



Sen. Christopher Belt

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1 AMENDMENT TO SENATE BILL 2210

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2210 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Use Tax Act is amended by changing Section  
5 3-5 as follows:

6 (35 ILCS 105/3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible  
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,  
10 society, association, foundation, institution, or  
11 organization, other than a limited liability company, that is  
12 organized and operated as a not-for-profit service enterprise  
13 for the benefit of persons 65 years of age or older if the  
14 personal property was not purchased by the enterprise for the  
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit

1 Illinois county fair association for use in conducting,  
2 operating, or promoting the county fair.

3 (3) Personal property purchased by a not-for-profit arts  
4 or cultural organization that establishes, by proof required  
5 by the Department by rule, that it has received an exemption  
6 under Section 501(c)(3) of the Internal Revenue Code and that  
7 is organized and operated primarily for the presentation or  
8 support of arts or cultural programming, activities, or  
9 services. These organizations include, but are not limited to,  
10 music and dramatic arts organizations such as symphony  
11 orchestras and theatrical groups, arts and cultural service  
12 organizations, local arts councils, visual arts organizations,  
13 and media arts organizations. On and after July 1, 2001 (the  
14 effective date of Public Act 92-35), however, an entity  
15 otherwise eligible for this exemption shall not make tax-free  
16 purchases unless it has an active identification number issued  
17 by the Department.

18 (4) Personal property purchased by a governmental body, by  
19 a corporation, society, association, foundation, or  
20 institution organized and operated exclusively for charitable,  
21 religious, or educational purposes, or by a not-for-profit  
22 corporation, society, association, foundation, institution, or  
23 organization that has no compensated officers or employees and  
24 that is organized and operated primarily for the recreation of  
25 persons 55 years of age or older. A limited liability company  
26 may qualify for the exemption under this paragraph only if the

1 limited liability company is organized and operated  
2 exclusively for educational purposes. On and after July 1,  
3 1987, however, no entity otherwise eligible for this exemption  
4 shall make tax-free purchases unless it has an active  
5 exemption identification number issued by the Department.

6 (5) Until July 1, 2003, a passenger car that is a  
7 replacement vehicle to the extent that the purchase price of  
8 the car is subject to the Replacement Vehicle Tax.

9 (6) Until July 1, 2003 and beginning again on September 1,  
10 2004 through August 30, 2014, graphic arts machinery and  
11 equipment, including repair and replacement parts, both new  
12 and used, and including that manufactured on special order,  
13 certified by the purchaser to be used primarily for graphic  
14 arts production, and including machinery and equipment  
15 purchased for lease. Equipment includes chemicals or chemicals  
16 acting as catalysts but only if the chemicals or chemicals  
17 acting as catalysts effect a direct and immediate change upon  
18 a graphic arts product. Beginning on July 1, 2017, graphic  
19 arts machinery and equipment is included in the manufacturing  
20 and assembling machinery and equipment exemption under  
21 paragraph (18).

22 (7) Farm chemicals.

23 (8) Legal tender, currency, medallions, or gold or silver  
24 coinage issued by the State of Illinois, the government of the  
25 United States of America, or the government of any foreign  
26 country, and bullion.

1           (9) Personal property purchased from a teacher-sponsored  
2 student organization affiliated with an elementary or  
3 secondary school located in Illinois.

4           (10) A motor vehicle that is used for automobile renting,  
5 as defined in the Automobile Renting Occupation and Use Tax  
6 Act.

7           (11) Farm machinery and equipment, both new and used,  
8 including that manufactured on special order, certified by the  
9 purchaser to be used primarily for production agriculture or  
10 State or federal agricultural programs, including individual  
11 replacement parts for the machinery and equipment, including  
12 machinery and equipment purchased for lease, and including  
13 implements of husbandry defined in Section 1-130 of the  
14 Illinois Vehicle Code, farm machinery and agricultural  
15 chemical and fertilizer spreaders, and nurse wagons required  
16 to be registered under Section 3-809 of the Illinois Vehicle  
17 Code, but excluding other motor vehicles required to be  
18 registered under the Illinois Vehicle Code. Horticultural  
19 polyhouses or hoop houses used for propagating, growing, or  
20 overwintering plants shall be considered farm machinery and  
21 equipment under this item (11). Agricultural chemical tender  
22 tanks and dry boxes shall include units sold separately from a  
23 motor vehicle required to be licensed and units sold mounted  
24 on a motor vehicle required to be licensed if the selling price  
25 of the tender is separately stated.

26           Farm machinery and equipment shall include precision

1 farming equipment that is installed or purchased to be  
2 installed on farm machinery and equipment including, but not  
3 limited to, tractors, harvesters, sprayers, planters, seeders,  
4 or spreaders. Precision farming equipment includes, but is not  
5 limited to, soil testing sensors, computers, monitors,  
6 software, global positioning and mapping systems, and other  
7 such equipment.

8 Farm machinery and equipment also includes computers,  
9 sensors, software, and related equipment used primarily in the  
10 computer-assisted operation of production agriculture  
11 facilities, equipment, and activities such as, but not limited  
12 to, the collection, monitoring, and correlation of animal and  
13 crop data for the purpose of formulating animal diets and  
14 agricultural chemicals. This item (11) is exempt from the  
15 provisions of Section 3-90.

16 (12) Until June 30, 2013, fuel and petroleum products sold  
17 to or used by an air common carrier, certified by the carrier  
18 to be used for consumption, shipment, or storage in the  
19 conduct of its business as an air common carrier, for a flight  
20 destined for or returning from a location or locations outside  
21 the United States without regard to previous or subsequent  
22 domestic stopovers.

23 Beginning July 1, 2013, fuel and petroleum products sold  
24 to or used by an air carrier, certified by the carrier to be  
25 used for consumption, shipment, or storage in the conduct of  
26 its business as an air common carrier, for a flight that (i) is

1 engaged in foreign trade or is engaged in trade between the  
2 United States and any of its possessions and (ii) transports  
3 at least one individual or package for hire from the city of  
4 origination to the city of final destination on the same  
5 aircraft, without regard to a change in the flight number of  
6 that aircraft.

7 (13) Proceeds of mandatory service charges separately  
8 stated on customers' bills for the purchase and consumption of  
9 food and beverages purchased at retail from a retailer, to the  
10 extent that the proceeds of the service charge are in fact  
11 turned over as tips or as a substitute for tips to the  
12 employees who participate directly in preparing, serving,  
13 hosting or cleaning up the food or beverage function with  
14 respect to which the service charge is imposed.

15 (14) Until July 1, 2003, oil field exploration, drilling,  
16 and production equipment, including (i) rigs and parts of  
17 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)  
18 pipe and tubular goods, including casing and drill strings,  
19 (iii) pumps and pump-jack units, (iv) storage tanks and flow  
20 lines, (v) any individual replacement part for oil field  
21 exploration, drilling, and production equipment, and (vi)  
22 machinery and equipment purchased for lease; but excluding  
23 motor vehicles required to be registered under the Illinois  
24 Vehicle Code.

25 (15) Photoprocessing machinery and equipment, including  
26 repair and replacement parts, both new and used, including

1 that manufactured on special order, certified by the purchaser  
2 to be used primarily for photoprocessing, and including  
3 photoprocessing machinery and equipment purchased for lease.

4 (16) Until July 1, 2028, coal and aggregate exploration,  
5 mining, off-highway hauling, processing, maintenance, and  
6 reclamation equipment, including replacement parts and  
7 equipment, and including equipment purchased for lease, but  
8 excluding motor vehicles required to be registered under the  
9 Illinois Vehicle Code. The changes made to this Section by  
10 Public Act 97-767 apply on and after July 1, 2003, but no claim  
11 for credit or refund is allowed on or after August 16, 2013  
12 (the effective date of Public Act 98-456) for such taxes paid  
13 during the period beginning July 1, 2003 and ending on August  
14 16, 2013 (the effective date of Public Act 98-456).

15 (17) Until July 1, 2003, distillation machinery and  
16 equipment, sold as a unit or kit, assembled or installed by the  
17 retailer, certified by the user to be used only for the  
18 production of ethyl alcohol that will be used for consumption  
19 as motor fuel or as a component of motor fuel for the personal  
20 use of the user, and not subject to sale or resale.

21 (18) Manufacturing and assembling machinery and equipment  
22 used primarily in the process of manufacturing or assembling  
23 tangible personal property for wholesale or retail sale or  
24 lease, whether that sale or lease is made directly by the  
25 manufacturer or by some other person, whether the materials  
26 used in the process are owned by the manufacturer or some other

1 person, or whether that sale or lease is made apart from or as  
2 an incident to the seller's engaging in the service occupation  
3 of producing machines, tools, dies, jigs, patterns, gauges, or  
4 other similar items of no commercial value on special order  
5 for a particular purchaser. The exemption provided by this  
6 paragraph (18) includes production related tangible personal  
7 property, as defined in Section 3-50, purchased on or after  
8 July 1, 2019. The exemption provided by this paragraph (18)  
9 does not include machinery and equipment used in (i) the  
10 generation of electricity for wholesale or retail sale; (ii)  
11 the generation or treatment of natural or artificial gas for  
12 wholesale or retail sale that is delivered to customers  
13 through pipes, pipelines, or mains; or (iii) the treatment of  
14 water for wholesale or retail sale that is delivered to  
15 customers through pipes, pipelines, or mains. The provisions  
16 of Public Act 98-583 are declaratory of existing law as to the  
17 meaning and scope of this exemption. Beginning on July 1,  
18 2017, the exemption provided by this paragraph (18) includes,  
19 but is not limited to, graphic arts machinery and equipment,  
20 as defined in paragraph (6) of this Section.

21 (19) Personal property delivered to a purchaser or  
22 purchaser's donee inside Illinois when the purchase order for  
23 that personal property was received by a florist located  
24 outside Illinois who has a florist located inside Illinois  
25 deliver the personal property.

26 (20) Semen used for artificial insemination of livestock



1 for direct agricultural production.

2 (21) Horses, or interests in horses, registered with and  
3 meeting the requirements of any of the Arabian Horse Club  
4 Registry of America, Appaloosa Horse Club, American Quarter  
5 Horse Association, United States Trotting Association, or  
6 Jockey Club, as appropriate, used for purposes of breeding or  
7 racing for prizes. This item (21) is exempt from the  
8 provisions of Section 3-90, and the exemption provided for  
9 under this item (21) applies for all periods beginning May 30,  
10 1995, but no claim for credit or refund is allowed on or after  
11 January 1, 2008 for such taxes paid during the period  
12 beginning May 30, 2000 and ending on January 1, 2008.

13 (22) Computers and communications equipment utilized for  
14 any hospital purpose and equipment used in the diagnosis,  
15 analysis, or treatment of hospital patients purchased by a  
16 lessor who leases the equipment, under a lease of one year or  
17 longer executed or in effect at the time the lessor would  
18 otherwise be subject to the tax imposed by this Act, to a  
19 hospital that has been issued an active tax exemption  
20 identification number by the Department under Section 1g of  
21 the Retailers' Occupation Tax Act. If the equipment is leased  
22 in a manner that does not qualify for this exemption or is used  
23 in any other non-exempt manner, the lessor shall be liable for  
24 the tax imposed under this Act or the Service Use Tax Act, as  
25 the case may be, based on the fair market value of the property  
26 at the time the non-qualifying use occurs. No lessor shall

1 collect or attempt to collect an amount (however designated)  
2 that purports to reimburse that lessor for the tax imposed by  
3 this Act or the Service Use Tax Act, as the case may be, if the  
4 tax has not been paid by the lessor. If a lessor improperly  
5 collects any such amount from the lessee, the lessee shall  
6 have a legal right to claim a refund of that amount from the  
7 lessor. If, however, that amount is not refunded to the lessee  
8 for any reason, the lessor is liable to pay that amount to the  
9 Department.

10 (23) Personal property purchased by a lessor who leases  
11 the property, under a lease of one year or longer executed or  
12 in effect at the time the lessor would otherwise be subject to  
13 the tax imposed by this Act, to a governmental body that has  
14 been issued an active sales tax exemption identification  
15 number by the Department under Section 1g of the Retailers'  
16 Occupation Tax Act. If the property is leased in a manner that  
17 does not qualify for this exemption or used in any other  
18 non-exempt manner, the lessor shall be liable for the tax  
19 imposed under this Act or the Service Use Tax Act, as the case  
20 may be, based on the fair market value of the property at the  
21 time the non-qualifying use occurs. No lessor shall collect or  
22 attempt to collect an amount (however designated) that  
23 purports to reimburse that lessor for the tax imposed by this  
24 Act or the Service Use Tax Act, as the case may be, if the tax  
25 has not been paid by the lessor. If a lessor improperly  
26 collects any such amount from the lessee, the lessee shall

1 have a legal right to claim a refund of that amount from the  
2 lessor. If, however, that amount is not refunded to the lessee  
3 for any reason, the lessor is liable to pay that amount to the  
4 Department.

5 (24) Beginning with taxable years ending on or after  
6 December 31, 1995 and ending with taxable years ending on or  
7 before December 31, 2004, personal property that is donated  
8 for disaster relief to be used in a State or federally declared  
9 disaster area in Illinois or bordering Illinois by a  
10 manufacturer or retailer that is registered in this State to a  
11 corporation, society, association, foundation, or institution  
12 that has been issued a sales tax exemption identification  
13 number by the Department that assists victims of the disaster  
14 who reside within the declared disaster area.

15 (25) Beginning with taxable years ending on or after  
16 December 31, 1995 and ending with taxable years ending on or  
17 before December 31, 2004, personal property that is used in  
18 the performance of infrastructure repairs in this State,  
19 including but not limited to municipal roads and streets,  
20 access roads, bridges, sidewalks, waste disposal systems,  
21 water and sewer line extensions, water distribution and  
22 purification facilities, storm water drainage and retention  
23 facilities, and sewage treatment facilities, resulting from a  
24 State or federally declared disaster in Illinois or bordering  
25 Illinois when such repairs are initiated on facilities located  
26 in the declared disaster area within 6 months after the

1 disaster.

2 (26) Beginning July 1, 1999, game or game birds purchased  
3 at a "game breeding and hunting preserve area" as that term is  
4 used in the Wildlife Code. This paragraph is exempt from the  
5 provisions of Section 3-90.

6 (27) A motor vehicle, as that term is defined in Section  
7 1-146 of the Illinois Vehicle Code, that is donated to a  
8 corporation, limited liability company, society, association,  
9 foundation, or institution that is determined by the  
10 Department to be organized and operated exclusively for  
11 educational purposes. For purposes of this exemption, "a  
12 corporation, limited liability company, society, association,  
13 foundation, or institution organized and operated exclusively  
14 for educational purposes" means all tax-supported public  
15 schools, private schools that offer systematic instruction in  
16 useful branches of learning by methods common to public  
17 schools and that compare favorably in their scope and  
18 intensity with the course of study presented in tax-supported  
19 schools, and vocational or technical schools or institutes  
20 organized and operated exclusively to provide a course of  
21 study of not less than 6 weeks duration and designed to prepare  
22 individuals to follow a trade or to pursue a manual,  
23 technical, mechanical, industrial, business, or commercial  
24 occupation.

25 (28) Beginning January 1, 2000, personal property,  
26 including food, purchased through fundraising events for the

1 benefit of a public or private elementary or secondary school,  
2 a group of those schools, or one or more school districts if  
3 the events are sponsored by an entity recognized by the school  
4 district that consists primarily of volunteers and includes  
5 parents and teachers of the school children. This paragraph  
6 does not apply to fundraising events (i) for the benefit of  
7 private home instruction or (ii) for which the fundraising  
8 entity purchases the personal property sold at the events from  
9 another individual or entity that sold the property for the  
10 purpose of resale by the fundraising entity and that profits  
11 from the sale to the fundraising entity. This paragraph is  
12 exempt from the provisions of Section 3-90.

13 (29) Beginning January 1, 2000 and through December 31,  
14 2001, new or used automatic vending machines that prepare and  
15 serve hot food and beverages, including coffee, soup, and  
16 other items, and replacement parts for these machines.  
17 Beginning January 1, 2002 and through June 30, 2003, machines  
18 and parts for machines used in commercial, coin-operated  
19 amusement and vending business if a use or occupation tax is  
20 paid on the gross receipts derived from the use of the  
21 commercial, coin-operated amusement and vending machines. This  
22 paragraph is exempt from the provisions of Section 3-90.

23 (30) Beginning January 1, 2001 and through June 30, 2016,  
24 food for human consumption that is to be consumed off the  
25 premises where it is sold (other than alcoholic beverages,  
26 soft drinks, and food that has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,  
2 drugs, medical appliances, and insulin, urine testing  
3 materials, syringes, and needles used by diabetics, for human  
4 use, when purchased for use by a person receiving medical  
5 assistance under Article V of the Illinois Public Aid Code who  
6 resides in a licensed long-term care facility, as defined in  
7 the Nursing Home Care Act, or in a licensed facility as defined  
8 in the ID/DD Community Care Act, the MC/DD Act, or the  
9 Specialized Mental Health Rehabilitation Act of 2013.

10 (31) Beginning on August 2, 2001 (the effective date of  
11 Public Act 92-227), computers and communications equipment  
12 utilized for any hospital purpose and equipment used in the  
13 diagnosis, analysis, or treatment of hospital patients  
14 purchased by a lessor who leases the equipment, under a lease  
15 of one year or longer executed or in effect at the time the  
16 lessor would otherwise be subject to the tax imposed by this  
17 Act, to a hospital that has been issued an active tax exemption  
18 identification number by the Department under Section 1g of  
19 the Retailers' Occupation Tax Act. If the equipment is leased  
20 in a manner that does not qualify for this exemption or is used  
21 in any other nonexempt manner, the lessor shall be liable for  
22 the tax imposed under this Act or the Service Use Tax Act, as  
23 the case may be, based on the fair market value of the property  
24 at the time the nonqualifying use occurs. No lessor shall  
25 collect or attempt to collect an amount (however designated)  
26 that purports to reimburse that lessor for the tax imposed by

1 this Act or the Service Use Tax Act, as the case may be, if the  
2 tax has not been paid by the lessor. If a lessor improperly  
3 collects any such amount from the lessee, the lessee shall  
4 have a legal right to claim a refund of that amount from the  
5 lessor. If, however, that amount is not refunded to the lessee  
6 for any reason, the lessor is liable to pay that amount to the  
7 Department. This paragraph is exempt from the provisions of  
8 Section 3-90.

9 (32) Beginning on August 2, 2001 (the effective date of  
10 Public Act 92-227), personal property purchased by a lessor  
11 who leases the property, under a lease of one year or longer  
12 executed or in effect at the time the lessor would otherwise be  
13 subject to the tax imposed by this Act, to a governmental body  
14 that has been issued an active sales tax exemption  
15 identification number by the Department under Section 1g of  
16 the Retailers' Occupation Tax Act. If the property is leased  
17 in a manner that does not qualify for this exemption or used in  
18 any other nonexempt manner, the lessor shall be liable for the  
19 tax imposed under this Act or the Service Use Tax Act, as the  
20 case may be, based on the fair market value of the property at  
21 the time the nonqualifying use occurs. No lessor shall collect  
22 or attempt to collect an amount (however designated) that  
23 purports to reimburse that lessor for the tax imposed by this  
24 Act or the Service Use Tax Act, as the case may be, if the tax  
25 has not been paid by the lessor. If a lessor improperly  
26 collects any such amount from the lessee, the lessee shall

1 have a legal right to claim a refund of that amount from the  
2 lessor. If, however, that amount is not refunded to the lessee  
3 for any reason, the lessor is liable to pay that amount to the  
4 Department. This paragraph is exempt from the provisions of  
5 Section 3-90.

6 (33) On and after July 1, 2003 and through June 30, 2004,  
7 the use in this State of motor vehicles of the second division  
8 with a gross vehicle weight in excess of 8,000 pounds and that  
9 are subject to the commercial distribution fee imposed under  
10 Section 3-815.1 of the Illinois Vehicle Code. Beginning on  
11 July 1, 2004 and through June 30, 2005, the use in this State  
12 of motor vehicles of the second division: (i) with a gross  
13 vehicle weight rating in excess of 8,000 pounds; (ii) that are  
14 subject to the commercial distribution fee imposed under  
15 Section 3-815.1 of the Illinois Vehicle Code; and (iii) that  
16 are primarily used for commercial purposes. Through June 30,  
17 2005, this exemption applies to repair and replacement parts  
18 added after the initial purchase of such a motor vehicle if  
19 that motor vehicle is used in a manner that would qualify for  
20 the rolling stock exemption otherwise provided for in this  
21 Act. For purposes of this paragraph, the term "used for  
22 commercial purposes" means the transportation of persons or  
23 property in furtherance of any commercial or industrial  
24 enterprise, whether for-hire or not.

25 (34) Beginning January 1, 2008, tangible personal property  
26 used in the construction or maintenance of a community water



1 supply, as defined under Section 3.145 of the Environmental  
2 Protection Act, that is operated by a not-for-profit  
3 corporation that holds a valid water supply permit issued  
4 under Title IV of the Environmental Protection Act. This  
5 paragraph is exempt from the provisions of Section 3-90.

6 (35) Beginning January 1, 2010 and continuing through  
7 December 31, 2024, materials, parts, equipment, components,  
8 and furnishings incorporated into or upon an aircraft as part  
9 of the modification, refurbishment, completion, replacement,  
10 repair, or maintenance of the aircraft. This exemption  
11 includes consumable supplies used in the modification,  
12 refurbishment, completion, replacement, repair, and  
13 maintenance of aircraft, ~~but excludes any materials, parts,~~  
14 ~~equipment, components, and consumable supplies used in the~~  
15 ~~modification, replacement, repair, and maintenance of aircraft~~  
16 ~~engines or power plants, whether such engines or power plants~~  
17 ~~are installed or uninstalled upon any such aircraft.~~

18 "Consumable supplies" include, but are not limited to,  
19 adhesive, tape, sandpaper, general purpose lubricants,  
20 cleaning solution, latex gloves, and protective films. This  
21 exemption applies only to the use of qualifying tangible  
22 personal property by: (A) persons who modify, refurbish,  
23 complete, repair, replace, or maintain aircraft and who (i)  
24 hold an Air Agency Certificate and are empowered to operate an  
25 approved repair station by the Federal Aviation  
26 Administration, (ii) have a Class IV Rating, and (iii) conduct

1 operations in accordance with Part 145 of the Federal Aviation  
2 Regulations; and (B) persons who engage in the modification,  
3 replacement, repair, and maintenance of aircraft engines or  
4 power plants without regard to whether or not those persons  
5 meet the qualifications of item (A). The exemption does not  
6 include aircraft operated by a commercial air carrier  
7 providing scheduled passenger air service pursuant to  
8 authority issued under Part 121 or Part 129 of the Federal  
9 Aviation Regulations. The changes made to this paragraph (35)  
10 by Public Act 98-534 are declarative of existing law. It is the  
11 intent of the General Assembly that the exemption under this  
12 paragraph (35) applies continuously from January 1, 2010  
13 through December 31, 2024; however, no claim for credit or  
14 refund is allowed for taxes paid as a result of the  
15 disallowance of this exemption on or after January 1, 2015 and  
16 prior to February 5, 2020 (the effective date of Public Act  
17 101-629) ~~this amendatory Act of the 101st General Assembly.~~

18 (36) Tangible personal property purchased by a  
19 public-facilities corporation, as described in Section  
20 11-65-10 of the Illinois Municipal Code, for purposes of  
21 constructing or furnishing a municipal convention hall, but  
22 only if the legal title to the municipal convention hall is  
23 transferred to the municipality without any further  
24 consideration by or on behalf of the municipality at the time  
25 of the completion of the municipal convention hall or upon the  
26 retirement or redemption of any bonds or other debt

1 instruments issued by the public-facilities corporation in  
2 connection with the development of the municipal convention  
3 hall. This exemption includes existing public-facilities  
4 corporations as provided in Section 11-65-25 of the Illinois  
5 Municipal Code. This paragraph is exempt from the provisions  
6 of Section 3-90.

7 (37) Beginning January 1, 2017 and through December 31,  
8 2026, menstrual pads, tampons, and menstrual cups.

9 (38) Merchandise that is subject to the Rental Purchase  
10 Agreement Occupation and Use Tax. The purchaser must certify  
11 that the item is purchased to be rented subject to a rental  
12 purchase agreement, as defined in the Rental Purchase  
13 Agreement Act, and provide proof of registration under the  
14 Rental Purchase Agreement Occupation and Use Tax Act. This  
15 paragraph is exempt from the provisions of Section 3-90.

16 (39) Tangible personal property purchased by a purchaser  
17 who is exempt from the tax imposed by this Act by operation of  
18 federal law. This paragraph is exempt from the provisions of  
19 Section 3-90.

20 (40) Qualified tangible personal property used in the  
21 construction or operation of a data center that has been  
22 granted a certificate of exemption by the Department of  
23 Commerce and Economic Opportunity, whether that tangible  
24 personal property is purchased by the owner, operator, or  
25 tenant of the data center or by a contractor or subcontractor  
26 of the owner, operator, or tenant. Data centers that would

1 have qualified for a certificate of exemption prior to January  
2 1, 2020 had Public Act 101-31 been in effect may apply for and  
3 obtain an exemption for subsequent purchases of computer  
4 equipment or enabling software purchased or leased to upgrade,  
5 supplement, or replace computer equipment or enabling software  
6 purchased or leased in the original investment that would have  
7 qualified.

8 The Department of Commerce and Economic Opportunity shall  
9 grant a certificate of exemption under this item (40) to  
10 qualified data centers as defined by Section 605-1025 of the  
11 Department of Commerce and Economic Opportunity Law of the  
12 Civil Administrative Code of Illinois.

13 For the purposes of this item (40):

14 "Data center" means a building or a series of  
15 buildings rehabilitated or constructed to house working  
16 servers in one physical location or multiple sites within  
17 the State of Illinois.

18 "Qualified tangible personal property" means:  
19 electrical systems and equipment; climate control and  
20 chilling equipment and systems; mechanical systems and  
21 equipment; monitoring and secure systems; emergency  
22 generators; hardware; computers; servers; data storage  
23 devices; network connectivity equipment; racks; cabinets;  
24 telecommunications cabling infrastructure; raised floor  
25 systems; peripheral components or systems; software;  
26 mechanical, electrical, or plumbing systems; battery

1 systems; cooling systems and towers; temperature control  
2 systems; other cabling; and other data center  
3 infrastructure equipment and systems necessary to operate  
4 qualified tangible personal property, including fixtures;  
5 and component parts of any of the foregoing, including  
6 installation, maintenance, repair, refurbishment, and  
7 replacement of qualified tangible personal property to  
8 generate, transform, transmit, distribute, or manage  
9 electricity necessary to operate qualified tangible  
10 personal property; and all other tangible personal  
11 property that is essential to the operations of a computer  
12 data center. The term "qualified tangible personal  
13 property" also includes building materials physically  
14 incorporated in to the qualifying data center. To document  
15 the exemption allowed under this Section, the retailer  
16 must obtain from the purchaser a copy of the certificate  
17 of eligibility issued by the Department of Commerce and  
18 Economic Opportunity.

19 This item (40) is exempt from the provisions of Section  
20 3-90.

21 (41) Beginning July 1, 2022, breast pumps, breast pump  
22 collection and storage supplies, and breast pump kits. This  
23 item (41) is exempt from the provisions of Section 3-90. As  
24 used in this item (41):

25 "Breast pump" means an electrically controlled or  
26 manually controlled pump device designed or marketed to be

1 used to express milk from a human breast during lactation,  
2 including the pump device and any battery, AC adapter, or  
3 other power supply unit that is used to power the pump  
4 device and is packaged and sold with the pump device at the  
5 time of sale.

6 "Breast pump collection and storage supplies" means  
7 items of tangible personal property designed or marketed  
8 to be used in conjunction with a breast pump to collect  
9 milk expressed from a human breast and to store collected  
10 milk until it is ready for consumption.

11 "Breast pump collection and storage supplies"  
12 includes, but is not limited to: breast shields and breast  
13 shield connectors; breast pump tubes and tubing adapters;  
14 breast pump valves and membranes; backflow protectors and  
15 backflow protector adaptors; bottles and bottle caps  
16 specific to the operation of the breast pump; and breast  
17 milk storage bags.

18 "Breast pump collection and storage supplies" does not  
19 include: (1) bottles and bottle caps not specific to the  
20 operation of the breast pump; (2) breast pump travel bags  
21 and other similar carrying accessories, including ice  
22 packs, labels, and other similar products; (3) breast pump  
23 cleaning supplies; (4) nursing bras, bra pads, breast  
24 shells, and other similar products; and (5) creams,  
25 ointments, and other similar products that relieve  
26 breastfeeding-related symptoms or conditions of the

1           breasts or nipples, unless sold as part of a breast pump  
2           kit that is pre-packaged by the breast pump manufacturer  
3           or distributor.

4           "Breast pump kit" means a kit that: (1) contains no  
5           more than a breast pump, breast pump collection and  
6           storage supplies, a rechargeable battery for operating the  
7           breast pump, a breastmilk cooler, bottle stands, ice  
8           packs, and a breast pump carrying case; and (2) is  
9           pre-packaged as a breast pump kit by the breast pump  
10          manufacturer or distributor.

11          (42) ~~(41)~~ Tangible personal property sold by or on behalf  
12          of the State Treasurer pursuant to the Revised Uniform  
13          Unclaimed Property Act. This item (42) ~~(41)~~ is exempt from the  
14          provisions of Section 3-90.

15          (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;  
16          101-81, eff. 7-12-19; 101-629, eff. 2-5-20; 102-16, eff.  
17          6-17-21; 102-700, Article 70, Section 70-5, eff. 4-19-22;  
18          102-700, Article 75, Section 75-5, eff. 4-19-22; 102-1026,  
19          eff. 5-27-22; revised 8-1-22.)

20          Section 10. The Service Use Tax Act is amended by changing  
21          Section 3-5 as follows:

22                 (35 ILCS 110/3-5)

23          Sec. 3-5. Exemptions. Use of the following tangible  
24          personal property is exempt from the tax imposed by this Act:

1           (1) Personal property purchased from a corporation,  
2 society, association, foundation, institution, or  
3 organization, other than a limited liability company, that is  
4 organized and operated as a not-for-profit service enterprise  
5 for the benefit of persons 65 years of age or older if the  
6 personal property was not purchased by the enterprise for the  
7 purpose of resale by the enterprise.

8           (2) Personal property purchased by a non-profit Illinois  
9 county fair association for use in conducting, operating, or  
10 promoting the county fair.

11           (3) Personal property purchased by a not-for-profit arts  
12 or cultural organization that establishes, by proof required  
13 by the Department by rule, that it has received an exemption  
14 under Section 501(c)(3) of the Internal Revenue Code and that  
15 is organized and operated primarily for the presentation or  
16 support of arts or cultural programming, activities, or  
17 services. These organizations include, but are not limited to,  
18 music and dramatic arts organizations such as symphony  
19 orchestras and theatrical groups, arts and cultural service  
20 organizations, local arts councils, visual arts organizations,  
21 and media arts organizations. On and after July 1, 2001 (the  
22 effective date of Public Act 92-35), however, an entity  
23 otherwise eligible for this exemption shall not make tax-free  
24 purchases unless it has an active identification number issued  
25 by the Department.

26           (4) Legal tender, currency, medallions, or gold or silver



1 coinage issued by the State of Illinois, the government of the  
2 United States of America, or the government of any foreign  
3 country, and bullion.

4 (5) Until July 1, 2003 and beginning again on September 1,  
5 2004 through August 30, 2014, graphic arts machinery and  
6 equipment, including repair and replacement parts, both new  
7 and used, and including that manufactured on special order or  
8 purchased for lease, certified by the purchaser to be used  
9 primarily for graphic arts production. Equipment includes  
10 chemicals or chemicals acting as catalysts but only if the  
11 chemicals or chemicals acting as catalysts effect a direct and  
12 immediate change upon a graphic arts product. Beginning on  
13 July 1, 2017, graphic arts machinery and equipment is included  
14 in the manufacturing and assembling machinery and equipment  
15 exemption under Section 2 of this Act.

16 (6) Personal property purchased from a teacher-sponsored  
17 student organization affiliated with an elementary or  
18 secondary school located in Illinois.

19 (7) Farm machinery and equipment, both new and used,  
20 including that manufactured on special order, certified by the  
21 purchaser to be used primarily for production agriculture or  
22 State or federal agricultural programs, including individual  
23 replacement parts for the machinery and equipment, including  
24 machinery and equipment purchased for lease, and including  
25 implements of husbandry defined in Section 1-130 of the  
26 Illinois Vehicle Code, farm machinery and agricultural

1 chemical and fertilizer spreaders, and nurse wagons required  
2 to be registered under Section 3-809 of the Illinois Vehicle  
3 Code, but excluding other motor vehicles required to be  
4 registered under the Illinois Vehicle Code. Horticultural  
5 polyhouses or hoop houses used for propagating, growing, or  
6 overwintering plants shall be considered farm machinery and  
7 equipment under this item (7). Agricultural chemical tender  
8 tanks and dry boxes shall include units sold separately from a  
9 motor vehicle required to be licensed and units sold mounted  
10 on a motor vehicle required to be licensed if the selling price  
11 of the tender is separately stated.

12 Farm machinery and equipment shall include precision  
13 farming equipment that is installed or purchased to be  
14 installed on farm machinery and equipment including, but not  
15 limited to, tractors, harvesters, sprayers, planters, seeders,  
16 or spreaders. Precision farming equipment includes, but is not  
17 limited to, soil testing sensors, computers, monitors,  
18 software, global positioning and mapping systems, and other  
19 such equipment.

20 Farm machinery and equipment also includes computers,  
21 sensors, software, and related equipment used primarily in the  
22 computer-assisted operation of production agriculture  
23 facilities, equipment, and activities such as, but not limited  
24 to, the collection, monitoring, and correlation of animal and  
25 crop data for the purpose of formulating animal diets and  
26 agricultural chemicals. This item (7) is exempt from the

1 provisions of Section 3-75.

2 (8) Until June 30, 2013, fuel and petroleum products sold  
3 to or used by an air common carrier, certified by the carrier  
4 to be used for consumption, shipment, or storage in the  
5 conduct of its business as an air common carrier, for a flight  
6 destined for or returning from a location or locations outside  
7 the United States without regard to previous or subsequent  
8 domestic stopovers.

9 Beginning July 1, 2013, fuel and petroleum products sold  
10 to or used by an air carrier, certified by the carrier to be  
11 used for consumption, shipment, or storage in the conduct of  
12 its business as an air common carrier, for a flight that (i) is  
13 engaged in foreign trade or is engaged in trade between the  
14 United States and any of its possessions and (ii) transports  
15 at least one individual or package for hire from the city of  
16 origination to the city of final destination on the same  
17 aircraft, without regard to a change in the flight number of  
18 that aircraft.

19 (9) Proceeds of mandatory service charges separately  
20 stated on customers' bills for the purchase and consumption of  
21 food and beverages acquired as an incident to the purchase of a  
22 service from a serviceman, to the extent that the proceeds of  
23 the service charge are in fact turned over as tips or as a  
24 substitute for tips to the employees who participate directly  
25 in preparing, serving, hosting or cleaning up the food or  
26 beverage function with respect to which the service charge is

1 imposed.

2 (10) Until July 1, 2003, oil field exploration, drilling,  
3 and production equipment, including (i) rigs and parts of  
4 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)  
5 pipe and tubular goods, including casing and drill strings,  
6 (iii) pumps and pump-jack units, (iv) storage tanks and flow  
7 lines, (v) any individual replacement part for oil field  
8 exploration, drilling, and production equipment, and (vi)  
9 machinery and equipment purchased for lease; but excluding  
10 motor vehicles required to be registered under the Illinois  
11 Vehicle Code.

12 (11) Proceeds from the sale of photoprocessing machinery  
13 and equipment, including repair and replacement parts, both  
14 new and used, including that manufactured on special order,  
15 certified by the purchaser to be used primarily for  
16 photoprocessing, and including photoprocessing machinery and  
17 equipment purchased for lease.

18 (12) Until July 1, 2028, coal and aggregate exploration,  
19 mining, off-highway hauling, processing, maintenance, and  
20 reclamation equipment, including replacement parts and  
21 equipment, and including equipment purchased for lease, but  
22 excluding motor vehicles required to be registered under the  
23 Illinois Vehicle Code. The changes made to this Section by  
24 Public Act 97-767 apply on and after July 1, 2003, but no claim  
25 for credit or refund is allowed on or after August 16, 2013  
26 (the effective date of Public Act 98-456) for such taxes paid

1 during the period beginning July 1, 2003 and ending on August  
2 16, 2013 (the effective date of Public Act 98-456).

3 (13) Semen used for artificial insemination of livestock  
4 for direct agricultural production.

5 (14) Horses, or interests in horses, registered with and  
6 meeting the requirements of any of the Arabian Horse Club  
7 Registry of America, Appaloosa Horse Club, American Quarter  
8 Horse Association, United States Trotting Association, or  
9 Jockey Club, as appropriate, used for purposes of breeding or  
10 racing for prizes. This item (14) is exempt from the  
11 provisions of Section 3-75, and the exemption provided for  
12 under this item (14) applies for all periods beginning May 30,  
13 1995, but no claim for credit or refund is allowed on or after  
14 January 1, 2008 (the effective date of Public Act 95-88) for  
15 such taxes paid during the period beginning May 30, 2000 and  
16 ending on January 1, 2008 (the effective date of Public Act  
17 95-88).

18 (15) Computers and communications equipment utilized for  
19 any hospital purpose and equipment used in the diagnosis,  
20 analysis, or treatment of hospital patients purchased by a  
21 lessor who leases the equipment, under a lease of one year or  
22 longer executed or in effect at the time the lessor would  
23 otherwise be subject to the tax imposed by this Act, to a  
24 hospital that has been issued an active tax exemption  
25 identification number by the Department under Section 1g of  
26 the Retailers' Occupation Tax Act. If the equipment is leased

1 in a manner that does not qualify for this exemption or is used  
2 in any other non-exempt manner, the lessor shall be liable for  
3 the tax imposed under this Act or the Use Tax Act, as the case  
4 may be, based on the fair market value of the property at the  
5 time the non-qualifying use occurs. No lessor shall collect or  
6 attempt to collect an amount (however designated) that  
7 purports to reimburse that lessor for the tax imposed by this  
8 Act or the Use Tax Act, as the case may be, if the tax has not  
9 been paid by the lessor. If a lessor improperly collects any  
10 such amount from the lessee, the lessee shall have a legal  
11 right to claim a refund of that amount from the lessor. If,  
12 however, that amount is not refunded to the lessee for any  
13 reason, the lessor is liable to pay that amount to the  
14 Department.

15 (16) Personal property purchased by a lessor who leases  
16 the property, under a lease of one year or longer executed or  
17 in effect at the time the lessor would otherwise be subject to  
18 the tax imposed by this Act, to a governmental body that has  
19 been issued an active tax exemption identification number by  
20 the Department under Section 1g of the Retailers' Occupation  
21 Tax Act. If the property is leased in a manner that does not  
22 qualify for this exemption or is used in any other non-exempt  
23 manner, the lessor shall be liable for the tax imposed under  
24 this Act or the Use Tax Act, as the case may be, based on the  
25 fair market value of the property at the time the  
26 non-qualifying use occurs. No lessor shall collect or attempt

1 to collect an amount (however designated) that purports to  
2 reimburse that lessor for the tax imposed by this Act or the  
3 Use Tax Act, as the case may be, if the tax has not been paid  
4 by the lessor. If a lessor improperly collects any such amount  
5 from the lessee, the lessee shall have a legal right to claim a  
6 refund of that amount from the lessor. If, however, that  
7 amount is not refunded to the lessee for any reason, the lessor  
8 is liable to pay that amount to the Department.

9 (17) Beginning with taxable years ending on or after  
10 December 31, 1995 and ending with taxable years ending on or  
11 before December 31, 2004, personal property that is donated  
12 for disaster relief to be used in a State or federally declared  
13 disaster area in Illinois or bordering Illinois by a  
14 manufacturer or retailer that is registered in this State to a  
15 corporation, society, association, foundation, or institution  
16 that has been issued a sales tax exemption identification  
17 number by the Department that assists victims of the disaster  
18 who reside within the declared disaster area.

19 (18) Beginning with taxable years ending on or after  
20 December 31, 1995 and ending with taxable years ending on or  
21 before December 31, 2004, personal property that is used in  
22 the performance of infrastructure repairs in this State,  
23 including but not limited to municipal roads and streets,  
24 access roads, bridges, sidewalks, waste disposal systems,  
25 water and sewer line extensions, water distribution and  
26 purification facilities, storm water drainage and retention

1 facilities, and sewage treatment facilities, resulting from a  
2 State or federally declared disaster in Illinois or bordering  
3 Illinois when such repairs are initiated on facilities located  
4 in the declared disaster area within 6 months after the  
5 disaster.

6 (19) Beginning July 1, 1999, game or game birds purchased  
7 at a "game breeding and hunting preserve area" as that term is  
8 used in the Wildlife Code. This paragraph is exempt from the  
9 provisions of Section 3-75.

10 (20) A motor vehicle, as that term is defined in Section  
11 1-146 of the Illinois Vehicle Code, that is donated to a  
12 corporation, limited liability company, society, association,  
13 foundation, or institution that is determined by the  
14 Department to be organized and operated exclusively for  
15 educational purposes. For purposes of this exemption, "a  
16 corporation, limited liability company, society, association,  
17 foundation, or institution organized and operated exclusively  
18 for educational purposes" means all tax-supported public  
19 schools, private schools that offer systematic instruction in  
20 useful branches of learning by methods common to public  
21 schools and that compare favorably in their scope and  
22 intensity with the course of study presented in tax-supported  
23 schools, and vocational or technical schools or institutes  
24 organized and operated exclusively to provide a course of  
25 study of not less than 6 weeks duration and designed to prepare  
26 individuals to follow a trade or to pursue a manual,



1 technical, mechanical, industrial, business, or commercial  
2 occupation.

3 (21) Beginning January 1, 2000, personal property,  
4 including food, purchased through fundraising events for the  
5 benefit of a public or private elementary or secondary school,  
6 a group of those schools, or one or more school districts if  
7 the events are sponsored by an entity recognized by the school  
8 district that consists primarily of volunteers and includes  
9 parents and teachers of the school children. This paragraph  
10 does not apply to fundraising events (i) for the benefit of  
11 private home instruction or (ii) for which the fundraising  
12 entity purchases the personal property sold at the events from  
13 another individual or entity that sold the property for the  
14 purpose of resale by the fundraising entity and that profits  
15 from the sale to the fundraising entity. This paragraph is  
16 exempt from the provisions of Section 3-75.

17 (22) Beginning January 1, 2000 and through December 31,  
18 2001, new or used automatic vending machines that prepare and  
19 serve hot food and beverages, including coffee, soup, and  
20 other items, and replacement parts for these machines.  
21 Beginning January 1, 2002 and through June 30, 2003, machines  
22 and parts for machines used in commercial, coin-operated  
23 amusement and vending business if a use or occupation tax is  
24 paid on the gross receipts derived from the use of the  
25 commercial, coin-operated amusement and vending machines. This  
26 paragraph is exempt from the provisions of Section 3-75.

1           (23) Beginning August 23, 2001 and through June 30, 2016,  
2 food for human consumption that is to be consumed off the  
3 premises where it is sold (other than alcoholic beverages,  
4 soft drinks, and food that has been prepared for immediate  
5 consumption) and prescription and nonprescription medicines,  
6 drugs, medical appliances, and insulin, urine testing  
7 materials, syringes, and needles used by diabetics, for human  
8 use, when purchased for use by a person receiving medical  
9 assistance under Article V of the Illinois Public Aid Code who  
10 resides in a licensed long-term care facility, as defined in  
11 the Nursing Home Care Act, or in a licensed facility as defined  
12 in the ID/DD Community Care Act, the MC/DD Act, or the  
13 Specialized Mental Health Rehabilitation Act of 2013.

14           (24) Beginning on August 2, 2001 (the effective date of  
15 Public Act 92-227), computers and communications equipment  
16 utilized for any hospital purpose and equipment used in the  
17 diagnosis, analysis, or treatment of hospital patients  
18 purchased by a lessor who leases the equipment, under a lease  
19 of one year or longer executed or in effect at the time the  
20 lessor would otherwise be subject to the tax imposed by this  
21 Act, to a hospital that has been issued an active tax exemption  
22 identification number by the Department under Section 1g of  
23 the Retailers' Occupation Tax Act. If the equipment is leased  
24 in a manner that does not qualify for this exemption or is used  
25 in any other nonexempt manner, the lessor shall be liable for  
26 the tax imposed under this Act or the Use Tax Act, as the case

1 may be, based on the fair market value of the property at the  
2 time the nonqualifying use occurs. No lessor shall collect or  
3 attempt to collect an amount (however designated) that  
4 purports to reimburse that lessor for the tax imposed by this  
5 Act or the Use Tax Act, as the case may be, if the tax has not  
6 been paid by the lessor. If a lessor improperly collects any  
7 such amount from the lessee, the lessee shall have a legal  
8 right to claim a refund of that amount from the lessor. If,  
9 however, that amount is not refunded to the lessee for any  
10 reason, the lessor is liable to pay that amount to the  
11 Department. This paragraph is exempt from the provisions of  
12 Section 3-75.

13 (25) Beginning on August 2, 2001 (the effective date of  
14 Public Act 92-227), personal property purchased by a lessor  
15 who leases the property, under a lease of one year or longer  
16 executed or in effect at the time the lessor would otherwise be  
17 subject to the tax imposed by this Act, to a governmental body  
18 that has been issued an active tax exemption identification  
19 number by the Department under Section 1g of the Retailers'  
20 Occupation Tax Act. If the property is leased in a manner that  
21 does not qualify for this exemption or is used in any other  
22 nonexempt manner, the lessor shall be liable for the tax  
23 imposed under this Act or the Use Tax Act, as the case may be,  
24 based on the fair market value of the property at the time the  
25 nonqualifying use occurs. No lessor shall collect or attempt  
26 to collect an amount (however designated) that purports to

1 reimburse that lessor for the tax imposed by this Act or the  
2 Use Tax Act, as the case may be, if the tax has not been paid  
3 by the lessor. If a lessor improperly collects any such amount  
4 from the lessee, the lessee shall have a legal right to claim a  
5 refund of that amount from the lessor. If, however, that  
6 amount is not refunded to the lessee for any reason, the lessor  
7 is liable to pay that amount to the Department. This paragraph  
8 is exempt from the provisions of Section 3-75.

9 (26) Beginning January 1, 2008, tangible personal property  
10 used in the construction or maintenance of a community water  
11 supply, as defined under Section 3.145 of the Environmental  
12 Protection Act, that is operated by a not-for-profit  
13 corporation that holds a valid water supply permit issued  
14 under Title IV of the Environmental Protection Act. This  
15 paragraph is exempt from the provisions of Section 3-75.

16 (27) Beginning January 1, 2010 and continuing through  
17 December 31, 2024, materials, parts, equipment, components,  
18 and furnishings incorporated into or upon an aircraft as part  
19 of the modification, refurbishment, completion, replacement,  
20 repair, or maintenance of the aircraft. This exemption  
21 includes consumable supplies used in the modification,  
22 refurbishment, completion, replacement, repair, and  
23 maintenance of aircraft, ~~but excludes any materials, parts,~~  
24 ~~equipment, components, and consumable supplies used in the~~  
25 ~~modification, replacement, repair, and maintenance of aircraft~~  
26 ~~engines or power plants, whether such engines or power plants~~

1 ~~are installed or uninstalled upon any such aircraft.~~  
2 "Consumable supplies" include, but are not limited to,  
3 adhesive, tape, sandpaper, general purpose lubricants,  
4 cleaning solution, latex gloves, and protective films. This  
5 exemption applies only to the use of qualifying tangible  
6 personal property transferred incident to the modification,  
7 refurbishment, completion, replacement, repair, or maintenance  
8 of aircraft by: (A) persons who (i) hold an Air Agency  
9 Certificate and are empowered to operate an approved repair  
10 station by the Federal Aviation Administration, (ii) have a  
11 Class IV Rating, and (iii) conduct operations in accordance  
12 with Part 145 of the Federal Aviation Regulations; and (B)  
13 persons who engage in the modification, replacement, repair,  
14 and maintenance of aircraft engines or power plants without  
15 regard to whether or not those persons meet the qualifications  
16 of item (A). The exemption does not include aircraft operated  
17 by a commercial air carrier providing scheduled passenger air  
18 service pursuant to authority issued under Part 121 or Part  
19 129 of the Federal Aviation Regulations. The changes made to  
20 this paragraph (27) by Public Act 98-534 are declarative of  
21 existing law. It is the intent of the General Assembly that the  
22 exemption under this paragraph (27) applies continuously from  
23 January 1, 2010 through December 31, 2024; however, no claim  
24 for credit or refund is allowed for taxes paid as a result of  
25 the disallowance of this exemption on or after January 1, 2015  
26 and prior to February 5, 2020 (the effective date of Public Act

1 ~~101-629) this amendatory Act of the 101st General Assembly.~~

2 (28) Tangible personal property purchased by a  
3 public-facilities corporation, as described in Section  
4 11-65-10 of the Illinois Municipal Code, for purposes of  
5 constructing or furnishing a municipal convention hall, but  
6 only if the legal title to the municipal convention hall is  
7 transferred to the municipality without any further  
8 consideration by or on behalf of the municipality at the time  
9 of the completion of the municipal convention hall or upon the  
10 retirement or redemption of any bonds or other debt  
11 instruments issued by the public-facilities corporation in  
12 connection with the development of the municipal convention  
13 hall. This exemption includes existing public-facilities  
14 corporations as provided in Section 11-65-25 of the Illinois  
15 Municipal Code. This paragraph is exempt from the provisions  
16 of Section 3-75.

17 (29) Beginning January 1, 2017 and through December 31,  
18 2026, menstrual pads, tampons, and menstrual cups.

19 (30) Tangible personal property transferred to a purchaser  
20 who is exempt from the tax imposed by this Act by operation of  
21 federal law. This paragraph is exempt from the provisions of  
22 Section 3-75.

23 (31) Qualified tangible personal property used in the  
24 construction or operation of a data center that has been  
25 granted a certificate of exemption by the Department of  
26 Commerce and Economic Opportunity, whether that tangible

1 personal property is purchased by the owner, operator, or  
2 tenant of the data center or by a contractor or subcontractor  
3 of the owner, operator, or tenant. Data centers that would  
4 have qualified for a certificate of exemption prior to January  
5 1, 2020 had Public Act 101-31 ~~this amendatory Act of the 101st~~  
6 ~~General Assembly~~ been in effect, may apply for and obtain an  
7 exemption for subsequent purchases of computer equipment or  
8 enabling software purchased or leased to upgrade, supplement,  
9 or replace computer equipment or enabling software purchased  
10 or leased in the original investment that would have  
11 qualified.

12 The Department of Commerce and Economic Opportunity shall  
13 grant a certificate of exemption under this item (31) to  
14 qualified data centers as defined by Section 605-1025 of the  
15 Department of Commerce and Economic Opportunity Law of the  
16 Civil Administrative Code of Illinois.

17 For the purposes of this item (31):

18 "Data center" means a building or a series of  
19 buildings rehabilitated or constructed to house working  
20 servers in one physical location or multiple sites within  
21 the State of Illinois.

22 "Qualified tangible personal property" means:  
23 electrical systems and equipment; climate control and  
24 chilling equipment and systems; mechanical systems and  
25 equipment; monitoring and secure systems; emergency  
26 generators; hardware; computers; servers; data storage

1 devices; network connectivity equipment; racks; cabinets;  
2 telecommunications cabling infrastructure; raised floor  
3 systems; peripheral components or systems; software;  
4 mechanical, electrical, or plumbing systems; battery  
5 systems; cooling systems and towers; temperature control  
6 systems; other cabling; and other data center  
7 infrastructure equipment and systems necessary to operate  
8 qualified tangible personal property, including fixtures;  
9 and component parts of any of the foregoing, including  
10 installation, maintenance, repair, refurbishment, and  
11 replacement of qualified tangible personal property to  
12 generate, transform, transmit, distribute, or manage  
13 electricity necessary to operate qualified tangible  
14 personal property; and all other tangible personal  
15 property that is essential to the operations of a computer  
16 data center. The term "qualified tangible personal  
17 property" also includes building materials physically  
18 incorporated in to the qualifying data center. To document  
19 the exemption allowed under this Section, the retailer  
20 must obtain from the purchaser a copy of the certificate  
21 of eligibility issued by the Department of Commerce and  
22 Economic Opportunity.

23 This item (31) is exempt from the provisions of Section  
24 3-75.

25 (32) Beginning July 1, 2022, breast pumps, breast pump  
26 collection and storage supplies, and breast pump kits. This



1 item (32) is exempt from the provisions of Section 3-75. As  
2 used in this item (32):

3 "Breast pump" means an electrically controlled or  
4 manually controlled pump device designed or marketed to be  
5 used to express milk from a human breast during lactation,  
6 including the pump device and any battery, AC adapter, or  
7 other power supply unit that is used to power the pump  
8 device and is packaged and sold with the pump device at the  
9 time of sale.

10 "Breast pump collection and storage supplies" means  
11 items of tangible personal property designed or marketed  
12 to be used in conjunction with a breast pump to collect  
13 milk expressed from a human breast and to store collected  
14 milk until it is ready for consumption.

15 "Breast pump collection and storage supplies"  
16 includes, but is not limited to: breast shields and breast  
17 shield connectors; breast pump tubes and tubing adapters;  
18 breast pump valves and membranes; backflow protectors and  
19 backflow protector adaptors; bottles and bottle caps  
20 specific to the operation of the breast pump; and breast  
21 milk storage bags.

22 "Breast pump collection and storage supplies" does not  
23 include: (1) bottles and bottle caps not specific to the  
24 operation of the breast pump; (2) breast pump travel bags  
25 and other similar carrying accessories, including ice  
26 packs, labels, and other similar products; (3) breast pump

1 cleaning supplies; (4) nursing bras, bra pads, breast  
2 shells, and other similar products; and (5) creams,  
3 ointments, and other similar products that relieve  
4 breastfeeding-related symptoms or conditions of the  
5 breasts or nipples, unless sold as part of a breast pump  
6 kit that is pre-packaged by the breast pump manufacturer  
7 or distributor.

8 "Breast pump kit" means a kit that: (1) contains no  
9 more than a breast pump, breast pump collection and  
10 storage supplies, a rechargeable battery for operating the  
11 breast pump, a breastmilk cooler, bottle stands, ice  
12 packs, and a breast pump carrying case; and (2) is  
13 pre-packaged as a breast pump kit by the breast pump  
14 manufacturer or distributor.

15 (33) ~~(32)~~ Tangible personal property sold by or on behalf  
16 of the State Treasurer pursuant to the Revised Uniform  
17 Unclaimed Property Act. This item (33) ~~(32)~~ is exempt from the  
18 provisions of Section 3-75.

19 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
20 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article  
21 70, Section 70-10, eff. 4-19-22; 102-700, Article 75, Section  
22 75-10, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-3-22.)

23 Section 15. The Service Occupation Tax Act is amended by  
24 changing Section 3-5 as follows:

1 (35 ILCS 115/3-5)

2 Sec. 3-5. Exemptions. The following tangible personal  
3 property is exempt from the tax imposed by this Act:

4 (1) Personal property sold by a corporation, society,  
5 association, foundation, institution, or organization, other  
6 than a limited liability company, that is organized and  
7 operated as a not-for-profit service enterprise for the  
8 benefit of persons 65 years of age or older if the personal  
9 property was not purchased by the enterprise for the purpose  
10 of resale by the enterprise.

11 (2) Personal property purchased by a not-for-profit  
12 Illinois county fair association for use in conducting,  
13 operating, or promoting the county fair.

14 (3) Personal property purchased by any not-for-profit arts  
15 or cultural organization that establishes, by proof required  
16 by the Department by rule, that it has received an exemption  
17 under Section 501(c)(3) of the Internal Revenue Code and that  
18 is organized and operated primarily for the presentation or  
19 support of arts or cultural programming, activities, or  
20 services. These organizations include, but are not limited to,  
21 music and dramatic arts organizations such as symphony  
22 orchestras and theatrical groups, arts and cultural service  
23 organizations, local arts councils, visual arts organizations,  
24 and media arts organizations. On and after July 1, 2001 (the  
25 effective date of Public Act 92-35), however, an entity  
26 otherwise eligible for this exemption shall not make tax-free

1 purchases unless it has an active identification number issued  
2 by the Department.

3 (4) Legal tender, currency, medallions, or gold or silver  
4 coinage issued by the State of Illinois, the government of the  
5 United States of America, or the government of any foreign  
6 country, and bullion.

7 (5) Until July 1, 2003 and beginning again on September 1,  
8 2004 through August 30, 2014, graphic arts machinery and  
9 equipment, including repair and replacement parts, both new  
10 and used, and including that manufactured on special order or  
11 purchased for lease, certified by the purchaser to be used  
12 primarily for graphic arts production. Equipment includes  
13 chemicals or chemicals acting as catalysts but only if the  
14 chemicals or chemicals acting as catalysts effect a direct and  
15 immediate change upon a graphic arts product. Beginning on  
16 July 1, 2017, graphic arts machinery and equipment is included  
17 in the manufacturing and assembling machinery and equipment  
18 exemption under Section 2 of this Act.

19 (6) Personal property sold by a teacher-sponsored student  
20 organization affiliated with an elementary or secondary school  
21 located in Illinois.

22 (7) Farm machinery and equipment, both new and used,  
23 including that manufactured on special order, certified by the  
24 purchaser to be used primarily for production agriculture or  
25 State or federal agricultural programs, including individual  
26 replacement parts for the machinery and equipment, including

1 machinery and equipment purchased for lease, and including  
2 implements of husbandry defined in Section 1-130 of the  
3 Illinois Vehicle Code, farm machinery and agricultural  
4 chemical and fertilizer spreaders, and nurse wagons required  
5 to be registered under Section 3-809 of the Illinois Vehicle  
6 Code, but excluding other motor vehicles required to be  
7 registered under the Illinois Vehicle Code. Horticultural  
8 polyhouses or hoop houses used for propagating, growing, or  
9 overwintering plants shall be considered farm machinery and  
10 equipment under this item (7). Agricultural chemical tender  
11 tanks and dry boxes shall include units sold separately from a  
12 motor vehicle required to be licensed and units sold mounted  
13 on a motor vehicle required to be licensed if the selling price  
14 of the tender is separately stated.

15 Farm machinery and equipment shall include precision  
16 farming equipment that is installed or purchased to be  
17 installed on farm machinery and equipment including, but not  
18 limited to, tractors, harvesters, sprayers, planters, seeders,  
19 or spreaders. Precision farming equipment includes, but is not  
20 limited to, soil testing sensors, computers, monitors,  
21 software, global positioning and mapping systems, and other  
22 such equipment.

23 Farm machinery and equipment also includes computers,  
24 sensors, software, and related equipment used primarily in the  
25 computer-assisted operation of production agriculture  
26 facilities, equipment, and activities such as, but not limited

1 to, the collection, monitoring, and correlation of animal and  
2 crop data for the purpose of formulating animal diets and  
3 agricultural chemicals. This item (7) is exempt from the  
4 provisions of Section 3-55.

5 (8) Until June 30, 2013, fuel and petroleum products sold  
6 to or used by an air common carrier, certified by the carrier  
7 to be used for consumption, shipment, or storage in the  
8 conduct of its business as an air common carrier, for a flight  
9 destined for or returning from a location or locations outside  
10 the United States without regard to previous or subsequent  
11 domestic stopovers.

12 Beginning July 1, 2013, fuel and petroleum products sold  
13 to or used by an air carrier, certified by the carrier to be  
14 used for consumption, shipment, or storage in the conduct of  
15 its business as an air common carrier, for a flight that (i) is  
16 engaged in foreign trade or is engaged in trade between the  
17 United States and any of its possessions and (ii) transports  
18 at least one individual or package for hire from the city of  
19 origination to the city of final destination on the same  
20 aircraft, without regard to a change in the flight number of  
21 that aircraft.

22 (9) Proceeds of mandatory service charges separately  
23 stated on customers' bills for the purchase and consumption of  
24 food and beverages, to the extent that the proceeds of the  
25 service charge are in fact turned over as tips or as a  
26 substitute for tips to the employees who participate directly

1 in preparing, serving, hosting or cleaning up the food or  
2 beverage function with respect to which the service charge is  
3 imposed.

4 (10) Until July 1, 2003, oil field exploration, drilling,  
5 and production equipment, including (i) rigs and parts of  
6 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)  
7 pipe and tubular goods, including casing and drill strings,  
8 (iii) pumps and pump-jack units, (iv) storage tanks and flow  
9 lines, (v) any individual replacement part for oil field  
10 exploration, drilling, and production equipment, and (vi)  
11 machinery and equipment purchased for lease; but excluding  
12 motor vehicles required to be registered under the Illinois  
13 Vehicle Code.

14 (11) Photoprocessing machinery and equipment, including  
15 repair and replacement parts, both new and used, including  
16 that manufactured on special order, certified by the purchaser  
17 to be used primarily for photoprocessing, and including  
18 photoprocessing machinery and equipment purchased for lease.

19 (12) Until July 1, 2028, coal and aggregate exploration,  
20 mining, off-highway hauling, processing, maintenance, and  
21 reclamation equipment, including replacement parts and  
22 equipment, and including equipment purchased for lease, but  
23 excluding motor vehicles required to be registered under the  
24 Illinois Vehicle Code. The changes made to this Section by  
25 Public Act 97-767 apply on and after July 1, 2003, but no claim  
26 for credit or refund is allowed on or after August 16, 2013

1 (the effective date of Public Act 98-456) for such taxes paid  
2 during the period beginning July 1, 2003 and ending on August  
3 16, 2013 (the effective date of Public Act 98-456).

4 (13) Beginning January 1, 1992 and through June 30, 2016,  
5 food for human consumption that is to be consumed off the  
6 premises where it is sold (other than alcoholic beverages,  
7 soft drinks and food that has been prepared for immediate  
8 consumption) and prescription and non-prescription medicines,  
9 drugs, medical appliances, and insulin, urine testing  
10 materials, syringes, and needles used by diabetics, for human  
11 use, when purchased for use by a person receiving medical  
12 assistance under Article V of the Illinois Public Aid Code who  
13 resides in a licensed long-term care facility, as defined in  
14 the Nursing Home Care Act, or in a licensed facility as defined  
15 in the ID/DD Community Care Act, the MC/DD Act, or the  
16 Specialized Mental Health Rehabilitation Act of 2013.

17 (14) Semen used for artificial insemination of livestock  
18 for direct agricultural production.

19 (15) Horses, or interests in horses, registered with and  
20 meeting the requirements of any of the Arabian Horse Club  
21 Registry of America, Appaloosa Horse Club, American Quarter  
22 Horse Association, United States Trotting Association, or  
23 Jockey Club, as appropriate, used for purposes of breeding or  
24 racing for prizes. This item (15) is exempt from the  
25 provisions of Section 3-55, and the exemption provided for  
26 under this item (15) applies for all periods beginning May 30,



1 1995, but no claim for credit or refund is allowed on or after  
2 January 1, 2008 (the effective date of Public Act 95-88) for  
3 such taxes paid during the period beginning May 30, 2000 and  
4 ending on January 1, 2008 (the effective date of Public Act  
5 95-88).

6 (16) Computers and communications equipment utilized for  
7 any hospital purpose and equipment used in the diagnosis,  
8 analysis, or treatment of hospital patients sold to a lessor  
9 who leases the equipment, under a lease of one year or longer  
10 executed or in effect at the time of the purchase, to a  
11 hospital that has been issued an active tax exemption  
12 identification number by the Department under Section 1g of  
13 the Retailers' Occupation Tax Act.

14 (17) Personal property sold to a lessor who leases the  
15 property, under a lease of one year or longer executed or in  
16 effect at the time of the purchase, to a governmental body that  
17 has been issued an active tax exemption identification number  
18 by the Department under Section 1g of the Retailers'  
19 Occupation Tax Act.

20 (18) Beginning with taxable years ending on or after  
21 December 31, 1995 and ending with taxable years ending on or  
22 before December 31, 2004, personal property that is donated  
23 for disaster relief to be used in a State or federally declared  
24 disaster area in Illinois or bordering Illinois by a  
25 manufacturer or retailer that is registered in this State to a  
26 corporation, society, association, foundation, or institution

1 that has been issued a sales tax exemption identification  
2 number by the Department that assists victims of the disaster  
3 who reside within the declared disaster area.

4 (19) Beginning with taxable years ending on or after  
5 December 31, 1995 and ending with taxable years ending on or  
6 before December 31, 2004, personal property that is used in  
7 the performance of infrastructure repairs in this State,  
8 including but not limited to municipal roads and streets,  
9 access roads, bridges, sidewalks, waste disposal systems,  
10 water and sewer line extensions, water distribution and  
11 purification facilities, storm water drainage and retention  
12 facilities, and sewage treatment facilities, resulting from a  
13 State or federally declared disaster in Illinois or bordering  
14 Illinois when such repairs are initiated on facilities located  
15 in the declared disaster area within 6 months after the  
16 disaster.

17 (20) Beginning July 1, 1999, game or game birds sold at a  
18 "game breeding and hunting preserve area" as that term is used  
19 in the Wildlife Code. This paragraph is exempt from the  
20 provisions of Section 3-55.

21 (21) A motor vehicle, as that term is defined in Section  
22 1-146 of the Illinois Vehicle Code, that is donated to a  
23 corporation, limited liability company, society, association,  
24 foundation, or institution that is determined by the  
25 Department to be organized and operated exclusively for  
26 educational purposes. For purposes of this exemption, "a

1 corporation, limited liability company, society, association,  
2 foundation, or institution organized and operated exclusively  
3 for educational purposes" means all tax-supported public  
4 schools, private schools that offer systematic instruction in  
5 useful branches of learning by methods common to public  
6 schools and that compare favorably in their scope and  
7 intensity with the course of study presented in tax-supported  
8 schools, and vocational or technical schools or institutes  
9 organized and operated exclusively to provide a course of  
10 study of not less than 6 weeks duration and designed to prepare  
11 individuals to follow a trade or to pursue a manual,  
12 technical, mechanical, industrial, business, or commercial  
13 occupation.

14 (22) Beginning January 1, 2000, personal property,  
15 including food, purchased through fundraising events for the  
16 benefit of a public or private elementary or secondary school,  
17 a group of those schools, or one or more school districts if  
18 the events are sponsored by an entity recognized by the school  
19 district that consists primarily of volunteers and includes  
20 parents and teachers of the school children. This paragraph  
21 does not apply to fundraising events (i) for the benefit of  
22 private home instruction or (ii) for which the fundraising  
23 entity purchases the personal property sold at the events from  
24 another individual or entity that sold the property for the  
25 purpose of resale by the fundraising entity and that profits  
26 from the sale to the fundraising entity. This paragraph is

1 exempt from the provisions of Section 3-55.

2 (23) Beginning January 1, 2000 and through December 31,  
3 2001, new or used automatic vending machines that prepare and  
4 serve hot food and beverages, including coffee, soup, and  
5 other items, and replacement parts for these machines.  
6 Beginning January 1, 2002 and through June 30, 2003, machines  
7 and parts for machines used in commercial, coin-operated  
8 amusement and vending business if a use or occupation tax is  
9 paid on the gross receipts derived from the use of the  
10 commercial, coin-operated amusement and vending machines. This  
11 paragraph is exempt from the provisions of Section 3-55.

12 (24) Beginning on August 2, 2001 (the effective date of  
13 Public Act 92-227), computers and communications equipment  
14 utilized for any hospital purpose and equipment used in the  
15 diagnosis, analysis, or treatment of hospital patients sold to  
16 a lessor who leases the equipment, under a lease of one year or  
17 longer executed or in effect at the time of the purchase, to a  
18 hospital that has been issued an active tax exemption  
19 identification number by the Department under Section 1g of  
20 the Retailers' Occupation Tax Act. This paragraph is exempt  
21 from the provisions of Section 3-55.

22 (25) Beginning on August 2, 2001 (the effective date of  
23 Public Act 92-227), personal property sold to a lessor who  
24 leases the property, under a lease of one year or longer  
25 executed or in effect at the time of the purchase, to a  
26 governmental body that has been issued an active tax exemption

1 identification number by the Department under Section 1g of  
2 the Retailers' Occupation Tax Act. This paragraph is exempt  
3 from the provisions of Section 3-55.

4 (26) Beginning on January 1, 2002 and through June 30,  
5 2016, tangible personal property purchased from an Illinois  
6 retailer by a taxpayer engaged in centralized purchasing  
7 activities in Illinois who will, upon receipt of the property  
8 in Illinois, temporarily store the property in Illinois (i)  
9 for the purpose of subsequently transporting it outside this  
10 State for use or consumption thereafter solely outside this  
11 State or (ii) for the purpose of being processed, fabricated,  
12 or manufactured into, attached to, or incorporated into other  
13 tangible personal property to be transported outside this  
14 State and thereafter used or consumed solely outside this  
15 State. The Director of Revenue shall, pursuant to rules  
16 adopted in accordance with the Illinois Administrative  
17 Procedure Act, issue a permit to any taxpayer in good standing  
18 with the Department who is eligible for the exemption under  
19 this paragraph (26). The permit issued under this paragraph  
20 (26) shall authorize the holder, to the extent and in the  
21 manner specified in the rules adopted under this Act, to  
22 purchase tangible personal property from a retailer exempt  
23 from the taxes imposed by this Act. Taxpayers shall maintain  
24 all necessary books and records to substantiate the use and  
25 consumption of all such tangible personal property outside of  
26 the State of Illinois.

1           (27) Beginning January 1, 2008, tangible personal property  
2 used in the construction or maintenance of a community water  
3 supply, as defined under Section 3.145 of the Environmental  
4 Protection Act, that is operated by a not-for-profit  
5 corporation that holds a valid water supply permit issued  
6 under Title IV of the Environmental Protection Act. This  
7 paragraph is exempt from the provisions of Section 3-55.

8           (28) Tangible personal property sold to a  
9 public-facilities corporation, as described in Section  
10 11-65-10 of the Illinois Municipal Code, for purposes of  
11 constructing or furnishing a municipal convention hall, but  
12 only if the legal title to the municipal convention hall is  
13 transferred to the municipality without any further  
14 consideration by or on behalf of the municipality at the time  
15 of the completion of the municipal convention hall or upon the  
16 retirement or redemption of any bonds or other debt  
17 instruments issued by the public-facilities corporation in  
18 connection with the development of the municipal convention  
19 hall. This exemption includes existing public-facilities  
20 corporations as provided in Section 11-65-25 of the Illinois  
21 Municipal Code. This paragraph is exempt from the provisions  
22 of Section 3-55.

23           (29) Beginning January 1, 2010 and continuing through  
24 December 31, 2024, materials, parts, equipment, components,  
25 and furnishings incorporated into or upon an aircraft as part  
26 of the modification, refurbishment, completion, replacement,

1 repair, or maintenance of the aircraft. This exemption  
2 includes consumable supplies used in the modification,  
3 refurbishment, completion, replacement, repair, and  
4 maintenance of aircraft, ~~but excludes any materials, parts,~~  
5 ~~equipment, components, and consumable supplies used in the~~  
6 ~~modification, replacement, repair, and maintenance of aircraft~~  
7 ~~engines or power plants, whether such engines or power plants~~  
8 ~~are installed or uninstalled upon any such aircraft.~~

9 "Consumable supplies" include, but are not limited to,  
10 adhesive, tape, sandpaper, general purpose lubricants,  
11 cleaning solution, latex gloves, and protective films. This  
12 exemption applies only to the transfer of qualifying tangible  
13 personal property incident to the modification, refurbishment,  
14 completion, replacement, repair, or maintenance of an aircraft  
15 by: (A) persons who (i) hold an Air Agency Certificate and are  
16 empowered to operate an approved repair station by the Federal  
17 Aviation Administration, (ii) have a Class IV Rating, and  
18 (iii) conduct operations in accordance with Part 145 of the  
19 Federal Aviation Regulations; and (B) persons who engage in  
20 the modification, replacement, repair, and maintenance of  
21 aircraft engines or power plants without regard to whether or  
22 not those persons meet the qualifications of item (A). The  
23 exemption does not include aircraft operated by a commercial  
24 air carrier providing scheduled passenger air service pursuant  
25 to authority issued under Part 121 or Part 129 of the Federal  
26 Aviation Regulations. The changes made to this paragraph (29)

1 by Public Act 98-534 are declarative of existing law. It is the  
2 intent of the General Assembly that the exemption under this  
3 paragraph (29) applies continuously from January 1, 2010  
4 through December 31, 2024; however, no claim for credit or  
5 refund is allowed for taxes paid as a result of the  
6 disallowance of this exemption on or after January 1, 2015 and  
7 prior to February 5, 2020 (the effective date of Public Act  
8 101-629) ~~this amendatory Act of the 101st General Assembly.~~

9 (30) Beginning January 1, 2017 and through December 31,  
10 2026, menstrual pads, tampons, and menstrual cups.

11 (31) Tangible personal property transferred to a purchaser  
12 who is exempt from tax by operation of federal law. This  
13 paragraph is exempt from the provisions of Section 3-55.

14 (32) Qualified tangible personal property used in the  
15 construction or operation of a data center that has been  
16 granted a certificate of exemption by the Department of  
17 Commerce and Economic Opportunity, whether that tangible  
18 personal property is purchased by the owner, operator, or  
19 tenant of the data center or by a contractor or subcontractor  
20 of the owner, operator, or tenant. Data centers that would  
21 have qualified for a certificate of exemption prior to January  
22 1, 2020 had Public Act 101-31 ~~this amendatory Act of the 101st~~  
23 ~~General Assembly~~ been in effect, may apply for and obtain an  
24 exemption for subsequent purchases of computer equipment or  
25 enabling software purchased or leased to upgrade, supplement,  
26 or replace computer equipment or enabling software purchased



1 or leased in the original investment that would have  
2 qualified.

3 The Department of Commerce and Economic Opportunity shall  
4 grant a certificate of exemption under this item (32) to  
5 qualified data centers as defined by Section 605-1025 of the  
6 Department of Commerce and Economic Opportunity Law of the  
7 Civil Administrative Code of Illinois.

8 For the purposes of this item (32):

9 "Data center" means a building or a series of  
10 buildings rehabilitated or constructed to house working  
11 servers in one physical location or multiple sites within  
12 the State of Illinois.

13 "Qualified tangible personal property" means:  
14 electrical systems and equipment; climate control and  
15 chilling equipment and systems; mechanical systems and  
16 equipment; monitoring and secure systems; emergency  
17 generators; hardware; computers; servers; data storage  
18 devices; network connectivity equipment; racks; cabinets;  
19 telecommunications cabling infrastructure; raised floor  
20 systems; peripheral components or systems; software;  
21 mechanical, electrical, or plumbing systems; battery  
22 systems; cooling systems and towers; temperature control  
23 systems; other cabling; and other data center  
24 infrastructure equipment and systems necessary to operate  
25 qualified tangible personal property, including fixtures;  
26 and component parts of any of the foregoing, including

1 installation, maintenance, repair, refurbishment, and  
2 replacement of qualified tangible personal property to  
3 generate, transform, transmit, distribute, or manage  
4 electricity necessary to operate qualified tangible  
5 personal property; and all other tangible personal  
6 property that is essential to the operations of a computer  
7 data center. The term "qualified tangible personal  
8 property" also includes building materials physically  
9 incorporated in to the qualifying data center. To document  
10 the exemption allowed under this Section, the retailer  
11 must obtain from the purchaser a copy of the certificate  
12 of eligibility issued by the Department of Commerce and  
13 Economic Opportunity.

14 This item (32) is exempt from the provisions of Section  
15 3-55.

16 (33) Beginning July 1, 2022, breast pumps, breast pump  
17 collection and storage supplies, and breast pump kits. This  
18 item (33) is exempt from the provisions of Section 3-55. As  
19 used in this item (33):

20 "Breast pump" means an electrically controlled or  
21 manually controlled pump device designed or marketed to be  
22 used to express milk from a human breast during lactation,  
23 including the pump device and any battery, AC adapter, or  
24 other power supply unit that is used to power the pump  
25 device and is packaged and sold with the pump device at the  
26 time of sale.

1 "Breast pump collection and storage supplies" means  
2 items of tangible personal property designed or marketed  
3 to be used in conjunction with a breast pump to collect  
4 milk expressed from a human breast and to store collected  
5 milk until it is ready for consumption.

6 "Breast pump collection and storage supplies"  
7 includes, but is not limited to: breast shields and breast  
8 shield connectors; breast pump tubes and tubing adapters;  
9 breast pump valves and membranes; backflow protectors and  
10 backflow protector adaptors; bottles and bottle caps  
11 specific to the operation of the breast pump; and breast  
12 milk storage bags.

13 "Breast pump collection and storage supplies" does not  
14 include: (1) bottles and bottle caps not specific to the  
15 operation of the breast pump; (2) breast pump travel bags  
16 and other similar carrying accessories, including ice  
17 packs, labels, and other similar products; (3) breast pump  
18 cleaning supplies; (4) nursing bras, bra pads, breast  
19 shells, and other similar products; and (5) creams,  
20 ointments, and other similar products that relieve  
21 breastfeeding-related symptoms or conditions of the  
22 breasts or nipples, unless sold as part of a breast pump  
23 kit that is pre-packaged by the breast pump manufacturer  
24 or distributor.

25 "Breast pump kit" means a kit that: (1) contains no  
26 more than a breast pump, breast pump collection and

1 storage supplies, a rechargeable battery for operating the  
2 breast pump, a breastmilk cooler, bottle stands, ice  
3 packs, and a breast pump carrying case; and (2) is  
4 pre-packaged as a breast pump kit by the breast pump  
5 manufacturer or distributor.

6 (34) ~~(33)~~ Tangible personal property sold by or on behalf  
7 of the State Treasurer pursuant to the Revised Uniform  
8 Unclaimed Property Act. This item (34) ~~(33)~~ is exempt from the  
9 provisions of Section 3-55.

10 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
11 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article  
12 70, Section 70-15, eff. 4-19-22; 102-700, Article 75, Section  
13 75-15, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-9-22.)

14 Section 20. The Retailers' Occupation Tax Act is amended  
15 by changing Section 2-5 as follows:

16 (35 ILCS 120/2-5)

17 Sec. 2-5. Exemptions. Gross receipts from proceeds from  
18 the sale of the following tangible personal property are  
19 exempt from the tax imposed by this Act:

20 (1) Farm chemicals.

21 (2) Farm machinery and equipment, both new and used,  
22 including that manufactured on special order, certified by  
23 the purchaser to be used primarily for production  
24 agriculture or State or federal agricultural programs,

1 including individual replacement parts for the machinery  
2 and equipment, including machinery and equipment purchased  
3 for lease, and including implements of husbandry defined  
4 in Section 1-130 of the Illinois Vehicle Code, farm  
5 machinery and agricultural chemical and fertilizer  
6 spreaders, and nurse wagons required to be registered  
7 under Section 3-809 of the Illinois Vehicle Code, but  
8 excluding other motor vehicles required to be registered  
9 under the Illinois Vehicle Code. Horticultural polyhouses  
10 or hoop houses used for propagating, growing, or  
11 overwintering plants shall be considered farm machinery  
12 and equipment under this item (2). Agricultural chemical  
13 tender tanks and dry boxes shall include units sold  
14 separately from a motor vehicle required to be licensed  
15 and units sold mounted on a motor vehicle required to be  
16 licensed, if the selling price of the tender is separately  
17 stated.

18 Farm machinery and equipment shall include precision  
19 farming equipment that is installed or purchased to be  
20 installed on farm machinery and equipment including, but  
21 not limited to, tractors, harvesters, sprayers, planters,  
22 seeders, or spreaders. Precision farming equipment  
23 includes, but is not limited to, soil testing sensors,  
24 computers, monitors, software, global positioning and  
25 mapping systems, and other such equipment.

26 Farm machinery and equipment also includes computers,

1 sensors, software, and related equipment used primarily in  
2 the computer-assisted operation of production agriculture  
3 facilities, equipment, and activities such as, but not  
4 limited to, the collection, monitoring, and correlation of  
5 animal and crop data for the purpose of formulating animal  
6 diets and agricultural chemicals. This item (2) is exempt  
7 from the provisions of Section 2-70.

8 (3) Until July 1, 2003, distillation machinery and  
9 equipment, sold as a unit or kit, assembled or installed  
10 by the retailer, certified by the user to be used only for  
11 the production of ethyl alcohol that will be used for  
12 consumption as motor fuel or as a component of motor fuel  
13 for the personal use of the user, and not subject to sale  
14 or resale.

15 (4) Until July 1, 2003 and beginning again September  
16 1, 2004 through August 30, 2014, graphic arts machinery  
17 and equipment, including repair and replacement parts,  
18 both new and used, and including that manufactured on  
19 special order or purchased for lease, certified by the  
20 purchaser to be used primarily for graphic arts  
21 production. Equipment includes chemicals or chemicals  
22 acting as catalysts but only if the chemicals or chemicals  
23 acting as catalysts effect a direct and immediate change  
24 upon a graphic arts product. Beginning on July 1, 2017,  
25 graphic arts machinery and equipment is included in the  
26 manufacturing and assembling machinery and equipment

1 exemption under paragraph (14).

2 (5) A motor vehicle that is used for automobile  
3 renting, as defined in the Automobile Renting Occupation  
4 and Use Tax Act. This paragraph is exempt from the  
5 provisions of Section 2-70.

6 (6) Personal property sold by a teacher-sponsored  
7 student organization affiliated with an elementary or  
8 secondary school located in Illinois.

9 (7) Until July 1, 2003, proceeds of that portion of  
10 the selling price of a passenger car the sale of which is  
11 subject to the Replacement Vehicle Tax.

12 (8) Personal property sold to an Illinois county fair  
13 association for use in conducting, operating, or promoting  
14 the county fair.

15 (9) Personal property sold to a not-for-profit arts or  
16 cultural organization that establishes, by proof required  
17 by the Department by rule, that it has received an  
18 exemption under Section 501(c)(3) of the Internal Revenue  
19 Code and that is organized and operated primarily for the  
20 presentation or support of arts or cultural programming,  
21 activities, or services. These organizations include, but  
22 are not limited to, music and dramatic arts organizations  
23 such as symphony orchestras and theatrical groups, arts  
24 and cultural service organizations, local arts councils,  
25 visual arts organizations, and media arts organizations.  
26 On and after July 1, 2001 (the effective date of Public Act

1 92-35), however, an entity otherwise eligible for this  
2 exemption shall not make tax-free purchases unless it has  
3 an active identification number issued by the Department.

4 (10) Personal property sold by a corporation, society,  
5 association, foundation, institution, or organization,  
6 other than a limited liability company, that is organized  
7 and operated as a not-for-profit service enterprise for  
8 the benefit of persons 65 years of age or older if the  
9 personal property was not purchased by the enterprise for  
10 the purpose of resale by the enterprise.

11 (11) Personal property sold to a governmental body, to  
12 a corporation, society, association, foundation, or  
13 institution organized and operated exclusively for  
14 charitable, religious, or educational purposes, or to a  
15 not-for-profit corporation, society, association,  
16 foundation, institution, or organization that has no  
17 compensated officers or employees and that is organized  
18 and operated primarily for the recreation of persons 55  
19 years of age or older. A limited liability company may  
20 qualify for the exemption under this paragraph only if the  
21 limited liability company is organized and operated  
22 exclusively for educational purposes. On and after July 1,  
23 1987, however, no entity otherwise eligible for this  
24 exemption shall make tax-free purchases unless it has an  
25 active identification number issued by the Department.

26 (12) (Blank).



1           (12-5) On and after July 1, 2003 and through June 30,  
2           2004, motor vehicles of the second division with a gross  
3           vehicle weight in excess of 8,000 pounds that are subject  
4           to the commercial distribution fee imposed under Section  
5           3-815.1 of the Illinois Vehicle Code. Beginning on July 1,  
6           2004 and through June 30, 2005, the use in this State of  
7           motor vehicles of the second division: (i) with a gross  
8           vehicle weight rating in excess of 8,000 pounds; (ii) that  
9           are subject to the commercial distribution fee imposed  
10          under Section 3-815.1 of the Illinois Vehicle Code; and  
11          (iii) that are primarily used for commercial purposes.  
12          Through June 30, 2005, this exemption applies to repair  
13          and replacement parts added after the initial purchase of  
14          such a motor vehicle if that motor vehicle is used in a  
15          manner that would qualify for the rolling stock exemption  
16          otherwise provided for in this Act. For purposes of this  
17          paragraph, "used for commercial purposes" means the  
18          transportation of persons or property in furtherance of  
19          any commercial or industrial enterprise whether for-hire  
20          or not.

21          (13) Proceeds from sales to owners, lessors, or  
22          shippers of tangible personal property that is utilized by  
23          interstate carriers for hire for use as rolling stock  
24          moving in interstate commerce and equipment operated by a  
25          telecommunications provider, licensed as a common carrier  
26          by the Federal Communications Commission, which is

1 permanently installed in or affixed to aircraft moving in  
2 interstate commerce.

3 (14) Machinery and equipment that will be used by the  
4 purchaser, or a lessee of the purchaser, primarily in the  
5 process of manufacturing or assembling tangible personal  
6 property for wholesale or retail sale or lease, whether  
7 the sale or lease is made directly by the manufacturer or  
8 by some other person, whether the materials used in the  
9 process are owned by the manufacturer or some other  
10 person, or whether the sale or lease is made apart from or  
11 as an incident to the seller's engaging in the service  
12 occupation of producing machines, tools, dies, jigs,  
13 patterns, gauges, or other similar items of no commercial  
14 value on special order for a particular purchaser. The  
15 exemption provided by this paragraph (14) does not include  
16 machinery and equipment used in (i) the generation of  
17 electricity for wholesale or retail sale; (ii) the  
18 generation or treatment of natural or artificial gas for  
19 wholesale or retail sale that is delivered to customers  
20 through pipes, pipelines, or mains; or (iii) the treatment  
21 of water for wholesale or retail sale that is delivered to  
22 customers through pipes, pipelines, or mains. The  
23 provisions of Public Act 98-583 are declaratory of  
24 existing law as to the meaning and scope of this  
25 exemption. Beginning on July 1, 2017, the exemption  
26 provided by this paragraph (14) includes, but is not

1 limited to, graphic arts machinery and equipment, as  
2 defined in paragraph (4) of this Section.

3 (15) Proceeds of mandatory service charges separately  
4 stated on customers' bills for purchase and consumption of  
5 food and beverages, to the extent that the proceeds of the  
6 service charge are in fact turned over as tips or as a  
7 substitute for tips to the employees who participate  
8 directly in preparing, serving, hosting or cleaning up the  
9 food or beverage function with respect to which the  
10 service charge is imposed.

11 (16) Tangible personal property sold to a purchaser if  
12 the purchaser is exempt from use tax by operation of  
13 federal law. This paragraph is exempt from the provisions  
14 of Section 2-70.

15 (17) Tangible personal property sold to a common  
16 carrier by rail or motor that receives the physical  
17 possession of the property in Illinois and that transports  
18 the property, or shares with another common carrier in the  
19 transportation of the property, out of Illinois on a  
20 standard uniform bill of lading showing the seller of the  
21 property as the shipper or consignor of the property to a  
22 destination outside Illinois, for use outside Illinois.

23 (18) Legal tender, currency, medallions, or gold or  
24 silver coinage issued by the State of Illinois, the  
25 government of the United States of America, or the  
26 government of any foreign country, and bullion.

1           (19) Until July 1, 2003, oil field exploration,  
2 drilling, and production equipment, including (i) rigs and  
3 parts of rigs, rotary rigs, cable tool rigs, and workover  
4 rigs, (ii) pipe and tubular goods, including casing and  
5 drill strings, (iii) pumps and pump-jack units, (iv)  
6 storage tanks and flow lines, (v) any individual  
7 replacement part for oil field exploration, drilling, and  
8 production equipment, and (vi) machinery and equipment  
9 purchased for lease; but excluding motor vehicles required  
10 to be registered under the Illinois Vehicle Code.

11           (20) Photoprocessing machinery and equipment,  
12 including repair and replacement parts, both new and used,  
13 including that manufactured on special order, certified by  
14 the purchaser to be used primarily for photoprocessing,  
15 and including photoprocessing machinery and equipment  
16 purchased for lease.

17           (21) Until July 1, 2028, coal and aggregate  
18 exploration, mining, off-highway hauling, processing,  
19 maintenance, and reclamation equipment, including  
20 replacement parts and equipment, and including equipment  
21 purchased for lease, but excluding motor vehicles required  
22 to be registered under the Illinois Vehicle Code. The  
23 changes made to this Section by Public Act 97-767 apply on  
24 and after July 1, 2003, but no claim for credit or refund  
25 is allowed on or after August 16, 2013 (the effective date  
26 of Public Act 98-456) for such taxes paid during the

1 period beginning July 1, 2003 and ending on August 16,  
2 2013 (the effective date of Public Act 98-456).

3 (22) Until June 30, 2013, fuel and petroleum products  
4 sold to or used by an air carrier, certified by the carrier  
5 to be used for consumption, shipment, or storage in the  
6 conduct of its business as an air common carrier, for a  
7 flight destined for or returning from a location or  
8 locations outside the United States without regard to  
9 previous or subsequent domestic stopovers.

10 Beginning July 1, 2013, fuel and petroleum products  
11 sold to or used by an air carrier, certified by the carrier  
12 to be used for consumption, shipment, or storage in the  
13 conduct of its business as an air common carrier, for a  
14 flight that (i) is engaged in foreign trade or is engaged  
15 in trade between the United States and any of its  
16 possessions and (ii) transports at least one individual or  
17 package for hire from the city of origination to the city  
18 of final destination on the same aircraft, without regard  
19 to a change in the flight number of that aircraft.

20 (23) A transaction in which the purchase order is  
21 received by a florist who is located outside Illinois, but  
22 who has a florist located in Illinois deliver the property  
23 to the purchaser or the purchaser's donee in Illinois.

24 (24) Fuel consumed or used in the operation of ships,  
25 barges, or vessels that are used primarily in or for the  
26 transportation of property or the conveyance of persons

1 for hire on rivers bordering on this State if the fuel is  
2 delivered by the seller to the purchaser's barge, ship, or  
3 vessel while it is afloat upon that bordering river.

4 (25) Except as provided in item (25-5) of this  
5 Section, a motor vehicle sold in this State to a  
6 nonresident even though the motor vehicle is delivered to  
7 the nonresident in this State, if the motor vehicle is not  
8 to be titled in this State, and if a drive-away permit is  
9 issued to the motor vehicle as provided in Section 3-603  
10 of the Illinois Vehicle Code or if the nonresident  
11 purchaser has vehicle registration plates to transfer to  
12 the motor vehicle upon returning to his or her home state.  
13 The issuance of the drive-away permit or having the  
14 out-of-state registration plates to be transferred is  
15 prima facie evidence that the motor vehicle will not be  
16 titled in this State.

17 (25-5) The exemption under item (25) does not apply if  
18 the state in which the motor vehicle will be titled does  
19 not allow a reciprocal exemption for a motor vehicle sold  
20 and delivered in that state to an Illinois resident but  
21 titled in Illinois. The tax collected under this Act on  
22 the sale of a motor vehicle in this State to a resident of  
23 another state that does not allow a reciprocal exemption  
24 shall be imposed at a rate equal to the state's rate of tax  
25 on taxable property in the state in which the purchaser is  
26 a resident, except that the tax shall not exceed the tax

1 that would otherwise be imposed under this Act. At the  
2 time of the sale, the purchaser shall execute a statement,  
3 signed under penalty of perjury, of his or her intent to  
4 title the vehicle in the state in which the purchaser is a  
5 resident within 30 days after the sale and of the fact of  
6 the payment to the State of Illinois of tax in an amount  
7 equivalent to the state's rate of tax on taxable property  
8 in his or her state of residence and shall submit the  
9 statement to the appropriate tax collection agency in his  
10 or her state of residence. In addition, the retailer must  
11 retain a signed copy of the statement in his or her  
12 records. Nothing in this item shall be construed to  
13 require the removal of the vehicle from this state  
14 following the filing of an intent to title the vehicle in  
15 the purchaser's state of residence if the purchaser titles  
16 the vehicle in his or her state of residence within 30 days  
17 after the date of sale. The tax collected under this Act in  
18 accordance with this item (25-5) shall be proportionately  
19 distributed as if the tax were collected at the 6.25%  
20 general rate imposed under this Act.

21 (25-7) Beginning on July 1, 2007, no tax is imposed  
22 under this Act on the sale of an aircraft, as defined in  
23 Section 3 of the Illinois Aeronautics Act, if all of the  
24 following conditions are met:

- 25 (1) the aircraft leaves this State within 15 days  
26 after the later of either the issuance of the final

1 billing for the sale of the aircraft, or the  
2 authorized approval for return to service, completion  
3 of the maintenance record entry, and completion of the  
4 test flight and ground test for inspection, as  
5 required by 14 CFR ~~C.F.R.~~ 91.407;

6 (2) the aircraft is not based or registered in  
7 this State after the sale of the aircraft; and

8 (3) the seller retains in his or her books and  
9 records and provides to the Department a signed and  
10 dated certification from the purchaser, on a form  
11 prescribed by the Department, certifying that the  
12 requirements of this item (25-7) are met. The  
13 certificate must also include the name and address of  
14 the purchaser, the address of the location where the  
15 aircraft is to be titled or registered, the address of  
16 the primary physical location of the aircraft, and  
17 other information that the Department may reasonably  
18 require.

19 For purposes of this item (25-7):

20 "Based in this State" means hangared, stored, or  
21 otherwise used, excluding post-sale customizations as  
22 defined in this Section, for 10 or more days in each  
23 12-month period immediately following the date of the sale  
24 of the aircraft.

25 "Registered in this State" means an aircraft  
26 registered with the Department of Transportation,



1           Aeronautics Division, or titled or registered with the  
2           Federal Aviation Administration to an address located in  
3           this State.

4           This paragraph (25-7) is exempt from the provisions of  
5           Section 2-70.

6           (26) Semen used for artificial insemination of  
7           livestock for direct agricultural production.

8           (27) Horses, or interests in horses, registered with  
9           and meeting the requirements of any of the Arabian Horse  
10          Club Registry of America, Appaloosa Horse Club, American  
11          Quarter Horse Association, United States Trotting  
12          Association, or Jockey Club, as appropriate, used for  
13          purposes of breeding or racing for prizes. This item (27)  
14          is exempt from the provisions of Section 2-70, and the  
15          exemption provided for under this item (27) applies for  
16          all periods beginning May 30, 1995, but no claim for  
17          credit or refund is allowed on or after January 1, 2008  
18          (the effective date of Public Act 95-88) for such taxes  
19          paid during the period beginning May 30, 2000 and ending  
20          on January 1, 2008 (the effective date of Public Act  
21          95-88).

22          (28) Computers and communications equipment utilized  
23          for any hospital purpose and equipment used in the  
24          diagnosis, analysis, or treatment of hospital patients  
25          sold to a lessor who leases the equipment, under a lease of  
26          one year or longer executed or in effect at the time of the

1 purchase, to a hospital that has been issued an active tax  
2 exemption identification number by the Department under  
3 Section 1g of this Act.

4 (29) Personal property sold to a lessor who leases the  
5 property, under a lease of one year or longer executed or  
6 in effect at the time of the purchase, to a governmental  
7 body that has been issued an active tax exemption  
8 identification number by the Department under Section 1g  
9 of this Act.

10 (30) Beginning with taxable years ending on or after  
11 December 31, 1995 and ending with taxable years ending on  
12 or before December 31, 2004, personal property that is  
13 donated for disaster relief to be used in a State or  
14 federally declared disaster area in Illinois or bordering  
15 Illinois by a manufacturer or retailer that is registered  
16 in this State to a corporation, society, association,  
17 foundation, or institution that has been issued a sales  
18 tax exemption identification number by the Department that  
19 assists victims of the disaster who reside within the  
20 declared disaster area.

21 (31) Beginning with taxable years ending on or after  
22 December 31, 1995 and ending with taxable years ending on  
23 or before December 31, 2004, personal property that is  
24 used in the performance of infrastructure repairs in this  
25 State, including but not limited to municipal roads and  
26 streets, access roads, bridges, sidewalks, waste disposal

1 systems, water and sewer line extensions, water  
2 distribution and purification facilities, storm water  
3 drainage and retention facilities, and sewage treatment  
4 facilities, resulting from a State or federally declared  
5 disaster in Illinois or bordering Illinois when such  
6 repairs are initiated on facilities located in the  
7 declared disaster area within 6 months after the disaster.

8 (32) Beginning July 1, 1999, game or game birds sold  
9 at a "game breeding and hunting preserve area" as that  
10 term is used in the Wildlife Code. This paragraph is  
11 exempt from the provisions of Section 2-70.

12 (33) A motor vehicle, as that term is defined in  
13 Section 1-146 of the Illinois Vehicle Code, that is  
14 donated to a corporation, limited liability company,  
15 society, association, foundation, or institution that is  
16 determined by the Department to be organized and operated  
17 exclusively for educational purposes. For purposes of this  
18 exemption, "a corporation, limited liability company,  
19 society, association, foundation, or institution organized  
20 and operated exclusively for educational purposes" means  
21 all tax-supported public schools, private schools that  
22 offer systematic instruction in useful branches of  
23 learning by methods common to public schools and that  
24 compare favorably in their scope and intensity with the  
25 course of study presented in tax-supported schools, and  
26 vocational or technical schools or institutes organized

1 and operated exclusively to provide a course of study of  
2 not less than 6 weeks duration and designed to prepare  
3 individuals to follow a trade or to pursue a manual,  
4 technical, mechanical, industrial, business, or commercial  
5 occupation.

6 (34) Beginning January 1, 2000, personal property,  
7 including food, purchased through fundraising events for  
8 the benefit of a public or private elementary or secondary  
9 school, a group of those schools, or one or more school  
10 districts if the events are sponsored by an entity  
11 recognized by the school district that consists primarily  
12 of volunteers and includes parents and teachers of the  
13 school children. This paragraph does not apply to  
14 fundraising events (i) for the benefit of private home  
15 instruction or (ii) for which the fundraising entity  
16 purchases the personal property sold at the events from  
17 another individual or entity that sold the property for  
18 the purpose of resale by the fundraising entity and that  
19 profits from the sale to the fundraising entity. This  
20 paragraph is exempt from the provisions of Section 2-70.

21 (35) Beginning January 1, 2000 and through December  
22 31, 2001, new or used automatic vending machines that  
23 prepare and serve hot food and beverages, including  
24 coffee, soup, and other items, and replacement parts for  
25 these machines. Beginning January 1, 2002 and through June  
26 30, 2003, machines and parts for machines used in

1 commercial, coin-operated amusement and vending business  
2 if a use or occupation tax is paid on the gross receipts  
3 derived from the use of the commercial, coin-operated  
4 amusement and vending machines. This paragraph is exempt  
5 from the provisions of Section 2-70.

6 (35-5) Beginning August 23, 2001 and through June 30,  
7 2016, food for human consumption that is to be consumed  
8 off the premises where it is sold (other than alcoholic  
9 beverages, soft drinks, and food that has been prepared  
10 for immediate consumption) and prescription and  
11 nonprescription medicines, drugs, medical appliances, and  
12 insulin, urine testing materials, syringes, and needles  
13 used by diabetics, for human use, when purchased for use  
14 by a person receiving medical assistance under Article V  
15 of the Illinois Public Aid Code who resides in a licensed  
16 long-term care facility, as defined in the Nursing Home  
17 Care Act, or a licensed facility as defined in the ID/DD  
18 Community Care Act, the MC/DD Act, or the Specialized  
19 Mental Health Rehabilitation Act of 2013.

20 (36) Beginning August 2, 2001, computers and  
21 communications equipment utilized for any hospital purpose  
22 and equipment used in the diagnosis, analysis, or  
23 treatment of hospital patients sold to a lessor who leases  
24 the equipment, under a lease of one year or longer  
25 executed or in effect at the time of the purchase, to a  
26 hospital that has been issued an active tax exemption

1 identification number by the Department under Section 1g  
2 of this Act. This paragraph is exempt from the provisions  
3 of Section 2-70.

4 (37) Beginning August 2, 2001, personal property sold  
5 to a lessor who leases the property, under a lease of one  
6 year or longer executed or in effect at the time of the  
7 purchase, to a governmental body that has been issued an  
8 active tax exemption identification number by the  
9 Department under Section 1g of this Act. This paragraph is  
10 exempt from the provisions of Section 2-70.

11 (38) Beginning on January 1, 2002 and through June 30,  
12 2016, tangible personal property purchased from an  
13 Illinois retailer by a taxpayer engaged in centralized  
14 purchasing activities in Illinois who will, upon receipt  
15 of the property in Illinois, temporarily store the  
16 property in Illinois (i) for the purpose of subsequently  
17 transporting it outside this State for use or consumption  
18 thereafter solely outside this State or (ii) for the  
19 purpose of being processed, fabricated, or manufactured  
20 into, attached to, or incorporated into other tangible  
21 personal property to be transported outside this State and  
22 thereafter used or consumed solely outside this State. The  
23 Director of Revenue shall, pursuant to rules adopted in  
24 accordance with the Illinois Administrative Procedure Act,  
25 issue a permit to any taxpayer in good standing with the  
26 Department who is eligible for the exemption under this

1 paragraph (38). The permit issued under this paragraph  
2 (38) shall authorize the holder, to the extent and in the  
3 manner specified in the rules adopted under this Act, to  
4 purchase tangible personal property from a retailer exempt  
5 from the taxes imposed by this Act. Taxpayers shall  
6 maintain all necessary books and records to substantiate  
7 the use and consumption of all such tangible personal  
8 property outside of the State of Illinois.

9 (39) Beginning January 1, 2008, tangible personal  
10 property used in the construction or maintenance of a  
11 community water supply, as defined under Section 3.145 of  
12 the Environmental Protection Act, that is operated by a  
13 not-for-profit corporation that holds a valid water supply  
14 permit issued under Title IV of the Environmental  
15 Protection Act. This paragraph is exempt from the  
16 provisions of Section 2-70.

17 (40) Beginning January 1, 2010 and continuing through  
18 December 31, 2024, materials, parts, equipment,  
19 components, and furnishings incorporated into or upon an  
20 aircraft as part of the modification, refurbishment,  
21 completion, replacement, repair, or maintenance of the  
22 aircraft. This exemption includes consumable supplies used  
23 in the modification, refurbishment, completion,  
24 replacement, repair, and maintenance of aircraft, ~~but~~  
25 ~~excludes any materials, parts, equipment, components, and~~  
26 ~~consumable supplies used in the modification, replacement,~~

1 ~~repair, and maintenance of aircraft engines or power~~  
2 ~~plants, whether such engines or power plants are installed~~  
3 ~~or uninstalled upon any such aircraft.~~ "Consumable  
4 supplies" include, but are not limited to, adhesive, tape,  
5 sandpaper, general purpose lubricants, cleaning solution,  
6 latex gloves, and protective films. This exemption applies  
7 only to the sale of qualifying tangible personal property  
8 to: (A) persons who modify, refurbish, complete, replace,  
9 or maintain an aircraft and who (i) hold an Air Agency  
10 Certificate and are empowered to operate an approved  
11 repair station by the Federal Aviation Administration,  
12 (ii) have a Class IV Rating, and (iii) conduct operations  
13 in accordance with Part 145 of the Federal Aviation  
14 Regulations; and (B) persons who engage in the  
15 modification, replacement, repair, and maintenance of  
16 aircraft engines or power plants without regard to whether  
17 or not those persons meet the qualifications of item (A).

18 The exemption does not include aircraft operated by a  
19 commercial air carrier providing scheduled passenger air  
20 service pursuant to authority issued under Part 121 or  
21 Part 129 of the Federal Aviation Regulations. The changes  
22 made to this paragraph (40) by Public Act 98-534 are  
23 declarative of existing law. It is the intent of the  
24 General Assembly that the exemption under this paragraph  
25 (40) applies continuously from January 1, 2010 through  
26 December 31, 2024; however, no claim for credit or refund



1 is allowed for taxes paid as a result of the disallowance  
2 of this exemption on or after January 1, 2015 and prior to  
3 February 5, 2020 (the effective date of Public Act  
4 101-629) ~~this amendatory Act of the 101st General~~  
5 ~~Assembly.~~

6 (41) Tangible personal property sold to a  
7 public-facilities corporation, as described in Section  
8 11-65-10 of the Illinois Municipal Code, for purposes of  
9 constructing or furnishing a municipal convention hall,  
10 but only if the legal title to the municipal convention  
11 hall is transferred to the municipality without any  
12 further consideration by or on behalf of the municipality  
13 at the time of the completion of the municipal convention  
14 hall or upon the retirement or redemption of any bonds or  
15 other debt instruments issued by the public-facilities  
16 corporation in connection with the development of the  
17 municipal convention hall. This exemption includes  
18 existing public-facilities corporations as provided in  
19 Section 11-65-25 of the Illinois Municipal Code. This  
20 paragraph is exempt from the provisions of Section 2-70.

21 (42) Beginning January 1, 2017 and through December  
22 31, 2026, menstrual pads, tampons, and menstrual cups.

23 (43) Merchandise that is subject to the Rental  
24 Purchase Agreement Occupation and Use Tax. The purchaser  
25 must certify that the item is purchased to be rented  
26 subject to a rental purchase agreement, as defined in the

1 Rental Purchase Agreement Act, and provide proof of  
2 registration under the Rental Purchase Agreement  
3 Occupation and Use Tax Act. This paragraph is exempt from  
4 the provisions of Section 2-70.

5 (44) Qualified tangible personal property used in the  
6 construction or operation of a data center that has been  
7 granted a certificate of exemption by the Department of  
8 Commerce and Economic Opportunity, whether that tangible  
9 personal property is purchased by the owner, operator, or  
10 tenant of the data center or by a contractor or  
11 subcontractor of the owner, operator, or tenant. Data  
12 centers that would have qualified for a certificate of  
13 exemption prior to January 1, 2020 had Public Act 101-31  
14 ~~this amendatory Act of the 101st General Assembly~~ been in  
15 effect, may apply for and obtain an exemption for  
16 subsequent purchases of computer equipment or enabling  
17 software purchased or leased to upgrade, supplement, or  
18 replace computer equipment or enabling software purchased  
19 or leased in the original investment that would have  
20 qualified.

21 The Department of Commerce and Economic Opportunity  
22 shall grant a certificate of exemption under this item  
23 (44) to qualified data centers as defined by Section  
24 605-1025 of the Department of Commerce and Economic  
25 Opportunity Law of the Civil Administrative Code of  
26 Illinois.

1 For the purposes of this item (44):

2 "Data center" means a building or a series of  
3 buildings rehabilitated or constructed to house  
4 working servers in one physical location or multiple  
5 sites within the State of Illinois.

6 "Qualified tangible personal property" means:  
7 electrical systems and equipment; climate control and  
8 chilling equipment and systems; mechanical systems and  
9 equipment; monitoring and secure systems; emergency  
10 generators; hardware; computers; servers; data storage  
11 devices; network connectivity equipment; racks;  
12 cabinets; telecommunications cabling infrastructure;  
13 raised floor systems; peripheral components or  
14 systems; software; mechanical, electrical, or plumbing  
15 systems; battery systems; cooling systems and towers;  
16 temperature control systems; other cabling; and other  
17 data center infrastructure equipment and systems  
18 necessary to operate qualified tangible personal  
19 property, including fixtures; and component parts of  
20 any of the foregoing, including installation,  
21 maintenance, repair, refurbishment, and replacement of  
22 qualified tangible personal property to generate,  
23 transform, transmit, distribute, or manage electricity  
24 necessary to operate qualified tangible personal  
25 property; and all other tangible personal property  
26 that is essential to the operations of a computer data

1 center. The term "qualified tangible personal  
2 property" also includes building materials physically  
3 incorporated into the qualifying data center. To  
4 document the exemption allowed under this Section, the  
5 retailer must obtain from the purchaser a copy of the  
6 certificate of eligibility issued by the Department of  
7 Commerce and Economic Opportunity.

8 This item (44) is exempt from the provisions of  
9 Section 2-70.

10 (45) Beginning January 1, 2020 and through December  
11 31, 2020, sales of tangible personal property made by a  
12 marketplace seller over a marketplace for which tax is due  
13 under this Act but for which use tax has been collected and  
14 remitted to the Department by a marketplace facilitator  
15 under Section 2d of the Use Tax Act are exempt from tax  
16 under this Act. A marketplace seller claiming this  
17 exemption shall maintain books and records demonstrating  
18 that the use tax on such sales has been collected and  
19 remitted by a marketplace facilitator. Marketplace sellers  
20 that have properly remitted tax under this Act on such  
21 sales may file a claim for credit as provided in Section 6  
22 of this Act. No claim is allowed, however, for such taxes  
23 for which a credit or refund has been issued to the  
24 marketplace facilitator under the Use Tax Act, or for  
25 which the marketplace facilitator has filed a claim for  
26 credit or refund under the Use Tax Act.

1           (46) Beginning July 1, 2022, breast pumps, breast pump  
2 collection and storage supplies, and breast pump kits.  
3 This item (46) is exempt from the provisions of Section  
4 2-70. As used in this item (46):

5           "Breast pump" means an electrically controlled or  
6 manually controlled pump device designed or marketed to be  
7 used to express milk from a human breast during lactation,  
8 including the pump device and any battery, AC adapter, or  
9 other power supply unit that is used to power the pump  
10 device and is packaged and sold with the pump device at the  
11 time of sale.

12           "Breast pump collection and storage supplies" means  
13 items of tangible personal property designed or marketed  
14 to be used in conjunction with a breast pump to collect  
15 milk expressed from a human breast and to store collected  
16 milk until it is ready for consumption.

17           "Breast pump collection and storage supplies"  
18 includes, but is not limited to: breast shields and breast  
19 shield connectors; breast pump tubes and tubing adapters;  
20 breast pump valves and membranes; backflow protectors and  
21 backflow protector adaptors; bottles and bottle caps  
22 specific to the operation of the breast pump; and breast  
23 milk storage bags.

24           "Breast pump collection and storage supplies" does not  
25 include: (1) bottles and bottle caps not specific to the  
26 operation of the breast pump; (2) breast pump travel bags

1 and other similar carrying accessories, including ice  
2 packs, labels, and other similar products; (3) breast pump  
3 cleaning supplies; (4) nursing bras, bra pads, breast  
4 shells, and other similar products; and (5) creams,  
5 ointments, and other similar products that relieve  
6 breastfeeding-related symptoms or conditions of the  
7 breasts or nipples, unless sold as part of a breast pump  
8 kit that is pre-packaged by the breast pump manufacturer  
9 or distributor.

10 "Breast pump kit" means a kit that: (1) contains no  
11 more than a breast pump, breast pump collection and  
12 storage supplies, a rechargeable battery for operating the  
13 breast pump, a breastmilk cooler, bottle stands, ice  
14 packs, and a breast pump carrying case; and (2) is  
15 pre-packaged as a breast pump kit by the breast pump  
16 manufacturer or distributor.

17 (47) ~~(46)~~ Tangible personal property sold by or on  
18 behalf of the State Treasurer pursuant to the Revised  
19 Uniform Unclaimed Property Act. This item (47) ~~(46)~~ is  
20 exempt from the provisions of Section 2-70.

21 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
22 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-634, eff.  
23 8-27-21; 102-700, Article 70, Section 70-20, eff. 4-19-22;  
24 102-700, Article 75, Section 75-20, eff. 4-19-22; 102-813,  
25 eff. 5-13-22; 102-1026, eff. 5-27-22; revised 8-15-22.)

1           Section 99. Effective date. This Act takes effect January  
2    1, 2024."