

1 AN ACT regarding taxation.

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. A portion of the money paid into the Local
8 Government Tax Fund from sales of food for human consumption
9 which is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, soft drinks and food which
11 has been prepared for immediate consumption) and prescription
12 and nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used
14 by diabetics, which occurred in municipalities, shall be
15 distributed to each municipality based upon the sales which
16 occurred in that municipality. The remainder shall be
17 distributed to each county based upon the sales which
18 occurred in the unincorporated area of that county.

19 A portion of the money paid into the Local Government Tax
20 Fund from the 6.25% general use tax rate on the selling price
21 of tangible personal property which is purchased outside
22 Illinois at retail from a retailer and which is titled or
23 registered by any agency of this State's government shall be
24 distributed to municipalities as provided in this paragraph.
25 Each municipality shall receive the amount attributable to
26 sales for which Illinois addresses for titling or
27 registration purposes are given as being in such
28 municipality. The remainder of the money paid into the Local
29 Government Tax Fund from such sales shall be distributed to
30 counties. Each county shall receive the amount attributable
31 to sales for which Illinois addresses for titling or

1 registration purposes are given as being located in the
2 unincorporated area of such county.

3 A portion of the money paid into the Local Government Tax
4 Fund from the 6.25% general rate (and, beginning July 1, 2000
5 and through December 31, 2000, the 1.25% rate on motor fuel
6 and gasohol and, beginning July 1, 2003, the 1.25% rate on
7 textbooks required for use at State universities and public
8 community colleges or at institutions of higher learning as
9 defined in the Illinois Financial Assistance Act for
10 Nonpublic Institutions of Higher Learning) on sales subject
11 to taxation under the Retailers' Occupation Tax Act and the
12 Service Occupation Tax Act, which occurred in municipalities,
13 shall be distributed to each municipality, based upon the
14 sales which occurred in that municipality. The remainder
15 shall be distributed to each county, based upon the sales
16 which occurred in the unincorporated area of such county.

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

26 Whenever the Department determines that a refund of money
27 paid into the Local Government Tax Fund should be made to a
28 claimant instead of issuing a credit memorandum, the
29 Department shall notify the State Comptroller, who shall
30 cause the order to be drawn for the amount specified, and to
31 the person named, in such notification from the Department.
32 Such refund shall be paid by the State Treasurer out of the
33 Local Government Tax Fund.

34 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 named municipalities
3 and counties, the municipalities and counties to be those
4 entitled to distribution of taxes or penalties paid to the
5 Department during the second preceding calendar month. The
6 amount to be paid to each municipality or county shall be the
7 amount (not including credit memoranda) collected during the
8 second preceding calendar month by the Department and paid
9 into the Local Government Tax Fund, plus an amount the
10 Department determines is necessary to offset any amounts
11 which were erroneously paid to a different taxing body, and
12 not including an amount equal to the amount of refunds made
13 during the second preceding calendar month by the Department,
14 and not including any amount which the Department determines
15 is necessary to offset any amounts which are payable to a
16 different taxing body but were erroneously paid to the
17 municipality or county. Within 10 days after receipt, by the
18 Comptroller, of the disbursement certification to the
19 municipalities and counties, provided for in this Section to
20 be given to the Comptroller by the Department, the
21 Comptroller shall cause the orders to be drawn for the
22 respective amounts in accordance with the directions
23 contained in such certification.

24 When certifying the amount of monthly disbursement to a
25 municipality or county under this Section, the Department
26 shall increase or decrease that amount by an amount necessary
27 to offset any misallocation of previous disbursements. The
28 offset amount shall be the amount erroneously disbursed
29 within the 6 months preceding the time a misallocation is
30 discovered.

31 The provisions directing the distributions from the
32 special fund in the State Treasury provided for in this
33 Section shall constitute an irrevocable and continuing
34 appropriation of all amounts as provided herein. The State

1 Treasurer and State Comptroller are hereby authorized to make
2 distributions as provided in this Section.

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

11 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99;
12 91-872, eff. 7-1-00.)

13 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

14 Sec. 6z-20. Of the money received from the 6.25% general
15 rate (and, beginning July 1, 2000 and through December 31,
16 2000, the 1.25% rate on motor fuel and gasohol and, beginning
17 July 1, 2003, the 1.25% rate on textbooks required for use at
18 State universities and public community colleges or at
19 institutions of higher learning as defined in the Illinois
20 Financial Assistance Act for Nonpublic Institutions of Higher
21 Learning) on sales subject to taxation under the Retailers'
22 Occupation Tax Act and Service Occupation Tax Act and paid
23 into the County and Mass Transit District Fund, distribution
24 to the Regional Transportation Authority tax fund, created
25 pursuant to Section 4.03 of the Regional Transportation
26 Authority Act, for deposit therein shall be made based upon
27 the retail sales occurring in a county having more than
28 3,000,000 inhabitants. The remainder shall be distributed to
29 each county having 3,000,000 or fewer inhabitants based upon
30 the retail sales occurring in each such county.

31 For the purpose of determining allocation to the local
32 government unit, a retail sale by a producer of coal or other
33 mineral mined in Illinois is a sale at retail at the place

1 where the coal or other mineral mined in Illinois is
2 extracted from the earth. This paragraph does not apply to
3 coal or other mineral when it is delivered or shipped by the
4 seller to the purchaser at a point outside Illinois so that
5 the sale is exempt under the United States Constitution as a
6 sale in interstate or foreign commerce.

7 Of the money received from the 6.25% general use tax rate
8 on tangible personal property which is purchased outside
9 Illinois at retail from a retailer and which is titled or
10 registered by any agency of this State's government and paid
11 into the County and Mass Transit District Fund, the amount
12 for which Illinois addresses for titling or registration
13 purposes are given as being in each county having more than
14 3,000,000 inhabitants shall be distributed into the Regional
15 Transportation Authority tax fund, created pursuant to
16 Section 4.03 of the Regional Transportation Authority Act.
17 The remainder of the money paid from such sales shall be
18 distributed to each county based on sales for which Illinois
19 addresses for titling or registration purposes are given as
20 being located in the county. Any money paid into the
21 Regional Transportation Authority Occupation and Use Tax
22 Replacement Fund from the County and Mass Transit District
23 Fund prior to January 14, 1991, which has not been paid to
24 the Authority prior to that date, shall be transferred to the
25 Regional Transportation Authority tax fund.

26 Whenever the Department determines that a refund of money
27 paid into the County and Mass Transit District Fund should be
28 made to a claimant instead of issuing a credit memorandum,
29 the Department shall notify the State Comptroller, who shall
30 cause the order to be drawn for the amount specified, and to
31 the person named, in such notification from the Department.
32 Such refund shall be paid by the State Treasurer out of the
33 County and Mass Transit District Fund.

34 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
5 provided, of taxes or penalties paid to the Department during
6 the second preceding calendar month. The amount to be paid
7 to the Regional Transportation Authority and each county
8 having 3,000,000 or fewer inhabitants shall be the amount
9 (not 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
13 which were erroneously paid to a different taxing body, and
14 not including an amount equal to the amount of refunds made
15 during the second preceding calendar month by the Department,
16 and not including any amount which the Department determines
17 is 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. Within 10 days
20 after receipt, by the Comptroller, of the disbursement
21 certification to the Regional Transportation Authority and
22 counties, provided for in this Section to be given to the
23 Comptroller by the Department, the Comptroller shall cause
24 the orders to be drawn for the respective amounts in
25 accordance with the directions contained in such
26 certification.

27 When certifying the amount of a monthly disbursement to
28 the Regional Transportation Authority or to a county under
29 this Section, the Department shall increase or decrease that
30 amount by an amount necessary to offset any misallocation of
31 previous disbursements. The offset amount shall be the
32 amount erroneously disbursed within the 6 months preceding
33 the time a misallocation is discovered.

34 The provisions directing the distributions from the

1 special fund in the State Treasury provided for in this
2 Section and from the Regional Transportation Authority tax
3 fund created by Section 4.03 of the Regional Transportation
4 Authority Act shall constitute an irrevocable and continuing
5 appropriation of all amounts as provided herein. The State
6 Treasurer and State Comptroller are hereby authorized to make
7 distributions as provided in this Section.

8 In construing any development, redevelopment, annexation,
9 preannexation or other lawful agreement in effect prior to
10 September 1, 1990, which describes or refers to receipts from
11 a county or municipal retailers' occupation tax, use tax or
12 service occupation tax which now cannot be imposed, such
13 description or reference shall be deemed to include the
14 replacement revenue for such abolished taxes, distributed
15 from the County and Mass Transit District Fund or Local
16 Government Distributive Fund, as the case may be.

17 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

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

20 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

21 Sec. 3-10. Rate of tax. Unless otherwise provided in
22 this Section, the tax imposed by this Act is at the rate of
23 6.25% of either the selling price or the fair market value,
24 if any, of the tangible personal property. In all cases
25 where property functionally used or consumed is the same as
26 the property that was purchased at retail, then the tax is
27 imposed on the selling price of the property. In all cases
28 where property functionally used or consumed is a by-product
29 or waste product that has been refined, manufactured, or
30 produced from property purchased at retail, then the tax is
31 imposed on the lower of the fair market value, if any, of the
32 specific property so used in this State or on the selling

1 price of the property purchased at retail. For purposes of
2 this Section "fair market value" means the price at which
3 property would change hands between a willing buyer and a
4 willing seller, neither being under any compulsion to buy or
5 sell and both having reasonable knowledge of the relevant
6 facts. The fair market value shall be established by Illinois
7 sales by the taxpayer of the same property as that
8 functionally used or consumed, or if there are no such sales
9 by the taxpayer, then comparable sales or purchases of
10 property of like kind and character in Illinois.

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

15 With respect to gasohol, the tax imposed by this Act
16 applies to 70% of the proceeds of sales made on or after
17 January 1, 1990, and before July 1, 2003, and to 100% of the
18 proceeds of sales made thereafter.

19 Beginning July 1, 2003, with respect to textbooks
20 required for use at State universities and public community
21 colleges or at institutions of higher learning as defined in
22 the Illinois Financial Assistance Act for Nonpublic
23 Institutions of Higher Learning, the tax is imposed at the
24 rate of 1.25%. The Department may adopt rules necessary to
25 implement and administer the 1.25% rate on textbooks.

26 With respect to food for human consumption that is to be
27 consumed off the premises where it is sold (other than
28 alcoholic beverages, soft drinks, and food that has been
29 prepared for immediate consumption) and prescription and
30 nonprescription medicines, drugs, medical appliances,
31 modifications to a motor vehicle for the purpose of rendering
32 it usable by a disabled person, and insulin, urine testing
33 materials, syringes, and needles used by diabetics, for human
34 use, the tax is imposed at the rate of 1%. For the purposes

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

12 Notwithstanding any other provisions of this Act, "food
13 for human consumption that is to be consumed off the premises
14 where it is sold" includes all food sold through a vending
15 machine, except soft drinks and food products that are
16 dispensed hot from a vending machine, regardless of the
17 location of the vending machine.

18 If the property that is purchased at retail from a
19 retailer is acquired outside Illinois and used outside
20 Illinois before being brought to Illinois for use here and is
21 taxable under this Act, the "selling price" on which the tax
22 is computed shall be reduced by an amount that represents a
23 reasonable allowance for depreciation for the period of prior
24 out-of-state use.

25 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
26 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

27 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

28 Sec. 9. Except as to motor vehicles, watercraft,
29 aircraft, and trailers that are required to be registered
30 with an agency of this State, each retailer required or
31 authorized to collect the tax imposed by this Act shall pay
32 to the Department the amount of such tax (except as otherwise
33 provided) at the time when he is required to file his return

1 for the period during which such tax was collected, less a
2 discount of 2.1% prior to January 1, 1990, and 1.75% on and
3 after January 1, 1990, or \$5 per calendar year, whichever is
4 greater, which is allowed to reimburse the retailer for
5 expenses incurred in collecting the tax, keeping records,
6 preparing and filing returns, remitting the tax and supplying
7 data to the Department on request. In the case of retailers
8 who report and pay the tax on a transaction by transaction
9 basis, as provided in this Section, such discount shall be
10 taken with each such tax remittance instead of when such
11 retailer files his periodic return. A retailer need not
12 remit that part of any tax collected by him to the extent
13 that he is required to remit and does remit the tax imposed
14 by the Retailers' Occupation Tax Act, with respect to the
15 sale of the same property.

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

26 Except as provided in this Section, on or before the
27 twentieth day of each calendar month, such retailer shall
28 file a return for the preceding calendar month. Such return
29 shall be filed on forms prescribed by the Department and
30 shall furnish such information as the Department may
31 reasonably require.

32 The Department may require returns to be filed on a
33 quarterly basis. If so required, a return for each calendar
34 quarter shall be filed on or before the twentieth day of the

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

- 6 1. The name of the seller;
- 7 2. The address of the principal place of business
8 from 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
16 this Act;
- 17 5. The amount of tax due;
- 18 5-5. The signature of the taxpayer; and
- 19 6. Such other reasonable information as the
20 Department may require.

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

25 Beginning October 1, 1993, a taxpayer who has an average
26 monthly tax liability of \$150,000 or more shall make all
27 payments required by rules of the Department by electronic
28 funds transfer. Beginning October 1, 1994, a taxpayer who has
29 an average monthly tax liability of \$100,000 or more shall
30 make all payments required by rules of the Department by
31 electronic funds transfer. Beginning October 1, 1995, a
32 taxpayer who has an average monthly tax liability of \$50,000
33 or more shall make all payments required by rules of the
34 Department by electronic funds transfer. Beginning October 1,

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

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

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

26 All taxpayers required to make payment by electronic
27 funds transfer and any taxpayers authorized to voluntarily
28 make payments by electronic funds transfer shall make those
29 payments in the manner authorized by the Department.

30 The Department shall adopt such rules as are necessary to
31 effectuate a program of electronic funds transfer and the
32 requirements of this Section.

33 Before October 1, 2000, if the taxpayer's average monthly
34 tax liability to the Department under this Act, the

1 Retailers' Occupation Tax Act, the Service Occupation Tax
2 Act, the Service Use Tax Act was \$10,000 or more during the
3 preceding 4 complete calendar quarters, he shall file a
4 return with the Department each month by the 20th day of the
5 month next following the month during which such tax
6 liability is incurred and shall make payments to the
7 Department on or before the 7th, 15th, 22nd and last day of
8 the month during which such liability is incurred. On and
9 after October 1, 2000, if the taxpayer's average monthly tax
10 liability to the Department under this Act, the Retailers'
11 Occupation Tax Act, the Service Occupation Tax Act, and the
12 Service Use Tax Act was \$20,000 or more during the preceding
13 4 complete calendar quarters, he shall file a return with the
14 Department each month by the 20th day of the month next
15 following the month during which such tax liability is
16 incurred and shall make payment to the Department on or
17 before the 7th, 15th, 22nd and last day of the month during
18 which such liability is incurred. If the month during which
19 such tax liability is incurred began prior to January 1,
20 1985, each payment shall be in an amount equal to 1/4 of the
21 taxpayer's actual liability for the month or an amount set by
22 the Department not to exceed 1/4 of the average monthly
23 liability of the taxpayer to the Department for the preceding
24 4 complete calendar quarters (excluding the month of highest
25 liability and the month of lowest liability in such 4 quarter
26 period). If the month during which such tax liability is
27 incurred begins on or after January 1, 1985, and prior to
28 January 1, 1987, each payment shall be in an amount equal to
29 22.5% of the taxpayer's actual liability for the month or
30 27.5% of the taxpayer's liability for the same calendar month
31 of the preceding year. If the month during which such tax
32 liability is incurred begins on or after January 1, 1987, and
33 prior to January 1, 1988, each payment shall be in an amount
34 equal to 22.5% of the taxpayer's actual liability for the

1 month or 26.25% of the taxpayer's liability for the same
2 calendar month of the preceding year. If the month during
3 which such tax liability is incurred begins on or after
4 January 1, 1988, and prior to January 1, 1989, or begins on
5 or after 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
8 calendar month of the preceding year. If the month during
9 which such tax liability is incurred begins on or after
10 January 1, 1989, and prior to January 1, 1996, each payment
11 shall be in an amount equal to 22.5% of the taxpayer's actual
12 liability for the month or 25% of the taxpayer's liability
13 for the same calendar month of the preceding year or 100% of
14 the taxpayer's actual liability for the quarter monthly
15 reporting period. The amount of such quarter monthly
16 payments shall be credited against the final tax liability of
17 the taxpayer's return for that month. Before October 1,
18 2000, once applicable, the requirement of the making of
19 quarter monthly payments to the Department shall continue
20 until such taxpayer's average monthly liability to the
21 Department during the preceding 4 complete calendar quarters
22 (excluding the month of highest liability and the month of
23 lowest liability) is less than \$9,000, or until such
24 taxpayer's average monthly liability to the Department as
25 computed for each calendar quarter of the 4 preceding
26 complete calendar quarter period is less than \$10,000.
27 However, if a taxpayer can show the Department that a
28 substantial change in the taxpayer's business has occurred
29 which causes the taxpayer to anticipate that his average
30 monthly tax liability for the reasonably foreseeable future
31 will fall below the \$10,000 threshold stated above, then such
32 taxpayer may petition the Department for change in such
33 taxpayer's reporting status. On and after October 1, 2000,
34 once applicable, the requirement of the making of quarter

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

29 If any such payment provided for in this Section exceeds
30 the taxpayer's liabilities under this Act, the Retailers'
31 Occupation Tax Act, the Service Occupation Tax Act and the
32 Service Use Tax Act, as shown by an original monthly return,
33 the Department shall issue to the taxpayer a credit
34 memorandum no later than 30 days after the date of payment,

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

23 If the retailer is otherwise required to file a monthly
24 return and if the retailer's average monthly tax liability to
25 the Department does not exceed \$200, the Department may
26 authorize his returns to be filed on a quarter annual basis,
27 with the return for January, February, and March of a given
28 year being due by April 20 of such year; with the return for
29 April, May and June of a given year being due by July 20 of
30 such year; with the return for July, August and September of
31 a given year being due by October 20 of such year, and with
32 the return for October, November and December of a given year
33 being due by January 20 of the following year.

34 If the retailer is otherwise required to file a monthly

1 or quarterly return and if the retailer's average monthly tax
2 liability to the Department does not exceed \$50, the
3 Department may authorize his returns to be filed on an annual
4 basis, with the return for a given year being due by January
5 20 of the following year.

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

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

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

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

5 The transaction reporting return in the case of motor
6 vehicles or trailers that are required to be registered with
7 an agency of this State, shall be the same document as the
8 Uniform Invoice referred to in Section 5-402 of the Illinois
9 Vehicle Code and must show the name and address of the
10 seller; the name and address of the purchaser; the amount of
11 the selling price including the amount allowed by the
12 retailer for traded-in property, if any; the amount allowed
13 by the retailer for the traded-in tangible personal property,
14 if any, to the extent to which Section 2 of this Act allows
15 an exemption for the value of traded-in property; the balance
16 payable after deducting such trade-in allowance from the
17 total selling price; the amount of tax due from the retailer
18 with respect to such transaction; the amount of tax collected
19 from the purchaser by the retailer on such transaction (or
20 satisfactory evidence that such tax is not due in that
21 particular instance, if that is claimed to be the fact); the
22 place and date of the sale; a sufficient identification of
23 the property sold; such other information as is required in
24 Section 5-402 of the Illinois Vehicle Code, and such other
25 information as the Department may reasonably require.

26 The transaction reporting return in the case of
27 watercraft and aircraft must show the name and address of the
28 seller; the name and address of the purchaser; the amount of
29 the selling price including the amount allowed by the
30 retailer for traded-in property, if any; the amount allowed
31 by the retailer for the traded-in tangible personal property,
32 if any, to the extent to which Section 2 of this Act allows
33 an exemption for the value of traded-in property; the balance
34 payable after deducting such trade-in allowance from the

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

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

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

34 No retailer's failure or refusal to remit tax under this

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

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

27 Where a retailer collects the tax with respect to the
28 selling price of tangible personal property which he sells
29 and the purchaser thereafter returns such tangible personal
30 property and the retailer refunds the selling price thereof
31 to the purchaser, such retailer shall also refund, to the
32 purchaser, the tax so collected from the purchaser. When
33 filing his return for the period in which he refunds such tax
34 to the purchaser, the retailer may deduct the amount of the

1 tax so refunded by him to the purchaser from any other use
2 tax which such retailer may be required to pay or remit to
3 the Department, as shown by such return, if the amount of the
4 tax to be deducted was previously remitted to the Department
5 by such retailer. If the retailer has not previously
6 remitted the amount of such tax to the Department, he is
7 entitled to no deduction under this Act upon refunding such
8 tax to the purchaser.

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

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

23 Where the retailer has more than one business registered
24 with the Department under separate registration under this
25 Act, such retailer may not file each return that is due as a
26 single return covering all such registered businesses, but
27 shall file separate returns for each such registered
28 business.

29 Beginning January 1, 1990, each month the Department
30 shall pay into the State and Local Sales Tax Reform Fund, a
31 special fund in the State Treasury which is hereby created,
32 the net revenue realized for the preceding month from the 1%
33 tax on sales of food for human consumption which is to be
34 consumed off the premises where it is sold (other than

1 alcoholic beverages, soft drinks and food which has been
2 prepared for immediate consumption) and prescription and
3 nonprescription medicines, drugs, medical appliances and
4 insulin, urine testing materials, syringes and needles used
5 by diabetics.

6 Beginning January 1, 1990, each month the Department
7 shall pay into the County and Mass Transit District Fund 4%
8 of the net revenue realized for the preceding month from the
9 6.25% general rate on the selling price of tangible personal
10 property which is purchased outside Illinois at retail from a
11 retailer and which is titled or registered by an agency of
12 this State's government.

13 Beginning January 1, 1990, each month the Department
14 shall pay into the State and Local Sales Tax Reform Fund, a
15 special fund in the State Treasury, 20% 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
18 than tangible personal property which is purchased outside
19 Illinois at retail from a retailer and which is titled or
20 registered by an agency of this State's government.

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

25 Beginning August 1, 2003, each month the Department
26 shall pay into the State and Local Sales Tax Reform Fund 100%
27 of the net revenue realized for the preceding month from the
28 1.25% rate on the selling price of textbooks required for use
29 at State universities and public community colleges or at
30 institutions of higher learning as defined in the Illinois
31 Financial Assistance Act for Nonpublic Institutions of Higher
32 Learning.

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

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

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

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

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

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

17	Fiscal Year	Total Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000
26	2001	80,000,000
27	2002	93,000,000
28	2003	99,000,000
29	2004	103,000,000
30	2005	108,000,000
31	2006	113,000,000
32	2007	119,000,000
33	2008	126,000,000
34	2009	132,000,000

1	2010	139,000,000
2	2011	146,000,000
3	2012	153,000,000
4	2013	161,000,000
5	2014	170,000,000
6	2015	179,000,000
7	2016	189,000,000
8	2017	199,000,000
9	2018	210,000,000
10	2019	221,000,000
11	2020	233,000,000
12	2021	246,000,000
13	2022	260,000,000
14	2023 and	275,000,000

15 each fiscal year
16 thereafter that bonds
17 are outstanding under
18 Section 13.2 of the
19 Metropolitan Pier and
20 Exposition Authority
21 Act, but not after fiscal year 2042.

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

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

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

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

29 As soon as possible after the first day of each month,
30 upon certification of the Department of Revenue, the
31 Comptroller shall order transferred and the Treasurer shall
32 transfer from the General Revenue Fund to the Motor Fuel Tax
33 Fund an amount equal to 1.7% of 80% of the net revenue
34 realized under this Act for the second preceding month.

1 Beginning April 1, 2000, this transfer is no longer required
2 and shall not be made.

3 Net revenue realized for a month shall be the revenue
4 collected by the State pursuant to this Act, less the amount
5 paid out during that month as refunds to taxpayers for
6 overpayment of liability.

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

14 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99;
15 91-101, eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff.
16 7-1-00; 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff.
17 6-28-01; 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600,
18 eff. 6-28-02; 92-651, eff. 7-11-02.)

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

21 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

22 Sec. 3-10. Rate of tax. Unless otherwise provided in
23 this Section, the tax imposed by this Act is at the rate of
24 6.25% of the selling price of tangible personal property
25 transferred as an incident to the sale of service, but, for
26 the purpose of computing this tax, in no event shall the
27 selling price be less than the cost price of the property to
28 the serviceman.

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

1 With respect to gasohol, as defined in the Use Tax Act,
2 the tax imposed by this Act applies to 70% of the selling
3 price of property transferred as an incident to the sale of
4 service on or after January 1, 1990, and before July 1, 2003,
5 and to 100% of the selling price thereafter.

6 Beginning July 1, 2003, with respect to textbooks
7 required for use at State universities and public community
8 colleges or at institutions of higher learning as defined in
9 the Illinois Financial Assistance Act for Nonpublic
10 Institutions of Higher Learning, the tax is imposed at the
11 rate of 1.25%. The Department may adopt rules necessary to
12 implement and administer the 1.25% rate on textbooks.

13 At the election of any registered serviceman made for
14 each fiscal year, sales of service in which the aggregate
15 annual cost price of tangible personal property transferred
16 as an incident to the sales of service is less than 35%, or
17 75% in the case of servicemen transferring prescription drugs
18 or servicemen engaged in graphic arts production, of the
19 aggregate annual total gross receipts from all sales of
20 service, the tax imposed by this Act shall be based on the
21 serviceman's cost price of the tangible personal property
22 transferred as an incident to the sale of those services.

23 The tax shall be imposed at the rate of 1% on food
24 prepared for immediate consumption and transferred incident
25 to a sale of service subject to this Act or the Service
26 Occupation Tax Act by an entity licensed under the Hospital
27 Licensing Act, the Nursing Home Care Act, or the Child Care
28 Act of 1969. The tax shall also be imposed at the rate of 1%
29 on food for human consumption that is to be consumed off the
30 premises where it is sold (other than alcoholic beverages,
31 soft drinks, and food that has been prepared for immediate
32 consumption and is not otherwise included in this paragraph)
33 and prescription and nonprescription medicines, drugs,
34 medical appliances, modifications to a motor vehicle for the

1 purpose of rendering it usable by a disabled person, and
2 insulin, urine testing materials, syringes, and needles used
3 by diabetics, for human use. For the purposes of this
4 Section, the term "soft drinks" means any complete, finished,
5 ready-to-use, non-alcoholic drink, whether carbonated or not,
6 including but not limited to soda water, cola, fruit juice,
7 vegetable juice, carbonated water, and all other preparations
8 commonly known as soft drinks of whatever kind or description
9 that are contained in any closed or sealed bottle, can,
10 carton, or container, regardless of size. "Soft drinks" does
11 not include coffee, tea, non-carbonated water, infant
12 formula, milk or milk products as defined in the Grade A
13 Pasteurized Milk and Milk Products Act, or drinks containing
14 50% or more natural fruit or vegetable juice.

15 Notwithstanding any other provisions of this Act, "food
16 for human consumption that is to be consumed off the premises
17 where it is sold" includes all food sold through a vending
18 machine, except soft drinks and food products that are
19 dispensed hot from a vending machine, regardless of the
20 location of the vending machine.

21 If the property that is acquired from a serviceman is
22 acquired outside Illinois and used outside Illinois before
23 being brought to Illinois for use here and is taxable under
24 this Act, the "selling price" on which the tax is computed
25 shall be reduced by an amount that represents a reasonable
26 allowance for depreciation for the period of prior
27 out-of-state use.

28 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
29 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff.
30 7-1-00.)

31 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

32 Sec. 9. Each serviceman required or authorized to
33 collect the tax herein imposed shall pay to the Department

1 the amount of such tax (except as otherwise provided) at the
2 time when he is required to file his return for the period
3 during which such tax was collected, less a discount of 2.1%
4 prior to January 1, 1990 and 1.75% on and after January 1,
5 1990, or \$5 per calendar year, whichever is greater, which is
6 allowed to reimburse the serviceman for expenses incurred in
7 collecting the tax, keeping records, preparing and filing
8 returns, remitting the tax and supplying data to the
9 Department on request. A serviceman need not remit that part
10 of any tax collected by him to the extent that he is required
11 to pay and does pay the tax imposed by the Service Occupation
12 Tax Act with respect to his sale of service involving the
13 incidental transfer by him of the same property.

14 Except as provided hereinafter in this Section, on or
15 before the twentieth day of each calendar month, such
16 serviceman shall file a return for the preceding calendar
17 month in accordance with reasonable Rules and Regulations to
18 be promulgated by the Department. Such return shall be filed
19 on a form prescribed by the Department and shall contain such
20 information as the Department may reasonably require.

21 The Department may require returns to be filed on a
22 quarterly basis. If so required, a return for each calendar
23 quarter shall be filed on or before the twentieth day of the
24 calendar month following the end of such calendar quarter.
25 The taxpayer shall also file a return with the Department for
26 each of the first two months of each calendar quarter, on or
27 before the twentieth day of the following calendar month,
28 stating:

- 29 1. The name of the seller;
- 30 2. The address of the principal place of business
31 from which he engages in business as a serviceman in this
32 State;
- 33 3. The total amount of taxable receipts received by
34 him during the preceding calendar month, including

1 receipts from charge and time sales, but less all
2 deductions allowed by law;

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

5 5. The amount of tax due;

6 5-5. The signature of the taxpayer; and

7 6. Such other reasonable information as the
8 Department may require.

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

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

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

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

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

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

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

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

32 If the serviceman is otherwise required to file a monthly
33 or quarterly return and if the serviceman's average monthly
34 tax liability to the Department does not exceed \$50, the

1 Department may authorize his returns to be filed on an annual
2 basis, with the return for a given year being due by January
3 20 of the following year.

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

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

14 Where a serviceman collects the tax with respect to the
15 selling price of property which he sells and the purchaser
16 thereafter returns such property and the serviceman refunds
17 the selling price thereof to the purchaser, such serviceman
18 shall also refund, to the purchaser, the tax so collected
19 from the purchaser. When filing his return for the period in
20 which he refunds such tax to the purchaser, the serviceman
21 may deduct the amount of the tax so refunded by him to the
22 purchaser from any other Service Use Tax, Service Occupation
23 Tax, retailers' occupation tax or use tax which such
24 serviceman may be required to pay or remit to the Department,
25 as shown by such return, provided that the amount of the tax
26 to be deducted shall previously have been remitted to the
27 Department by such serviceman. If the serviceman shall not
28 previously have remitted the amount of such tax to the
29 Department, he shall be entitled to no deduction hereunder
30 upon refunding such tax to the purchaser.

31 Any serviceman filing a return hereunder shall also
32 include the total tax upon the selling price of tangible
33 personal property purchased for use by him as an incident to
34 a sale of service, and such serviceman shall remit the amount

1 of such tax to the Department when filing such return.

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

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

14 Beginning January 1, 1990, each month the Department
15 shall pay into the State and Local Tax Reform Fund, a special
16 fund in the State Treasury, the net revenue realized for the
17 preceding month from the 1% tax on sales of food for human
18 consumption which is to be consumed off the premises where it
19 is sold (other than alcoholic beverages, soft drinks and food
20 which has been prepared for immediate consumption) and
21 prescription and nonprescription medicines, drugs, medical
22 appliances and insulin, urine testing materials, syringes and
23 needles used by diabetics.

24 Beginning January 1, 1990, each month the Department
25 shall pay into the State and Local Sales Tax Reform Fund 20%
26 of the net revenue realized for the preceding month from the
27 6.25% general rate on transfers of tangible personal
28 property, other than tangible personal property which is
29 purchased outside Illinois at retail from a retailer and
30 which is titled or registered by an agency of this State's
31 government.

32 Beginning August 1, 2000, each month the Department shall
33 pay into the State and Local Sales Tax Reform Fund 100% of
34 the net revenue realized for the preceding month from the

1 1.25% rate on the selling price of motor fuel and gasohol.

2 Beginning August 1, 2003, each month the Department shall
3 pay into the State and Local Sales Tax Reform Fund 100% of
4 the net revenue realized for the preceding month from the
5 1.25% rate on the selling price of textbooks required for use
6 at State universities and public community colleges or at
7 institutions of higher learning as defined in the Illinois
8 Financial Assistance Act for Nonpublic Institutions of Higher
9 Learning.

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

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

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

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

21	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000
26	1997	64,000,000
27	1998	68,000,000
28	1999	71,000,000
29	2000	75,000,000
30	2001	80,000,000
31	2002	93,000,000
32	2003	99,000,000
33	2004	103,000,000
34	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	246,000,000
17	2022	260,000,000
18	2023 and	275,000,000

19 each fiscal year
20 thereafter that bonds
21 are outstanding under
22 Section 13.2 of the
23 Metropolitan Pier and
24 Exposition Authority Act,
25 but not after fiscal year 2042.

26 Beginning July 20, 1993 and in each month of each fiscal
27 year thereafter, one-eighth of the amount requested in the
28 certificate of the Chairman of the Metropolitan Pier and
29 Exposition Authority for that fiscal year, less the amount
30 deposited into the McCormick Place Expansion Project Fund by
31 the State Treasurer in the respective month under subsection
32 (g) of Section 13 of the Metropolitan Pier and Exposition
33 Authority Act, plus cumulative deficiencies in the deposits
34 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year,
3 but not in excess of the amount specified above as "Total
4 Deposit", has been deposited.

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

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

27 All remaining moneys received by the Department pursuant
28 to this Act shall be paid into the General Revenue Fund of
29 the State Treasury.

30 As soon as possible after the first day of each month,
31 upon certification of the Department of Revenue, the
32 Comptroller shall order transferred and the Treasurer shall
33 transfer from the General Revenue Fund to the Motor Fuel Tax
34 Fund an amount equal to 1.7% of 80% of the net revenue

1 realized under this Act for the second preceding month.
2 Beginning April 1, 2000, this transfer is no longer required
3 and shall not be made.

4 Net revenue realized for a month shall be the revenue
5 collected by the State pursuant to this Act, less the amount
6 paid out during that month as refunds to taxpayers for
7 overpayment of liability.

8 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99;
9 91-101, eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff.
10 7-1-00; 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492, eff.
11 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02.)

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

14 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

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

5 With respect to gasohol, as defined in the Use Tax Act,
6 the tax imposed by this Act shall apply to 70% of the cost
7 price of property transferred as an incident to the sale of
8 service on or after January 1, 1990, and before July 1, 2003,
9 and to 100% of the cost price thereafter.

10 Beginning July 1, 2003, with respect to textbooks
11 required for use at State universities and public community
12 colleges or at institutions of higher learning as defined in
13 the Illinois Financial Assistance Act for Nonpublic
14 Institutions of Higher Learning, the tax is imposed at the
15 rate of 1.25%. The Department may adopt rules necessary to
16 implement and administer the 1.25% rate on textbooks.

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

27 The tax shall be imposed at the rate of 1% on food
28 prepared for immediate consumption and transferred incident
29 to a sale of service subject to this Act or the Service
30 Occupation Tax Act by an entity licensed under the Hospital
31 Licensing Act, the Nursing Home Care Act, or the Child Care
32 Act of 1969. The tax shall also be imposed at the rate of 1%
33 on food for human consumption that is to be consumed off the
34 premises where it is sold (other than alcoholic beverages,

1 soft drinks, and food that has been prepared for immediate
2 consumption and is not otherwise included in this paragraph)
3 and prescription and nonprescription medicines, drugs,
4 medical appliances, modifications to a motor vehicle for the
5 purpose of rendering it usable by a disabled person, and
6 insulin, urine testing materials, syringes, and needles used
7 by diabetics, for human use. For the purposes of this
8 Section, the term "soft drinks" means any complete, finished,
9 ready-to-use, non-alcoholic drink, whether carbonated or not,
10 including but not limited to soda water, cola, fruit juice,
11 vegetable juice, carbonated water, and all other preparations
12 commonly known as soft drinks of whatever kind or description
13 that are contained in any closed or sealed can, carton, or
14 container, regardless of size. "Soft drinks" does not
15 include coffee, tea, non-carbonated water, infant formula,
16 milk or milk products as defined in the Grade A Pasteurized
17 Milk and Milk Products Act, or drinks containing 50% or more
18 natural fruit or vegetable juice.

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

25 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
26 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

27 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

28 Sec. 9. Each serviceman required or authorized to
29 collect the tax herein imposed shall pay to the Department
30 the amount of such tax at the time when he is required to
31 file his return for the period during which such tax was
32 collectible, less a discount of 2.1% prior to January 1,
33 1990, and 1.75% on and after January 1, 1990, or \$5 per

1 calendar year, whichever is greater, which is allowed to
2 reimburse the serviceman for expenses incurred in collecting
3 the tax, keeping records, preparing and filing returns,
4 remitting the tax and supplying data to the Department on
5 request.

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

14 Except as provided hereinafter in this Section, on or
15 before the twentieth day of each calendar month, such
16 serviceman shall file a return for the preceding calendar
17 month in accordance with reasonable rules and regulations to
18 be promulgated by the Department of Revenue. Such return
19 shall be filed on a form prescribed by the Department and
20 shall contain such information as the Department may
21 reasonably require.

22 The Department may require returns to be filed on a
23 quarterly basis. If so required, a return for each calendar
24 quarter shall be filed on or before the twentieth day of the
25 calendar month following the end of such calendar quarter.
26 The taxpayer shall also file a return with the Department for
27 each of the first two months of each calendar quarter, on or
28 before the twentieth day of the following calendar month,
29 stating:

- 30 1. The name of the seller;
- 31 2. The address of the principal place of business
32 from which he engages in business as a serviceman in this
33 State;
- 34 3. The total amount of taxable receipts received by

1 him during the preceding calendar month, including
2 receipts from charge and time sales, but less all
3 deductions allowed by law;

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

6 5. The amount of tax due;

7 5-5. The signature of the taxpayer; and

8 6. Such other reasonable information as the
9 Department may require.

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

14 A serviceman may accept a Manufacturer's Purchase Credit
15 certification from a purchaser in satisfaction of Service Use
16 Tax as provided in Section 3-70 of the Service Use Tax Act if
17 the purchaser provides the appropriate documentation as
18 required by Section 3-70 of the Service Use Tax Act. A
19 Manufacturer's Purchase Credit certification, accepted by a
20 serviceman as provided in Section 3-70 of the Service Use Tax
21 Act, may be used by that serviceman to satisfy Service
22 Occupation Tax liability in the amount claimed in the
23 certification, not to exceed 6.25% of the receipts subject to
24 tax from a qualifying purchase.

25 If the serviceman's average monthly tax liability to the
26 Department does not exceed \$200, the Department may authorize
27 his returns to be filed on a quarter annual basis, with the
28 return for January, February and March of a given year being
29 due by April 20 of such year; with the return for April, May
30 and June of a given year being due by July 20 of such year;
31 with the return for July, August and September of a given
32 year being due by October 20 of such year, and with the
33 return for October, November and December of a given year
34 being due by January 20 of the following year.

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

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

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

16 Beginning October 1, 1993, a taxpayer who has an average
17 monthly tax liability of \$150,000 or more shall make all
18 payments required by rules of the Department by electronic
19 funds transfer. Beginning October 1, 1994, a taxpayer who
20 has an average monthly tax liability of \$100,000 or more
21 shall make all payments required by rules of the Department
22 by electronic funds transfer. Beginning October 1, 1995, a
23 taxpayer who has an average monthly tax liability of \$50,000
24 or more shall make all payments required by rules of the
25 Department by electronic funds transfer. Beginning October
26 1, 2000, a taxpayer who has an annual tax liability of
27 \$200,000 or more shall make all payments required by rules of
28 the Department by electronic funds transfer. The term
29 "annual tax liability" shall be the sum of the taxpayer's
30 liabilities under this Act, and under all other State and
31 local occupation and use tax laws administered by the
32 Department, for the immediately preceding calendar year. The
33 term "average monthly tax liability" means the sum of the
34 taxpayer's liabilities under this Act, and under all other

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

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

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

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

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

24 Where a serviceman collects the tax with respect to the
25 selling price of tangible personal property which he sells
26 and the purchaser thereafter returns such tangible personal
27 property and the serviceman refunds the selling price thereof
28 to the purchaser, such serviceman shall also refund, to the
29 purchaser, the tax so collected from the purchaser. When
30 filing his return for the period in which he refunds such tax
31 to the purchaser, the serviceman may deduct the amount of the
32 tax so refunded by him to the purchaser from any other
33 Service Occupation Tax, Service Use Tax, Retailers'
34 Occupation Tax or Use Tax which such serviceman may be

1 required to pay or remit to the Department, as shown by such
2 return, provided that the amount of the tax to be deducted
3 shall previously have been remitted to the Department by such
4 serviceman. If the serviceman shall not previously have
5 remitted the amount of such tax to the Department, he shall
6 be entitled to no deduction hereunder upon refunding such tax
7 to the purchaser.

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

15 Where the serviceman has more than one business
16 registered with the Department under separate registrations
17 hereunder, such serviceman shall file separate returns for
18 each registered business.

19 Beginning January 1, 1990, each month the Department
20 shall pay into the Local Government Tax Fund the revenue
21 realized for the preceding month from the 1% tax on sales of
22 food for human consumption which is to be consumed off the
23 premises where it is sold (other than alcoholic beverages,
24 soft drinks and food which has been prepared for immediate
25 consumption) and prescription and nonprescription medicines,
26 drugs, medical appliances and insulin, urine testing
27 materials, syringes and needles used by diabetics.

28 Beginning January 1, 1990, each month the Department
29 shall pay into the County and Mass Transit District Fund 4%
30 of the revenue realized for the preceding month from the
31 6.25% general rate.

32 Beginning August 1, 2000, each month the Department shall
33 pay into the County and Mass Transit District Fund 20% of the
34 net revenue realized for the preceding month from the 1.25%

1 rate on the selling price of motor fuel and gasohol.

2 Beginning August 1, 2003, each month the Department shall
3 pay into the County and Mass Transit District Fund 20% of the
4 net revenue realized for the preceding month from the 1.25%
5 rate on the selling price of textbooks required for use at
6 State universities and public community colleges or at
7 institutions of higher learning as defined in the Illinois
8 Financial Assistance Act for Nonpublic Institutions of Higher
9 Learning.

10 Beginning January 1, 1990, each month the Department
11 shall pay into the Local Government Tax Fund 16% of the
12 revenue realized for the preceding month from the 6.25%
13 general rate on transfers of tangible personal property.

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

18 Beginning August 1, 2003, each month the Department shall
19 pay into the Local Government Tax Fund 80% of the net revenue
20 realized for the preceding month from the 1.25% rate on the
21 selling price of textbooks required for use at State
22 universities and public community colleges or at institutions
23 of higher learning as defined in the Illinois Financial
24 Assistance Act for Nonpublic Institutions of Higher Learning.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, (a) 1.75% thereof shall be paid into
27 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
28 and on and after July 1, 1989, 3.8% thereof shall be paid
29 into the Build Illinois Fund; provided, however, that if in
30 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
31 as the case may be, of the moneys received by the Department
32 and required to be paid into the Build Illinois Fund pursuant
33 to Section 3 of the Retailers' Occupation Tax Act, Section 9
34 of the Use Tax Act, Section 9 of the Service Use Tax Act, and

1 Section 9 of the Service Occupation Tax Act, such Acts being
2 hereinafter called the "Tax Acts" and such aggregate of 2.2%
3 or 3.8%, as the case may be, of moneys being hereinafter
4 called the "Tax Act Amount", and (2) the amount transferred
5 to the Build Illinois Fund from the State and Local Sales Tax
6 Reform Fund shall be less than the Annual Specified Amount
7 (as defined in Section 3 of the Retailers' Occupation Tax
8 Act), an amount equal to the difference shall be immediately
9 paid into the Build Illinois Fund from other moneys received
10 by the Department pursuant to the Tax Acts; and further
11 provided, that if on the last business day of any month the
12 sum of (1) the Tax Act Amount required to be deposited into
13 the Build Illinois Account in the Build Illinois Fund during
14 such month and (2) the amount transferred during such month
15 to the Build Illinois Fund from the State and Local Sales Tax
16 Reform Fund shall have been less than 1/12 of the Annual
17 Specified Amount, an amount equal to the difference shall be
18 immediately paid into the Build Illinois Fund from other
19 moneys received by the Department pursuant to the Tax Acts;
20 and, further provided, that in no event shall the payments
21 required under the preceding proviso result in aggregate
22 payments into the Build Illinois Fund pursuant to this clause
23 (b) for any fiscal year in excess of the greater of (i) the
24 Tax Act Amount or (ii) the Annual Specified Amount for such
25 fiscal year; and, further provided, that the amounts payable
26 into the Build Illinois Fund under this clause (b) shall be
27 payable only until such time as the aggregate amount on
28 deposit under each trust indenture securing Bonds issued and
29 outstanding pursuant to the Build Illinois Bond Act is
30 sufficient, taking into account any future investment income,
31 to fully provide, in accordance with such indenture, for the
32 defeasance of or the payment of the principal of, premium, if
33 any, and interest on the Bonds secured by such indenture and
34 on any Bonds expected to be issued thereafter and all fees

1 and costs payable with respect thereto, all as certified by
2 the Director of the Bureau of the Budget. If on the last
3 business day of any month in which Bonds are outstanding
4 pursuant to the Build Illinois Bond Act, the aggregate of the
5 moneys deposited in the Build Illinois Bond Account in the
6 Build Illinois Fund in such month shall be less than the
7 amount required to be transferred in such month from the
8 Build Illinois Bond Account to the Build Illinois Bond
9 Retirement and Interest Fund pursuant to Section 13 of the
10 Build Illinois Bond Act, an amount equal to such deficiency
11 shall be immediately paid from other moneys received by the
12 Department pursuant to the Tax Acts to the Build Illinois
13 Fund; provided, however, that any amounts paid to the Build
14 Illinois Fund in any fiscal year pursuant to this sentence
15 shall be deemed to constitute payments pursuant to clause (b)
16 of the preceding sentence and shall reduce the amount
17 otherwise payable for such fiscal year pursuant to clause (b)
18 of the preceding sentence. The moneys received by the
19 Department pursuant to this Act and required to be deposited
20 into the Build Illinois Fund are subject to the pledge, claim
21 and charge set forth in Section 12 of the Build Illinois Bond
22 Act.

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

1 specified fiscal years.

2	Fiscal Year	Total Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000
26	2016	189,000,000
27	2017	199,000,000
28	2018	210,000,000
29	2019	221,000,000
30	2020	233,000,000
31	2021	246,000,000
32	2022	260,000,000
33	2023 and	275,000,000
34	each fiscal year	

1 thereafter that bonds
2 are outstanding under
3 Section 13.2 of the
4 Metropolitan Pier and
5 Exposition Authority
6 Act, but not after fiscal year 2042.

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

20 Subject to payment of amounts into the Build Illinois
21 Fund and the McCormick Place Expansion Project Fund pursuant
22 to the preceding paragraphs or in any amendments thereto
23 hereafter enacted, beginning July 1, 1993, the Department
24 shall each month pay into the Illinois Tax Increment Fund
25 0.27% of 80% of the net revenue realized for the preceding
26 month from the 6.25% general rate on the selling price of
27 tangible personal property.

28 Subject to payment of amounts into the Build Illinois
29 Fund and the McCormick Place Expansion Project Fund pursuant
30 to the preceding paragraphs or in any amendments thereto
31 hereafter enacted, beginning with the receipt of the first
32 report of taxes paid by an eligible business and continuing
33 for a 25-year period, the Department shall each month pay
34 into the Energy Infrastructure Fund 80% of the net revenue

1 realized from the 6.25% general rate on the selling price of
2 Illinois-mined coal that was sold to an eligible business.
3 For purposes of this paragraph, the term "eligible business"
4 means a new electric generating facility certified pursuant
5 to Section 605-332 of the Department of Commerce and
6 Community Affairs Law of the Civil Administrative Code of
7 Illinois.

8 Remaining moneys received by the Department pursuant to
9 this Act shall be paid into the General Revenue Fund of the
10 State Treasury.

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

34 If the annual information return required by this Section

1 is not filed when and as required, the taxpayer shall be
2 liable as follows:

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

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

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

21 The foregoing portion of this Section concerning the
22 filing of an annual information return shall not apply to a
23 serviceman who is not required to file an income tax return
24 with the United States Government.

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

33 Net revenue realized for a month shall be the revenue
34 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

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

11 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99;
12 91-101, eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff.
13 7-1-00; 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492, eff.
14 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02.)

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

17 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

18 Sec. 2-10. Rate of tax. Unless otherwise provided in
19 this Section, the tax imposed by this Act is at the rate of
20 6.25% of gross receipts from sales of tangible personal
21 property made in the course of business.

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

26 Within 14 days after the effective date of this
27 amendatory Act of the 91st General Assembly, each retailer of
28 motor fuel and gasohol shall cause the following notice to be
29 posted in a prominently visible place on each retail
30 dispensing device that is used to dispense motor fuel or
31 gasohol in the State of Illinois: "As of July 1, 2000, the
32 State of Illinois has eliminated the State's share of sales

1 tax on motor fuel and gasohol through December 31, 2000. The
2 price on this pump should reflect the elimination of the
3 tax." The notice shall be printed in bold print on a sign
4 that is no smaller than 4 inches by 8 inches. The sign shall
5 be clearly visible to customers. Any retailer who fails to
6 post or maintain a required sign through December 31, 2000 is
7 guilty of a petty offense for which the fine shall be \$500
8 per day per each retail premises where a violation occurs.

9 With respect to gasohol, as defined in the Use Tax Act,
10 the tax imposed by this Act applies to 70% of the proceeds of
11 sales made on or after January 1, 1990, and before July 1,
12 2003, and to 100% of the proceeds of sales made thereafter.

13 Beginning July 1, 2003, with respect to textbooks
14 required for use at State universities and public community
15 colleges or at institutions of higher learning as defined in
16 the Illinois Financial Assistance Act for Nonpublic
17 Institutions of Higher Learning, the tax is imposed at the
18 rate of 1.25%. The Department may adopt rules necessary to
19 implement and administer the 1.25% rate on textbooks.

20 With respect to food for human consumption that is to be
21 consumed off the premises where it is sold (other than
22 alcoholic beverages, soft drinks, and food that has been
23 prepared for immediate consumption) and prescription and
24 nonprescription medicines, drugs, medical appliances,
25 modifications to a motor vehicle for the purpose of rendering
26 it usable by a disabled person, and insulin, urine testing
27 materials, syringes, and needles used by diabetics, for human
28 use, the tax is imposed at the rate of 1%. For the purposes
29 of this Section, the term "soft drinks" means any complete,
30 finished, ready-to-use, non-alcoholic drink, whether
31 carbonated or not, including but not limited to soda water,
32 cola, fruit juice, vegetable juice, carbonated water, and all
33 other preparations commonly known as soft drinks of whatever
34 kind or description that are contained in any closed or

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

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

12 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
13 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

14 (35 ILCS 120/3) (from Ch. 120, par. 442)

15 Sec. 3. Except as provided in this Section, on or before
16 the twentieth day of each calendar month, every person
17 engaged in the business of selling tangible personal property
18 at retail in this State during the preceding calendar month
19 shall file a return with the Department, stating:

- 20 1. The name of the seller;
- 21 2. His residence address and the address of his
22 principal place of business and the address of the
23 principal place of business (if that is a different
24 address) from which he engages in the business of selling
25 tangible personal property at retail in this State;
- 26 3. Total amount of receipts received by him during
27 the preceding calendar month or quarter, as the case may
28 be, from sales of tangible personal property, and from
29 services furnished, by him during such preceding calendar
30 month or quarter;
- 31 4. Total amount received by him during the
32 preceding calendar month or quarter on charge and time
33 sales of tangible personal property, and from services

1 furnished, by him prior to the month or quarter for which
2 the return is filed;

3 5. Deductions allowed by law;

4 6. Gross receipts which were received by him during
5 the preceding calendar month or quarter and upon the
6 basis of which the tax is imposed;

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

9 8. The amount of tax due;

10 9. The signature of the taxpayer; and

11 10. Such other reasonable information as the
12 Department may require.

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

17 Each return shall be accompanied by the statement of
18 prepaid tax issued pursuant to Section 2e for which credit is
19 claimed.

20 A retailer may accept a Manufacturer's Purchase Credit
21 certification from a purchaser in satisfaction of Use Tax as
22 provided in Section 3-85 of the Use Tax Act if the purchaser
23 provides the appropriate documentation as required by Section
24 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
25 certification, accepted by a retailer as provided in Section
26 3-85 of the Use Tax Act, may be used by that retailer to
27 satisfy Retailers' Occupation Tax liability in the amount
28 claimed in the certification, not to exceed 6.25% of the
29 receipts subject to tax from a qualifying purchase.

30 The Department may require returns to be filed on a
31 quarterly basis. If so required, a return for each calendar
32 quarter shall be filed on or before the twentieth day of the
33 calendar month following the end of such calendar quarter.
34 The taxpayer shall also file a return with the Department for

1 each of the first two months of each calendar quarter, on or
2 before the twentieth day of the following calendar month,
3 stating:

4 1. The name of the seller;

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

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

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

15 5. The amount of tax due; and

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

18 If a total amount of less than \$1 is payable, refundable
19 or creditable, such amount shall be disregarded if it is less
20 than 50 cents and shall be increased to \$1 if it is 50 cents
21 or more.

22 Beginning October 1, 1993, a taxpayer who has an average
23 monthly tax liability of \$150,000 or more shall make all
24 payments required by rules of the Department by electronic
25 funds transfer. Beginning October 1, 1994, a taxpayer who
26 has an average monthly tax liability of \$100,000 or more
27 shall make all payments required by rules of the Department
28 by electronic funds transfer. Beginning October 1, 1995, a
29 taxpayer who has an average monthly tax liability of \$50,000
30 or more shall make all payments required by rules of the
31 Department by electronic funds transfer. Beginning October
32 1, 2000, a taxpayer who has an annual tax liability of
33 \$200,000 or more shall make all payments required by rules of
34 the Department by electronic funds transfer. The term

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

14 Before August 1 of each year beginning in 1993, the
15 Department shall notify all taxpayers required to make
16 payments by electronic funds transfer. All taxpayers
17 required to make payments by electronic funds transfer shall
18 make those payments for a minimum of one year beginning on
19 October 1.

20 Any taxpayer not required to make payments by electronic
21 funds transfer may make payments by electronic funds transfer
22 with the permission of the Department.

23 All taxpayers required to make payment by electronic
24 funds transfer and any taxpayers authorized to voluntarily
25 make payments by electronic funds transfer shall make those
26 payments in the manner authorized by the Department.

27 The Department shall adopt such rules as are necessary to
28 effectuate a program of electronic funds transfer and the
29 requirements of this Section.

30 Any amount which is required to be shown or reported on
31 any return or other document under this Act shall, if such
32 amount is not a whole-dollar amount, be increased to the
33 nearest whole-dollar amount in any case where the fractional
34 part of a dollar is 50 cents or more, and decreased to the

1 nearest whole-dollar amount where the fractional part of a
2 dollar is less than 50 cents.

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

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

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

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

30 Where the same person has more than one business
31 registered with the Department under separate registrations
32 under this Act, such person may not file each return that is
33 due as a single return covering all such registered
34 businesses, but shall file separate returns for each such

1 registered business.

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

26 Any retailer who sells only motor vehicles, watercraft,
27 aircraft, or trailers that are required to be registered with
28 an agency of this State, so that all retailers' occupation
29 tax liability is required to be reported, and is reported, on
30 such transaction reporting returns and who is not otherwise
31 required to file monthly or quarterly returns, need not file
32 monthly or quarterly returns. However, those retailers shall
33 be required to file returns on an annual basis.

34 The transaction reporting return, in the case of motor

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

21 The transaction reporting return in the case of
22 watercraft or aircraft must show the name and address of the
23 seller; the name and address of the purchaser; the amount of
24 the selling price including the amount allowed by the
25 retailer for traded-in property, if any; the amount allowed
26 by the retailer for the traded-in tangible personal property,
27 if any, to the extent to which Section 1 of this Act allows
28 an exemption for the value of traded-in property; the balance
29 payable after deducting such trade-in allowance from the
30 total selling price; the amount of tax due from the retailer
31 with respect to such transaction; the amount of tax collected
32 from the purchaser by the retailer on such transaction (or
33 satisfactory evidence that such tax is not due in that
34 particular instance, if that is claimed to be the fact); the

1 place and date of the sale, a sufficient identification of
2 the property sold, and such other information as the
3 Department may reasonably require.

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

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

29 No retailer's failure or refusal to remit tax under this
30 Act precludes a user, who has paid the proper tax to the
31 retailer, from obtaining his certificate of title or other
32 evidence of title or registration (if titling or registration
33 is required) upon satisfying the Department that such user
34 has paid the proper tax (if tax is due) to the retailer. The

1 Department shall adopt appropriate rules to carry out the
2 mandate of this paragraph.

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

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

31 Where the seller is a corporation, the return filed on
32 behalf of such corporation shall be signed by the president,
33 vice-president, secretary or treasurer or by the properly
34 accredited agent of such corporation.

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

5 Except as provided in this Section, the retailer filing
6 the return under this Section shall, at the time of filing
7 such return, pay to the Department the amount of tax imposed
8 by this Act less a discount of 2.1% prior to January 1, 1990
9 and 1.75% on and after January 1, 1990, or \$5 per calendar
10 year, whichever is greater, which is allowed to reimburse the
11 retailer for the expenses incurred in keeping records,
12 preparing and filing returns, remitting the tax and supplying
13 data to the Department on request. Any prepayment made
14 pursuant to Section 2d of this Act shall be included in the
15 amount on which such 2.1% or 1.75% discount is computed. In
16 the case of retailers who report and pay the tax on a
17 transaction by transaction basis, as provided in this
18 Section, such discount shall be taken with each such tax
19 remittance instead of when such retailer files his periodic
20 return.

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

1 Service Use Tax Act, excluding any liability for prepaid
2 sales tax to be remitted in accordance with Section 2d of
3 this Act, was \$20,000 or more during the preceding 4 complete
4 calendar quarters, he shall file a return with the Department
5 each month by the 20th day of the month next following the
6 month during which such tax liability is incurred and shall
7 make payment to the Department on or before the 7th, 15th,
8 22nd and last day of the month during which such liability is
9 incurred. If the month during which such tax liability is
10 incurred began prior to January 1, 1985, each payment shall
11 be in an amount equal to 1/4 of the taxpayer's actual
12 liability for the month or an amount set by the Department
13 not to exceed 1/4 of the average monthly liability of the
14 taxpayer to the Department for the preceding 4 complete
15 calendar quarters (excluding the month of highest liability
16 and the month of lowest liability in such 4 quarter period).
17 If the month during which such tax liability is incurred
18 begins on or after January 1, 1985 and prior to January 1,
19 1987, each payment shall be in an amount equal to 22.5% of
20 the taxpayer's actual liability for the month or 27.5% of the
21 taxpayer's liability for the same calendar month of the
22 preceding year. If the month during which such tax liability
23 is incurred begins on or after January 1, 1987 and prior to
24 January 1, 1988, each payment shall be in an amount equal to
25 22.5% of the taxpayer's actual liability for the month or
26 26.25% of the taxpayer's liability for the same calendar
27 month of the preceding year. If the month during which such
28 tax liability is incurred begins on or after January 1, 1988,
29 and prior to January 1, 1989, or begins on or after January
30 1, 1996, each payment shall be in an amount equal to 22.5% of
31 the taxpayer's actual liability for the month or 25% of the
32 taxpayer's liability for the same calendar month of the
33 preceding year. If the month during which such tax liability
34 is incurred begins on or after January 1, 1989, and prior to

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

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

23 The provisions of this paragraph apply before October 1,
24 2001. Without regard to whether a taxpayer is required to
25 make quarter monthly payments as specified above, any
26 taxpayer who is required by Section 2d of this Act to collect
27 and remit prepaid taxes and has collected prepaid taxes which
28 average in excess of \$25,000 per month during the preceding 2
29 complete calendar quarters, shall file a return with the
30 Department as required by Section 2f and shall make payments
31 to the Department on or before the 7th, 15th, 22nd and last
32 day of the month during which such liability is incurred. If
33 the month during which such tax liability is incurred began
34 prior to the effective date of this amendatory Act of 1985,

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

26 The provisions of this paragraph apply on and after
27 October 1, 2001. Without regard to whether a taxpayer is
28 required to make quarter monthly payments as specified above,
29 any taxpayer who is required by Section 2d of this Act to
30 collect and remit prepaid taxes and has collected prepaid
31 taxes that average in excess of \$20,000 per month during the
32 preceding 4 complete calendar quarters shall file a return
33 with the Department as required by Section 2f and shall make
34 payments to the Department on or before the 7th, 15th, 22nd

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

23 If any payment provided for in this Section exceeds the
24 taxpayer's liabilities under this Act, the Use Tax Act, the
25 Service Occupation Tax Act and the Service Use Tax Act, as
26 shown on an original monthly return, the Department shall, if
27 requested by the taxpayer, issue to the taxpayer a credit
28 memorandum no later than 30 days after the date of payment.
29 The credit evidenced by such credit memorandum may be
30 assigned by the taxpayer to a similar taxpayer under this
31 Act, the Use Tax Act, the Service Occupation Tax Act or the
32 Service Use Tax Act, in accordance with reasonable rules and
33 regulations to be prescribed by the Department. If no such
34 request is made, the taxpayer may credit such excess payment

1 against tax liability subsequently to be remitted to the
2 Department under this Act, the Use Tax Act, the Service
3 Occupation Tax Act or the Service Use Tax Act, in accordance
4 with reasonable rules and regulations prescribed by the
5 Department. If the Department subsequently determined that
6 all or any part of the credit taken was not actually due to
7 the taxpayer, the taxpayer's 2.1% and 1.75% vendor's discount
8 shall be reduced by 2.1% or 1.75% of the difference between
9 the credit taken and that actually due, and that taxpayer
10 shall be liable for penalties and interest on such
11 difference.

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

17 Beginning January 1, 1990, each month the Department
18 shall pay into the Local Government Tax Fund, a special fund
19 in the State treasury which is hereby created, the net
20 revenue realized for the preceding month from the 1% tax on
21 sales of food for human consumption which is to be consumed
22 off the premises where it is sold (other than alcoholic
23 beverages, soft drinks and food which has been prepared for
24 immediate consumption) and prescription and nonprescription
25 medicines, drugs, medical appliances and insulin, urine
26 testing materials, syringes and needles used by diabetics.

27 Beginning January 1, 1990, each month the Department
28 shall pay into the County and Mass Transit District Fund, a
29 special fund in the State treasury which is hereby created,
30 4% of the net revenue realized for the preceding month from
31 the 6.25% general rate.

32 Beginning August 1, 2000, each month the Department shall
33 pay into the County and Mass Transit District Fund 20% of the
34 net revenue realized for the preceding month from the 1.25%

1 rate on the selling price of motor fuel and gasohol.

2 Beginning August 1, 2003, each month the Department shall
3 pay into the County and Mass Transit District Fund 20% of the
4 net revenue realized for the preceding month from the 1.25%
5 rate on the selling price of textbooks required for use at
6 State universities and public community colleges or at
7 institutions of higher learning as defined in the Illinois
8 Financial Assistance Act for Nonpublic Institutions of Higher
9 Learning.

10 Beginning January 1, 1990, each month the Department
11 shall pay into the Local Government Tax Fund 16% of the net
12 revenue realized for the preceding month from the 6.25%
13 general rate on the selling price of tangible personal
14 property.

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

19 Beginning August 1, 2003, each month the Department shall
20 pay into the Local Government Tax Fund 80% of the net revenue
21 realized for the preceding month from the 1.25% rate on the
22 selling price of textbooks required for use at State
23 universities and public community colleges or at institutions
24 of higher learning as defined in the Illinois Financial
25 Assistance Act for Nonpublic Institutions of Higher Learning.

26 Of the remainder of the moneys received by the Department
27 pursuant to this Act, (a) 1.75% thereof shall be paid into
28 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
29 and on and after July 1, 1989, 3.8% thereof shall be paid
30 into the Build Illinois Fund; provided, however, that if in
31 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
32 as the case may be, of the moneys received by the Department
33 and required to be paid into the Build Illinois Fund pursuant
34 to this Act, Section 9 of the Use Tax Act, Section 9 of the

1 Service Use Tax Act, and Section 9 of the Service Occupation
 2 Tax Act, such Acts being hereinafter called the "Tax Acts"
 3 and such aggregate of 2.2% or 3.8%, as the case may be, of
 4 moneys being hereinafter called the "Tax Act Amount", and (2)
 5 the amount transferred to the Build Illinois Fund from the
 6 State and Local Sales Tax Reform Fund shall be less than the
 7 Annual Specified Amount (as hereinafter defined), an amount
 8 equal to the difference shall be immediately paid into the
 9 Build Illinois Fund from other moneys received by the
 10 Department pursuant to the Tax Acts; the "Annual Specified
 11 Amount" means the amounts specified below for fiscal years
 12 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000
1987	\$76,650,000
1988	\$80,480,000
1989	\$88,510,000
1990	\$115,330,000
1991	\$145,470,000
1992	\$182,730,000
1993	\$206,520,000;

22 and means the Certified Annual Debt Service Requirement (as
 23 defined in Section 13 of the Build Illinois Bond Act) or the
 24 Tax Act Amount, whichever is greater, for fiscal year 1994
 25 and each fiscal year thereafter; and further provided, that
 26 if on the last business day of any month the sum of (1) the
 27 Tax Act Amount required to be deposited into the Build
 28 Illinois Bond Account in the Build Illinois Fund during such
 29 month and (2) the amount transferred to the Build Illinois
 30 Fund from the State and Local Sales Tax Reform Fund shall
 31 have been less than 1/12 of the Annual Specified Amount, an
 32 amount equal to the difference shall be immediately paid into
 33 the Build Illinois Fund from other moneys received by the
 34 Department pursuant to the Tax Acts; and, further provided,

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

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

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

17	Fiscal Year	Total Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000
26	2001	80,000,000
27	2002	93,000,000
28	2003	99,000,000
29	2004	103,000,000
30	2005	108,000,000
31	2006	113,000,000
32	2007	119,000,000
33	2008	126,000,000
34	2009	132,000,000

1	2010	139,000,000
2	2011	146,000,000
3	2012	153,000,000
4	2013	161,000,000
5	2014	170,000,000
6	2015	179,000,000
7	2016	189,000,000
8	2017	199,000,000
9	2018	210,000,000
10	2019	221,000,000
11	2020	233,000,000
12	2021	246,000,000
13	2022	260,000,000
14	2023 and	275,000,000

15 each fiscal year
16 thereafter that bonds
17 are outstanding under
18 Section 13.2 of the
19 Metropolitan Pier and
20 Exposition Authority
21 Act, but not after fiscal year 2042.

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

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

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

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

29 The Department may, upon separate written notice to a
30 taxpayer, require the taxpayer to prepare and file with the
31 Department on a form prescribed by the Department within not
32 less than 60 days after receipt of the notice an annual
33 information return for the tax year specified in the notice.
34 Such annual return to the Department shall include a

1 statement of gross receipts as shown by the retailer's last
2 Federal income tax return. If the total receipts of the
3 business as reported in the Federal income tax return do not
4 agree with the gross receipts reported to the Department of
5 Revenue for the same period, the retailer shall attach to his
6 annual return a schedule showing a reconciliation of the 2
7 amounts and the reasons for the difference. The retailer's
8 annual return to the Department shall also disclose the cost
9 of goods sold by the retailer during the year covered by such
10 return, opening and closing inventories of such goods for
11 such year, costs of goods used from stock or taken from stock
12 and given away by the retailer during such year, payroll
13 information of the retailer's business during such year and
14 any additional reasonable information which the Department
15 deems would be helpful in determining the accuracy of the
16 monthly, quarterly or annual returns filed by such retailer
17 as provided for in this Section.

18 If the annual information return required by this Section
19 is not filed when and as required, the taxpayer shall be
20 liable as follows:

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

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

31 The chief executive officer, proprietor, owner or highest
32 ranking manager shall sign the annual return to certify the
33 accuracy of the information contained therein. Any person
34 who willfully signs the annual return containing false or

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

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

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

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

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

28 Any person who promotes, organizes, provides retail
29 selling space for concessionaires or other types of sellers
30 at the Illinois State Fair, DuQuoin State Fair, county fairs,
31 local fairs, art shows, flea markets and similar exhibitions
32 or events, including any transient merchant as defined by
33 Section 2 of the Transient Merchant Act of 1987, is required
34 to file a report with the Department providing the name of

1 the merchant's business, the name of the person or persons
2 engaged in merchant's business, the permanent address and
3 Illinois Retailers Occupation Tax Registration Number of the
4 merchant, the dates and location of the event and other
5 reasonable information that the Department may require. The
6 report must be filed not later than the 20th day of the month
7 next following the month during which the event with retail
8 sales was held. Any person who fails to file a report
9 required by this Section commits a business offense and is
10 subject to a fine not to exceed \$250.

11 Any person engaged in the business of selling tangible
12 personal property at retail as a concessionaire or other type
13 of seller at the Illinois State Fair, county fairs, art
14 shows, flea markets and similar exhibitions or events, or any
15 transient merchants, as defined by Section 2 of the Transient
16 Merchant Act of 1987, may be required to make a daily report
17 of the amount of such sales to the Department and to make a
18 daily payment of the full amount of tax due. The Department
19 shall impose this requirement when it finds that there is a
20 significant risk of loss of revenue to the State at such an
21 exhibition or event. Such a finding shall be based on
22 evidence that a substantial number of concessionaires or
23 other sellers who are not residents of Illinois will be
24 engaging in the business of selling tangible personal
25 property at retail at the exhibition or event, or other
26 evidence of a significant risk of loss of revenue to the
27 State. The Department shall notify concessionaires and other
28 sellers affected by the imposition of this requirement. In
29 the absence of notification by the Department, the
30 concessionaires and other sellers shall file their returns as
31 otherwise required in this Section.

32 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99;
33 91-101, eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff.
34 7-1-00; 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff.

1 6-28-01; 92-208, eff. 8-2-01; 92-484, eff. 8-23-01; 92-492,
2 eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.