



Rep. Marcus C. Evans, Jr.

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10200SB0058ham001

LRB102 04504 RAM 27318 a

1 AMENDMENT TO SENATE BILL 58

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 58 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Use Tax Act is amended by changing Section  
5 2 as follows:

6 (35 ILCS 105/2) (from Ch. 120, par. 439.2)  
7 Sec. 2. Definitions.

8 "Use" means the exercise by any person of any right or  
9 power over tangible personal property incident to the  
10 ownership of that property, except that it does not include  
11 the sale of such property in any form as tangible personal  
12 property in the regular course of business to the extent that  
13 such property is not first subjected to a use for which it was  
14 purchased, and does not include the use of such property by its  
15 owner for demonstration purposes: Provided that the property  
16 purchased is deemed to be purchased for the purpose of resale,

1 despite first being used, to the extent to which it is resold  
2 as an ingredient of an intentionally produced product or  
3 by-product of manufacturing. "Use" does not mean the  
4 demonstration use or interim use of tangible personal property  
5 by a retailer before he sells that tangible personal property.  
6 For watercraft or aircraft, if the period of demonstration use  
7 or interim use by the retailer exceeds 18 months, the retailer  
8 shall pay on the retailers' original cost price the tax  
9 imposed by this Act, and no credit for that tax is permitted if  
10 the watercraft or aircraft is subsequently sold by the  
11 retailer. "Use" does not mean the physical incorporation of  
12 tangible personal property, to the extent not first subjected  
13 to a use for which it was purchased, as an ingredient or  
14 constituent, into other tangible personal property (a) which  
15 is sold in the regular course of business or (b) which the  
16 person incorporating such ingredient or constituent therein  
17 has undertaken at the time of such purchase to cause to be  
18 transported in interstate commerce to destinations outside the  
19 State of Illinois: Provided that the property purchased is  
20 deemed to be purchased for the purpose of resale, despite  
21 first being used, to the extent to which it is resold as an  
22 ingredient of an intentionally produced product or by-product  
23 of manufacturing.

24 "Watercraft" means a Class 2, Class 3, or Class 4  
25 watercraft as defined in Section 3-2 of the Boat Registration  
26 and Safety Act, a personal watercraft, or any boat equipped

1 with an inboard motor.

2 "Purchase at retail" means the acquisition of the  
3 ownership of or title to tangible personal property through a  
4 sale at retail.

5 "Purchaser" means anyone who, through a sale at retail,  
6 acquires the ownership of tangible personal property for a  
7 valuable consideration.

8 "Sale at retail" means any transfer of the ownership of or  
9 title to tangible personal property to a purchaser, for the  
10 purpose of use, and not for the purpose of resale in any form  
11 as tangible personal property to the extent not first  
12 subjected to a use for which it was purchased, for a valuable  
13 consideration: Provided that the property purchased is deemed  
14 to be purchased for the purpose of resale, despite first being  
15 used, to the extent to which it is resold as an ingredient of  
16 an intentionally produced product or by-product of  
17 manufacturing. For this purpose, slag produced as an incident  
18 to manufacturing pig iron or steel and sold is considered to be  
19 an intentionally produced by-product of manufacturing. "Sale  
20 at retail" includes any such transfer made for resale unless  
21 made in compliance with Section 2c of the Retailers'  
22 Occupation Tax Act, as incorporated by reference into Section  
23 12 of this Act. Transactions whereby the possession of the  
24 property is transferred but the seller retains the title as  
25 security for payment of the selling price are sales.

26 "Sale at retail" shall also be construed to include any

1 Illinois florist's sales transaction in which the purchase  
2 order is received in Illinois by a florist and the sale is for  
3 use or consumption, but the Illinois florist has a florist in  
4 another state deliver the property to the purchaser or the  
5 purchaser's donee in such other state.

6 Nonreusable tangible personal property that is used by  
7 persons engaged in the business of operating a restaurant,  
8 cafeteria, or drive-in is a sale for resale when it is  
9 transferred to customers in the ordinary course of business as  
10 part of the sale of food or beverages and is used to deliver,  
11 package, or consume food or beverages, regardless of where  
12 consumption of the food or beverages occurs. Examples of those  
13 items include, but are not limited to nonreusable, paper and  
14 plastic cups, plates, baskets, boxes, sleeves, buckets or  
15 other containers, utensils, straws, placemats, napkins, doggie  
16 bags, and wrapping or packaging materials that are transferred  
17 to customers as part of the sale of food or beverages in the  
18 ordinary course of business.

19 The purchase, employment and transfer of such tangible  
20 personal property as newsprint and ink for the primary purpose  
21 of conveying news (with or without other information) is not a  
22 purchase, use or sale of tangible personal property.

23 "Selling price" means the consideration for a sale valued  
24 in money whether received in money or otherwise, including  
25 cash, credits, property other than as hereinafter provided,  
26 and services, but, prior to January 1, 2020 and beginning

1 again on January 1, 2022, not including the value of or credit  
2 given for traded-in tangible personal property where the item  
3 that is traded-in is of like kind and character as that which  
4 is being sold; beginning January 1, 2020 and until January 1,  
5 2022, "selling price" includes the portion of the value of or  
6 credit given for traded-in motor vehicles of the First  
7 Division as defined in Section 1-146 of the Illinois Vehicle  
8 Code of like kind and character as that which is being sold  
9 that exceeds \$10,000. "Selling price" shall be determined  
10 without any deduction on account of the cost of the property  
11 sold, the cost of materials used, labor or service cost or any  
12 other expense whatsoever, but does not include interest or  
13 finance charges which appear as separate items on the bill of  
14 sale or sales contract nor charges that are added to prices by  
15 sellers on account of the seller's tax liability under the  
16 Retailers' Occupation Tax Act, or on account of the seller's  
17 duty to collect, from the purchaser, the tax that is imposed by  
18 this Act, or, except as otherwise provided with respect to any  
19 cigarette tax imposed by a home rule unit, on account of the  
20 seller's tax liability under any local occupation tax  
21 administered by the Department, or, except as otherwise  
22 provided with respect to any cigarette tax imposed by a home  
23 rule unit on account of the seller's duty to collect, from the  
24 purchasers, the tax that is imposed under any local use tax  
25 administered by the Department. Effective December 1, 1985,  
26 "selling price" shall include charges that are added to prices

1 by sellers on account of the seller's tax liability under the  
2 Cigarette Tax Act, on account of the seller's duty to collect,  
3 from the purchaser, the tax imposed under the Cigarette Use  
4 Tax Act, and on account of the seller's duty to collect, from  
5 the purchaser, any cigarette tax imposed by a home rule unit.

6 Notwithstanding any law to the contrary, for any motor  
7 vehicle, as defined in Section 1-146 of the Vehicle Code, that  
8 is sold on or after January 1, 2015 for the purpose of leasing  
9 the vehicle for a defined period that is longer than one year  
10 and (1) is a motor vehicle of the second division that: (A) is  
11 a self-contained motor vehicle designed or permanently  
12 converted to provide living quarters for recreational,  
13 camping, or travel use, with direct walk through access to the  
14 living quarters from the driver's seat; (B) is of the van  
15 configuration designed for the transportation of not less than  
16 7 nor more than 16 passengers; or (C) has a gross vehicle  
17 weight rating of 8,000 pounds or less or (2) is a motor vehicle  
18 of the first division, "selling price" or "amount of sale"  
19 means the consideration received by the lessor pursuant to the  
20 lease contract, including amounts due at lease signing and all  
21 monthly or other regular payments charged over the term of the  
22 lease. Also included in the selling price is any amount  
23 received by the lessor from the lessee for the leased vehicle  
24 that is not calculated at the time the lease is executed,  
25 including, but not limited to, excess mileage charges and  
26 charges for excess wear and tear. For sales that occur in

1 Illinois, with respect to any amount received by the lessor  
2 from the lessee for the leased vehicle that is not calculated  
3 at the time the lease is executed, the lessor who purchased the  
4 motor vehicle does not incur the tax imposed by the Use Tax Act  
5 on those amounts, and the retailer who makes the retail sale of  
6 the motor vehicle to the lessor is not required to collect the  
7 tax imposed by this Act or to pay the tax imposed by the  
8 Retailers' Occupation Tax Act on those amounts. However, the  
9 lessor who purchased the motor vehicle assumes the liability  
10 for reporting and paying the tax on those amounts directly to  
11 the Department in the same form (Illinois Retailers'  
12 Occupation Tax, and local retailers' occupation taxes, if  
13 applicable) in which the retailer would have reported and paid  
14 such tax if the retailer had accounted for the tax to the  
15 Department. For amounts received by the lessor from the lessee  
16 that are not calculated at the time the lease is executed, the  
17 lessor must file the return and pay the tax to the Department  
18 by the due date otherwise required by this Act for returns  
19 other than transaction returns. If the retailer is entitled  
20 under this Act to a discount for collecting and remitting the  
21 tax imposed under this Act to the Department with respect to  
22 the sale of the motor vehicle to the lessor, then the right to  
23 the discount provided in this Act shall be transferred to the  
24 lessor with respect to the tax paid by the lessor for any  
25 amount received by the lessor from the lessee for the leased  
26 vehicle that is not calculated at the time the lease is

1 executed; provided that the discount is only allowed if the  
2 return is timely filed and for amounts timely paid. The  
3 "selling price" of a motor vehicle that is sold on or after  
4 January 1, 2015 for the purpose of leasing for a defined period  
5 of longer than one year shall not be reduced by the value of or  
6 credit given for traded-in tangible personal property owned by  
7 the lessor, nor shall it be reduced by the value of or credit  
8 given for traded-in tangible personal property owned by the  
9 lessee, regardless of whether the trade-in value thereof is  
10 assigned by the lessee to the lessor. In the case of a motor  
11 vehicle that is sold for the purpose of leasing for a defined  
12 period of longer than one year, the sale occurs at the time of  
13 the delivery of the vehicle, regardless of the due date of any  
14 lease payments. A lessor who incurs a Retailers' Occupation  
15 Tax liability on the sale of a motor vehicle coming off lease  
16 may not take a credit against that liability for the Use Tax  
17 the lessor paid upon the purchase of the motor vehicle (or for  
18 any tax the lessor paid with respect to any amount received by  
19 the lessor from the lessee for the leased vehicle that was not  
20 calculated at the time the lease was executed) if the selling  
21 price of the motor vehicle at the time of purchase was  
22 calculated using the definition of "selling price" as defined  
23 in this paragraph. Notwithstanding any other provision of this  
24 Act to the contrary, lessors shall file all returns and make  
25 all payments required under this paragraph to the Department  
26 by electronic means in the manner and form as required by the



1 Department. This paragraph does not apply to leases of motor  
2 vehicles for which, at the time the lease is entered into, the  
3 term of the lease is not a defined period, including leases  
4 with a defined initial period with the option to continue the  
5 lease on a month-to-month or other basis beyond the initial  
6 defined period.

7 The phrase "like kind and character" shall be liberally  
8 construed (including but not limited to any form of motor  
9 vehicle for any form of motor vehicle, or any kind of farm or  
10 agricultural implement for any other kind of farm or  
11 agricultural implement), while not including a kind of item  
12 which, if sold at retail by that retailer, would be exempt from  
13 retailers' occupation tax and use tax as an isolated or  
14 occasional sale.

15 "Department" means the Department of Revenue.

16 "Person" means any natural individual, firm, partnership,  
17 association, joint stock company, joint adventure, public or  
18 private corporation, limited liability company, or a receiver,  
19 executor, trustee, guardian or other representative appointed  
20 by order of any court.

21 "Retailer" means and includes every person engaged in the  
22 business of making sales at retail as defined in this Section.

23 A person who holds himself or herself out as being engaged  
24 (or who habitually engages) in selling tangible personal  
25 property at retail is a retailer hereunder with respect to  
26 such sales (and not primarily in a service occupation)

1 notwithstanding the fact that such person designs and produces  
2 such tangible personal property on special order for the  
3 purchaser and in such a way as to render the property of value  
4 only to such purchaser, if such tangible personal property so  
5 produced on special order serves substantially the same  
6 function as stock or standard items of tangible personal  
7 property that are sold at retail.

8 A person whose activities are organized and conducted  
9 primarily as a not-for-profit service enterprise, and who  
10 engages in selling tangible personal property at retail  
11 (whether to the public or merely to members and their guests)  
12 is a retailer with respect to such transactions, excepting  
13 only a person organized and operated exclusively for  
14 charitable, religious or educational purposes either (1), to  
15 the extent of sales by such person to its members, students,  
16 patients or inmates of tangible personal property to be used  
17 primarily for the purposes of such person, or (2), to the  
18 extent of sales by such person of tangible personal property  
19 which is not sold or offered for sale by persons organized for  
20 profit. The selling of school books and school supplies by  
21 schools at retail to students is not "primarily for the  
22 purposes of" the school which does such selling. This  
23 paragraph does not apply to nor subject to taxation occasional  
24 dinners, social or similar activities of a person organized  
25 and operated exclusively for charitable, religious or  
26 educational purposes, whether or not such activities are open

1 to the public.

2 A person who is the recipient of a grant or contract under  
3 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and  
4 serves meals to participants in the federal Nutrition Program  
5 for the Elderly in return for contributions established in  
6 amount by the individual participant pursuant to a schedule of  
7 suggested fees as provided for in the federal Act is not a  
8 retailer under this Act with respect to such transactions.

9 Persons who engage in the business of transferring  
10 tangible personal property upon the redemption of trading  
11 stamps are retailers hereunder when engaged in such business.

12 The isolated or occasional sale of tangible personal  
13 property at retail by a person who does not hold himself out as  
14 being engaged (or who does not habitually engage) in selling  
15 such tangible personal property at retail or a sale through a  
16 bulk vending machine does not make such person a retailer  
17 hereunder. However, any person who is engaged in a business  
18 which is not subject to the tax imposed by the Retailers'  
19 Occupation Tax Act because of involving the sale of or a  
20 contract to sell real estate or a construction contract to  
21 improve real estate, but who, in the course of conducting such  
22 business, transfers tangible personal property to users or  
23 consumers in the finished form in which it was purchased, and  
24 which does not become real estate, under any provision of a  
25 construction contract or real estate sale or real estate sales  
26 agreement entered into with some other person arising out of

1 or because of such nontaxable business, is a retailer to the  
2 extent of the value of the tangible personal property so  
3 transferred. If, in such transaction, a separate charge is  
4 made for the tangible personal property so transferred, the  
5 value of such property, for the purposes of this Act, is the  
6 amount so separately charged, but not less than the cost of  
7 such property to the transferor; if no separate charge is  
8 made, the value of such property, for the purposes of this Act,  
9 is the cost to the transferor of such tangible personal  
10 property.

11 "Retailer maintaining a place of business in this State",  
12 or any like term, means and includes any of the following  
13 retailers:

14 (1) A retailer having or maintaining within this  
15 State, directly or by a subsidiary, an office,  
16 distribution house, sales house, warehouse or other place  
17 of business, or any agent or other representative  
18 operating within this State under the authority of the  
19 retailer or its subsidiary, irrespective of whether such  
20 place of business or agent or other representative is  
21 located here permanently or temporarily, or whether such  
22 retailer or subsidiary is licensed to do business in this  
23 State. However, the ownership of property that is located  
24 at the premises of a printer with which the retailer has  
25 contracted for printing and that consists of the final  
26 printed product, property that becomes a part of the final

1 printed product, or copy from which the printed product is  
2 produced shall not result in the retailer being deemed to  
3 have or maintain an office, distribution house, sales  
4 house, warehouse, or other place of business within this  
5 State.

6 (1.1) A retailer having a contract with a person  
7 located in this State under which the person, for a  
8 commission or other consideration based upon the sale of  
9 tangible personal property by the retailer, directly or  
10 indirectly refers potential customers to the retailer by  
11 providing to the potential customers a promotional code or  
12 other mechanism that allows the retailer to track  
13 purchases referred by such persons. Examples of mechanisms  
14 that allow the retailer to track purchases referred by  
15 such persons include but are not limited to the use of a  
16 link on the person's Internet website, promotional codes  
17 distributed through the person's hand-delivered or mailed  
18 material, and promotional codes distributed by the person  
19 through radio or other broadcast media. The provisions of  
20 this paragraph (1.1) shall apply only if the cumulative  
21 gross receipts from sales of tangible personal property by  
22 the retailer to customers who are referred to the retailer  
23 by all persons in this State under such contracts exceed  
24 \$10,000 during the preceding 4 quarterly periods ending on  
25 the last day of March, June, September, and December. A  
26 retailer meeting the requirements of this paragraph (1.1)

1 shall be presumed to be maintaining a place of business in  
2 this State but may rebut this presumption by submitting  
3 proof that the referrals or other activities pursued  
4 within this State by such persons were not sufficient to  
5 meet the nexus standards of the United States Constitution  
6 during the preceding 4 quarterly periods.

7 (1.2) Beginning July 1, 2011, a retailer having a  
8 contract with a person located in this State under which:

9 (A) the retailer sells the same or substantially  
10 similar line of products as the person located in this  
11 State and does so using an identical or substantially  
12 similar name, trade name, or trademark as the person  
13 located in this State; and

14 (B) the retailer provides a commission or other  
15 consideration to the person located in this State  
16 based upon the sale of tangible personal property by  
17 the retailer.

18 The provisions of this paragraph (1.2) shall apply  
19 only if the cumulative gross receipts from sales of  
20 tangible personal property by the retailer to customers in  
21 this State under all such contracts exceed \$10,000 during  
22 the preceding 4 quarterly periods ending on the last day  
23 of March, June, September, and December.

24 (2) (Blank).

25 (3) (Blank).

26 (4) (Blank).

1 (5) (Blank).

2 (6) (Blank).

3 (7) (Blank).

4 (8) (Blank).

5 (9) Beginning October 1, 2018, a retailer making sales  
6 of tangible personal property to purchasers in Illinois  
7 from outside of Illinois if:

8 (A) the cumulative gross receipts from sales of  
9 tangible personal property to purchasers in Illinois  
10 are \$100,000 or more; or

11 (B) the retailer enters into 200 or more separate  
12 transactions for the sale of tangible personal  
13 property to purchasers in Illinois.

14 The retailer shall determine on a quarterly basis,  
15 ending on the last day of March, June, September, and  
16 December, whether he or she meets the criteria of either  
17 subparagraph (A) or (B) of this paragraph (9) for the  
18 preceding 12-month period. If the retailer meets the  
19 threshold of either subparagraph (A) or (B) for a 12-month  
20 period, he or she is considered a retailer maintaining a  
21 place of business in this State and is required to collect  
22 and remit the tax imposed under this Act and file returns  
23 for one year. At the end of that one-year period, the  
24 retailer shall determine whether he or she met the  
25 threshold of either subparagraph (A) or (B) during the  
26 preceding 12-month period. If the retailer met the

1 criteria in either subparagraph (A) or (B) for the  
2 preceding 12-month period, he or she is considered a  
3 retailer maintaining a place of business in this State and  
4 is required to collect and remit the tax imposed under  
5 this Act and file returns for the subsequent year. If at  
6 the end of a one-year period a retailer that was required  
7 to collect and remit the tax imposed under this Act  
8 determines that he or she did not meet the threshold in  
9 either subparagraph (A) or (B) during the preceding  
10 12-month period, the retailer shall subsequently determine  
11 on a quarterly basis, ending on the last day of March,  
12 June, September, and December, whether he or she meets the  
13 threshold of either subparagraph (A) or (B) for the  
14 preceding 12-month period.

15 Beginning January 1, 2020, neither the gross receipts  
16 from nor the number of separate transactions for sales of  
17 tangible personal property to purchasers in Illinois that  
18 a retailer makes through a marketplace facilitator and for  
19 which the retailer has received a certification from the  
20 marketplace facilitator pursuant to Section 2d of this Act  
21 shall be included for purposes of determining whether he  
22 or she has met the thresholds of this paragraph (9).

23 (10) Beginning January 1, 2020, a marketplace  
24 facilitator that meets a threshold set forth in subsection  
25 (b) of Section 2d of this Act.

26 "Bulk vending machine" means a vending machine, containing



1 unsorted confections, nuts, toys, or other items designed  
2 primarily to be used or played with by children which, when a  
3 coin or coins of a denomination not larger than \$0.50 are  
4 inserted, are dispensed in equal portions, at random and  
5 without selection by the customer.

6 (Source: P.A. 100-587, eff. 6-4-18; 101-9, eff. 6-5-19;  
7 101-31, eff. 1-1-20; 101-604, eff. 1-1-20.)

8 Section 10. The Retailers' Occupation Tax Act is amended  
9 by changing Section 1 as follows:

10 (35 ILCS 120/1) (from Ch. 120, par. 440)

11 Sec. 1. Definitions. "Sale at retail" means any transfer  
12 of the ownership of or title to tangible personal property to a  
13 purchaser, for the purpose of use or consumption, and not for  
14 the purpose of resale in any form as tangible personal  
15 property to the extent not first subjected to a use for which  
16 it was purchased, for a valuable consideration: Provided that  
17 the property purchased is deemed to be purchased for the  
18 purpose of resale, despite first being used, to the extent to  
19 which it is resold as an ingredient of an intentionally  
20 produced product or byproduct of manufacturing. For this  
21 purpose, slag produced as an incident to manufacturing pig  
22 iron or steel and sold is considered to be an intentionally  
23 produced byproduct of manufacturing. Transactions whereby the  
24 possession of the property is transferred but the seller

1 retains the title as security for payment of the selling price  
2 shall be deemed to be sales.

3 "Sale at retail" shall be construed to include any  
4 transfer of the ownership of or title to tangible personal  
5 property to a purchaser, for use or consumption by any other  
6 person to whom such purchaser may transfer the tangible  
7 personal property without a valuable consideration, and to  
8 include any transfer, whether made for or without a valuable  
9 consideration, for resale in any form as tangible personal  
10 property unless made in compliance with Section 2c of this  
11 Act.

12 Sales of tangible personal property, which property, to  
13 the extent not first subjected to a use for which it was  
14 purchased, as an ingredient or constituent, goes into and  
15 forms a part of tangible personal property subsequently the  
16 subject of a "Sale at retail", are not sales at retail as  
17 defined in this Act: Provided that the property purchased is  
18 deemed to be purchased for the purpose of resale, despite  
19 first being used, to the extent to which it is resold as an  
20 ingredient of an intentionally produced product or byproduct  
21 of manufacturing.

22 "Sale at retail" shall be construed to include any  
23 Illinois florist's sales transaction in which the purchase  
24 order is received in Illinois by a florist and the sale is for  
25 use or consumption, but the Illinois florist has a florist in  
26 another state deliver the property to the purchaser or the

1 purchaser's donee in such other state.

2 Nonreusable tangible personal property that is used by  
3 persons engaged in the business of operating a restaurant,  
4 cafeteria, or drive-in is a sale for resale when it is  
5 transferred to customers in the ordinary course of business as  
6 part of the sale of food or beverages and is used to deliver,  
7 package, or consume food or beverages, regardless of where  
8 consumption of the food or beverages occurs. Examples of those  
9 items include, but are not limited to nonreusable, paper and  
10 plastic cups, plates, baskets, boxes, sleeves, buckets or  
11 other containers, utensils, straws, placemats, napkins, doggie  
12 bags, and wrapping or packaging materials that are transferred  
13 to customers as part of the sale of food or beverages in the  
14 ordinary course of business.

15 The purchase, employment and transfer of such tangible  
16 personal property as newsprint and ink for the primary purpose  
17 of conveying news (with or without other information) is not a  
18 purchase, use or sale of tangible personal property.

19 A person whose activities are organized and conducted  
20 primarily as a not-for-profit service enterprise, and who  
21 engages in selling tangible personal property at retail  
22 (whether to the public or merely to members and their guests)  
23 is engaged in the business of selling tangible personal  
24 property at retail with respect to such transactions,  
25 excepting only a person organized and operated exclusively for  
26 charitable, religious or educational purposes either (1), to

1 the extent of sales by such person to its members, students,  
2 patients or inmates of tangible personal property to be used  
3 primarily for the purposes of such person, or (2), to the  
4 extent of sales by such person of tangible personal property  
5 which is not sold or offered for sale by persons organized for  
6 profit. The selling of school books and school supplies by  
7 schools at retail to students is not "primarily for the  
8 purposes of" the school which does such selling. The  
9 provisions of this paragraph shall not apply to nor subject to  
10 taxation occasional dinners, socials or similar activities of  
11 a person organized and operated exclusively for charitable,  
12 religious or educational purposes, whether or not such  
13 activities are open to the public.

14 A person who is the recipient of a grant or contract under  
15 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and  
16 serves meals to participants in the federal Nutrition Program  
17 for the Elderly in return for contributions established in  
18 amount by the individual participant pursuant to a schedule of  
19 suggested fees as provided for in the federal Act is not  
20 engaged in the business of selling tangible personal property  
21 at retail with respect to such transactions.

22 "Purchaser" means anyone who, through a sale at retail,  
23 acquires the ownership of or title to tangible personal  
24 property for a valuable consideration.

25 "Reseller of motor fuel" means any person engaged in the  
26 business of selling or delivering or transferring title of

1 motor fuel to another person other than for use or  
2 consumption. No person shall act as a reseller of motor fuel  
3 within this State without first being registered as a reseller  
4 pursuant to Section 2c or a retailer pursuant to Section 2a.

5 "Selling price" or the "amount of sale" means the  
6 consideration for a sale valued in money whether received in  
7 money or otherwise, including cash, credits, property, other  
8 than as hereinafter provided, and services, but, prior to  
9 January 1, 2020 and beginning again on January 1, 2022, not  
10 including the value of or credit given for traded-in tangible  
11 personal property where the item that is traded-in is of like  
12 kind and character as that which is being sold; beginning  
13 January 1, 2020 and until January 1, 2022, "selling price"  
14 includes the portion of the value of or credit given for  
15 traded-in motor vehicles of the First Division as defined in  
16 Section 1-146 of the Illinois Vehicle Code of like kind and  
17 character as that which is being sold that exceeds \$10,000.  
18 "Selling price" shall be determined without any deduction on  
19 account of the cost of the property sold, the cost of materials  
20 used, labor or service cost or any other expense whatsoever,  
21 but does not include charges that are added to prices by  
22 sellers on account of the seller's tax liability under this  
23 Act, or on account of the seller's duty to collect, from the  
24 purchaser, the tax that is imposed by the Use Tax Act, or,  
25 except as otherwise provided with respect to any cigarette tax  
26 imposed by a home rule unit, on account of the seller's tax

1 liability under any local occupation tax administered by the  
2 Department, or, except as otherwise provided with respect to  
3 any cigarette tax imposed by a home rule unit on account of the  
4 seller's duty to collect, from the purchasers, the tax that is  
5 imposed under any local use tax administered by the  
6 Department. Effective December 1, 1985, "selling price" shall  
7 include charges that are added to prices by sellers on account  
8 of the seller's tax liability under the Cigarette Tax Act, on  
9 account of the sellers' duty to collect, from the purchaser,  
10 the tax imposed under the Cigarette Use Tax Act, and on account  
11 of the seller's duty to collect, from the purchaser, any  
12 cigarette tax imposed by a home rule unit.

13 Notwithstanding any law to the contrary, for any motor  
14 vehicle, as defined in Section 1-146 of the Vehicle Code, that  
15 is sold on or after January 1, 2015 for the purpose of leasing  
16 the vehicle for a defined period that is longer than one year  
17 and (1) is a motor vehicle of the second division that: (A) is  
18 a self-contained motor vehicle designed or permanently  
19 converted to provide living quarters for recreational,  
20 camping, or travel use, with direct walk through access to the  
21 living quarters from the driver's seat; (B) is of the van  
22 configuration designed for the transportation of not less than  
23 7 nor more than 16 passengers; or (C) has a gross vehicle  
24 weight rating of 8,000 pounds or less or (2) is a motor vehicle  
25 of the first division, "selling price" or "amount of sale"  
26 means the consideration received by the lessor pursuant to the

1 lease contract, including amounts due at lease signing and all  
2 monthly or other regular payments charged over the term of the  
3 lease. Also included in the selling price is any amount  
4 received by the lessor from the lessee for the leased vehicle  
5 that is not calculated at the time the lease is executed,  
6 including, but not limited to, excess mileage charges and  
7 charges for excess wear and tear. For sales that occur in  
8 Illinois, with respect to any amount received by the lessor  
9 from the lessee for the leased vehicle that is not calculated  
10 at the time the lease is executed, the lessor who purchased the  
11 motor vehicle does not incur the tax imposed by the Use Tax Act  
12 on those amounts, and the retailer who makes the retail sale of  
13 the motor vehicle to the lessor is not required to collect the  
14 tax imposed by the Use Tax Act or to pay the tax imposed by  
15 this Act on those amounts. However, the lessor who purchased  
16 the motor vehicle assumes the liability for reporting and  
17 paying the tax on those amounts directly to the Department in  
18 the same form (Illinois Retailers' Occupation Tax, and local  
19 retailers' occupation taxes, if applicable) in which the  
20 retailer would have reported and paid such tax if the retailer  
21 had accounted for the tax to the Department. For amounts  
22 received by the lessor from the lessee that are not calculated  
23 at the time the lease is executed, the lessor must file the  
24 return and pay the tax to the Department by the due date  
25 otherwise required by this Act for returns other than  
26 transaction returns. If the retailer is entitled under this

1 Act to a discount for collecting and remitting the tax imposed  
2 under this Act to the Department with respect to the sale of  
3 the motor vehicle to the lessor, then the right to the discount  
4 provided in this Act shall be transferred to the lessor with  
5 respect to the tax paid by the lessor for any amount received  
6 by the lessor from the lessee for the leased vehicle that is  
7 not calculated at the time the lease is executed; provided  
8 that the discount is only allowed if the return is timely filed  
9 and for amounts timely paid. The "selling price" of a motor  
10 vehicle that is sold on or after January 1, 2015 for the  
11 purpose of leasing for a defined period of longer than one year  
12 shall not be reduced by the value of or credit given for  
13 traded-in tangible personal property owned by the lessor, nor  
14 shall it be reduced by the value of or credit given for  
15 traded-in tangible personal property owned by the lessee,  
16 regardless of whether the trade-in value thereof is assigned  
17 by the lessee to the lessor. In the case of a motor vehicle  
18 that is sold for the purpose of leasing for a defined period of  
19 longer than one year, the sale occurs at the time of the  
20 delivery of the vehicle, regardless of the due date of any  
21 lease payments. A lessor who incurs a Retailers' Occupation  
22 Tax liability on the sale of a motor vehicle coming off lease  
23 may not take a credit against that liability for the Use Tax  
24 the lessor paid upon the purchase of the motor vehicle (or for  
25 any tax the lessor paid with respect to any amount received by  
26 the lessor from the lessee for the leased vehicle that was not



1 calculated at the time the lease was executed) if the selling  
2 price of the motor vehicle at the time of purchase was  
3 calculated using the definition of "selling price" as defined  
4 in this paragraph. Notwithstanding any other provision of this  
5 Act to the contrary, lessors shall file all returns and make  
6 all payments required under this paragraph to the Department  
7 by electronic means in the manner and form as required by the  
8 Department. This paragraph does not apply to leases of motor  
9 vehicles for which, at the time the lease is entered into, the  
10 term of the lease is not a defined period, including leases  
11 with a defined initial period with the option to continue the  
12 lease on a month-to-month or other basis beyond the initial  
13 defined period.

14 The phrase "like kind and character" shall be liberally  
15 construed (including but not limited to any form of motor  
16 vehicle for any form of motor vehicle, or any kind of farm or  
17 agricultural implement for any other kind of farm or  
18 agricultural implement), while not including a kind of item  
19 which, if sold at retail by that retailer, would be exempt from  
20 retailers' occupation tax and use tax as an isolated or  
21 occasional sale.

22 "Gross receipts" from the sales of tangible personal  
23 property at retail means the total selling price or the amount  
24 of such sales, as hereinbefore defined. In the case of charge  
25 and time sales, the amount thereof shall be included only as  
26 and when payments are received by the seller. Receipts or

1 other consideration derived by a seller from the sale,  
2 transfer or assignment of accounts receivable to a wholly  
3 owned subsidiary will not be deemed payments prior to the time  
4 the purchaser makes payment on such accounts.

5 "Department" means the Department of Revenue.

6 "Person" means any natural individual, firm, partnership,  
7 association, joint stock company, joint adventure, public or  
8 private corporation, limited liability company, or a receiver,  
9 executor, trustee, guardian or other representative appointed  
10 by order of any court.

11 The isolated or occasional sale of tangible personal  
12 property at retail by a person who does not hold himself out as  
13 being engaged (or who does not habitually engage) in selling  
14 such tangible personal property at retail, or a sale through a  
15 bulk vending machine, does not constitute engaging in a  
16 business of selling such tangible personal property at retail  
17 within the meaning of this Act; provided that any person who is  
18 engaged in a business which is not subject to the tax imposed  
19 by this Act because of involving the sale of or a contract to  
20 sell real estate or a construction contract to improve real  
21 estate or a construction contract to engineer, install, and  
22 maintain an integrated system of products, but who, in the  
23 course of conducting such business, transfers tangible  
24 personal property to users or consumers in the finished form  
25 in which it was purchased, and which does not become real  
26 estate or was not engineered and installed, under any

1 provision of a construction contract or real estate sale or  
2 real estate sales agreement entered into with some other  
3 person arising out of or because of such nontaxable business,  
4 is engaged in the business of selling tangible personal  
5 property at retail to the extent of the value of the tangible  
6 personal property so transferred. If, in such a transaction, a  
7 separate charge is made for the tangible personal property so  
8 transferred, the value of such property, for the purpose of  
9 this Act, shall be the amount so separately charged, but not  
10 less than the cost of such property to the transferor; if no  
11 separate charge is made, the value of such property, for the  
12 purposes of this Act, is the cost to the transferor of such  
13 tangible personal property. Construction contracts for the  
14 improvement of real estate consisting of engineering,  
15 installation, and maintenance of voice, data, video, security,  
16 and all telecommunication systems do not constitute engaging  
17 in a business of selling tangible personal property at retail  
18 within the meaning of this Act if they are sold at one  
19 specified contract price.

20 A person who holds himself or herself out as being engaged  
21 (or who habitually engages) in selling tangible personal  
22 property at retail is a person engaged in the business of  
23 selling tangible personal property at retail hereunder with  
24 respect to such sales (and not primarily in a service  
25 occupation) notwithstanding the fact that such person designs  
26 and produces such tangible personal property on special order

1 for the purchaser and in such a way as to render the property  
2 of value only to such purchaser, if such tangible personal  
3 property so produced on special order serves substantially the  
4 same function as stock or standard items of tangible personal  
5 property that are sold at retail.

6 Persons who engage in the business of transferring  
7 tangible personal property upon the redemption of trading  
8 stamps are engaged in the business of selling such property at  
9 retail and shall be liable for and shall pay the tax imposed by  
10 this Act on the basis of the retail value of the property  
11 transferred upon redemption of such stamps.

12 "Bulk vending machine" means a vending machine, containing  
13 unsorted confections, nuts, toys, or other items designed  
14 primarily to be used or played with by children which, when a  
15 coin or coins of a denomination not larger than \$0.50 are  
16 inserted, are dispensed in equal portions, at random and  
17 without selection by the customer.

18 "Remote retailer" means a retailer that does not maintain  
19 within this State, directly or by a subsidiary, an office,  
20 distribution house, sales house, warehouse or other place of  
21 business, or any agent or other representative operating  
22 within this State under the authority of the retailer or its  
23 subsidiary, irrespective of whether such place of business or  
24 agent is located here permanently or temporarily or whether  
25 such retailer or subsidiary is licensed to do business in this  
26 State.

1 "Marketplace" means a physical or electronic place, forum,  
2 platform, application, or other method by which a marketplace  
3 seller sells or offers to sell items.

4 "Marketplace facilitator" means a person who, pursuant to  
5 an agreement with an unrelated third-party marketplace seller,  
6 directly or indirectly through one or more affiliates  
7 facilitates a retail sale by an unrelated third party  
8 marketplace seller by:

9 (1) listing or advertising for sale by the marketplace  
10 seller in a marketplace, tangible personal property that  
11 is subject to tax under this Act; and

12 (2) either directly or indirectly, through agreements  
13 or arrangements with third parties, collecting payment  
14 from the customer and transmitting that payment to the  
15 marketplace seller regardless of whether the marketplace  
16 facilitator receives compensation or other consideration  
17 in exchange for its services.

18 A person who provides advertising services, including  
19 listing products for sale, is not considered a marketplace  
20 facilitator, so long as the advertising service platform or  
21 forum does not engage, directly or indirectly through one or  
22 more affiliated persons, in the activities described in  
23 paragraph (2) of this definition of "marketplace facilitator".

24 "Marketplace seller" means a person that makes sales  
25 through a marketplace operated by an unrelated third party  
26 marketplace facilitator.

1 (Source: P.A. 101-31, eff. 6-28-19; 101-604, eff. 1-1-20.)

2 Section 15. The Illinois Vehicle Code is amended by  
3 changing Sections 3-819, 3-821, and 3-1001 and by adding  
4 Section 1-216.5 as follows:

5 (625 ILCS 5/1-216.5 new)

6 Sec. 1-216.5. Utility trailer. A trailer, as defined in  
7 Section 1-209 of this Code, consisting of only one axle,  
8 weighing under 2,000 pounds, and used primarily for personal  
9 or individual use and not commercially used nor owned by a  
10 commercial business.

11 (625 ILCS 5/3-819) (from Ch. 95 1/2, par. 3-819)

12 Sec. 3-819. Trailer; ~~Flat weight~~ tax.

13 (a) Farm Trailer. Any farm trailer drawn by a motor  
14 vehicle of the second division registered under paragraph (a)  
15 or (c) of Section 3-815 and used exclusively by the owner for  
16 his own agricultural, horticultural or livestock raising  
17 operations and not used for hire, or any farm trailer utilized  
18 only in the transportation for-hire of seasonal, fresh,  
19 perishable fruit or vegetables from farm to the point of first  
20 processing, and any trailer used with a farm tractor that is  
21 not an implement of husbandry may be registered under this  
22 paragraph in lieu of registration under paragraph (b) of this  
23 Section upon the filing of a proper application and the

1 payment of the \$10 registration fee and the highway use tax  
 2 herein for use of the public highways of this State, at the  
 3 following rates which include the \$10 registration fee:

4 SCHEDULE OF FEES AND TAXES

5 Gross Weight in Lbs.	Class	Total Amount
6 Including Vehicle		each
7 and Maximum Load		Fiscal Year
8 10,000 lbs. or less	VDD	\$160
9 10,001 to 14,000 lbs.	VDE	206
10 14,001 to 20,000 lbs.	VDG	266
11 20,001 to 28,000 lbs.	VDJ	478
12 28,001 to 36,000 lbs.	VDL	750

13 An owner may only apply for and receive 2 ~~two~~ farm trailer  
 14 registrations.

15 (b) All other owners of trailers, other than apportionable  
 16 trailers registered under Section 3-402.1 of this Code, used  
 17 with a motor vehicle on the public highways, shall pay to the  
 18 Secretary of State for each registration year a flat weight  
 19 tax, for the use of the public highways of this State, at the  
 20 following rates (which includes the registration fee of \$10  
 21 required by Section 3-813):

22 SCHEDULE OF TRAILER FLAT

23 WEIGHT TAX REQUIRED

24 BY LAW

25 Gross Weight in Lbs.	Total Fees
26 Including Vehicle and	each

1	Maximum Load	Class	Fiscal Year
2	<u>2,000 lbs. and less</u>	<u>UT</u>	<u>\$36</u>
3	3,000 lbs. and <u>more than 2,000</u> <del>less</del>	TA	<u>\$36</u> <del>\$118</del>
4	5,000 lbs. and more than 3,000	TB	154
5	8,000 lbs. and more than 5,000	TC	158
6	10,000 lbs. and more than 8,000	TD	206
7	14,000 lbs. and more than 10,000	TE	270
8	20,000 lbs. and more than 14,000	TG	358
9	32,000 lbs. and more than 20,000	TK	822
10	36,000 lbs. and more than 32,000	TL	1,182
11	40,000 lbs. and more than 36,000	TN	1,602

12       Of the fees collected under this subsection, other than  
13 the fee collected for a Class UT or TA trailer, \$1 of the fees  
14 shall be deposited into the Secretary of State Special  
15 Services Fund and \$99 of the ~~additional~~ fees shall be  
16 deposited into the Road Fund.

17       (c) The number of axles necessary to carry the maximum  
18 load provided shall be determined from Chapter 15 of this  
19 Code.

20       (Source: P.A. 101-32, eff. 6-28-19.)

21       (625 ILCS 5/3-821) (from Ch. 95 1/2, par. 3-821)

22       Sec. 3-821. Miscellaneous registration and title fees.

23       (a) Except as provided under subsection (h), the fee to be  
24 paid to the Secretary of State for the following certificates,  
25 registrations or evidences of proper registration, or for



1 corrected or duplicate documents shall be in accordance with  
 2 the following schedule:

3 ~~Certificate of Title, except for an all-terrain~~  
 4 ~~vehicle or off-highway motorcycle, prior to July 1,~~  
 5 ~~2019~~ ~~\$95~~

6 Certificate of Title, except for an all-terrain  
 7 vehicle, off-highway motorcycle, or motor home, mini  
 8 motor home or van camper, ~~on and after July 1, 2019~~ \$155 \$150

9 Certificate of Title for a motor home, mini motor  
 10 home, or van camper, ~~on and after July 1, 2019~~ \$250

11 Certificate of Title for an all-terrain vehicle  
 12 or off-highway motorcycle \$30

13 Certificate of Title for an all-terrain vehicle  
 14 or off-highway motorcycle used for production  
 15 agriculture, or accepted by a dealer in trade \$13

16 Certificate of Title for a low-speed vehicle \$30

17 Transfer of Registration or any evidence of  
 18 proper registration \$25

19 Duplicate Registration Card for plates or other  
 20 evidence of proper registration \$3

21 Duplicate Registration Sticker or Stickers, each \$20

22 ~~Duplicate Certificate of Title, prior to July 1,~~  
 23 ~~2019~~ ~~\$95~~

24 Duplicate Certificate of Title, ~~on and after July~~  
 25 ~~1, 2019~~ \$50

26 Corrected Registration Card or Card for other

1	evidence of proper registration	\$3
2	Corrected Certificate of Title	\$50
3	<del>Salvage Certificate, prior to July 1, 2019</del>	<del>\$4</del>
4	<del>Salvage Certificate, on and after July 1, 2019</del>	\$20
5	Fleet Reciprocity Permit	\$15
6	Prorate Decal	\$1
7	Prorate Backing Plate	\$3
8	Special Corrected Certificate of Title	\$15
9	Expedited Title Service (to be charged in	
10	addition to other applicable fees)	\$30
11	Dealer Lien Release Certificate of Title	\$20

12 A special corrected certificate of title shall be issued  
13 (i) to remove a co-owner's name due to the death of the  
14 co-owner, to transfer title to a spouse if the decedent-spouse  
15 was the sole owner on the title, or due to a divorce; (ii) to  
16 change a co-owner's name due to a marriage; or (iii) due to a  
17 name change under Article XXI of the Code of Civil Procedure.

18 There shall be no fee paid for a Junking Certificate.

19 There shall be no fee paid for a certificate of title  
20 issued to a county when the vehicle is forfeited to the county  
21 under Article 36 of the Criminal Code of 2012.

22 For purposes of this Section, the fee for a corrected  
23 title application that also results in the issuance of a  
24 duplicate title shall be the same as the fee for a duplicate  
25 title.

26 (a-5) The Secretary of State may revoke a certificate of

1 title and registration card and issue a corrected certificate  
2 of title and registration card, at no fee to the vehicle owner  
3 or lienholder, if there is proof that the vehicle  
4 identification number is erroneously shown on the original  
5 certificate of title.

6 (a-10) The Secretary of State may issue, in connection  
7 with the sale of a motor vehicle, a corrected title to a motor  
8 vehicle dealer upon application and submittal of a lien  
9 release letter from the lienholder listed in the files of the  
10 Secretary. In the case of a title issued by another state, the  
11 dealer must submit proof from the state that issued the last  
12 title. The corrected title, which shall be known as a dealer  
13 lien release certificate of title, shall be issued in the name  
14 of the vehicle owner without the named lienholder. If the  
15 motor vehicle is currently titled in a state other than  
16 Illinois, the applicant must submit either (i) a letter from  
17 the current lienholder releasing the lien and stating that the  
18 lienholder has possession of the title; or (ii) a letter from  
19 the current lienholder releasing the lien and a copy of the  
20 records of the department of motor vehicles for the state in  
21 which the vehicle is titled, showing that the vehicle is  
22 titled in the name of the applicant and that no liens are  
23 recorded other than the lien for which a release has been  
24 submitted. The fee for the dealer lien release certificate of  
25 title is \$20.

26 (b) The Secretary may prescribe the maximum service charge

1 to be imposed upon an applicant for renewal of a registration  
2 by any person authorized by law to receive and remit or  
3 transmit to the Secretary such renewal application and fees  
4 therewith.

5 (c) If payment is delivered to the Office of the Secretary  
6 of State as payment of any fee or tax under this Code, and such  
7 payment is not honored for any reason, the registrant or other  
8 person tendering the payment remains liable for the payment of  
9 such fee or tax. The Secretary of State may assess a service  
10 charge of \$25 in addition to the fee or tax due and owing for  
11 all dishonored payments.

12 If the total amount then due and owing exceeds the sum of  
13 \$100 and has not been paid in full within 60 days from the date  
14 the dishonored payment was first delivered to the Secretary of  
15 State, the Secretary of State shall assess a penalty of 25% of  
16 such amount remaining unpaid.

17 All amounts payable under this Section shall be computed  
18 to the nearest dollar. Out of each fee collected for  
19 dishonored payments, \$5 shall be deposited in the Secretary of  
20 State Special Services Fund.

21 (d) The minimum fee and tax to be paid by any applicant for  
22 apportionment of a fleet of vehicles under this Code shall be  
23 \$15 if the application was filed on or before the date  
24 specified by the Secretary together with fees and taxes due.  
25 If an application and the fees or taxes due are filed after the  
26 date specified by the Secretary, the Secretary may prescribe

1 the payment of interest at the rate of 1/2 of 1% per month or  
2 fraction thereof after such due date and a minimum of \$8.

3 (e) Trucks, truck tractors, truck tractors with loads, and  
4 motor buses, any one of which having a combined total weight in  
5 excess of 12,000 lbs. shall file an application for a Fleet  
6 Reciprocity Permit issued by the Secretary of State. This  
7 permit shall be in the possession of any driver operating a  
8 vehicle on Illinois highways. Any foreign licensed vehicle of  
9 the second division operating at any time in Illinois without  
10 a Fleet Reciprocity Permit or other proper Illinois  
11 registration, shall subject the operator to the penalties  
12 provided in Section 3-834 of this Code. For the purposes of  
13 this Code, "Fleet Reciprocity Permit" means any second  
14 division motor vehicle with a foreign license and used only in  
15 interstate transportation of goods. The fee for such permit  
16 shall be \$15 per fleet which shall include all vehicles of the  
17 fleet being registered.

18 (f) For purposes of this Section, "all-terrain vehicle or  
19 off-highway motorcycle used for production agriculture" means  
20 any all-terrain vehicle or off-highway motorcycle used in the  
21 raising of or the propagation of livestock, crops for sale for  
22 human consumption, crops for livestock consumption, and  
23 production seed stock grown for the propagation of feed grains  
24 and the husbandry of animals or for the purpose of providing a  
25 food product, including the husbandry of blood stock as a main  
26 source of providing a food product. "All-terrain vehicle or

1 off-highway motorcycle used in production agriculture" also  
2 means any all-terrain vehicle or off-highway motorcycle used  
3 in animal husbandry, floriculture, aquaculture, horticulture,  
4 and viticulture.

5 (g) All of the proceeds of the additional fees imposed by  
6 Public Act 96-34 shall be deposited into the Capital Projects  
7 Fund.

8 (h) The fee for a duplicate registration sticker or  
9 stickers shall be the amount required under subsection (a) or  
10 the vehicle's annual registration fee amount, whichever is  
11 less.

12 (i) All of the proceeds of (1) the additional fees imposed  
13 by Public Act 101-32, and (2) the \$5 additional fee imposed by  
14 this amendatory Act of the 102nd General Assembly for a  
15 certificate of title for a motor vehicle other than an  
16 all-terrain vehicle, off-highway motorcycle, or motor home,  
17 mini motor home, or van camper ~~this amendatory Act of the 101st~~  
18 ~~General Assembly~~ shall be deposited into the Road Fund.

19 (Source: P.A. 100-956, eff. 1-1-19; 101-32, eff. 6-28-19;  
20 101-604, eff. 12-13-19; 101-636, eff. 6-10-20.)

21 (625 ILCS 5/3-1001) (from Ch. 95 1/2, par. 3-1001)

22 Sec. 3-1001. A tax is hereby imposed on the privilege of  
23 using, in this State, any motor vehicle as defined in Section  
24 1-146 of this Code acquired by gift, transfer, or purchase,  
25 and having a year model designation preceding the year of

1 application for title by 5 or fewer years prior to October 1,  
2 1985 and 10 or fewer years on and after October 1, 1985 and  
3 prior to January 1, 1988. On and after January 1, 1988, the tax  
4 shall apply to all motor vehicles without regard to model  
5 year. Except that the tax shall not apply

6 (i) if the use of the motor vehicle is otherwise taxed  
7 under the Use Tax Act;

8 (ii) if the motor vehicle is bought and used by a  
9 governmental agency or a society, association, foundation  
10 or institution organized and operated exclusively for  
11 charitable, religious or educational purposes;

12 (iii) if the use of the motor vehicle is not subject to  
13 the Use Tax Act by reason of subsection (a), (b), (c), (d),  
14 (e) or (f) of Section 3-55 of that Act dealing with the  
15 prevention of actual or likely multistate taxation;

16 (iv) to implements of husbandry;

17 (v) when a junking certificate is issued pursuant to  
18 Section 3-117(a) of this Code;

19 (vi) when a vehicle is subject to the replacement  
20 vehicle tax imposed by Section 3-2001 of this Act;

21 (vii) when the transfer is a gift to a beneficiary in  
22 the administration of an estate and the beneficiary is a  
23 surviving spouse.

24 Prior to January 1, 1988, the rate of tax shall be 5% of  
25 the selling price for each purchase of a motor vehicle covered  
26 by Section 3-1001 of this Code. Except as hereinafter

1 provided, beginning January 1, 1988 and until January 1, 2022,  
 2 the rate of tax shall be as follows for transactions in which  
 3 the selling price of the motor vehicle is less than \$15,000:

4	Number of Years Transpired After	Applicable Tax
5	Model Year of Motor Vehicle	
6	1 or less	\$390
7	2	290
8	3	215
9	4	165
10	5	115
11	6	90
12	7	80
13	8	65
14	9	50
15	10	40
16	over 10	25

17 Except as hereinafter provided, beginning January 1, 1988 and  
 18 until January 1, 2022, the rate of tax shall be as follows for  
 19 transactions in which the selling price of the motor vehicle  
 20 is \$15,000 or more:

21	Selling Price	Applicable Tax
22	\$15,000 - \$19,999	\$ 750
23	\$20,000 - \$24,999	\$1,000
24	\$25,000 - \$29,999	\$1,250
25	\$30,000 and over	\$1,500

26 Except as hereinafter provided, beginning on January 1,



1 2022, the rate of tax shall be as follows for transactions in  
2 which the selling price of the motor vehicle is less than  
3 \$15,000:

4 (1) if one year or less has transpired after the model  
5 year of the vehicle, then the applicable tax is \$465;

6 (2) if 2 years have transpired after the model year of  
7 the motor vehicle, then the applicable tax is \$365;

8 (3) if 3 years have transpired after the model year of  
9 the motor vehicle, then the applicable tax is \$290;

10 (4) if 4 years have transpired after the model year of  
11 the motor vehicle, then the applicable tax is \$240;

12 (5) if 5 years have transpired after the model year of  
13 the motor vehicle, then the applicable tax is \$190;

14 (6) if 6 years have transpired after the model year of  
15 the motor vehicle, then the applicable tax is \$165;

16 (7) if 7 years have transpired after the model year of  
17 the motor vehicle, then the applicable tax is \$155;

18 (8) if 8 years have transpired after the model year of  
19 the motor vehicle, then the applicable tax is \$140;

20 (9) if 9 years have transpired after the model year of  
21 the motor vehicle, then the applicable tax is \$125;

22 (10) if 10 years have transpired after the model year  
23 of the motor vehicle, then the applicable tax is \$115; and

24 (11) if more than 10 years have transpired after the  
25 model year of the motor vehicle, then the applicable tax  
26 is \$100.

1       Except as hereinafter provided, beginning on January 1,  
2 2022, the rate of tax shall be as follows for transactions in  
3 which the selling price of the motor vehicle is \$15,000 or  
4 more:

5           (1) if the selling price is \$15,000 or more, but less  
6 than \$20,000, then the applicable tax shall be \$850;

7           (2) if the selling price is \$20,000 or more, but less  
8 than \$25,000, then the applicable tax shall be \$1,100;

9           (3) if the selling price is \$25,000 or more, but less  
10 than \$30,000, then the applicable tax shall be \$1,350;

11           (4) if the selling price is \$30,000 or more, but less  
12 than \$50,000, then the applicable tax shall be \$1,600;

13           (5) if the selling price is \$50,000 or more, but less  
14 than \$100,000, then the applicable tax shall be \$2,600;

15           (6) if the selling price is \$100,000 or more, but less  
16 than \$1,000,000, then the applicable tax shall be \$5,100;

17 and

18           (7) if the selling price is \$1,000,000 or more, then  
19 the applicable tax shall be \$10,100.

20 For the following transactions, the tax rate shall be \$15 for  
21 each motor vehicle acquired in such transaction:

22           (ii) when the transferee or purchaser is the spouse,  
23 mother, father, brother, sister or child of the  
24 transferor;

25           (ii) when the transfer is a gift to a beneficiary in  
26 the administration of an estate and the beneficiary is not

1 a surviving spouse;

2 (iii) when a motor vehicle which has once been  
3 subjected to the Illinois retailers' occupation tax or use  
4 tax is transferred in connection with the organization,  
5 reorganization, dissolution or partial liquidation of an  
6 incorporated or unincorporated business wherein the  
7 beneficial ownership is not changed.

8 A claim that the transaction is taxable under subparagraph  
9 (i) shall be supported by such proof of family relationship as  
10 provided by rules of the Department.

11 For a transaction in which a motorcycle, motor driven  
12 cycle or moped is acquired the tax rate shall be \$25.

13 On and after October 1, 1985 and until January 1, 2022,  
14 1/12 of \$5,000,000 of the moneys received by the Department of  
15 Revenue pursuant to this Section shall be paid each month into  
16 the Build Illinois Fund; on and after January 1, 2022, 1/12 of  
17 \$40,000,000 of the moneys received by the Department of  
18 Revenue pursuant to this Section shall be paid each month into  
19 the Build Illinois Fund; and the remainder shall be paid into  
20 the General Revenue Fund.

21 The tax imposed by this Section shall be abated and no  
22 longer imposed when the amount deposited to secure the bonds  
23 issued pursuant to the Build Illinois Bond Act is sufficient  
24 to provide for the payment of the principal of, and interest  
25 and premium, if any, on the bonds, as certified to the State  
26 Comptroller and the Director of Revenue by the Director of the

1 Governor's Office of Management and Budget.

2 (Source: P.A. 96-554, eff. 1-1-10.)

3 Section 99. Effective date. This Act takes effect January

4 1, 2022.".