



Sen. Elgie R. Sims, Jr.

Filed: 4/1/2022

10200SB1150sam002

LRB102 04951 HLH 38504 a

1 AMENDMENT TO SENATE BILL 1150

2 AMENDMENT NO. _____. Amend Senate Bill 1150, AS AMENDED,
3 by inserting Article 10 in its proper numeric sequence as
4 follows:

5 "ARTICLE 10. GROCERY TAX EXEMPT

6 Section 10-5. The State Finance Act is amended by changing
7 Sections 6z-17 and 6z-18 and by adding Sections 5.970 and
8 6z-130 as follows:

9 (30 ILCS 105/5.970 new)

10 Sec. 5.970. The Grocery Tax Replacement Fund. This Section
11 is repealed January 1, 2024.

12 (30 ILCS 105/6z-17) (from Ch. 127, par. 142z-17)

13 Sec. 6z-17. State and Local Sales Tax Reform Fund.

14 (a) After deducting the amount transferred to the Tax

1 Compliance and Administration Fund under subsection (b), of
2 the money paid into the State and Local Sales Tax Reform Fund:
3 (i) subject to appropriation to the Department of Revenue,
4 Municipalities having 1,000,000 or more inhabitants shall
5 receive 20% and may expend such amount to fund and establish a
6 program for developing and coordinating public and private
7 resources targeted to meet the affordable housing needs of
8 low-income and very low-income households within such
9 municipality, (ii) 10% shall be transferred into the Regional
10 Transportation Authority Occupation and Use Tax Replacement
11 Fund, a special fund in the State treasury which is hereby
12 created, (iii) until July 1, 2013, subject to appropriation to
13 the Department of Transportation, the Madison County Mass
14 Transit District shall receive .6%, and beginning on July 1,
15 2013, subject to appropriation to the Department of Revenue,
16 0.6% shall be distributed each month out of the Fund to the
17 Madison County Mass Transit District, (iv) the following
18 amounts, plus any cumulative deficiency in such transfers for
19 prior months, shall be transferred monthly into the Build
20 Illinois Fund and credited to the Build Illinois Bond Account
21 therein:

22 Fiscal Year	Amount
23 1990	\$2,700,000
24 1991	1,850,000
25 1992	2,750,000
26 1993	2,950,000

1 From Fiscal Year 1994 through Fiscal Year 2025 the
2 transfer shall total \$3,150,000 monthly, plus any cumulative
3 deficiency in such transfers for prior months, and (v) the
4 remainder of the money paid into the State and Local Sales Tax
5 Reform Fund shall be transferred into the Local Government
6 Distributive Fund and, except for municipalities with
7 1,000,000 or more inhabitants which shall receive no portion
8 of such remainder, shall be distributed, subject to
9 appropriation, in the manner provided by Section 2 of "An Act
10 in relation to State revenue sharing with local government
11 entities", approved July 31, 1969, as now or hereafter
12 amended. Municipalities with more than 50,000 inhabitants
13 according to the 1980 U.S. Census and located within the Metro
14 East Mass Transit District receiving funds pursuant to
15 provision (v) of this paragraph may expend such amounts to
16 fund and establish a program for developing and coordinating
17 public and private resources targeted to meet the affordable
18 housing needs of low-income and very low-income households
19 within such municipality.

20 Moneys transferred from the Grocery Tax Replacement Fund
21 to the State and Local Sales Tax Reform Fund under Section
22 6z-130 shall be treated under this Section in the same manner
23 as if they had been remitted with the return on which they were
24 reported.

25 (b) Beginning on the first day of the first calendar month
26 to occur on or after the effective date of this amendatory Act

1 of the 98th General Assembly, each month the Department of
2 Revenue shall certify to the State Comptroller and the State
3 Treasurer, and the State Comptroller shall order transferred
4 and the State Treasurer shall transfer from the State and
5 Local Sales Tax Reform Fund to the Tax Compliance and
6 Administration Fund, an amount equal to 1/12 of 5% of 20% of
7 the cash receipts collected during the preceding fiscal year
8 by the Audit Bureau of the Department of Revenue under the Use
9 Tax Act, the Service Use Tax Act, the Service Occupation Tax
10 Act, the Retailers' Occupation Tax Act, and associated local
11 occupation and use taxes administered by the Department. The
12 amount distributed under subsection (a) each month shall first
13 be reduced by the amount transferred to the Tax Compliance and
14 Administration Fund under this subsection (b). Moneys
15 transferred to the Tax Compliance and Administration Fund
16 under this subsection (b) shall be used, subject to
17 appropriation, to fund additional auditors and compliance
18 personnel at the Department of Revenue.

19 (Source: P.A. 98-44, eff. 6-28-13; 98-1098, eff. 8-26-14.)

20 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

21 Sec. 6z-18. Local Government Tax Fund. A portion of the
22 money paid into the Local Government Tax Fund from sales of
23 tangible personal property taxed at the 1% rate under the
24 Retailers' Occupation Tax Act and the Service Occupation Tax
25 Act, which occurred in municipalities, shall be distributed to

1 each municipality based upon the sales which occurred in that
2 municipality. The remainder shall be distributed to each
3 county based upon the sales which occurred in the
4 unincorporated area of that county.

5 Moneys transferred from the Grocery Tax Replacement Fund
6 to the Local Government Tax Fund under Section 6z-130 shall be
7 treated under this Section in the same manner as if they had
8 been remitted with the return on which they were reported.

9 A portion of the money paid into the Local Government Tax
10 Fund from the 6.25% general use tax rate on the selling price
11 of tangible personal property which is purchased outside
12 Illinois at retail from a retailer and which is titled or
13 registered by any agency of this State's government shall be
14 distributed to municipalities as provided in this paragraph.
15 Each municipality shall receive the amount attributable to
16 sales for which Illinois addresses for titling or registration
17 purposes are given as being in such municipality. The
18 remainder of the money paid into the Local Government Tax Fund
19 from such sales shall be distributed to counties. Each county
20 shall receive the amount attributable to sales for which
21 Illinois addresses for titling or registration purposes are
22 given as being located in the unincorporated area of such
23 county.

24 A portion of the money paid into the Local Government Tax
25 Fund from the 6.25% general rate (and, beginning July 1, 2000
26 and through December 31, 2000, the 1.25% rate on motor fuel and

1 gasohol, and beginning on August 6, 2010 through August 15,
2 2010, the 1.25% rate on sales tax holiday items) on sales
3 subject to taxation under the Retailers' Occupation Tax Act
4 and the Service Occupation Tax Act, which occurred in
5 municipalities, shall be distributed to each municipality,
6 based upon the sales which occurred in that municipality. The
7 remainder shall be distributed to each county, based upon the
8 sales which occurred in the unincorporated area of such
9 county.

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

19 Whenever the Department determines that a refund of money
20 paid into the Local Government Tax Fund should be made to a
21 claimant instead of issuing a credit memorandum, the
22 Department shall notify the State Comptroller, who shall cause
23 the order to be drawn for the amount specified, and to the
24 person named, in such notification from the Department. Such
25 refund shall be paid by the State Treasurer out of the Local
26 Government Tax Fund.

1 As soon as possible after the first day of each month,
2 beginning January 1, 2011, upon certification of the
3 Department of Revenue, the Comptroller shall order
4 transferred, and the Treasurer shall transfer, to the STAR
5 Bonds Revenue Fund the local sales tax increment, as defined
6 in the Innovation Development and Economy Act, collected
7 during the second preceding calendar month for sales within a
8 STAR bond district and deposited into the Local Government Tax
9 Fund, less 3% of that amount, which shall be transferred into
10 the Tax Compliance and Administration Fund and shall be used
11 by the Department, subject to appropriation, to cover the
12 costs of the Department in administering the Innovation
13 Development and Economy Act.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to named municipalities
18 and counties, the municipalities and counties to be those
19 entitled to distribution of taxes or penalties paid to the
20 Department during the second preceding calendar month. The
21 amount to be paid to each municipality or county shall be the
22 amount (not including credit memoranda) collected during the
23 second preceding calendar month by the Department and paid
24 into the Local Government Tax Fund, plus an amount the
25 Department determines is necessary to offset any amounts which
26 were erroneously paid to a different taxing body, and not

1 including an amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department, and not
3 including any amount which the Department determines is
4 necessary to offset any amounts which are payable to a
5 different taxing body but were erroneously paid to the
6 municipality or county, and not including any amounts that are
7 transferred to the STAR Bonds Revenue Fund. Within 10 days
8 after receipt, by the Comptroller, of the disbursement
9 certification to the municipalities and counties, provided for
10 in this Section to be given to the Comptroller by the
11 Department, the Comptroller shall cause the orders to be drawn
12 for the respective amounts in accordance with the directions
13 contained in such certification.

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

20 The provisions directing the distributions from the
21 special fund in the State Treasury provided for in this
22 Section shall constitute an irrevocable and continuing
23 appropriation of all amounts as provided herein. The State
24 Treasurer and State Comptroller are hereby authorized to make
25 distributions as provided in this Section.

26 In construing any development, redevelopment, annexation,

1 preannexation or other lawful agreement in effect prior to
2 September 1, 1990, which describes or refers to receipts from
3 a county or municipal retailers' occupation tax, use tax or
4 service occupation tax which now cannot be imposed, such
5 description or reference shall be deemed to include the
6 replacement revenue for such abolished taxes, distributed from
7 the Local Government Tax Fund.

8 As soon as possible after the effective date of this
9 amendatory Act of the 98th General Assembly, the State
10 Comptroller shall order and the State Treasurer shall transfer
11 \$6,600,000 from the Local Government Tax Fund to the Illinois
12 State Medical Disciplinary Fund.

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

14 (30 ILCS 105/6z-130 new)

15 Sec. 6z-130. Grocery Tax Replacement Fund.

16 (a) The Grocery Tax Replacement Fund is hereby created as
17 a special fund in the State Treasury.

18 (b) On the effective date of this amendatory Act of the
19 102nd General Assembly, or as soon thereafter as practical,
20 but no later than June 30, 2022, the State Comptroller shall
21 direct and the State Treasurer shall transfer the sum of
22 \$200,000,000 from the General Revenue Fund to the Grocery Tax
23 Replacement Fund.

24 (c) In addition to any other transfers that may be
25 provided for by law, beginning on July 1, 2022 and until June

1 30, 2023, at the direction of the Department of Revenue, the
2 State Comptroller shall direct and the State Treasurer shall
3 transfer from the Grocery Tax Replacement Fund to the State
4 and Local Sales Tax Reform Fund any amounts needed to equal the
5 net revenue that, but for the reduction of the rate to 0% in
6 the Use Tax Act and Service Use Tax Act under this amendatory
7 Act of the 102nd General Assembly, would have been deposited
8 into the State and Local Sales Tax Reform Fund if the items
9 that are subject to the rate reduction had been taxed at the 1%
10 rate during the period of the reduction.

11 (d) In addition to any other transfers that may be
12 provided for by law, beginning on July 1, 2022 and until June
13 30, 2023, at the direction of the Department of Revenue, the
14 State Comptroller shall direct and the State Treasurer shall
15 transfer from the Grocery Tax Replacement Fund to the Local
16 Government Tax Fund any amounts needed to equal the net
17 revenue that, but for the reduction of the rate to 0% in the
18 Service Occupation Tax Act and the Retailers' Occupation Tax
19 Act under this amendatory Act of the 102nd General Assembly,
20 would have been deposited into the Local Government Tax Fund
21 if the items that are subject to the rate reduction had been
22 taxed at the 1% rate during the period of the reduction.

23 (e) The State Comptroller shall direct and the State
24 Treasurer shall transfer the remaining balance in the Grocery
25 Tax Replacement Fund to the General Revenue Fund on June 30,
26 2023, or as soon thereafter as practical. Upon completion of

1 the transfer, the Grocery Tax Replacement Fund is dissolved.

2 (f) This Section is repealed on January 1, 2024.

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

5 (35 ILCS 105/3-10)

6 Sec. 3-10. Rate of tax. Unless otherwise provided in this
7 Section, the tax imposed by this Act is at the rate of 6.25% of
8 either the selling price or the fair market value, if any, of
9 the tangible personal property. In all cases where property
10 functionally used or consumed is the same as the property that
11 was purchased at retail, then the tax is imposed on the selling
12 price of the property. In all cases where property
13 functionally used or consumed is a by-product or waste product
14 that has been refined, manufactured, or produced from property
15 purchased at retail, then the tax is imposed on the lower of
16 the fair market value, if any, of the specific property so used
17 in this State or on the selling price of the property purchased
18 at retail. For purposes of this Section "fair market value"
19 means the price at which property would change hands between a
20 willing buyer and a willing seller, neither being under any
21 compulsion to buy or sell and both having reasonable knowledge
22 of the relevant facts. The fair market value shall be
23 established by Illinois sales by the taxpayer of the same
24 property as that functionally used or consumed, or if there

1 are no such sales by the taxpayer, then comparable sales or
2 purchases of property of like kind and character in Illinois.

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

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

10 With respect to gasohol, the tax imposed by this Act
11 applies to (i) 70% of the proceeds of sales made on or after
12 January 1, 1990, and before July 1, 2003, (ii) 80% of the
13 proceeds of sales made on or after July 1, 2003 and on or
14 before July 1, 2017, and (iii) 100% of the proceeds of sales
15 made thereafter. If, at any time, however, the tax under this
16 Act on sales of gasohol is imposed at the rate of 1.25%, then
17 the tax imposed by this Act applies to 100% of the proceeds of
18 sales of gasohol made during that time.

19 With respect to majority blended ethanol fuel, the tax
20 imposed by this Act does not apply to the proceeds of sales
21 made on or after July 1, 2003 and on or before December 31,
22 2023 but applies to 100% of the proceeds of sales made
23 thereafter.

24 With respect to biodiesel blends with no less than 1% and
25 no more than 10% biodiesel, the tax imposed by this Act applies
26 to (i) 80% of the proceeds of sales made on or after July 1,

1 2003 and on or before December 31, 2018 and (ii) 100% of the
2 proceeds of sales made thereafter. If, at any time, however,
3 the tax under this Act on sales of biodiesel blends with no
4 less than 1% and no more than 10% biodiesel is imposed at the
5 rate of 1.25%, then the tax imposed by this Act applies to 100%
6 of the proceeds of sales of biodiesel blends with no less than
7 1% and no more than 10% biodiesel made during that time.

8 With respect to 100% biodiesel and biodiesel blends with
9 more than 10% but no more than 99% biodiesel, the tax imposed
10 by this Act does not apply to the proceeds of sales made on or
11 after July 1, 2003 and on or before December 31, 2023 but
12 applies to 100% of the proceeds of sales made thereafter.

13 Until July 1, 2022 and beginning again January 1, 2023,
14 with ~~With~~ respect to food for human consumption that is to be
15 consumed off the premises where it is sold (other than
16 alcoholic beverages, food consisting of or infused with adult
17 use cannabis, soft drinks, and food that has been prepared for
18 immediate consumption) the tax is imposed at the rate of 1%.
19 Beginning July 1, 2022 and until January 1, 2023, with respect
20 to food for human consumption that is to be consumed off the
21 premises where it is sold (other than alcoholic beverages,
22 food consisting of or infused with adult use cannabis, soft
23 drinks, and food that has been prepared for immediate
24 consumption), the tax is imposed at the rate of 0%.

25 With respect to ~~and~~ prescription and nonprescription
26 medicines, drugs, medical appliances, products classified as

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

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

26 Until August 1, 2009, and notwithstanding any other

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

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

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

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

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

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

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

17 As used in this Section, "adult use cannabis" means
18 cannabis subject to tax under the Cannabis Cultivation
19 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
20 and does not include cannabis subject to tax under the
21 Compassionate Use of Medical Cannabis Program Act.

22 If the property that is purchased at retail from a
23 retailer is acquired outside Illinois and used outside
24 Illinois before being brought to Illinois for use here and is
25 taxable under this Act, the "selling price" on which the tax is
26 computed shall be reduced by an amount that represents a

1 reasonable allowance for depreciation for the period of prior
2 out-of-state use.

3 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
4 102-4, eff. 4-27-21.)

5 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

6 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
7 and trailers that are required to be registered with an agency
8 of this State, each retailer required or authorized to collect
9 the tax imposed by this Act shall pay to the Department the
10 amount of such tax (except as otherwise provided) at the time
11 when he is required to file his return for the period during
12 which such tax was collected, less a discount of 2.1% prior to
13 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
14 per calendar year, whichever is greater, which is allowed to
15 reimburse the retailer for expenses incurred in collecting the
16 tax, keeping records, preparing and filing returns, remitting
17 the tax and supplying data to the Department on request. The
18 discount under this Section is not allowed for the 1.25%
19 portion of taxes paid on aviation fuel that is subject to the
20 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
21 47133. When determining the discount allowed under this
22 Section retailers shall include the amount of tax that would
23 have been due at the 1% rate but for the 0% rate imposed under
24 this amendatory Act of the 102nd General Assembly. In the case
25 of retailers who report and pay the tax on a transaction by

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

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

24 Except as provided in this Section, on or before the
25 twentieth day of each calendar month, such retailer shall file
26 a return for the preceding calendar month. Such return shall

1 be filed on forms prescribed by the Department and shall
2 furnish such information as the Department may reasonably
3 require. Such return shall include the gross receipts on food
4 for human consumption that is to be consumed off the premises
5 where it is sold (other than alcoholic beverages, food
6 consisting of or infused with adult use cannabis, soft drinks,
7 and food that has been prepared for immediate consumption)
8 which were received during the preceding calendar month,
9 quarter, or year, as appropriate, and upon which tax would
10 have been due but for the 0% rate imposed under this amendatory
11 Act of the 102nd General Assembly. Such return shall also
12 include the amount of tax that would have been due on food for
13 human consumption that is to be consumed off the premises
14 where it is sold (other than alcoholic beverages, food
15 consisting of or infused with adult use cannabis, soft drinks,
16 and food that has been prepared for immediate consumption) but
17 for the 0% rate imposed under this amendatory Act of the 102nd
18 General Assembly.

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

1 electronic filing requirement.

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

9 1. The name of the seller;

10 2. The address of the principal place of business from
11 which he engages in the business of selling tangible
12 personal property at retail in this State;

13 3. The total amount of taxable receipts received by
14 him during the preceding calendar month from sales of
15 tangible personal property by him during such preceding
16 calendar month, including receipts from charge and time
17 sales, but less all deductions allowed by law;

18 4. The amount of credit provided in Section 2d of this
19 Act;

20 5. The amount of tax due;

21 5-5. The signature of the taxpayer; and

22 6. Such other reasonable information as the Department
23 may require.

24 Each retailer required or authorized to collect the tax
25 imposed by this Act on aviation fuel sold at retail in this
26 State during the preceding calendar month shall, instead of

1 reporting and paying tax on aviation fuel as otherwise
2 required by this Section, report and pay such tax on a separate
3 aviation fuel tax return. The requirements related to the
4 return shall be as otherwise provided in this Section.
5 Notwithstanding any other provisions of this Act to the
6 contrary, retailers collecting tax on aviation fuel shall file
7 all aviation fuel tax returns and shall make all aviation fuel
8 tax payments by electronic means in the manner and form
9 required by the Department. For purposes of this Section,
10 "aviation fuel" means jet fuel and aviation gasoline.

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

15 Notwithstanding any other provision of this Act to the
16 contrary, retailers subject to tax on cannabis shall file all
17 cannabis tax returns and shall make all cannabis tax payments
18 by electronic means in the manner and form required by the
19 Department.

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

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

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

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

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

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

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

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

1 equal to 22.5% of the taxpayer's actual liability for the
2 month or 25% of the taxpayer's liability for the same calendar
3 month of the preceding year or 100% of the taxpayer's actual
4 liability for the quarter monthly reporting period. The amount
5 of such quarter monthly payments shall be credited against the
6 final tax liability of the taxpayer's return for that month.
7 Before October 1, 2000, once applicable, the requirement of
8 the making of quarter monthly payments to the Department shall
9 continue until such taxpayer's average monthly liability to
10 the Department during the preceding 4 complete calendar
11 quarters (excluding the month of highest liability and the
12 month of lowest liability) is less than \$9,000, or until such
13 taxpayer's average monthly liability to the Department as
14 computed for each calendar quarter of the 4 preceding complete
15 calendar quarter period is less than \$10,000. However, if a
16 taxpayer can show the Department that a substantial change in
17 the taxpayer's business has occurred which causes the taxpayer
18 to anticipate that his average monthly tax liability for the
19 reasonably foreseeable future will fall below the \$10,000
20 threshold stated above, then such taxpayer may petition the
21 Department for change in such taxpayer's reporting status. On
22 and after October 1, 2000, once applicable, the requirement of
23 the making of quarter monthly payments to the Department shall
24 continue until such taxpayer's average monthly liability to
25 the Department during the preceding 4 complete calendar
26 quarters (excluding the month of highest liability and the

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

25 If any such payment provided for in this Section exceeds
26 the taxpayer's liabilities under this Act, the Retailers'

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

26 If the retailer is otherwise required to file a monthly

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

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

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

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

1 In addition, with respect to motor vehicles, watercraft,
2 aircraft, and trailers that are required to be registered with
3 an agency of this State, except as otherwise provided in this
4 Section, every retailer selling this kind of tangible personal
5 property shall file, with the Department, upon a form to be
6 prescribed and supplied by the Department, a separate return
7 for each such item of tangible personal property which the
8 retailer sells, except that if, in the same transaction, (i) a
9 retailer of aircraft, watercraft, motor vehicles or trailers
10 transfers more than one aircraft, watercraft, motor vehicle or
11 trailer to another aircraft, watercraft, motor vehicle or
12 trailer retailer for the purpose of resale or (ii) a retailer
13 of aircraft, watercraft, motor vehicles, or trailers transfers
14 more than one aircraft, watercraft, motor vehicle, or trailer
15 to a purchaser for use as a qualifying rolling stock as
16 provided in Section 3-55 of this Act, then that seller may
17 report the transfer of all the aircraft, watercraft, motor
18 vehicles or trailers involved in that transaction to the
19 Department on the same uniform invoice-transaction reporting
20 return form. For purposes of this Section, "watercraft" means
21 a Class 2, Class 3, or Class 4 watercraft as defined in Section
22 3-2 of the Boat Registration and Safety Act, a personal
23 watercraft, or any boat equipped with an inboard motor.

24 In addition, with respect to motor vehicles, watercraft,
25 aircraft, and trailers that are required to be registered with
26 an agency of this State, every person who is engaged in the

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

14 The transaction reporting return in the case of motor
15 vehicles or trailers that are required to be registered with
16 an agency of this State, shall be the same document as the
17 Uniform Invoice referred to in Section 5-402 of the Illinois
18 Vehicle Code and must show the name and address of the seller;
19 the name and address of the purchaser; the amount of the
20 selling price including the amount allowed by the retailer for
21 traded-in property, if any; the amount allowed by the retailer
22 for the traded-in tangible personal property, if any, to the
23 extent to which Section 2 of this Act allows an exemption for
24 the value of traded-in property; the balance payable after
25 deducting such trade-in allowance from the total selling
26 price; the amount of tax due from the retailer with respect to

1 such transaction; the amount of tax collected from the
2 purchaser by the retailer on such transaction (or satisfactory
3 evidence that such tax is not due in that particular instance,
4 if that is claimed to be the fact); the place and date of the
5 sale; a sufficient identification of the property sold; such
6 other information as is required in Section 5-402 of the
7 Illinois Vehicle Code, and such other information as the
8 Department may reasonably require.

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

26 Such transaction reporting return shall be filed not later

1 than 20 days after the date of delivery of the item that is
2 being sold, but may be filed by the retailer at any time sooner
3 than that if he chooses to do so. The transaction reporting
4 return and tax remittance or proof of exemption from the tax
5 that is imposed by this Act may be transmitted to the
6 Department by way of the State agency with which, or State
7 officer with whom, the tangible personal property must be
8 titled or registered (if titling or registration is required)
9 if the Department and such agency or State officer determine
10 that this procedure will expedite the processing of
11 applications for title or registration.

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

25 No retailer's failure or refusal to remit tax under this
26 Act precludes a user, who has paid the proper tax to the

1 retailer, from obtaining his certificate of title or other
2 evidence of title or registration (if titling or registration
3 is required) upon satisfying the Department that such user has
4 paid the proper tax (if tax is due) to the retailer. The
5 Department shall adopt appropriate rules to carry out the
6 mandate of this paragraph.

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

25 Where a retailer collects the tax with respect to the
26 selling price of tangible personal property which he sells and

1 the purchaser thereafter returns such tangible personal
2 property and the retailer refunds the selling price thereof to
3 the purchaser, such retailer shall also refund, to the
4 purchaser, the tax so collected from the purchaser. When
5 filing his return for the period in which he refunds such tax
6 to the purchaser, the retailer may deduct the amount of the tax
7 so refunded by him to the purchaser from any other use tax
8 which such retailer may be required to pay or remit to the
9 Department, as shown by such return, if the amount of the tax
10 to be deducted was previously remitted to the Department by
11 such retailer. If the retailer has not previously remitted the
12 amount of such tax to the Department, he is entitled to no
13 deduction under this Act upon refunding such tax to the
14 purchaser.

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

23 If experience indicates such action to be practicable, the
24 Department may prescribe and furnish a combination or joint
25 return which will enable retailers, who are required to file
26 returns hereunder and also under the Retailers' Occupation Tax

1 Act, to furnish all the return information required by both
2 Acts on the one form.

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

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

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

20 Beginning January 1, 1990, each month the Department shall
21 pay into the State and Local Sales Tax Reform Fund, a special
22 fund in the State Treasury, 20% of the net revenue realized for
23 the preceding month from the 6.25% general rate on the selling
24 price of tangible personal property, other than (i) tangible
25 personal property which is purchased outside Illinois at
26 retail from a retailer and which is titled or registered by an

1 agency of this State's government and (ii) aviation fuel sold
2 on or after December 1, 2019. This exception for aviation fuel
3 only applies for so long as the revenue use requirements of 49
4 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund 16% of the net revenue

1 realized for the preceding month from the 6.25% general rate
2 on the selling price of tangible personal property which is
3 purchased outside Illinois at retail from a retailer and which
4 is titled or registered by an agency of this State's
5 government.

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

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

22 Beginning July 1, 2013, each month the Department shall
23 pay into the Underground Storage Tank Fund from the proceeds
24 collected under this Act, the Service Use Tax Act, the Service
25 Occupation Tax Act, and the Retailers' Occupation Tax Act an
26 amount equal to the average monthly deficit in the Underground

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

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

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

1 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
2 may be, of moneys being hereinafter called the "Tax Act
3 Amount", and (2) the amount transferred to the Build Illinois
4 Fund from the State and Local Sales Tax Reform Fund shall be
5 less than the Annual Specified Amount (as defined in Section 3
6 of the Retailers' Occupation Tax Act), an amount equal to the
7 difference shall be immediately paid into the Build Illinois
8 Fund from other moneys received by the Department pursuant to
9 the Tax Acts; and further provided, that if on the last
10 business day of any month the sum of (1) the Tax Act Amount
11 required to be deposited into the Build Illinois Bond Account
12 in the Build Illinois Fund during such month and (2) the amount
13 transferred during such month to the Build Illinois Fund from
14 the State and Local Sales Tax Reform Fund shall have been less
15 than 1/12 of the Annual Specified Amount, an amount equal to
16 the difference shall be immediately paid into the Build
17 Illinois Fund from other moneys received by the Department
18 pursuant to the Tax Acts; and, further provided, that in no
19 event shall the payments required under the preceding proviso
20 result in aggregate payments into the Build Illinois Fund
21 pursuant to this clause (b) for any fiscal year in excess of
22 the greater of (i) the Tax Act Amount or (ii) the Annual
23 Specified Amount for such fiscal year; and, further provided,
24 that the amounts payable into the Build Illinois Fund under
25 this clause (b) shall be payable only until such time as the
26 aggregate amount on deposit under each trust indenture

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

1 into the Build Illinois Fund are subject to the pledge, claim
2 and charge set forth in Section 12 of the Build Illinois Bond
3 Act.

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

16	Fiscal Year	Total Deposit
17	1993	\$0
18	1994	53,000,000
19	1995	58,000,000
20	1996	61,000,000
21	1997	64,000,000
22	1998	68,000,000
23	1999	71,000,000
24	2000	75,000,000
25	2001	80,000,000
26	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	300,000,000
20	2022	300,000,000
21	2023	300,000,000
22	2024	300,000,000
23	2025	300,000,000
24	2026	300,000,000
25	2027	375,000,000
26	2028	375,000,000

1	2029	375,000,000
2	2030	375,000,000
3	2031	375,000,000
4	2032	375,000,000
5	2033	375,000,000
6	2034	375,000,000
7	2035	375,000,000
8	2036	450,000,000

9 and

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

17 Beginning July 20, 1993 and in each month of each fiscal
18 year thereafter, one-eighth of the amount requested in the
19 certificate of the Chairman of the Metropolitan Pier and
20 Exposition Authority for that fiscal year, less the amount
21 deposited into the McCormick Place Expansion Project Fund by
22 the State Treasurer in the respective month under subsection
23 (g) of Section 13 of the Metropolitan Pier and Exposition
24 Authority Act, plus cumulative deficiencies in the deposits
25 required under this Section for previous months and years,
26 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year, but
2 not in excess of the amount specified above as "Total
3 Deposit", has been deposited.

4 Subject to payment of amounts into the Capital Projects
5 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
6 and the McCormick Place Expansion Project Fund pursuant to the
7 preceding paragraphs or in any amendments thereto hereafter
8 enacted, for aviation fuel sold on or after December 1, 2019,
9 the Department shall each month deposit into the Aviation Fuel
10 Sales Tax Refund Fund an amount estimated by the Department to
11 be required for refunds of the 80% portion of the tax on
12 aviation fuel under this Act. The Department shall only
13 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
14 under this paragraph for so long as the revenue use
15 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
16 binding on the State.

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

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

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

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

1 by the Audit Bureau of the Department under the Use Tax Act,
2 the Service Use Tax Act, the Service Occupation Tax Act, the
3 Retailers' Occupation Tax Act, and associated local occupation
4 and use taxes administered by the Department.

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

13 Subject to successful execution and delivery of a
14 public-private agreement between the public agency and private
15 entity and completion of the civic build, beginning on July 1,
16 2023, of the remainder of the moneys received by the
17 Department under the Use Tax Act, the Service Use Tax Act, the
18 Service Occupation Tax Act, and this Act, the Department shall
19 deposit the following specified deposits in the aggregate from
20 collections under the Use Tax Act, the Service Use Tax Act, the
21 Service Occupation Tax Act, and the Retailers' Occupation Tax
22 Act, as required under Section 8.25g of the State Finance Act
23 for distribution consistent with the Public-Private
24 Partnership for Civic and Transit Infrastructure Project Act.
25 The moneys received by the Department pursuant to this Act and
26 required to be deposited into the Civic and Transit

1 Infrastructure Fund are subject to the pledge, claim, and
 2 charge set forth in Section 25-55 of the Public-Private
 3 Partnership for Civic and Transit Infrastructure Project Act.
 4 As used in this paragraph, "civic build", "private entity",
 5 "public-private agreement", and "public agency" have the
 6 meanings provided in Section 25-10 of the Public-Private
 7 Partnership for Civic and Transit Infrastructure Project Act.

8	Fiscal Year.....	Total Deposit
9	2024	\$200,000,000
10	2025	\$206,000,000
11	2026	\$212,200,000
12	2027	\$218,500,000
13	2028	\$225,100,000
14	2029	\$288,700,000
15	2030	\$298,900,000
16	2031	\$309,300,000
17	2032	\$320,100,000
18	2033	\$331,200,000
19	2034	\$341,200,000
20	2035	\$351,400,000
21	2036	\$361,900,000
22	2037	\$372,800,000
23	2038	\$384,000,000
24	2039	\$395,500,000
25	2040	\$407,400,000
26	2041	\$419,600,000

1 2042 \$432,200,000

2 2043 \$445,100,000

3 Beginning July 1, 2021 and until July 1, 2022, subject to
4 the payment of amounts into the State and Local Sales Tax
5 Reform Fund, the Build Illinois Fund, the McCormick Place
6 Expansion Project Fund, the Illinois Tax Increment Fund, the
7 Energy Infrastructure Fund, and the Tax Compliance and
8 Administration Fund as provided in this Section, the
9 Department shall pay each month into the Road Fund the amount
10 estimated to represent 16% of the net revenue realized from
11 the taxes imposed on motor fuel and gasohol. Beginning July 1,
12 2022 and until July 1, 2023, subject to the payment of amounts
13 into the State and Local Sales Tax Reform Fund, the Build
14 Illinois Fund, the McCormick Place Expansion Project Fund, the
15 Illinois Tax Increment Fund, the Energy Infrastructure Fund,
16 and the Tax Compliance and Administration Fund as provided in
17 this Section, the Department shall pay each month into the
18 Road Fund the amount estimated to represent 32% of the net
19 revenue realized from the taxes imposed on motor fuel and
20 gasohol. Beginning July 1, 2023 and until July 1, 2024,
21 subject to the payment of amounts into the State and Local
22 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick
23 Place Expansion Project Fund, the Illinois Tax Increment Fund,
24 the Energy Infrastructure Fund, and the Tax Compliance and
25 Administration Fund as provided in this Section, the
26 Department shall pay each month into the Road Fund the amount

1 estimated to represent 48% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2024 and until July 1, 2025, subject to the payment of amounts
4 into the State and Local Sales Tax Reform Fund, the Build
5 Illinois Fund, the McCormick Place Expansion Project Fund, the
6 Illinois Tax Increment Fund, the Energy Infrastructure Fund,
7 and the Tax Compliance and Administration Fund as provided in
8 this Section, the Department shall pay each month into the
9 Road Fund the amount estimated to represent 64% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning on July 1, 2025, subject to the payment of
12 amounts into the State and Local Sales Tax Reform Fund, the
13 Build Illinois Fund, the McCormick Place Expansion Project
14 Fund, the Illinois Tax Increment Fund, the Energy
15 Infrastructure Fund, and the Tax Compliance and Administration
16 Fund as provided in this Section, the Department shall pay
17 each month into the Road Fund the amount estimated to
18 represent 80% of the net revenue realized from the taxes
19 imposed on motor fuel and gasohol. As used in this paragraph
20 "motor fuel" has the meaning given to that term in Section 1.1
21 of the Motor Fuel Tax Act, and "gasohol" has the meaning given
22 to that term in Section 3-40 of this Act.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% thereof shall be paid into the State
25 Treasury and 25% shall be reserved in a special account and
26 used only for the transfer to the Common School Fund as part of

1 the monthly transfer from the General Revenue Fund in
2 accordance with Section 8a of the State Finance Act.

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

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

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

21 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;
22 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article
23 15, Section 15-10, eff. 6-5-19; 101-10, Article 25, Section
24 25-105, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.
25 6-28-19; 101-604, eff. 12-13-19; 101-636, eff. 6-10-20.)

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

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

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

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

14 With respect to gasohol, as defined in the Use Tax Act, the
15 tax imposed by this Act applies to (i) 70% of the selling price
16 of property transferred as an incident to the sale of service
17 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
18 of the selling price of property transferred as an incident to
19 the sale of service on or after July 1, 2003 and on or before
20 July 1, 2017, and (iii) 100% of the selling price thereafter.
21 If, at any time, however, the tax under this Act on sales of
22 gasohol, as defined in the Use Tax Act, is imposed at the rate
23 of 1.25%, then the tax imposed by this Act applies to 100% of
24 the proceeds of sales of gasohol made during that time.

25 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply
2 to the selling price of property transferred as an incident to
3 the sale of service on or after July 1, 2003 and on or before
4 December 31, 2023 but applies to 100% of the selling price
5 thereafter.

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

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

25 At the election of any registered serviceman made for each
26 fiscal year, sales of service in which the aggregate annual

1 cost price of tangible personal property transferred as an
2 incident to the sales of service is less than 35%, or 75% in
3 the case of servicemen transferring prescription drugs or
4 servicemen engaged in graphic arts production, of the
5 aggregate annual total gross receipts from all sales of
6 service, the tax imposed by this Act shall be based on the
7 serviceman's cost price of the tangible personal property
8 transferred as an incident to the sale of those services.

9 Until July 1, 2022 and beginning again January 1, 2023,
10 the ~~The~~ tax shall be imposed at the rate of 1% on food prepared
11 for immediate consumption and transferred incident to a sale
12 of service subject to this Act or the Service Occupation Tax
13 Act by an entity licensed under the Hospital Licensing Act,
14 the Nursing Home Care Act, the Assisted Living and Shared
15 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
16 Specialized Mental Health Rehabilitation Act of 2013, or the
17 Child Care Act of 1969, or an entity that holds a permit issued
18 pursuant to the Life Care Facilities Act. Until July 1, 2022
19 and beginning again January 1, 2023, the ~~The~~ tax shall also be
20 imposed at the rate of 1% on food for human consumption that is
21 to be consumed off the premises where it is sold (other than
22 alcoholic beverages, food consisting of or infused with adult
23 use cannabis, soft drinks, and food that has been prepared for
24 immediate consumption and is not otherwise included in this
25 paragraph).

26 Beginning July 1, 2022 and until January 1, 2023, the tax

1 shall be imposed at the rate of 0% on food prepared for
2 immediate consumption and transferred incident to a sale of
3 service subject to this Act or the Service Occupation Tax Act
4 by an entity licensed under the Hospital Licensing Act, the
5 Nursing Home Care Act, the Assisted Living and Shared Housing
6 Act, the ID/DD Community Care Act, the MC/DD Act, the
7 Specialized Mental Health Rehabilitation Act of 2013, or the
8 Child Care Act of 1969, or an entity that holds a permit issued
9 pursuant to the Life Care Facilities Act. Beginning July 1,
10 2022 and until January 1, 2023, the tax shall also be imposed
11 at the rate of 0% on food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, food consisting of or infused with adult
14 use cannabis, soft drinks, and food that has been prepared for
15 immediate consumption and is not otherwise included in this
16 paragraph).

17 The tax shall also be imposed at the rate of 1% on ~~and~~
18 prescription and nonprescription medicines, drugs, medical
19 appliances, products classified as Class III medical devices
20 by the United States Food and Drug Administration that are
21 used for cancer treatment pursuant to a prescription, as well
22 as any accessories and components related to those devices,
23 modifications to a motor vehicle for the purpose of rendering
24 it usable by a person with a disability, and insulin, blood
25 sugar testing materials, syringes, and needles used by human
26 diabetics. For the purposes of this Section, until September

1 1, 2009: the term "soft drinks" means any complete, finished,
2 ready-to-use, non-alcoholic drink, whether carbonated or not,
3 including but not limited to soda water, cola, fruit juice,
4 vegetable juice, carbonated water, and all other preparations
5 commonly known as soft drinks of whatever kind or description
6 that are contained in any closed or sealed bottle, can,
7 carton, or container, regardless of size; but "soft drinks"
8 does not include coffee, tea, non-carbonated water, infant
9 formula, milk or milk products as defined in the Grade A
10 Pasteurized Milk and Milk Products Act, or drinks containing
11 50% or more natural fruit or vegetable juice.

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

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

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

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

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

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

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

4 Beginning on January 1, 2014 (the effective date of Public
5 Act 98-122), "prescription and nonprescription medicines and
6 drugs" includes medical cannabis purchased from a registered
7 dispensing organization under the Compassionate Use of Medical
8 Cannabis Program Act.

9 As used in this Section, "adult use cannabis" means
10 cannabis subject to tax under the Cannabis Cultivation
11 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
12 and does not include cannabis subject to tax under the
13 Compassionate Use of Medical Cannabis Program Act.

14 If the property that is acquired from a serviceman is
15 acquired outside Illinois and used outside Illinois before
16 being brought to Illinois for use here and is taxable under
17 this Act, the "selling price" on which the tax is computed
18 shall be reduced by an amount that represents a reasonable
19 allowance for depreciation for the period of prior
20 out-of-state use.

21 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
22 102-4, eff. 4-27-21; 102-16, eff. 6-17-21.)

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

24 Sec. 9. Each serviceman required or authorized to collect
25 the tax herein imposed shall pay to the Department the amount

1 of such tax (except as otherwise provided) at the time when he
2 is required to file his return for the period during which such
3 tax was collected, less a discount of 2.1% prior to January 1,
4 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
5 year, whichever is greater, which is allowed to reimburse the
6 serviceman for expenses incurred in collecting the tax,
7 keeping records, preparing and filing returns, remitting the
8 tax and supplying data to the Department on request. When
9 determining the discount allowed under this Section servicemen
10 shall include the amount of tax that would have been due at the
11 1% rate but for the 0% rate imposed under this amendatory Act
12 of the 102nd General Assembly. The discount under this Section
13 is not allowed for the 1.25% portion of taxes paid on aviation
14 fuel that is subject to the revenue use requirements of 49
15 U.S.C. 47107(b) and 49 U.S.C. 47133. The discount allowed
16 under this Section is allowed only for returns that are filed
17 in the manner required by this Act. The Department may
18 disallow the discount for servicemen whose certificate of
19 registration is revoked at the time the return is filed, but
20 only if the Department's decision to revoke the certificate of
21 registration has become final. A serviceman need not remit
22 that part of any tax collected by him to the extent that he is
23 required to pay and does pay the tax imposed by the Service
24 Occupation Tax Act with respect to his sale of service
25 involving the incidental transfer by him of the same property.

26 Except as provided hereinafter in this Section, on or

1 before the twentieth day of each calendar month, such
2 serviceman shall file a return for the preceding calendar
3 month in accordance with reasonable Rules and Regulations to
4 be promulgated by the Department. Such return shall be filed
5 on a form prescribed by the Department and shall contain such
6 information as the Department may reasonably require. Such
7 return shall include the gross receipts which were received
8 during the preceding calendar month or quarter on the
9 following items upon which tax would have been due but for the
10 0% rate imposed under this amendatory Act of the 102nd General
11 Assembly: (i) food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, food consisting of or infused with adult
14 use cannabis, soft drinks, and food that has been prepared for
15 immediate consumption); and (ii) food prepared for immediate
16 consumption and transferred incident to a sale of service
17 subject to this Act or the Service Occupation Tax Act by an
18 entity licensed under the Hospital Licensing Act, the Nursing
19 Home Care Act, the Assisted Living and Shared Housing Act, the
20 ID/DD Community Care Act, the MC/DD Act, the Specialized
21 Mental Health Rehabilitation Act of 2013, or the Child Care
22 Act of 1969, or an entity that holds a permit issued pursuant
23 to the Life Care Facilities Act. Such return shall also
24 include the amount of tax that would have been due on the items
25 listed in the previous sentence but for the 0% rate imposed
26 under this amendatory Act of the 102nd General Assembly.

1 On and after January 1, 2018, with respect to servicemen
2 whose annual gross receipts average \$20,000 or more, all
3 returns required to be filed pursuant to this Act shall be
4 filed electronically. Servicemen who demonstrate that they do
5 not have access to the Internet or demonstrate hardship in
6 filing electronically may petition the Department to waive the
7 electronic filing requirement.

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

15 1. The name of the seller;

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

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

23 4. The amount of credit provided in Section 2d of this
24 Act;

25 5. The amount of tax due;

26 5-5. The signature of the taxpayer; and

1 6. Such other reasonable information as the Department
2 may require.

3 Each serviceman required or authorized to collect the tax
4 imposed by this Act on aviation fuel transferred as an
5 incident of a sale of service in this State during the
6 preceding calendar month shall, instead of reporting and
7 paying tax on aviation fuel as otherwise required by this
8 Section, report and pay such tax on a separate aviation fuel
9 tax return. The requirements related to the return shall be as
10 otherwise provided in this Section. Notwithstanding any other
11 provisions of this Act to the contrary, servicemen collecting
12 tax on aviation fuel shall file all aviation fuel tax returns
13 and shall make all aviation fuel tax payments by electronic
14 means in the manner and form required by the Department. For
15 purposes of this Section, "aviation fuel" means jet fuel and
16 aviation gasoline.

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

21 Notwithstanding any other provision of this Act to the
22 contrary, servicemen subject to tax on cannabis shall file all
23 cannabis tax returns and shall make all cannabis tax payments
24 by electronic means in the manner and form required by the
25 Department.

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

1 monthly tax liability of \$150,000 or more shall make all
2 payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 1994, a taxpayer who has
4 an average monthly tax liability of \$100,000 or more shall
5 make all payments required by rules of the Department by
6 electronic funds transfer. Beginning October 1, 1995, a
7 taxpayer who has an average monthly tax liability of \$50,000
8 or more shall make all payments required by rules of the
9 Department by electronic funds transfer. Beginning October 1,
10 2000, a taxpayer who has an annual tax liability of \$200,000 or
11 more shall make all payments required by rules of the
12 Department by electronic funds transfer. The term "annual tax
13 liability" shall be the sum of the taxpayer's liabilities
14 under this Act, and under all other State and local occupation
15 and use tax laws administered by the Department, for the
16 immediately preceding calendar year. The term "average monthly
17 tax liability" means the sum of the taxpayer's liabilities
18 under this Act, and under all other State and local occupation
19 and use tax laws administered by the Department, for the
20 immediately preceding calendar year divided by 12. Beginning
21 on October 1, 2002, a taxpayer who has a tax liability in the
22 amount set forth in subsection (b) of Section 2505-210 of the
23 Department of Revenue Law shall make all payments required by
24 rules of the Department by electronic funds transfer.

25 Before August 1 of each year beginning in 1993, the
26 Department shall notify all taxpayers required to make

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

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

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

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

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

25 If the serviceman is otherwise required to file a monthly
26 or quarterly return and if the serviceman's average monthly

1 tax liability to the Department does not exceed \$50, the
2 Department may authorize his returns to be filed on an annual
3 basis, with the return for a given year being due by January 20
4 of the following year.

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

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

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

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

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

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

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

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

26 Beginning January 1, 1990, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund 20% of the
2 net revenue realized for the preceding month from the 6.25%
3 general rate on transfers of tangible personal property, other
4 than (i) tangible personal property which is purchased outside
5 Illinois at retail from a retailer and which is titled or
6 registered by an agency of this State's government and (ii)
7 aviation fuel sold on or after December 1, 2019. This
8 exception for aviation fuel only applies for so long as the
9 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
10 47133 are binding on the State.

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

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

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

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

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

1 State Crime Laboratory Fund.

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

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

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

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

1 Expansion Project Fund in the specified fiscal years.

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	300,000,000
7	2022	300,000,000
8	2023	300,000,000
9	2024	300,000,000
10	2025	300,000,000
11	2026	300,000,000
12	2027	375,000,000
13	2028	375,000,000
14	2029	375,000,000
15	2030	375,000,000
16	2031	375,000,000
17	2032	375,000,000
18	2033	375,000,000
19	2034	375,000,000
20	2035	375,000,000
21	2036	450,000,000

22 and
23 each fiscal year
24 thereafter that bonds
25 are outstanding under
26 Section 13.2 of the

1 Metropolitan Pier and
2 Exposition Authority Act,
3 but not after fiscal year 2060.

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

17 Subject to payment of amounts into the Capital Projects
18 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, for aviation fuel sold on or after December 1, 2019,
22 the Department shall each month deposit into the Aviation Fuel
23 Sales Tax Refund Fund an amount estimated by the Department to
24 be required for refunds of the 80% portion of the tax on
25 aviation fuel under this Act. The Department shall only
26 deposit moneys into the Aviation Fuel Sales Tax Refund Fund

1 under this paragraph for so long as the revenue use
2 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
3 binding on the State.

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

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

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

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

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

26 Subject to successful execution and delivery of a

1 public-private agreement between the public agency and private
2 entity and completion of the civic build, beginning on July 1,
3 2023, of the remainder of the moneys received by the
4 Department under the Use Tax Act, the Service Use Tax Act, the
5 Service Occupation Tax Act, and this Act, the Department shall
6 deposit the following specified deposits in the aggregate from
7 collections under the Use Tax Act, the Service Use Tax Act, the
8 Service Occupation Tax Act, and the Retailers' Occupation Tax
9 Act, as required under Section 8.25g of the State Finance Act
10 for distribution consistent with the Public-Private
11 Partnership for Civic and Transit Infrastructure Project Act.
12 The moneys received by the Department pursuant to this Act and
13 required to be deposited into the Civic and Transit
14 Infrastructure Fund are subject to the pledge, claim, and
15 charge set forth in Section 25-55 of the Public-Private
16 Partnership for Civic and Transit Infrastructure Project Act.
17 As used in this paragraph, "civic build", "private entity",
18 "public-private agreement", and "public agency" have the
19 meanings provided in Section 25-10 of the Public-Private
20 Partnership for Civic and Transit Infrastructure Project Act.

21	Fiscal Year.....	Total Deposit
22	2024	\$200,000,000
23	2025	\$206,000,000
24	2026	\$212,200,000
25	2027	\$218,500,000
26	2028	\$225,100,000

1	2029	.....	\$288,700,000
2	2030	.....	\$298,900,000
3	2031	.....	\$309,300,000
4	2032	.....	\$320,100,000
5	2033	.....	\$331,200,000
6	2034	.....	\$341,200,000
7	2035	.....	\$351,400,000
8	2036	.....	\$361,900,000
9	2037	.....	\$372,800,000
10	2038	.....	\$384,000,000
11	2039	.....	\$395,500,000
12	2040	.....	\$407,400,000
13	2041	.....	\$419,600,000
14	2042	.....	\$432,200,000
15	2043	.....	\$445,100,000

16 Beginning July 1, 2021 and until July 1, 2022, subject to
17 the payment of amounts into the State and Local Sales Tax
18 Reform Fund, the Build Illinois Fund, the McCormick Place
19 Expansion Project Fund, the Illinois Tax Increment Fund, the
20 Energy Infrastructure Fund, and the Tax Compliance and
21 Administration Fund as provided in this Section, the
22 Department shall pay each month into the Road Fund the amount
23 estimated to represent 16% of the net revenue realized from
24 the taxes imposed on motor fuel and gasohol. Beginning July 1,
25 2022 and until July 1, 2023, subject to the payment of amounts
26 into the State and Local Sales Tax Reform Fund, the Build

1 Illinois Fund, the McCormick Place Expansion Project Fund, the
2 Illinois Tax Increment Fund, the Energy Infrastructure Fund,
3 and the Tax Compliance and Administration Fund as provided in
4 this Section, the Department shall pay each month into the
5 Road Fund the amount estimated to represent 32% of the net
6 revenue realized from the taxes imposed on motor fuel and
7 gasohol. Beginning July 1, 2023 and until July 1, 2024,
8 subject to the payment of amounts into the State and Local
9 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick
10 Place Expansion Project Fund, the Illinois Tax Increment Fund,
11 the Energy Infrastructure Fund, and the Tax Compliance and
12 Administration Fund as provided in this Section, the
13 Department shall pay each month into the Road Fund the amount
14 estimated to represent 48% of the net revenue realized from
15 the taxes imposed on motor fuel and gasohol. Beginning July 1,
16 2024 and until July 1, 2025, subject to the payment of amounts
17 into the State and Local Sales Tax Reform Fund, the Build
18 Illinois Fund, the McCormick Place Expansion Project Fund, the
19 Illinois Tax Increment Fund, the Energy Infrastructure Fund,
20 and the Tax Compliance and Administration Fund as provided in
21 this Section, the Department shall pay each month into the
22 Road Fund the amount estimated to represent 64% of the net
23 revenue realized from the taxes imposed on motor fuel and
24 gasohol. Beginning on July 1, 2025, subject to the payment of
25 amounts into the State and Local Sales Tax Reform Fund, the
26 Build Illinois Fund, the McCormick Place Expansion Project

1 Fund, the Illinois Tax Increment Fund, the Energy
2 Infrastructure Fund, and the Tax Compliance and Administration
3 Fund as provided in this Section, the Department shall pay
4 each month into the Road Fund the amount estimated to
5 represent 80% of the net revenue realized from the taxes
6 imposed on motor fuel and gasohol. As used in this paragraph
7 "motor fuel" has the meaning given to that term in Section 1.1
8 of the Motor Fuel Tax Act, and "gasohol" has the meaning given
9 to that term in Section 3-40 of the Use Tax Act.

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

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

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

1 overpayment of liability.

2 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;
3 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article
4 15, Section 15-15, eff. 6-5-19; 101-10, Article 25, Section
5 25-110, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.
6 6-28-19; 101-604, eff. 12-13-19; 101-636, eff. 6-10-20.)

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

9 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

1 by this Act shall be based on the serviceman's cost price of
2 the tangible personal property transferred incident to the
3 completion of the contract.

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

8 With respect to gasohol, as defined in the Use Tax Act, the
9 tax imposed by this Act shall apply to (i) 70% of the cost
10 price of property transferred as an incident to the sale of
11 service on or after January 1, 1990, and before July 1, 2003,
12 (ii) 80% of the selling price of property transferred as an
13 incident to the sale of service on or after July 1, 2003 and on
14 or before July 1, 2017, and (iii) 100% of the cost price
15 thereafter. If, at any time, however, the tax under this Act on
16 sales of gasohol, as defined in the Use Tax Act, is imposed at
17 the rate of 1.25%, then the tax imposed by this Act applies to
18 100% of the proceeds of sales of gasohol made during that time.

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

25 With respect to biodiesel blends, as defined in the Use
26 Tax Act, with no less than 1% and no more than 10% biodiesel,

1 the tax imposed by this Act applies to (i) 80% of the selling
2 price of property transferred as an incident to the sale of
3 service on or after July 1, 2003 and on or before December 31,
4 2018 and (ii) 100% of the proceeds of the selling price
5 thereafter. If, at any time, however, the tax under this Act on
6 sales of biodiesel blends, as defined in the Use Tax Act, with
7 no less than 1% and no more than 10% biodiesel is imposed at
8 the rate of 1.25%, then the tax imposed by this Act applies to
9 100% of the proceeds of sales of biodiesel blends with no less
10 than 1% and no more than 10% biodiesel made during that time.

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

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

1 serviceman's cost price of the tangible personal property
2 transferred incident to the sale of those services.

3 Until July 1, 2022 and beginning again January 1, 2023,
4 the ~~The~~ tax shall be imposed at the rate of 1% on food prepared
5 for immediate consumption and transferred incident to a sale
6 of service subject to this Act or the Service Use ~~Occupation~~
7 Tax Act by an entity licensed under the Hospital Licensing
8 Act, the Nursing Home Care Act, the Assisted Living and Shared
9 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
10 Specialized Mental Health Rehabilitation Act of 2013, or the
11 Child Care Act of 1969, or an entity that holds a permit issued
12 pursuant to the Life Care Facilities Act. Until July 1, 2022
13 and beginning again January 1, 2023, the ~~The~~ tax shall also be
14 imposed at the rate of 1% on food for human consumption that is
15 to be consumed off the premises where it is sold (other than
16 alcoholic beverages, food consisting of or infused with adult
17 use cannabis, soft drinks, and food that has been prepared for
18 immediate consumption and is not otherwise included in this
19 paragraph).

20 Beginning July 1, 2022 and until January 1, 2023, the tax
21 shall be imposed at the rate of 0% on food prepared for
22 immediate consumption and transferred incident to a sale of
23 service subject to this Act or the Service Use Tax Act by an
24 entity licensed under the Hospital Licensing Act, the Nursing
25 Home Care Act, the Assisted Living and Shared Housing Act, the
26 ID/DD Community Care Act, the MC/DD Act, the Specialized

1 Mental Health Rehabilitation Act of 2013, or the Child Care
2 Act of 1969, or an entity that holds a permit issued pursuant
3 to the Life Care Facilities Act. Beginning July 1, 2022 and
4 until January 1, 2023, the tax shall also be imposed at the
5 rate of 0% on food for human consumption that is to be consumed
6 off the premises where it is sold (other than alcoholic
7 beverages, food consisting of or infused with adult use
8 cannabis, soft drinks, and food that has been prepared for
9 immediate consumption and is not otherwise included in this
10 paragraph).

11 The tax shall also be imposed at the rate of 1% on ~~and~~
12 prescription and nonprescription medicines, drugs, medical
13 appliances, products classified as Class III medical devices
14 by the United States Food and Drug Administration that are
15 used for cancer treatment pursuant to a prescription, as well
16 as any accessories and components related to those devices,
17 modifications to a motor vehicle for the purpose of rendering
18 it usable by a person with a disability, and insulin, blood
19 sugar testing materials, syringes, and needles used by human
20 diabetics. For the purposes of this Section, until September
21 1, 2009: the term "soft drinks" means any complete, finished,
22 ready-to-use, non-alcoholic drink, whether carbonated or not,
23 including but not limited to soda water, cola, fruit juice,
24 vegetable juice, carbonated water, and all other preparations
25 commonly known as soft drinks of whatever kind or description
26 that are contained in any closed or sealed can, carton, or

1 container, regardless of size; but "soft drinks" does not
2 include coffee, tea, non-carbonated water, infant formula,
3 milk or milk products as defined in the Grade A Pasteurized
4 Milk and Milk Products Act, or drinks containing 50% or more
5 natural fruit or vegetable juice.

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

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

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "food for human consumption that
26 is to be consumed off the premises where it is sold" does not

1 include candy. For purposes of this Section, "candy" means a
2 preparation of sugar, honey, or other natural or artificial
3 sweeteners in combination with chocolate, fruits, nuts or
4 other ingredients or flavorings in the form of bars, drops, or
5 pieces. "Candy" does not include any preparation that contains
6 flour or requires refrigeration.

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

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

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

24 Beginning on January 1, 2014 (the effective date of Public
25 Act 98-122), "prescription and nonprescription medicines and
26 drugs" includes medical cannabis purchased from a registered

1 dispensing organization under the Compassionate Use of Medical
2 Cannabis Program Act.

3 As used in this Section, "adult use cannabis" means
4 cannabis subject to tax under the Cannabis Cultivation
5 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
6 and does not include cannabis subject to tax under the
7 Compassionate Use of Medical Cannabis Program Act.

8 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
9 102-4, eff. 4-27-21; 102-16, eff. 6-17-21.)

10 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

11 Sec. 9. Each serviceman required or authorized to collect
12 the tax herein imposed shall pay to the Department the amount
13 of such tax at the time when he is required to file his return
14 for the period during which such tax was collectible, less a
15 discount of 2.1% prior to January 1, 1990, and 1.75% on and
16 after January 1, 1990, or \$5 per calendar year, whichever is
17 greater, which is allowed to reimburse the serviceman for
18 expenses incurred in collecting the tax, keeping records,
19 preparing and filing returns, remitting the tax and supplying
20 data to the Department on request. When determining the
21 discount allowed under this Section servicemen shall include
22 the amount of tax that would have been due at the 1% rate but
23 for the 0% rate imposed under this amendatory Act of the 102nd
24 General Assembly. The discount under this Section is not
25 allowed for the 1.25% portion of taxes paid on aviation fuel

1 that is subject to the revenue use requirements of 49 U.S.C.
2 47107(b) and 49 U.S.C. 47133. The discount allowed under this
3 Section is allowed only for returns that are filed in the
4 manner required by this Act. The Department may disallow the
5 discount for servicemen whose certificate of registration is
6 revoked at the time the return is filed, but only if the
7 Department's decision to revoke the certificate of
8 registration has become final.

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

17 Except as provided hereinafter in this Section, on or
18 before the twentieth day of each calendar month, such
19 serviceman shall file a return for the preceding calendar
20 month in accordance with reasonable rules and regulations to
21 be promulgated by the Department of Revenue. Such return shall
22 be filed on a form prescribed by the Department and shall
23 contain such information as the Department may reasonably
24 require. Such return shall include the gross receipts which
25 were received during the preceding calendar month or quarter
26 on the following items upon which tax would have been due but

1 for the 0% rate imposed under this amendatory Act of the 102nd
2 General Assembly: (i) food for human consumption that is to be
3 consumed off the premises where it is sold (other than
4 alcoholic beverages, food consisting of or infused with adult
5 use cannabis, soft drinks, and food that has been prepared for
6 immediate consumption); and (ii) food prepared for immediate
7 consumption and transferred incident to a sale of service
8 subject to this Act or the Service Occupation Tax Act by an
9 entity licensed under the Hospital Licensing Act, the Nursing
10 Home Care Act, the Assisted Living and Shared Housing Act, the
11 ID/DD Community Care Act, the MC/DD Act, the Specialized
12 Mental Health Rehabilitation Act of 2013, or the Child Care
13 Act of 1969, or an entity that holds a permit issued pursuant
14 to the Life Care Facilities Act. Such return shall also
15 include the amount of tax that would have been due on the items
16 listed in the previous sentence but for the 0% rate imposed
17 under this amendatory Act of the 102nd General Assembly.

18 On and after January 1, 2018, with respect to servicemen
19 whose annual gross receipts average \$20,000 or more, all
20 returns required to be filed pursuant to this Act shall be
21 filed electronically. Servicemen who demonstrate that they do
22 not have access to the Internet or demonstrate hardship in
23 filing electronically may petition the Department to waive the
24 electronic filing requirement.

25 The Department may require returns to be filed on a
26 quarterly basis. If so required, a return for each calendar

1 quarter shall be filed on or before the twentieth day of the
2 calendar month following the end of such calendar quarter. The
3 taxpayer shall also file a return with the Department for each
4 of the first two months of each calendar quarter, on or before
5 the twentieth day of the following calendar month, stating:

6 1. The name of the seller;

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

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

14 4. The amount of credit provided in Section 2d of this
15 Act;

16 5. The amount of tax due;

17 5-5. The signature of the taxpayer; and

18 6. Such other reasonable information as the Department
19 may require.

20 Each serviceman required or authorized to collect the tax
21 herein imposed on aviation fuel acquired as an incident to the
22 purchase of a service in this State during the preceding
23 calendar month shall, instead of reporting and paying tax as
24 otherwise required by this Section, report and pay such tax on
25 a separate aviation fuel tax return. The requirements related
26 to the return shall be as otherwise provided in this Section.

1 Notwithstanding any other provisions of this Act to the
2 contrary, servicemen transferring aviation fuel incident to
3 sales of service shall file all aviation fuel tax returns and
4 shall make all aviation fuel tax payments by electronic means
5 in the manner and form required by the Department. For
6 purposes of this Section, "aviation fuel" means jet fuel and
7 aviation gasoline.

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

12 Notwithstanding any other provision of this Act to the
13 contrary, servicemen subject to tax on cannabis shall file all
14 cannabis tax returns and shall make all cannabis tax payments
15 by electronic means in the manner and form required by the
16 Department.

17 Prior to October 1, 2003, and on and after September 1,
18 2004 a serviceman may accept a Manufacturer's Purchase Credit
19 certification from a purchaser in satisfaction of Service Use
20 Tax as provided in Section 3-70 of the Service Use Tax Act if
21 the purchaser provides the appropriate documentation as
22 required by Section 3-70 of the Service Use Tax Act. A
23 Manufacturer's Purchase Credit certification, accepted prior
24 to October 1, 2003 or on or after September 1, 2004 by a
25 serviceman as provided in Section 3-70 of the Service Use Tax
26 Act, may be used by that serviceman to satisfy Service

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

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

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

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

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

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

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

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

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

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

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

25 Where a serviceman collects the tax with respect to the
26 selling price of tangible personal property which he sells and

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

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

23 Where the serviceman has more than one business registered
24 with the Department under separate registrations hereunder,
25 such serviceman shall file separate returns for each
26 registered business.

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

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

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

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

24 For aviation fuel sold on or after December 1, 2019, each
25 month the Department shall pay into the State Aviation Program
26 Fund 20% of the net revenue realized for the preceding month

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

10 Beginning August 1, 2000, each month the Department shall
11 pay into the Local Government Tax Fund 80% of the net revenue
12 realized for the preceding month from the 1.25% rate on the
13 selling price of motor fuel and gasohol.

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

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

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

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

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

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

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

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

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

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

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	300,000,000
20	2022	300,000,000
21	2023	300,000,000
22	2024	300,000,000
23	2025	300,000,000
24	2026	300,000,000
25	2027	375,000,000
26	2028	375,000,000

1	2029	375,000,000
2	2030	375,000,000
3	2031	375,000,000
4	2032	375,000,000
5	2033	375,000,000
6	2034	375,000,000
7	2035	375,000,000
8	2036	450,000,000

9 and

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

17 Beginning July 20, 1993 and in each month of each fiscal
18 year thereafter, one-eighth of the amount requested in the
19 certificate of the Chairman of the Metropolitan Pier and
20 Exposition Authority for that fiscal year, less the amount
21 deposited into the McCormick Place Expansion Project Fund by
22 the State Treasurer in the respective month under subsection
23 (g) of Section 13 of the Metropolitan Pier and Exposition
24 Authority Act, plus cumulative deficiencies in the deposits
25 required under this Section for previous months and years,
26 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year, but
2 not in excess of the amount specified above as "Total
3 Deposit", has been deposited.

4 Subject to payment of amounts into the Capital Projects
5 Fund, the Build Illinois Fund, and the McCormick Place
6 Expansion Project Fund pursuant to the preceding paragraphs or
7 in any amendments thereto hereafter enacted, for aviation fuel
8 sold on or after December 1, 2019, the Department shall each
9 month deposit into the Aviation Fuel Sales Tax Refund Fund an
10 amount estimated by the Department to be required for refunds
11 of the 80% portion of the tax on aviation fuel under this Act.
12 The Department shall only deposit moneys into the Aviation
13 Fuel Sales Tax Refund Fund under this paragraph for so long as
14 the revenue use requirements of 49 U.S.C. 47107(b) and 49
15 U.S.C. 47133 are binding on the State.

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

24 Subject to payment of amounts into the Build Illinois Fund
25 and the McCormick Place Expansion Project Fund pursuant to the
26 preceding paragraphs or in any amendments thereto hereafter

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

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

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

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

12 Subject to successful execution and delivery of a
13 public-private agreement between the public agency and private
14 entity and completion of the civic build, beginning on July 1,
15 2023, of the remainder of the moneys received by the
16 Department under the Use Tax Act, the Service Use Tax Act, the
17 Service Occupation Tax Act, and this Act, the Department shall
18 deposit the following specified deposits in the aggregate from
19 collections under the Use Tax Act, the Service Use Tax Act, the
20 Service Occupation Tax Act, and the Retailers' Occupation Tax
21 Act, as required under Section 8.25g of the State Finance Act
22 for distribution consistent with the Public-Private
23 Partnership for Civic and Transit Infrastructure Project Act.
24 The moneys received by the Department pursuant to this Act and
25 required to be deposited into the Civic and Transit
26 Infrastructure Fund are subject to the pledge, claim and

1 charge set forth in Section 25-55 of the Public-Private
 2 Partnership for Civic and Transit Infrastructure Project Act.
 3 As used in this paragraph, "civic build", "private entity",
 4 "public-private agreement", and "public agency" have the
 5 meanings provided in Section 25-10 of the Public-Private
 6 Partnership for Civic and Transit Infrastructure Project Act.

7	Fiscal Year.....	Total Deposit
8	2024	\$200,000,000
9	2025	\$206,000,000
10	2026	\$212,200,000
11	2027	\$218,500,000
12	2028	\$225,100,000
13	2029	\$288,700,000
14	2030	\$298,900,000
15	2031	\$309,300,000
16	2032	\$320,100,000
17	2033	\$331,200,000
18	2034	\$341,200,000
19	2035	\$351,400,000
20	2036	\$361,900,000
21	2037	\$372,800,000
22	2038	\$384,000,000
23	2039	\$395,500,000
24	2040	\$407,400,000
25	2041	\$419,600,000
26	2042	\$432,200,000

1 2043 \$445,100,000

2 Beginning July 1, 2021 and until July 1, 2022, subject to

3 the payment of amounts into the County and Mass Transit

4 District Fund, the Local Government Tax Fund, the Build

5 Illinois Fund, the McCormick Place Expansion Project Fund, the

6 Illinois Tax Increment Fund, the Energy Infrastructure Fund,

7 and the Tax Compliance and Administration Fund as provided in

8 this Section, the Department shall pay each month into the

9 Road Fund the amount estimated to represent 16% of the net

10 revenue realized from the taxes imposed on motor fuel and

11 gasohol. Beginning July 1, 2022 and until July 1, 2023,

12 subject to the payment of amounts into the County and Mass

13 Transit District Fund, the Local Government Tax Fund, the

14 Build Illinois Fund, the McCormick Place Expansion Project

15 Fund, the Illinois Tax Increment Fund, the Energy

16 Infrastructure Fund, and the Tax Compliance and Administration

17 Fund as provided in this Section, the Department shall pay

18 each month into the Road Fund the amount estimated to

19 represent 32% of the net revenue realized from the taxes

20 imposed on motor fuel and gasohol. Beginning July 1, 2023 and

21 until July 1, 2024, subject to the payment of amounts into the

22 County and Mass Transit District Fund, the Local Government

23 Tax Fund, the Build Illinois Fund, the McCormick Place

24 Expansion Project Fund, the Illinois Tax Increment Fund, the

25 Energy Infrastructure Fund, and the Tax Compliance and

26 Administration Fund as provided in this Section, the

1 Department shall pay each month into the Road Fund the amount
2 estimated to represent 48% of the net revenue realized from
3 the taxes imposed on motor fuel and gasohol. Beginning July 1,
4 2024 and until July 1, 2025, subject to the payment of amounts
5 into the County and Mass Transit District Fund, the Local
6 Government Tax Fund, the Build Illinois Fund, the McCormick
7 Place Expansion Project Fund, the Illinois Tax Increment Fund,
8 the Energy Infrastructure Fund, and the Tax Compliance and
9 Administration Fund as provided in this Section, the
10 Department shall pay each month into the Road Fund the amount
11 estimated to represent 64% of the net revenue realized from
12 the taxes imposed on motor fuel and gasohol. Beginning on July
13 1, 2025, subject to the payment of amounts into the County and
14 Mass Transit District Fund, the Local Government Tax Fund, the
15 Build Illinois Fund, the McCormick Place Expansion Project
16 Fund, the Illinois Tax Increment Fund, the Energy
17 Infrastructure Fund, and the Tax Compliance and Administration
18 Fund as provided in this Section, the Department shall pay
19 each month into the Road Fund the amount estimated to
20 represent 80% of the net revenue realized from the taxes
21 imposed on motor fuel and gasohol. As used in this paragraph
22 "motor fuel" has the meaning given to that term in Section 1.1
23 of the Motor Fuel Tax Act, and "gasohol" has the meaning given
24 to that term in Section 3-40 of the Use Tax Act.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, 75% shall be paid into the General

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

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

1 or annual returns filed by such taxpayer as hereinbefore
2 provided for in this Section.

3 If the annual information return required by this Section
4 is not filed when and as required, the taxpayer shall be liable
5 as follows:

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

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

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

24 The foregoing portion of this Section concerning the
25 filing of an annual information return shall not apply to a
26 serviceman who is not required to file an income tax return

1 with the United States Government.

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

9 Net revenue realized for a month shall be the revenue
10 collected by the State pursuant to this Act, less the amount
11 paid out during that month as refunds to taxpayers for
12 overpayment of liability.

13 For greater simplicity of administration, it shall be
14 permissible for manufacturers, importers and wholesalers whose
15 products are sold by numerous servicemen in Illinois, and who
16 wish to do so, to assume the responsibility for accounting and
17 paying to the Department all tax accruing under this Act with
18 respect to such sales, if the servicemen who are affected do
19 not make written objection to the Department to this
20 arrangement.

21 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;
22 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article
23 15, Section 15-20, eff. 6-5-19; 101-10, Article 25, Section
24 25-115, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.
25 6-28-19; 101-604, eff. 12-13-19; 101-636, eff. 6-10-20.)

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

3 (35 ILCS 120/2-10)

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

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

12 Beginning on August 6, 2010 through August 15, 2010, with
13 respect to sales tax holiday items as defined in Section 2-8 of
14 this Act, the tax is imposed at the rate of 1.25%.

15 Within 14 days after the effective date of this amendatory
16 Act of the 91st General Assembly, each retailer of motor fuel
17 and gasohol shall cause the following notice to be posted in a
18 prominently visible place on each retail dispensing device
19 that is used to dispense motor fuel or gasohol in the State of
20 Illinois: "As of July 1, 2000, the State of Illinois has
21 eliminated the State's share of sales tax on motor fuel and
22 gasohol through December 31, 2000. The price on this pump
23 should reflect the elimination of the tax." The notice shall
24 be printed in bold print on a sign that is no smaller than 4
25 inches by 8 inches. The sign shall be clearly visible to

1 customers. Any retailer who fails to post or maintain a
2 required sign through December 31, 2000 is guilty of a petty
3 offense for which the fine shall be \$500 per day per each
4 retail premises where a violation occurs.

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

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

20 With respect to biodiesel blends, as defined in the Use
21 Tax Act, with no less than 1% and no more than 10% biodiesel,
22 the tax imposed by this Act applies to (i) 80% of the proceeds
23 of sales made on or after July 1, 2003 and on or before
24 December 31, 2018 and (ii) 100% of the proceeds of sales made
25 thereafter. If, at any time, however, the tax under this Act on
26 sales of biodiesel blends, as defined in the Use Tax Act, with

1 no less than 1% and no more than 10% biodiesel is imposed at
2 the rate of 1.25%, then the tax imposed by this Act applies to
3 100% of the proceeds of sales of biodiesel blends with no less
4 than 1% and no more than 10% biodiesel made during that time.

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

11 Until July 1, 2022 and beginning again January 1, 2023,
12 with ~~With~~ respect to food for human consumption that is to be
13 consumed off the premises where it is sold (other than
14 alcoholic beverages, food consisting of or infused with adult
15 use cannabis, soft drinks, and food that has been prepared for
16 immediate consumption) the tax is imposed at the rate of 1%.
17 Beginning July 1, 2022 and until January 1, 2023, with respect
18 to food for human consumption that is to be consumed off the
19 premises where it is sold (other than alcoholic beverages,
20 food consisting of or infused with adult use cannabis, soft
21 drinks, and food that has been prepared for immediate
22 consumption), the tax is imposed at the rate of 0%.

23 With respect to ~~and~~ prescription and nonprescription
24 medicines, drugs, medical appliances, products classified as
25 Class III medical devices by the United States Food and Drug
26 Administration that are used for cancer treatment pursuant to

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

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

24 Until August 1, 2009, and notwithstanding any other
25 provisions of this Act, "food for human consumption that is to
26 be consumed off the premises where it is sold" includes all

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

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

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

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

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

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

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

15 As used in this Section, "adult use cannabis" means
16 cannabis subject to tax under the Cannabis Cultivation
17 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
18 and does not include cannabis subject to tax under the
19 Compassionate Use of Medical Cannabis Program Act.

20 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;
21 102-4, eff. 4-27-21.)

22 (35 ILCS 120/3) (from Ch. 120, par. 442)

23 Sec. 3. Except as provided in this Section, on or before
24 the twentieth day of each calendar month, every person engaged
25 in the business of selling tangible personal property at

1 retail in this State during the preceding calendar month shall
2 file a return with the Department, stating:

3 1. The name of the seller;

4 2. His residence address and the address of his
5 principal place of business and the address of the
6 principal place of business (if that is a different
7 address) from which he engages in the business of selling
8 tangible personal property at retail in this State;

9 3. Total amount of receipts received by him during the
10 preceding calendar month or quarter, as the case may be,
11 from sales of tangible personal property, and from
12 services furnished, by him during such preceding calendar
13 month or quarter;

14 4. Total amount received by him during the preceding
15 calendar month or quarter on charge and time sales of
16 tangible personal property, and from services furnished,
17 by him prior to the month or quarter for which the return
18 is filed;

19 5. Deductions allowed by law;

20 6. Gross receipts which were received by him during
21 the preceding calendar month or quarter and upon the basis
22 of which the tax is imposed, including gross receipts on
23 food for human consumption that is to be consumed off the
24 premises where it is sold (other than alcoholic beverages,
25 food consisting of or infused with adult use cannabis,
26 soft drinks, and food that has been prepared for immediate

1 consumption) which were received during the preceding
2 calendar month or quarter and upon which tax would have
3 been due but for the 0% rate imposed under this amendatory
4 Act of the 102nd General Assembly;

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

7 8. The amount of tax due, including the amount of tax
8 that would have been due on food for human consumption
9 that is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, food consisting of or
11 infused with adult use cannabis, soft drinks, and food
12 that has been prepared for immediate consumption) but for
13 the 0% rate imposed under this amendatory Act of the 102nd
14 General Assembly;

15 9. The signature of the taxpayer; and

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

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

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

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

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

1 satisfy any tax liability imposed under this Act, including
2 any audit liability.

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

10 1. The name of the seller;

11 2. The address of the principal place of business from
12 which he engages in the business of selling tangible
13 personal property at retail in this State;

14 3. The total amount of taxable receipts received by
15 him during the preceding calendar month from sales of
16 tangible personal property by him during such preceding
17 calendar month, including receipts from charge and time
18 sales, but less all deductions allowed by law;

19 4. The amount of credit provided in Section 2d of this
20 Act;

21 5. The amount of tax due; and

22 6. Such other reasonable information as the Department
23 may require.

24 Every person engaged in the business of selling aviation
25 fuel at retail in this State during the preceding calendar
26 month shall, instead of reporting and paying tax as otherwise

1 required by this Section, report and pay such tax on a separate
2 aviation fuel tax return. The requirements related to the
3 return shall be as otherwise provided in this Section.
4 Notwithstanding any other provisions of this Act to the
5 contrary, retailers selling aviation fuel shall file all
6 aviation fuel tax returns and shall make all aviation fuel tax
7 payments by electronic means in the manner and form required
8 by the Department. For purposes of this Section, "aviation
9 fuel" means jet fuel and aviation gasoline.

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

24 Beginning on October 1, 2003, every distributor, importing
25 distributor, and manufacturer of alcoholic liquor as defined
26 in the Liquor Control Act of 1934, shall file a statement with

1 the Department of Revenue, no later than the 10th day of the
2 month for the preceding month during which transactions
3 occurred, by electronic means, showing the total amount of
4 gross receipts from the sale of alcoholic liquor sold or
5 distributed during the preceding month to purchasers;
6 identifying the purchaser to whom it was sold or distributed;
7 the purchaser's tax registration number; and such other
8 information reasonably required by the Department. A
9 distributor, importing distributor, or manufacturer of
10 alcoholic liquor must personally deliver, mail, or provide by
11 electronic means to each retailer listed on the monthly
12 statement a report containing a cumulative total of that
13 distributor's, importing distributor's, or manufacturer's
14 total sales of alcoholic liquor to that retailer no later than
15 the 10th day of the month for the preceding month during which
16 the transaction occurred. The distributor, importing
17 distributor, or manufacturer shall notify the retailer as to
18 the method by which the distributor, importing distributor, or
19 manufacturer will provide the sales information. If the
20 retailer is unable to receive the sales information by
21 electronic means, the distributor, importing distributor, or
22 manufacturer shall furnish the sales information by personal
23 delivery or by mail. For purposes of this paragraph, the term
24 "electronic means" includes, but is not limited to, the use of
25 a secure Internet website, e-mail, or facsimile.

26 If a total amount of less than \$1 is payable, refundable or

1 creditable, such amount shall be disregarded if it is less
2 than 50 cents and shall be increased to \$1 if it is 50 cents or
3 more.

4 Notwithstanding any other provision of this Act to the
5 contrary, retailers subject to tax on cannabis shall file all
6 cannabis tax returns and shall make all cannabis tax payments
7 by electronic means in the manner and form required by the
8 Department.

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

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

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

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

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

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

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

1 dollar is 50 cents or more, and decreased to the nearest
2 whole-dollar amount where the fractional part of a dollar is
3 less than 50 cents.

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

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

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

24 Notwithstanding any other provision in this Act concerning
25 the time within which a retailer may file his return, in the
26 case of any retailer who ceases to engage in a kind of business

1 which makes him responsible for filing returns under this Act,
2 such retailer shall file a final return under this Act with the
3 Department not more than one month after discontinuing such
4 business.

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

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

1 seller may report the transfer of all aircraft, watercraft,
2 motor vehicles or trailers involved in that transaction to the
3 Department on the same uniform invoice-transaction reporting
4 return form. For purposes of this Section, "watercraft" means
5 a Class 2, Class 3, or Class 4 watercraft as defined in Section
6 3-2 of the Boat Registration and Safety Act, a personal
7 watercraft, or any boat equipped with an inboard motor.

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

24 Any retailer who sells only motor vehicles, watercraft,
25 aircraft, or trailers that are required to be registered with
26 an agency of this State, so that all retailers' occupation tax

1 liability is required to be reported, and is reported, on such
2 transaction reporting returns and who is not otherwise
3 required to file monthly or quarterly returns, need not file
4 monthly or quarterly returns. However, those retailers shall
5 be required to file returns on an annual basis.

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

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

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

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

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

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

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment

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

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

25 Where the seller is a corporation, the return filed on
26 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly
2 accredited agent of such corporation.

3 Where the seller is a limited liability company, the
4 return filed on behalf of the limited liability company shall
5 be signed by a manager, member, or properly accredited agent
6 of the limited liability company.

7 Except as provided in this Section, the retailer filing
8 the return under this Section shall, at the time of filing such
9 return, pay to the Department the amount of tax imposed by this
10 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
11 on and after January 1, 1990, or \$5 per calendar year,
12 whichever is greater, which is allowed to reimburse the
13 retailer for the expenses incurred in keeping records,
14 preparing and filing returns, remitting the tax and supplying
15 data to the Department on request. On and after January 1,
16 2021, a certified service provider, as defined in the Leveling
17 the Playing Field for Illinois Retail Act, filing the return
18 under this Section on behalf of a remote retailer shall, at the
19 time of such return, pay to the Department the amount of tax
20 imposed by this Act less a discount of 1.75%. A remote retailer
21 using a certified service provider to file a return on its
22 behalf, as provided in the Leveling the Playing Field for
23 Illinois Retail Act, is not eligible for the discount. When
24 determining the discount allowed under this Section retailers
25 shall include the amount of tax that would have been due at the
26 1% rate but for the 0% rate imposed under this amendatory Act

1 of the 102nd General Assembly. The discount under this Section
2 is not allowed for the 1.25% portion of taxes paid on aviation
3 fuel that is subject to the revenue use requirements of 49
4 U.S.C. 47107(b) and 49 U.S.C. 47133. Any prepayment made
5 pursuant to Section 2d of this Act shall be included in the
6 amount on which such 2.1% or 1.75% discount is computed. In the
7 case of retailers who report and pay the tax on a transaction
8 by transaction basis, as provided in this Section, such
9 discount shall be taken with each such tax remittance instead
10 of when such retailer files his periodic return. The discount
11 allowed under this Section is allowed only for returns that
12 are filed in the manner required by this Act. The Department
13 may disallow the discount for retailers whose certificate of
14 registration is revoked at the time the return is filed, but
15 only if the Department's decision to revoke the certificate of
16 registration has become final.

17 Before October 1, 2000, if the taxpayer's average monthly
18 tax liability to the Department under this Act, the Use Tax
19 Act, the Service Occupation Tax Act, and the Service Use Tax
20 Act, excluding any liability for prepaid sales tax to be
21 remitted in accordance with Section 2d of this Act, was
22 \$10,000 or more during the preceding 4 complete calendar
23 quarters, he shall file a return with the Department each
24 month by the 20th day of the month next following the month
25 during which such tax liability is incurred and shall make
26 payments to the Department on or before the 7th, 15th, 22nd and

1 last day of the month during which such liability is incurred.
2 On and after October 1, 2000, if the taxpayer's average
3 monthly tax liability to the Department under this Act, the
4 Use Tax Act, the Service Occupation Tax Act, and the Service
5 Use Tax Act, excluding any liability for prepaid sales tax to
6 be remitted in accordance with Section 2d of this Act, was
7 \$20,000 or more during the preceding 4 complete calendar
8 quarters, he shall file a return with the Department each
9 month by the 20th day of the month next following the month
10 during which such tax liability is incurred and shall make
11 payment to the Department on or before the 7th, 15th, 22nd and
12 last day of the month during which such liability is incurred.
13 If the month during which such tax liability is incurred began
14 prior to January 1, 1985, each payment shall be in an amount
15 equal to 1/4 of the taxpayer's actual liability for the month
16 or an amount set by the Department not to exceed 1/4 of the
17 average monthly liability of the taxpayer to the Department
18 for the preceding 4 complete calendar quarters (excluding the
19 month of highest liability and the month of lowest liability
20 in such 4 quarter period). If the month during which such tax
21 liability is incurred begins on or after January 1, 1985 and
22 prior to January 1, 1987, each payment shall be in an amount
23 equal to 22.5% of the taxpayer's actual liability for the
24 month or 27.5% of the taxpayer's liability for the same
25 calendar month of the preceding year. If the month during
26 which such tax liability is incurred begins on or after

1 January 1, 1987 and prior to January 1, 1988, each payment
2 shall be in an amount equal to 22.5% of the taxpayer's actual
3 liability for the month or 26.25% of the taxpayer's liability
4 for the same calendar month of the preceding year. If the month
5 during which such tax liability is incurred begins on or after
6 January 1, 1988, and prior to January 1, 1989, or begins on or
7 after January 1, 1996, each payment shall be in an amount equal
8 to 22.5% of the taxpayer's actual liability for the month or
9 25% of the taxpayer's liability for the same calendar month of
10 the preceding year. If the month during which such tax
11 liability is incurred begins on or after January 1, 1989, and
12 prior to January 1, 1996, each payment shall be in an amount
13 equal to 22.5% of the taxpayer's actual liability for the
14 month or 25% of the taxpayer's liability for the same calendar
15 month of the preceding year or 100% of the taxpayer's actual
16 liability for the quarter monthly reporting period. The amount
17 of such quarter monthly payments shall be credited against the
18 final tax liability of the taxpayer's return for that month.
19 Before October 1, 2000, once applicable, the requirement of
20 the making of quarter monthly payments to the Department by
21 taxpayers having an average monthly tax liability of \$10,000
22 or more as determined in the manner provided above shall
23 continue until such taxpayer's average monthly liability to
24 the Department during the preceding 4 complete calendar
25 quarters (excluding the month of highest liability and the
26 month of lowest liability) is less than \$9,000, or until such

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

1 The Department shall change such taxpayer's reporting status
2 unless it finds that such change is seasonal in nature and not
3 likely to be long term. If any such quarter monthly payment is
4 not paid at the time or in the amount required by this Section,
5 then the taxpayer shall be liable for penalties and interest
6 on the difference between the minimum amount due as a payment
7 and the amount of such quarter monthly payment actually and
8 timely paid, except insofar as the taxpayer has previously
9 made payments for that month to the Department in excess of the
10 minimum payments previously due as provided in this Section.
11 The Department shall make reasonable rules and regulations to
12 govern the quarter monthly payment amount and quarter monthly
13 payment dates for taxpayers who file on other than a calendar
14 monthly basis.

15 The provisions of this paragraph apply before October 1,
16 2001. Without regard to whether a taxpayer is required to make
17 quarter monthly payments as specified above, any taxpayer who
18 is required by Section 2d of this Act to collect and remit
19 prepaid taxes and has collected prepaid taxes which average in
20 excess of \$25,000 per month during the preceding 2 complete
21 calendar quarters, shall file a return with the Department as
22 required by Section 2f and shall make payments to the
23 Department on or before the 7th, 15th, 22nd and last day of the
24 month during which such liability is incurred. If the month
25 during which such tax liability is incurred began prior to
26 September 1, 1985 (the effective date of Public Act 84-221),

1 each payment shall be in an amount not less than 22.5% of the
2 taxpayer's actual liability under Section 2d. If the month
3 during which such tax liability is incurred begins on or after
4 January 1, 1986, each payment shall be in an amount equal to
5 22.5% of the taxpayer's actual liability for the month or
6 27.5% of the taxpayer's liability for the same calendar month
7 of the preceding calendar year. If the month during which such
8 tax liability is incurred begins on or after January 1, 1987,
9 each payment shall be in an amount equal to 22.5% of the
10 taxpayer's actual liability for the month or 26.25% of the
11 taxpayer's liability for the same calendar month of the
12 preceding year. The amount of such quarter monthly payments
13 shall be credited against the final tax liability of the
14 taxpayer's return for that month filed under this Section or
15 Section 2f, as the case may be. Once applicable, the
16 requirement of the making of quarter monthly payments to the
17 Department pursuant to this paragraph shall continue until
18 such taxpayer's average monthly prepaid tax collections during
19 the preceding 2 complete calendar quarters is \$25,000 or less.
20 If any such quarter monthly payment is not paid at the time or
21 in the amount required, the taxpayer shall be liable for
22 penalties and interest on such difference, except insofar as
23 the taxpayer has previously made payments for that month in
24 excess of the minimum payments previously due.

25 The provisions of this paragraph apply on and after
26 October 1, 2001. Without regard to whether a taxpayer is

1 required to make quarter monthly payments as specified above,
2 any taxpayer who is required by Section 2d of this Act to
3 collect and remit prepaid taxes and has collected prepaid
4 taxes that average in excess of \$20,000 per month during the
5 preceding 4 complete calendar quarters shall file a return
6 with the Department as required by Section 2f and shall make
7 payments to the Department on or before the 7th, 15th, 22nd and
8 last day of the month during which the liability is incurred.
9 Each payment shall be in an amount equal to 22.5% of the
10 taxpayer's actual liability for the month or 25% of the
11 taxpayer's liability for the same calendar month of the
12 preceding year. The amount of the quarter monthly payments
13 shall be credited against the final tax liability of the
14 taxpayer's return for that month filed under this Section or
15 Section 2f, as the case may be. Once applicable, the
16 requirement of the making of quarter monthly payments to the
17 Department pursuant to this paragraph shall continue until the
18 taxpayer's average monthly prepaid tax collections during the
19 preceding 4 complete calendar quarters (excluding the month of
20 highest liability and the month of lowest liability) is less
21 than \$19,000 or until such taxpayer's average monthly
22 liability to the Department as computed for each calendar
23 quarter of the 4 preceding complete calendar quarters is less
24 than \$20,000. If any such quarter monthly payment is not paid
25 at the time or in the amount required, the taxpayer shall be
26 liable for penalties and interest on such difference, except

1 insofar as the taxpayer has previously made payments for that
2 month in excess of the minimum payments previously due.

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

25 If a retailer of motor fuel is entitled to a credit under
26 Section 2d of this Act which exceeds the taxpayer's liability

1 to the Department under this Act for the month for which the
2 taxpayer is filing a return, the Department shall issue the
3 taxpayer a credit memorandum for the excess.

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

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund 16% of the net revenue

1 realized for the preceding month from the 6.25% general rate
2 on the selling price of tangible personal property other than
3 aviation fuel sold on or after December 1, 2019. This
4 exception for aviation fuel only applies for so long as the
5 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
6 47133 are binding on the State.

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

19 Beginning August 1, 2000, each month the Department shall
20 pay into the Local Government Tax Fund 80% of the net revenue
21 realized for the preceding month from the 1.25% rate on the
22 selling price of motor fuel and gasohol. Beginning September
23 1, 2010, each month the Department shall pay into the Local
24 Government Tax Fund 80% of the net revenue realized for the
25 preceding month from the 1.25% rate on the selling price of
26 sales tax holiday items.

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

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

17 Beginning July 1, 2013, each month the Department shall
18 pay into the Underground Storage Tank Fund from the proceeds
19 collected under this Act, the Use Tax Act, the Service Use Tax
20 Act, and the Service Occupation Tax Act an amount equal to the
21 average monthly deficit in the Underground Storage Tank Fund
22 during the prior year, as certified annually by the Illinois
23 Environmental Protection Agency, but the total payment into
24 the Underground Storage Tank Fund under this Act, the Use Tax
25 Act, the Service Use Tax Act, and the Service Occupation Tax
26 Act shall not exceed \$18,000,000 in any State fiscal year. As

1 used in this paragraph, the "average monthly deficit" shall be
2 equal to the difference between the average monthly claims for
3 payment by the fund and the average monthly revenues deposited
4 into the fund, excluding payments made pursuant to this
5 paragraph.

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

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

1 be immediately paid into the Build Illinois Fund from other
2 moneys received by the Department pursuant to the Tax Acts;
3 the "Annual Specified Amount" means the amounts specified
4 below for fiscal years 1986 through 1993:

5	Fiscal Year	Annual Specified Amount
6	1986	\$54,800,000
7	1987	\$76,650,000
8	1988	\$80,480,000
9	1989	\$88,510,000
10	1990	\$115,330,000
11	1991	\$145,470,000
12	1992	\$182,730,000
13	1993	\$206,520,000;

14 and means the Certified Annual Debt Service Requirement (as
15 defined in Section 13 of the Build Illinois Bond Act) or the
16 Tax Act Amount, whichever is greater, for fiscal year 1994 and
17 each fiscal year thereafter; and further provided, that if on
18 the last business day of any month the sum of (1) the Tax Act
19 Amount required to be deposited into the Build Illinois Bond
20 Account in the Build Illinois Fund during such month and (2)
21 the amount transferred to the Build Illinois Fund from the
22 State and Local Sales Tax Reform Fund shall have been less than
23 1/12 of the Annual Specified Amount, an amount equal to the
24 difference shall be immediately paid into the Build Illinois
25 Fund from other moneys received by the Department pursuant to
26 the Tax Acts; and, further provided, that in no event shall the

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

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

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

Fiscal Year	Total Deposit
1993	\$0
1994	53,000,000
1995	58,000,000

1	1996	61,000,000
2	1997	64,000,000
3	1998	68,000,000
4	1999	71,000,000
5	2000	75,000,000
6	2001	80,000,000
7	2002	93,000,000
8	2003	99,000,000
9	2004	103,000,000
10	2005	108,000,000
11	2006	113,000,000
12	2007	119,000,000
13	2008	126,000,000
14	2009	132,000,000
15	2010	139,000,000
16	2011	146,000,000
17	2012	153,000,000
18	2013	161,000,000
19	2014	170,000,000
20	2015	179,000,000
21	2016	189,000,000
22	2017	199,000,000
23	2018	210,000,000
24	2019	221,000,000
25	2020	233,000,000
26	2021	300,000,000

1	2022	300,000,000
2	2023	300,000,000
3	2024	300,000,000
4	2025	300,000,000
5	2026	300,000,000
6	2027	375,000,000
7	2028	375,000,000
8	2029	375,000,000
9	2030	375,000,000
10	2031	375,000,000
11	2032	375,000,000
12	2033	375,000,000
13	2034	375,000,000
14	2035	375,000,000
15	2036	450,000,000

16 and

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

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

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

11 Subject to payment of amounts into the Capital Projects
12 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
13 and the McCormick Place Expansion Project Fund pursuant to the
14 preceding paragraphs or in any amendments thereto hereafter
15 enacted, for aviation fuel sold on or after December 1, 2019,
16 the Department shall each month deposit into the Aviation Fuel
17 Sales Tax Refund Fund an amount estimated by the Department to
18 be required for refunds of the 80% portion of the tax on
19 aviation fuel under this Act. The Department shall only
20 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
21 under this paragraph for so long as the revenue use
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
23 binding on the State.

24 Subject to payment of amounts into the Build Illinois Fund
25 and the McCormick Place Expansion Project Fund pursuant to the
26 preceding paragraphs or in any amendments thereto hereafter

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

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

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

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

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

20 Subject to successful execution and delivery of a
21 public-private agreement between the public agency and private
22 entity and completion of the civic build, beginning on July 1,
23 2023, of the remainder of the moneys received by the
24 Department under the Use Tax Act, the Service Use Tax Act, the
25 Service Occupation Tax Act, and this Act, the Department shall
26 deposit the following specified deposits in the aggregate from

1 collections under the Use Tax Act, the Service Use Tax Act, the
 2 Service Occupation Tax Act, and the Retailers' Occupation Tax
 3 Act, as required under Section 8.25g of the State Finance Act
 4 for distribution consistent with the Public-Private
 5 Partnership for Civic and Transit Infrastructure Project Act.
 6 The moneys received by the Department pursuant to this Act and
 7 required to be deposited into the Civic and Transit
 8 Infrastructure Fund are subject to the pledge, claim and
 9 charge set forth in Section 25-55 of the Public-Private
 10 Partnership for Civic and Transit Infrastructure Project Act.
 11 As used in this paragraph, "civic build", "private entity",
 12 "public-private agreement", and "public agency" have the
 13 meanings provided in Section 25-10 of the Public-Private
 14 Partnership for Civic and Transit Infrastructure Project Act.

15	Fiscal Year.....	Total Deposit
16	2024	\$200,000,000
17	2025	\$206,000,000
18	2026	\$212,200,000
19	2027	\$218,500,000
20	2028	\$225,100,000
21	2029	\$288,700,000
22	2030	\$298,900,000
23	2031	\$309,300,000
24	2032	\$320,100,000
25	2033	\$331,200,000
26	2034	\$341,200,000

1	2035	\$351,400,000
2	2036	\$361,900,000
3	2037	\$372,800,000
4	2038	\$384,000,000
5	2039	\$395,500,000
6	2040	\$407,400,000
7	2041	\$419,600,000
8	2042	\$432,200,000
9	2043	\$445,100,000

10 Beginning July 1, 2021 and until July 1, 2022, subject to
11 the payment of amounts into the County and Mass Transit
12 District Fund, the Local Government Tax Fund, the Build
13 Illinois Fund, the McCormick Place Expansion Project Fund, the
14 Illinois Tax Increment Fund, the Energy Infrastructure Fund,
15 and the Tax Compliance and Administration Fund as provided in
16 this Section, the Department shall pay each month into the
17 Road Fund the amount estimated to represent 16% of the net
18 revenue realized from the taxes imposed on motor fuel and
19 gasohol. Beginning July 1, 2022 and until July 1, 2023,
20 subject to the payment of amounts into the County and Mass
21 Transit District Fund, the Local Government Tax Fund, the
22 Build Illinois Fund, the McCormick Place Expansion Project
23 Fund, the Illinois Tax Increment Fund, the Energy
24 Infrastructure Fund, and the Tax Compliance and Administration
25 Fund as provided in this Section, the Department shall pay
26 each month into the Road Fund the amount estimated to

1 represent 32% of the net revenue realized from the taxes
2 imposed on motor fuel and gasohol. Beginning July 1, 2023 and
3 until July 1, 2024, subject to the payment of amounts into the
4 County and Mass Transit District Fund, the Local Government
5 Tax Fund, the Build Illinois Fund, the McCormick Place
6 Expansion Project Fund, the Illinois Tax Increment Fund, the
7 Energy Infrastructure Fund, and the Tax Compliance and
8 Administration Fund as provided in this Section, the
9 Department shall pay each month into the Road Fund the amount
10 estimated to represent 48% of the net revenue realized from
11 the taxes imposed on motor fuel and gasohol. Beginning July 1,
12 2024 and until July 1, 2025, subject to the payment of amounts
13 into the County and Mass Transit District Fund, the Local
14 Government Tax Fund, the Build Illinois Fund, the McCormick
15 Place Expansion Project Fund, the Illinois Tax Increment Fund,
16 the Energy Infrastructure Fund, and the Tax Compliance and
17 Administration Fund as provided in this Section, the
18 Department shall pay each month into the Road Fund the amount
19 estimated to represent 64% of the net revenue realized from
20 the taxes imposed on motor fuel and gasohol. Beginning on July
21 1, 2025, subject to the payment of amounts into the County and
22 Mass Transit District Fund, the Local Government Tax Fund, the
23 Build Illinois Fund, the McCormick Place Expansion Project
24 Fund, the Illinois Tax Increment Fund, the Energy
25 Infrastructure Fund, and the Tax Compliance and Administration
26 Fund as provided in this Section, the Department shall pay

1 each month into the Road Fund the amount estimated to
2 represent 80% of the net revenue realized from the taxes
3 imposed on motor fuel and gasohol. As used in this paragraph
4 "motor fuel" has the meaning given to that term in Section 1.1
5 of the Motor Fuel Tax Act, and "gasohol" has the meaning given
6 to that term in Section 3-40 of the Use Tax Act.

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

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

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

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

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

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

23 The chief executive officer, proprietor, owner or highest
24 ranking manager shall sign the annual return to certify the
25 accuracy of the information contained therein. Any person who
26 willfully signs the annual return containing false or

1 inaccurate information shall be guilty of perjury and punished
2 accordingly. The annual return form prescribed by the
3 Department shall include a warning that the person signing the
4 return may be liable for perjury.

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

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

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

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

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

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

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

12 (Source: P.A. 101-10, Article 15, Section 15-25, eff. 6-5-19;
13 101-10, Article 25, Section 25-120, eff. 6-5-19; 101-27, eff.
14 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;
15 101-636, eff. 6-10-20; 102-634, eff. 8-27-21; revised
16 12-7-21.)

17 Section 10-30. The Innovation Development and Economy Act
18 is amended by changing Sections 10 and 31 as follows:

19 (50 ILCS 470/10)

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

23 "Base year" means the calendar year immediately prior to
24 the calendar year in which the STAR bond district is

1 established.

2 "Commence work" means the manifest commencement of actual
3 operations on the development site, such as, erecting a
4 building, general on-site and off-site grading and utility
5 installations, commencing design and construction
6 documentation, ordering lead-time materials, excavating the
7 ground to lay a foundation or a basement, or work of like
8 description which a reasonable person would recognize as being
9 done with the intention and purpose to continue work until the
10 project is completed.

11 "County" means the county in which a proposed STAR bond
12 district is located.

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

15 "Department of Revenue" means the Department of Revenue of
16 the State of Illinois.

17 "Destination user" means an owner, operator, licensee,
18 co-developer, subdeveloper, or tenant (i) that operates a
19 business within a STAR bond district that is a retail store
20 having at least 150,000 square feet of sales floor area; (ii)
21 that at the time of opening does not have another Illinois
22 location within a 70 mile radius; (iii) that has an annual
23 average of not less than 30% of customers who travel from at
24 least 75 miles away or from out-of-state, as demonstrated by
25 data from a comparable existing store or stores, or, if there
26 is no comparable existing store, as demonstrated by an

1 economic analysis that shows that the proposed retailer will
2 have an annual average of not less than 30% of customers who
3 travel from at least 75 miles away or from out-of-state; and
4 (iv) that makes an initial capital investment, including
5 project costs and other direct costs, of not less than
6 \$30,000,000 for such retail store.

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

13 "Developer" means any individual, corporation, trust,
14 estate, partnership, limited liability partnership, limited
15 liability company, or other entity. The term does not include
16 a not-for-profit entity, political subdivision, or other
17 agency or instrumentality of the State.

18 "Director" means the Director of Revenue, who shall
19 consult with the Director of Commerce and Economic Opportunity
20 in any approvals or decisions required by the Director under
21 this Act.

22 "Economic impact study" means a study conducted by an
23 independent economist to project the financial benefit of the
24 proposed STAR bond project to the local, regional, and State
25 economies, consider the proposed adverse impacts on similar
26 projects and businesses, as well as municipalities within the

1 projected market area, and draw conclusions about the net
2 effect of the proposed STAR bond project on the local,
3 regional, and State economies. A copy of the economic impact
4 study shall be provided to the Director for review.

5 "Eligible area" means any improved or vacant area that (i)
6 is contiguous and is not, in the aggregate, less than 250 acres
7 nor more than 500 acres which must include only parcels of real
8 property directly and substantially benefited by the proposed
9 STAR bond district plan, (ii) is adjacent to a federal
10 interstate highway, (iii) is within one mile of 2 State
11 highways, (iv) is within one mile of an entertainment user, or
12 a major or minor league sports stadium or other similar
13 entertainment venue that had an initial capital investment of
14 at least \$20,000,000, and (v) includes land that was
15 previously surface or strip mined. The area may be bisected by
16 streets, highways, roads, alleys, railways, bike paths,
17 streams, rivers, and other waterways and still be deemed
18 contiguous. In addition, in order to constitute an eligible
19 area one of the following requirements must be satisfied and
20 all of which are subject to the review and approval of the
21 Director as provided in subsection (d) of Section 15:

22 (a) the governing body of the political subdivision
23 shall have determined that the area meets the requirements
24 of a "blighted area" as defined under the Tax Increment
25 Allocation Redevelopment Act; or

26 (b) the governing body of the political subdivision

1 shall have determined that the area is a blighted area as
2 determined under the provisions of Section 11-74.3-5 of
3 the Illinois Municipal Code; or

4 (c) the governing body of the political subdivision
5 shall make the following findings:

6 (i) that the vacant portions of the area have
7 remained vacant for at least one year, or that any
8 building located on a vacant portion of the property
9 was demolished within the last year and that the
10 building would have qualified under item (ii) of this
11 subsection;

12 (ii) if portions of the area are currently
13 developed, that the use, condition, and character of
14 the buildings on the property are not consistent with
15 the purposes set forth in Section 5;

16 (iii) that the STAR bond district is expected to
17 create or retain job opportunities within the
18 political subdivision;

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

21 (v) that without the availability of STAR bonds,
22 the projects described in the STAR bond district plan
23 would not be possible;

24 (vi) that the master developer meets high
25 standards of creditworthiness and financial strength
26 as demonstrated by one or more of the following: (i)

1 corporate debenture ratings of BBB or higher by
2 Standard & Poor's Corporation or Baa or higher by
3 Moody's Investors Service, Inc.; (ii) a letter from a
4 financial institution with assets of \$10,000,000 or
5 more attesting to the financial strength of the master
6 developer; or (iii) specific evidence of equity
7 financing for not less than 10% of the estimated total
8 STAR bond project costs;

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

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

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

15 "Entertainment user" means an owner, operator, licensee,
16 co-developer, subdeveloper, or tenant that operates a business
17 within a STAR bond district that has a primary use of providing
18 a venue for entertainment attractions, rides, or other
19 activities oriented toward the entertainment and amusement of
20 its patrons, occupies at least 20 acres of land in the STAR
21 bond district, and makes an initial capital investment,
22 including project costs and other direct and indirect costs,
23 of not less than \$25,000,000 for that venue.

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

26 "Infrastructure" means the public improvements and private

1 improvements that serve the public purposes set forth in
2 Section 5 of this Act and that benefit the STAR bond district
3 or any STAR bond projects, including, but not limited to,
4 streets, drives and driveways, traffic and directional signs
5 and signals, parking lots and parking facilities,
6 interchanges, highways, sidewalks, bridges, underpasses and
7 overpasses, bike and walking trails, sanitary storm sewers and
8 lift stations, drainage conduits, channels, levees, canals,
9 storm water detention and retention facilities, utilities and
10 utility connections, water mains and extensions, and street
11 and parking lot lighting and connections.

12 "Local sales taxes" means any locally-imposed taxes
13 received by a municipality, county, or other local
14 governmental entity arising from sales by retailers and
15 servicemen within a STAR bond district, including business
16 district sales taxes and STAR bond occupation taxes, and that
17 portion of the net revenue realized, plus that portion of the
18 net revenue that would have been realized but for the
19 reduction of the rate to 0% under this amendatory Act of the
20 102nd General Assembly, under the Retailers' Occupation Tax
21 Act, the Use Tax Act, the Service Use Tax Act, and the Service
22 Occupation Tax Act from transactions at places of business
23 located within a STAR bond district that is deposited or,
24 under this amendatory Act of the 102nd General Assembly,
25 transferred into the Local Government Tax Fund and the County
26 and Mass Transit District Fund. For the purpose of this Act,

1 "local sales taxes" does not include (i) any taxes authorized
2 pursuant to the Local Mass Transit District Act or the
3 Metro-East Park and Recreation District Act for so long as the
4 applicable taxing district does not impose a tax on real
5 property, (ii) county school facility and resources occupation
6 taxes imposed pursuant to Section 5-1006.7 of the Counties
7 Code, or (iii) any taxes authorized under the Flood Prevention
8 District Act.

9 "Local sales tax increment" means, except as otherwise
10 provided in this Section, with respect to local sales taxes
11 administered by the Illinois Department of Revenue, (i) all of
12 the local sales tax paid (plus all of the local sales tax that
13 would have been paid but for the reduction of the rate to 0%
14 under this amendatory Act of the 102nd General Assembly) by
15 destination users, destination hotels, and entertainment users
16 that is in excess of the local sales tax paid (plus all of the
17 local sales tax that would have been paid but for the reduction
18 of the rate to 0% under this amendatory Act of the 102nd
19 General Assembly) by destination users, destination hotels,
20 and entertainment users for the same month in the base year, as
21 determined by the Illinois Department of Revenue, (ii) in the
22 case of a municipality forming a STAR bond district that is
23 wholly within the corporate boundaries of the municipality and
24 in the case of a municipality and county forming a STAR bond
25 district that is only partially within such municipality, that
26 portion of the local sales tax paid (plus that portion of the

1 local sales tax that would have been paid but for the reduction
2 of the rate to 0% under this amendatory Act of the 102nd
3 General Assembly) by taxpayers that are not destination users,
4 destination hotels, or entertainment users that is in excess
5 of the local sales tax paid (plus the local sales tax that
6 would have been paid but for the reduction of the rate to 0%
7 under this amendatory Act of the 102nd General Assembly) by
8 taxpayers that are not destination users, destination hotels,
9 or entertainment users for the same month in the base year, as
10 determined by the Illinois Department of Revenue, and (iii) in
11 the case of a county in which a STAR bond district is formed
12 that is wholly within a municipality, that portion of the
13 local sales tax paid by taxpayers that are not destination
14 users, destination hotels, or entertainment users that is in
15 excess of the local sales tax paid by taxpayers that are not
16 destination users, destination hotels, or entertainment users
17 for the same month in the base year, as determined by the
18 Illinois Department of Revenue, but only if the corporate
19 authorities of the county adopts an ordinance, and files a
20 copy with the Department within the same time frames as
21 required for STAR bond occupation taxes under Section 31, that
22 designates the taxes referenced in this clause (iii) as part
23 of the local sales tax increment under this Act. "Local sales
24 tax increment" means, with respect to local sales taxes
25 administered by a municipality, county, or other unit of local
26 government, that portion of the local sales tax that is in

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

1 Occupation Tax, sold on or after December 1, 2019 and through
2 December 31, 2020.

3 "Market study" means a study to determine the ability of
4 the proposed STAR bond project to gain market share locally
5 and regionally and to remain profitable past the term of
6 repayment of STAR bonds.

7 "Master developer" means a developer cooperating with a
8 political subdivision to plan, develop, and implement a STAR
9 bond project plan for a STAR bond district. Subject to the
10 limitations of Section 25, the master developer may work with
11 and transfer certain development rights to other developers
12 for the purpose of implementing STAR bond project plans and
13 achieving the purposes of this Act. A master developer for a
14 STAR bond district shall be appointed by a political
15 subdivision in the resolution establishing the STAR bond
16 district, and the master developer must, at the time of
17 appointment, own or have control of, through purchase
18 agreements, option contracts, or other means, not less than
19 50% of the acreage within the STAR bond district and the master
20 developer or its affiliate must have ownership or control on
21 June 1, 2010.

22 "Master development agreement" means an agreement between
23 the master developer and the political subdivision to govern a
24 STAR bond district and any STAR bond projects.

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

1 "Pledged STAR revenues" means those sales tax and revenues
2 and other sources of funds pledged to pay debt service on STAR
3 bonds or to pay project costs pursuant to Section 30.
4 Notwithstanding any provision to the contrary, the following
5 revenues shall not constitute pledged STAR revenues or be
6 available to pay principal and interest on STAR bonds: any
7 State sales tax increment or local sales tax increment from a
8 retail entity initiating operations in a STAR bond district
9 while terminating operations at another Illinois location
10 within 25 miles of the STAR bond district. For purposes of this
11 paragraph, "terminating operations" means a closing of a
12 retail operation that is directly related to the opening of
13 the same operation or like retail entity owned or operated by
14 more than 50% of the original ownership in a STAR bond district
15 within one year before or after initiating operations in the
16 STAR bond district, but it does not mean closing an operation
17 for reasons beyond the control of the retail entity, as
18 documented by the retail entity, subject to a reasonable
19 finding by the municipality (or county if such retail
20 operation is not located within a municipality) in which the
21 terminated operations were located that the closed location
22 contained inadequate space, had become economically obsolete,
23 or was no longer a viable location for the retailer or
24 serviceman.

25 "Political subdivision" means a municipality or county
26 which undertakes to establish a STAR bond district pursuant to

1 the provisions of this Act.

2 "Project costs" means and includes the sum total of all
3 costs incurred or estimated to be incurred on or following the
4 date of establishment of a STAR bond district that are
5 reasonable or necessary to implement a STAR bond district plan
6 or any STAR bond project plans, or both, including costs
7 incurred for public improvements and private improvements that
8 serve the public purposes set forth in Section 5 of this Act.
9 Such costs include without limitation the following:

10 (a) costs of studies, surveys, development of plans
11 and specifications, formation, implementation, and
12 administration of a STAR bond district, STAR bond district
13 plan, any STAR bond projects, or any STAR bond project
14 plans, including, but not limited to, staff and
15 professional service costs for architectural, engineering,
16 legal, financial, planning, or other services, provided
17 however that no charges for professional services may be
18 based on a percentage of the tax increment collected and
19 no contracts for professional services, excluding
20 architectural and engineering services, may be entered
21 into if the terms of the contract extend beyond a period of
22 3 years;

23 (b) property assembly costs, including, but not
24 limited to, acquisition of land and other real property or
25 rights or interests therein, located within the boundaries
26 of a STAR bond district, demolition of buildings, site

1 preparation, site improvements that serve as an engineered
2 barrier addressing ground level or below ground
3 environmental contamination, including, but not limited
4 to, parking lots and other concrete or asphalt barriers,
5 the clearing and grading of land, and importing additional
6 soil and fill materials, or removal of soil and fill
7 materials from the site;

8 (c) subject to paragraph (d), costs of buildings and
9 other vertical improvements that are located within the
10 boundaries of a STAR bond district and owned by a
11 political subdivision or other public entity, including
12 without limitation police and fire stations, educational
13 facilities, and public restrooms and rest areas;

14 (c-1) costs of buildings and other vertical
15 improvements that are located within the boundaries of a
16 STAR bond district and owned by a destination user or
17 destination hotel; except that only 2 destination users in
18 a STAR bond district and one destination hotel are
19 eligible to include the cost of those vertical
20 improvements as project costs;

21 (c-5) costs of buildings; rides and attractions, which
22 include carousels, slides, roller coasters, displays,
23 models, towers, works of art, and similar theme and
24 amusement park improvements; and other vertical
25 improvements that are located within the boundaries of a
26 STAR bond district and owned by an entertainment user;

1 except that only one entertainment user in a STAR bond
2 district is eligible to include the cost of those vertical
3 improvements as project costs;

4 (d) costs of the design and construction of
5 infrastructure and public works located within the
6 boundaries of a STAR bond district that are reasonable or
7 necessary to implement a STAR bond district plan or any
8 STAR bond project plans, or both, except that project
9 costs shall not include the cost of constructing a new
10 municipal public building principally used to provide
11 offices, storage space, or conference facilities or
12 vehicle storage, maintenance, or repair for
13 administrative, public safety, or public works personnel
14 and that is not intended to replace an existing public
15 building unless the political subdivision makes a
16 reasonable determination in a STAR bond district plan or
17 any STAR bond project plans, supported by information that
18 provides the basis for that determination, that the new
19 municipal building is required to meet an increase in the
20 need for public safety purposes anticipated to result from
21 the implementation of the STAR bond district plan or any
22 STAR bond project plans;

23 (e) costs of the design and construction of the
24 following improvements located outside the boundaries of a
25 STAR bond district, provided that the costs are essential
26 to further the purpose and development of a STAR bond

1 district plan and either (i) part of and connected to
2 sewer, water, or utility service lines that physically
3 connect to the STAR bond district or (ii) significant
4 improvements for adjacent offsite highways, streets,
5 roadways, and interchanges that are approved by the
6 Illinois Department of Transportation. No other cost of
7 infrastructure and public works improvements located
8 outside the boundaries of a STAR bond district may be
9 deemed project costs;

10 (f) costs of job training and retraining projects,
11 including the cost of "welfare to work" programs
12 implemented by businesses located within a STAR bond
13 district;

14 (g) financing costs, including, but not limited to,
15 all necessary and incidental expenses related to the
16 issuance of obligations and which may include payment of
17 interest on any obligations issued hereunder including
18 interest accruing during the estimated period of
19 construction of any improvements in a STAR bond district
20 or any STAR bond projects for which such obligations are
21 issued and for not exceeding 36 months thereafter and
22 including reasonable reserves related thereto;

23 (h) to the extent the political subdivision by written
24 agreement accepts and approves the same, all or a portion
25 of a taxing district's capital costs resulting from a STAR
26 bond district or STAR bond projects necessarily incurred

1 or to be incurred within a taxing district in furtherance
2 of the objectives of a STAR bond district plan or STAR bond
3 project plans;

4 (i) interest cost incurred by a developer for project
5 costs related to the acquisition, formation,
6 implementation, development, construction, and
7 administration of a STAR bond district, STAR bond district
8 plan, STAR bond projects, or any STAR bond project plans
9 provided that:

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

14 (ii) the total of such interest payments paid
15 pursuant to this Act may not exceed 30% of the total
16 cost paid or incurred by the developer for a STAR bond
17 district or STAR bond projects, plus project costs,
18 excluding any property assembly costs incurred by a
19 political subdivision pursuant to this Act;

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

22 (k) costs of landscaping and plantings, retaining
23 walls and fences, man-made lakes and ponds, shelters,
24 benches, lighting, and similar amenities located within
25 the boundaries of a STAR bond district;

26 (l) costs of mounted building signs, site monument,

1 and pylon signs located within the boundaries of a STAR
2 bond district; or

3 (m) if included in the STAR bond district plan and
4 approved in writing by the Director, salaries or a portion
5 of salaries for local government employees to the extent
6 the same are directly attributable to the work of such
7 employees on the establishment and management of a STAR
8 bond district or any STAR bond projects.

9 Except as specified in items (a) through (m), "project
10 costs" shall not include:

11 (i) the cost of construction of buildings that are
12 privately owned or owned by a municipality and leased to a
13 developer or retail user for non-entertainment retail
14 uses;

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

17 (iii) property taxes for property located in the STAR
18 bond district;

19 (iv) lobbying costs; and

20 (v) general overhead or administrative costs of the
21 political subdivision that would still have been incurred
22 by the political subdivision if the political subdivision
23 had not established a STAR bond district.

24 "Project development agreement" means any one or more
25 agreements, including any amendments thereto, between a master
26 developer and any co-developer or subdeveloper in connection

1 with a STAR bond project, which project development agreement
2 may include the political subdivision as a party.

3 "Projected market area" means any area within the State in
4 which a STAR bond district or STAR bond project is projected to
5 have a significant fiscal or market impact as determined by
6 the Director.

7 "Resolution" means a resolution, order, ordinance, or
8 other appropriate form of legislative action of a political
9 subdivision or other applicable public entity approved by a
10 vote of a majority of a quorum at a meeting of the governing
11 body of the political subdivision or applicable public entity.

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

16 "STAR bond district" means the specific area declared to
17 be an eligible area as determined by the political
18 subdivision, and approved by the Director, in which the
19 political subdivision may develop one or more STAR bond
20 projects.

21 "STAR bond district plan" means the preliminary or
22 conceptual plan that generally identifies the proposed STAR
23 bond project areas and identifies in a general manner the
24 buildings, facilities, and improvements to be constructed or
25 improved in each STAR bond project area.

26 "STAR bond project" means a project within a STAR bond

1 district which is approved pursuant to Section 20.

2 "STAR bond project area" means the geographic area within
3 a STAR bond district in which there may be one or more STAR
4 bond projects.

5 "STAR bond project plan" means the written plan adopted by
6 a political subdivision for the development of a STAR bond
7 project in a STAR bond district; the plan may include, but is
8 not limited to, (i) project costs incurred prior to the date of
9 the STAR bond project plan and estimated future STAR bond
10 project costs, (ii) proposed sources of funds to pay those
11 costs, (iii) the nature and estimated term of any obligations
12 to be issued by the political subdivision to pay those costs,
13 (iv) the most recent equalized assessed valuation of the STAR
14 bond project area, (v) an estimate of the equalized assessed
15 valuation of the STAR bond district or applicable project area
16 after completion of a STAR bond project, (vi) a general
17 description of the types of any known or proposed developers,
18 users, or tenants of the STAR bond project or projects
19 included in the plan, (vii) a general description of the type,
20 structure, and character of the property or facilities to be
21 developed or improved, (viii) a description of the general
22 land uses to apply to the STAR bond project, and (ix) a general
23 description or an estimate of the type, class, and number of
24 employees to be employed in the operation of the STAR bond
25 project.

26 "State sales tax" means all of the net revenue realized

1 under the Retailers' Occupation Tax Act, the Use Tax Act, the
2 Service Use Tax Act, and the Service Occupation Tax Act from
3 transactions at places of business located within a STAR bond
4 district, excluding that portion of the net revenue realized
5 under the Retailers' Occupation Tax Act, the Use Tax Act, the
6 Service Use Tax Act, and the Service Occupation Tax Act from
7 transactions at places of business located within a STAR bond
8 district that is deposited into the Local Government Tax Fund
9 and the County and Mass Transit District Fund.

10 "State sales tax increment" means (i) 100% of that portion
11 of the State sales tax that is in excess of the State sales tax
12 for the same month in the base year, as determined by the
13 Department of Revenue, from transactions at up to 2
14 destination users, one destination hotel, and one
15 entertainment user located within a STAR bond district, which
16 destination users, destination hotel, and entertainment user
17 shall be designated by the master developer and approved by
18 the political subdivision and the Director in conjunction with
19 the applicable STAR bond project approval, and (ii) 25% of
20 that portion of the State sales tax that is in excess of the
21 State sales tax for the same month in the base year, as
22 determined by the Department of Revenue, from all other
23 transactions within a STAR bond district. If any portion of
24 State sales taxes are, at the time of formation of a STAR bond
25 district, already subject to tax increment financing under the
26 Tax Increment Allocation Redevelopment Act, then the State

1 sales tax increment for such portion shall be frozen at the
2 base year established in accordance with this Act, and all
3 future incremental increases shall be included in the State
4 sales tax increment under this Act. Any party otherwise
5 entitled to receipt of incremental State sales tax revenues
6 through an existing tax increment financing district shall be
7 entitled to continue to receive such revenues up to the amount
8 frozen in the base year. Nothing in this Act shall affect the
9 prior qualification of existing redevelopment project costs
10 incurred that are eligible for reimbursement under the Tax
11 Increment Allocation Redevelopment Act. In such event, prior
12 to approving a STAR bond district, the political subdivision
13 forming the STAR bond district shall take such action as is
14 necessary, including amending the existing tax increment
15 financing district redevelopment plan, to carry out the
16 provisions of this Act.

17 "Substantial change" means a change wherein the proposed
18 STAR bond project plan differs substantially in size, scope,
19 or use from the approved STAR bond district plan or STAR bond
20 project plan.

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

24 "Total development costs" means the aggregate public and
25 private investment in a STAR bond district, including project
26 costs and other direct and indirect costs related to the

1 development of the STAR bond district.

2 "Traditional retail use" means the operation of a business
3 that derives at least 90% of its annual gross revenue from
4 sales at retail, as that phrase is defined by Section 1 of the
5 Retailers' Occupation Tax Act, but does not include the
6 operations of destination users, entertainment users,
7 restaurants, hotels, retail uses within hotels, or any other
8 non-retail uses.

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

12 (Source: P.A. 101-10, eff. 6-5-19; 101-455, eff. 8-23-19;
13 101-604, eff. 12-13-19.)

14 (50 ILCS 470/31)

15 Sec. 31. STAR bond occupation taxes.

16 (a) If the corporate authorities of a political
17 subdivision have established a STAR bond district and have
18 elected to impose a tax by ordinance pursuant to subsection
19 (b) or (c) of this Section, each year after the date of the
20 adoption of the ordinance and until all STAR bond project
21 costs and all political subdivision obligations financing the
22 STAR bond project costs, if any, have been paid in accordance
23 with the STAR bond project plans, but in no event longer than
24 the maximum maturity date of the last of the STAR bonds issued
25 for projects in the STAR bond district, all amounts generated

1 by the retailers' occupation tax and service occupation tax
2 shall be collected and the tax shall be enforced by the
3 Department of Revenue in the same manner as all retailers'
4 occupation taxes and service occupation taxes imposed in the
5 political subdivision imposing the tax. The corporate
6 authorities of the political subdivision shall deposit the
7 proceeds of the taxes imposed under subsections (b) and (c)
8 into either (i) a special fund held by the corporate
9 authorities of the political subdivision called the STAR Bonds
10 Tax Allocation Fund for the purpose of paying STAR bond
11 project costs and obligations incurred in the payment of those
12 costs if such taxes are designated as pledged STAR revenues by
13 resolution or ordinance of the political subdivision or (ii)
14 the political subdivision's general corporate fund if such
15 taxes are not designated as pledged STAR revenues by
16 resolution or ordinance.

17 The tax imposed under this Section by a municipality may
18 be imposed only on the portion of a STAR bond district that is
19 within the boundaries of the municipality. For any part of a
20 STAR bond district that lies outside of the boundaries of that
21 municipality, the municipality in which the other part of the
22 STAR bond district lies (or the county, in cases where a
23 portion of the STAR bond district lies in the unincorporated
24 area of a county) is authorized to impose the tax under this
25 Section on that part of the STAR bond district.

26 (b) The corporate authorities of a political subdivision

1 that has established a STAR bond district under this Act may,
2 by ordinance or resolution, impose a STAR Bond Retailers'
3 Occupation Tax upon all persons engaged in the business of
4 selling tangible personal property, other than an item of
5 tangible personal property titled or registered with an agency
6 of this State's government, at retail in the STAR bond
7 district at a rate not to exceed 1% of the gross receipts from
8 the sales made in the course of that business, to be imposed
9 only in 0.25% increments. The tax may not be imposed on
10 tangible personal property taxed at the 1% rate under the
11 Retailers' Occupation Tax Act (or at the 0% rate in accordance
12 with this amendatory Act of the 102nd General Assembly).
13 Beginning December 1, 2019 and through December 31, 2020, this
14 tax is not imposed on sales of aviation fuel unless the tax
15 revenue is expended for airport-related purposes. If the
16 District does not have an airport-related purpose to which
17 aviation fuel tax revenue is dedicated, then aviation fuel is
18 excluded from the tax. The municipality must comply with the
19 certification requirements for airport-related purposes under
20 Section 2-22 of the Retailers' Occupation Tax Act. For
21 purposes of this Act, "airport-related purposes" has the
22 meaning ascribed in Section 6z-20.2 of the State Finance Act.
23 Beginning January 1, 2021, this tax is not imposed on sales of
24 aviation fuel for so long as the revenue use requirements of 49
25 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
26 District.

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

1 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
2 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k,
3 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
4 Retailers' Occupation Tax Act and all provisions of the
5 Uniform Penalty and Interest Act, as fully as if those
6 provisions were set forth herein.

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

9 (c) If a tax has been imposed under subsection (b), a STAR
10 Bond Service Occupation Tax shall also be imposed upon all
11 persons engaged, in the STAR bond district, in the business of
12 making sales of service, who, as an incident to making those
13 sales of service, transfer tangible personal property within
14 the STAR bond district, either in the form of tangible
15 personal property or in the form of real estate as an incident
16 to a sale of service. The tax shall be imposed at the same rate
17 as the tax imposed in subsection (b) and shall not exceed 1% of
18 the selling price of tangible personal property so transferred
19 within the STAR bond district, to be imposed only in 0.25%
20 increments. The tax may not be imposed on tangible personal
21 property taxed at the 1% rate under the Service Occupation Tax
22 Act. Beginning December 1, 2019 and through December 31, 2020,
23 this tax is not imposed on sales of aviation fuel unless the
24 tax revenue is expended for airport-related purposes. If the
25 District does not have an airport-related purpose to which
26 aviation fuel tax revenue is dedicated, then aviation fuel is

1 excluded from the tax. The municipality must comply with the
2 certification requirements for airport-related purposes under
3 Section 2-22 of the Retailers' Occupation Tax Act (or at the 0%
4 rate in accordance with this amendatory Act of the 102nd
5 General Assembly). For purposes of this Act, "airport-related
6 purposes" has the meaning ascribed in Section 6z-20.2 of the
7 State Finance Act. Beginning January 1, 2021, this tax is not
8 imposed on sales of aviation fuel for so long as the revenue
9 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
10 binding on the District.

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

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

26 If a tax is imposed under this subsection (c), a tax shall

1 also be imposed under subsection (b) of this Section.

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

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

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

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

1 political subdivision. Within 10 days after receipt by the
2 Comptroller of the disbursement certification to the political
3 subdivisions provided for in this Section to be given to the
4 Comptroller by the Department, the Comptroller shall cause the
5 orders to be drawn for the respective amounts in accordance
6 with the directions contained in the certification. The
7 proceeds of the tax paid to political subdivisions under this
8 Section shall be deposited into either (i) the STAR Bonds Tax
9 Allocation Fund by the political subdivision if the political
10 subdivision has designated them as pledged STAR revenues by
11 resolution or ordinance or (ii) the political subdivision's
12 general corporate fund if the political subdivision has not
13 designated them as pledged STAR revenues.

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

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

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

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

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

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

24 (e) When STAR bond project costs, including, without
25 limitation, all political subdivision obligations financing
26 STAR bond project costs, have been paid, any surplus funds

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

12 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;
13 101-604, eff. 12-13-19.)

14 Section 10-35. The Counties Code is amended by changing
15 Sections 5-1006, 5-1006.5, 5-1006.7, and 5-1007 as follows:

16 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

17 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
18 Law. Any county that is a home rule unit may impose a tax upon
19 all persons engaged in the business of selling tangible
20 personal property, other than an item of tangible personal
21 property titled or registered with an agency of this State's
22 government, at retail in the county on the gross receipts from
23 such sales made in the course of their business. If imposed,
24 this tax shall only be imposed in 1/4% increments. On and after

1 September 1, 1991, this additional tax may not be imposed on
2 tangible personal property taxed at the 1% rate under the
3 Retailers' Occupation Tax Act (or at the 0% rate in accordance
4 with this amendatory Act of the 102nd General Assembly).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 first day of September next following such adoption and
2 filing. Beginning January 1, 1992, an ordinance or resolution
3 imposing or discontinuing the tax hereunder or effecting a
4 change in the rate thereof shall be adopted and a certified
5 copy thereof filed with the Department on or before the first
6 day of July, whereupon the Department shall proceed to
7 administer and enforce this Section as of the first day of
8 October next following such adoption and filing. Beginning
9 January 1, 1993, an ordinance or resolution imposing or
10 discontinuing the tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of
13 October, whereupon the Department shall proceed to administer
14 and enforce this Section as of the first day of January next
15 following such adoption and filing. Beginning April 1, 1998,
16 an ordinance or resolution imposing or discontinuing the tax
17 hereunder or effecting a change in the rate thereof shall
18 either (i) be adopted and a certified copy thereof filed with
19 the Department on or before the first day of April, whereupon
20 the Department shall proceed to administer and enforce this
21 Section as of the first day of July next following the adoption
22 and filing; or (ii) be adopted and a certified copy thereof
23 filed with the Department on or before the first day of
24 October, whereupon the Department shall proceed to administer
25 and enforce this Section as of the first day of January next
26 following the adoption and filing.

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

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

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

12 (55 ILCS 5/5-1006.5)

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

16 (a) The county board of any county may impose a tax upon
17 all persons engaged in the business of selling tangible
18 personal property, other than personal property titled or
19 registered with an agency of this State's government, at
20 retail in the county on the gross receipts from the sales made
21 in the course of business to provide revenue to be used
22 exclusively for public safety, public facility, mental health,
23 substance abuse, or transportation purposes in that county
24 (except as otherwise provided in this Section), if a
25 proposition for the tax has been submitted to the electors of

1 that county and approved by a majority of those voting on the
2 question. If imposed, this tax shall be imposed only in
3 one-quarter percent increments. By resolution, the county
4 board may order the proposition to be submitted at any
5 election. If the tax is imposed for transportation purposes
6 for expenditures for public highways or as authorized under
7 the Illinois Highway Code, the county board must publish
8 notice of the existence of its long-range highway
9 transportation plan as required or described in Section 5-301
10 of the Illinois Highway Code and must make the plan publicly
11 available prior to approval of the ordinance or resolution
12 imposing the tax. If the tax is imposed for transportation
13 purposes for expenditures for passenger rail transportation,
14 the county board must publish notice of the existence of its
15 long-range passenger rail transportation plan and must make
16 the plan publicly available prior to approval of the ordinance
17 or resolution imposing the tax.

18 If a tax is imposed for public facilities purposes, then
19 the name of the project may be included in the proposition at
20 the discretion of the county board as determined in the
21 enabling resolution. For example, the "XXX Nursing Home" or
22 the "YYY Museum".

23 The county clerk shall certify the question to the proper
24 election authority, who shall submit the proposition at an
25 election in accordance with the general election law.

26 (1) The proposition for public safety purposes shall

1 be in substantially the following form:

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

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

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

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

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

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

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

1 a vote of the county board."

2 For the purposes of the paragraph, "public safety
3 purposes" means crime prevention, detention, fire
4 fighting, police, medical, ambulance, or other emergency
5 services.

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

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

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

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

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

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

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

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

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

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

20 For the purposes of this paragraph, transportation
21 purposes means construction, maintenance, operation, and
22 improvement of public highways, any other purpose for
23 which a county may expend funds under the Illinois Highway
24 Code, and passenger rail transportation.

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

26 (3) The proposition for public facilities purposes

1 shall be in substantially the following form:

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

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

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

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

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

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

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

1 a vote of the county board."

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

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

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

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

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

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

25 The county board may also opt to establish a sunset
26 provision at which time the additional sales tax would

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

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

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

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

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

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

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

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

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail."

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

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

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

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

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

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

25 This additional tax may not be imposed on tangible
26 personal property taxed at the 1% rate under the Retailers'

1 Occupation Tax Act (or at the 0% rate in accordance with this
2 amendatory Act of the 102nd General Assembly). Beginning
3 December 1, 2019 and through December 31, 2020, this tax is not
4 imposed on sales of aviation fuel unless the tax revenue is
5 expended for airport-related purposes. If the county does not
6 have an airport-related purpose to which it dedicates aviation
7 fuel tax revenue, then aviation fuel is excluded from the tax.
8 The county must comply with the certification requirements for
9 airport-related purposes under Section 2-22 of the Retailers'
10 Occupation Tax Act. For purposes of this Section,
11 "airport-related purposes" has the meaning ascribed in Section
12 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
13 this tax is not imposed on sales of aviation fuel for so long
14 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
15 U.S.C. 47133 are binding on the county. The tax imposed by a
16 county under this Section and all civil penalties that may be
17 assessed as an incident of the tax shall be collected and
18 enforced by the Illinois Department of Revenue and deposited
19 into a special fund created for that purpose. The certificate
20 of registration that is issued by the Department to a retailer
21 under the Retailers' Occupation Tax Act shall permit the
22 retailer to engage in a business that is taxable without
23 registering separately with the Department under an ordinance
24 or resolution under this Section. The Department has full
25 power to administer and enforce this Section, to collect all
26 taxes and penalties due under this Section, to dispose of

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

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

1 to collect under the Use Tax Act, pursuant to such bracketed
2 schedules as the Department may prescribe.

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

13 (b) If a tax has been imposed under subsection (a), a
14 service occupation tax shall also be imposed at the same rate
15 upon all persons engaged, in the county, in the business of
16 making sales of service, who, as an incident to making those
17 sales of service, transfer tangible personal property within
18 the county as an incident to a sale of service. This tax may
19 not be imposed on tangible personal property taxed at the 1%
20 rate under the Service Occupation Tax Act (or at the 0% rate in
21 accordance with this amendatory Act of the 102nd General
22 Assembly). Beginning December 1, 2019 and through December 31,
23 2020, this tax is not imposed on sales of aviation fuel unless
24 the tax revenue is expended for airport-related purposes. If
25 the county does not have an airport-related purpose to which
26 it dedicates aviation fuel tax revenue, then aviation fuel is

1 excluded from the tax. The county must comply with the
2 certification requirements for airport-related purposes under
3 Section 2-22 of the Retailers' Occupation Tax Act. For
4 purposes of this Section, "airport-related purposes" has the
5 meaning ascribed in Section 6z-20.2 of the State Finance Act.
6 Beginning January 1, 2021, this tax is not imposed on sales of
7 aviation fuel for so long as the revenue use requirements of 49
8 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.
9 The tax imposed under this subsection and all civil penalties
10 that may be assessed as an incident thereof shall be collected
11 and enforced by the Department of Revenue. The Department has
12 full power to administer and enforce this subsection; to
13 collect all taxes and penalties due hereunder; to dispose of
14 taxes and penalties so collected in the manner hereinafter
15 provided; and to determine all rights to credit memoranda
16 arising on account of the erroneous payment of tax or penalty
17 hereunder. In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 paragraph shall (i) have the same rights, remedies,
20 privileges, immunities, powers, and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties,
22 exclusions, exemptions, and definitions of terms, and (iii)
23 employ the same modes of procedure as are prescribed in
24 Sections 2 (except that the reference to State in the
25 definition of supplier maintaining a place of business in this
26 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in

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

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

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

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the County Public Safety, Public Facilities,
4 Mental Health, Substance Abuse, or Transportation Retailers'
5 Occupation Fund or the Local Government Aviation Trust Fund,
6 as appropriate.

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

11 (c) Except as otherwise provided in this paragraph, the
12 Department shall immediately pay over to the State Treasurer,
13 ex officio, as trustee, all taxes and penalties collected
14 under this Section to be deposited into the County Public
15 Safety, Public Facilities, Mental Health, Substance Abuse, or
16 Transportation Retailers' Occupation Tax Fund, which shall be
17 an unappropriated trust fund held outside of the State
18 treasury. Taxes and penalties collected on aviation fuel sold
19 on or after December 1, 2019 and through December 31, 2020,
20 shall be immediately paid over by the Department to the State
21 Treasurer, ex officio, as trustee, for deposit into the Local
22 Government Aviation Trust Fund. The Department shall only pay
23 moneys into the Local Government Aviation Trust Fund under
24 this Act for so long as the revenue use requirements of 49
25 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

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

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

1 different taxing body but were erroneously paid to the county,
2 (iii) any amounts that are transferred to the STAR Bonds
3 Revenue Fund, and (iv) 1.5% of the remainder, which shall be
4 transferred into the Tax Compliance and Administration Fund.
5 The Department, at the time of each monthly disbursement to
6 the counties, shall prepare and certify to the State
7 Comptroller the amount to be transferred into the Tax
8 Compliance and Administration Fund under this subsection.
9 Within 10 days after receipt by the Comptroller of the
10 disbursement certification to the counties and the Tax
11 Compliance and Administration Fund provided for in this
12 Section to be given to the Comptroller by the Department, the
13 Comptroller shall cause the orders to be drawn for the
14 respective amounts in accordance with directions contained in
15 the certification.

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

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

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

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

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

25 (f) Beginning April 1, 1998 and through December 31, 2013,
26 the results of any election authorizing a proposition to

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

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

24 (g) When certifying the amount of a monthly disbursement
25 to a county under this Section, the Department shall increase
26 or decrease the amounts by an amount necessary to offset any

1 miscalculation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous
3 6 months from the time a miscalculation is discovered.

4 (g-5) Every county authorized to levy a tax under this
5 Section shall, before it levies such tax, establish a 7-member
6 mental health board, which shall have the same powers and
7 duties and be constituted in the same manner as a community
8 mental health board established under the Community Mental
9 Health Act. Proceeds of the tax under this Section that are
10 earmarked for mental health or substance abuse purposes shall
11 be deposited into a special county occupation tax fund for
12 mental health and substance abuse. The 7-member mental health
13 board established under this subsection shall administer the
14 special county occupation tax fund for mental health and
15 substance abuse in the same manner as the community mental
16 health board administers the community mental health fund
17 under the Community Mental Health Act.

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

21 (i) For purposes of this Section, "public safety"
22 includes, but is not limited to, crime prevention, detention,
23 fire fighting, police, medical, ambulance, or other emergency
24 services. The county may share tax proceeds received under
25 this Section for public safety purposes, including proceeds
26 received before August 4, 2009 (the effective date of Public

1 Act 96-124), with any fire protection district located in the
2 county. For the purposes of this Section, "transportation"
3 includes, but is not limited to, the construction,
4 maintenance, operation, and improvement of public highways,
5 any other purpose for which a county may expend funds under the
6 Illinois Highway Code, and passenger rail transportation. For
7 the purposes of this Section, "public facilities purposes"
8 includes, but is not limited to, the acquisition, development,
9 construction, reconstruction, rehabilitation, improvement,
10 financing, architectural planning, and installation of capital
11 facilities consisting of buildings, structures, and durable
12 equipment and for the acquisition and improvement of real
13 property and interest in real property required, or expected
14 to be required, in connection with the public facilities, for
15 use by the county for the furnishing of governmental services
16 to its citizens, including, but not limited to, museums and
17 nursing homes.

18 (j) The Department may promulgate rules to implement
19 Public Act 95-1002 only to the extent necessary to apply the
20 existing rules for the Special County Retailers' Occupation
21 Tax for Public Safety to this new purpose for public
22 facilities.

23 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
24 101-275, eff. 8-9-19; 101-604, eff. 12-13-19; 102-379, eff.
25 1-1-22.)

1 (55 ILCS 5/5-1006.7)

2 Sec. 5-1006.7. School facility and resources occupation
3 taxes.

4 (a) In any county, a tax shall be imposed upon all persons
5 engaged in the business of selling tangible personal property,
6 other than personal property titled or registered with an
7 agency of this State's government, at retail in the county on
8 the gross receipts from the sales made in the course of
9 business to provide revenue to be used exclusively for (i)
10 school facility purposes (except as otherwise provided in this
11 Section), (ii) school resource officers and mental health
12 professionals, or (iii) school facility purposes, school
13 resource officers, and mental health professionals if a
14 proposition for the tax has been submitted to the electors of
15 that county and approved by a majority of those voting on the
16 question as provided in subsection (c). The tax under this
17 Section shall be imposed only in one-quarter percent
18 increments and may not exceed 1%.

19 This additional tax may not be imposed on tangible
20 personal property taxed at the 1% rate under the Retailers'
21 Occupation Tax Act (or at the 0% rate in accordance with this
22 amendatory Act of the 102nd General Assembly). Beginning
23 December 1, 2019 and through December 31, 2020, this tax is not
24 imposed on sales of aviation fuel unless the tax revenue is
25 expended for airport-related purposes. If the county does not
26 have an airport-related purpose to which it dedicates aviation

1 fuel tax revenue, then aviation fuel is excluded from the tax.
2 The county must comply with the certification requirements for
3 airport-related purposes under Section 2-22 of the Retailers'
4 Occupation Tax Act. For purposes of this Section,
5 "airport-related purposes" has the meaning ascribed in Section
6 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
7 this tax is not imposed on sales of aviation fuel for so long
8 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
9 U.S.C. 47133 are binding on the county. The Department of
10 Revenue has full power to administer and enforce this
11 subsection, to collect all taxes and penalties due under this
12 subsection, to dispose of taxes and penalties so collected in
13 the manner provided in this subsection, and to determine all
14 rights to credit memoranda arising on account of the erroneous
15 payment of a tax or penalty under this subsection. The
16 Department shall deposit all taxes and penalties collected
17 under this subsection into a special fund created for that
18 purpose.

19 In the administration of and compliance with this
20 subsection, the Department and persons who are subject to this
21 subsection (i) have the same rights, remedies, privileges,
22 immunities, powers, and duties, (ii) are subject to the same
23 conditions, restrictions, limitations, penalties, and
24 definitions of terms, and (iii) shall employ the same modes of
25 procedure as are set forth in Sections 1 through 10, 2 through
26 2-70 (in respect to all provisions contained in those Sections

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

11 The certificate of registration that is issued by the
12 Department to a retailer under the Retailers' Occupation Tax
13 Act permits the retailer to engage in a business that is
14 taxable without registering separately with the Department
15 under an ordinance or resolution under this subsection.

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

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

1 sales of service, transfer tangible personal property within
2 the county as an incident to a sale of service.

3 This tax may not be imposed on tangible personal property
4 taxed at the 1% rate under the Service Occupation Tax Act (or
5 at the 0% rate in accordance with this amendatory Act of the
6 102nd General Assembly). Beginning December 1, 2019 and
7 through December 31, 2020, this tax is not imposed on sales of
8 aviation fuel unless the tax revenue is expended for
9 airport-related purposes. If the county does not have an
10 airport-related purpose to which it dedicates aviation fuel
11 tax revenue, then aviation fuel is excluded from the tax. The
12 county must comply with the certification requirements for
13 airport-related purposes under Section 2-22 of the Retailers'
14 Occupation Tax Act. For purposes of this Section,
15 "airport-related purposes" has the meaning ascribed in Section
16 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
17 this tax is not imposed on sales of aviation fuel for so long
18 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
19 U.S.C. 47133 are binding on the county.

20 The tax imposed under this subsection and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the Department and deposited into a
23 special fund created for that purpose. The Department has full
24 power to administer and enforce this subsection, to collect
25 all taxes and penalties due under this subsection, to dispose
26 of taxes and penalties so collected in the manner provided in

1 this subsection, and to determine all rights to credit
2 memoranda arising on account of the erroneous payment of a tax
3 or penalty under this subsection.

4 In the administration of and compliance with this
5 subsection, the Department and persons who are subject to this
6 subsection shall (i) have the same rights, remedies,
7 privileges, immunities, powers and duties, (ii) be subject to
8 the same conditions, restrictions, limitations, penalties and
9 definition of terms, and (iii) employ the same modes of
10 procedure as are set forth in Sections 2 (except that that
11 reference to State in the definition of supplier maintaining a
12 place of business in this State means the county), 2a through
13 2d, 3 through 3-50 (in respect to all provisions contained in
14 those Sections other than the State rate of tax), 4 (except
15 that the reference to the State shall be to the county), 5, 7,
16 8 (except that the jurisdiction to which the tax is a debt to
17 the extent indicated in that Section 8 is the county), 9
18 (except as to the disposition of taxes and penalties
19 collected, and except that the retailer's discount is not
20 allowed for taxes paid on aviation fuel that are subject to the
21 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
22 47133), 10, 11, 12 (except the reference therein to Section 2b
23 of the Retailers' Occupation Tax Act), 13 (except that any
24 reference to the State means the county), Section 15, 16, 17,
25 18, 19, and 20 of the Service Occupation Tax Act and all
26 provisions of the Uniform Penalty and Interest Act, as fully

1 as if those provisions were set forth herein.

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

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

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

23 Shall (name of county) be authorized to impose a
24 retailers' occupation tax and a service occupation tax
25 (commonly referred to as a "sales tax") at a rate of
26 (insert rate) to be used exclusively for school facility

1 purposes?

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

4 If a majority of the electors voting on the question vote
5 in the affirmative, then the county may, thereafter, impose
6 the tax.

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

17 For all regular elections held on or after August 23, 2011
18 (the effective date of Public Act 97-542) and before August
19 23, 2019 (the effective date of Public Act 101-455), the
20 election authority must submit the question in substantially
21 the following form:

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

26 The election authority must record the votes as "Yes" or

1 "No".

2 If a majority of the electors voting on the question vote
3 in the affirmative, then the tax shall be imposed at the rate
4 set forth in the question.

5 For all regular elections held on or after August 23, 2019
6 (the effective date of Public Act 101-455), the election
7 authority must submit the question as follows:

8 (1) If the referendum is to expand the use of revenues
9 from a currently imposed tax exclusively for school
10 facility purposes to include school resource officers and
11 mental health professionals, the question shall be in
12 substantially the following form:

13 In addition to school facility purposes, shall
14 (name of county) school districts be authorized to use
15 revenues from the tax commonly referred to as the
16 school facility sales tax that is currently imposed in
17 (name of county) at a rate of (insert rate) for school
18 resource officers and mental health professionals?

19 (2) If the referendum is to increase the rate of a tax
20 currently imposed exclusively for school facility purposes
21 at less than 1% and dedicate the additional revenues for
22 school resource officers and mental health professionals,
23 the question shall be in substantially the following form:

24 Shall the tax commonly referred to as the school
25 facility sales tax that is currently imposed in (name
26 of county) at the rate of (insert rate) be increased to

1 a rate of (insert rate) with the additional revenues
2 used exclusively for school resource officers and
3 mental health professionals?

4 (3) If the referendum is to impose a tax in a county
5 that has not previously imposed a tax under this Section
6 exclusively for school facility purposes, the question
7 shall be in substantially the following form:

8 Shall a retailers' occupation tax and a service
9 occupation tax (commonly referred to as a sales tax)
10 be imposed in (name of county) at a rate of (insert
11 rate) to be used exclusively for school facility
12 purposes?

13 (4) If the referendum is to impose a tax in a county
14 that has not previously imposed a tax under this Section
15 exclusively for school resource officers and mental health
16 professionals, the question shall be in substantially the
17 following form:

18 Shall a retailers' occupation tax and a service
19 occupation tax (commonly referred to as a sales tax)
20 be imposed in (name of county) at a rate of (insert
21 rate) to be used exclusively for school resource
22 officers and mental health professionals?

23 (5) If the referendum is to impose a tax in a county
24 that has not previously imposed a tax under this Section
25 exclusively for school facility purposes, school resource
26 officers, and mental health professionals, the question

1 shall be in substantially the following form:

2 Shall a retailers' occupation tax and a service
3 occupation tax (commonly referred to as a sales tax)
4 be imposed in (name of county) at a rate of (insert
5 rate) to be used exclusively for school facility
6 purposes, school resource officers, and mental health
7 professionals?

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

10 If a majority of the electors voting on the question vote
11 in the affirmative, then the tax shall be imposed at the rate
12 set forth in the question.

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

18 (d) Except as otherwise provided, the Department shall
19 immediately pay over to the State Treasurer, ex officio, as
20 trustee, all taxes and penalties collected under this Section
21 to be deposited into the School Facility Occupation Tax Fund,
22 which shall be an unappropriated trust fund held outside the
23 State treasury. Taxes and penalties collected on aviation fuel
24 sold on or after December 1, 2019 and through December 31,
25 2020, shall be immediately paid over by the Department to the
26 State Treasurer, ex officio, as trustee, for deposit into the

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

6 On or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to the regional
9 superintendents of schools in counties from which retailers or
10 servicemen have paid taxes or penalties to the Department
11 during the second preceding calendar month. The amount to be
12 paid to each regional superintendent of schools and disbursed
13 to him or her in accordance with Section 3-14.31 of the School
14 Code, is equal to the amount (not including credit memoranda
15 and not including taxes and penalties collected on aviation
16 fuel sold on or after December 1, 2019 and through December 31,
17 2020) collected from the county under this Section during the
18 second preceding calendar month by the Department, (i) less 2%
19 of that amount (except the amount collected on aviation fuel
20 sold on or after December 1, 2019 and through December 31,
21 2020), which shall be deposited into the Tax Compliance and
22 Administration Fund and shall be used by the Department,
23 subject to appropriation, to cover the costs of the Department
24 in administering and enforcing the provisions of this Section,
25 on behalf of the county, (ii) plus an amount that the
26 Department determines is necessary to offset any amounts that

1 were erroneously paid to a different taxing body; (iii) less
2 an amount equal to the amount of refunds made during the second
3 preceding calendar month by the Department on behalf of the
4 county; and (iv) less any amount that the Department
5 determines is necessary to offset any amounts that were
6 payable to a different taxing body but were erroneously paid
7 to the county. When certifying the amount of a monthly
8 disbursement to a regional superintendent of schools under
9 this Section, the Department shall increase or decrease the
10 amounts by an amount necessary to offset any miscalculation of
11 previous disbursements within the previous 6 months from the
12 time a miscalculation is discovered.

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

19 If the Department determines that a refund should be made
20 under this Section to a claimant instead of issuing a credit
21 memorandum, then the Department shall notify the Comptroller,
22 who shall cause the order to be drawn for the amount specified
23 and to the person named in the notification from the
24 Department. The refund shall be paid by the Treasurer out of
25 the School Facility Occupation Tax Fund or the Local
26 Government Aviation Trust Fund, as appropriate.

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

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

14 (g) If a county board imposes a tax under this Section
15 pursuant to a referendum held before August 23, 2011 (the
16 effective date of Public Act 97-542) at a rate below the rate
17 set forth in the question approved by a majority of electors of
18 that county voting on the question as provided in subsection
19 (c), then the county board may, by ordinance, increase the
20 rate of the tax up to the rate set forth in the question
21 approved by a majority of electors of that county voting on the
22 question as provided in subsection (c). If a county board
23 imposes a tax under this Section pursuant to a referendum held
24 before August 23, 2011 (the effective date of Public Act
25 97-542), then the board may, by ordinance, discontinue or
26 reduce the rate of the tax. If a tax is imposed under this

1 Section pursuant to a referendum held on or after August 23,
2 2011 (the effective date of Public Act 97-542) and before
3 August 23, 2019 (the effective date of Public Act 101-455),
4 then the county board may reduce or discontinue the tax, but
5 only in accordance with subsection (h-5) of this Section. If a
6 tax is imposed under this Section pursuant to a referendum
7 held on or after August 23, 2019 (the effective date of Public
8 Act 101-455), then the county board may reduce or discontinue
9 the tax, but only in accordance with subsection (h-10). If,
10 however, a school board issues bonds that are secured by the
11 proceeds of the tax under this Section, then the county board
12 may not reduce the tax rate or discontinue the tax if that rate
13 reduction or discontinuance would adversely affect the school
14 board's ability to pay the principal and interest on those
15 bonds as they become due or necessitate the extension of
16 additional property taxes to pay the principal and interest on
17 those bonds. If the county board reduces the tax rate or
18 discontinues the tax, then a referendum must be held in
19 accordance with subsection (c) of this Section in order to
20 increase the rate of the tax or to reimpose the discontinued
21 tax.

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

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

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

22 (h) For purposes of this Section, "school facility
23 purposes" means (i) the acquisition, development,
24 construction, reconstruction, rehabilitation, improvement,
25 financing, architectural planning, and installation of capital
26 facilities consisting of buildings, structures, and durable

1 equipment and for the acquisition and improvement of real
2 property and interest in real property required, or expected
3 to be required, in connection with the capital facilities and
4 (ii) the payment of bonds or other obligations heretofore or
5 hereafter issued, including bonds or other obligations
6 heretofore or hereafter issued to refund or to continue to
7 refund bonds or other obligations issued, for school facility
8 purposes, provided that the taxes levied to pay those bonds
9 are abated by the amount of the taxes imposed under this
10 Section that are used to pay those bonds. "School facility
11 purposes" also includes fire prevention, safety, energy
12 conservation, accessibility, school security, and specified
13 repair purposes set forth under Section 17-2.11 of the School
14 Code.

15 (h-5) A county board in a county where a tax has been
16 imposed under this Section pursuant to a referendum held on or
17 after August 23, 2011 (the effective date of Public Act
18 97-542) and before August 23, 2019 (the effective date of
19 Public Act 101-455) may, by ordinance or resolution, submit to
20 the voters of the county the question of reducing or
21 discontinuing the tax. In the ordinance or resolution, the
22 county board shall certify the question to the proper election
23 authority in accordance with the Election Code. The election
24 authority must submit the question in substantially the
25 following form:

26 Shall the school facility retailers' occupation tax

1 and service occupation tax (commonly referred to as the
2 "school facility sales tax") currently imposed in (name of
3 county) at a rate of (insert rate) be (reduced to (insert
4 rate)) (discontinued)?

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

9 (h-10) A county board in a county where a tax has been
10 imposed under this Section pursuant to a referendum held on or
11 after August 23, 2019 (the effective date of Public Act
12 101-455) may, by ordinance or resolution, submit to the voters
13 of the county the question of reducing or discontinuing the
14 tax. In the ordinance or resolution, the county board shall
15 certify the question to the proper election authority in
16 accordance with the Election Code. The election authority must
17 submit the question in substantially the following form:

18 Shall the school facility and resources retailers'
19 occupation tax and service occupation tax (commonly
20 referred to as the school facility and resources sales
21 tax) currently imposed in (name of county) at a rate of
22 (insert rate) be (reduced to (insert rate))
23 (discontinued)?

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

26 If a majority of the electors voting on the question vote

1 in the affirmative, then, subject to the provisions of
2 subsection (g) of this Section, the tax shall be reduced or
3 discontinued as set forth in the question.

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

5 (j) This Section may be cited as the County School
6 Facility and Resources Occupation Tax Law.

7 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;
8 101-455, eff. 8-23-19; 101-604, eff. 12-13-19.)

9 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

10 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
11 The corporate authorities of a home rule county may impose a
12 tax upon all persons engaged, in such county, in the business
13 of making sales of service at the same rate of tax imposed
14 pursuant to Section 5-1006 of the selling price of all
15 tangible personal property transferred by such servicemen
16 either in the form of tangible personal property or in the form
17 of real estate as an incident to a sale of service. If imposed,
18 such tax shall only be imposed in 1/4% increments. On and after
19 September 1, 1991, this additional tax may not be imposed on
20 tangible personal property taxed at the 1% rate under the
21 Service Occupation Tax Act (or at the 0% rate in accordance
22 with this amendatory Act of the 102nd General Assembly).
23 Beginning December 1, 2019, this tax is not imposed on sales of
24 aviation fuel unless the tax revenue is expended for
25 airport-related purposes. If the county does not have an

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 Section 10-40. The Illinois Municipal Code is amended by
20 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
21 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:

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

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

1 impose a tax upon all persons engaged in the business of
2 selling tangible personal property, other than an item of
3 tangible personal property titled or registered with an agency
4 of this State's government, at retail in the municipality on
5 the gross receipts from these sales made in the course of such
6 business. If imposed, the tax shall only be imposed in 1/4%
7 increments. On and after September 1, 1991, this additional
8 tax may not be imposed on tangible personal property taxed at
9 the 1% rate under the Retailers' Occupation Tax Act (or at the
10 0% rate in accordance with this amendatory Act of the 102nd
11 General Assembly). Beginning December 1, 2019, this tax is not
12 imposed on sales of aviation fuel unless the tax revenue is
13 expended for airport-related purposes. If a municipality does
14 not have an airport-related purpose to which it dedicates
15 aviation fuel tax revenue, then aviation fuel is excluded from
16 the tax. Each municipality must comply with the certification
17 requirements for airport-related purposes under Section 2-22
18 of the Retailers' Occupation Tax Act. For purposes of this
19 Section, "airport-related purposes" has the meaning ascribed
20 in Section 6z-20.2 of the State Finance Act. This exclusion
21 for aviation fuel only applies for so long as the revenue use
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
23 binding on the municipality. The changes made to this Section
24 by this amendatory Act of the 101st General Assembly are a
25 denial and limitation of home rule powers and functions under
26 subsection (g) of Section 6 of Article VII of the Illinois

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

1 aviation fuel that are subject to the revenue use requirements
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
3 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
4 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
5 Section 3-7 of the Uniform Penalty and Interest Act, as fully
6 as if those provisions were set forth herein.

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

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

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

26 Except as otherwise provided in this paragraph, the

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

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named municipalities,
24 the municipalities to be those from which retailers have paid
25 taxes or penalties hereunder to the Department during the
26 second preceding calendar month. The amount to be paid to each

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

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

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

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

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

23 An ordinance or resolution imposing or discontinuing a tax
24 hereunder or effecting a change in the rate thereof shall be
25 adopted and a certified copy thereof filed with the Department
26 on or before the first day of June, whereupon the Department

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

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

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

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

1 receipts shall be distributed as provided in Section 6z-18 of
2 the State Finance Act.

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

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

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

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

12 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
13 Occupation Tax Act. The corporate authorities of a non-home
14 rule municipality may impose a tax upon all persons engaged in
15 the business of selling tangible personal property, other than
16 on an item of tangible personal property which is titled and
17 registered by an agency of this State's Government, at retail
18 in the municipality for expenditure on public infrastructure
19 or for property tax relief or both as defined in Section
20 8-11-1.2 if approved by referendum as provided in Section
21 8-11-1.1, of the gross receipts from such sales made in the
22 course of such business. If the tax is approved by referendum
23 on or after July 14, 2010 (the effective date of Public Act
24 96-1057), the corporate authorities of a non-home rule
25 municipality may, until July 1, 2030, use the proceeds of the

1 tax for expenditure on municipal operations, in addition to or
2 in lieu of any expenditure on public infrastructure or for
3 property tax relief. The tax imposed may not be more than 1%
4 and may be imposed only in 1/4% increments. The tax may not be
5 imposed on tangible personal property taxed at the 1% rate
6 under the Retailers' Occupation Tax Act (or at the 0% rate in
7 accordance with this amendatory Act of the 102nd General
8 Assembly). Beginning December 1, 2019, this tax is not imposed
9 on sales of aviation fuel unless the tax revenue is expended
10 for airport-related purposes. If a municipality does not have
11 an airport-related purpose to which it dedicates aviation fuel
12 tax revenue, then aviation fuel is excluded from the tax. Each
13 municipality must comply with the certification requirements
14 for airport-related purposes under Section 2-22 of the
15 Retailers' Occupation Tax Act. For purposes of this Section,
16 "airport-related purposes" has the meaning ascribed in Section
17 6z-20.2 of the State Finance Act. This exclusion for aviation
18 fuel only applies for so long as the revenue use requirements
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
20 municipality. The tax imposed by a municipality pursuant to
21 this Section and all civil penalties that may be assessed as an
22 incident thereof shall be collected and enforced by the State
23 Department of Revenue. The certificate of registration which
24 is issued by the Department to a retailer under the Retailers'
25 Occupation Tax Act shall permit such retailer to engage in a
26 business which is taxable under any ordinance or resolution

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

26 No municipality may impose a tax under this Section unless

1 the municipality also imposes a tax at the same rate under
2 Section 8-11-1.4 of this Code.

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

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

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

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

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

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

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

20 For the purpose of determining the local governmental unit
21 whose tax is applicable, a retail sale, by a producer of coal
22 or other mineral mined in Illinois, is a sale at retail at the
23 place where the coal or other mineral mined in Illinois is
24 extracted from the earth. This paragraph does not apply to
25 coal or other mineral when it is delivered or shipped by the
26 seller to the purchaser at a point outside Illinois so that the

1 sale is exempt under the Federal Constitution as a sale in
2 interstate or foreign commerce.

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

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

13 The Department of Revenue shall implement Public Act
14 91-649 so as to collect the tax on and after January 1, 2002.

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

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

20 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
21 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-47, eff.
22 1-1-20; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

23 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

24 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
25 Tax Act. The corporate authorities of a non-home rule

1 municipality may impose a tax upon all persons engaged, in
2 such municipality, in the business of making sales of service
3 for expenditure on public infrastructure or for property tax
4 relief or both as defined in Section 8-11-1.2 if approved by
5 referendum as provided in Section 8-11-1.1, of the selling
6 price of all tangible personal property transferred by such
7 servicemen either in the form of tangible personal property or
8 in the form of real estate as an incident to a sale of service.
9 If the tax is approved by referendum on or after July 14, 2010
10 (the effective date of Public Act 96-1057), the corporate
11 authorities of a non-home rule municipality may, until
12 December 31, 2020, use the proceeds of the tax for expenditure
13 on municipal operations, in addition to or in lieu of any
14 expenditure on public infrastructure or for property tax
15 relief. The tax imposed may not be more than 1% and may be
16 imposed only in 1/4% increments. The tax may not be imposed on
17 tangible personal property taxed at the 1% rate under the
18 Service Occupation Tax Act. Beginning December 1, 2019, this
19 tax is not imposed on sales of aviation fuel unless the tax
20 revenue is expended for airport-related purposes. If a
21 municipality does not have an airport-related purpose to which
22 it dedicates aviation fuel tax revenue, then aviation fuel is
23 excluded from the tax. Each municipality must comply with the
24 certification requirements for airport-related purposes under
25 Section 2-22 of the Retailers' Occupation Tax Act (or at the 0%
26 rate in accordance with this amendatory Act of the 102nd

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

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

20 No municipality may impose a tax under this Section unless
21 the municipality also imposes a tax at the same rate under
22 Section 8-11-1.3 of this Code.

23 Persons subject to any tax imposed pursuant to the
24 authority granted in this Section may reimburse themselves for
25 their serviceman's tax liability hereunder by separately
26 stating such tax as an additional charge, which charge may be

1 stated in combination, in a single amount, with State tax
2 which servicemen are authorized to collect under the Service
3 Use Tax Act, pursuant to such bracket schedules as the
4 Department may prescribe.

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

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

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

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

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

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

11 The Department of Revenue shall implement Public Act
12 91-649 so as to collect the tax on and after January 1, 2002.

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

17 As used in this Section, "municipal" or "municipality"
18 means or refers to a city, village or incorporated town,
19 including an incorporated town which has superseded a civil
20 township.

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

23 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
24 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
25 7-12-19; 101-604, eff. 12-13-19.)

1 (65 ILCS 5/8-11-1.6)

2 Sec. 8-11-1.6. Non-home rule municipal retailers'
3 occupation tax; municipalities between 20,000 and 25,000. The
4 corporate authorities of a non-home rule municipality with a
5 population of more than 20,000 but less than 25,000 that has,
6 prior to January 1, 1987, established a Redevelopment Project
7 Area that has been certified as a State Sales Tax Boundary and
8 has issued bonds or otherwise incurred indebtedness to pay for
9 costs in excess of \$5,000,000, which is secured in part by a
10 tax increment allocation fund, in accordance with the
11 provisions of Division 11-74.4 of this Code may, by passage of
12 an ordinance, impose a tax upon all persons engaged in the
13 business of selling tangible personal property, other than on
14 an item of tangible personal property that is titled and
15 registered by an agency of this State's Government, at retail
16 in the municipality. This tax may not be imposed on tangible
17 personal property taxed at the 1% rate under the Retailers'
18 Occupation Tax Act (or at the 0% rate in accordance with this
19 amendatory Act of the 102nd General Assembly). Beginning
20 December 1, 2019, this tax is not imposed on sales of aviation
21 fuel unless the tax revenue is expended for airport-related
22 purposes. If a municipality does not have an airport-related
23 purpose to which it dedicates aviation fuel tax revenue, then
24 aviation fuel is excluded from the tax. Each municipality must
25 comply with the certification requirements for airport-related
26 purposes under Section 2-22 of the Retailers' Occupation Tax

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

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

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

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

1 are required to collect under the Use Tax Act, pursuant to such
2 bracket schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant, instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified, and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the Non-Home Rule Municipal Retailers'
10 Occupation Tax Fund, which is hereby created or the Local
11 Government Aviation Trust Fund, as appropriate.

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

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the

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

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

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

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

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

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

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

10 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
11 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.
12 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

13 (65 ILCS 5/8-11-1.7)

14 Sec. 8-11-1.7. Non-home rule municipal service occupation
15 tax; municipalities between 20,000 and 25,000. The corporate
16 authorities of a non-home rule municipality with a population
17 of more than 20,000 but less than 25,000 as determined by the
18 last preceding decennial census that has, prior to January 1,
19 1987, established a Redevelopment Project Area that has been
20 certified as a State Sales Tax Boundary and has issued bonds or
21 otherwise incurred indebtedness to pay for costs in excess of
22 \$5,000,000, which is secured in part by a tax increment
23 allocation fund, in accordance with the provisions of Division
24 11-74.4 of this Code may, by passage of an ordinance, impose a
25 tax upon all persons engaged in the municipality in the

1 business of making sales of service. If imposed, the tax shall
2 only be imposed in .25% increments of the selling price of all
3 tangible personal property transferred by such servicemen
4 either in the form of tangible personal property or in the form
5 of real estate as an incident to a sale of service. This tax
6 may not be imposed on tangible personal property taxed at the
7 1% rate under the Service Occupation Tax Act (or at the 0% rate
8 in accordance with this amendatory Act of the 102nd General
9 Assembly). Beginning December 1, 2019, this tax is not imposed
10 on sales of aviation fuel unless the tax revenue is expended
11 for airport-related purposes. If a municipality does not have
12 an airport-related purpose to which it dedicates aviation fuel
13 tax revenue, then aviation fuel is excluded from the tax. Each
14 municipality must comply with the certification requirements
15 for airport-related purposes under Section 2-22 of the
16 Retailers' Occupation Tax Act. For purposes of this Section,
17 "airport-related purposes" has the meaning ascribed in Section
18 6z-20.2 of the State Finance Act. This exclusion for aviation
19 fuel only applies for so long as the revenue use requirements
20 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
21 municipality. The tax imposed by a municipality under this
22 Section and all civil penalties that may be assessed as an
23 incident thereof shall be collected and enforced by the State
24 Department of Revenue. An ordinance imposing a tax hereunder
25 or effecting a change in the rate thereof shall be adopted and
26 a certified copy thereof filed with the Department on or

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

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

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

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

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named, in such
4 notification from the Department. The refund shall be paid by
5 the State Treasurer out of the Non-Home Rule Municipal
6 Retailers' Occupation Tax Fund or the Local Government
7 Aviation Trust Fund, as appropriate.

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

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

1 this Section during the second preceding calendar month for
2 sales within a STAR bond district.

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

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

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

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

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

19 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

20 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
21 Act. The corporate authorities of a home rule municipality may
22 impose a tax upon all persons engaged, in such municipality,
23 in the business of making sales of service at the same rate of
24 tax imposed pursuant to Section 8-11-1, of the selling price
25 of all tangible personal property transferred by such

1 servicemen either in the form of tangible personal property or
2 in the form of real estate as an incident to a sale of service.
3 If imposed, such tax shall only be imposed in 1/4% increments.
4 On and after September 1, 1991, this additional tax may not be
5 imposed on tangible personal property taxed at the 1% rate
6 under the Service Retailers' Occupation Tax Act (or at the 0%
7 rate in accordance with this amendatory Act of the 102nd
8 General Assembly). Beginning December 1, 2019, this tax may
9 not be imposed on sales of aviation fuel unless the tax revenue
10 is expended for airport-related purposes. If a municipality
11 does not have an airport-related purpose to which it dedicates
12 aviation fuel tax revenue, then aviation fuel shall be
13 excluded from tax. Each municipality must comply with the
14 certification requirements for airport-related purposes under
15 Section 2-22 of the Retailers' Occupation Tax Act. For
16 purposes of this Section, "airport-related purposes" has the
17 meaning ascribed in Section 6z-20.2 of the State Finance Act.
18 This exception for aviation fuel only applies for so long as
19 the revenue use requirements of 49 U.S.C. 47107(b) and 49
20 U.S.C. 47133 are binding on the State. The changes made to this
21 Section by this amendatory Act of the 101st General Assembly
22 are a denial and limitation of home rule powers and functions
23 under subsection (g) of Section 6 of Article VII of the
24 Illinois Constitution. The tax imposed by a home rule
25 municipality pursuant to this Section and all civil penalties
26 that may be assessed as an incident thereof shall be collected

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

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

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

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

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing

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

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

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

1 sales within a STAR bond district.

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

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

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

1 and paid to such municipality through June 30, 1991, excluding
2 the 2 months of highest receipts. The monthly average for each
3 subsequent period of July 1 through June 30 shall be an amount
4 equal to the monthly distribution made to each such
5 municipality under the preceding paragraph during this period,
6 excluding the 2 months of highest receipts. The distribution
7 made in November 1991 and each year thereafter under this
8 paragraph and the preceding paragraph shall be reduced by the
9 amount allocated and disbursed under this paragraph in the
10 preceding period of July 1 through June 30. The Department
11 shall prepare and certify to the Comptroller for disbursement
12 the allocations made in accordance with this paragraph.

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

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

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

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

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

17 As used in this Section, "municipal" and "municipality"
18 means a city, village or incorporated town, including an
19 incorporated town which has superseded a civil township.

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

22 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
23 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
24 7-12-19; 101-604, eff. 12-13-19.)

1 Sec. 11-74.3-6. Business district revenue and obligations;
2 business district tax allocation fund.

3 (a) If the corporate authorities of a municipality have
4 approved a business district plan, have designated a business
5 district, and have elected to impose a tax by ordinance
6 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
7 each year after the date of the approval of the ordinance but
8 terminating upon the date all business district project costs
9 and all obligations paying or reimbursing business district
10 project costs, if any, have been paid, but in no event later
11 than the dissolution date, all amounts generated by the
12 retailers' occupation tax and service occupation tax shall be
13 collected and the tax shall be enforced by the Department of
14 Revenue in the same manner as all retailers' occupation taxes
15 and service occupation taxes imposed in the municipality
16 imposing the tax and all amounts generated by the hotel
17 operators' occupation tax shall be collected and the tax shall
18 be enforced by the municipality in the same manner as all hotel
19 operators' occupation taxes imposed in the municipality
20 imposing the tax. The corporate authorities of the
21 municipality shall deposit the proceeds of the taxes imposed
22 under subsections (10) and (11) of Section 11-74.3-3 into a
23 special fund of the municipality called the "[Name of]
24 Business District Tax Allocation Fund" for the purpose of
25 paying or reimbursing business district project costs and
26 obligations incurred in the payment of those costs.

1 (b) The corporate authorities of a municipality that has
2 designated a business district under this Law may, by
3 ordinance, impose a Business District Retailers' Occupation
4 Tax upon all persons engaged in the business of selling
5 tangible personal property, other than an item of tangible
6 personal property titled or registered with an agency of this
7 State's government, at retail in the business district at a
8 rate not to exceed 1% of the gross receipts from the sales made
9 in the course of such business, to be imposed only in 0.25%
10 increments. The tax may not be imposed on tangible personal
11 property taxed at the rate of 1% under the Retailers'
12 Occupation Tax Act. Beginning December 1, 2019 and through
13 December 31, 2020, this tax is not imposed on sales of aviation
14 fuel unless the tax revenue is expended for airport-related
15 purposes. If the District does not have an airport-related
16 purpose to which it dedicates aviation fuel tax revenue, then
17 aviation fuel is excluded from the tax. Each municipality must
18 comply with the certification requirements for airport-related
19 purposes under Section 2-22 of the Retailers' Occupation Tax
20 Act (or at the 0% rate in accordance with this amendatory Act
21 of the 102nd General Assembly). For purposes of this Section,
22 "airport-related purposes" has the meaning ascribed in Section
23 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
24 this tax is not imposed on sales of aviation fuel for so long
25 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
26 U.S.C. 47133 are binding on the District.

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

1 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
2 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,
3 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers'
4 Occupation Tax Act and all provisions of the Uniform Penalty
5 and Interest Act, as fully as if those provisions were set
6 forth herein.

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

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

23 Except as otherwise provided in this paragraph, the
24 Department shall immediately pay over to the State Treasurer,
25 ex officio, as trustee, all taxes, penalties, and interest
26 collected under this subsection for deposit into the business

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

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

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

1 credit memoranda and not including taxes and penalties
2 collected on aviation fuel sold on or after December 1, 2019)
3 collected under this subsection during the second preceding
4 calendar month by the Department plus an amount the Department
5 determines is necessary to offset any amounts that were
6 erroneously paid to a different taxing body, and not including
7 an amount equal to the amount of refunds made during the second
8 preceding calendar month by the Department, less 2% of that
9 amount (except the amount collected on aviation fuel sold on
10 or after December 1, 2019), which shall be deposited into the
11 Tax Compliance and Administration Fund and shall be used by
12 the Department, subject to appropriation, to cover the costs
13 of the Department in administering and enforcing the
14 provisions of this subsection, on behalf of such municipality,
15 and not including any amount that the Department determines is
16 necessary to offset any amounts that were payable to a
17 different taxing body but were erroneously paid to the
18 municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the disbursement
21 certification to the municipalities provided for in this
22 subsection to be given to the Comptroller by the Department,
23 the Comptroller shall cause the orders to be drawn for the
24 respective amounts in accordance with the directions contained
25 in the certification. The proceeds of the tax paid to
26 municipalities under this subsection shall be deposited into

1 the Business District Tax Allocation Fund by the municipality.

2 An ordinance imposing or discontinuing the tax under this
3 subsection or effecting a change in the rate thereof shall
4 either (i) be adopted and a certified copy thereof filed with
5 the Department on or before the first day of April, whereupon
6 the Department, if all other requirements of this subsection
7 are met, shall proceed to administer and enforce this
8 subsection as of the first day of July next following the
9 adoption and filing; or (ii) be adopted and a certified copy
10 thereof filed with the Department on or before the first day of
11 October, whereupon, if all other requirements of this
12 subsection are met, the Department shall proceed to administer
13 and enforce this subsection as of the first day of January next
14 following the adoption and filing.

15 The Department of Revenue shall not administer or enforce
16 an ordinance imposing, discontinuing, or changing the rate of
17 the tax under this subsection, until the municipality also
18 provides, in the manner prescribed by the Department, the
19 boundaries of the business district and each address in the
20 business district in such a way that the Department can
21 determine by its address whether a business is located in the
22 business district. The municipality must provide this boundary
23 and address information to the Department on or before April 1
24 for administration and enforcement of the tax under this
25 subsection by the Department beginning on the following July 1
26 and on or before October 1 for administration and enforcement

1 of the tax under this subsection by the Department beginning
2 on the following January 1. The Department of Revenue shall
3 not administer or enforce any change made to the boundaries of
4 a business district or address change, addition, or deletion
5 until the municipality reports the boundary change or address
6 change, addition, or deletion to the Department in the manner
7 prescribed by the Department. The municipality must provide
8 this boundary change information or address change, addition,
9 or deletion to the Department on or before April 1 for
10 administration and enforcement by the Department of the change
11 beginning on the following July 1 and on or before October 1
12 for administration and enforcement by the Department of the
13 change beginning on the following January 1. The retailers in
14 the business district shall be responsible for charging the
15 tax imposed under this subsection. If a retailer is
16 incorrectly included or excluded from the list of those
17 required to collect the tax under this subsection, both the
18 Department of Revenue and the retailer shall be held harmless
19 if they reasonably relied on information provided by the
20 municipality.

21 A municipality that imposes the tax under this subsection
22 must submit to the Department of Revenue any other information
23 as the Department may require for the administration and
24 enforcement of the tax.

25 When certifying the amount of a monthly disbursement to a
26 municipality under this subsection, the Department shall

1 increase or decrease the amount by an amount necessary to
2 offset any misallocation of previous disbursements. The offset
3 amount shall be the amount erroneously disbursed within the
4 previous 6 months from the time a misallocation is discovered.

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

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

12 (c) If a tax has been imposed under subsection (b), a
13 Business District Service Occupation Tax shall also be imposed
14 upon all persons engaged, in the business district, in the
15 business of making sales of service, who, as an incident to
16 making those sales of service, transfer tangible personal
17 property within the business district, either in the form of
18 tangible personal property or in the form of real estate as an
19 incident to a sale of service. The tax shall be imposed at the
20 same rate as the tax imposed in subsection (b) and shall not
21 exceed 1% of the selling price of tangible personal property
22 so transferred within the business district, to be imposed
23 only in 0.25% increments. The tax may not be imposed on
24 tangible personal property taxed at the 1% rate under the
25 Service Occupation Tax Act (or at the 0% rate in accordance
26 with this amendatory Act of the 102nd General Assembly).

1 Beginning December 1, 2019, this tax is not imposed on sales of
2 aviation fuel unless the tax revenue is expended for
3 airport-related purposes. If the District does not have an
4 airport-related purpose to which it dedicates aviation fuel
5 tax revenue, then aviation fuel is excluded from the tax. Each
6 municipality must comply with the certification requirements
7 for airport-related purposes under Section 2-22 of the
8 Retailers' Occupation Tax Act. For purposes of this Act,
9 "airport-related purposes" has the meaning ascribed in Section
10 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
11 this tax is not imposed on sales of aviation fuel for so long
12 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
13 U.S.C. 47133 are binding on the District.

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

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

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

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

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

20 Except as otherwise provided in this paragraph, the
21 Department shall forthwith pay over to the State Treasurer,
22 ex-officio, as trustee, all taxes, penalties, and interest
23 collected under this subsection for deposit into the business
24 district retailers' occupation tax fund. Taxes and penalties
25 collected on aviation fuel sold on or after December 1, 2019,
26 shall be immediately paid over by the Department to the State

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

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

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

1 preceding calendar month by the Department, less 2% of that
2 amount (except the amount collected on aviation fuel sold on
3 or after December 1, 2019), which shall be deposited into the
4 Tax Compliance and Administration Fund and shall be used by
5 the Department, subject to appropriation, to cover the costs
6 of the Department in administering and enforcing the
7 provisions of this subsection, and not including an amount
8 equal to the amount of refunds made during the second
9 preceding calendar month by the Department on behalf of such
10 municipality, and not including any amounts that are
11 transferred to the STAR Bonds Revenue Fund. Within 10 days
12 after receipt, by the Comptroller, of the disbursement
13 certification to the municipalities, provided for in this
14 subsection to be given to the Comptroller by the Department,
15 the Comptroller shall cause the orders to be drawn for the
16 respective amounts in accordance with the directions contained
17 in such certification. The proceeds of the tax paid to
18 municipalities under this subsection shall be deposited into
19 the Business District Tax Allocation Fund by the municipality.

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

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

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

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

13 A municipality that imposes the tax under this subsection
14 must submit to the Department of Revenue any other information
15 as the Department may require for the administration and
16 enforcement of the tax.

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

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

24 (d) By ordinance, a municipality that has designated a
25 business district under this Law may impose an occupation tax
26 upon all persons engaged in the business district in the

1 business of renting, leasing, or letting rooms in a hotel, as
2 defined in the Hotel Operators' Occupation Tax Act, at a rate
3 not to exceed 1% of the gross rental receipts from the renting,
4 leasing, or letting of hotel rooms within the business
5 district, to be imposed only in 0.25% increments, excluding,
6 however, from gross rental receipts the proceeds of renting,
7 leasing, or letting to permanent residents of a hotel, as
8 defined in the Hotel Operators' Occupation Tax Act, and
9 proceeds from the tax imposed under subsection (c) of Section
10 13 of the Metropolitan Pier and Exposition Authority Act.

11 The tax imposed by the municipality under this subsection
12 and all civil penalties that may be assessed as an incident to
13 that tax shall be collected and enforced by the municipality
14 imposing the tax. The municipality shall have full power to
15 administer and enforce this subsection, to collect all taxes
16 and penalties due under this subsection, to dispose of taxes
17 and penalties so collected in the manner provided in this
18 subsection, and to determine all rights to credit memoranda
19 arising on account of the erroneous payment of tax or penalty
20 under this subsection. In the administration of and compliance
21 with this subsection, the municipality and persons who are
22 subject to this subsection shall have the same rights,
23 remedies, privileges, immunities, powers, and duties, shall be
24 subject to the same conditions, restrictions, limitations,
25 penalties, and definitions of terms, and shall employ the same
26 modes of procedure as are employed with respect to a tax

1 adopted by the municipality under Section 8-3-14 of this Code.

2 Persons subject to any tax imposed under the authority
3 granted in this subsection may reimburse themselves for their
4 tax liability for that tax by separately stating that tax as an
5 additional charge, which charge may be stated in combination,
6 in a single amount, with State taxes imposed under the Hotel
7 Operators' Occupation Tax Act, and with any other tax.

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

12 The proceeds of the tax imposed under this subsection
13 shall be deposited into the Business District Tax Allocation
14 Fund.

15 (e) Obligations secured by the Business District Tax
16 Allocation Fund may be issued to provide for the payment or
17 reimbursement of business district project costs. Those
18 obligations, when so issued, shall be retired in the manner
19 provided in the ordinance authorizing the issuance of those
20 obligations by the receipts of taxes imposed pursuant to
21 subsections (10) and (11) of Section 11-74.3-3 and by other
22 revenue designated or pledged by the municipality. A
23 municipality may in the ordinance pledge, for any period of
24 time up to and including the dissolution date, all or any part
25 of the funds in and to be deposited in the Business District
26 Tax Allocation Fund to the payment of business district

1 project costs and obligations. Whenever a municipality pledges
2 all of the funds to the credit of a business district tax
3 allocation fund to secure obligations issued or to be issued
4 to pay or reimburse business district project costs, the
5 municipality may specifically provide that funds remaining to
6 the credit of such business district tax allocation fund after
7 the payment of such obligations shall be accounted for
8 annually and shall be deemed to be "surplus" funds, and such
9 "surplus" funds shall be expended by the municipality for any
10 business district project cost as approved in the business
11 district plan. Whenever a municipality pledges less than all
12 of the monies to the credit of a business district tax
13 allocation fund to secure obligations issued or to be issued
14 to pay or reimburse business district project costs, the
15 municipality shall provide that monies to the credit of the
16 business district tax allocation fund and not subject to such
17 pledge or otherwise encumbered or required for payment of
18 contractual obligations for specific business district project
19 costs shall be calculated annually and shall be deemed to be
20 "surplus" funds, and such "surplus" funds shall be expended by
21 the municipality for any business district project cost as
22 approved in the business district plan.

23 No obligation issued pursuant to this Law and secured by a
24 pledge of all or any portion of any revenues received or to be
25 received by the municipality from the imposition of taxes
26 pursuant to subsection (10) of Section 11-74.3-3, shall be

1 deemed to constitute an economic incentive agreement under
2 Section 8-11-20, notwithstanding the fact that such pledge
3 provides for the sharing, rebate, or payment of retailers'
4 occupation taxes or service occupation taxes imposed pursuant
5 to subsection (10) of Section 11-74.3-3 and received or to be
6 received by the municipality from the development or
7 redevelopment of properties in the business district.

8 Without limiting the foregoing in this Section, the
9 municipality may further secure obligations secured by the
10 business district tax allocation fund with a pledge, for a
11 period not greater than the term of the obligations and in any
12 case not longer than the dissolution date, of any part or any
13 combination of the following: (i) net revenues of all or part
14 of any business district project; (ii) taxes levied or imposed
15 by the municipality on any or all property in the
16 municipality, including, specifically, taxes levied or imposed
17 by the municipality in a special service area pursuant to the
18 Special Service Area Tax Law; (iii) the full faith and credit
19 of the municipality; (iv) a mortgage on part or all of the
20 business district project; or (v) any other taxes or
21 anticipated receipts that the municipality may lawfully
22 pledge.

23 Such obligations may be issued in one or more series, bear
24 such date or dates, become due at such time or times as therein
25 provided, but in any case not later than (i) 20 years after the
26 date of issue or (ii) the dissolution date, whichever is

1 earlier, bear interest payable at such intervals and at such
2 rate or rates as set forth therein, except as may be limited by
3 applicable law, which rate or rates may be fixed or variable,
4 be in such denominations, be in such form, either coupon,
5 registered, or book-entry, carry such conversion, registration
6 and exchange privileges, be subject to defeasance upon such
7 terms, have such rank or priority, be executed in such manner,
8 be payable in such medium or payment at such place or places
9 within or without the State, make provision for a corporate
10 trustee within or without the State with respect to such
11 obligations, prescribe the rights, powers, and duties thereof
12 to be exercised for the benefit of the municipality and the
13 benefit of the owners of such obligations, provide for the
14 holding in trust, investment, and use of moneys, funds, and
15 accounts held under an ordinance, provide for assignment of
16 and direct payment of the moneys to pay such obligations or to
17 be deposited into such funds or accounts directly to such
18 trustee, be subject to such terms of redemption with or
19 without premium, and be sold at such price, all as the
20 corporate authorities shall determine. No referendum approval
21 of the electors shall be required as a condition to the
22 issuance of obligations pursuant to this Law except as
23 provided in this Section.

24 In the event the municipality authorizes the issuance of
25 obligations pursuant to the authority of this Law secured by
26 the full faith and credit of the municipality, or pledges ad

1 valorem taxes pursuant to this subsection, which obligations
2 are other than obligations which may be issued under home rule
3 powers provided by Section 6 of Article VII of the Illinois
4 Constitution or which ad valorem taxes are other than ad
5 valorem taxes which may be pledged under home rule powers
6 provided by Section 6 of Article VII of the Illinois
7 Constitution or which are levied in a special service area
8 pursuant to the Special Service Area Tax Law, the ordinance
9 authorizing the issuance of those obligations or pledging
10 those taxes shall be published within 10 days after the
11 ordinance has been adopted, in a newspaper having a general
12 circulation within the municipality. The publication of the
13 ordinance shall be accompanied by a notice of (i) the specific
14 number of voters required to sign a petition requesting the
15 question of the issuance of the obligations or pledging such
16 ad valorem taxes to be submitted to the electors; (ii) the time
17 within which the petition must be filed; and (iii) the date of
18 the prospective referendum. The municipal clerk shall provide
19 a petition form to any individual requesting one.

20 If no petition is filed with the municipal clerk, as
21 hereinafter provided in this Section, within 21 days after the
22 publication of the ordinance, the ordinance shall be in
23 effect. However, if within that 21-day period a petition is
24 filed with the municipal clerk, signed by electors numbering
25 not less than 15% of the number of electors voting for the
26 mayor or president at the last general municipal election,

1 asking that the question of issuing obligations using full
2 faith and credit of the municipality as security for the cost
3 of paying or reimbursing business district project costs, or
4 of pledging such ad valorem taxes for the payment of those
5 obligations, or both, be submitted to the electors of the
6 municipality, the municipality shall not be authorized to
7 issue obligations of the municipality using the full faith and
8 credit of the municipality as security or pledging such ad
9 valorem taxes for the payment of those obligations, or both,
10 until the proposition has been submitted to and approved by a
11 majority of the voters voting on the proposition at a
12 regularly scheduled election. The municipality shall certify
13 the proposition to the proper election authorities for
14 submission in accordance with the general election law.

15 The ordinance authorizing the obligations may provide that
16 the obligations shall contain a recital that they are issued
17 pursuant to this Law, which recital shall be conclusive
18 evidence of their validity and of the regularity of their
19 issuance.

20 In the event the municipality authorizes issuance of
21 obligations pursuant to this Law secured by the full faith and
22 credit of the municipality, the ordinance authorizing the
23 obligations may provide for the levy and collection of a
24 direct annual tax upon all taxable property within the
25 municipality sufficient to pay the principal thereof and
26 interest thereon as it matures, which levy may be in addition

1 to and exclusive of the maximum of all other taxes authorized
2 to be levied by the municipality, which levy, however, shall
3 be abated to the extent that monies from other sources are
4 available for payment of the obligations and the municipality
5 certifies the amount of those monies available to the county
6 clerk.

7 A certified copy of the ordinance shall be filed with the
8 county clerk of each county in which any portion of the
9 municipality is situated, and shall constitute the authority
10 for the extension and collection of the taxes to be deposited
11 in the business district tax allocation fund.

12 A municipality may also issue its obligations to refund,
13 in whole or in part, obligations theretofore issued by the
14 municipality under the authority of this Law, whether at or
15 prior to maturity. However, the last maturity of the refunding
16 obligations shall not be expressed to mature later than the
17 dissolution date.

18 In the event a municipality issues obligations under home
19 rule powers or other legislative authority, the proceeds of
20 which are pledged to pay or reimburse business district
21 project costs, the municipality may, if it has followed the
22 procedures in conformance with this Law, retire those
23 obligations from funds in the business district tax allocation
24 fund in amounts and in such manner as if those obligations had
25 been issued pursuant to the provisions of this Law.

26 No obligations issued pursuant to this Law shall be

1 regarded as indebtedness of the municipality issuing those
2 obligations or any other taxing district for the purpose of
3 any limitation imposed by law.

4 Obligations issued pursuant to this Law shall not be
5 subject to the provisions of the Bond Authorization Act.

6 (f) When business district project costs, including,
7 without limitation, all obligations paying or reimbursing
8 business district project costs have been paid, any surplus
9 funds then remaining in the Business District Tax Allocation
10 Fund shall be distributed to the municipal treasurer for
11 deposit into the general corporate fund of the municipality.
12 Upon payment of all business district project costs and
13 retirement of all obligations paying or reimbursing business
14 district project costs, but in no event more than 23 years
15 after the date of adoption of the ordinance imposing taxes
16 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
17 municipality shall adopt an ordinance immediately rescinding
18 the taxes imposed pursuant to subsection (10) or (11) of
19 Section 11-74.3-3.

20 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;
21 101-604, eff. 12-13-19.)

22 Section 10-45. The Flood Prevention District Act is
23 amended by changing Section 25 as follows:

24 (70 ILCS 750/25)

1 Sec. 25. Flood prevention retailers' and service
2 occupation taxes.

3 (a) If the Board of Commissioners of a flood prevention
4 district determines that an emergency situation exists
5 regarding levee repair or flood prevention, and upon an
6 ordinance confirming the determination adopted by the
7 affirmative vote of a majority of the members of the county
8 board of the county in which the district is situated, the
9 county may impose a flood prevention retailers' occupation tax
10 upon all persons engaged in the business of selling tangible
11 personal property at retail within the territory of the
12 district to provide revenue to pay the costs of providing
13 emergency levee repair and flood prevention and to secure the
14 payment of bonds, notes, and other evidences of indebtedness
15 issued under this Act for a period not to exceed 25 years or as
16 required to repay the bonds, notes, and other evidences of
17 indebtedness issued under this Act. The tax rate shall be
18 0.25% of the gross receipts from all taxable sales made in the
19 course of that business. Beginning December 1, 2019 and
20 through December 31, 2020, this tax is not imposed on sales of
21 aviation fuel unless the tax revenue is expended for
22 airport-related purposes. If the District does not have an
23 airport-related purpose to which it dedicates aviation fuel
24 tax revenue, then aviation fuel is excluded from the tax. The
25 County must comply with the certification requirements for
26 airport-related purposes under Section 2-22 of the Retailers'

1 Occupation Tax Act. The tax imposed under this Section and all
2 civil penalties that may be assessed as an incident thereof
3 shall be collected and enforced by the State Department of
4 Revenue. The Department shall have full power to administer
5 and enforce this Section; to collect all taxes and penalties
6 so collected in the manner hereinafter provided; and to
7 determine all rights to credit memoranda arising on account of
8 the erroneous payment of tax or penalty hereunder.

9 For purposes of this Act, "airport-related purposes" has
10 the meaning ascribed in Section 6z-20.2 of the State Finance
11 Act. Beginning January 1, 2021, this tax is not imposed on
12 sales of aviation fuel for so long as the revenue use
13 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
14 binding on the District.

15 In the administration of and compliance with this
16 subsection, the Department and persons who are subject to this
17 subsection (i) have the same rights, remedies, privileges,
18 immunities, powers, and duties, (ii) are subject to the same
19 conditions, restrictions, limitations, penalties, and
20 definitions of terms, and (iii) shall employ the same modes of
21 procedure as are set forth in Sections 1 through 1o, 2 through
22 2-70 (in respect to all provisions contained in those Sections
23 other than the State rate of tax), 2a through 2h, 3 (except as
24 to the disposition of taxes and penalties collected, and
25 except that the retailer's discount is not allowed for taxes
26 paid on aviation fuel that are subject to the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
2 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7,
3 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax
4 Act and all provisions of the Uniform Penalty and Interest Act
5 as if those provisions were set forth in this subsection.

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

13 If a tax is imposed under this subsection (a), a tax shall
14 also be imposed under subsection (b) of this Section.

15 (b) If a tax has been imposed under subsection (a), a flood
16 prevention service occupation tax shall also be imposed upon
17 all persons engaged within the territory of the district in
18 the business of making sales of service, who, as an incident to
19 making the sales of service, transfer tangible personal
20 property, either in the form of tangible personal property or
21 in the form of real estate as an incident to a sale of service
22 to provide revenue to pay the costs of providing emergency
23 levee repair and flood prevention and to secure the payment of
24 bonds, notes, and other evidences of indebtedness issued under
25 this Act for a period not to exceed 25 years or as required to
26 repay the bonds, notes, and other evidences of indebtedness.

1 The tax rate shall be 0.25% of the selling price of all
2 tangible personal property transferred. Beginning December 1,
3 2019 and through December 31, 2020, this tax is not imposed on
4 sales of aviation fuel unless the tax revenue is expended for
5 airport-related purposes. If the District does not have an
6 airport-related purpose to which it dedicates aviation fuel
7 tax revenue, then aviation fuel is excluded from the tax. The
8 County must comply with the certification requirements for
9 airport-related purposes under Section 2-22 of the Retailers'
10 Occupation Tax Act. For purposes of this Act, "airport-related
11 purposes" has the meaning ascribed in Section 6z-20.2 of the
12 State Finance Act. Beginning January 1, 2021, this tax is not
13 imposed on sales of aviation fuel for so long as the revenue
14 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
15 binding on the District.

16 The tax imposed under this subsection and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce
20 this subsection; to collect all taxes and penalties due
21 hereunder; to dispose of taxes and penalties collected in the
22 manner hereinafter provided; and to determine all rights to
23 credit memoranda arising on account of the erroneous payment
24 of tax or penalty hereunder.

25 In the administration of and compliance with this
26 subsection, the Department and persons who are subject to this

1 subsection shall (i) have the same rights, remedies,
2 privileges, immunities, powers, and duties, (ii) be subject to
3 the same conditions, restrictions, limitations, penalties, and
4 definitions of terms, and (iii) employ the same modes of
5 procedure as are set forth in Sections 2 (except that the
6 reference to State in the definition of supplier maintaining a
7 place of business in this State means the district), 2a
8 through 2d, 3 through 3-50 (in respect to all provisions
9 contained in those Sections other than the State rate of tax),
10 4 (except that the reference to the State shall be to the
11 district), 5, 7, 8 (except that the jurisdiction to which the
12 tax is a debt to the extent indicated in that Section 8 is the
13 district), 9 (except as to the disposition of taxes and
14 penalties collected, and except that the retailer's discount
15 is not allowed for taxes paid on aviation fuel that are subject
16 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
17 U.S.C. 47133), 10, 11, 12 (except the reference therein to
18 Section 2b of the Retailers' Occupation Tax Act), 13 (except
19 that any reference to the State means the district), Section
20 15, 16, 17, 18, 19, and 20 of the Service Occupation Tax Act
21 and all provisions of the Uniform Penalty and Interest Act, as
22 fully as if those provisions were set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, that charge may be stated in

1 combination in a single amount with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, under
3 any bracket schedules the Department may prescribe.

4 (c) The taxes imposed in subsections (a) and (b) may not be
5 imposed on personal property titled or registered with an
6 agency of the State or on personal property taxed at the 1%
7 rate under the Retailers' Occupation Tax Act and the Service
8 Occupation Tax Act (or at the 0% rate in accordance with this
9 amendatory Act of the 102nd General Assembly).

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

15 (e) The certificate of registration that is issued by the
16 Department to a retailer under the Retailers' Occupation Tax
17 Act or a serviceman under the Service Occupation Tax Act
18 permits the retailer or serviceman to engage in a business
19 that is taxable without registering separately with the
20 Department under an ordinance or resolution under this
21 Section.

22 (f) Except as otherwise provided, the Department shall
23 immediately pay over to the State Treasurer, ex officio, as
24 trustee, all taxes and penalties collected under this Section
25 to be deposited into the Flood Prevention Occupation Tax Fund,
26 which shall be an unappropriated trust fund held outside the

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

10 On or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to the counties from
13 which retailers or servicemen have paid taxes or penalties to
14 the Department during the second preceding calendar month. The
15 amount to be paid to each county is equal to the amount (not
16 including credit memoranda and not including taxes and
17 penalties collected on aviation fuel sold on or after December
18 1, 2019 and through December 31, 2020) collected from the
19 county under this Section during the second preceding calendar
20 month by the Department, (i) less 2% of that amount (except the
21 amount collected on aviation fuel sold on or after December 1,
22 2019 and through December 31, 2020), which shall be deposited
23 into the Tax Compliance and Administration Fund and shall be
24 used by the Department in administering and enforcing the
25 provisions of this Section on behalf of the county, (ii) plus
26 an amount that the Department determines is necessary to

1 offset any amounts that were erroneously paid to a different
2 taxing body; (iii) less an amount equal to the amount of
3 refunds made during the second preceding calendar month by the
4 Department on behalf of the county; and (iv) less any amount
5 that the Department determines is necessary to offset any
6 amounts that were payable to a different taxing body but were
7 erroneously paid to the county. When certifying the amount of
8 a monthly disbursement to a county under this Section, the
9 Department shall increase or decrease the amounts by an amount
10 necessary to offset any miscalculation of previous
11 disbursements within the previous 6 months from the time a
12 miscalculation is discovered.

13 Within 10 days after receipt by the Comptroller from the
14 Department of the disbursement certification to the counties
15 provided for in this Section, the Comptroller shall cause the
16 orders to be drawn for the respective amounts in accordance
17 with directions contained in the certification.

18 If the Department determines that a refund should be made
19 under this Section to a claimant instead of issuing a credit
20 memorandum, then the Department shall notify the Comptroller,
21 who shall cause the order to be drawn for the amount specified
22 and to the person named in the notification from the
23 Department. The refund shall be paid by the Treasurer out of
24 the Flood Prevention Occupation Tax Fund or the Local
25 Government Aviation Trust Fund, as appropriate.

26 (g) If a county imposes a tax under this Section, then the

1 county board shall, by ordinance, discontinue the tax upon the
2 payment of all indebtedness of the flood prevention district.
3 The tax shall not be discontinued until all indebtedness of
4 the District has been paid.

5 (h) Any ordinance imposing the tax under this Section, or
6 any ordinance that discontinues the tax, must be certified by
7 the county clerk and filed with the Illinois Department of
8 Revenue either (i) on or before the first day of April,
9 whereupon the Department shall proceed to administer and
10 enforce the tax or change in the rate as of the first day of
11 July next following the filing; or (ii) on or before the first
12 day of October, whereupon the Department shall proceed to
13 administer and enforce the tax or change in the rate as of the
14 first day of January next following the filing.

15 (j) County Flood Prevention Occupation Tax Fund. All
16 proceeds received by a county from a tax distribution under
17 this Section must be maintained in a special fund known as the
18 [name of county] flood prevention occupation tax fund. The
19 county shall, at the direction of the flood prevention
20 district, use moneys in the fund to pay the costs of providing
21 emergency levee repair and flood prevention and to pay bonds,
22 notes, and other evidences of indebtedness issued under this
23 Act.

24 (k) This Section may be cited as the Flood Prevention
25 Occupation Tax Law.

26 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;

1 101-604, eff. 12-13-19.)

2 Section 10-50. The Metro-East Park and Recreation District
3 Act is amended by changing Section 30 as follows:

4 (70 ILCS 1605/30)

5 Sec. 30. Taxes.

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

13 This additional tax may not be imposed on tangible
14 personal property taxed at the 1% rate under the Retailers'
15 Occupation Tax Act (or at the 0% rate in accordance with this
16 amendatory Act of the 102nd General Assembly). Beginning
17 December 1, 2019 and through December 31, 2020, this tax is not
18 imposed on sales of aviation fuel unless the tax revenue is
19 expended for airport-related purposes. If the District does
20 not have an airport-related purpose to which it dedicates
21 aviation fuel tax revenue, then aviation fuel shall be
22 excluded from tax. The board must comply with the
23 certification requirements for airport-related purposes under
24 Section 2-22 of the Retailers' Occupation Tax Act. For

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

1 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions
2 contained in those Sections other than the State rate of tax),
3 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except provisions
4 relating to transaction returns and quarter monthly payments,
5 and except that the retailer's discount is not allowed for
6 taxes paid on aviation fuel that are subject to the revenue use
7 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
8 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
9 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'
10 Occupation Tax Act and the Uniform Penalty and Interest Act as
11 if those provisions were set forth in this Section.

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

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

1 appropriate.

2 (b) If a tax has been imposed under subsection (a), a
3 service occupation tax shall also be imposed at the same rate
4 upon all persons engaged, in the District, in the business of
5 making sales of service, who, as an incident to making those
6 sales of service, transfer tangible personal property within
7 the District as an incident to a sale of service. This tax may
8 not be imposed on tangible personal property taxed at the 1%
9 rate under the Service Occupation Tax Act (or at the 0% rate in
10 accordance with this amendatory Act of the 102nd General
11 Assembly). Beginning December 1, 2019 and through December 31,
12 2020, this tax may not be imposed on sales of aviation fuel
13 unless the tax revenue is expended for airport-related
14 purposes. If the District does not have an airport-related
15 purpose to which it dedicates aviation fuel tax revenue, then
16 aviation fuel shall be excluded from tax. The board must
17 comply with the certification requirements for airport-related
18 purposes under Section 2-22 of the Retailers' Occupation Tax
19 Act. For purposes of this Act, "airport-related purposes" has
20 the meaning ascribed in Section 6z-20.2 of the State Finance
21 Act. Beginning January 1, 2021, this tax is not imposed on
22 sales of aviation fuel for so long as the revenue use
23 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
24 binding on the District. The tax imposed under this subsection
25 and all civil penalties that may be assessed as an incident
26 thereof shall be collected and enforced by the Department of

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

1 to the State shall mean the District), Sections 15, 16, 17, 18,
2 19 and 20 of the Service Occupation Tax Act and the Uniform
3 Penalty and Interest Act, as fully as if those provisions were
4 set forth herein.

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

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

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

26 (c) Except as otherwise provided in this paragraph, the

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

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

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

1 subsection. Within 10 days after receipt by the Comptroller of
2 the disbursement certification to the District and the Tax
3 Compliance and Administration Fund provided for in this
4 Section to be given to the Comptroller by the Department, the
5 Comptroller shall cause the orders to be drawn for the
6 respective amounts in accordance with directions contained in
7 the certification.

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

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

22 (f) An ordinance imposing a tax under this Section or an
23 ordinance extending the imposition of a tax to an additional
24 county or counties shall be certified by the board and filed
25 with the Department of Revenue either (i) on or before the
26 first day of April, whereupon the Department shall proceed to

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

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

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

15 Section 10-55. The Regional Transportation Authority Act
16 is amended by changing Section 4.03 as follows:

17 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

18 Sec. 4.03. Taxes.

19 (a) In order to carry out any of the powers or purposes of
20 the Authority, the Board may by ordinance adopted with the
21 concurrence of 12 of the then Directors, impose throughout the
22 metropolitan region any or all of the taxes provided in this
23 Section. Except as otherwise provided in this Act, taxes
24 imposed under this Section and civil penalties imposed

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

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

1 receipts from sales of motor fuel in the metropolitan region,
2 at rates as limited by this Section.

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

10 (d) The Board may impose a motor vehicle parking tax upon
11 the privilege of parking motor vehicles at off-street parking
12 facilities in the metropolitan region at which a fee is
13 charged, and may provide for reasonable classifications in and
14 exemptions to the tax, for administration and enforcement
15 thereof and for civil penalties and refunds thereunder and may
16 provide criminal penalties thereunder, the maximum penalties
17 not to exceed the maximum criminal penalties provided in the
18 Retailers' Occupation Tax Act. The Authority may collect and
19 enforce the tax itself or by contract with any unit of local
20 government. The State Department of Revenue shall have no
21 responsibility for the collection and enforcement unless the
22 Department agrees with the Authority to undertake the
23 collection and enforcement. As used in this paragraph, the
24 term "parking facility" means a parking area or structure
25 having parking spaces for more than 2 vehicles at which motor
26 vehicles are permitted to park in return for an hourly, daily,

1 or other periodic fee, whether publicly or privately owned,
2 but does not include parking spaces on a public street, the use
3 of which is regulated by parking meters.

4 (e) The Board may impose a Regional Transportation
5 Authority Retailers' Occupation Tax upon all persons engaged
6 in the business of selling tangible personal property at
7 retail in the metropolitan region. In Cook County, the tax
8 rate shall be 1.25% of the gross receipts from sales of
9 tangible personal property taxed at the 1% rate under the
10 Retailers' Occupation Tax Act (or at the 0% rate in accordance
11 with this amendatory Act of the 102nd General Assembly), and
12 1% of the gross receipts from other taxable sales made in the
13 course of that business. In DuPage, Kane, Lake, McHenry, and
14 Will counties, the tax rate shall be 0.75% of the gross
15 receipts from all taxable sales made in the course of that
16 business. The rate of tax imposed in DuPage, Kane, Lake,
17 McHenry, and Will counties under this Section on sales of
18 aviation fuel on or after December 1, 2019 shall, however, be
19 0.25% unless the Regional Transportation Authority in DuPage,
20 Kane, Lake, McHenry, and Will counties has an "airport-related
21 purpose" and the additional 0.50% of the 0.75% tax on aviation
22 fuel is expended for airport-related purposes. If there is no
23 airport-related purpose to which aviation fuel tax revenue is
24 dedicated, then aviation fuel is excluded from the additional
25 0.50% of the 0.75% tax. The tax imposed under this Section and
26 all civil penalties that may be assessed as an incident

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

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

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

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

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

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

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

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

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

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

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

1 incident to a sale of service subject to the service
2 occupation tax by an entity licensed under the Hospital
3 Licensing Act, the Nursing Home Care Act, the Specialized
4 Mental Health Rehabilitation Act of 2013, the ID/DD Community
5 Care Act, or the MC/DD Act that is located in the metropolitan
6 region; (2) 1.25% of the selling price of tangible personal
7 property taxed at the 1% rate under the Service Occupation Tax
8 Act (or at the 0% rate in accordance with this amendatory Act
9 of the 102nd General Assembly); and (3) 1% of the selling price
10 from other taxable sales of tangible personal property
11 transferred. In DuPage, Kane, Lake, McHenry, and Will
12 counties, the rate shall be 0.75% of the selling price of all
13 tangible personal property transferred. The rate of tax
14 imposed in DuPage, Kane, Lake, McHenry, and Will counties
15 under this Section on sales of aviation fuel on or after
16 December 1, 2019 shall, however, be 0.25% unless the Regional
17 Transportation Authority in DuPage, Kane, Lake, McHenry, and
18 Will counties has an "airport-related purpose" and the
19 additional 0.50% of the 0.75% tax on aviation fuel is expended
20 for airport-related purposes. If there is no airport-related
21 purpose to which aviation fuel tax revenue is dedicated, then
22 aviation fuel is excluded from the additional 0.5% of the
23 0.75% tax.

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

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

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

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

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

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

1 Treasurer out of the Regional Transportation Authority tax
2 fund established under paragraph (n) of this Section or the
3 Local Government Aviation Trust Fund, as appropriate.

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

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

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

7 The Department shall have full power to administer and
8 enforce this paragraph; to collect all taxes, penalties, and
9 interest due hereunder; to dispose of taxes, penalties, and
10 interest collected in the manner hereinafter provided; and to
11 determine all rights to credit memoranda or refunds arising on
12 account of the erroneous payment of tax, penalty, or interest
13 hereunder. In the administration of and compliance with this
14 paragraph, the Department and persons who are subject to this
15 paragraph shall have the same rights, remedies, privileges,
16 immunities, powers, and duties, and be subject to the same
17 conditions, restrictions, limitations, penalties, exclusions,
18 exemptions, and definitions of terms and employ the same modes
19 of procedure, as are prescribed in Sections 2 (except the
20 definition of "retailer maintaining a place of business in
21 this State"), 3 through 3-80 (except provisions pertaining to
22 the State rate of tax, and except provisions concerning
23 collection or refunding of the tax by retailers), 4, 11, 12,
24 12a, 14, 15, 19 (except the portions pertaining to claims by
25 retailers and except the last paragraph concerning refunds),
26 20, 21, and 22 of the Use Tax Act, and are not inconsistent

1 with this paragraph, as fully as if those provisions were set
2 forth herein.

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

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

22 The Department shall immediately pay over to the State
23 Treasurer, ex officio, as trustee, all taxes collected
24 hereunder.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the

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

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

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

24 (j) A certificate of registration issued by the State
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is
2 taxed under the tax imposed under paragraphs (b), (e), (f) or
3 (g) of this Section and no additional registration shall be
4 required under the tax. A certificate issued under the Use Tax
5 Act or the Service Use Tax Act shall be applicable with regard
6 to any tax imposed under paragraph (c) of this Section.

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

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

1 regard to which taxes may be imposed as provided in paragraphs
2 (b) and (c) of this Section to facilitate the reporting and
3 nontaxability of the exempt sales or uses.

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

1 or resolution until the Department begins administering and
2 enforcing an increased tax under this Section as authorized by
3 Public Act 95-708. The tax rates authorized by Public Act
4 95-708 are effective only if imposed by ordinance of the
5 Authority.

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

1 from the 0.50% of the 0.75% rate on aviation fuel sold on or
2 after December 1, 2019 that are deposited into the Local
3 Government Aviation Trust Fund) (ii) the amount of taxes
4 collected within the City of Chicago, and (iii) the amount
5 collected in that portion of Cook County outside of Chicago,
6 each amount less the amount necessary for the payment of
7 refunds to taxpayers located in those areas described in items
8 (i), (ii), and (iii), and less 1.5% of the remainder, which
9 shall be transferred from the trust fund into the Tax
10 Compliance and Administration Fund. The Department, at the
11 time of each monthly disbursement to the Authority, shall
12 prepare and certify to the State Comptroller the amount to be
13 transferred into the Tax Compliance and Administration Fund
14 under this subsection. Within 10 days after receipt by the
15 Comptroller of the certification of the amounts, the
16 Comptroller shall cause an order to be drawn for the transfer
17 of the amount certified into the Tax Compliance and
18 Administration Fund and the payment of two-thirds of the
19 amounts certified in item (i) of this subsection to the
20 Authority and one-third of the amounts certified in item (i)
21 of this subsection to the respective counties other than Cook
22 County and the amount certified in items (ii) and (iii) of this
23 subsection to the Authority.

24 In addition to the disbursement required by the preceding
25 paragraph, an allocation shall be made in July 1991 and each
26 year thereafter to the Regional Transportation Authority. The

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

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

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

24 Any taxes imposed under the authority provided in
25 paragraphs (b), (c), and (d) shall remain in effect only until
26 the time as any tax authorized by paragraph (e), (f), or (g) of

1 this Section are imposed and becomes effective. Once any tax
2 authorized by paragraph (e), (f), or (g) is imposed the Board
3 may not reimpose taxes as authorized in paragraphs (b), (c),
4 and (d) of the Section unless any tax authorized by paragraph
5 (e), (f), or (g) of this Section becomes ineffective by means
6 other than an ordinance of the Board.

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

13 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
14 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
15 7-12-19; 101-604, eff. 12-13-19.)".