



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

**HB4169**

Introduced 10/19/2021, by Rep. Anthony DeLuca, Steven Reick, Daniel Didech, Jonathan Carroll and Seth Lewis

#### SYNOPSIS AS INTRODUCED:

30 ILCS 115/2  
35 ILCS 5/901

from Ch. 85, par. 612

Amends the Illinois Income Tax Act. Provides that an amount equal to the sum of (i) 8% of the net revenue realized from the tax imposed upon individuals, trusts, and estates and (ii) 9.11% of the net revenue realized from the tax imposed upon corporations shall be deposited into the Local Government Distributive Fund (currently, an amount equal to the sum of (i) 6.06% of the net revenue realized from the tax imposed upon individuals, trusts, and estates and (ii) 6.85% of the net revenue realized from the tax imposed upon corporations shall be deposited into the Local Government Distributive Fund). Amends the State Revenue Sharing Act to provide that amounts paid into the Local Government Distributive Fund are appropriated on a continuing basis. Effective July 1, 2022.

LRB102 20319 HLH 29521 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The State Revenue Sharing Act is amended by  
5 changing Section 2 as follows:

6 (30 ILCS 115/2) (from Ch. 85, par. 612)

7 Sec. 2. Allocation and Disbursement.

8 (a) As soon as may be after the first day of each month,  
9 the Department of Revenue shall allocate among the several  
10 municipalities and counties of this State the amount available  
11 in the Local Government Distributive Fund and in the Income  
12 Tax Surcharge Local Government Distributive Fund, determined  
13 as provided in Sections 1 and 1a above. Except as provided in  
14 Sections 13 and 13.1 of this Act, the Department shall then  
15 certify such allocations to the State Comptroller, who shall  
16 pay over to the several municipalities and counties the  
17 respective amounts allocated to them. The amount of such Funds  
18 allocable to each such municipality and county shall be in  
19 proportion to the number of individual residents of such  
20 municipality or county to the total population of the State,  
21 determined in each case on the basis of the latest census of  
22 the State, municipality or county conducted by the Federal  
23 government and certified by the Secretary of State and for

1 annexations to municipalities, the latest Federal, State or  
2 municipal census of the annexed area which has been certified  
3 by the Department of Revenue. Allocations to the City of  
4 Chicago under this Section are subject to Section 6 of the  
5 Hotel Operators' Occupation Tax Act. For the purpose of this  
6 Section, the number of individual residents of a county shall  
7 be reduced by the number of individuals residing therein in  
8 municipalities, but the number of individual residents of the  
9 State, county and municipality shall reflect the latest census  
10 of any of them. The amounts transferred into the Local  
11 Government Distributive Fund pursuant to Section 9 of the Use  
12 Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the  
13 Service Occupation Tax Act, and Section 3 of the Retailers'  
14 Occupation Tax Act, each as now or hereafter amended, pursuant  
15 to the amendments of such Sections by Public Act 85-1135,  
16 shall be distributed as provided in said Sections.

17 (b) It is the intent of the General Assembly that  
18 allocations made under this Section shall be made in a fair and  
19 equitable manner. Accordingly, the clerk of any municipality  
20 to which territory has been annexed, or from which territory  
21 has been disconnected, shall notify the Department of Revenue  
22 in writing of that annexation or disconnection and shall (1)  
23 state the number of residents within the territory that was  
24 annexed or disconnected, based on the last census conducted by  
25 the federal, State, or municipal government and certified by  
26 the Illinois Secretary of State, and (2) furnish therewith a

1 certified copy of the plat of annexation or, in the case of  
2 disconnection, the ordinance, final judgment, or resolution of  
3 disconnection together with an accurate depiction of the  
4 territory disconnected. The county in which the annexed or  
5 disconnected territory is located shall verify that the number  
6 of residents stated on the written notice that is to be sent to  
7 the Department of Revenue is true and accurate. The verified  
8 statement of the county shall accompany the written notice.  
9 However, if the county does not respond to the municipality's  
10 request for verification within 30 days, this verification  
11 requirement shall be waived. The written notice shall be  
12 provided to the Department of Revenue (1) within 30 days after  
13 the effective date of this amendatory Act of the 96th General  
14 Assembly for disconnections occurring after January 1, 2007  
15 and before the effective date of this amendatory Act of the  
16 96th General Assembly or (2) within 30 days after the  
17 annexation or disconnection for annexations or disconnections  
18 occurring on or after the effective date of this amendatory  
19 Act of the 96th General Assembly. For purposes of this  
20 Section, a disconnection or annexation through court order is  
21 deemed to be effective 30 days after the entry of a final  
22 judgment order, unless stayed pending appeal. Thereafter, the  
23 monthly allocation made to the municipality and to any other  
24 municipality or county affected by the annexation or  
25 disconnection shall be adjusted in accordance with this  
26 Section to reflect the change in residency of the residents of

1 the territory that was annexed or disconnected. The adjustment  
2 shall be made no later than 30 days after the Department of  
3 Revenue's receipt of the written notice of annexation or  
4 disconnection described in this Section.

5 (c) All amounts paid into the Local Government  
6 Distributive Fund in accordance with this Section and  
7 allocated pursuant to this Act are appropriated on a  
8 continuing basis.

9 (Source: P.A. 96-1040, eff. 7-14-10.)

10 Section 10. The Illinois Income Tax Act is amended by  
11 changing Section 901 as follows:

12 (35 ILCS 5/901)

13 (Text of Section without the changes made by P.A. 101-8,  
14 which did not take effect (see Section 99 of P.A. 101-8))

15 Sec. 901. Collection authority.

16 (a) In general. The Department shall collect the taxes  
17 imposed by this Act. The Department shall collect certified  
18 past due child support amounts under Section 2505-650 of the  
19 Department of Revenue Law of the Civil Administrative Code of  
20 Illinois. Except as provided in subsections (b), (c), (e),  
21 (f), (g), and (h) of this Section, money collected pursuant to  
22 subsections (a) and (b) of Section 201 of this Act shall be  
23 paid into the General Revenue Fund in the State treasury;  
24 money collected pursuant to subsections (c) and (d) of Section

1 201 of this Act shall be paid into the Personal Property Tax  
2 Replacement Fund, a special fund in the State Treasury; and  
3 money collected under Section 2505-650 of the Department of  
4 Revenue Law of the Civil Administrative Code of Illinois shall  
5 be paid into the Child Support Enforcement Trust Fund, a  
6 special fund outside the State Treasury, or to the State  
7 Disbursement Unit established under Section 10-26 of the  
8 Illinois Public Aid Code, as directed by the Department of  
9 Healthcare and Family Services.

10 (b) Local Government Distributive Fund. Beginning August  
11 1, 2017 and continuing through June 30, 2022, the Treasurer  
12 shall transfer each month from the General Revenue Fund to the  
13 Local Government Distributive Fund an amount equal to the sum  
14 of (i) 6.06% (10% of the ratio of the 3% individual income tax  
15 rate prior to 2011 to the 4.95% individual income tax rate  
16 after July 1, 2017) of the net revenue realized from the tax  
17 imposed by subsections (a) and (b) of Section 201 of this Act  
18 upon individuals, trusts, and estates during the preceding  
19 month and (ii) 6.85% (10% of the ratio of the 4.8% corporate  
20 income tax rate prior to 2011 to the 7% corporate income tax  
21 rate after July 1, 2017) of the net revenue realized from the  
22 tax imposed by subsections (a) and (b) of Section 201 of this  
23 Act upon corporations during the preceding month. Beginning  
24 July 1, 2022, an amount equal to the sum of (i) 8% (13.3% of  
25 the ratio of the 3% individual income tax rate prior to 2011 to  
26 the 4.95% individual income tax rate after July 1, 2017) of the

1 net revenue realized from the tax imposed by subsections (a)  
2 and (b) of Section 201 of this Act upon individuals, trusts,  
3 and estates and (ii) 9.11% (13.3% of the ratio of the 4.8%  
4 corporate income tax rate prior to 2011 to the 7% corporate  
5 income tax rate after July 1, 2017) of the net revenue realized  
6 from the tax imposed by subsections (a) and (b) of Section 201  
7 of this Act upon corporations shall be deposited into the  
8 Local Government Distributive Fund. Net revenue realized for a  
9 month shall be defined as the revenue from the tax imposed by  
10 subsections (a) and (b) of Section 201 of this Act which is  
11 deposited in the General Revenue Fund, the Education  
12 Assistance Fund, the Income Tax Surcharge Local Government  
13 Distributive Fund, the Fund for the Advancement of Education,  
14 and the Commitment to Human Services Fund during the month  
15 minus the amount paid out of the General Revenue Fund in State  
16 warrants during that same month as refunds to taxpayers for  
17 overpayment of liability under the tax imposed by subsections  
18 (a) and (b) of Section 201 of this Act.

19 Notwithstanding any provision of law to the contrary,  
20 beginning on July 6, 2017 (the effective date of Public Act  
21 100-23), those amounts required under this subsection (b) to  
22 be transferred by the Treasurer into the Local Government  
23 Distributive Fund from the General Revenue Fund shall be  
24 directly deposited into the Local Government Distributive Fund  
25 as the revenue is realized from the tax imposed by subsections  
26 (a) and (b) of Section 201 of this Act.

1 For State fiscal year 2020 only, notwithstanding any  
2 provision of law to the contrary, the total amount of revenue  
3 and deposits under this Section attributable to revenues  
4 realized during State fiscal year 2020 shall be reduced by 5%.

5 (c) Deposits Into Income Tax Refund Fund.

6 (1) Beginning on January 1, 1989 and thereafter, the  
7 Department shall deposit a percentage of the amounts  
8 collected pursuant to subsections (a) and (b)(1), (2), and  
9 (3) of Section 201 of this Act into a fund in the State  
10 treasury known as the Income Tax Refund Fund. Beginning  
11 with State fiscal year 1990 and for each fiscal year  
12 thereafter, the percentage deposited into the Income Tax  
13 Refund Fund during a fiscal year shall be the Annual  
14 Percentage. For fiscal year 2011, the Annual Percentage  
15 shall be 8.75%. For fiscal year 2012, the Annual  
16 Percentage shall be 8.75%. For fiscal year 2013, the  
17 Annual Percentage shall be 9.75%. For fiscal year 2014,  
18 the Annual Percentage shall be 9.5%. For fiscal year 2015,  
19 the Annual Percentage shall be 10%. For fiscal year 2018,  
20 the Annual Percentage shall be 9.8%. For fiscal year 2019,  
21 the Annual Percentage shall be 9.7%. For fiscal year 2020,  
22 the Annual Percentage shall be 9.5%. For fiscal year 2021,  
23 the Annual Percentage shall be 9%. For all other fiscal  
24 years, the Annual Percentage shall be calculated as a  
25 fraction, the numerator of which shall be the amount of  
26 refunds approved for payment by the Department during the



1 preceding fiscal year as a result of overpayment of tax  
2 liability under subsections (a) and (b)(1), (2), and (3)  
3 of Section 201 of this Act plus the amount of such refunds  
4 remaining approved but unpaid at the end of the preceding  
5 fiscal year, minus the amounts transferred into the Income  
6 Tax Refund Fund from the Tobacco Settlement Recovery Fund,  
7 and the denominator of which shall be the amounts which  
8 will be collected pursuant to subsections (a) and (b)(1),  
9 (2), and (3) of Section 201 of this Act during the  
10 preceding fiscal year; except that in State fiscal year  
11 2002, the Annual Percentage shall in no event exceed 7.6%.  
12 The Director of Revenue shall certify the Annual  
13 Percentage to the Comptroller on the last business day of  
14 the fiscal year immediately preceding the fiscal year for  
15 which it is to be effective.

16 (2) Beginning on January 1, 1989 and thereafter, the  
17 Department shall deposit a percentage of the amounts  
18 collected pursuant to subsections (a) and (b)(6), (7), and  
19 (8), (c) and (d) of Section 201 of this Act into a fund in  
20 the State treasury known as the Income Tax Refund Fund.  
21 Beginning with State fiscal year 1990 and for each fiscal  
22 year thereafter, the percentage deposited into the Income  
23 Tax Refund Fund during a fiscal year shall be the Annual  
24 Percentage. For fiscal year 2011, the Annual Percentage  
25 shall be 17.5%. For fiscal year 2012, the Annual  
26 Percentage shall be 17.5%. For fiscal year 2013, the

1 Annual Percentage shall be 14%. For fiscal year 2014, the  
2 Annual Percentage shall be 13.4%. For fiscal year 2015,  
3 the Annual Percentage shall be 14%. For fiscal year 2018,  
4 the Annual Percentage shall be 17.5%. For fiscal year  
5 2019, the Annual Percentage shall be 15.5%. For fiscal  
6 year 2020, the Annual Percentage shall be 14.25%. For  
7 fiscal year 2021, the Annual Percentage shall be 14%. For  
8 all other fiscal years, the Annual Percentage shall be  
9 calculated as a fraction, the numerator of which shall be  
10 the amount of refunds approved for payment by the  
11 Department during the preceding fiscal year as a result of  
12 overpayment of tax liability under subsections (a) and  
13 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
14 Act plus the amount of such refunds remaining approved but  
15 unpaid at the end of the preceding fiscal year, and the  
16 denominator of which shall be the amounts which will be  
17 collected pursuant to subsections (a) and (b) (6), (7), and  
18 (8), (c) and (d) of Section 201 of this Act during the  
19 preceding fiscal year; except that in State fiscal year  
20 2002, the Annual Percentage shall in no event exceed 23%.  
21 The Director of Revenue shall certify the Annual  
22 Percentage to the Comptroller on the last business day of  
23 the fiscal year immediately preceding the fiscal year for  
24 which it is to be effective.

25 (3) The Comptroller shall order transferred and the  
26 Treasurer shall transfer from the Tobacco Settlement

1 Recovery Fund to the Income Tax Refund Fund (i)  
2 \$35,000,000 in January, 2001, (ii) \$35,000,000 in January,  
3 2002, and (iii) \$35,000,000 in January, 2003.

4 (d) Expenditures from Income Tax Refund Fund.

5 (1) Beginning January 1, 1989, money in the Income Tax  
6 Refund Fund shall be expended exclusively for the purpose  
7 of paying refunds resulting from overpayment of tax  
8 liability under Section 201 of this Act and for making  
9 transfers pursuant to this subsection (d).

10 (2) The Director shall order payment of refunds  
11 resulting from overpayment of tax liability under Section  
12 201 of this Act from the Income Tax Refund Fund only to the  
13 extent that amounts collected pursuant to Section 201 of  
14 this Act and transfers pursuant to this subsection (d) and  
15 item (3) of subsection (c) have been deposited and  
16 retained in the Fund.

17 (3) As soon as possible after the end of each fiscal  
18 year, the Director shall order transferred and the State  
19 Treasurer and State Comptroller shall transfer from the  
20 Income Tax Refund Fund to the Personal Property Tax  
21 Replacement Fund an amount, certified by the Director to  
22 the Comptroller, equal to the excess of the amount  
23 collected pursuant to subsections (c) and (d) of Section  
24 201 of this Act deposited into the Income Tax Refund Fund  
25 during the fiscal year over the amount of refunds  
26 resulting from overpayment of tax liability under

1 subsections (c) and (d) of Section 201 of this Act paid  
2 from the Income Tax Refund Fund during the fiscal year.

3 (4) As soon as possible after the end of each fiscal  
4 year, the Director shall order transferred and the State  
5 Treasurer and State Comptroller shall transfer from the  
6 Personal Property Tax Replacement Fund to the Income Tax  
7 Refund Fund an amount, certified by the Director to the  
8 Comptroller, equal to the excess of the amount of refunds  
9 resulting from overpayment of tax liability under  
10 subsections (c) and (d) of Section 201 of this Act paid  
11 from the Income Tax Refund Fund during the fiscal year  
12 over the amount collected pursuant to subsections (c) and  
13 (d) of Section 201 of this Act deposited into the Income  
14 Tax Refund Fund during the fiscal year.

15 (4.5) As soon as possible after the end of fiscal year  
16 1999 and of each fiscal year thereafter, the Director  
17 shall order transferred and the State Treasurer and State  
18 Comptroller shall transfer from the Income Tax Refund Fund  
19 to the General Revenue Fund any surplus remaining in the  
20 Income Tax Refund Fund as of the end of such fiscal year;  
21 excluding for fiscal years 2000, 2001, and 2002 amounts  
22 attributable to transfers under item (3) of subsection (c)  
23 less refunds resulting from the earned income tax credit.

24 (5) This Act shall constitute an irrevocable and  
25 continuing appropriation from the Income Tax Refund Fund  
26 for the purpose of paying refunds upon the order of the

1 Director in accordance with the provisions of this  
2 Section.

3 (e) Deposits into the Education Assistance Fund and the  
4 Income Tax Surcharge Local Government Distributive Fund. On  
5 July 1, 1991, and thereafter, of the amounts collected  
6 pursuant to subsections (a) and (b) of Section 201 of this Act,  
7 minus deposits into the Income Tax Refund Fund, the Department  
8 shall deposit 7.3% into the Education Assistance Fund in the  
9 State Treasury. Beginning July 1, 1991, and continuing through  
10 January 31, 1993, of the amounts collected pursuant to  
11 subsections (a) and (b) of Section 201 of the Illinois Income  
12 Tax Act, minus deposits into the Income Tax Refund Fund, the  
13 Department shall deposit 3.0% into the Income Tax Surcharge  
14 Local Government Distributive Fund in the State Treasury.  
15 Beginning February 1, 1993 and continuing through June 30,  
16 1993, of the amounts collected pursuant to subsections (a) and  
17 (b) of Section 201 of the Illinois Income Tax Act, minus  
18 deposits into the Income Tax Refund Fund, the Department shall  
19 deposit 4.4% into the Income Tax Surcharge Local Government  
20 Distributive Fund in the State Treasury. Beginning July 1,  
21 1993, and continuing through June 30, 1994, of the amounts  
22 collected under subsections (a) and (b) of Section 201 of this  
23 Act, minus deposits into the Income Tax Refund Fund, the  
24 Department shall deposit 1.475% into the Income Tax Surcharge  
25 Local Government Distributive Fund in the State Treasury.

26 (f) Deposits into the Fund for the Advancement of

1 Education. Beginning February 1, 2015, the Department shall  
2 deposit the following portions of the revenue realized from  
3 the tax imposed upon individuals, trusts, and estates by  
4 subsections (a) and (b) of Section 201 of this Act, minus  
5 deposits into the Income Tax Refund Fund, into the Fund for the  
6 Advancement of Education:

7 (1) beginning February 1, 2015, and prior to February  
8 1, 2025, 1/30; and

9 (2) beginning February 1, 2025, 1/26.

10 If the rate of tax imposed by subsection (a) and (b) of  
11 Section 201 is reduced pursuant to Section 201.5 of this Act,  
12 the Department shall not make the deposits required by this  
13 subsection (f) on or after the effective date of the  
14 reduction.

15 (g) Deposits into the Commitment to Human Services Fund.  
16 Beginning February 1, 2015, the Department shall deposit the  
17 following portions of the revenue realized from the tax  
18 imposed upon individuals, trusts, and estates by subsections  
19 (a) and (b) of Section 201 of this Act, minus deposits into the  
20 Income Tax Refund Fund, into the Commitment to Human Services  
21 Fund:

22 (1) beginning February 1, 2015, and prior to February  
23 1, 2025, 1/30; and

24 (2) beginning February 1, 2025, 1/26.

25 If the rate of tax imposed by subsection (a) and (b) of  
26 Section 201 is reduced pursuant to Section 201.5 of this Act,

1 the Department shall not make the deposits required by this  
2 subsection (g) on or after the effective date of the  
3 reduction.

4 (h) Deposits into the Tax Compliance and Administration  
5 Fund. Beginning on the first day of the first calendar month to  
6 occur on or after August 26, 2014 (the effective date of Public  
7 Act 98-1098), each month the Department shall pay into the Tax  
8 Compliance and Administration Fund, to be used, subject to  
9 appropriation, to fund additional auditors and compliance  
10 personnel at the Department, an amount equal to 1/12 of 5% of  
11 the cash receipts collected during the preceding fiscal year  
12 by the Audit Bureau of the Department from the tax imposed by  
13 subsections (a), (b), (c), and (d) of Section 201 of this Act,  
14 net of deposits into the Income Tax Refund Fund made from those  
15 cash receipts.

16 (Source: P.A. 100-22, eff. 7-6-17; 100-23, eff. 7-6-17;  
17 100-587, eff. 6-4-18; 100-621, eff. 7-20-18; 100-863, eff.  
18 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81,  
19 eff. 7-12-19; 101-636, eff. 6-10-20.)

20 (Text of Section with the changes made by P.A. 101-8,  
21 which did not take effect (see Section 99 of P.A. 101-8))

22 Sec. 901. Collection authority.

23 (a) In general. The Department shall collect the taxes  
24 imposed by this Act. The Department shall collect certified  
25 past due child support amounts under Section 2505-650 of the

1 Department of Revenue Law of the Civil Administrative Code of  
2 Illinois. Except as provided in subsections (b), (c), (e),  
3 (f), (g), and (h) of this Section, money collected pursuant to  
4 subsections (a) and (b) of Section 201 of this Act shall be  
5 paid into the General Revenue Fund in the State treasury;  
6 money collected pursuant to subsections (c) and (d) of Section  
7 201 of this Act shall be paid into the Personal Property Tax  
8 Replacement Fund, a special fund in the State Treasury; and  
9 money collected under Section 2505-650 of the Department of  
10 Revenue Law of the Civil Administrative Code of Illinois shall  
11 be paid into the Child Support Enforcement Trust Fund, a  
12 special fund outside the State Treasury, or to the State  
13 Disbursement Unit established under Section 10-26 of the  
14 Illinois Public Aid Code, as directed by the Department of  
15 Healthcare and Family Services.

16 (b) Local Government Distributive Fund. Beginning August  
17 1, 2017 and continuing through June 30, 2022 ~~January 31, 2021~~,  
18 the Treasurer shall transfer each month from the General  
19 Revenue Fund to the Local Government Distributive Fund an  
20 amount equal to the sum of (i) 6.06% (10% of the ratio of the  
21 3% individual income tax rate prior to 2011 to the 4.95%  
22 individual income tax rate after July 1, 2017) of the net  
23 revenue realized from the tax imposed by subsections (a) and  
24 (b) of Section 201 of this Act upon individuals, trusts, and  
25 estates during the preceding month and (ii) 6.85% (10% of the  
26 ratio of the 4.8% corporate income tax rate prior to 2011 to



1 the 7% corporate income tax rate after July 1, 2017) of the net  
2 revenue realized from the tax imposed by subsections (a) and  
3 (b) of Section 201 of this Act upon corporations during the  
4 preceding month. Beginning July 1, 2022, an amount equal to  
5 the sum of (i) 8% (13.3% of the ratio of the 3% individual  
6 income tax rate prior to 2011 to the 4.95% individual income  
7 tax rate after July 1, 2017) of the net revenue realized from  
8 the tax imposed by subsections (a) and (b) of Section 201 of  
9 this Act upon individuals, trusts, and estates and (ii) 9.11%  
10 (13.3% of the ratio of the 4.8% corporate income tax rate prior  
11 to 2011 to the 7% corporate income tax rate after July 1, 2017)  
12 of the net revenue realized from the tax imposed by  
13 subsections (a) and (b) of Section 201 of this Act upon  
14 corporations shall be deposited into the Local Government  
15 Distributive Fund. ~~Beginning February 1, 2021, the Treasurer~~  
16 ~~shall transfer each month from the General Revenue Fund to the~~  
17 ~~Local Government Distributive Fund an amount equal to the sum~~  
18 ~~of (i) 5.32% of the net revenue realized from the tax imposed~~  
19 ~~by subsections (a) and (b) of Section 201 of this Act upon~~  
20 ~~individuals, trusts, and estates during the preceding month~~  
21 ~~and (ii) 6.16% of the net revenue realized from the tax imposed~~  
22 ~~by subsections (a) and (b) of Section 201 of this Act upon~~  
23 ~~corporations during the preceding month.~~ Net revenue realized  
24 for a month shall be defined as the revenue from the tax  
25 imposed by subsections (a) and (b) of Section 201 of this Act  
26 which is deposited in the General Revenue Fund, the Education

1 Assistance Fund, the Income Tax Surcharge Local Government  
2 Distributive Fund, the Fund for the Advancement of Education,  
3 and the Commitment to Human Services Fund during the month  
4 minus the amount paid out of the General Revenue Fund in State  
5 warrants during that same month as refunds to taxpayers for  
6 overpayment of liability under the tax imposed by subsections  
7 (a) and (b) of Section 201 of this Act.

8 Notwithstanding any provision of law to the contrary,  
9 beginning on July 6, 2017 (the effective date of Public Act  
10 100-23), those amounts required under this subsection (b) to  
11 be transferred by the Treasurer into the Local Government  
12 Distributive Fund from the General Revenue Fund shall be  
13 directly deposited into the Local Government Distributive Fund  
14 as the revenue is realized from the tax imposed by subsections  
15 (a) and (b) of Section 201 of this Act.

16 For State fiscal year 2020 only, notwithstanding any  
17 provision of law to the contrary, the total amount of revenue  
18 and deposits under this Section attributable to revenues  
19 realized during State fiscal year 2020 shall be reduced by 5%.

20 (c) Deposits Into Income Tax Refund Fund.

21 (1) Beginning on January 1, 1989 and thereafter, the  
22 Department shall deposit a percentage of the amounts  
23 collected pursuant to subsections (a) and (b)(1), (2), and  
24 (3) of Section 201 of this Act into a fund in the State  
25 treasury known as the Income Tax Refund Fund. Beginning  
26 with State fiscal year 1990 and for each fiscal year

1           thereafter, the percentage deposited into the Income Tax  
2           Refund Fund during a fiscal year shall be the Annual  
3           Percentage. For fiscal year 2011, the Annual Percentage  
4           shall be 8.75%. For fiscal year 2012, the Annual  
5           Percentage shall be 8.75%. For fiscal year 2013, the  
6           Annual Percentage shall be 9.75%. For fiscal year 2014,  
7           the Annual Percentage shall be 9.5%. For fiscal year 2015,  
8           the Annual Percentage shall be 10%. For fiscal year 2018,  
9           the Annual Percentage shall be 9.8%. For fiscal year 2019,  
10          the Annual Percentage shall be 9.7%. For fiscal year 2020,  
11          the Annual Percentage shall be 9.5%. For fiscal year 2021,  
12          the Annual Percentage shall be 9%. For all other fiscal  
13          years, the Annual Percentage shall be calculated as a  
14          fraction, the numerator of which shall be the amount of  
15          refunds approved for payment by the Department during the  
16          preceding fiscal year as a result of overpayment of tax  
17          liability under subsections (a) and (b) (1), (2), and (3)  
18          of Section 201 of this Act plus the amount of such refunds  
19          remaining approved but unpaid at the end of the preceding  
20          fiscal year, minus the amounts transferred into the Income  
21          Tax Refund Fund from the Tobacco Settlement Recovery Fund,  
22          and the denominator of which shall be the amounts which  
23          will be collected pursuant to subsections (a) and (b) (1),  
24          (2), and (3) of Section 201 of this Act during the  
25          preceding fiscal year; except that in State fiscal year  
26          2002, the Annual Percentage shall in no event exceed 7.6%.

1 The Director of Revenue shall certify the Annual  
2 Percentage to the Comptroller on the last business day of  
3 the fiscal year immediately preceding the fiscal year for  
4 which it is to be effective.

5 (2) Beginning on January 1, 1989 and thereafter, the  
6 Department shall deposit a percentage of the amounts  
7 collected pursuant to subsections (a) and (b) (6), (7), and  
8 (8), (c) and (d) of Section 201 of this Act into a fund in  
9 the State treasury known as the Income Tax Refund Fund.  
10 Beginning with State fiscal year 1990 and for each fiscal  
11 year thereafter, the percentage deposited into the Income  
12 Tax Refund Fund during a fiscal year shall be the Annual  
13 Percentage. For fiscal year 2011, the Annual Percentage  
14 shall be 17.5%. For fiscal year 2012, the Annual  
15 Percentage shall be 17.5%. For fiscal year 2013, the  
16 Annual Percentage shall be 14%. For fiscal year 2014, the  
17 Annual Percentage shall be 13.4%. For fiscal year 2015,  
18 the Annual Percentage shall be 14%. For fiscal year 2018,  
19 the Annual Percentage shall be 17.5%. For fiscal year  
20 2019, the Annual Percentage shall be 15.5%. For fiscal  
21 year 2020, the Annual Percentage shall be 14.25%. For  
22 fiscal year 2021, the Annual Percentage shall be 14%. For  
23 all other fiscal years, the Annual Percentage shall be  
24 calculated as a fraction, the numerator of which shall be  
25 the amount of refunds approved for payment by the  
26 Department during the preceding fiscal year as a result of

1 overpayment of tax liability under subsections (a) and  
2 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
3 Act plus the amount of such refunds remaining approved but  
4 unpaid at the end of the preceding fiscal year, and the  
5 denominator of which shall be the amounts which will be  
6 collected pursuant to subsections (a) and (b) (6), (7), and  
7 (8), (c) and (d) of Section 201 of this Act during the  
8 preceding fiscal year; except that in State fiscal year  
9 2002, the Annual Percentage shall in no event exceed 23%.  
10 The Director of Revenue shall certify the Annual  
11 Percentage to the Comptroller on the last business day of  
12 the fiscal year immediately preceding the fiscal year for  
13 which it is to be effective.

14 (3) The Comptroller shall order transferred and the  
15 Treasurer shall transfer from the Tobacco Settlement  
16 Recovery Fund to the Income Tax Refund Fund (i)  
17 \$35,000,000 in January, 2001, (ii) \$35,000,000 in January,  
18 2002, and (iii) \$35,000,000 in January, 2003.

19 (d) Expenditures from Income Tax Refund Fund.

20 (1) Beginning January 1, 1989, money in the Income Tax  
21 Refund Fund shall be expended exclusively for the purpose  
22 of paying refunds resulting from overpayment of tax  
23 liability under Section 201 of this Act and for making  
24 transfers pursuant to this subsection (d).

25 (2) The Director shall order payment of refunds  
26 resulting from overpayment of tax liability under Section

1           201 of this Act from the Income Tax Refund Fund only to the  
2           extent that amounts collected pursuant to Section 201 of  
3           this Act and transfers pursuant to this subsection (d) and  
4           item (3) of subsection (c) have been deposited and  
5           retained in the Fund.

6           (3) As soon as possible after the end of each fiscal  
7           year, the Director shall order transferred and the State  
8           Treasurer and State Comptroller shall transfer from the  
9           Income Tax Refund Fund to the Personal Property Tax  
10          Replacement Fund an amount, certified by the Director to  
11          the Comptroller, equal to the excess of the amount  
12          collected pursuant to subsections (c) and (d) of Section  
13          201 of this Act deposited into the Income Tax Refund Fund  
14          during the fiscal year over the amount of refunds  
15          resulting from overpayment of tax liability under  
16          subsections (c) and (d) of Section 201 of this Act paid  
17          from the Income Tax Refund Fund during the fiscal year.

18          (4) As soon as possible after the end of each fiscal  
19          year, the Director shall order transferred and the State  
20          Treasurer and State Comptroller shall transfer from the  
21          Personal Property Tax Replacement Fund to the Income Tax  
22          Refund Fund an amount, certified by the Director to the  
23          Comptroller, equal to the excess of the amount of refunds  
24          resulting from overpayment of tax liability under  
25          subsections (c) and (d) of Section 201 of this Act paid  
26          from the Income Tax Refund Fund during the fiscal year

1 over the amount collected pursuant to subsections (c) and  
2 (d) of Section 201 of this Act deposited into the Income  
3 Tax Refund Fund during the fiscal year.

4 (4.5) As soon as possible after the end of fiscal year  
5 1999 and of each fiscal year thereafter, the Director  
6 shall order transferred and the State Treasurer and State  
7 Comptroller shall transfer from the Income Tax Refund Fund  
8 to the General Revenue Fund any surplus remaining in the  
9 Income Tax Refund Fund as of the end of such fiscal year;  
10 excluding for fiscal years 2000, 2001, and 2002 amounts  
11 attributable to transfers under item (3) of subsection (c)  
12 less refunds resulting from the earned income tax credit.

13 (5) This Act shall constitute an irrevocable and  
14 continuing appropriation from the Income Tax Refund Fund  
15 for the purpose of paying refunds upon the order of the  
16 Director in accordance with the provisions of this  
17 Section.

18 (e) Deposits into the Education Assistance Fund and the  
19 Income Tax Surcharge Local Government Distributive Fund. On  
20 July 1, 1991, and thereafter, of the amounts collected  
21 pursuant to subsections (a) and (b) of Section 201 of this Act,  
22 minus deposits into the Income Tax Refund Fund, the Department  
23 shall deposit 7.3% into the Education Assistance Fund in the  
24 State Treasury. Beginning July 1, 1991, and continuing through  
25 January 31, 1993, of the amounts collected pursuant to  
26 subsections (a) and (b) of Section 201 of the Illinois Income

1 Tax Act, minus deposits into the Income Tax Refund Fund, the  
2 Department shall deposit 3.0% into the Income Tax Surcharge  
3 Local Government Distributive Fund in the State Treasury.  
4 Beginning February 1, 1993 and continuing through June 30,  
5 1993, of the amounts collected pursuant to subsections (a) and  
6 (b) of Section 201 of the Illinois Income Tax Act, minus  
7 deposits into the Income Tax Refund Fund, the Department shall  
8 deposit 4.4% into the Income Tax Surcharge Local Government  
9 Distributive Fund in the State Treasury. Beginning July 1,  
10 1993, and continuing through June 30, 1994, of the amounts  
11 collected under subsections (a) and (b) of Section 201 of this  
12 Act, minus deposits into the Income Tax Refund Fund, the  
13 Department shall deposit 1.475% into the Income Tax Surcharge  
14 Local Government Distributive Fund in the State Treasury.

15 (f) Deposits into the Fund for the Advancement of  
16 Education. Beginning February 1, 2015, the Department shall  
17 deposit the following portions of the revenue realized from  
18 the tax imposed upon individuals, trusts, and estates by  
19 subsections (a) and (b) of Section 201 of this Act, minus  
20 deposits into the Income Tax Refund Fund, into the Fund for the  
21 Advancement of Education:

22 (1) beginning February 1, 2015, and prior to February  
23 1, 2025, 1/30; and

24 (2) beginning February 1, 2025, 1/26.

25 If the rate of tax imposed by subsection (a) and (b) of  
26 Section 201 is reduced pursuant to Section 201.5 of this Act,



1 the Department shall not make the deposits required by this  
2 subsection (f) on or after the effective date of the  
3 reduction.

4 (g) Deposits into the Commitment to Human Services Fund.  
5 Beginning February 1, 2015, the Department shall deposit the  
6 following portions of the revenue realized from the tax  
7 imposed upon individuals, trusts, and estates by subsections  
8 (a) and (b) of Section 201 of this Act, minus deposits into the  
9 Income Tax Refund Fund, into the Commitment to Human Services  
10 Fund:

11 (1) beginning February 1, 2015, and prior to February  
12 1, 2025, 1/30; and

13 (2) beginning February 1, 2025, 1/26.

14 If the rate of tax imposed by subsection (a) and (b) of  
15 Section 201 is reduced pursuant to Section 201.5 of this Act,  
16 the Department shall not make the deposits required by this  
17 subsection (g) on or after the effective date of the  
18 reduction.

19 (h) Deposits into the Tax Compliance and Administration  
20 Fund. Beginning on the first day of the first calendar month to  
21 occur on or after August 26, 2014 (the effective date of Public  
22 Act 98-1098), each month the Department shall pay into the Tax  
23 Compliance and Administration Fund, to be used, subject to  
24 appropriation, to fund additional auditors and compliance  
25 personnel at the Department, an amount equal to 1/12 of 5% of  
26 the cash receipts collected during the preceding fiscal year

1 by the Audit Bureau of the Department from the tax imposed by  
2 subsections (a), (b), (c), and (d) of Section 201 of this Act,  
3 net of deposits into the Income Tax Refund Fund made from those  
4 cash receipts.

5 (Source: P.A. 100-22, eff. 7-6-17; 100-23, eff. 7-6-17;  
6 100-587, eff. 6-4-18; 100-621, eff. 7-20-18; 100-863, eff.  
7 8-14-18; 100-1171, eff. 1-4-19; 101-8, see Section 99 for  
8 effective date; 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
9 101-636, eff. 6-10-20.)

10 Section 95. No acceleration or delay. Where this Act makes  
11 changes in a statute that is represented in this Act by text  
12 that is not yet or no longer in effect (for example, a Section  
13 represented by multiple versions), the use of that text does  
14 not accelerate or delay the taking effect of (i) the changes  
15 made by this Act or (ii) provisions derived from any other  
16 Public Act.

17 Section 99. Effective date. This Act takes effect July 1,  
18 2022.