalties collected  
26 hereunder for deposit into the Home Rule County Retailers'

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

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

17 After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to named counties, the  
21 counties to be those from which suppliers and servicemen have  
22 paid taxes or penalties hereunder to the Department during the  
23 second preceding calendar month. The amount to be paid to each  
24 county shall be the amount (not including credit memoranda and  
25 not including taxes and penalties collected on aviation fuel  
26 sold on or after December 1, 2019) collected hereunder during

1 the second preceding calendar month by the Department, and not  
2 including an amount equal to the amount of refunds made during  
3 the second preceding calendar month by the Department on behalf  
4 of such county, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
6 remainder, which the Department shall transfer into the Tax  
7 Compliance and Administration Fund. The Department, at the time  
8 of each monthly disbursement to the counties, shall prepare and  
9 certify to the State Comptroller the amount to be transferred  
10 into the Tax Compliance and Administration Fund under this  
11 Section. Within 10 days after receipt, by the Comptroller, of  
12 the disbursement certification to the counties and the Tax  
13 Compliance and Administration Fund provided for in this Section  
14 to be given to the Comptroller by the Department, the  
15 Comptroller shall cause the orders to be drawn for the  
16 respective amounts in accordance with the directions contained  
17 in such certification.

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

1 made pursuant to this paragraph and the preceding paragraph  
2 shall be reduced by the amount allocated and disbursed under  
3 this paragraph in the preceding calendar year. The Department  
4 shall prepare and certify to the Comptroller for disbursement  
5 the allocations made in accordance with this paragraph.

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

10 An ordinance or resolution imposing or discontinuing a tax  
11 hereunder or effecting a change in the rate thereof shall be  
12 adopted and a certified copy thereof filed with the Department  
13 on or before the first day of June, whereupon the Department  
14 shall proceed to administer and enforce this Section as of the  
15 first day of September next following such adoption and filing.  
16 Beginning January 1, 1992, an ordinance or resolution imposing  
17 or discontinuing the tax hereunder or effecting a change in the  
18 rate thereof shall be adopted and a certified copy thereof  
19 filed with the Department on or before the first day of July,  
20 whereupon the Department shall proceed to administer and  
21 enforce this Section as of the first day of October next  
22 following such adoption and filing. Beginning January 1, 1993,  
23 an ordinance or resolution imposing or discontinuing the tax  
24 hereunder or effecting a change in the rate thereof shall be  
25 adopted and a certified copy thereof filed with the Department  
26 on or before the first day of October, whereupon the Department

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

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

16 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
17 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
18 7-12-19; 101-604, eff. 12-13-19.)

19 Section 15. The Illinois Municipal Code is amended by  
20 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
21 8-11-1.7, 8-11-5, and 8-11-23 as follows:

22 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

23 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
24 Act. The corporate authorities of a home rule municipality may

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

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

1 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
2 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax  
3 Act and Section 3-7 of the Uniform Penalty and Interest Act, as  
4 fully as if those provisions were set forth herein.

5 No tax may be imposed by a home rule municipality under  
6 this Section unless the municipality also imposes a tax at the  
7 same rate under Section 8-11-5 of this Act.

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

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the order to be drawn for the  
19 amount specified and to the person named in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the home rule municipal retailers' occupation  
22 tax fund or the Local Government Aviation Trust Fund, as  
23 appropriate.

24 Except as otherwise provided in this paragraph, the  
25 Department shall immediately pay over to the State Treasurer,  
26 ex officio, as trustee, all taxes and penalties collected



1 hereunder for deposit into the Home Rule Municipal Retailers'  
2 Occupation Tax Fund. Taxes and penalties collected on aviation  
3 fuel sold on or after December 1, 2019, shall be immediately  
4 paid over by the Department to the State Treasurer, ex officio,  
5 as trustee, for deposit into the Local Government Aviation  
6 Trust Fund. The Department shall only pay moneys into the Local  
7 Government Aviation Trust Fund under this Section for so long  
8 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
9 U.S.C. 47133 are binding on the State.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,  
19 on or before the 25th day of each calendar month, the  
20 Department shall prepare and certify to the Comptroller the  
21 disbursement of stated sums of money to named municipalities,  
22 the municipalities to be those from which retailers have paid  
23 taxes or penalties hereunder to the Department during the  
24 second preceding calendar month. The amount to be paid to each  
25 municipality shall be the amount (not including credit  
26 memoranda and not including taxes and penalties collected on

1 aviation fuel sold on or after December 1, 2019) collected  
2 hereunder during the second preceding calendar month by the  
3 Department plus an amount the Department determines is  
4 necessary to offset any amounts that were erroneously paid to a  
5 different taxing body, and not including an amount equal to the  
6 amount of refunds made during the second preceding calendar  
7 month by the Department on behalf of such municipality, and not  
8 including any amount that the Department determines is  
9 necessary to offset any amounts that were payable to a  
10 different taxing body but were erroneously paid to the  
11 municipality, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
13 remainder, which the Department shall transfer into the Tax  
14 Compliance and Administration Fund. The Department, at the time  
15 of each monthly disbursement to the municipalities, shall  
16 prepare and certify to the State Comptroller the amount to be  
17 transferred into the Tax Compliance and Administration Fund  
18 under this Section. Within 10 days after receipt by the  
19 Comptroller of the disbursement certification to the  
20 municipalities and the Tax Compliance and Administration Fund  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 directions contained in the certification.

25 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

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

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

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

1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the Department  
12 shall proceed to administer and enforce this Section as of the  
13 first day of January next following the adoption and filing.  
14 However, a municipality located in a county with a population  
15 in excess of 3,000,000 that elected to become a home rule unit  
16 at the general primary election in 1994 may adopt an ordinance  
17 or resolution imposing the tax under this Section and file a  
18 certified copy of the ordinance or resolution with the  
19 Department on or before July 1, 1994. The Department shall then  
20 proceed to administer and enforce this Section as of October 1,  
21 1994. Beginning April 1, 1998, an ordinance or resolution  
22 imposing or discontinuing the tax hereunder or effecting a  
23 change in the rate thereof shall either (i) be adopted and a  
24 certified copy thereof filed with the Department on or before  
25 the first day of April, whereupon the Department shall proceed  
26 to administer and enforce this Section as of the first day of

1 July next following the adoption and filing; or (ii) be adopted  
2 and a certified copy thereof filed with the Department on or  
3 before the first day of October, whereupon the Department shall  
4 proceed to administer and enforce this Section as of the first  
5 day of January next following the adoption and filing.

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

12 Any unobligated balance remaining in the Municipal  
13 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
14 was abolished by Public Act 85-1135, and all receipts of  
15 municipal tax as a result of audits of liability periods prior  
16 to January 1, 1990, shall be paid into the Local Government Tax  
17 Fund for distribution as provided by this Section prior to the  
18 enactment of Public Act 85-1135. All receipts of municipal tax  
19 as a result of an assessment not arising from an audit, for  
20 liability periods prior to January 1, 1990, shall be paid into  
21 the Local Government Tax Fund for distribution before July 1,  
22 1990, as provided by this Section prior to the enactment of  
23 Public Act 85-1135; and on and after July 1, 1990, all such  
24 receipts shall be distributed as provided in Section 6z-18 of  
25 the State Finance Act.

26 As used in this Section, "municipal" and "municipality"

1 means a city, village or incorporated town, including an  
2 incorporated town that has superseded a civil township.

3 This Section shall be known and may be cited as the Home  
4 Rule Municipal Retailers' Occupation Tax Act.

5 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
6 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
7 7-12-19; 101-604, eff. 12-13-19.)

8 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

9 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
10 Occupation Tax Act. The corporate authorities of a non-home  
11 rule municipality may impose a tax upon all persons engaged in  
12 the business of selling tangible personal property, other than  
13 on an item of tangible personal property which is titled and  
14 registered by an agency of this State's Government, at retail  
15 in the municipality for expenditure on public infrastructure or  
16 for property tax relief or both as defined in Section 8-11-1.2  
17 if approved by referendum as provided in Section 8-11-1.1, of  
18 the gross receipts from such sales made in the course of such  
19 business. If the tax is approved by referendum on or after July  
20 14, 2010 (the effective date of Public Act 96-1057), the  
21 corporate authorities of a non-home rule municipality may,  
22 until July 1, 2030, use the proceeds of the tax for expenditure  
23 on municipal operations, in addition to or in lieu of any  
24 expenditure on public infrastructure or for property tax  
25 relief. The tax imposed may not be more than 1% and may be

1 imposed only in 1/4% increments. The tax may not be imposed on  
2 tangible personal property taxed at the 1% rate under the  
3 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
4 tax is not imposed on sales of aviation fuel unless the tax  
5 revenue is expended for airport-related purposes. If a  
6 municipality does not have an airport-related purpose to which  
7 it dedicates aviation fuel tax revenue, then aviation fuel is  
8 excluded from the tax. Each municipality must comply with the  
9 certification requirements for airport-related purposes under  
10 Section 2-22 of the Retailers' Occupation Tax Act. For purposes  
11 of this Section, "airport-related purposes" has the meaning  
12 ascribed in Section 6z-20.2 of the State Finance Act. This  
13 exclusion for aviation fuel only applies for so long as the  
14 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
15 47133 are binding on the municipality. The tax imposed by a  
16 municipality pursuant to this Section and all civil penalties  
17 that may be assessed as an incident thereof shall be collected  
18 and enforced by the State Department of Revenue. The  
19 certificate of registration which is issued by the Department  
20 to a retailer under the Retailers' Occupation Tax Act shall  
21 permit such retailer to engage in a business which is taxable  
22 under any ordinance or resolution enacted pursuant to this  
23 Section without registering separately with the Department  
24 under such ordinance or resolution or under this Section. The  
25 Department shall have full power to administer and enforce this  
26 Section; to collect all taxes and penalties due hereunder; to



1 dispose of taxes and penalties so collected in the manner  
2 hereinafter provided, and to determine all rights to credit  
3 memoranda, arising on account of the erroneous payment of tax  
4 or penalty hereunder. In the administration of, and compliance  
5 with, this Section, the Department and persons who are subject  
6 to this Section shall have the same rights, remedies,  
7 privileges, immunities, powers and duties, and be subject to  
8 the same conditions, restrictions, limitations, penalties and  
9 definitions of terms, and employ the same modes of procedure,  
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
11 2 through 2-65 (in respect to all provisions therein other than  
12 the State rate of tax), 2c, 3 (except as to the disposition of  
13 taxes and penalties collected, and except that the retailer's  
14 discount is not allowed for taxes paid on aviation fuel that  
15 are subject to the revenue use requirements of 49 U.S.C.  
16 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
17 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
18 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
19 the Uniform Penalty and Interest Act as fully as if those  
20 provisions were set forth herein.

21 No municipality may impose a tax under this Section unless  
22 the municipality also imposes a tax at the same rate under  
23 Section 8-11-1.4 of this Code.

24 Persons subject to any tax imposed pursuant to the  
25 authority granted in this Section may reimburse themselves for  
26 their seller's tax liability hereunder by separately stating

1 such tax as an additional charge, which charge may be stated in  
2 combination, in a single amount, with State tax which sellers  
3 are required to collect under the Use Tax Act, pursuant to such  
4 bracket schedules as the Department may prescribe.

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

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

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

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

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

1 municipality, and not including any amounts that are  
2 transferred to the STAR Bonds Revenue Fund, less 1% ~~4.5%~~ of the  
3 remainder, which the Department shall transfer into the Tax  
4 Compliance and Administration Fund. The Department, at the time  
5 of each monthly disbursement to the municipalities, shall  
6 prepare and certify to the State Comptroller the amount to be  
7 transferred into the Tax Compliance and Administration Fund  
8 under this Section. Within 10 days after receipt, by the  
9 Comptroller, of the disbursement certification to the  
10 municipalities and the Tax Compliance and Administration Fund  
11 provided for in this Section to be given to the Comptroller by  
12 the Department, the Comptroller shall cause the orders to be  
13 drawn for the respective amounts in accordance with the  
14 directions contained in such certification.

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

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

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

2 When certifying the amount of a monthly disbursement to a  
3 municipality under this Section, the Department shall increase  
4 or decrease such amount by an amount necessary to offset any  
5 misallocation of previous disbursements. The offset amount  
6 shall be the amount erroneously disbursed within the previous 6  
7 months from the time a misallocation is discovered.

8 The Department of Revenue shall implement Public Act 91-649  
9 so as to collect the tax on and after January 1, 2002.

10 As used in this Section, "municipal" and "municipality"  
11 mean a city, village, or incorporated town, including an  
12 incorporated town which has superseded a civil township.

13 This Section shall be known and may be cited as the  
14 Non-Home Rule Municipal Retailers' Occupation Tax Act.

15 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
16 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-47, eff.  
17 1-1-20; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

18 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

19 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
20 Tax Act. The corporate authorities of a non-home rule  
21 municipality may impose a tax upon all persons engaged, in such  
22 municipality, in the business of making sales of service for  
23 expenditure on public infrastructure or for property tax relief  
24 or both as defined in Section 8-11-1.2 if approved by  
25 referendum as provided in Section 8-11-1.1, of the selling

1 price of all tangible personal property transferred by such  
2 servicemen either in the form of tangible personal property or  
3 in the form of real estate as an incident to a sale of service.  
4 If the tax is approved by referendum on or after July 14, 2010  
5 (the effective date of Public Act 96-1057), the corporate  
6 authorities of a non-home rule municipality may, until December  
7 31, 2020, use the proceeds of the tax for expenditure on  
8 municipal operations, in addition to or in lieu of any  
9 expenditure on public infrastructure or for property tax  
10 relief. The tax imposed may not be more than 1% and may be  
11 imposed only in 1/4% increments. The tax may not be imposed on  
12 tangible personal property taxed at the 1% rate under the  
13 Service Occupation Tax Act. Beginning December 1, 2019, this  
14 tax is not imposed on sales of aviation fuel unless the tax  
15 revenue is expended for airport-related purposes. If a  
16 municipality does not have an airport-related purpose to which  
17 it dedicates aviation fuel tax revenue, then aviation fuel is  
18 excluded from the tax. Each municipality must comply with the  
19 certification requirements for airport-related purposes under  
20 Section 2-22 of the Retailers' Occupation Tax Act. For purposes  
21 of this Section, "airport-related purposes" has the meaning  
22 ascribed in Section 6z-20.2 of the State Finance Act. This  
23 exclusion for aviation fuel only applies for so long as the  
24 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
25 47133 are binding on the municipality. The tax imposed by a  
26 municipality pursuant to this Section and all civil penalties

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

1 the disposition of taxes and penalties collected, and except  
2 that the returned merchandise credit for this municipal tax may  
3 not be taken against any State tax, and except that the  
4 retailer's discount is not allowed for taxes paid on aviation  
5 fuel that are subject to the revenue use requirements of 49  
6 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the  
7 reference therein to Section 2b of the Retailers' Occupation  
8 Tax Act), 13 (except that any reference to the State shall mean  
9 the taxing municipality), the first paragraph of Section 15,  
10 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
11 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
12 as if those provisions were set forth herein.

13 No municipality may impose a tax under this Section unless  
14 the municipality also imposes a tax at the same rate under  
15 Section 8-11-1.3 of this Code.

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

24 Whenever the Department determines that a refund should be  
25 made under this Section to a claimant instead of issuing credit  
26 memorandum, the Department shall notify the State Comptroller,



1 who shall cause the order to be drawn for the amount specified,  
2 and to the person named, in such notification from the  
3 Department. Such refund shall be paid by the State Treasurer  
4 out of the municipal retailers' occupation tax fund or the  
5 Local Government Aviation Trust Fund, as appropriate.

6 Except as otherwise provided in this paragraph, the  
7 Department shall forthwith pay over to the State Treasurer, ex  
8 officio, as trustee, all taxes and penalties collected  
9 hereunder for deposit into the municipal retailers' occupation  
10 tax fund. Taxes and penalties collected on aviation fuel sold  
11 on or after December 1, 2019, shall be immediately paid over by  
12 the Department to the State Treasurer, ex officio, as trustee,  
13 for deposit into the Local Government Aviation Trust Fund. The  
14 Department shall only pay moneys into the Local Government  
15 Aviation Trust Fund under this Section for so long as the  
16 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
17 47133 are binding on the municipality.

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities,  
4 the municipalities to be those from which suppliers and  
5 servicemen have paid taxes or penalties hereunder to the  
6 Department during the second preceding calendar month. The  
7 amount to be paid to each municipality shall be the amount (not  
8 including credit memoranda and not including taxes and  
9 penalties collected on aviation fuel sold on or after December  
10 1, 2019) collected hereunder during the second preceding  
11 calendar month by the Department, and not including an amount  
12 equal to the amount of refunds made during the second preceding  
13 calendar month by the Department on behalf of such  
14 municipality, and not including any amounts that are  
15 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
16 remainder, which the Department shall transfer into the Tax  
17 Compliance and Administration Fund. The Department, at the time  
18 of each monthly disbursement to the municipalities, shall  
19 prepare and certify to the State Comptroller the amount to be  
20 transferred into the Tax Compliance and Administration Fund  
21 under this Section. Within 10 days after receipt, by the  
22 Comptroller, of the disbursement certification to the  
23 municipalities, the General Revenue Fund, and the Tax  
24 Compliance and Administration Fund provided for in this Section  
25 to be given to the Comptroller by the Department, the  
26 Comptroller shall cause the orders to be drawn for the

1       respective amounts in accordance with the directions contained  
2       in such certification.

3             The Department of Revenue shall implement Public Act 91-649  
4       so as to collect the tax on and after January 1, 2002.

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

9             As used in this Section, "municipal" or "municipality"  
10       means or refers to a city, village or incorporated town,  
11       including an incorporated town which has superseded a civil  
12       township.

13             This Section shall be known and may be cited as the  
14       "Non-Home Rule Municipal Service Occupation Tax Act".

15       (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
16       100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
17       7-12-19; 101-604, eff. 12-13-19.)

18             (65 ILCS 5/8-11-1.6)

19             Sec. 8-11-1.6. Non-home rule municipal retailers'  
20       occupation tax; municipalities between 20,000 and 25,000. The  
21       corporate authorities of a non-home rule municipality with a  
22       population of more than 20,000 but less than 25,000 that has,  
23       prior to January 1, 1987, established a Redevelopment Project  
24       Area that has been certified as a State Sales Tax Boundary and  
25       has issued bonds or otherwise incurred indebtedness to pay for

1 costs in excess of \$5,000,000, which is secured in part by a  
2 tax increment allocation fund, in accordance with the  
3 provisions of Division 11-74.4 of this Code may, by passage of  
4 an ordinance, impose a tax upon all persons engaged in the  
5 business of selling tangible personal property, other than on  
6 an item of tangible personal property that is titled and  
7 registered by an agency of this State's Government, at retail  
8 in the municipality. This tax may not be imposed on tangible  
9 personal property taxed at the 1% rate under the Retailers'  
10 Occupation Tax Act. Beginning December 1, 2019, this tax is not  
11 imposed on sales of aviation fuel unless the tax revenue is  
12 expended for airport-related purposes. If a municipality does  
13 not have an airport-related purpose to which it dedicates  
14 aviation fuel tax revenue, then aviation fuel is excluded from  
15 the tax. Each municipality must comply with the certification  
16 requirements for airport-related purposes under Section 2-22  
17 of the Retailers' Occupation Tax Act. For purposes of this  
18 Section, "airport-related purposes" has the meaning ascribed  
19 in Section 6z-20.2 of the State Finance Act. This exclusion for  
20 aviation fuel only applies for so long as the revenue use  
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
22 binding on the municipality. If imposed, the tax shall only be  
23 imposed in .25% increments of the gross receipts from such  
24 sales made in the course of business. Any tax imposed by a  
25 municipality under this Section and all civil penalties that  
26 may be assessed as an incident thereof shall be collected and

1 enforced by the State Department of Revenue. An ordinance  
2 imposing a tax hereunder or effecting a change in the rate  
3 thereof shall be adopted and a certified copy thereof filed  
4 with the Department on or before the first day of October,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of January next  
7 following such adoption and filing. The certificate of  
8 registration that is issued by the Department to a retailer  
9 under the Retailers' Occupation Tax Act shall permit the  
10 retailer to engage in a business that is taxable under any  
11 ordinance or resolution enacted under this Section without  
12 registering separately with the Department under the ordinance  
13 or resolution or under this Section. The Department shall have  
14 full power to administer and enforce this Section, to collect  
15 all taxes and penalties due hereunder, to dispose of taxes and  
16 penalties so collected in the manner hereinafter provided, and  
17 to determine all rights to credit memoranda, arising on account  
18 of the erroneous payment of tax or penalty hereunder. In the  
19 administration of, and compliance with this Section, the  
20 Department and persons who are subject to this Section shall  
21 have the same rights, remedies, privileges, immunities,  
22 powers, and duties, and be subject to the same conditions,  
23 restrictions, limitations, penalties, and definitions of  
24 terms, and employ the same modes of procedure, as are  
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
26 through 2-65 (in respect to all provisions therein other than

1 the State rate of tax), 2c, 3 (except as to the disposition of  
2 taxes and penalties collected, and except that the retailer's  
3 discount is not allowed for taxes paid on aviation fuel that  
4 are subject to the revenue use requirements of 49 U.S.C.  
5 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
6 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
7 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
8 the Uniform Penalty and Interest Act as fully as if those  
9 provisions were set forth herein.

10 A tax may not be imposed by a municipality under this  
11 Section unless the municipality also imposes a tax at the same  
12 rate under Section 8-11-1.7 of this Act.

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

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant, instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the order to be drawn for the  
24 amount specified, and to the person named in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Non-Home Rule Municipal Retailers'

1 Occupation Tax Fund, which is hereby created or the Local  
2 Government Aviation Trust Fund, as appropriate.

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

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

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

1 the municipalities to be those from which retailers have paid  
2 taxes or penalties hereunder to the Department during the  
3 second preceding calendar month. The amount to be paid to each  
4 municipality shall be the amount (not including credit  
5 memoranda and not including taxes and penalties collected on  
6 aviation fuel sold on or after December 1, 2019) collected  
7 hereunder during the second preceding calendar month by the  
8 Department plus an amount the Department determines is  
9 necessary to offset any amounts that were erroneously paid to a  
10 different taxing body, and not including an amount equal to the  
11 amount of refunds made during the second preceding calendar  
12 month by the Department on behalf of the municipality, and not  
13 including any amount that the Department determines is  
14 necessary to offset any amounts that were payable to a  
15 different taxing body but were erroneously paid to the  
16 municipality, and not including any amounts that are  
17 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
18 remainder, which the Department shall transfer into the Tax  
19 Compliance and Administration Fund. The Department, at the time  
20 of each monthly disbursement to the municipalities, shall  
21 prepare and certify to the State Comptroller the amount to be  
22 transferred into the Tax Compliance and Administration Fund  
23 under this Section. Within 10 days after receipt by the  
24 Comptroller of the disbursement certification to the  
25 municipalities and the Tax Compliance and Administration Fund  
26 provided for in this Section to be given to the Comptroller by



1 the Department, the Comptroller shall cause the orders to be  
2 drawn for the respective amounts in accordance with the  
3 directions contained in the certification.

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

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

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

23 As used in this Section, "municipal" and "municipality"  
24 means a city, village, or incorporated town, including an  
25 incorporated town that has superseded a civil township.

26 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;

1 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
2 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

3 (65 ILCS 5/8-11-1.7)

4 Sec. 8-11-1.7. Non-home rule municipal service occupation  
5 tax; municipalities between 20,000 and 25,000. The corporate  
6 authorities of a non-home rule municipality with a population  
7 of more than 20,000 but less than 25,000 as determined by the  
8 last preceding decennial census that has, prior to January 1,  
9 1987, established a Redevelopment Project Area that has been  
10 certified as a State Sales Tax Boundary and has issued bonds or  
11 otherwise incurred indebtedness to pay for costs in excess of  
12 \$5,000,000, which is secured in part by a tax increment  
13 allocation fund, in accordance with the provisions of Division  
14 11-74.4 of this Code may, by passage of an ordinance, impose a  
15 tax upon all persons engaged in the municipality in the  
16 business of making sales of service. If imposed, the tax shall  
17 only be imposed in .25% increments of the selling price of all  
18 tangible personal property transferred by such servicemen  
19 either in the form of tangible personal property or in the form  
20 of real estate as an incident to a sale of service. This tax  
21 may not be imposed on tangible personal property taxed at the  
22 1% rate under the Service Occupation Tax Act. Beginning  
23 December 1, 2019, this tax is not imposed on sales of aviation  
24 fuel unless the tax revenue is expended for airport-related  
25 purposes. If a municipality does not have an airport-related

1 purpose to which it dedicates aviation fuel tax revenue, then  
2 aviation fuel is excluded from the tax. Each municipality must  
3 comply with the certification requirements for airport-related  
4 purposes under Section 2-22 of the Retailers' Occupation Tax  
5 Act. For purposes of this Section, "airport-related purposes"  
6 has the meaning ascribed in Section 6z-20.2 of the State  
7 Finance Act. This exclusion for aviation fuel only applies for  
8 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
9 and 49 U.S.C. 47133 are binding on the municipality. The tax  
10 imposed by a municipality under this Section and all civil  
11 penalties that may be assessed as an incident thereof shall be  
12 collected and enforced by the State Department of Revenue. An  
13 ordinance imposing a tax hereunder or effecting a change in the  
14 rate thereof shall be adopted and a certified copy thereof  
15 filed with the Department on or before the first day of  
16 October, whereupon the Department shall proceed to administer  
17 and enforce this Section as of the first day of January next  
18 following such adoption and filing. The certificate of  
19 registration that is issued by the Department to a retailer  
20 under the Retailers' Occupation Tax Act or under the Service  
21 Occupation Tax Act shall permit the registrant to engage in a  
22 business that is taxable under any ordinance or resolution  
23 enacted under this Section without registering separately with  
24 the Department under the ordinance or resolution or under this  
25 Section. The Department shall have full power to administer and  
26 enforce this Section, to collect all taxes and penalties due

1 hereunder, to dispose of taxes and penalties so collected in a  
2 manner hereinafter provided, and to determine all rights to  
3 credit memoranda arising on account of the erroneous payment of  
4 tax or penalty hereunder. In the administration of and  
5 compliance with this Section, the Department and persons who  
6 are subject to this Section shall have the same rights,  
7 remedies, privileges, immunities, powers, and duties, and be  
8 subject to the same conditions, restrictions, limitations,  
9 penalties and definitions of terms, and employ the same modes  
10 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
11 through 3-50 (in respect to all provisions therein other than  
12 the State rate of tax), 4 (except that the reference to the  
13 State shall be to the taxing municipality), 5, 7, 8 (except  
14 that the jurisdiction to which the tax shall be a debt to the  
15 extent indicated in that Section 8 shall be the taxing  
16 municipality), 9 (except as to the disposition of taxes and  
17 penalties collected, and except that the returned merchandise  
18 credit for this municipal tax may not be taken against any  
19 State tax, and except that the retailer's discount is not  
20 allowed for taxes paid on aviation fuel that are subject to the  
21 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
22 47133), 10, 11, 12, (except the reference therein to Section 2b  
23 of the Retailers' Occupation Tax Act), 13 (except that any  
24 reference to the State shall mean the taxing municipality), the  
25 first paragraph of Sections 15, 16, 17, 18, 19, and 20 of the  
26 Service Occupation Tax Act and Section 3-7 of the Uniform

1 Penalty and Interest Act, as fully as if those provisions were  
2 set forth herein.

3 A tax may not be imposed by a municipality under this  
4 Section unless the municipality also imposes a tax at the same  
5 rate under Section 8-11-1.6 of this Act.

6 Person subject to any tax imposed under the authority  
7 granted in this Section may reimburse themselves for their  
8 servicemen's tax liability hereunder by separately stating the  
9 tax as an additional charge, which charge may be stated in  
10 combination, in a single amount, with State tax that servicemen  
11 are authorized to collect under the Service Use Tax Act, under  
12 such bracket schedules as the Department may prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this Section to a claimant instead of issuing credit  
15 memorandum, the Department shall notify the State Comptroller,  
16 who shall cause the order to be drawn for the amount specified,  
17 and to the person named, in such notification from the  
18 Department. The refund shall be paid by the State Treasurer out  
19 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund  
20 or the Local Government Aviation Trust Fund, as appropriate.

21 Except as otherwise provided in this paragraph, the  
22 Department shall forthwith pay over to the State Treasurer, ex  
23 officio, as trustee, all taxes and penalties collected  
24 hereunder for deposit into the Non-Home Rule Municipal  
25 Retailers' Occupation Tax Fund. Taxes and penalties collected  
26 on aviation fuel sold on or after December 1, 2019, shall be

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

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

15 After the monthly transfer to the STAR Bonds Revenue Fund,  
16 on or before the 25th day of each calendar month, the  
17 Department shall prepare and certify to the Comptroller the  
18 disbursement of stated sums of money to named municipalities,  
19 the municipalities to be those from which suppliers and  
20 servicemen have paid taxes or penalties hereunder to the  
21 Department during the second preceding calendar month. The  
22 amount to be paid to each municipality shall be the amount (not  
23 including credit memoranda and not including taxes and  
24 penalties collected on aviation fuel sold on or after December  
25 1, 2019) collected hereunder during the second preceding  
26 calendar month by the Department, and not including an amount

1 equal to the amount of refunds made during the second preceding  
2 calendar month by the Department on behalf of such  
3 municipality, and not including any amounts that are  
4 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
5 remainder, which the Department shall transfer into the Tax  
6 Compliance and Administration Fund. The Department, at the time  
7 of each monthly disbursement to the municipalities, shall  
8 prepare and certify to the State Comptroller the amount to be  
9 transferred into the Tax Compliance and Administration Fund  
10 under this Section. Within 10 days after receipt by the  
11 Comptroller of the disbursement certification to the  
12 municipalities, the Tax Compliance and Administration Fund,  
13 and the General Revenue Fund, provided for in this Section to  
14 be given to the Comptroller by the Department, the Comptroller  
15 shall cause the orders to be drawn for the respective amounts  
16 in accordance with the directions contained in the  
17 certification.

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

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

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

2 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
3 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
4 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

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

6 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
7 Act. The corporate authorities of a home rule municipality may  
8 impose a tax upon all persons engaged, in such municipality, in  
9 the business of making sales of service at the same rate of tax  
10 imposed pursuant to Section 8-11-1, of the selling price of all  
11 tangible personal property transferred by such servicemen  
12 either in the form of tangible personal property or in the form  
13 of real estate as an incident to a sale of service. If imposed,  
14 such tax shall only be imposed in 1/4% increments. On and after  
15 September 1, 1991, this additional tax may not be imposed on  
16 tangible personal property taxed at the 1% rate under the  
17 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
18 tax may not be imposed on sales of aviation fuel unless the tax  
19 revenue is expended for airport-related purposes. If a  
20 municipality does not have an airport-related purpose to which  
21 it dedicates aviation fuel tax revenue, then aviation fuel  
22 shall be excluded from tax. Each municipality must comply with  
23 the certification requirements for airport-related purposes  
24 under Section 2-22 of the Retailers' Occupation Tax Act. For  
25 purposes of this Section, "airport-related purposes" has the



1 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
2 This exception for aviation fuel only applies for so long as  
3 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
4 U.S.C. 47133 are binding on the State. The changes made to this  
5 Section by this amendatory Act of the 101st General Assembly  
6 are a denial and limitation of home rule powers and functions  
7 under subsection (g) of Section 6 of Article VII of the  
8 Illinois Constitution. The tax imposed by a home rule  
9 municipality pursuant to this Section and all civil penalties  
10 that may be assessed as an incident thereof shall be collected  
11 and enforced by the State Department of Revenue. The  
12 certificate of registration which is issued by the Department  
13 to a retailer under the Retailers' Occupation Tax Act or under  
14 the Service Occupation Tax Act shall permit such registrant to  
15 engage in a business which is taxable under any ordinance or  
16 resolution enacted pursuant to this Section without  
17 registering separately with the Department under such  
18 ordinance or resolution or under this Section. The Department  
19 shall have full power to administer and enforce this Section;  
20 to collect all taxes and penalties due hereunder; to dispose of  
21 taxes and penalties so collected in the manner hereinafter  
22 provided, and to determine all rights to credit memoranda  
23 arising on account of the erroneous payment of tax or penalty  
24 hereunder. In the administration of, and compliance with, this  
25 Section the Department and persons who are subject to this  
26 Section shall have the same rights, remedies, privileges,

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

24 No tax may be imposed by a home rule municipality pursuant  
25 to this Section unless such municipality also imposes a tax at  
26 the same rate pursuant to Section 8-11-1 of this Act.

1           Persons subject to any tax imposed pursuant to the  
2 authority granted in this Section may reimburse themselves for  
3 their serviceman's tax liability hereunder by separately  
4 stating such tax as an additional charge, which charge may be  
5 stated in combination, in a single amount, with State tax which  
6 servicemen are authorized to collect under the Service Use Tax  
7 Act, pursuant to such bracket schedules as the Department may  
8 prescribe.

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

17           Except as otherwise provided in this paragraph, the  
18 Department shall forthwith pay over to the State Treasurer, ex  
19 officio, as trustee, all taxes and penalties collected  
20 hereunder for deposit into the Home Rule Municipal Retailers'  
21 Occupation Tax Fund. Taxes and penalties collected on aviation  
22 fuel sold on or after December 1, 2019, shall be immediately  
23 paid over by the Department to the State Treasurer, ex officio,  
24 as trustee, for deposit into the Local Government Aviation  
25 Trust Fund. The Department shall only pay moneys into the Local  
26 Government Aviation Trust Fund under this Section for so long

1 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
2 U.S.C. 47133 are binding on the municipality.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to named municipalities,  
15 the municipalities to be those from which suppliers and  
16 servicemen have paid taxes or penalties hereunder to the  
17 Department during the second preceding calendar month. The  
18 amount to be paid to each municipality shall be the amount (not  
19 including credit memoranda and not including taxes and  
20 penalties collected on aviation fuel sold on or after December  
21 1, 2019) collected hereunder during the second preceding  
22 calendar month by the Department, and not including an amount  
23 equal to the amount of refunds made during the second preceding  
24 calendar month by the Department on behalf of such  
25 municipality, and not including any amounts that are  
26 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the

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

13 In addition to the disbursement required by the preceding  
14 paragraph and in order to mitigate delays caused by  
15 distribution procedures, an allocation shall, if requested, be  
16 made within 10 days after January 14, 1991, and in November of  
17 1991 and each year thereafter, to each municipality that  
18 received more than \$500,000 during the preceding fiscal year,  
19 (July 1 through June 30) whether collected by the municipality  
20 or disbursed by the Department as required by this Section.  
21 Within 10 days after January 14, 1991, participating  
22 municipalities shall notify the Department in writing of their  
23 intent to participate. In addition, for the initial  
24 distribution, participating municipalities shall certify to  
25 the Department the amounts collected by the municipality for  
26 each month under its home rule occupation and service

1 occupation tax during the period July 1, 1989 through June 30,  
2 1990. The allocation within 10 days after January 14, 1991,  
3 shall be in an amount equal to the monthly average of these  
4 amounts, excluding the 2 months of highest receipts. Monthly  
5 average for the period of July 1, 1990 through June 30, 1991  
6 will be determined as follows: the amounts collected by the  
7 municipality under its home rule occupation and service  
8 occupation tax during the period of July 1, 1990 through  
9 September 30, 1990, plus amounts collected by the Department  
10 and paid to such municipality through June 30, 1991, excluding  
11 the 2 months of highest receipts. The monthly average for each  
12 subsequent period of July 1 through June 30 shall be an amount  
13 equal to the monthly distribution made to each such  
14 municipality under the preceding paragraph during this period,  
15 excluding the 2 months of highest receipts. The distribution  
16 made in November 1991 and each year thereafter under this  
17 paragraph and the preceding paragraph shall be reduced by the  
18 amount allocated and disbursed under this paragraph in the  
19 preceding period of July 1 through June 30. The Department  
20 shall prepare and certify to the Comptroller for disbursement  
21 the allocations made in accordance with this paragraph.

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

26 An ordinance or resolution imposing or discontinuing a tax

1 hereunder or effecting a change in the rate thereof shall be  
2 adopted and a certified copy thereof filed with the Department  
3 on or before the first day of June, whereupon the Department  
4 shall proceed to administer and enforce this Section as of the  
5 first day of September next following such adoption and filing.  
6 Beginning January 1, 1992, an ordinance or resolution imposing  
7 or discontinuing the tax hereunder or effecting a change in the  
8 rate thereof shall be adopted and a certified copy thereof  
9 filed with the Department on or before the first day of July,  
10 whereupon the Department shall proceed to administer and  
11 enforce this Section as of the first day of October next  
12 following such adoption and filing. Beginning January 1, 1993,  
13 an ordinance or resolution imposing or discontinuing the tax  
14 hereunder or effecting a change in the rate thereof shall be  
15 adopted and a certified copy thereof filed with the Department  
16 on or before the first day of October, whereupon the Department  
17 shall proceed to administer and enforce this Section as of the  
18 first day of January next following such adoption and filing.  
19 However, a municipality located in a county with a population  
20 in excess of 3,000,000 that elected to become a home rule unit  
21 at the general primary election in 1994 may adopt an ordinance  
22 or resolution imposing the tax under this Section and file a  
23 certified copy of the ordinance or resolution with the  
24 Department on or before July 1, 1994. The Department shall then  
25 proceed to administer and enforce this Section as of October 1,  
26 1994. Beginning April 1, 1998, an ordinance or resolution

1 imposing or discontinuing the tax hereunder or effecting a  
2 change in the rate thereof shall either (i) be adopted and a  
3 certified copy thereof filed with the Department on or before  
4 the first day of April, whereupon the Department shall proceed  
5 to administer and enforce this Section as of the first day of  
6 July next following the adoption and filing; or (ii) be adopted  
7 and a certified copy thereof filed with the Department on or  
8 before the first day of October, whereupon the Department shall  
9 proceed to administer and enforce this Section as of the first  
10 day of January next following the adoption and filing.

11 Any unobligated balance remaining in the Municipal  
12 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
13 was abolished by Public Act 85-1135, and all receipts of  
14 municipal tax as a result of audits of liability periods prior  
15 to January 1, 1990, shall be paid into the Local Government Tax  
16 Fund, for distribution as provided by this Section prior to the  
17 enactment of Public Act 85-1135. All receipts of municipal tax  
18 as a result of an assessment not arising from an audit, for  
19 liability periods prior to January 1, 1990, shall be paid into  
20 the Local Government Tax Fund for distribution before July 1,  
21 1990, as provided by this Section prior to the enactment of  
22 Public Act 85-1135, and on and after July 1, 1990, all such  
23 receipts shall be distributed as provided in Section 6z-18 of  
24 the State Finance Act.

25 As used in this Section, "municipal" and "municipality"  
26 means a city, village or incorporated town, including an



1 incorporated town which has superseded a civil township.

2 This Section shall be known and may be cited as the Home  
3 Rule Municipal Service Occupation Tax Act.

4 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
5 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
6 7-12-19; 101-604, eff. 12-13-19.)

7 (65 ILCS 5/8-11-23)

8 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax  
9 Law.

10 (a) This Section may be referred to as the Municipal  
11 Cannabis Retailers' Occupation Tax Law. The corporate  
12 authorities of any municipality may, by ordinance, impose a tax  
13 upon all persons engaged in the business of selling cannabis,  
14 other than cannabis purchased under the Compassionate Use of  
15 Medical Cannabis Program Act, at retail in the municipality on  
16 the gross receipts from these sales made in the course of that  
17 business. If imposed, the tax may not exceed 3% of the gross  
18 receipts from these sales and shall only be imposed in 1/4%  
19 increments. The tax imposed under this Section and all civil  
20 penalties that may be assessed as an incident of the tax shall  
21 be collected and enforced by the Department of Revenue. The  
22 Department of Revenue shall have full power to administer and  
23 enforce this Section; to collect all taxes and penalties due  
24 hereunder; to dispose of taxes and penalties so collected in  
25 the manner hereinafter provided; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of  
2 tax or penalty under this Section. In the administration of and  
3 compliance with this Section, the Department and persons who  
4 are subject to this Section shall have the same rights,  
5 remedies, privileges, immunities, powers and duties, and be  
6 subject to the same conditions, restrictions, limitations,  
7 penalties and definitions of terms, and employ the same modes  
8 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,  
9 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
10 provisions therein other than the State rate of tax), 2a, 2b,  
11 2c, 2i, 3 (except as to the disposition of taxes and penalties  
12 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,  
13 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
14 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
15 Penalty and Interest Act, as fully as if those provisions were  
16 set forth herein.

17 (b) Persons subject to any tax imposed under the authority  
18 granted in this Section may reimburse themselves for their  
19 seller's tax liability hereunder by separately stating that tax  
20 as an additional charge, which charge may be stated in  
21 combination, in a single amount, with any State tax that  
22 sellers are required to collect.

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

1 drawn for the amount specified and to the person named in the  
2 notification from the Department of Revenue.

3 (d) The Department of Revenue shall immediately pay over to  
4 the State Treasurer, ex officio, as trustee, all taxes and  
5 penalties collected hereunder for deposit into the Local  
6 Cannabis Retailers' Occupation Tax Trust Fund.

7 (e) On or before the 25th day of each calendar month, the  
8 Department of Revenue shall prepare and certify to the  
9 Comptroller the amount of money to be disbursed from the Local  
10 Cannabis Retailers' Occupation Tax Trust Fund to  
11 municipalities from which retailers have paid taxes or  
12 penalties under this Section during the second preceding  
13 calendar month. The amount to be paid to each municipality  
14 shall be the amount (not including credit memoranda) collected  
15 under this Section from sales made in the municipality during  
16 the second preceding calendar month, plus an amount the  
17 Department of Revenue determines is necessary to offset any  
18 amounts that were erroneously paid to a different taxing body,  
19 and not including an amount equal to the amount of refunds made  
20 during the second preceding calendar month by the Department on  
21 behalf of such municipality, and not including any amount that  
22 the Department determines is necessary to offset any amounts  
23 that were payable to a different taxing body but were  
24 erroneously paid to the municipality, less 1% ~~1.5%~~ of the  
25 remainder, which the Department shall transfer into the Tax  
26 Compliance and Administration Fund. The Department, at the time

1 of each monthly disbursement to the municipalities, shall  
2 prepare and certify to the State Comptroller the amount to be  
3 transferred into the Tax Compliance and Administration Fund  
4 under this Section. Within 10 days after receipt by the  
5 Comptroller of the disbursement certification to the  
6 municipalities and the Tax Compliance and Administration Fund  
7 provided for in this Section to be given to the Comptroller by  
8 the Department, the Comptroller shall cause the orders to be  
9 drawn for the respective amounts in accordance with the  
10 directions contained in the certification.

11 (f) An ordinance or resolution imposing or discontinuing a  
12 tax under this Section or effecting a change in the rate  
13 thereof that is adopted on or after June 25, 2019 (the  
14 effective date of Public Act 101-27) and for which a certified  
15 copy is filed with the Department on or before April 1, 2020  
16 shall be administered and enforced by the Department beginning  
17 on July 1, 2020. For ordinances filed with the Department after  
18 April 1, 2020, an ordinance or resolution imposing or  
19 discontinuing a tax under this Section or effecting a change in  
20 the rate thereof shall either (i) be adopted and a certified  
21 copy thereof filed with the Department on or before the first  
22 day of April, whereupon the Department shall proceed to  
23 administer and enforce this Section as of the first day of July  
24 next following the adoption and filing; or (ii) be adopted and  
25 a certified copy thereof filed with the Department on or before  
26 the first day of October, whereupon the Department shall

1 proceed to administer and enforce this Section as of the first  
2 day of January next following the adoption and filing.

3 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

4 Section 20. The Metro-East Park and Recreation District Act  
5 is amended by changing Section 30 as follows:

6 (70 ILCS 1605/30)

7 Sec. 30. Taxes.

8 (a) The board shall impose a tax upon all persons engaged  
9 in the business of selling tangible personal property, other  
10 than personal property titled or registered with an agency of  
11 this State's government, at retail in the District on the gross  
12 receipts from the sales made in the course of business. This  
13 tax shall be imposed only at the rate of one-tenth of one per  
14 cent.

15 This additional tax may not be imposed on tangible personal  
16 property taxed at the 1% rate under the Retailers' Occupation  
17 Tax Act. Beginning December 1, 2019 and through December 31,  
18 2020, this tax is not imposed on sales of aviation fuel unless  
19 the tax revenue is expended for airport-related purposes. If  
20 the District does not have an airport-related purpose to which  
21 it dedicates aviation fuel tax revenue, then aviation fuel  
22 shall be excluded from tax. The board must comply with the  
23 certification requirements for airport-related purposes under  
24 Section 2-22 of the Retailers' Occupation Tax Act. For purposes

1 of this Act, "airport-related purposes" has the meaning  
2 ascribed in Section 6z-20.2 of the State Finance Act. Beginning  
3 January 1, 2021, this tax is not imposed on sales of aviation  
4 fuel for so long as the revenue use requirements of 49 U.S.C.  
5 47107(b) and 49 U.S.C. 47133 are binding on the District. The  
6 tax imposed by the Board under this Section and all civil  
7 penalties that may be assessed as an incident of the tax shall  
8 be collected and enforced by the Department of Revenue. The  
9 certificate of registration that is issued by the Department to  
10 a retailer under the Retailers' Occupation Tax Act shall permit  
11 the retailer to engage in a business that is taxable without  
12 registering separately with the Department under an ordinance  
13 or resolution under this Section. The Department has full power  
14 to administer and enforce this Section, to collect all taxes  
15 and penalties due under this Section, to dispose of taxes and  
16 penalties so collected in the manner provided in this Section,  
17 and to determine all rights to credit memoranda arising on  
18 account of the erroneous payment of a tax or penalty under this  
19 Section. In the administration of and compliance with this  
20 Section, the Department and persons who are subject to this  
21 Section shall (i) have the same rights, remedies, privileges,  
22 immunities, powers, and duties, (ii) be subject to the same  
23 conditions, restrictions, limitations, penalties, and  
24 definitions of terms, and (iii) employ the same modes of  
25 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,  
26 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all

1 provisions contained in those Sections other than the State  
2 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except  
3 provisions relating to transaction returns and quarter monthly  
4 payments, and except that the retailer's discount is not  
5 allowed for taxes paid on aviation fuel that are subject to the  
6 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
7 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6,  
8 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the  
9 Retailers' Occupation Tax Act and the Uniform Penalty and  
10 Interest Act as if those provisions were set forth in this  
11 Section.

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

19 Whenever the Department determines that a refund should be  
20 made under this Section to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the order to be drawn for the  
23 amount specified and to the person named in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the State Metro-East Park and Recreation  
26 District Fund or the Local Government Aviation Trust Fund, as

1 appropriate.

2 (b) If a tax has been imposed under subsection (a), a  
3 service occupation tax shall also be imposed at the same rate  
4 upon all persons engaged, in the District, in the business of  
5 making sales of service, who, as an incident to making those  
6 sales of service, transfer tangible personal property within  
7 the District as an incident to a sale of service. This tax may  
8 not be imposed on tangible personal property taxed at the 1%  
9 rate under the Service Occupation Tax Act. Beginning December  
10 1, 2019 and through December 31, 2020, this tax may not be  
11 imposed on sales of aviation fuel unless the tax revenue is  
12 expended for airport-related purposes. If the District does not  
13 have an airport-related purpose to which it dedicates aviation  
14 fuel tax revenue, then aviation fuel shall be excluded from  
15 tax. The board must comply with the certification requirements  
16 for airport-related purposes under Section 2-22 of the  
17 Retailers' Occupation Tax Act. For purposes of this Act,  
18 "airport-related purposes" has the meaning ascribed in Section  
19 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
20 this tax is not imposed on sales of aviation fuel for so long  
21 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
22 U.S.C. 47133 are binding on the District. The tax imposed under  
23 this subsection and all civil penalties that may be assessed as  
24 an incident thereof shall be collected and enforced by the  
25 Department of Revenue. The Department has full power to  
26 administer and enforce this subsection; to collect all taxes



1 and penalties due hereunder; to dispose of taxes and penalties  
2 so collected in the manner hereinafter provided; and to  
3 determine all rights to credit memoranda arising on account of  
4 the erroneous payment of tax or penalty hereunder. In the  
5 administration of, and compliance with this subsection, the  
6 Department and persons who are subject to this paragraph shall  
7 (i) have the same rights, remedies, privileges, immunities,  
8 powers, and duties, (ii) be subject to the same conditions,  
9 restrictions, limitations, penalties, exclusions, exemptions,  
10 and definitions of terms, and (iii) employ the same modes of  
11 procedure as are prescribed in Sections 2 (except that the  
12 reference to State in the definition of supplier maintaining a  
13 place of business in this State shall mean the District), 2a,  
14 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
15 other than the State rate of tax), 4 (except that the reference  
16 to the State shall be to the District), 5, 7, 8 (except that  
17 the jurisdiction to which the tax shall be a debt to the extent  
18 indicated in that Section 8 shall be the District), 9 (except  
19 as to the disposition of taxes and penalties collected, and  
20 except that the retailer's discount is not allowed for taxes  
21 paid on aviation fuel that are subject to the revenue use  
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,  
23 11, 12 (except the reference therein to Section 2b of the  
24 Retailers' Occupation Tax Act), 13 (except that any reference  
25 to the State shall mean the District), Sections 15, 16, 17, 18,  
26 19 and 20 of the Service Occupation Tax Act and the Uniform

1 Penalty and Interest Act, as fully as if those provisions were  
2 set forth herein.

3 Persons subject to any tax imposed under the authority  
4 granted in this subsection may reimburse themselves for their  
5 serviceman's tax liability by separately stating the tax as an  
6 additional charge, which charge may be stated in combination,  
7 in a single amount, with State tax that servicemen are  
8 authorized to collect under the Service Use Tax Act, in  
9 accordance with such bracket schedules as the Department may  
10 prescribe.

11 Whenever the Department determines that a refund should be  
12 made under this subsection to a claimant instead of issuing a  
13 credit memorandum, the Department shall notify the State  
14 Comptroller, who shall cause the warrant to be drawn for the  
15 amount specified, and to the person named, in the notification  
16 from the Department. The refund shall be paid by the State  
17 Treasurer out of the State Metro-East Park and Recreation  
18 District Fund or the Local Government Aviation Trust Fund, as  
19 appropriate.

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

24 (c) Except as otherwise provided in this paragraph, the  
25 Department shall immediately pay over to the State Treasurer,  
26 ex officio, as trustee, all taxes and penalties collected under

1 this Section to be deposited into the State Metro-East Park and  
2 Recreation District Fund, which shall be an unappropriated  
3 trust fund held outside of the State treasury. Taxes and  
4 penalties collected on aviation fuel sold on or after December  
5 1, 2019 and through December 31, 2020, shall be immediately  
6 paid over by the Department to the State Treasurer, ex officio,  
7 as trustee, for deposit into the Local Government Aviation  
8 Trust Fund. The Department shall only pay moneys into the Local  
9 Government Aviation Trust Fund under this Act for so long as  
10 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
11 U.S.C. 47133 are binding on the District.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the Department  
14 of Revenue, the Comptroller shall order transferred, and the  
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
16 local sales tax increment, as defined in the Innovation  
17 Development and Economy Act, collected under this Section  
18 during the second preceding calendar month for sales within a  
19 STAR bond district. The Department shall make this  
20 certification only if the Metro East Park and Recreation  
21 District imposes a tax on real property as provided in the  
22 definition of "local sales taxes" under the Innovation  
23 Development and Economy Act.

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

1 disbursement of stated sums of money pursuant to Section 35 of  
2 this Act to the District from which retailers have paid taxes  
3 or penalties to the Department during the second preceding  
4 calendar month. The amount to be paid to the District shall be  
5 the amount (not including credit memoranda and not including  
6 taxes and penalties collected on aviation fuel sold on or after  
7 December 1, 2019 and through December 31, 2020) collected under  
8 this Section during the second preceding calendar month by the  
9 Department plus an amount the Department determines is  
10 necessary to offset any amounts that were erroneously paid to a  
11 different taxing body, and not including (i) an amount equal to  
12 the amount of refunds made during the second preceding calendar  
13 month by the Department on behalf of the District, (ii) any  
14 amount that the Department determines is necessary to offset  
15 any amounts that were payable to a different taxing body but  
16 were erroneously paid to the District, (iii) any amounts that  
17 are transferred to the STAR Bonds Revenue Fund, and (iv) 1%  
18 ~~1.5%~~ of the remainder, which the Department shall transfer into  
19 the Tax Compliance and Administration Fund. The Department, at  
20 the time of each monthly disbursement to the District, shall  
21 prepare and certify to the State Comptroller the amount to be  
22 transferred into the Tax Compliance and Administration Fund  
23 under this subsection. Within 10 days after receipt by the  
24 Comptroller of the disbursement certification to the District  
25 and the Tax Compliance and Administration Fund provided for in  
26 this Section to be given to the Comptroller by the Department,

1 the Comptroller shall cause the orders to be drawn for the  
2 respective amounts in accordance with directions contained in  
3 the certification.

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

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

17 (f) An ordinance imposing a tax under this Section or an  
18 ordinance extending the imposition of a tax to an additional  
19 county or counties shall be certified by the board and filed  
20 with the Department of Revenue either (i) on or before the  
21 first day of April, whereupon the Department shall proceed to  
22 administer and enforce the tax as of the first day of July next  
23 following the filing; or (ii) on or before the first day of  
24 October, whereupon the Department shall proceed to administer  
25 and enforce the tax as of the first day of January next  
26 following the filing.

1 (g) When certifying the amount of a monthly disbursement to  
2 the District under this Section, the Department shall increase  
3 or decrease the amounts by an amount necessary to offset any  
4 misallocation of previous disbursements. The offset amount  
5 shall be the amount erroneously disbursed within the previous 6  
6 months from the time a misallocation is discovered.

7 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
8 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
9 7-12-19; 101-604, eff. 12-13-19.)

10 Section 25. The Local Mass Transit District Act is amended  
11 by changing Section 5.01 as follows:

12 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

13 Sec. 5.01. Metro East Mass Transit District; use and  
14 occupation taxes.

15 (a) The Board of Trustees of any Metro East Mass Transit  
16 District may, by ordinance adopted with the concurrence of  
17 two-thirds of the then trustees, impose throughout the District  
18 any or all of the taxes and fees provided in this Section.  
19 Except as otherwise provided, all taxes and fees imposed under  
20 this Section shall be used only for public mass transportation  
21 systems, and the amount used to provide mass transit service to  
22 unserved areas of the District shall be in the same proportion  
23 to the total proceeds as the number of persons residing in the  
24 unserved areas is to the total population of the District.

1 Except as otherwise provided in this Act, taxes imposed under  
2 this Section and civil penalties imposed incident thereto shall  
3 be collected and enforced by the State Department of Revenue.  
4 The Department shall have the power to administer and enforce  
5 the taxes and to determine all rights for refunds for erroneous  
6 payments of the taxes.

7 (b) The Board may impose a Metro East Mass Transit District  
8 Retailers' Occupation Tax upon all persons engaged in the  
9 business of selling tangible personal property at retail in the  
10 district at a rate of 1/4 of 1%, or as authorized under  
11 subsection (d-5) of this Section, of the gross receipts from  
12 the sales made in the course of such business within the  
13 district, except that the rate of tax imposed under this  
14 Section on sales of aviation fuel on or after December 1, 2019  
15 shall be 0.25% in Madison County unless the Metro-East Mass  
16 Transit District in Madison County has an "airport-related  
17 purpose" and any additional amount authorized under subsection  
18 (d-5) is expended for airport-related purposes. If there is no  
19 airport-related purpose to which aviation fuel tax revenue is  
20 dedicated, then aviation fuel is excluded from any additional  
21 amount authorized under subsection (d-5). The rate in St. Clair  
22 County shall be 0.25% unless the Metro-East Mass Transit  
23 District in St. Clair County has an "airport-related purpose"  
24 and the additional 0.50% of the 0.75% tax on aviation fuel  
25 imposed in that County is expended for airport-related  
26 purposes. If there is no airport-related purpose to which

1 aviation fuel tax revenue is dedicated, then aviation fuel is  
2 excluded from the additional 0.50% of the 0.75% tax.

3 The Board must comply with the certification requirements  
4 for airport-related purposes under Section 2-22 of the  
5 Retailers' Occupation Tax Act. For purposes of this Section,  
6 "airport-related purposes" has the meaning ascribed in Section  
7 6z-20.2 of the State Finance Act. This exclusion for aviation  
8 fuel only applies for so long as the revenue use requirements  
9 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
10 District.

11 The tax imposed under this Section and all civil penalties  
12 that may be assessed as an incident thereof shall be collected  
13 and enforced by the State Department of Revenue. The Department  
14 shall have full power to administer and enforce this Section;  
15 to collect all taxes and penalties so collected in the manner  
16 hereinafter provided; and to determine all rights to credit  
17 memoranda arising on account of the erroneous payment of tax or  
18 penalty hereunder. In the administration of, and compliance  
19 with, this Section, the Department and persons who are subject  
20 to this Section shall have the same rights, remedies,  
21 privileges, immunities, powers and duties, and be subject to  
22 the same conditions, restrictions, limitations, penalties,  
23 exclusions, exemptions and definitions of terms and employ the  
24 same modes of procedure, as are prescribed in Sections 1, 1a,  
25 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
26 provisions therein other than the State rate of tax), 2c, 3



1 (except as to the disposition of taxes and penalties collected,  
2 and except that the retailer's discount is not allowed for  
3 taxes paid on aviation fuel that are subject to the revenue use  
4 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,  
5 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
6 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers' Occupation  
7 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
8 Act, as fully as if those provisions were set forth herein.

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

16 Whenever the Department determines that a refund should be  
17 made under this Section to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the warrant to be drawn for the  
20 amount specified, and to the person named, in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the Metro East Mass Transit District tax fund  
23 established under paragraph (h) of this Section or the Local  
24 Government Aviation Trust Fund, as appropriate.

25 If a tax is imposed under this subsection (b), a tax shall  
26 also be imposed under subsections (c) and (d) of this Section.

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

10           No tax shall be imposed or collected under this subsection  
11 on the sale of a motor vehicle in this State to a resident of  
12 another state if that motor vehicle will not be titled in this  
13 State.

14           Nothing in this Section shall be construed to authorize the  
15 Metro East Mass Transit District to impose a tax upon the  
16 privilege of engaging in any business which under the  
17 Constitution of the United States may not be made the subject  
18 of taxation by this State.

19           (c) If a tax has been imposed under subsection (b), a Metro  
20 East Mass Transit District Service Occupation Tax shall also be  
21 imposed upon all persons engaged, in the district, in the  
22 business of making sales of service, who, as an incident to  
23 making those sales of service, transfer tangible personal  
24 property within the District, either in the form of tangible  
25 personal property or in the form of real estate as an incident  
26 to a sale of service. The tax rate shall be 1/4%, or as

1 authorized under subsection (d-5) of this Section, of the  
2 selling price of tangible personal property so transferred  
3 within the district, except that the rate of tax imposed in  
4 these Counties under this Section on sales of aviation fuel on  
5 or after December 1, 2019 shall be 0.25% in Madison County  
6 unless the Metro-East Mass Transit District in Madison County  
7 has an "airport-related purpose" and any additional amount  
8 authorized under subsection (d-5) is expended for  
9 airport-related purposes. If there is no airport-related  
10 purpose to which aviation fuel tax revenue is dedicated, then  
11 aviation fuel is excluded from any additional amount authorized  
12 under subsection (d-5). The rate in St. Clair County shall be  
13 0.25% unless the Metro-East Mass Transit District in St. Clair  
14 County has an "airport-related purpose" and the additional  
15 0.50% of the 0.75% tax on aviation fuel is expended for  
16 airport-related purposes. If there is no airport-related  
17 purpose to which aviation fuel tax revenue is dedicated, then  
18 aviation fuel is excluded from the additional 0.50% of the  
19 0.75% tax.

20 The Board must comply with the certification requirements  
21 for airport-related purposes under Section 2-22 of the  
22 Retailers' Occupation Tax Act. For purposes of this Section,  
23 "airport-related purposes" has the meaning ascribed in Section  
24 6z-20.2 of the State Finance Act. This exclusion for aviation  
25 fuel only applies for so long as the revenue use requirements  
26 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the

1 District.

2 The tax imposed under this paragraph and all civil  
3 penalties that may be assessed as an incident thereof shall be  
4 collected and enforced by the State Department of Revenue. The  
5 Department shall have full power to administer and enforce this  
6 paragraph; to collect all taxes and penalties due hereunder; to  
7 dispose of taxes and penalties so collected in the manner  
8 hereinafter provided; and to determine all rights to credit  
9 memoranda arising on account of the erroneous payment of tax or  
10 penalty hereunder. In the administration of, and compliance  
11 with this paragraph, the Department and persons who are subject  
12 to this paragraph shall have the same rights, remedies,  
13 privileges, immunities, powers and duties, and be subject to  
14 the same conditions, restrictions, limitations, penalties,  
15 exclusions, exemptions and definitions of terms and employ the  
16 same modes of procedure as are prescribed in Sections 1a-1, 2  
17 (except that the reference to State in the definition of  
18 supplier maintaining a place of business in this State shall  
19 mean the Authority), 2a, 3 through 3-50 (in respect to all  
20 provisions therein other than the State rate of tax), 4 (except  
21 that the reference to the State shall be to the Authority), 5,  
22 7, 8 (except that the jurisdiction to which the tax shall be a  
23 debt to the extent indicated in that Section 8 shall be the  
24 District), 9 (except as to the disposition of taxes and  
25 penalties collected, and except that the returned merchandise  
26 credit for this tax may not be taken against any State tax, and

1 except that the retailer's discount is not allowed for taxes  
2 paid on aviation fuel that are subject to the revenue use  
3 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,  
4 11, 12 (except the reference therein to Section 2b of the  
5 Retailers' Occupation Tax Act), 13 (except that any reference  
6 to the State shall mean the District), the first paragraph of  
7 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax  
8 Act and Section 3-7 of the Uniform Penalty and Interest Act, as  
9 fully as if those provisions were set forth herein.

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

18 Whenever the Department determines that a refund should be  
19 made under this paragraph to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the warrant to be drawn for the  
22 amount specified, and to the person named, in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of the Metro East Mass Transit District tax fund  
25 established under paragraph (h) of this Section or the Local  
26 Government Aviation Trust Fund, as appropriate.

1           Nothing in this paragraph shall be construed to authorize  
2 the District to impose a tax upon the privilege of engaging in  
3 any business which under the Constitution of the United States  
4 may not be made the subject of taxation by the State.

5           (d) If a tax has been imposed under subsection (b), a Metro  
6 East Mass Transit District Use Tax shall also be imposed upon  
7 the privilege of using, in the district, any item of tangible  
8 personal property that is purchased outside the district at  
9 retail from a retailer, and that is titled or registered with  
10 an agency of this State's government, at a rate of 1/4%, or as  
11 authorized under subsection (d-5) of this Section, of the  
12 selling price of the tangible personal property within the  
13 District, as "selling price" is defined in the Use Tax Act. The  
14 tax shall be collected from persons whose Illinois address for  
15 titling or registration purposes is given as being in the  
16 District. The tax shall be collected by the Department of  
17 Revenue for the Metro East Mass Transit District. The tax must  
18 be paid to the State, or an exemption determination must be  
19 obtained from the Department of Revenue, before the title or  
20 certificate of registration for the property may be issued. The  
21 tax or proof of exemption may be transmitted to the Department  
22 by way of the State agency with which, or the State officer  
23 with whom, the tangible personal property must be titled or  
24 registered if the Department and the State agency or State  
25 officer determine that this procedure will expedite the  
26 processing of applications for title or registration.

1           The Department shall have full power to administer and  
2 enforce this paragraph; to collect all taxes, penalties and  
3 interest due hereunder; to dispose of taxes, penalties and  
4 interest so collected in the manner hereinafter provided; and  
5 to determine all rights to credit memoranda or refunds arising  
6 on account of the erroneous payment of tax, penalty or interest  
7 hereunder. In the administration of, and compliance with, this  
8 paragraph, the Department and persons who are subject to this  
9 paragraph shall have the same rights, remedies, privileges,  
10 immunities, powers and duties, and be subject to the same  
11 conditions, restrictions, limitations, penalties, exclusions,  
12 exemptions and definitions of terms and employ the same modes  
13 of procedure, as are prescribed in Sections 2 (except the  
14 definition of "retailer maintaining a place of business in this  
15 State"), 3 through 3-80 (except provisions pertaining to the  
16 State rate of tax, and except provisions concerning collection  
17 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
18 19 (except the portions pertaining to claims by retailers and  
19 except the last paragraph concerning refunds), 20, 21 and 22 of  
20 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
21 Interest Act, that are not inconsistent with this paragraph, as  
22 fully as if those provisions were set forth herein.

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

1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the Metro East Mass Transit District tax fund  
4 established under paragraph (h) of this Section.

5 (d-5) (A) The county board of any county participating in  
6 the Metro East Mass Transit District may authorize, by  
7 ordinance, a referendum on the question of whether the tax  
8 rates for the Metro East Mass Transit District Retailers'  
9 Occupation Tax, the Metro East Mass Transit District Service  
10 Occupation Tax, and the Metro East Mass Transit District Use  
11 Tax for the District should be increased from 0.25% to 0.75%.  
12 Upon adopting the ordinance, the county board shall certify the  
13 proposition to the proper election officials who shall submit  
14 the proposition to the voters of the District at the next  
15 election, in accordance with the general election law.

16 The proposition shall be in substantially the following  
17 form:

18 Shall the tax rates for the Metro East Mass Transit  
19 District Retailers' Occupation Tax, the Metro East Mass  
20 Transit District Service Occupation Tax, and the Metro East  
21 Mass Transit District Use Tax be increased from 0.25% to  
22 0.75%?

23 (B) Two thousand five hundred electors of any Metro East  
24 Mass Transit District may petition the Chief Judge of the  
25 Circuit Court, or any judge of that Circuit designated by the  
26 Chief Judge, in which that District is located to cause to be



1 submitted to a vote of the electors the question whether the  
2 tax rates for the Metro East Mass Transit District Retailers'  
3 Occupation Tax, the Metro East Mass Transit District Service  
4 Occupation Tax, and the Metro East Mass Transit District Use  
5 Tax for the District should be increased from 0.25% to 0.75%.

6 Upon submission of such petition the court shall set a date  
7 not less than 10 nor more than 30 days thereafter for a hearing  
8 on the sufficiency thereof. Notice of the filing of such  
9 petition and of such date shall be given in writing to the  
10 District and the County Clerk at least 7 days before the date  
11 of such hearing.

12 If such petition is found sufficient, the court shall enter  
13 an order to submit that proposition at the next election, in  
14 accordance with general election law.

15 The form of the petition shall be in substantially the  
16 following form: To the Circuit Court of the County of (name of  
17 county):

18 We, the undersigned electors of the (name of transit  
19 district), respectfully petition your honor to submit to a  
20 vote of the electors of (name of transit district) the  
21 following proposition:

22 Shall the tax rates for the Metro East Mass Transit  
23 District Retailers' Occupation Tax, the Metro East Mass  
24 Transit District Service Occupation Tax, and the Metro East  
25 Mass Transit District Use Tax be increased from 0.25% to  
26 0.75%?

1                   Name   Address, with Street and Number.

2                   .....

3                   .....

4           (C) The votes shall be recorded as "YES" or "NO". If a  
5 majority of all votes cast on the proposition are for the  
6 increase in the tax rates, the Metro East Mass Transit District  
7 shall begin imposing the increased rates in the District, and  
8 the Department of Revenue shall begin collecting the increased  
9 amounts, as provided under this Section. An ordinance imposing  
10 or discontinuing a tax hereunder or effecting a change in the  
11 rate thereof shall be adopted and a certified copy thereof  
12 filed with the Department on or before the first day of  
13 October, whereupon the Department shall proceed to administer  
14 and enforce this Section as of the first day of January next  
15 following the adoption and filing, or on or before the first  
16 day of April, whereupon the Department shall proceed to  
17 administer and enforce this Section as of the first day of July  
18 next following the adoption and filing.

19           (D) If the voters have approved a referendum under this  
20 subsection, before November 1, 1994, to increase the tax rate  
21 under this subsection, the Metro East Mass Transit District  
22 Board of Trustees may adopt by a majority vote an ordinance at  
23 any time before January 1, 1995 that excludes from the rate  
24 increase tangible personal property that is titled or  
25 registered with an agency of this State's government. The  
26 ordinance excluding titled or registered tangible personal

1 property from the rate increase must be filed with the  
2 Department at least 15 days before its effective date. At any  
3 time after adopting an ordinance excluding from the rate  
4 increase tangible personal property that is titled or  
5 registered with an agency of this State's government, the Metro  
6 East Mass Transit District Board of Trustees may adopt an  
7 ordinance applying the rate increase to that tangible personal  
8 property. The ordinance shall be adopted, and a certified copy  
9 of that ordinance shall be filed with the Department, on or  
10 before October 1, whereupon the Department shall proceed to  
11 administer and enforce the rate increase against tangible  
12 personal property titled or registered with an agency of this  
13 State's government as of the following January 1. After  
14 December 31, 1995, any reimposed rate increase in effect under  
15 this subsection shall no longer apply to tangible personal  
16 property titled or registered with an agency of this State's  
17 government. Beginning January 1, 1996, the Board of Trustees of  
18 any Metro East Mass Transit District may never reimpose a  
19 previously excluded tax rate increase on tangible personal  
20 property titled or registered with an agency of this State's  
21 government. After July 1, 2004, if the voters have approved a  
22 referendum under this subsection to increase the tax rate under  
23 this subsection, the Metro East Mass Transit District Board of  
24 Trustees may adopt by a majority vote an ordinance that  
25 excludes from the rate increase tangible personal property that  
26 is titled or registered with an agency of this State's

1 government. The ordinance excluding titled or registered  
2 tangible personal property from the rate increase shall be  
3 adopted, and a certified copy of that ordinance shall be filed  
4 with the Department on or before October 1, whereupon the  
5 Department shall administer and enforce this exclusion from the  
6 rate increase as of the following January 1, or on or before  
7 April 1, whereupon the Department shall administer and enforce  
8 this exclusion from the rate increase as of the following July  
9 1. The Board of Trustees of any Metro East Mass Transit  
10 District may never reimpose a previously excluded tax rate  
11 increase on tangible personal property titled or registered  
12 with an agency of this State's government.

13 (d-6) If the Board of Trustees of any Metro East Mass  
14 Transit District has imposed a rate increase under subsection  
15 (d-5) and filed an ordinance with the Department of Revenue  
16 excluding titled property from the higher rate, then that Board  
17 may, by ordinance adopted with the concurrence of two-thirds of  
18 the then trustees, impose throughout the District a fee. The  
19 fee on the excluded property shall not exceed \$20 per retail  
20 transaction or an amount equal to the amount of tax excluded,  
21 whichever is less, on tangible personal property that is titled  
22 or registered with an agency of this State's government.  
23 Beginning July 1, 2004, the fee shall apply only to titled  
24 property that is subject to either the Metro East Mass Transit  
25 District Retailers' Occupation Tax or the Metro East Mass  
26 Transit District Service Occupation Tax. No fee shall be

1 imposed or collected under this subsection on the sale of a  
2 motor vehicle in this State to a resident of another state if  
3 that motor vehicle will not be titled in this State.

4 (d-7) Until June 30, 2004, if a fee has been imposed under  
5 subsection (d-6), a fee shall also be imposed upon the  
6 privilege of using, in the district, any item of tangible  
7 personal property that is titled or registered with any agency  
8 of this State's government, in an amount equal to the amount of  
9 the fee imposed under subsection (d-6).

10 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
11 Board of Trustees of any Metro East Mass Transit District under  
12 subsection (d-6) and all civil penalties that may be assessed  
13 as an incident of the fees shall be collected and enforced by  
14 the State Department of Revenue. Reference to "taxes" in this  
15 Section shall be construed to apply to the administration,  
16 payment, and remittance of all fees under this Section. For  
17 purposes of any fee imposed under subsection (d-6), 4% of the  
18 fee, penalty, and interest received by the Department in the  
19 first 12 months that the fee is collected and enforced by the  
20 Department and 2% of the fee, penalty, and interest following  
21 the first 12 months (except the amount collected on aviation  
22 fuel sold on or after December 1, 2019) shall be deposited into  
23 the Tax Compliance and Administration Fund and shall be used by  
24 the Department, subject to appropriation, to cover the costs of  
25 the Department. No retailers' discount shall apply to any fee  
26 imposed under subsection (d-6).

1 (d-8) No item of titled property shall be subject to both  
2 the higher rate approved by referendum, as authorized under  
3 subsection (d-5), and any fee imposed under subsection (d-6) or  
4 (d-7).

5 (d-9) (Blank).

6 (d-10) (Blank).

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

16 (f) (Blank).

17 (g) Any ordinance imposing or discontinuing any tax under  
18 this Section shall be adopted and a certified copy thereof  
19 filed with the Department on or before June 1, whereupon the  
20 Department of Revenue shall proceed to administer and enforce  
21 this Section on behalf of the Metro East Mass Transit District  
22 as of September 1 next following such adoption and filing.  
23 Beginning January 1, 1992, an ordinance or resolution imposing  
24 or discontinuing the tax hereunder shall be adopted and a  
25 certified copy thereof filed with the Department on or before  
26 the first day of July, whereupon the Department shall proceed

1 to administer and enforce this Section as of the first day of  
2 October next following such adoption and filing. Beginning  
3 January 1, 1993, except as provided in subsection (d-5) of this  
4 Section, an ordinance or resolution imposing or discontinuing  
5 the tax hereunder shall be adopted and a certified copy thereof  
6 filed with the Department on or before the first day of  
7 October, whereupon the Department shall proceed to administer  
8 and enforce this Section as of the first day of January next  
9 following such adoption and filing, or, beginning January 1,  
10 2004, on or before the first day of April, whereupon the  
11 Department shall proceed to administer and enforce this Section  
12 as of the first day of July next following the adoption and  
13 filing.

14 (h) Except as provided in subsection (d-7.1), the State  
15 Department of Revenue shall, upon collecting any taxes as  
16 provided in this Section, pay the taxes over to the State  
17 Treasurer as trustee for the District. The taxes shall be held  
18 in a trust fund outside the State Treasury. If an  
19 airport-related purpose has been certified, taxes and  
20 penalties collected in St. Clair County on aviation fuel sold  
21 on or after December 1, 2019 from the 0.50% of the 0.75% rate  
22 shall be immediately paid over by the Department to the State  
23 Treasurer, ex officio, as trustee, for deposit into the Local  
24 Government Aviation Trust Fund. The Department shall only pay  
25 moneys into the Local Government Aviation Trust Fund under this  
26 Act for so long as the revenue use requirements of 49 U.S.C.

1 47107(b) and 49 U.S.C. 47133 are binding on the District.

2 As soon as possible after the first day of each month,  
3 beginning January 1, 2011, upon certification of the Department  
4 of Revenue, the Comptroller shall order transferred, and the  
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
6 local sales tax increment, as defined in the Innovation  
7 Development and Economy Act, collected under this Section  
8 during the second preceding calendar month for sales within a  
9 STAR bond district. The Department shall make this  
10 certification only if the local mass transit district imposes a  
11 tax on real property as provided in the definition of "local  
12 sales taxes" under the Innovation Development and Economy Act.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on or before the 25th day of each calendar month, the State  
15 Department of Revenue shall prepare and certify to the  
16 Comptroller of the State of Illinois the amount to be paid to  
17 the District, which shall be the amount (not including credit  
18 memoranda and not including taxes and penalties collected on  
19 aviation fuel sold on or after December 1, 2019 that are  
20 deposited into the Local Government Aviation Trust Fund)  
21 collected under this Section during the second preceding  
22 calendar month by the Department plus an amount the Department  
23 determines is necessary to offset any amounts that were  
24 erroneously paid to a different taxing body, and not including  
25 any amount equal to the amount of refunds made during the  
26 second preceding calendar month by the Department on behalf of



1 the District, and not including any amount that the Department  
2 determines is necessary to offset any amounts that were payable  
3 to a different taxing body but were erroneously paid to the  
4 District, and less any amounts that are transferred to the STAR  
5 Bonds Revenue Fund, less 1% ~~1.5%~~ of the remainder, which the  
6 Department shall transfer into the Tax Compliance and  
7 Administration Fund. The Department, at the time of each  
8 monthly disbursement to the District, shall prepare and certify  
9 to the State Comptroller the amount to be transferred into the  
10 Tax Compliance and Administration Fund under this subsection.  
11 Within 10 days after receipt by the Comptroller of the  
12 certification of the amount to be paid to the District and the  
13 Tax Compliance and Administration Fund, the Comptroller shall  
14 cause an order to be drawn for payment for the amount in  
15 accordance with the direction in the certification.

16 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
17 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

18 Section 30. The Regional Transportation Authority Act is  
19 amended by changing Section 4.03 as follows:

20 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

21 Sec. 4.03. Taxes.

22 (a) In order to carry out any of the powers or purposes of  
23 the Authority, the Board may by ordinance adopted with the  
24 concurrence of 12 of the then Directors, impose throughout the

1 metropolitan region any or all of the taxes provided in this  
2 Section. Except as otherwise provided in this Act, taxes  
3 imposed under this Section and civil penalties imposed incident  
4 thereto shall be collected and enforced by the State Department  
5 of Revenue. The Department shall have the power to administer  
6 and enforce the taxes and to determine all rights for refunds  
7 for erroneous payments of the taxes. Nothing in Public Act  
8 95-708 is intended to invalidate any taxes currently imposed by  
9 the Authority. The increased vote requirements to impose a tax  
10 shall only apply to actions taken after January 1, 2008 (the  
11 effective date of Public Act 95-708).

12 (b) The Board may impose a public transportation tax upon  
13 all persons engaged in the metropolitan region in the business  
14 of selling at retail motor fuel for operation of motor vehicles  
15 upon public highways. The tax shall be at a rate not to exceed  
16 5% of the gross receipts from the sales of motor fuel in the  
17 course of the business. As used in this Act, the term "motor  
18 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
19 The Board may provide for details of the tax. The provisions of  
20 any tax shall conform, as closely as may be practicable, to the  
21 provisions of the Municipal Retailers Occupation Tax Act,  
22 including without limitation, conformity to penalties with  
23 respect to the tax imposed and as to the powers of the State  
24 Department of Revenue to promulgate and enforce rules and  
25 regulations relating to the administration and enforcement of  
26 the provisions of the tax imposed, except that reference in the

1 Act to any municipality shall refer to the Authority and the  
2 tax shall be imposed only with regard to receipts from sales of  
3 motor fuel in the metropolitan region, at rates as limited by  
4 this Section.

5 (c) In connection with the tax imposed under paragraph (b)  
6 of this Section, the Board may impose a tax upon the privilege  
7 of using in the metropolitan region motor fuel for the  
8 operation of a motor vehicle upon public highways, the tax to  
9 be at a rate not in excess of the rate of tax imposed under  
10 paragraph (b) of this Section. The Board may provide for  
11 details of the tax.

12 (d) The Board may impose a motor vehicle parking tax upon  
13 the privilege of parking motor vehicles at off-street parking  
14 facilities in the metropolitan region at which a fee is  
15 charged, and may provide for reasonable classifications in and  
16 exemptions to the tax, for administration and enforcement  
17 thereof and for civil penalties and refunds thereunder and may  
18 provide criminal penalties thereunder, the maximum penalties  
19 not to exceed the maximum criminal penalties provided in the  
20 Retailers' Occupation Tax Act. The Authority may collect and  
21 enforce the tax itself or by contract with any unit of local  
22 government. The State Department of Revenue shall have no  
23 responsibility for the collection and enforcement unless the  
24 Department agrees with the Authority to undertake the  
25 collection and enforcement. As used in this paragraph, the term  
26 "parking facility" means a parking area or structure having

1 parking spaces for more than 2 vehicles at which motor vehicles  
2 are permitted to park in return for an hourly, daily, or other  
3 periodic fee, whether publicly or privately owned, but does not  
4 include parking spaces on a public street, the use of which is  
5 regulated by parking meters.

6 (e) The Board may impose a Regional Transportation  
7 Authority Retailers' Occupation Tax upon all persons engaged in  
8 the business of selling tangible personal property at retail in  
9 the metropolitan region. In Cook County, the tax rate shall be  
10 1.25% of the gross receipts from sales of tangible personal  
11 property taxed at the 1% rate under the Retailers' Occupation  
12 Tax Act, and 1% of the gross receipts from other taxable sales  
13 made in the course of that business. In DuPage, Kane, Lake,  
14 McHenry, and Will counties, the tax rate shall be 0.75% of the  
15 gross receipts from all taxable sales made in the course of  
16 that business. The rate of tax imposed in DuPage, Kane, Lake,  
17 McHenry, and Will counties under this Section on sales of  
18 aviation fuel on or after December 1, 2019 shall, however, be  
19 0.25% unless the Regional Transportation Authority in DuPage,  
20 Kane, Lake, McHenry, and Will counties has an "airport-related  
21 purpose" and the additional 0.50% of the 0.75% tax on aviation  
22 fuel is expended for airport-related purposes. If there is no  
23 airport-related purpose to which aviation fuel tax revenue is  
24 dedicated, then aviation fuel is excluded from the additional  
25 0.50% of the 0.75% tax. The tax imposed under this Section and  
26 all civil penalties that may be assessed as an incident thereof

1 shall be collected and enforced by the State Department of  
2 Revenue. The Department shall have full power to administer and  
3 enforce this Section; to collect all taxes and penalties so  
4 collected in the manner hereinafter provided; and to determine  
5 all rights to credit memoranda arising on account of the  
6 erroneous payment of tax or penalty hereunder. In the  
7 administration of, and compliance with this Section, the  
8 Department and persons who are subject to this Section shall  
9 have the same rights, remedies, privileges, immunities,  
10 powers, and duties, and be subject to the same conditions,  
11 restrictions, limitations, penalties, exclusions, exemptions,  
12 and definitions of terms, and employ the same modes of  
13 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
14 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
15 therein other than the State rate of tax), 2c, 3 (except as to  
16 the disposition of taxes and penalties collected, and except  
17 that the retailer's discount is not allowed for taxes paid on  
18 aviation fuel that are subject to the revenue use requirements  
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
20 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
21 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and  
22 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
23 as if those provisions were set forth herein.

24 The Board and DuPage, Kane, Lake, McHenry, and Will  
25 counties must comply with the certification requirements for  
26 airport-related purposes under Section 2-22 of the Retailers'

1 Occupation Tax Act. For purposes of this Section,  
2 "airport-related purposes" has the meaning ascribed in Section  
3 6z-20.2 of the State Finance Act. This exclusion for aviation  
4 fuel only applies for so long as the revenue use requirements  
5 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
6 Authority.

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

14 Whenever the Department determines that a refund should be  
15 made under this Section to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the warrant to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the Regional Transportation Authority tax fund  
21 established under paragraph (n) of this Section or the Local  
22 Government Aviation Trust Fund, as appropriate.

23 If a tax is imposed under this subsection (e), a tax shall  
24 also be imposed under subsections (f) and (g) of this Section.

25 For the purpose of determining whether a tax authorized  
26 under this Section is applicable, a retail sale by a producer

1 of coal or other mineral mined in Illinois, is a sale at retail  
2 at the place where the coal or other mineral mined in Illinois  
3 is extracted from the earth. This paragraph does not apply to  
4 coal or other mineral when it is delivered or shipped by the  
5 seller to the purchaser at a point outside Illinois so that the  
6 sale is exempt under the Federal Constitution as a sale in  
7 interstate or foreign commerce.

8 No tax shall be imposed or collected under this subsection  
9 on the sale of a motor vehicle in this State to a resident of  
10 another state if that motor vehicle will not be titled in this  
11 State.

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

17 (f) If a tax has been imposed under paragraph (e), a  
18 Regional Transportation Authority Service Occupation Tax shall  
19 also be imposed upon all persons engaged, in the metropolitan  
20 region in the business of making sales of service, who as an  
21 incident to making the sales of service, transfer tangible  
22 personal property within the metropolitan region, either in the  
23 form of tangible personal property or in the form of real  
24 estate as an incident to a sale of service. In Cook County, the  
25 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
26 food prepared for immediate consumption and transferred

1 incident to a sale of service subject to the service occupation  
2 tax by an entity licensed under the Hospital Licensing Act, the  
3 Nursing Home Care Act, the Specialized Mental Health  
4 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
5 the MC/DD Act that is located in the metropolitan region; (2)  
6 1.25% of the selling price of tangible personal property taxed  
7 at the 1% rate under the Service Occupation Tax Act; and (3) 1%  
8 of the selling price from other taxable sales of tangible  
9 personal property transferred. In DuPage, Kane, Lake, McHenry,  
10 and Will counties, the rate shall be 0.75% of the selling price  
11 of all tangible personal property transferred. The rate of tax  
12 imposed in DuPage, Kane, Lake, McHenry, and Will counties under  
13 this Section on sales of aviation fuel on or after December 1,  
14 2019 shall, however, be 0.25% unless the Regional  
15 Transportation Authority in DuPage, Kane, Lake, McHenry, and  
16 Will counties has an "airport-related purpose" and the  
17 additional 0.50% of the 0.75% tax on aviation fuel is expended  
18 for airport-related purposes. If there is no airport-related  
19 purpose to which aviation fuel tax revenue is dedicated, then  
20 aviation fuel is excluded from the additional 0.5% of the 0.75%  
21 tax.

22 The Board and DuPage, Kane, Lake, McHenry, and Will  
23 counties must comply with the certification requirements for  
24 airport-related purposes under Section 2-22 of the Retailers'  
25 Occupation Tax Act. For purposes of this Section,  
26 "airport-related purposes" has the meaning ascribed in Section



1 6z-20.2 of the State Finance Act. This exclusion for aviation  
2 fuel only applies for so long as the revenue use requirements  
3 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
4 Authority.

5 The tax imposed under this paragraph and all civil  
6 penalties that may be assessed as an incident thereof shall be  
7 collected and enforced by the State Department of Revenue. The  
8 Department shall have full power to administer and enforce this  
9 paragraph; to collect all taxes and penalties due hereunder; to  
10 dispose of taxes and penalties collected in the manner  
11 hereinafter provided; and to determine all rights to credit  
12 memoranda arising on account of the erroneous payment of tax or  
13 penalty hereunder. In the administration of and compliance with  
14 this paragraph, the Department and persons who are subject to  
15 this paragraph shall have the same rights, remedies,  
16 privileges, immunities, powers, and duties, and be subject to  
17 the same conditions, restrictions, limitations, penalties,  
18 exclusions, exemptions, and definitions of terms, and employ  
19 the same modes of procedure, as are prescribed in Sections  
20 1a-1, 2, 2a, 3 through 3-50 (in respect to all provisions  
21 therein other than the State rate of tax), 4 (except that the  
22 reference to the State shall be to the Authority), 5, 7, 8  
23 (except that the jurisdiction to which the tax shall be a debt  
24 to the extent indicated in that Section 8 shall be the  
25 Authority), 9 (except as to the disposition of taxes and  
26 penalties collected, and except that the returned merchandise

1 credit for this tax may not be taken against any State tax, and  
2 except that the retailer's discount is not allowed for taxes  
3 paid on aviation fuel that are subject to the revenue use  
4 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,  
5 11, 12 (except the reference therein to Section 2b of the  
6 Retailers' Occupation Tax Act), 13 (except that any reference  
7 to the State shall mean the Authority), the first paragraph of  
8 Section 15, 16, 17, 18, 19, and 20 of the Service Occupation  
9 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
10 Act, as fully as if those provisions were set forth herein.

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

18 Whenever the Department determines that a refund should be  
19 made under this paragraph to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the warrant to be drawn for the  
22 amount specified, and to the person named in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of the Regional Transportation Authority tax fund  
25 established under paragraph (n) of this Section or the Local  
26 Government Aviation Trust Fund, as appropriate.

1           Nothing in this paragraph shall be construed to authorize  
2 the Authority to impose a tax upon the privilege of engaging in  
3 any business that under the Constitution of the United States  
4 may not be made the subject of taxation by the State.

5           (g) If a tax has been imposed under paragraph (e), a tax  
6 shall also be imposed upon the privilege of using in the  
7 metropolitan region, any item of tangible personal property  
8 that is purchased outside the metropolitan region at retail  
9 from a retailer, and that is titled or registered with an  
10 agency of this State's government. In Cook County, the tax rate  
11 shall be 1% of the selling price of the tangible personal  
12 property, as "selling price" is defined in the Use Tax Act. In  
13 DuPage, Kane, Lake, McHenry, and Will counties, the tax rate  
14 shall be 0.75% of the selling price of the tangible personal  
15 property, as "selling price" is defined in the Use Tax Act. The  
16 tax shall be collected from persons whose Illinois address for  
17 titling or registration purposes is given as being in the  
18 metropolitan region. The tax shall be collected by the  
19 Department of Revenue for the Regional Transportation  
20 Authority. The tax must be paid to the State, or an exemption  
21 determination must be obtained from the Department of Revenue,  
22 before the title or certificate of registration for the  
23 property may be issued. The tax or proof of exemption may be  
24 transmitted to the Department by way of the State agency with  
25 which, or the State officer with whom, the tangible personal  
26 property must be titled or registered if the Department and the

1 State agency or State officer determine that this procedure  
2 will expedite the processing of applications for title or  
3 registration.

4 The Department shall have full power to administer and  
5 enforce this paragraph; to collect all taxes, penalties, and  
6 interest due hereunder; to dispose of taxes, penalties, and  
7 interest collected in the manner hereinafter provided; and to  
8 determine all rights to credit memoranda or refunds arising on  
9 account of the erroneous payment of tax, penalty, or interest  
10 hereunder. In the administration of and compliance with this  
11 paragraph, the Department and persons who are subject to this  
12 paragraph shall have the same rights, remedies, privileges,  
13 immunities, powers, and duties, and be subject to the same  
14 conditions, restrictions, limitations, penalties, exclusions,  
15 exemptions, and definitions of terms and employ the same modes  
16 of procedure, as are prescribed in Sections 2 (except the  
17 definition of "retailer maintaining a place of business in this  
18 State"), 3 through 3-80 (except provisions pertaining to the  
19 State rate of tax, and except provisions concerning collection  
20 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
21 19 (except the portions pertaining to claims by retailers and  
22 except the last paragraph concerning refunds), 20, 21, and 22  
23 of the Use Tax Act, and are not inconsistent with this  
24 paragraph, as fully as if those provisions were set forth  
25 herein.

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the order to be drawn for the  
4 amount specified, and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Regional Transportation Authority tax fund  
7 established under paragraph (n) of this Section.

8 (h) The Authority may impose a replacement vehicle tax of  
9 \$50 on any passenger car as defined in Section 1-157 of the  
10 Illinois Vehicle Code purchased within the metropolitan region  
11 by or on behalf of an insurance company to replace a passenger  
12 car of an insured person in settlement of a total loss claim.  
13 The tax imposed may not become effective before the first day  
14 of the month following the passage of the ordinance imposing  
15 the tax and receipt of a certified copy of the ordinance by the  
16 Department of Revenue. The Department of Revenue shall collect  
17 the tax for the Authority in accordance with Sections 3-2002  
18 and 3-2003 of the Illinois Vehicle Code.

19 The Department shall immediately pay over to the State  
20 Treasurer, ex officio, as trustee, all taxes collected  
21 hereunder.

22 As soon as possible after the first day of each month,  
23 beginning January 1, 2011, upon certification of the Department  
24 of Revenue, the Comptroller shall order transferred, and the  
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
26 local sales tax increment, as defined in the Innovation

1 Development and Economy Act, collected under this Section  
2 during the second preceding calendar month for sales within a  
3 STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,  
5 on or before the 25th day of each calendar month, the  
6 Department shall prepare and certify to the Comptroller the  
7 disbursement of stated sums of money to the Authority. The  
8 amount to be paid to the Authority shall be the amount  
9 collected hereunder during the second preceding calendar month  
10 by the Department, less any amount determined by the Department  
11 to be necessary for the payment of refunds, and less any  
12 amounts that are transferred to the STAR Bonds Revenue Fund.  
13 Within 10 days after receipt by the Comptroller of the  
14 disbursement certification to the Authority provided for in  
15 this Section to be given to the Comptroller by the Department,  
16 the Comptroller shall cause the orders to be drawn for that  
17 amount in accordance with the directions contained in the  
18 certification.

19 (i) The Board may not impose any other taxes except as it  
20 may from time to time be authorized by law to impose.

21 (j) A certificate of registration issued by the State  
22 Department of Revenue to a retailer under the Retailers'  
23 Occupation Tax Act or under the Service Occupation Tax Act  
24 shall permit the registrant to engage in a business that is  
25 taxed under the tax imposed under paragraphs (b), (e), (f) or  
26 (g) of this Section and no additional registration shall be

1 required under the tax. A certificate issued under the Use Tax  
2 Act or the Service Use Tax Act shall be applicable with regard  
3 to any tax imposed under paragraph (c) of this Section.

4 (k) The provisions of any tax imposed under paragraph (c)  
5 of this Section shall conform as closely as may be practicable  
6 to the provisions of the Use Tax Act, including without  
7 limitation conformity as to penalties with respect to the tax  
8 imposed and as to the powers of the State Department of Revenue  
9 to promulgate and enforce rules and regulations relating to the  
10 administration and enforcement of the provisions of the tax  
11 imposed. The taxes shall be imposed only on use within the  
12 metropolitan region and at rates as provided in the paragraph.

13 (l) The Board in imposing any tax as provided in paragraphs  
14 (b) and (c) of this Section, shall, after seeking the advice of  
15 the State Department of Revenue, provide means for retailers,  
16 users or purchasers of motor fuel for purposes other than those  
17 with regard to which the taxes may be imposed as provided in  
18 those paragraphs to receive refunds of taxes improperly paid,  
19 which provisions may be at variance with the refund provisions  
20 as applicable under the Municipal Retailers Occupation Tax Act.  
21 The State Department of Revenue may provide for certificates of  
22 registration for users or purchasers of motor fuel for purposes  
23 other than those with regard to which taxes may be imposed as  
24 provided in paragraphs (b) and (c) of this Section to  
25 facilitate the reporting and nontaxability of the exempt sales  
26 or uses.

1 (m) Any ordinance imposing or discontinuing any tax under  
2 this Section shall be adopted and a certified copy thereof  
3 filed with the Department on or before June 1, whereupon the  
4 Department of Revenue shall proceed to administer and enforce  
5 this Section on behalf of the Regional Transportation Authority  
6 as of September 1 next following such adoption and filing.  
7 Beginning January 1, 1992, an ordinance or resolution imposing  
8 or discontinuing the tax hereunder shall be adopted and a  
9 certified copy thereof filed with the Department on or before  
10 the first day of July, whereupon the Department shall proceed  
11 to administer and enforce this Section as of the first day of  
12 October next following such adoption and filing. Beginning  
13 January 1, 1993, an ordinance or resolution imposing,  
14 increasing, decreasing, or discontinuing the tax hereunder  
15 shall be adopted and a certified copy thereof filed with the  
16 Department, whereupon the Department shall proceed to  
17 administer and enforce this Section as of the first day of the  
18 first month to occur not less than 60 days following such  
19 adoption and filing. Any ordinance or resolution of the  
20 Authority imposing a tax under this Section and in effect on  
21 August 1, 2007 shall remain in full force and effect and shall  
22 be administered by the Department of Revenue under the terms  
23 and conditions and rates of tax established by such ordinance  
24 or resolution until the Department begins administering and  
25 enforcing an increased tax under this Section as authorized by  
26 Public Act 95-708. The tax rates authorized by Public Act



1 95-708 are effective only if imposed by ordinance of the  
2 Authority.

3 (n) Except as otherwise provided in this subsection (n),  
4 the State Department of Revenue shall, upon collecting any  
5 taxes as provided in this Section, pay the taxes over to the  
6 State Treasurer as trustee for the Authority. The taxes shall  
7 be held in a trust fund outside the State Treasury. If an  
8 airport-related purpose has been certified, taxes and  
9 penalties collected in DuPage, Kane, Lake, McHenry and Will  
10 counties on aviation fuel sold on or after December 1, 2019  
11 from the 0.50% of the 0.75% rate shall be immediately paid over  
12 by the Department to the State Treasurer, ex officio, as  
13 trustee, for deposit into the Local Government Aviation Trust  
14 Fund. The Department shall only pay moneys into the Local  
15 Government Aviation Trust Fund under this Act for so long as  
16 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
17 U.S.C. 47133 are binding on the Authority. On or before the  
18 25th day of each calendar month, the State Department of  
19 Revenue shall prepare and certify to the Comptroller of the  
20 State of Illinois and to the Authority (i) the amount of taxes  
21 collected in each county other than Cook County in the  
22 metropolitan region, (not including, if an airport-related  
23 purpose has been certified, the taxes and penalties collected  
24 from the 0.50% of the 0.75% rate on aviation fuel sold on or  
25 after December 1, 2019 that are deposited into the Local  
26 Government Aviation Trust Fund) (ii) the amount of taxes

1 collected within the City of Chicago, and (iii) the amount  
2 collected in that portion of Cook County outside of Chicago,  
3 each amount less the amount necessary for the payment of  
4 refunds to taxpayers located in those areas described in items  
5 (i), (ii), and (iii), and less 1% ~~1.5%~~ of the remainder, which  
6 shall be transferred from the trust fund into the Tax  
7 Compliance and Administration Fund. The Department, at the time  
8 of each monthly disbursement to the Authority, shall prepare  
9 and certify to the State Comptroller the amount to be  
10 transferred into the Tax Compliance and Administration Fund  
11 under this subsection. Within 10 days after receipt by the  
12 Comptroller of the certification of the amounts, the  
13 Comptroller shall cause an order to be drawn for the transfer  
14 of the amount certified into the Tax Compliance and  
15 Administration Fund and the payment of two-thirds of the  
16 amounts certified in item (i) of this subsection to the  
17 Authority and one-third of the amounts certified in item (i) of  
18 this subsection to the respective counties other than Cook  
19 County and the amount certified in items (ii) and (iii) of this  
20 subsection to the Authority.

21 In addition to the disbursement required by the preceding  
22 paragraph, an allocation shall be made in July 1991 and each  
23 year thereafter to the Regional Transportation Authority. The  
24 allocation shall be made in an amount equal to the average  
25 monthly distribution during the preceding calendar year  
26 (excluding the 2 months of lowest receipts) and the allocation

1 shall include the amount of average monthly distribution from  
2 the Regional Transportation Authority Occupation and Use Tax  
3 Replacement Fund. The distribution made in July 1992 and each  
4 year thereafter under this paragraph and the preceding  
5 paragraph shall be reduced by the amount allocated and  
6 disbursed under this paragraph in the preceding calendar year.  
7 The Department of Revenue shall prepare and certify to the  
8 Comptroller for disbursement the allocations made in  
9 accordance with this paragraph.

10 (o) Failure to adopt a budget ordinance or otherwise to  
11 comply with Section 4.01 of this Act or to adopt a Five-year  
12 Capital Program or otherwise to comply with paragraph (b) of  
13 Section 2.01 of this Act shall not affect the validity of any  
14 tax imposed by the Authority otherwise in conformity with law.

15 (p) At no time shall a public transportation tax or motor  
16 vehicle parking tax authorized under paragraphs (b), (c), and  
17 (d) of this Section be in effect at the same time as any  
18 retailers' occupation, use or service occupation tax  
19 authorized under paragraphs (e), (f), and (g) of this Section  
20 is in effect.

21 Any taxes imposed under the authority provided in  
22 paragraphs (b), (c), and (d) shall remain in effect only until  
23 the time as any tax authorized by paragraph (e), (f), or (g) of  
24 this Section are imposed and becomes effective. Once any tax  
25 authorized by paragraph (e), (f), or (g) is imposed the Board  
26 may not reimpose taxes as authorized in paragraphs (b), (c),

1 and (d) of the Section unless any tax authorized by paragraph  
2 (e), (f), or (g) of this Section becomes ineffective by means  
3 other than an ordinance of the Board.

4 (q) Any existing rights, remedies and obligations  
5 (including enforcement by the Regional Transportation  
6 Authority) arising under any tax imposed under paragraph (b),  
7 (c), or (d) of this Section shall not be affected by the  
8 imposition of a tax under paragraph (e), (f), or (g) of this  
9 Section.

10 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
11 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
12 7-12-19; 101-604, eff. 12-13-19.)

13 Section 35. The Water Commission Act of 1985 is amended by  
14 changing Section 4 as follows:

15 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

16 Sec. 4. Taxes.

17 (a) The board of commissioners of any county water  
18 commission may, by ordinance, impose throughout the territory  
19 of the commission any or all of the taxes provided in this  
20 Section for its corporate purposes. However, no county water  
21 commission may impose any such tax unless the commission  
22 certifies the proposition of imposing the tax to the proper  
23 election officials, who shall submit the proposition to the  
24 voters residing in the territory at an election in accordance

1 with the general election law, and the proposition has been  
2 approved by a majority of those voting on the proposition.

3 The proposition shall be in the form provided in Section 5  
4 or shall be substantially in the following form:

5 -----

6	Shall the (insert corporate	
7	name of county water commission)	YES
8	impose (state type of tax or	-----
9	taxes to be imposed) at the	NO
10	rate of 1/4%?	

11 -----

12 Taxes imposed under this Section and civil penalties  
13 imposed incident thereto shall be collected and enforced by the  
14 State Department of Revenue. The Department shall have the  
15 power to administer and enforce the taxes and to determine all  
16 rights for refunds for erroneous payments of the taxes.

17 (b) The board of commissioners may impose a County Water  
18 Commission Retailers' Occupation Tax upon all persons engaged  
19 in the business of selling tangible personal property at retail  
20 in the territory of the commission at a rate of 1/4% of the  
21 gross receipts from the sales made in the course of such  
22 business within the territory. Beginning January 1, 2021, this  
23 tax is not imposed on sales of aviation fuel for so long as the  
24 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
25 47133 are binding on the District.

26 The tax imposed under this paragraph and all civil

1 penalties that may be assessed as an incident thereof shall be  
2 collected and enforced by the State Department of Revenue. The  
3 Department shall have full power to administer and enforce this  
4 paragraph; to collect all taxes and penalties due hereunder; to  
5 dispose of taxes and penalties so collected in the manner  
6 hereinafter provided; and to determine all rights to credit  
7 memoranda arising on account of the erroneous payment of tax or  
8 penalty hereunder. In the administration of, and compliance  
9 with, this paragraph, the Department and persons who are  
10 subject to this paragraph shall have the same rights, remedies,  
11 privileges, immunities, powers and duties, and be subject to  
12 the same conditions, restrictions, limitations, penalties,  
13 exclusions, exemptions and definitions of terms, and employ the  
14 same modes of procedure, as are prescribed in Sections 1, 1a,  
15 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
16 provisions therein other than the State rate of tax except that  
17 tangible personal property taxed at the 1% rate under the  
18 Retailers' Occupation Tax Act shall not be subject to tax  
19 hereunder), 2c, 3 (except as to the disposition of taxes and  
20 penalties collected, and except that the retailer's discount is  
21 not allowed for taxes paid on aviation fuel sold on or after  
22 December 1, 2019 and through December 31, 2020), 4, 5, 5a, 5b,  
23 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
24 9, 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and  
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
26 as if those provisions were set forth herein.

1           Persons subject to any tax imposed under the authority  
2 granted in this paragraph may reimburse themselves for their  
3 seller's tax liability hereunder by separately stating the tax  
4 as an additional charge, which charge may be stated in  
5 combination, in a single amount, with State taxes that sellers  
6 are required to collect under the Use Tax Act and under  
7 subsection (e) of Section 4.03 of the Regional Transportation  
8 Authority Act, in accordance with such bracket schedules as the  
9 Department may prescribe.

10           Whenever the Department determines that a refund should be  
11 made under this paragraph to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the warrant to be drawn for the  
14 amount specified, and to the person named, in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of a county water commission tax fund established  
17 under subsection (g) of this Section.

18           For the purpose of determining whether a tax authorized  
19 under this paragraph is applicable, a retail sale by a producer  
20 of coal or other mineral mined in Illinois is a sale at retail  
21 at the place where the coal or other mineral mined in Illinois  
22 is extracted from the earth. This paragraph does not apply to  
23 coal or other mineral when it is delivered or shipped by the  
24 seller to the purchaser at a point outside Illinois so that the  
25 sale is exempt under the Federal Constitution as a sale in  
26 interstate or foreign commerce.

1           If a tax is imposed under this subsection (b), a tax shall  
2 also be imposed under subsections (c) and (d) of this Section.

3           No tax shall be imposed or collected under this subsection  
4 on the sale of a motor vehicle in this State to a resident of  
5 another state if that motor vehicle will not be titled in this  
6 State.

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

12           (c) If a tax has been imposed under subsection (b), a  
13 County Water Commission Service Occupation Tax shall also be  
14 imposed upon all persons engaged, in the territory of the  
15 commission, in the business of making sales of service, who, as  
16 an incident to making the sales of service, transfer tangible  
17 personal property within the territory. The tax rate shall be  
18 1/4% of the selling price of tangible personal property so  
19 transferred within the territory. Beginning January 1, 2021,  
20 this tax is not imposed on sales of aviation fuel for so long  
21 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
22 U.S.C. 47133 are binding on the District.

23           The tax imposed under this paragraph and all civil  
24 penalties that may be assessed as an incident thereof shall be  
25 collected and enforced by the State Department of Revenue. The  
26 Department shall have full power to administer and enforce this



1 paragraph; to collect all taxes and penalties due hereunder; to  
2 dispose of taxes and penalties so collected in the manner  
3 hereinafter provided; and to determine all rights to credit  
4 memoranda arising on account of the erroneous payment of tax or  
5 penalty hereunder. In the administration of, and compliance  
6 with, this paragraph, the Department and persons who are  
7 subject to this paragraph shall have the same rights, remedies,  
8 privileges, immunities, powers and duties, and be subject to  
9 the same conditions, restrictions, limitations, penalties,  
10 exclusions, exemptions and definitions of terms, and employ the  
11 same modes of procedure, as are prescribed in Sections 1a-1, 2  
12 (except that the reference to State in the definition of  
13 supplier maintaining a place of business in this State shall  
14 mean the territory of the commission), 2a, 3 through 3-50 (in  
15 respect to all provisions therein other than the State rate of  
16 tax except that tangible personal property taxed at the 1% rate  
17 under the Service Occupation Tax Act shall not be subject to  
18 tax hereunder), 4 (except that the reference to the State shall  
19 be to the territory of the commission), 5, 7, 8 (except that  
20 the jurisdiction to which the tax shall be a debt to the extent  
21 indicated in that Section 8 shall be the commission), 9 (except  
22 as to the disposition of taxes and penalties collected and  
23 except that the returned merchandise credit for this tax may  
24 not be taken against any State tax, and except that the  
25 retailer's discount is not allowed for taxes paid on aviation  
26 fuel sold on or after December 1, 2019 and through December 31,

1 2020), 10, 11, 12 (except the reference therein to Section 2b  
2 of the Retailers' Occupation Tax Act), 13 (except that any  
3 reference to the State shall mean the territory of the  
4 commission), the first paragraph of Section 15, 15.5, 16, 17,  
5 18, 19, and 20 of the Service Occupation Tax Act as fully as if  
6 those provisions were set forth herein.

7 Persons subject to any tax imposed under the authority  
8 granted in this paragraph may reimburse themselves for their  
9 serviceman's tax liability hereunder by separately stating the  
10 tax as an additional charge, which charge may be stated in  
11 combination, in a single amount, with State tax that servicemen  
12 are authorized to collect under the Service Use Tax Act, and  
13 any tax for which servicemen may be liable under subsection (f)  
14 of Section 4.03 of the Regional Transportation Authority Act,  
15 in accordance with such bracket schedules as the Department may  
16 prescribe.

17 Whenever the Department determines that a refund should be  
18 made under this paragraph to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the warrant to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of a county water commission tax fund established  
24 under subsection (g) of this Section.

25 Nothing in this paragraph shall be construed to authorize a  
26 county water commission to impose a tax upon the privilege of

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

4 (d) If a tax has been imposed under subsection (b), a tax  
5 shall also be imposed upon the privilege of using, in the  
6 territory of the commission, any item of tangible personal  
7 property that is purchased outside the territory at retail from  
8 a retailer, and that is titled or registered with an agency of  
9 this State's government, at a rate of 1/4% of the selling price  
10 of the tangible personal property within the territory, as  
11 "selling price" is defined in the Use Tax Act. The tax shall be  
12 collected from persons whose Illinois address for titling or  
13 registration purposes is given as being in the territory. The  
14 tax shall be collected by the Department of Revenue for a  
15 county water commission. The tax must be paid to the State, or  
16 an exemption determination must be obtained from the Department  
17 of Revenue, before the title or certificate of registration for  
18 the property may be issued. The tax or proof of exemption may  
19 be transmitted to the Department by way of the State agency  
20 with which, or the State officer with whom, the tangible  
21 personal property must be titled or registered if the  
22 Department and the State agency or State officer determine that  
23 this procedure will expedite the processing of applications for  
24 title or registration.

25 The Department shall have full power to administer and  
26 enforce this paragraph; to collect all taxes, penalties, and

1 interest due hereunder; to dispose of taxes, penalties, and  
2 interest so collected in the manner hereinafter provided; and  
3 to determine all rights to credit memoranda or refunds arising  
4 on account of the erroneous payment of tax, penalty, or  
5 interest hereunder. In the administration of and compliance  
6 with this paragraph, the Department and persons who are subject  
7 to this paragraph shall have the same rights, remedies,  
8 privileges, immunities, powers, and duties, and be subject to  
9 the same conditions, restrictions, limitations, penalties,  
10 exclusions, exemptions, and definitions of terms and employ the  
11 same modes of procedure, as are prescribed in Sections 2  
12 (except the definition of "retailer maintaining a place of  
13 business in this State"), 3 through 3-80 (except provisions  
14 pertaining to the State rate of tax, and except provisions  
15 concerning collection or refunding of the tax by retailers), 4,  
16 11, 12, 12a, 14, 15, 19 (except the portions pertaining to  
17 claims by retailers and except the last paragraph concerning  
18 refunds), 20, 21, and 22 of the Use Tax Act and Section 3-7 of  
19 the Uniform Penalty and Interest Act that are not inconsistent  
20 with this paragraph, as fully as if those provisions were set  
21 forth herein.

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

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of a county water commission tax fund established  
3 under subsection (g) of this Section.

4 (e) A certificate of registration issued by the State  
5 Department of Revenue to a retailer under the Retailers'  
6 Occupation Tax Act or under the Service Occupation Tax Act  
7 shall permit the registrant to engage in a business that is  
8 taxed under the tax imposed under subsection (b), (c), or (d)  
9 of this Section and no additional registration shall be  
10 required under the tax. A certificate issued under the Use Tax  
11 Act or the Service Use Tax Act shall be applicable with regard  
12 to any tax imposed under subsection (c) of this Section.

13 (f) Any ordinance imposing or discontinuing any tax under  
14 this Section shall be adopted and a certified copy thereof  
15 filed with the Department on or before June 1, whereupon the  
16 Department of Revenue shall proceed to administer and enforce  
17 this Section on behalf of the county water commission as of  
18 September 1 next following the adoption and filing. Beginning  
19 January 1, 1992, an ordinance or resolution imposing or  
20 discontinuing the tax hereunder shall be adopted and a  
21 certified copy thereof filed with the Department on or before  
22 the first day of July, whereupon the Department shall proceed  
23 to administer and enforce this Section as of the first day of  
24 October next following such adoption and filing. Beginning  
25 January 1, 1993, an ordinance or resolution imposing or  
26 discontinuing the tax hereunder shall be adopted and a

1 certified copy thereof filed with the Department on or before  
2 the first day of October, whereupon the Department shall  
3 proceed to administer and enforce this Section as of the first  
4 day of January next following such adoption and filing.

5 (g) The State Department of Revenue shall, upon collecting  
6 any taxes as provided in this Section, pay the taxes over to  
7 the State Treasurer as trustee for the commission. The taxes  
8 shall be held in a trust fund outside the State Treasury.

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

17 After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the State  
19 Department of Revenue shall prepare and certify to the  
20 Comptroller of the State of Illinois the amount to be paid to  
21 the commission, which shall be the amount (not including credit  
22 memoranda) collected under this Section during the second  
23 preceding calendar month by the Department plus an amount the  
24 Department determines is necessary to offset any amounts that  
25 were erroneously paid to a different taxing body, and not  
26 including any amount equal to the amount of refunds made during

1 the second preceding calendar month by the Department on behalf  
2 of the commission, and not including any amount that the  
3 Department determines is necessary to offset any amounts that  
4 were payable to a different taxing body but were erroneously  
5 paid to the commission, and less any amounts that are  
6 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
7 remainder, which shall be transferred into the Tax Compliance  
8 and Administration Fund. The Department, at the time of each  
9 monthly disbursement to the commission, shall prepare and  
10 certify to the State Comptroller the amount to be transferred  
11 into the Tax Compliance and Administration Fund under this  
12 subsection. Within 10 days after receipt by the Comptroller of  
13 the certification of the amount to be paid to the commission  
14 and the Tax Compliance and Administration Fund, the Comptroller  
15 shall cause an order to be drawn for the payment for the amount  
16 in accordance with the direction in the certification.

17 (h) Beginning June 1, 2016, any tax imposed pursuant to  
18 this Section may no longer be imposed or collected, unless a  
19 continuation of the tax is approved by the voters at a  
20 referendum as set forth in this Section.

21 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
22 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
23 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.