

HB0058



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB0058

Introduced 1/9/2025, by Rep. Kevin Schmidt

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-6	
35 ILCS 105/3-10	
35 ILCS 105/9	
35 ILCS 120/2-8	
35 ILCS 120/2-10	
35 ILCS 120/3	

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Creates a sales tax holiday period for certain school supplies from August 2, 2025 through August 11, 2025. Effective immediately.

LRB104 03453 HLH 15152 b

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

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

7 Sec. 6z-18. Local Government Tax Fund. A portion of the
8 money paid into the Local Government Tax Fund from sales of
9 tangible personal property taxed at the 1% rate under the
10 Retailers' Occupation Tax Act and the Service Occupation Tax
11 Act, which occurred in municipalities, shall be distributed to
12 each municipality based upon the sales which occurred in that
13 municipality. The remainder shall be distributed to each
14 county based upon the sales which occurred in the
15 unincorporated area of that county.

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

20 A portion of the money paid into the Local Government Tax
21 Fund from the 6.25% general use tax rate on the selling price
22 of tangible personal property which is purchased outside
23 Illinois at retail from a retailer and which is titled or

1 registered by any agency of this State's government shall be
2 distributed to municipalities as provided in this paragraph.
3 Each municipality shall receive the amount attributable to
4 sales for which Illinois addresses for titling or registration
5 purposes are given as being in such municipality. The
6 remainder of the money paid into the Local Government Tax Fund
7 from such sales shall be distributed to counties. Each county
8 shall receive the amount attributable to sales for which
9 Illinois addresses for titling or registration purposes are
10 given as being located in the unincorporated area of such
11 county.

12 A portion of the money paid into the Local Government Tax
13 Fund from the 6.25% general rate (and, beginning July 1, 2000
14 and through December 31, 2000, the 1.25% rate on motor fuel and
15 gasohol, and during the sales tax holiday period, as defined
16 in Section 3-6 of the Use Tax Act and Section 2-8 of the
17 Retailers' Occupation Tax Act, ~~beginning on August 6, 2010~~
18 ~~through August 15, 2010, and beginning again on August 5, 2022~~
19 ~~through August 14, 2022,~~ the 1.25% rate on sales tax holiday
20 items) on sales subject to taxation under the Retailers'
21 Occupation Tax Act and the Service Occupation Tax Act, which
22 occurred in municipalities, shall be distributed to each
23 municipality, based upon the sales which occurred in that
24 municipality. The remainder shall be distributed to each
25 county, based upon the sales which occurred in the
26 unincorporated area of such county.

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

10 Whenever the Department determines that a refund of money
11 paid into the Local Government Tax Fund should be made to a
12 claimant instead of issuing a credit memorandum, the
13 Department shall notify the State Comptroller, who shall cause
14 the order to be drawn for the amount specified, and to the
15 person named, in such notification from the Department. Such
16 refund shall be paid by the State Treasurer out of the Local
17 Government Tax Fund.

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the
20 Department of Revenue, the Comptroller shall order
21 transferred, and the Treasurer shall transfer, to the STAR
22 Bonds Revenue Fund the local sales tax increment, as defined
23 in the Innovation Development and Economy Act, collected
24 during the second preceding calendar month for sales within a
25 STAR bond district and deposited into the Local Government Tax
26 Fund, less 3% of that amount, which shall be transferred into

1 the Tax Compliance and Administration Fund and shall be used
2 by the Department, subject to appropriation, to cover the
3 costs of the Department in administering the Innovation
4 Development and Economy Act.

5 After the monthly transfer to the STAR Bonds Revenue Fund,
6 on or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to named municipalities
9 and counties, the municipalities and counties to be those
10 entitled to distribution of taxes or penalties paid to the
11 Department during the second preceding calendar month. The
12 amount to be paid to each municipality or county shall be the
13 amount (not including credit memoranda) collected during the
14 second preceding calendar month by the Department and paid
15 into the Local Government Tax Fund, plus an amount the
16 Department determines is necessary to offset any amounts which
17 were erroneously paid to a different taxing body, and not
18 including an amount equal to the amount of refunds made during
19 the second preceding calendar month by the Department, and not
20 including any amount which the Department determines is
21 necessary to offset any amounts which are payable to a
22 different taxing body but were erroneously paid to the
23 municipality or county, and not including any amounts that are
24 transferred to the STAR Bonds Revenue Fund. Within 10 days
25 after receipt, by the Comptroller, of the disbursement
26 certification to the municipalities and counties, provided for

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

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

11 The provisions directing the distributions from the
12 special fund in the State treasury provided for in this
13 Section shall constitute an irrevocable and continuing
14 appropriation of all amounts as provided herein. The State
15 Treasurer and State Comptroller are hereby authorized to make
16 distributions as provided in this Section.

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

25 As soon as possible after March 8, 2013 (the effective
26 date of Public Act 98-3), the State Comptroller shall order

1 and the State Treasurer shall transfer \$6,600,000 from the
2 Local Government Tax Fund to the Illinois State Medical
3 Disciplinary Fund.

4 (Source: P.A. 102-700, Article 60, Section 60-10, eff.
5 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;
6 103-154, eff. 6-30-23.)

7 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

8 Sec. 6z-20. County and Mass Transit District Fund. Of the
9 money received from the 6.25% general rate (and, beginning
10 July 1, 2000 and through December 31, 2000, the 1.25% rate on
11 motor fuel and gasohol, and during the sales tax holiday
12 period, as defined in Section 3-6 of the Use Tax Act and
13 Section 2-8 of the Retailers' Occupation Tax Act ~~beginning on~~
14 ~~August 6, 2010 through August 15, 2010, and beginning again on~~
15 ~~August 5, 2022 through August 14, 2022,~~ the 1.25% rate on sales
16 tax holiday items) on sales subject to taxation under the
17 Retailers' Occupation Tax Act and Service Occupation Tax Act
18 and paid into the County and Mass Transit District Fund,
19 distribution to the Regional Transportation Authority tax
20 fund, created pursuant to Section 4.03 of the Regional
21 Transportation Authority Act, for deposit therein shall be
22 made based upon the retail sales occurring in a county having
23 more than 3,000,000 inhabitants. The remainder shall be
24 distributed to each county having 3,000,000 or fewer
25 inhabitants based upon the retail sales occurring in each such

1 county.

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

11 Of the money received from the 6.25% general use tax rate
12 on tangible personal property which is purchased outside
13 Illinois at retail from a retailer and which is titled or
14 registered by any agency of this State's government and paid
15 into the County and Mass Transit District Fund, the amount for
16 which Illinois addresses for titling or registration purposes
17 are given as being in each county having more than 3,000,000
18 inhabitants shall be distributed into the Regional
19 Transportation Authority tax fund, created pursuant to Section
20 4.03 of the Regional Transportation Authority Act. The
21 remainder of the money paid from such sales shall be
22 distributed to each county based on sales for which Illinois
23 addresses for titling or registration purposes are given as
24 being located in the county. Any money paid into the Regional
25 Transportation Authority Occupation and Use Tax Replacement
26 Fund from the County and Mass Transit District Fund prior to

1 January 14, 1991, which has not been paid to the Authority
2 prior to that date, shall be transferred to the Regional
3 Transportation Authority tax fund.

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

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

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on or before the 25th day of each calendar month, the

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

1 Compliance and Administration Fund under this Section. Within
2 10 days after receipt, by the Comptroller, of the disbursement
3 certification to the Regional Transportation Authority,
4 counties, and the Tax Compliance and Administration Fund
5 provided for in this Section to be given to the Comptroller by
6 the Department, the Comptroller shall cause the orders to be
7 drawn for the respective amounts in accordance with the
8 directions contained in such certification.

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

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

24 In construing any development, redevelopment, annexation,
25 preannexation or other lawful agreement in effect prior to
26 September 1, 1990, which describes or refers to receipts from

1 a county or municipal retailers' occupation tax, use tax or
2 service occupation tax which now cannot be imposed, such
3 description or reference shall be deemed to include the
4 replacement revenue for such abolished taxes, distributed from
5 the County and Mass Transit District Fund or Local Government
6 Distributive Fund, as the case may be.

7 (Source: P.A. 102-700, eff. 4-19-22.)

8 Section 10. The Use Tax Act is amended by changing
9 Sections 3-6, 3-10, and 9 as follows:

10 (35 ILCS 105/3-6)

11 Sec. 3-6. Sales tax holiday items.

12 (a) Any tangible personal property described in this
13 subsection is a sales tax holiday item and qualifies for the
14 1.25% reduced rate of tax during the sales tax holiday period
15 ~~for the period set forth in Section 3-10 of this Act~~
16 ~~(hereinafter referred to as the Sales Tax Holiday Period)~~. The
17 reduced rate on these items shall be administered under the
18 provisions of subsection (b) of this Section. The following
19 items are subject to the reduced rate:

20 (1) Clothing items that each have a retail selling
21 price of less than \$125.

22 "Clothing" means, unless otherwise specified in this
23 Section, all human wearing apparel suitable for general
24 use. "Clothing" does not include clothing accessories,

1 protective equipment, or sport or recreational equipment.
2 "Clothing" includes, but is not limited to: household and
3 shop aprons; athletic supporters; bathing suits and caps;
4 belts and suspenders; boots; coats and jackets; ear muffs;
5 footlets; gloves and mittens for general use; hats and
6 caps; hosiery; insoles for shoes; lab coats; neckties;
7 overshoes; pantyhose; rainwear; rubber pants; sandals;
8 scarves; shoes and shoelaces; slippers; sneakers; socks
9 and stockings; steel-toed shoes; underwear; and school
10 uniforms.

11 "Clothing accessories" means, but is not limited to:
12 briefcases; cosmetics; hair notions, including, but not
13 limited to barrettes, hair bows, and hair nets; handbags;
14 handkerchiefs; jewelry; non-prescription sunglasses;
15 umbrellas; wallets; watches; and wigs and hair pieces.

16 "Protective equipment" means, but is not limited to:
17 breathing masks; clean room apparel and equipment; ear and
18 hearing protectors; face shields; hard hats; helmets;
19 paint or dust respirators; protective gloves; safety
20 glasses and goggles; safety belts; tool belts; and
21 welder's gloves and masks.

22 "Sport or recreational equipment" means, but is not
23 limited to: ballet and tap shoes; cleated or spiked
24 athletic shoes; gloves, including, but not limited to,
25 baseball, bowling, boxing, hockey, and golf gloves;
26 goggles; hand and elbow guards; life preservers and vests;

1 mouth guards; roller and ice skates; shin guards; shoulder
2 pads; ski boots; waders; and wetsuits and fins.

3 (2) School supplies. "School supplies" means, unless
4 otherwise specified in this Section, items used by a
5 student in a course of study. The purchase of school
6 supplies for use by persons other than students for use in
7 a course of study are not eligible for the reduced rate of
8 tax. "School supplies" do not include school art supplies;
9 school instructional materials; cameras; film and memory
10 cards; videocameras, tapes, and videotapes; computers;
11 cell phones; Personal Digital Assistants (PDAs); handheld
12 electronic schedulers; and school computer supplies.

13 "School supplies" includes, but is not limited to:
14 binders; book bags; calculators; cellophane tape;
15 blackboard chalk; compasses; composition books; crayons;
16 erasers; expandable, pocket, plastic, and manila folders;
17 glue, paste, and paste sticks; highlighters; index cards;
18 index card boxes; legal pads; lunch boxes; markers;
19 notebooks; paper, including loose leaf ruled notebook
20 paper, copy paper, graph paper, tracing paper, manila
21 paper, colored paper, poster board, and construction
22 paper; pencils; pencil leads; pens; ink and ink refills
23 for pens; pencil boxes and other school supply boxes;
24 pencil sharpeners; protractors; rulers; scissors; and
25 writing tablets.

26 "School art supply" means an item commonly used by a

1 student in a course of study for artwork and includes only
2 the following items: clay and glazes; acrylic, tempera,
3 and oil paint; paintbrushes for artwork; sketch and
4 drawing pads; and watercolors.

5 "School instructional material" means written material
6 commonly used by a student in a course of study as a
7 reference and to learn the subject being taught and
8 includes only the following items: reference books;
9 reference maps and globes; textbooks; and workbooks.

10 "School computer supply" means an item commonly used
11 by a student in a course of study in which a computer is
12 used and applies only to the following items: flashdrives
13 and other computer data storage devices; data storage
14 media, such as diskettes and compact disks; boxes and
15 cases for disk storage; external ports or drives; computer
16 cases; computer cables; computer printers; and printer
17 cartridges, toner, and ink.

18 (b) Administration. Notwithstanding any other provision of
19 this Act, the reduced rate of tax under Section 3-10 of this
20 Act for clothing and school supplies shall be administered by
21 the Department under the provisions of this subsection (b).

22 (1) Bundled sales. Items that qualify for the reduced
23 rate of tax that are bundled together with items that do
24 not qualify for the reduced rate of tax and that are sold
25 for one itemized price will be subject to the reduced rate
26 of tax only if the value of the items that qualify for the

1 reduced rate of tax exceeds the value of the items that do
2 not qualify for the reduced rate of tax.

3 (2) Coupons and discounts. An unreimbursed discount by
4 the seller reduces the sales price of the property so that
5 the discounted sales price determines whether the sales
6 price is within a sales tax holiday price threshold. A
7 coupon or other reduction in the sales price is treated as
8 a discount if the seller is not reimbursed for the coupon
9 or reduction amount by a third party.

10 (3) Splitting of items normally sold together.
11 Articles that are normally sold as a single unit must
12 continue to be sold in that manner. Such articles cannot
13 be priced separately and sold as individual items in order
14 to obtain the reduced rate of tax. For example, a pair of
15 shoes cannot have each shoe sold separately so that the
16 sales price of each shoe is within a sales tax holiday
17 price threshold.

18 (4) Rain checks. A rain check is a procedure that
19 allows a customer to purchase an item at a certain price at
20 a later time because the particular item was out of stock.
21 Eligible property that customers purchase during the sales
22 tax holiday period ~~Sales Tax Holiday Period~~ with the use
23 of a rain check will qualify for the reduced rate of tax
24 regardless of when the rain check was issued. Issuance of
25 a rain check during the sales tax holiday period ~~Sales Tax~~
26 ~~Holiday Period~~ will not qualify eligible property for the

1 reduced rate of tax if the property is actually purchased
2 after the sales tax holiday period ~~Sales Tax Holiday~~
3 ~~Period~~.

4 (5) Exchanges. The procedure for an exchange in
5 regards to a sales tax holiday is as follows:

6 (A) If a customer purchases an item of eligible
7 property during the sales tax holiday period ~~Sales Tax~~
8 ~~Holiday Period~~, but later exchanges the item for a
9 similar eligible item, even if a different size,
10 different color, or other feature, no additional tax
11 is due even if the exchange is made after the sales tax
12 holiday period ~~Sales Tax Holiday Period~~.

13 (B) If a customer purchases an item of eligible
14 property during the sales tax holiday period ~~Sales Tax~~
15 ~~Holiday Period~~, but after the sales tax holiday period
16 ~~Sales Tax Holiday Period~~ has ended, the customer
17 returns the item and receives credit on the purchase
18 of a different item, the 6.25% general merchandise
19 sales tax rate is due on the sale of the newly
20 purchased item.

21 (C) If a customer purchases an item of eligible
22 property before the sales tax holiday period ~~Sales Tax~~
23 ~~Holiday Period~~, but during the sales tax holiday
24 period ~~Sales Tax Holiday Period~~ the customer returns
25 the item and receives credit on the purchase of a
26 different item of eligible property, the reduced rate

1 of tax is due on the sale of the new item if the new
2 item is purchased during the sales tax holiday period
3 ~~Sales Tax Holiday Period~~.

4 (6) (Blank).

5 (7) Order date and back orders. For the purpose of a
6 sales tax holiday, eligible property qualifies for the
7 reduced rate of tax if: (i) the item is both delivered to
8 and paid for by the customer during the sales tax holiday
9 period ~~Sales Tax Holiday Period~~ or (ii) the customer
10 orders and pays for the item and the seller accepts the
11 order during the sales tax holiday period ~~Sales Tax~~
12 ~~Holiday Period~~ for immediate shipment, even if delivery is
13 made after the sales tax holiday period ~~Sales Tax Holiday~~
14 ~~Period~~. The seller accepts an order when the seller has
15 taken action to fill the order for immediate shipment.
16 Actions to fill an order include placement of an "in date"
17 stamp on an order or assignment of an "order number" to an
18 order within the sales tax holiday period ~~Sales Tax~~
19 ~~Holiday Period~~. An order is for immediate shipment when
20 the customer does not request delayed shipment. An order
21 is for immediate shipment notwithstanding that the
22 shipment may be delayed because of a backlog of orders or
23 because stock is currently unavailable to, or on back
24 order by, the seller.

25 (8) Returns. For a 60-day period immediately after the
26 sales tax holiday period ~~Sales Tax Holiday Period~~, if a

1 customer returns an item that would qualify for the
2 reduced rate of tax, credit for or refund of sales tax
3 shall be given only at the reduced rate unless the
4 customer provides a receipt or invoice that shows tax was
5 paid at the 6.25% general merchandise rate, or the seller
6 has sufficient documentation to show that tax was paid at
7 the 6.25% general merchandise rate on the specific item.
8 This 60-day period is set solely for the purpose of
9 designating a time period during which the customer must
10 provide documentation that shows that the appropriate
11 sales tax rate was paid on returned merchandise. The
12 60-day period is not intended to change a seller's policy
13 on the time period during which the seller will accept
14 returns.

15 (b-5) As used in this Section, "sales tax holiday period"
16 means:

17 (1) from August 6, 2010 through August 15, 2010;

18 (2) from August 5, 2022 through August 14, 2022; and

19 (3) from August 2, 2025 through August 11, 2025.

20 (c) The Department may implement the provisions of this
21 Section through the use of emergency rules, along with
22 permanent rules filed concurrently with such emergency rules,
23 in accordance with the provisions of Section 5-45 of the
24 Illinois Administrative Procedure Act. For purposes of the
25 Illinois Administrative Procedure Act, the adoption of rules
26 to implement the provisions of this Section shall be deemed an

1 emergency and necessary for the public interest, safety, and
2 welfare.

3 (Source: P.A. 102-700, eff. 4-19-22.)

4 (35 ILCS 105/3-10)

5 Sec. 3-10. Rate of tax. Unless otherwise provided in this
6 Section, the tax imposed by this Act is at the rate of 6.25% of
7 either the selling price or the fair market value, if any, of
8 the tangible personal property, which, on and after January 1,
9 2025, includes leases of tangible personal property. In all
10 cases where property functionally used or consumed is the same
11 as the property that was purchased at retail, then the tax is
12 imposed on the selling price of the property. In all cases
13 where property functionally used or consumed is a by-product
14 or waste product that has been refined, manufactured, or
15 produced from property purchased at retail, then the tax is
16 imposed on the lower of the fair market value, if any, of the
17 specific property so used in this State or on the selling price
18 of the property purchased at retail. For purposes of this
19 Section "fair market value" means the price at which property
20 would change hands between a willing buyer and a willing
21 seller, neither being under any compulsion to buy or sell and
22 both having reasonable knowledge of the relevant facts. The
23 fair market value shall be established by Illinois sales by
24 the taxpayer of the same property as that functionally used or
25 consumed, or if there are no such sales by the taxpayer, then

1 comparable sales or purchases of property of like kind and
2 character in Illinois.

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

7 During the sales tax holiday period, as defined in Section
8 3-6, Beginning on August 6, 2010 through August 15, 2010, and
9 beginning again on August 5, 2022 through August 14, 2022,
10 with respect to sales tax holiday items described ~~as defined~~
11 ~~in Section 3-6 of this Act,~~ the tax is imposed at the rate of
12 1.25%.

13 With respect to gasohol, the tax imposed by this Act
14 applies to (i) 70% of the proceeds of sales made on or after
15 January 1, 1990, and before July 1, 2003, (ii) 80% of the
16 proceeds of sales made on or after July 1, 2003 and on or
17 before July 1, 2017, (iii) 100% of the proceeds of sales made
18 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
19 the proceeds of sales made on or after January 1, 2024 and on
20 or before December 31, 2028, and (v) 100% of the proceeds of
21 sales made after December 31, 2028. If, at any time, however,
22 the tax under this Act on sales of gasohol is imposed at the
23 rate of 1.25%, then the tax imposed by this Act applies to 100%
24 of the proceeds of sales of gasohol made during that time.

25 With respect to mid-range ethanol blends, the tax imposed
26 by this Act applies to (i) 80% of the proceeds of sales made on

1 or after January 1, 2024 and on or before December 31, 2028 and
2 (ii) 100% of the proceeds of sales made thereafter. If, at any
3 time, however, the tax under this Act on sales of mid-range
4 ethanol blends is imposed at the rate of 1.25%, then the tax
5 imposed by this Act applies to 100% of the proceeds of sales of
6 mid-range ethanol blends made during that time.

7 With respect to majority blended ethanol fuel, the tax
8 imposed by this Act does not apply to the proceeds of sales
9 made on or after July 1, 2003 and on or before December 31,
10 2028 but applies to 100% of the proceeds of sales made
11 thereafter.

12 With respect to biodiesel blends with no less than 1% and
13 no more than 10% biodiesel, the tax imposed by this Act applies
14 to (i) 80% of the proceeds of sales made on or after July 1,
15 2003 and on or before December 31, 2018 and (ii) 100% of the
16 proceeds of sales made after December 31, 2018 and before
17 January 1, 2024. On and after January 1, 2024 and on or before
18 December 31, 2030, the taxation of biodiesel, renewable
19 diesel, and biodiesel blends shall be as provided in Section
20 3-5.1. If, at any time, however, the tax under this Act on
21 sales of biodiesel blends with no less than 1% and no more than
22 10% biodiesel is imposed at the rate of 1.25%, then the tax
23 imposed by this Act applies to 100% of the proceeds of sales of
24 biodiesel blends with no less than 1% and no more than 10%
25 biodiesel made during that time.

26 With respect to biodiesel and biodiesel blends with more

1 than 10% but no more than 99% biodiesel, the tax imposed by
2 this Act does not apply to the proceeds of sales made on or
3 after July 1, 2003 and on or before December 31, 2023. On and
4 after January 1, 2024 and on or before December 31, 2030, the
5 taxation of biodiesel, renewable diesel, and biodiesel blends
6 shall be as provided in Section 3-5.1.

7 Until July 1, 2022 and from July 1, 2023 through December
8 31, 2025, with respect to food for human consumption that is to
9 be consumed off the premises where it is sold (other than
10 alcoholic beverages, food consisting of or infused with adult
11 use cannabis, soft drinks, and food that has been prepared for
12 immediate consumption), the tax is imposed at the rate of 1%.
13 Beginning on July 1, 2022 and until July 1, 2023, with respect
14 to food for human consumption that is to be consumed off the
15 premises where it is sold (other than alcoholic beverages,
16 food consisting of or infused with adult use cannabis, soft
17 drinks, and food that has been prepared for immediate
18 consumption), the tax is imposed at the rate of 0%. On and
19 after January 1, 2026, food for human consumption that is to be
20 consumed off the premises where it is sold (other than
21 alcoholic beverages, food consisting of or infused with adult
22 use cannabis, soft drinks, candy, and food that has been
23 prepared for immediate consumption) is exempt from the tax
24 imposed by this Act.

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

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

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

26 Until August 1, 2009, and notwithstanding any other

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

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

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

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

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

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

12 Beginning on January 1, 2014 (the effective date of Public
13 Act 98-122), "prescription and nonprescription medicines and
14 drugs" includes medical cannabis purchased from a registered
15 dispensing organization under the Compassionate Use of Medical
16 Cannabis Program Act.

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

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

1 reasonable allowance for depreciation for the period of prior
2 out-of-state use. No depreciation is allowed in cases where
3 the tax under this Act is imposed on lease receipts.

4 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
5 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
6 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
7 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
8 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

9 (35 ILCS 105/9)

10 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
11 and trailers that are required to be registered with an agency
12 of this State, each retailer required or authorized to collect
13 the tax imposed by this Act shall pay to the Department the
14 amount of such tax (except as otherwise provided) at the time
15 when he is required to file his return for the period during
16 which such tax was collected, less a discount of 2.1% prior to
17 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
18 per calendar year, whichever is greater, which is allowed to
19 reimburse the retailer for expenses incurred in collecting the
20 tax, keeping records, preparing and filing returns, remitting
21 the tax and supplying data to the Department on request.
22 Beginning with returns due on or after January 1, 2025, the
23 discount allowed in this Section, the Retailers' Occupation
24 Tax Act, the Service Occupation Tax Act, and the Service Use
25 Tax Act, including any local tax administered by the

1 Department and reported on the same return, shall not exceed
2 \$1,000 per month in the aggregate for returns other than
3 transaction returns filed during the month. When determining
4 the discount allowed under this Section, retailers shall
5 include the amount of tax that would have been due at the 6.25%
6 rate but for the 1.25% rate imposed on sales tax holiday items
7 under Public Act 102-700. The discount under this Section is
8 not allowed for the 1.25% portion of taxes paid on aviation
9 fuel that is subject to the revenue use requirements of 49
10 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining the
11 discount allowed under this Section, retailers shall include
12 the amount of tax that would have been due at the 1% rate but
13 for the 0% rate imposed under Public Act 102-700 or this
14 amendatory Act of the 104th General Assembly. In the case of
15 retailers who report and pay the tax on a transaction by
16 transaction basis, as provided in this Section, such discount
17 shall be taken with each such tax remittance instead of when
18 such retailer files his periodic return, but, beginning with
19 returns due on or after January 1, 2025, the discount allowed
20 under this Section and the Retailers' Occupation Tax Act,
21 including any local tax administered by the Department and
22 reported on the same transaction return, shall not exceed
23 \$1,000 per month for all transaction returns filed during the
24 month. The discount allowed under this Section is allowed only
25 for returns that are filed in the manner required by this Act.
26 The Department may disallow the discount for retailers whose

1 certificate of registration is revoked at the time the return
2 is filed, but only if the Department's decision to revoke the
3 certificate of registration has become final. A retailer need
4 not remit that part of any tax collected by him to the extent
5 that he is required to remit and does remit the tax imposed by
6 the Retailers' Occupation Tax Act, with respect to the sale of
7 the same property.

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

18 In the case of leases, except as otherwise provided in
19 this Act, the lessor, in collecting the tax, may collect for
20 each tax return period, only the tax applicable to that part of
21 the selling price actually received during such tax return
22 period.

23 Except as provided in this Section, on or before the
24 twentieth day of each calendar month, such retailer shall file
25 a return for the preceding calendar month. Such return shall
26 be filed on forms prescribed by the Department and shall

1 furnish such information as the Department may reasonably
2 require. The return shall include the gross receipts on food
3 for human consumption that is to be consumed off the premises
4 where it is sold (other than alcoholic beverages, food
5 consisting of or infused with adult use cannabis, soft drinks,
6 and food that has been prepared for immediate consumption)
7 which were received during the preceding calendar month,
8 quarter, or year, as appropriate, and upon which tax would
9 have been due but for the 0% rate imposed under Public Act
10 102-700. The return shall also include the amount of tax that
11 would have been due on food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, food consisting of or infused with adult
14 use cannabis, soft drinks, and food that has been prepared for
15 immediate consumption) but for the 0% rate imposed under
16 Public Act 102-700.

17 On and after January 1, 2018, except for returns required
18 to be filed prior to January 1, 2023 for motor vehicles,
19 watercraft, aircraft, and trailers that are required to be
20 registered with an agency of this State, with respect to
21 retailers whose annual gross receipts average \$20,000 or more,
22 all returns required to be filed pursuant to this Act shall be
23 filed electronically. On and after January 1, 2023, with
24 respect to retailers whose annual gross receipts average
25 \$20,000 or more, all returns required to be filed pursuant to
26 this Act, including, but not limited to, returns for motor

1 vehicles, watercraft, aircraft, and trailers that are required
2 to be registered with an agency of this State, shall be filed
3 electronically. Retailers who demonstrate that they do not
4 have access to the Internet or demonstrate hardship in filing
5 electronically may petition the Department to waive the
6 electronic filing requirement.

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

14 1. The name of the seller;

15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;

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

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

25 5. The amount of tax due;

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

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

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

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

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

25 Beginning October 1, 1993, a taxpayer who has an average
26 monthly tax liability of \$150,000 or more shall make all

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

24 Before August 1 of each year beginning in 1993, the
25 Department shall notify all taxpayers required to make
26 payments by electronic funds transfer. All taxpayers required

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

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

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

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

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

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

1 to 22.5% of the taxpayer's actual liability for the month or
2 25% of the taxpayer's liability for the same calendar month of
3 the preceding year. If the month during which such tax
4 liability is incurred begins on or after January 1, 1989, and
5 prior to January 1, 1996, each payment shall be in an amount
6 equal to 22.5% of the taxpayer's actual liability for the
7 month or 25% of the taxpayer's liability for the same calendar
8 month of the preceding year or 100% of the taxpayer's actual
9 liability for the quarter monthly reporting period. The amount
10 of such quarter monthly payments shall be credited against the
11 final tax liability of the taxpayer's return for that month.
12 Before October 1, 2000, once applicable, the requirement of
13 the making of quarter monthly payments to the Department shall
14 continue until such taxpayer's average monthly liability to
15 the Department during the preceding 4 complete calendar
16 quarters (excluding the month of highest liability and the
17 month of lowest liability) is less than \$9,000, or until such
18 taxpayer's average monthly liability to the Department as
19 computed for each calendar quarter of the 4 preceding complete
20 calendar quarter period is less than \$10,000. However, if a
21 taxpayer can show the Department that a substantial change in
22 the taxpayer's business has occurred which causes the taxpayer
23 to anticipate that his average monthly tax liability for the
24 reasonably foreseeable future will fall below the \$10,000
25 threshold stated above, then such taxpayer may petition the
26 Department for change in such taxpayer's reporting status. On

1 and after October 1, 2000, once applicable, the requirement of
2 the making of quarter monthly payments to the Department shall
3 continue until such taxpayer's average monthly liability to
4 the Department during the preceding 4 complete calendar
5 quarters (excluding the month of highest liability and the
6 month of lowest liability) is less than \$19,000 or until such
7 taxpayer's average monthly liability to the Department as
8 computed for each calendar quarter of the 4 preceding complete
9 calendar quarter period is less than \$20,000. However, if a
10 taxpayer can show the Department that a substantial change in
11 the taxpayer's business has occurred which causes the taxpayer
12 to anticipate that his average monthly tax liability for the
13 reasonably foreseeable future will fall below the \$20,000
14 threshold stated above, then such taxpayer may petition the
15 Department for a change in such taxpayer's reporting status.
16 The Department shall change such taxpayer's reporting status
17 unless it finds that such change is seasonal in nature and not
18 likely to be long term. Quarter monthly payment status shall
19 be determined under this paragraph as if the rate reduction to
20 1.25% in Public Act 102-700 on sales tax holiday items had not
21 occurred. Quarter monthly payment status shall be determined
22 under this paragraph as if the rate reduction to 1.25% in this
23 amendatory Act of the 104th General Assembly on sales tax
24 holiday items had not occurred. For quarter monthly payments
25 due on or after July 1, 2023 and through June 30, 2024, "25% of
26 the taxpayer's liability for the same calendar month of the

1 preceding year" shall be determined as if the rate reduction
2 to 1.25% in Public Act 102-700 on sales tax holiday items had
3 not occurred. For quarter monthly payments due on or after
4 July 1, 2025 and through June 30, 2026, "25% of the taxpayer's
5 liability for the same calendar month of the preceding year"
6 shall be determined as if the rate reduction to 1.25% in this
7 amendatory Act of the 104th General Assembly on sales tax
8 holiday items had not occurred. Quarter monthly payment status
9 shall be determined under this paragraph as if the rate
10 reduction to 0% in Public Act 102-700 on food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, food consisting of or
13 infused with adult use cannabis, soft drinks, and food that
14 has been prepared for immediate consumption) had not occurred.
15 For quarter monthly payments due under this paragraph on or
16 after July 1, 2023 and through June 30, 2024, "25% of the
17 taxpayer's liability for the same calendar month of the
18 preceding year" shall be determined as if the rate reduction
19 to 0% in Public Act 102-700 had not occurred. If any such
20 quarter monthly payment is not paid at the time or in the
21 amount required by this Section, then the taxpayer shall be
22 liable for penalties and interest on the difference between
23 the minimum amount due and the amount of such quarter monthly
24 payment actually and timely paid, except insofar as the
25 taxpayer has previously made payments for that month to the
26 Department in excess of the minimum payments previously due as

1 provided in this Section. The Department shall make reasonable
2 rules and regulations to govern the quarter monthly payment
3 amount and quarter monthly payment dates for taxpayers who
4 file on other than a calendar monthly basis.

5 If any such payment provided for in this Section exceeds
6 the taxpayer's liabilities under this Act, the Retailers'
7 Occupation Tax Act, the Service Occupation Tax Act and the
8 Service Use Tax Act, as shown by an original monthly return,
9 the Department shall issue to the taxpayer a credit memorandum
10 no later than 30 days after the date of payment, which
11 memorandum may be submitted by the taxpayer to the Department
12 in payment of tax liability subsequently to be remitted by the
13 taxpayer to the Department or be assigned by the taxpayer to a
14 similar taxpayer under this Act, the Retailers' Occupation Tax
15 Act, the Service Occupation Tax Act or the Service Use Tax Act,
16 in accordance with reasonable rules and regulations to be
17 prescribed by the Department, except that if such excess
18 payment is shown on an original monthly return and is made
19 after December 31, 1986, no credit memorandum shall be issued,
20 unless requested by the taxpayer. If no such request is made,
21 the taxpayer may credit such excess payment against tax
22 liability subsequently to be remitted by the taxpayer to the
23 Department under this Act, the Retailers' Occupation Tax Act,
24 the Service Occupation Tax Act or the Service Use Tax Act, in
25 accordance with reasonable rules and regulations prescribed by
26 the Department. If the Department subsequently determines that

1 all or any part of the credit taken was not actually due to the
2 taxpayer, the taxpayer's vendor's discount shall be reduced,
3 if necessary, to reflect the difference between the credit
4 taken and that actually due, and the taxpayer shall be liable
5 for penalties and interest on such difference.

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

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

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

26 Notwithstanding any other provision in this Act concerning

1 the time within which a retailer may file his return, in the
2 case of any retailer who ceases to engage in a kind of business
3 which makes him responsible for filing returns under this Act,
4 such retailer shall file a final return under this Act with the
5 Department not more than one month after discontinuing such
6 business.

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

1 a Class 2, Class 3, or Class 4 watercraft as defined in Section
2 3-2 of the Boat Registration and Safety Act, a personal
3 watercraft, or any boat equipped with an inboard motor.

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

20 The transaction reporting return in the case of motor
21 vehicles or trailers that are required to be registered with
22 an agency of this State, shall be the same document as the
23 Uniform Invoice referred to in Section 5-402 of the Illinois
24 Vehicle Code and must show the name and address of the seller;
25 the name and address of the purchaser; the amount of the
26 selling price including the amount allowed by the retailer for

1 traded-in property, if any; the amount allowed by the retailer
2 for the traded-in tangible personal property, if any, to the
3 extent to which Section 2 of this Act allows an exemption for
4 the value of traded-in property; the balance payable after
5 deducting such trade-in allowance from the total selling
6 price; the amount of tax due from the retailer with respect to
7 such transaction; the amount of tax collected from the
8 purchaser by the retailer on such transaction (or satisfactory
9 evidence that such tax is not due in that particular instance,
10 if that is claimed to be the fact); the place and date of the
11 sale; a sufficient identification of the property sold; such
12 other information as is required in Section 5-402 of the
13 Illinois Vehicle Code, and such other information as the
14 Department may reasonably require.

15 The transaction reporting return in the case of watercraft
16 and aircraft must show the name and address of the seller; the
17 name and address of the purchaser; the amount of the selling
18 price including the amount allowed by the retailer for
19 traded-in property, if any; the amount allowed by the retailer
20 for the traded-in tangible personal property, if any, to the
21 extent to which Section 2 of this Act allows an exemption for
22 the value of traded-in property; the balance payable after
23 deducting such trade-in allowance from the total selling
24 price; the amount of tax due from the retailer with respect to
25 such transaction; the amount of tax collected from the
26 purchaser by the retailer on such transaction (or satisfactory

1 evidence that such tax is not due in that particular instance,
2 if that is claimed to be the fact); the place and date of the
3 sale, a sufficient identification of the property sold, and
4 such other information as the Department may reasonably
5 require.

6 Such transaction reporting return shall be filed not later
7 than 20 days after the date of delivery of the item that is
8 being sold, but may be filed by the retailer at any time sooner
9 than that if he chooses to do so. The transaction reporting
10 return and tax remittance or proof of exemption from the tax
11 that is imposed by this Act may be transmitted to the
12 Department by way of the State agency with which, or State
13 officer with whom, the tangible personal property must be
14 titled or registered (if titling or registration is required)
15 if the Department and such agency or State officer determine
16 that this procedure will expedite the processing of
17 applications for title or registration.

18 With each such transaction reporting return, the retailer
19 shall remit the proper amount of tax due (or shall submit
20 satisfactory evidence that the sale is not taxable if that is
21 the case), to the Department or its agents, whereupon the
22 Department shall issue, in the purchaser's name, a tax receipt
23 (or a certificate of exemption if the Department is satisfied
24 that the particular sale is tax exempt) which such purchaser
25 may submit to the agency with which, or State officer with
26 whom, he must title or register the tangible personal property

1 that is involved (if titling or registration is required) in
2 support of such purchaser's application for an Illinois
3 certificate or other evidence of title or registration to such
4 tangible personal property.

5 No retailer's failure or refusal to remit tax under this
6 Act precludes a user, who has paid the proper tax to the
7 retailer, from obtaining his certificate of title or other
8 evidence of title or registration (if titling or registration
9 is required) upon satisfying the Department that such user has
10 paid the proper tax (if tax is due) to the retailer. The
11 Department shall adopt appropriate rules to carry out the
12 mandate of this paragraph.

13 If the user who would otherwise pay tax to the retailer
14 wants the transaction reporting return filed and the payment
15 of tax or proof of exemption made to the Department before the
16 retailer is willing to take these actions and such user has not
17 paid the tax to the retailer, such user may certify to the fact
18 of such delay by the retailer, and may (upon the Department
19 being satisfied of the truth of such certification) transmit
20 the information required by the transaction reporting return
21 and the remittance for tax or proof of exemption directly to
22 the Department and obtain his tax receipt or exemption
23 determination, in which event the transaction reporting return
24 and tax remittance (if a tax payment was required) shall be
25 credited by the Department to the proper retailer's account
26 with the Department, but without the vendor's discount

1 provided for in this Section being allowed. When the user pays
2 the tax directly to the Department, he shall pay the tax in the
3 same amount and in the same form in which it would be remitted
4 if the tax had been remitted to the Department by the retailer.

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

21 Any retailer filing a return under this Section shall also
22 include (for the purpose of paying tax thereon) the total tax
23 covered by such return upon the selling price of tangible
24 personal property purchased by him at retail from a retailer,
25 but as to which the tax imposed by this Act was not collected
26 from the retailer filing such return, and such retailer shall

1 remit the amount of such tax to the Department when filing such
2 return.

3 If experience indicates such action to be practicable, the
4 Department may prescribe and furnish a combination or joint
5 return which will enable retailers, who are required to file
6 returns hereunder and also under the Retailers' Occupation Tax
7 Act, to furnish all the return information required by both
8 Acts on the one form.

9 Where the retailer has more than one business registered
10 with the Department under separate registration under this
11 Act, such retailer may not file each return that is due as a
12 single return covering all such registered businesses, but
13 shall file separate returns for each such registered business.

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

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

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

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

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

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

1 month, the tax on sales tax holiday items, as defined in
2 Section 3-6, is imposed at the rate of 1.25%, then the
3 Department shall pay 100% of the net revenue realized for that
4 month from the 1.25% rate on the selling price of sales tax
5 holiday items into the State and Local Sales Tax Reform Fund.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the Local Government Tax Fund 16% of the net revenue
8 realized for the preceding month from the 6.25% general rate
9 on the selling price of tangible personal property which is
10 purchased outside Illinois at retail from a retailer and which
11 is titled or registered by an agency of this State's
12 government.

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

20 Beginning July 1, 2011, each month the Department shall
21 pay into the Clean Air Act Permit Fund 80% of the net revenue
22 realized for the preceding month from the 6.25% general rate
23 on the selling price of sorbents used in Illinois in the
24 process of sorbent injection as used to comply with the
25 Environmental Protection Act or the federal Clean Air Act, but
26 the total payment into the Clean Air Act Permit Fund under this

1 Act and the Retailers' Occupation Tax Act shall not exceed
2 \$2,000,000 in any fiscal year.

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

18 Beginning July 1, 2015, of the remainder of the moneys
19 received by the Department under this Act, the Service Use Tax
20 Act, the Service Occupation Tax Act, and the Retailers'
21 Occupation Tax Act, each month the Department shall deposit
22 \$500,000 into the State Crime Laboratory Fund.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, (a) 1.75% thereof shall be paid into the
25 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
26 and after July 1, 1989, 3.8% thereof shall be paid into the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Tax Increment Fund, and the Tax Compliance and Administration
2 Fund as provided in this Section, beginning on July 1, 2018 the
3 Department shall pay each month into the Downstate Public
4 Transportation Fund the moneys required to be so paid under
5 Section 2-3 of the Downstate Public Transportation Act.

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

1	Fiscal Year.....	Total Deposit
2	2024	\$200,000,000
3	2025	\$206,000,000
4	2026	\$212,200,000
5	2027	\$218,500,000
6	2028	\$225,100,000
7	2029	\$288,700,000
8	2030	\$298,900,000
9	2031	\$309,300,000
10	2032	\$320,100,000
11	2033	\$331,200,000
12	2034	\$341,200,000
13	2035	\$351,400,000
14	2036	\$361,900,000
15	2037	\$372,800,000
16	2038	\$384,000,000
17	2039	\$395,500,000
18	2040	\$407,400,000
19	2041	\$419,600,000
20	2042	\$432,200,000
21	2043	\$445,100,000

22 Beginning July 1, 2021 and until July 1, 2022, subject to
23 the payment of amounts into the State and Local Sales Tax
24 Reform Fund, the Build Illinois Fund, the McCormick Place
25 Expansion Project Fund, the Illinois Tax Increment Fund, and
26 the Tax Compliance and Administration Fund as provided in this

1 Section, the Department shall pay each month into the Road
2 Fund the amount estimated to represent 16% of the net revenue
3 realized from the taxes imposed on motor fuel and gasohol.
4 Beginning July 1, 2022 and until July 1, 2023, subject to the
5 payment of amounts into the State and Local Sales Tax Reform
6 Fund, the Build Illinois Fund, the McCormick Place Expansion
7 Project Fund, the Illinois Tax Increment Fund, and the Tax
8 Compliance and Administration Fund as provided in this
9 Section, the Department shall pay each month into the Road
10 Fund the amount estimated to represent 32% of the net revenue
11 realized from the taxes imposed on motor fuel and gasohol.
12 Beginning July 1, 2023 and until July 1, 2024, subject to the
13 payment of amounts into the State and Local Sales Tax Reform
14 Fund, the Build Illinois Fund, the McCormick Place Expansion
15 Project Fund, the Illinois Tax Increment Fund, and the Tax
16 Compliance and Administration Fund as provided in this
17 Section, the Department shall pay each month into the Road
18 Fund the amount estimated to represent 48% of the net revenue
19 realized from the taxes imposed on motor fuel and gasohol.
20 Beginning July 1, 2024 and until July 1, 2025, subject to the
21 payment of amounts into the State and Local Sales Tax Reform
22 Fund, the Build Illinois Fund, the McCormick Place Expansion
23 Project Fund, the Illinois Tax Increment Fund, and the Tax
24 Compliance and Administration Fund as provided in this
25 Section, the Department shall pay each month into the Road
26 Fund the amount estimated to represent 64% of the net revenue

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

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

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

26 Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount
2 paid out during that month as refunds to taxpayers for
3 overpayment of liability.

4 For greater simplicity of administration, manufacturers,
5 importers and wholesalers whose products are sold at retail in
6 Illinois by numerous retailers, and who wish to do so, may
7 assume the responsibility for accounting and paying to the
8 Department all tax accruing under this Act with respect to
9 such sales, if the retailers who are affected do not make
10 written objection to the Department to this arrangement.

11 (Source: P.A. 102-700, Article 60, Section 60-15, eff.
12 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;
13 102-1019, eff. 1-1-23; 103-154, eff. 6-30-23; 103-363, eff.
14 7-28-23; 103-592, Article 75, Section 75-5, eff. 1-1-25;
15 103-592, Article 110, Section 110-5, eff. 6-7-24; revised
16 11-26-24.)

17 Section 15. The Retailers' Occupation Tax Act is amended
18 by changing Sections 2-8, 2-10 and 3 as follows:

19 (35 ILCS 120/2-8)

20 Sec. 2-8. Sales tax holiday items.

21 (a) Any tangible personal property described in this
22 subsection is a sales tax holiday item and qualifies for the
23 1.25% reduced rate of tax for the sales tax holiday period
24 ~~period set forth in Section 2-10 of this Act (hereinafter~~

1 ~~referred to as the Sales Tax Holiday Period~~). The reduced rate
2 on these items shall be administered under the provisions of
3 subsection (b) of this Section. The following items are
4 subject to the reduced rate:

5 (1) Clothing items that each have a retail selling
6 price of less than \$125.

7 "Clothing" means, unless otherwise specified in this
8 Section, all human wearing apparel suitable for general
9 use. "Clothing" does not include clothing accessories,
10 protective equipment, or sport or recreational equipment.

11 "Clothing" includes, but is not limited to: household and
12 shop aprons; athletic supporters; bathing suits and caps;
13 belts and suspenders; boots; coats and jackets; ear muffs;
14 footlets; gloves and mittens for general use; hats and
15 caps; hosiery; insoles for shoes; lab coats; neckties;
16 overshoes; pantyhose; rainwear; rubber pants; sandals;
17 scarves; shoes and shoelaces; slippers; sneakers; socks
18 and stockings; steel-toed shoes; underwear; and school
19 uniforms.

20 "Clothing accessories" means, but is not limited to:
21 briefcases; cosmetics; hair notions, including, but not
22 limited to barrettes, hair bows, and hair nets; handbags;
23 handkerchiefs; jewelry; non-prescription sunglasses;
24 umbrellas; wallets; watches; and wigs and hair pieces.

25 "Protective equipment" means, but is not limited to:
26 breathing masks; clean room apparel and equipment; ear and

1 hearing protectors; face shields; hard hats; helmets;
2 paint or dust respirators; protective gloves; safety
3 glasses and goggles; safety belts; tool belts; and
4 welder's gloves and masks.

5 "Sport or recreational equipment" means, but is not
6 limited to: ballet and tap shoes; cleated or spiked
7 athletic shoes; gloves, including, but not limited to,
8 baseball, bowling, boxing, hockey, and golf gloves;
9 goggles; hand and elbow guards; life preservers and vests;
10 mouth guards; roller and ice skates; shin guards; shoulder
11 pads; ski boots; waders; and wetsuits and fins.

12 (2) School supplies. "School supplies" means, unless
13 otherwise specified in this Section, items used by a
14 student in a course of study. The purchase of school
15 supplies for use by persons other than students for use in
16 a course of study are not eligible for the reduced rate of
17 tax. "School supplies" do not include school art supplies;
18 school instructional materials; cameras; film and memory
19 cards; videocameras, tapes, and videotapes; computers;
20 cell phones; Personal Digital Assistants (PDAs); handheld
21 electronic schedulers; and school computer supplies.

22 "School supplies" includes, but is not limited to:
23 binders; book bags; calculators; cellophane tape;
24 blackboard chalk; compasses; composition books; crayons;
25 erasers; expandable, pocket, plastic, and manila folders;
26 glue, paste, and paste sticks; highlighters; index cards;

1 index card boxes; legal pads; lunch boxes; markers;
2 notebooks; paper, including loose leaf ruled notebook
3 paper, copy paper, graph paper, tracing paper, manila
4 paper, colored paper, poster board, and construction
5 paper; pencils; pencil leads; pens; ink and ink refills
6 for pens; pencil boxes and other school supply boxes;
7 pencil sharpeners; protractors; rulers; scissors; and
8 writing tablets.

9 "School art supply" means an item commonly used by a
10 student in a course of study for artwork and includes only
11 the following items: clay and glazes; acrylic, tempera,
12 and oil paint; paintbrushes for artwork; sketch and
13 drawing pads; and watercolors.

14 "School instructional material" means written material
15 commonly used by a student in a course of study as a
16 reference and to learn the subject being taught and
17 includes only the following items: reference books;
18 reference maps and globes; textbooks; and workbooks.

19 "School computer supply" means an item commonly used
20 by a student in a course of study in which a computer is
21 used and applies only to the following items: flashdrives
22 and other computer data storage devices; data storage
23 media, such as diskettes and compact disks; boxes and
24 cases for disk storage; external ports or drives; computer
25 cases; computer cables; computer printers; and printer
26 cartridges, toner, and ink.

1 (b) Administration. Notwithstanding any other provision of
2 this Act, the reduced rate of tax under Section 3-10 of this
3 Act for clothing and school supplies shall be administered by
4 the Department under the provisions of this subsection (b).

5 (1) Bundled sales. Items that qualify for the reduced
6 rate of tax that are bundled together with items that do
7 not qualify for the reduced rate of tax and that are sold
8 for one itemized price will be subject to the reduced rate
9 of tax only if the value of the items that qualify for the
10 reduced rate of tax exceeds the value of the items that do
11 not qualify for the reduced rate of tax.

12 (2) Coupons and discounts. An unreimbursed discount by
13 the seller reduces the sales price of the property so that
14 the discounted sales price determines whether the sales
15 price is within a sales tax holiday price threshold. A
16 coupon or other reduction in the sales price is treated as
17 a discount if the seller is not reimbursed for the coupon
18 or reduction amount by a third party.

19 (3) Splitting of items normally sold together.
20 Articles that are normally sold as a single unit must
21 continue to be sold in that manner. Such articles cannot
22 be priced separately and sold as individual items in order
23 to obtain the reduced rate of tax. For example, a pair of
24 shoes cannot have each shoe sold separately so that the
25 sales price of each shoe is within a sales tax holiday
26 price threshold.

1 (4) Rain checks. A rain check is a procedure that
2 allows a customer to purchase an item at a certain price at
3 a later time because the particular item was out of stock.
4 Eligible property that customers purchase during the sales
5 tax holiday period ~~Sales Tax Holiday Period~~ with the use
6 of a rain check will qualify for the reduced rate of tax
7 regardless of when the rain check was issued. Issuance of
8 a rain check during the sales tax holiday period ~~Sales Tax~~
9 ~~Holiday Period~~ will not qualify eligible property for the
10 reduced rate of tax if the property is actually purchased
11 after the sales tax holiday period ~~Sales Tax Holiday~~
12 ~~Period~~.

13 (5) Exchanges. The procedure for an exchange in
14 regards to a sales tax holiday is as follows:

15 (A) If a customer purchases an item of eligible
16 property during the sales tax holiday period ~~Sales Tax~~
17 ~~Holiday Period~~, but later exchanges the item for a
18 similar eligible item, even if a different size,
19 different color, or other feature, no additional tax
20 is due even if the exchange is made after the sales tax
21 holiday period ~~Sales Tax Holiday Period~~.

22 (B) If a customer purchases an item of eligible
23 property during the sales tax holiday period ~~Sales Tax~~
24 ~~Holiday Period~~, but after the sales tax holiday period
25 ~~Sales Tax Holiday Period~~ has ended, the customer
26 returns the item and receives credit on the purchase

1 of a different item, the 6.25% general merchandise
2 sales tax rate is due on the sale of the newly
3 purchased item.

4 (C) If a customer purchases an item of eligible
5 property before the sales tax holiday period ~~Sales Tax~~
6 ~~Holiday Period~~, but during the sales tax holiday
7 period ~~Sales Tax Holiday Period~~ the customer returns
8 the item and receives credit on the purchase of a
9 different item of eligible property, the reduced rate
10 of tax is due on the sale of the new item if the new
11 item is purchased during the sales tax holiday period
12 ~~Sales Tax Holiday Period~~.

13 (6) (Blank).

14 (7) Order date and back orders. For the purpose of a
15 sales tax holiday, eligible property qualifies for the
16 reduced rate of tax if: (i) the item is both delivered to
17 and paid for by the customer during the sales tax holiday
18 period ~~Sales Tax Holiday Period~~ or (ii) the customer
19 orders and pays for the item and the seller accepts the
20 order during the sales tax holiday period ~~Sales Tax~~
21 ~~Holiday Period~~ for immediate shipment, even if delivery is
22 made after the sales tax holiday period ~~Sales Tax Holiday~~
23 ~~Period~~. The seller accepts an order when the seller has
24 taken action to fill the order for immediate shipment.
25 Actions to fill an order include placement of an "in date"
26 stamp on an order or assignment of an "order number" to an

1 order within the sales tax holiday period ~~Sales Tax~~
2 ~~Holiday Period~~. An order is for immediate shipment when
3 the customer does not request delayed shipment. An order
4 is for immediate shipment notwithstanding that the
5 shipment may be delayed because of a backlog of orders or
6 because stock is currently unavailable to, or on back
7 order by, the seller.

8 (8) Returns. For a 60-day period immediately after the
9 sales tax holiday period ~~Sales Tax Holiday Period~~, if a
10 customer returns an item that would qualify for the
11 reduced rate of tax, credit for or refund of sales tax
12 shall be given only at the reduced rate unless the
13 customer provides a receipt or invoice that shows tax was
14 paid at the 6.25% general merchandise rate, or the seller
15 has sufficient documentation to show that tax was paid at
16 the 6.25% general merchandise rate on the specific item.
17 This 60-day period is set solely for the purpose of
18 designating a time period during which the customer must
19 provide documentation that shows that the appropriate
20 sales tax rate was paid on returned merchandise. The
21 60-day period is not intended to change a seller's policy
22 on the time period during which the seller will accept
23 returns.

24 (b-5) As used in this Section, "sales tax holiday period"
25 means:

26 (1) from August 6, 2010 through August 15, 2010;

1 (2) from August 5, 2022 through August 14, 2022; and

2 (3) from August 2, 2025 through August 11, 2025.

3 (c) The Department may implement the provisions of this
4 Section through the use of emergency rules, along with
5 permanent rules filed concurrently with such emergency rules,
6 in accordance with the provisions of Section 5-45 of the
7 Illinois Administrative Procedure Act. For purposes of the
8 Illinois Administrative Procedure Act, the adoption of rules
9 to implement the provisions of this Section shall be deemed an
10 emergency and necessary for the public interest, safety, and
11 welfare.

12 (Source: P.A. 102-700, eff. 4-19-22.)

13 (35 ILCS 120/2-10)

14 Sec. 2-10. Rate of tax. Unless otherwise provided in this
15 Section, the tax imposed by this Act is at the rate of 6.25% of
16 gross receipts from sales, which, on and after January 1,
17 2025, includes leases, of tangible personal property made in
18 the course of business.

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

23 During the sales tax holiday period, as defined in Section
24 2-8 ~~Beginning on August 6, 2010 through August 15, 2010, and~~
25 ~~beginning again on August 5, 2022 through August 14, 2022,~~

1 with respect to sales tax holiday items described ~~as defined~~
2 in Section 2-8 ~~of this Act~~, the tax is imposed at the rate of
3 1.25%.

4 Within 14 days after July 1, 2000 (the effective date of
5 Public Act 91-872), each retailer of motor fuel and gasohol
6 shall cause the following notice to be posted in a prominently
7 visible place on each retail dispensing device that is used to
8 dispense motor fuel or gasohol in the State of Illinois: "As of
9 July 1, 2000, the State of Illinois has eliminated the State's
10 share of sales tax on motor fuel and gasohol through December
11 31, 2000. The price on this pump should reflect the
12 elimination of the tax." The notice shall be printed in bold
13 print on a sign that is no smaller than 4 inches by 8 inches.
14 The sign shall be clearly visible to customers. Any retailer
15 who fails to post or maintain a required sign through December
16 31, 2000 is guilty of a petty offense for which the fine shall
17 be \$500 per day per each retail premises where a violation
18 occurs.

19 With respect to gasohol, as defined in the Use Tax Act, the
20 tax imposed by this Act applies to (i) 70% of the proceeds of
21 sales made on or after January 1, 1990, and before July 1,
22 2003, (ii) 80% of the proceeds of sales made on or after July
23 1, 2003 and on or before July 1, 2017, (iii) 100% of the
24 proceeds of sales made after July 1, 2017 and prior to January
25 1, 2024, (iv) 90% of the proceeds of sales made on or after
26 January 1, 2024 and on or before December 31, 2028, and (v)

1 100% of the proceeds of sales made after December 31, 2028. If,
2 at any time, however, the tax under this Act on sales of
3 gasohol, as defined in the Use Tax Act, is imposed at the rate
4 of 1.25%, then the tax imposed by this Act applies to 100% of
5 the proceeds of sales of gasohol made during that time.

6 With respect to mid-range ethanol blends, as defined in
7 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
8 applies to (i) 80% of the proceeds of sales made on or after
9 January 1, 2024 and on or before December 31, 2028 and (ii)
10 100% of the proceeds of sales made after December 31, 2028. If,
11 at any time, however, the tax under this Act on sales of
12 mid-range ethanol blends is imposed at the rate of 1.25%, then
13 the tax imposed by this Act applies to 100% of the proceeds of
14 sales of mid-range ethanol blends made during that time.

15 With respect to majority blended ethanol fuel, as defined
16 in the Use Tax Act, the tax imposed by this Act does not apply
17 to the proceeds of sales made on or after July 1, 2003 and on
18 or before December 31, 2028 but applies to 100% of the proceeds
19 of sales made thereafter.

20 With respect to biodiesel blends, as defined in the Use
21 Tax Act, with no less than 1% and no more than 10% biodiesel,
22 the tax imposed by this Act applies to (i) 80% of the proceeds
23 of sales made on or after July 1, 2003 and on or before
24 December 31, 2018 and (ii) 100% of the proceeds of sales made
25 after December 31, 2018 and before January 1, 2024. On and
26 after January 1, 2024 and on or before December 31, 2030, the

1 taxation of biodiesel, renewable diesel, and biodiesel blends
2 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
3 at any time, however, the tax under this Act on sales of
4 biodiesel blends, as defined in the Use Tax Act, with no less
5 than 1% and no more than 10% biodiesel is imposed at the rate
6 of 1.25%, then the tax imposed by this Act applies to 100% of
7 the proceeds of sales of biodiesel blends with no less than 1%
8 and no more than 10% biodiesel made during that time.

9 With respect to biodiesel, as defined in the Use Tax Act,
10 and biodiesel blends, as defined in the Use Tax Act, with more
11 than 10% but no more than 99% biodiesel, the tax imposed by
12 this Act does not apply to the proceeds of sales made on or
13 after July 1, 2003 and on or before December 31, 2023. On and
14 after January 1, 2024 and on or before December 31, 2030, the
15 taxation of biodiesel, renewable diesel, and biodiesel blends
16 shall be as provided in Section 3-5.1 of the Use Tax Act.

17 Until July 1, 2022 and from July 1, 2023 through December
18 31, 2025, with respect to food for human consumption that is to
19 be consumed off the premises where it is sold (other than
20 alcoholic beverages, food consisting of or infused with adult
21 use cannabis, soft drinks, and food that has been prepared for
22 immediate consumption), the tax is imposed at the rate of 1%.
23 Beginning July 1, 2022 and until July 1, 2023, with respect to
24 food for human consumption that is to be consumed off the
25 premises where it is sold (other than alcoholic beverages,
26 food consisting of or infused with adult use cannabis, soft

1 drinks, and food that has been prepared for immediate
2 consumption), the tax is imposed at the rate of 0%. On and
3 after January 1, 2026, food for human consumption that is to be
4 consumed off the premises where it is sold (other than
5 alcoholic beverages, food consisting of or infused with adult
6 use cannabis, soft drinks, candy, and food that has been
7 prepared for immediate consumption) is exempt from the tax
8 imposed by this Act.

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

1 water, infant formula, milk or milk products as defined in the
2 Grade A Pasteurized Milk and Milk Products Act, or drinks
3 containing 50% or more natural fruit or vegetable juice.

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

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

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "food for human consumption that
24 is to be consumed off the premises where it is sold" does not
25 include candy. For purposes of this Section, "candy" means a
26 preparation of sugar, honey, or other natural or artificial

1 sweeteners in combination with chocolate, fruits, nuts or
2 other ingredients or flavorings in the form of bars, drops, or
3 pieces. "Candy" does not include any preparation that contains
4 flour or requires refrigeration.

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

18 (A) a "Drug Facts" panel; or

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

22 Beginning on January 1, 2014 (the effective date of Public
23 Act 98-122), "prescription and nonprescription medicines and
24 drugs" includes medical cannabis purchased from a registered
25 dispensing organization under the Compassionate Use of Medical
26 Cannabis Program Act.

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

6 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
7 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
8 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
9 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
10 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

11 (35 ILCS 120/3)

12 Sec. 3. Except as provided in this Section, on or before
13 the twentieth day of each calendar month, every person engaged
14 in the business of selling, which, on and after January 1,
15 2025, includes leasing, tangible personal property at retail
16 in this State during the preceding calendar month shall file a
17 return with the Department, stating:

18 1. The name of the seller;

19 2. His residence address and the address of his
20 principal place of business and the address of the
21 principal place of business (if that is a different
22 address) from which he engages in the business of selling
23 tangible personal property at retail in this State;

24 3. Total amount of receipts received by him during the
25 preceding calendar month or quarter, as the case may be,

1 from sales of tangible personal property, and from
2 services furnished, by him during such preceding calendar
3 month or quarter;

4 4. Total amount received by him during the preceding
5 calendar month or quarter on charge and time sales of
6 tangible personal property, and from services furnished,
7 by him prior to the month or quarter for which the return
8 is filed;

9 5. Deductions allowed by law;

10 6. Gross receipts which were received by him during
11 the preceding calendar month or quarter and upon the basis
12 of which the tax is imposed, including gross receipts on
13 food for human consumption that is to be consumed off the
14 premises where it is sold (other than alcoholic beverages,
15 food consisting of or infused with adult use cannabis,
16 soft drinks, and food that has been prepared for immediate
17 consumption) which were received during the preceding
18 calendar month or quarter and upon which tax would have
19 been due but for the 0% rate imposed under Public Act
20 102-700;

21 7. The amount of credit provided in Section 2d of this
22 Act;

23 8. The amount of tax due, including the amount of tax
24 that would have been due on food for human consumption
25 that is to be consumed off the premises where it is sold
26 (other than alcoholic beverages, food consisting of or

1 infused with adult use cannabis, soft drinks, and food
2 that has been prepared for immediate consumption) but for
3 the 0% rate imposed under Public Act 102-700;

4 9. The signature of the taxpayer; and

5 10. Such other reasonable information as the
6 Department may require.

7 In the case of leases, except as otherwise provided in
8 this Act, the lessor must remit for each tax return period only
9 the tax applicable to that part of the selling price actually
10 received during such tax return period.

11 On and after January 1, 2018, except for returns required
12 to be filed prior to January 1, 2023 for motor vehicles,
13 watercraft, aircraft, and trailers that are required to be
14 registered with an agency of this State, with respect to
15 retailers whose annual gross receipts average \$20,000 or more,
16 all returns required to be filed pursuant to this Act shall be
17 filed electronically. On and after January 1, 2023, with
18 respect to retailers whose annual gross receipts average
19 \$20,000 or more, all returns required to be filed pursuant to
20 this Act, including, but not limited to, returns for motor
21 vehicles, watercraft, aircraft, and trailers that are required
22 to be registered with an agency of this State, shall be filed
23 electronically. Retailers who demonstrate that they do not
24 have access to the Internet or demonstrate hardship in filing
25 electronically may petition the Department to waive the
26 electronic filing requirement.

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

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

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

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

3 Beginning on July 1, 2023 and through December 31, 2032, a
4 retailer may accept a Sustainable Aviation Fuel Purchase
5 Credit certification from an air common carrier-purchaser in
6 satisfaction of Use Tax on aviation fuel as provided in
7 Section 3-87 of the Use Tax Act if the purchaser provides the
8 appropriate documentation as required by Section 3-87 of the
9 Use Tax Act. A Sustainable Aviation Fuel Purchase Credit
10 certification accepted by a retailer in accordance with this
11 paragraph may be used by that retailer to satisfy Retailers'
12 Occupation Tax liability (but not in satisfaction of penalty
13 or interest) in the amount claimed in the certification, not
14 to exceed 6.25% of the receipts subject to tax from a sale of
15 aviation fuel. In addition, for a sale of aviation fuel to
16 qualify to earn the Sustainable Aviation Fuel Purchase Credit,
17 retailers must retain in their books and records a
18 certification from the producer of the aviation fuel that the
19 aviation fuel sold by the retailer and for which a sustainable
20 aviation fuel purchase credit was earned meets the definition
21 of sustainable aviation fuel under Section 3-87 of the Use Tax
22 Act. The documentation must include detail sufficient for the
23 Department to determine the number of gallons of sustainable
24 aviation fuel sold.

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

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

6 1. The name of the seller;

7 2. The address of the principal place of business from
8 which he engages in the business of selling tangible
9 personal property at retail in this State;

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

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

17 5. The amount of tax due; and

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

20 Every person engaged in the business of selling aviation
21 fuel at retail in this State during the preceding calendar
22 month shall, instead of reporting and paying tax as otherwise
23 required by this Section, report and pay such tax on a separate
24 aviation fuel tax return. The requirements related to the
25 return shall be as otherwise provided in this Section.
26 Notwithstanding any other provisions of this Act to the

1 contrary, retailers selling aviation fuel shall file all
2 aviation fuel tax returns and shall make all aviation fuel tax
3 payments by electronic means in the manner and form required
4 by the Department. For purposes of this Section, "aviation
5 fuel" means jet fuel and aviation gasoline.

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

20 Beginning on October 1, 2003, every distributor, importing
21 distributor, and manufacturer of alcoholic liquor as defined
22 in the Liquor Control Act of 1934, shall file a statement with
23 the Department of Revenue, no later than the 10th day of the
24 month for the preceding month during which transactions
25 occurred, by electronic means, showing the total amount of
26 gross receipts from the sale of alcoholic liquor sold or

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

22 If a total amount of less than \$1 is payable, refundable or
23 creditable, such amount shall be disregarded if it is less
24 than 50 cents and shall be increased to \$1 if it is 50 cents or
25 more.

26 Notwithstanding any other provision of this Act to the

1 contrary, retailers subject to tax on cannabis shall file all
2 cannabis tax returns and shall make all cannabis tax payments
3 by electronic means in the manner and form required by the
4 Department.

5 Beginning October 1, 1993, a taxpayer who has an average
6 monthly tax liability of \$150,000 or more shall make all
7 payments required by rules of the Department by electronic
8 funds transfer. Beginning October 1, 1994, a taxpayer who has
9 an average monthly tax liability of \$100,000 or more shall
10 make all payments required by rules of the Department by
11 electronic funds transfer. Beginning October 1, 1995, a
12 taxpayer who has an average monthly tax liability of \$50,000
13 or more shall make all payments required by rules of the
14 Department by electronic funds transfer. Beginning October 1,
15 2000, a taxpayer who has an annual tax liability of \$200,000 or
16 more shall make all payments required by rules of the
17 Department by electronic funds transfer. The term "annual tax
18 liability" shall be the sum of the taxpayer's liabilities
19 under this Act, and under all other State and local occupation
20 and use tax laws administered by the Department, for the
21 immediately preceding calendar year. The term "average monthly
22 tax liability" shall be the sum of the taxpayer's liabilities
23 under this Act, and under all other State and local occupation
24 and use tax laws administered by the Department, for the
25 immediately preceding calendar year divided by 12. Beginning
26 on October 1, 2002, a taxpayer who has a tax liability in the

1 amount set forth in subsection (b) of Section 2505-210 of the
2 Department of Revenue Law shall make all payments required by
3 rules of the Department by electronic funds transfer.

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

9 Any taxpayer not required to make payments by electronic
10 funds transfer may make payments by electronic funds transfer
11 with the permission of the Department.

12 All taxpayers required to make payment by electronic funds
13 transfer and any taxpayers authorized to voluntarily make
14 payments by electronic funds transfer shall make those
15 payments in the manner authorized by the Department.

16 The Department shall adopt such rules as are necessary to
17 effectuate a program of electronic funds transfer and the
18 requirements of this Section.

19 Any amount which is required to be shown or reported on any
20 return or other document under this Act shall, if such amount
21 is not a whole-dollar amount, be increased to the nearest
22 whole-dollar amount in any case where the fractional part of a
23 dollar is 50 cents or more, and decreased to the nearest
24 whole-dollar amount where the fractional part of a dollar is
25 less than 50 cents.

26 If the retailer is otherwise required to file a monthly

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

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

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

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

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

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

1 "watercraft" means a Class 2, Class 3, or Class 4 watercraft as
2 defined in Section 3-2 of the Boat Registration and Safety
3 Act, a personal watercraft, or any boat equipped with an
4 inboard motor.

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

21 Any retailer who sells only motor vehicles, watercraft,
22 aircraft, or trailers that are required to be registered with
23 an agency of this State, so that all retailers' occupation tax
24 liability is required to be reported, and is reported, on such
25 transaction reporting returns and who is not otherwise
26 required to file monthly or quarterly returns, need not file

1 monthly or quarterly returns. However, those retailers shall
2 be required to file returns on an annual basis.

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

24 The transaction reporting return in the case of watercraft
25 or aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling

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

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

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

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

22 If the user who would otherwise pay tax to the retailer
23 wants the transaction reporting return filed and the payment
24 of the tax or proof of exemption made to the Department before
25 the retailer is willing to take these actions and such user has
26 not paid the tax to the retailer, such user may certify to the

1 fact of such delay by the retailer and may (upon the Department
2 being satisfied of the truth of such certification) transmit
3 the information required by the transaction reporting return
4 and the remittance for tax or proof of exemption directly to
5 the Department and obtain his tax receipt or exemption
6 determination, in which event the transaction reporting return
7 and tax remittance (if a tax payment was required) shall be
8 credited by the Department to the proper retailer's account
9 with the Department, but without the vendor's discount
10 provided for in this Section being allowed. When the user pays
11 the tax directly to the Department, he shall pay the tax in the
12 same amount and in the same form in which it would be remitted
13 if the tax had been remitted to the Department by the retailer.

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

22 Where the seller is a corporation, the return filed on
23 behalf of such corporation shall be signed by the president,
24 vice-president, secretary, or treasurer or by the properly
25 accredited agent of such corporation.

26 Where the seller is a limited liability company, the

1 return filed on behalf of the limited liability company shall
2 be signed by a manager, member, or properly accredited agent
3 of the limited liability company.

4 Except as provided in this Section, the retailer filing
5 the return under this Section shall, at the time of filing such
6 return, pay to the Department the amount of tax imposed by this
7 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
8 on and after January 1, 1990, or \$5 per calendar year,
9 whichever is greater, which is allowed to reimburse the
10 retailer for the expenses incurred in keeping records,
11 preparing and filing returns, remitting the tax and supplying
12 data to the Department on request. On and after January 1,
13 2021, a certified service provider, as defined in the Leveling
14 the Playing Field for Illinois Retail Act, filing the return
15 under this Section on behalf of a remote retailer shall, at the
16 time of such return, pay to the Department the amount of tax
17 imposed by this Act less a discount of 1.75%. A remote retailer
18 using a certified service provider to file a return on its
19 behalf, as provided in the Leveling the Playing Field for
20 Illinois Retail Act, is not eligible for the discount.
21 Beginning with returns due on or after January 1, 2025, the
22 vendor's discount allowed in this Section, the Service
23 Occupation Tax Act, the Use Tax Act, and the Service Use Tax
24 Act, including any local tax administered by the Department
25 and reported on the same return, shall not exceed \$1,000 per
26 month in the aggregate for returns other than transaction

1 returns filed during the month. When determining the discount
2 allowed under this Section, retailers shall include the amount
3 of tax that would have been due at the 1% rate but for the 0%
4 rate imposed under Public Act 102-700. When determining the
5 discount allowed under this Section, retailers shall include
6 the amount of tax that would have been due at the 6.25% rate
7 but for the 1.25% rate imposed on sales tax holiday items under
8 Public Act 102-700 or this amendatory Act of the 104th General
9 Assembly. The discount under this Section is not allowed for
10 the 1.25% portion of taxes paid on aviation fuel that is
11 subject to the revenue use requirements of 49 U.S.C. 47107(b)
12 and 49 U.S.C. 47133. Any prepayment made pursuant to Section
13 2d of this Act shall be included in the amount on which such
14 discount is computed. In the case of retailers who report and
15 pay the tax on a transaction by transaction basis, as provided
16 in this Section, such discount shall be taken with each such
17 tax remittance instead of when such retailer files his
18 periodic return, but, beginning with returns due on or after
19 January 1, 2025, the vendor's discount allowed under this
20 Section and the Use Tax Act, including any local tax
21 administered by the Department and reported on the same
22 transaction return, shall not exceed \$1,000 per month for all
23 transaction returns filed during the month. The discount
24 allowed under this Section is allowed only for returns that
25 are filed in the manner required by this Act. The Department
26 may disallow the discount for retailers whose certificate of

1 registration is revoked at the time the return is filed, but
2 only if the Department's decision to revoke the certificate of
3 registration has become final.

4 Before October 1, 2000, if the taxpayer's average monthly
5 tax liability to the Department under this Act, the Use Tax
6 Act, the Service Occupation Tax Act, and the Service Use Tax
7 Act, excluding any liability for prepaid sales tax to be
8 remitted in accordance with Section 2d of this Act, was
9 \$10,000 or more during the preceding 4 complete calendar
10 quarters, he shall file a return with the Department each
11 month by the 20th day of the month next following the month
12 during which such tax liability is incurred and shall make
13 payments to the Department on or before the 7th, 15th, 22nd and
14 last day of the month during which such liability is incurred.
15 On and after October 1, 2000, if the taxpayer's average
16 monthly tax liability to the Department under this Act, the
17 Use Tax Act, the Service Occupation Tax Act, and the Service
18 Use Tax Act, excluding any liability for prepaid sales tax to
19 be remitted in accordance with Section 2d of this Act, was
20 \$20,000 or more during the preceding 4 complete calendar
21 quarters, he shall file a return with the Department each
22 month by the 20th day of the month next following the month
23 during which such tax liability is incurred and shall make
24 payment to the Department on or before the 7th, 15th, 22nd and
25 last day of the month during which such liability is incurred.
26 If the month during which such tax liability is incurred began

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

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

1 continue until such taxpayer's average monthly liability to
2 the Department during the preceding 4 complete calendar
3 quarters (excluding the month of highest liability and the
4 month of lowest liability) is less than \$19,000 or until such
5 taxpayer's average monthly liability to the Department as
6 computed for each calendar quarter of the 4 preceding complete
7 calendar quarter period is less than \$20,000. However, if a
8 taxpayer can show the Department that a substantial change in
9 the taxpayer's business has occurred which causes the taxpayer
10 to anticipate that his average monthly tax liability for the
11 reasonably foreseeable future will fall below the \$20,000
12 threshold stated above, then such taxpayer may petition the
13 Department for a change in such taxpayer's reporting status.
14 The Department shall change such taxpayer's reporting status
15 unless it finds that such change is seasonal in nature and not
16 likely to be long term. Quarter monthly payment status shall
17 be determined under this paragraph as if the rate reduction to
18 0% in Public Act 102-700 on food for human consumption that is
19 to be consumed off the premises where it is sold (other than
20 alcoholic beverages, food consisting of or infused with adult
21 use cannabis, soft drinks, and food that has been prepared for
22 immediate consumption) had not occurred. For quarter monthly
23 payments due under this paragraph on or after July 1, 2023 and
24 through June 30, 2024, "25% of the taxpayer's liability for
25 the same calendar month of the preceding year" shall be
26 determined as if the rate reduction to 0% in Public Act 102-700

1 had not occurred. Quarter monthly payment status shall be
2 determined under this paragraph as if the rate reduction to
3 1.25% in Public Act 102-700 on sales tax holiday items had not
4 occurred. Quarter monthly payment status shall be determined
5 under this paragraph as if the rate reduction to 1.25% in this
6 amendatory Act of the 104th General Assembly on sales tax
7 holiday items had not occurred. For quarter monthly payments
8 due on or after July 1, 2023 and through June 30, 2024, "25% of
9 the taxpayer's liability for the same calendar month of the
10 preceding year" shall be determined as if the rate reduction
11 to 1.25% in Public Act 102-700 on sales tax holiday items had
12 not occurred. For quarter monthly payments due on or after
13 July 1, 2025 and through June 30, 2026, "25% of the taxpayer's
14 liability for the same calendar month of the preceding year"
15 shall be determined as if the rate reduction to 1.25% in this
16 amendatory Act of the 104th General Assembly on sales tax
17 holiday items had not occurred. If any such quarter monthly
18 payment is not paid at the time or in the amount required by
19 this Section, then the taxpayer shall be liable for penalties
20 and interest on the difference between the minimum amount due
21 as a payment and the amount of such quarter monthly payment
22 actually and timely paid, except insofar as the taxpayer has
23 previously made payments for that month to the Department in
24 excess of the minimum payments previously due as provided in
25 this Section. The Department shall make reasonable rules and
26 regulations to govern the quarter monthly payment amount and

1 quarter monthly payment dates for taxpayers who file on other
2 than a calendar monthly basis.

3 The provisions of this paragraph apply before October 1,
4 2001. Without regard to whether a taxpayer is required to make
5 quarter monthly payments as specified above, any taxpayer who
6 is required by Section 2d of this Act to collect and remit
7 prepaid taxes and has collected prepaid taxes which average in
8 excess of \$25,000 per month during the preceding 2 complete
9 calendar quarters, shall file a return with the Department as
10 required by Section 2f and shall make payments to the
11 Department on or before the 7th, 15th, 22nd and last day of the
12 month during which such liability is incurred. If the month
13 during which such tax liability is incurred began prior to
14 September 1, 1985 (the effective date of Public Act 84-221),
15 each payment shall be in an amount not less than 22.5% of the
16 taxpayer's actual liability under Section 2d. If the month
17 during which such tax liability is incurred begins on or after
18 January 1, 1986, each payment shall be in an amount equal to
19 22.5% of the taxpayer's actual liability for the month or
20 27.5% of the taxpayer's liability for the same calendar month
21 of the preceding calendar year. If the month during which such
22 tax liability is incurred begins on or after January 1, 1987,
23 each payment shall be in an amount equal to 22.5% of the
24 taxpayer's actual liability for the month or 26.25% of the
25 taxpayer's liability for the same calendar month of the
26 preceding year. The amount of such quarter monthly payments

1 shall be credited against the final tax liability of the
2 taxpayer's return for that month filed under this Section or
3 Section 2f, as the case may be. Once applicable, the
4 requirement of the making of quarter monthly payments to the
5 Department pursuant to this paragraph shall continue until
6 such taxpayer's average monthly prepaid tax collections during
7 the preceding 2 complete calendar quarters is \$25,000 or less.
8 If any such quarter monthly payment is not paid at the time or
9 in the amount required, the taxpayer shall be liable for
10 penalties and interest on such difference, except insofar as
11 the taxpayer has previously made payments for that month in
12 excess of the minimum payments previously due.

13 The provisions of this paragraph apply on and after
14 October 1, 2001. Without regard to whether a taxpayer is
15 required to make quarter monthly payments as specified above,
16 any taxpayer who is required by Section 2d of this Act to
17 collect and remit prepaid taxes and has collected prepaid
18 taxes that average in excess of \$20,000 per month during the
19 preceding 4 complete calendar quarters shall file a return
20 with the Department as required by Section 2f and shall make
21 payments to the Department on or before the 7th, 15th, 22nd,
22 and last day of the month during which the liability is
23 incurred. Each payment shall be in an amount equal to 22.5% of
24 the taxpayer's actual liability for the month or 25% of the
25 taxpayer's liability for the same calendar month of the
26 preceding year. The amount of the quarter monthly payments

1 shall be credited against the final tax liability of the
2 taxpayer's return for that month filed under this Section or
3 Section 2f, as the case may be. Once applicable, the
4 requirement of the making of quarter monthly payments to the
5 Department pursuant to this paragraph shall continue until the
6 taxpayer's average monthly prepaid tax collections during the
7 preceding 4 complete calendar quarters (excluding the month of
8 highest liability and the month of lowest liability) is less
9 than \$19,000 or until such taxpayer's average monthly
10 liability to the Department as computed for each calendar
11 quarter of the 4 preceding complete calendar quarters is less
12 than \$20,000. If any such quarter monthly payment is not paid
13 at the time or in the amount required, the taxpayer shall be
14 liable for penalties and interest on such difference, except
15 insofar as the taxpayer has previously made payments for that
16 month in excess of the minimum payments previously due.

17 If any payment provided for in this Section exceeds the
18 taxpayer's liabilities under this Act, the Use Tax Act, the
19 Service Occupation Tax Act, and the Service Use Tax Act, as
20 shown on an original monthly return, the Department shall, if
21 requested by the taxpayer, issue to the taxpayer a credit
22 memorandum no later than 30 days after the date of payment. The
23 credit evidenced by such credit memorandum may be assigned by
24 the taxpayer to a similar taxpayer under this Act, the Use Tax
25 Act, the Service Occupation Tax Act, or the Service Use Tax
26 Act, in accordance with reasonable rules and regulations to be

1 prescribed by the Department. If no such request is made, the
2 taxpayer may credit such excess payment against tax liability
3 subsequently to be remitted to the Department under this Act,
4 the Use Tax Act, the Service Occupation Tax Act, or the Service
5 Use Tax Act, in accordance with reasonable rules and
6 regulations prescribed by the Department. If the Department
7 subsequently determined that all or any part of the credit
8 taken was not actually due to the taxpayer, the taxpayer's &
9 vendor's discount shall be reduced, if necessary, to reflect
10 the difference between the credit taken and that actually due,
11 and that taxpayer shall be liable for penalties and interest
12 on such difference.

13 If a retailer of motor fuel is entitled to a credit under
14 Section 2d of this Act which exceeds the taxpayer's liability
15 to the Department under this Act for the month for which the
16 taxpayer is filing a return, the Department shall issue the
17 taxpayer a credit memorandum for the excess.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the Local Government Tax Fund, a special fund in the
20 State treasury which is hereby created, the net revenue
21 realized for the preceding month from the 1% tax imposed under
22 this Act.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the County and Mass Transit District Fund, a special
25 fund in the State treasury which is hereby created, 4% of the
26 net revenue realized for the preceding month from the 6.25%

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

5 Beginning August 1, 2000, each month the Department shall
6 pay into the County and Mass Transit District Fund 20% of the
7 net revenue realized for the preceding month from the 1.25%
8 rate on the selling price of motor fuel and gasohol. If, in any
9 month, the tax on sales tax holiday items, as defined in
10 Section 2-8, is imposed at the rate of 1.25%, then the
11 Department shall pay 20% of the net revenue realized for that
12 month from the 1.25% rate on the selling price of sales tax
13 holiday items into the County and Mass Transit District Fund.

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

22 For aviation fuel sold on or after December 1, 2019, each
23 month the Department shall pay into the State Aviation Program
24 Fund 20% of the net revenue realized for the preceding month
25 from the 6.25% general rate on the selling price of aviation
26 fuel, less an amount estimated by the Department to be

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

8 Beginning August 1, 2000, each month the Department shall
9 pay into the Local Government Tax Fund 80% of the net revenue
10 realized for the preceding month from the 1.25% rate on the
11 selling price of motor fuel and gasohol. If, in any month, the
12 tax on sales tax holiday items, as defined in Section 2-8, is
13 imposed at the rate of 1.25%, then the Department shall pay 80%
14 of the net revenue realized for that month from the 1.25% rate
15 on the selling price of sales tax holiday items into the Local
16 Government Tax Fund.

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

24 Beginning July 1, 2011, each month the Department shall
25 pay into the Clean Air Act Permit Fund 80% of the net revenue
26 realized for the preceding month from the 6.25% general rate

1 on the selling price of sorbents used in Illinois in the
2 process of sorbent injection as used to comply with the
3 Environmental Protection Act or the federal Clean Air Act, but
4 the total payment into the Clean Air Act Permit Fund under this
5 Act and the Use Tax Act shall not exceed \$2,000,000 in any
6 fiscal year.

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

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

1 Of the remainder of the moneys received by the Department
2 pursuant to this Act, (a) 1.75% thereof shall be paid into the
3 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
4 and after July 1, 1989, 3.8% thereof shall be paid into the
5 Build Illinois Fund; provided, however, that if in any fiscal
6 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
7 may be, of the moneys received by the Department and required
8 to be paid into the Build Illinois Fund pursuant to this Act,
9 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
10 Act, and Section 9 of the Service Occupation Tax Act, such Acts
11 being hereinafter called the "Tax Acts" and such aggregate of
12 2.2% or 3.8%, as the case may be, of moneys being hereinafter
13 called the "Tax Act Amount", and (2) the amount transferred to
14 the Build Illinois Fund from the State and Local Sales Tax
15 Reform Fund shall be less than the Annual Specified Amount (as
16 hereinafter defined), an amount equal to the difference shall
17 be immediately paid into the Build Illinois Fund from other
18 moneys received by the Department pursuant to the Tax Acts;
19 the "Annual Specified Amount" means the amounts specified
20 below for fiscal years 1986 through 1993:

21	Fiscal Year	Annual Specified Amount
22	1986	\$54,800,000
23	1987	\$76,650,000
24	1988	\$80,480,000
25	1989	\$88,510,000
26	1990	\$115,330,000

1	1991	\$145,470,000
2	1992	\$182,730,000
3	1993	\$206,520,000;

4 and means the Certified Annual Debt Service Requirement (as
5 defined in Section 13 of the Build Illinois Bond Act) or the
6 Tax Act Amount, whichever is greater, for fiscal year 1994 and
7 each fiscal year thereafter; and further provided, that if on
8 the last business day of any month the sum of (1) the Tax Act
9 Amount required to be deposited into the Build Illinois Bond
10 Account in the Build Illinois Fund during such month and (2)
11 the amount transferred to the Build Illinois Fund from the
12 State and Local Sales Tax Reform Fund shall have been less than
13 1/12 of the Annual Specified Amount, an amount equal to the
14 difference shall be immediately paid into the Build Illinois
15 Fund from other moneys received by the Department pursuant to
16 the Tax Acts; and, further provided, that in no event shall the
17 payments required under the preceding proviso result in
18 aggregate payments into the Build Illinois Fund pursuant to
19 this clause (b) for any fiscal year in excess of the greater of
20 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
21 such fiscal year. The amounts payable into the Build Illinois
22 Fund under clause (b) of the first sentence in this paragraph
23 shall be payable only until such time as the aggregate amount
24 on deposit under each trust indenture securing Bonds issued
25 and outstanding pursuant to the Build Illinois Bond Act is
26 sufficient, taking into account any future investment income,

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

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

13	Fiscal Year	Total Deposit
14	1993	\$0
15	1994	53,000,000
16	1995	58,000,000
17	1996	61,000,000
18	1997	64,000,000
19	1998	68,000,000
20	1999	71,000,000
21	2000	75,000,000
22	2001	80,000,000
23	2002	93,000,000
24	2003	99,000,000
25	2004	103,000,000
26	2005	108,000,000

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	300,000,000
17	2022	300,000,000
18	2023	300,000,000
19	2024	300,000,000
20	2025	300,000,000
21	2026	300,000,000
22	2027	375,000,000
23	2028	375,000,000
24	2029	375,000,000
25	2030	375,000,000
26	2031	375,000,000

1	2032	375,000,000
2	2033	375,000,000
3	2034	375,000,000
4	2035	375,000,000
5	2036	450,000,000

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

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

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

22 Subject to payment of amounts into the Build Illinois
23 Fund, the McCormick Place Expansion Project Fund, and the
24 Illinois Tax Increment Fund pursuant to the preceding
25 paragraphs or in any amendments to this Section hereafter
26 enacted, beginning on the first day of the first calendar

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

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

23 Subject to successful execution and delivery of a
24 public-private agreement between the public agency and private
25 entity and completion of the civic build, beginning on July 1,
26 2023, of the remainder of the moneys received by the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 (Source: P.A. 102-634, eff. 8-27-21; 102-700, Article 60,
13 Section 60-30, eff. 4-19-22; 102-700, Article 65, Section
14 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.
15 1-1-23; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-363,
16 eff. 7-28-23; 103-592, Article 75, Section 75-20, eff. 1-1-25;
17 103-592, Article 110, Section 110-20, eff. 6-7-24; 103-605,
18 eff. 7-1-24; revised 11-26-24.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.