

1 AN ACT in relation to taxes.

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

4 Section 5. The Simplified Municipal Telecommunications
5 Tax Act is amended by changing Section 5-50 as follows:

6 (35 ILCS 636/5-50)

7 Sec. 5-50. Returns to the Department.

8 (a) Commencing on February 1, 2003, for the tax imposed
9 under subsection (a) of Section 5-20 of this Act, every
10 retailer maintaining a place of business in this State shall,
11 on or before the last day of each month make a return to the
12 Department for the preceding calendar month, stating:

13 (1) Its name;

14 (2) The address of its principal place of business
15 or the address of the principal place of business (if
16 that is a different address) from which it engages in the
17 business of transmitting telecommunications;

18 (3) Total amount of gross charges billed by it
19 during the preceding calendar month for providing
20 telecommunications during the calendar month;

21 (4) Total amount received by it during the
22 preceding calendar month on credit extended;

23 (5) Deductions allowed by law;

24 (6) Gross charges that were billed by it during the
25 preceding calendar month and upon the basis of which the
26 tax is imposed;

27 (7) Amount of tax (computed upon Item 6);

28 (8) The municipalities to which the Department
29 shall remit the taxes and the amount of such remittances;

30 (9) Such other reasonable information as the
31 Department may require. The Department may not, however,

1 require a retailer to furnish information that is not
2 specifically required by this Act to be reported and is
3 not required in order to ascertain the amount of taxes
4 that are due and payable on the return.

5 (b) Any retailer required to make payments under this
6 Section may make the payments by electronic funds transfer.
7 The Department shall adopt rules necessary to effectuate a
8 program of electronic funds transfer. Any retailer who has
9 average monthly tax billings due to the Department under this
10 Act and the Telecommunications Excise Tax Act that exceed
11 \$1,000 shall make all payments by electronic funds transfer
12 as required by rules of the Department.

13 (c) If the retailer's average monthly tax billings due
14 to the Department under this Act and the Telecommunications
15 Excise Tax Act do not exceed \$1,000, the Department may
16 authorize such retailer's returns to be filed on a
17 quarter-annual basis, with the return for January, February,
18 and March of a given year being due by April 30th of that
19 year; with the return for April, May, and June of a given
20 year being due by July 31st of that year; with the return for
21 July, August, and September of a given year being due by
22 October 31st of that year; and with the return for October,
23 November, and December of a given year being due by January
24 31st of the following year.

25 (d) If the retailer is otherwise required to file a
26 monthly or quarterly return and if the retailer's average
27 monthly tax billings due to the Department under this Act and
28 the Telecommunications Excise Tax Act do not exceed \$400, the
29 Department may authorize such retailer's return to be filed
30 on an annual basis, with the return for a given year being
31 due by January 31st of the following year.

32 (e) Each retailer whose average monthly remittance to
33 the Department under this Act and the Telecommunications
34 Excise Tax Act was \$25,000 or more during the preceding

1 calendar year, excluding the month of highest remittance and
2 the month of lowest remittance in such calendar year, and who
3 is not operated by a unit of local government, shall make
4 estimated payments to the Department on or before the 7th,
5 15th, 22nd, and last day of the month during which the tax
6 remittance is owed to the Department in an amount not less
7 than the lower of either 22.5% of the retailer's actual tax
8 collections for the month or 25% of the retailer's actual tax
9 collections for the same calendar month of the preceding
10 year. The amount of such quarter-monthly payments shall be
11 credited against the final remittance of the retailer's
12 return for that month. Any outstanding credit, approved by
13 the Department, arising from the retailer's overpayment of
14 its final remittance for any month may be applied to reduce
15 the amount of any subsequent quarter-monthly payment or
16 credited against the final remittance of the retailer's
17 return for any subsequent month. If any quarter-monthly
18 payment is not paid at the time or in the amount required by
19 this Section, the retailer shall be liable for penalty and
20 interest on the difference between the minimum amount due as
21 a payment and the amount of such payment actually and timely
22 paid, except insofar as the retailer has previously made
23 payments for that month to the Department or received credits
24 in excess of the minimum payments previously due.

25 (f) Notwithstanding any other provision of this Section
26 containing the time within which a retailer may file his or
27 her return, in the case of any retailer who ceases to engage
28 in a kind of business that makes him or her responsible for
29 filing returns under this Section, the retailer shall file a
30 final return under this Section with the Department not more
31 than one month after discontinuing such business.

32 (g) In making such return, the retailer shall determine
33 the value of any consideration other than money received by
34 it and such retailer shall include the value in its return.

1 Such determination shall be subject to review and revision by
2 the Department in the manner hereinafter provided for the
3 correction of returns.

4 (h) Any retailer who has average monthly tax billings
5 due to the Department under this Act and the
6 Telecommunications Excise Tax Act that exceed \$1,000 shall
7 file the return required by this Section by electronic means
8 as required by rules of the Department.

9 (i) The retailer filing the return herein provided for
10 shall, at the time of filing the return, pay to the
11 Department the amounts due pursuant to this Act. The
12 Department shall immediately pay over to the State Treasurer,
13 ex officio, as trustee, 99.5% of all taxes, penalties, and
14 interest collected hereunder for deposit into the Municipal
15 Telecommunications Fund, which is hereby created. The
16 remaining 0.5% received by the Department pursuant to this
17 Act shall be deposited into the Tax Compliance and
18 Administration Fund and shall be used by the Department,
19 subject to appropriation, to cover the costs of the
20 Department. On or before the 25th day of each calendar month,
21 the Department shall prepare and certify to the Comptroller
22 the disbursement of stated sums of money to be paid to named
23 municipalities from the Municipal Telecommunications Fund for
24 amounts collected during the second preceding calendar month.
25 The named municipalities shall be those municipalities
26 identified by a retailer in such retailer's return as having
27 imposed the tax authorized by the Act. The amount of money
28 to be paid to each municipality shall be the amount (not
29 including credit memoranda) collected hereunder during the
30 second preceding calendar month by the Department, plus an
31 amount the Department determines is necessary to offset any
32 amounts that were erroneously erroneously paid to a
33 different taxing body, and not including an amount equal to
34 the amount of refunds made during the second preceding

1 calendar month by the Department on behalf of such
2 municipality, and not including any amount that the
3 Department determines is necessary to offset any amount that
4 were payable to a different taxing body but were erroneously
5 paid to the municipality. Within 10 days after receipt by
6 the Comptroller of the disbursement certification from the
7 Department, the Comptroller shall cause the orders to be
8 drawn for the respective amounts in accordance with the
9 directions contained in the certification. When certifying
10 to the Comptroller the amount of a monthly disbursement to a
11 municipality under this Section, the Department shall
12 increase or decrease the amount by an amount necessary to
13 offset any misallocation of previous disbursements. The
14 offset amount shall be the amount erroneously disbursed
15 within the previous 6 months from the time a misallocation is
16 discovered.

17 (j) For municipalities with populations of less than
18 500,000, whenever the Department determines that a refund
19 shall be made under this Section to a claimant instead of
20 issuing a credit memorandum, the Department shall notify the
21 State Comptroller, who shall cause the order to be drawn for
22 the amount specified and to the person named in the
23 notification from the Department. The refund shall be paid
24 by the State Treasurer out of the Municipal
25 Telecommunications Fund.

26 (Source: P.A. 92-526, eff. 7-1-02.)

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.