



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4328

Introduced 12/29/2005, by Rep. William B. Black

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-10	from Ch. 120, par. 439.3-10
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	from Ch. 120, par. 441-10
35 ILCS 120/3	from Ch. 120, par. 442
35 ILCS 615/2	from Ch. 120, par. 467.17

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning February 1, 2006 and through April 30, 2006, with respect to propane and home heating oil, the tax under the Acts is imposed at the rate of 1.25% (eliminating the State's portion of the tax). Amends the State Finance Act to make corresponding changes concerning the distribution of the tax. Amends the Gas Revenue Tax Act. Suspends the tax on sale for the use or consumption of gas by residential customers for the period beginning February 1, 2006 through April 30, 2006. Effective immediately.

LRB094 16316 BDD 51565 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning revenue.

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

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

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

7 Sec. 6z-18. 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 has  
11 been prepared for immediate consumption) and prescription and  
12 nonprescription medicines, drugs, medical appliances and  
13 insulin, urine testing materials, syringes and needles used by  
14 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 occurred  
18 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 registration  
27 purposes are given as being in such municipality. The remainder  
28 of the money paid into the Local Government Tax Fund from such  
29 sales shall be distributed to counties. Each county shall  
30 receive the amount attributable to sales for which Illinois  
31 addresses for titling or registration purposes are given as  
32 being located in the unincorporated area of such county.

1 A portion of the money paid into the Local Government Tax  
2 Fund from the 6.25% general rate (and, beginning July 1, 2000  
3 and through December 31, 2000, the 1.25% rate on motor fuel and  
4 gasohol and, beginning February 1, 2006 and through April 30,  
5 2006, the 1.25% rate on propane and home heating oil) on sales  
6 subject to taxation under the Retailers' Occupation Tax Act and  
7 the Service Occupation Tax Act, which occurred in  
8 municipalities, shall be distributed to each municipality,  
9 based upon the sales which occurred in that municipality. The  
10 remainder shall be distributed to each county, based upon the  
11 sales which occurred in the unincorporated area of such county.

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

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

29 On or before the 25th day of each calendar month, the  
30 Department shall prepare and certify to the Comptroller the  
31 disbursement of stated sums of money to named municipalities  
32 and counties, the municipalities and counties to be those  
33 entitled to distribution of taxes or penalties paid to the  
34 Department during the second preceding calendar month. The  
35 amount to be paid to each municipality or county shall be the  
36 amount (not including credit memoranda) collected during the

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

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

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

28 In construing any development, redevelopment, annexation,  
29 preannexation or other lawful agreement in effect prior to  
30 September 1, 1990, which describes or refers to receipts from a  
31 county or municipal retailers' occupation tax, use tax or  
32 service occupation tax which now cannot be imposed, such  
33 description or reference shall be deemed to include the  
34 replacement revenue for such abolished taxes, distributed from  
35 the Local Government Tax Fund.

36 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99; 91-872,

1 eff. 7-1-00.)

2 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

3 Sec. 6z-20. Of the money received from the 6.25% general  
4 rate (and, beginning July 1, 2000 and through December 31,  
5 2000, the 1.25% rate on motor fuel and gasohol and, beginning  
6 February 1, 2006 and through April 30, 2006, the 1.25% rate on  
7 propane and home heating oil) on sales subject to taxation  
8 under the Retailers' Occupation Tax Act and Service Occupation  
9 Tax Act and paid into the County and Mass Transit District  
10 Fund, distribution to the Regional Transportation Authority  
11 tax fund, created pursuant to Section 4.03 of the Regional  
12 Transportation Authority Act, for deposit therein shall be made  
13 based upon the retail sales occurring in a county having more  
14 than 3,000,000 inhabitants. The remainder shall be distributed  
15 to each county having 3,000,000 or fewer inhabitants based upon  
16 the retail sales occurring in each 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 extracted  
21 from the earth. This paragraph does not apply to coal or other  
22 mineral when it is delivered or shipped by the seller to the  
23 purchaser at a point outside Illinois so that the sale is  
24 exempt under the United States Constitution as a sale in  
25 interstate or foreign commerce.

26 Of the money received from the 6.25% general use tax rate  
27 on tangible personal property which is purchased outside  
28 Illinois at retail from a retailer and which is titled or  
29 registered by any agency of this State's government and paid  
30 into the County and Mass Transit District Fund, the amount for  
31 which Illinois addresses for titling or registration purposes  
32 are given as being in each county having more than 3,000,000  
33 inhabitants shall be distributed into the Regional  
34 Transportation Authority tax fund, created pursuant to Section  
35 4.03 of the Regional Transportation Authority Act. The

1 remainder of the money paid from such sales shall be  
2 distributed to each county based on sales for which Illinois  
3 addresses for titling or registration purposes are given as  
4 being located in the county. Any money paid into the Regional  
5 Transportation Authority Occupation and Use Tax Replacement  
6 Fund from the County and Mass Transit District Fund prior to  
7 January 14, 1991, which has not been paid to the Authority  
8 prior to that date, shall be transferred to the Regional  
9 Transportation Authority tax fund.

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

18 On or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to the Regional  
21 Transportation Authority and to named counties, the counties to  
22 be those entitled to distribution, as hereinabove provided, of  
23 taxes or penalties paid to the Department during the second  
24 preceding calendar month. The amount to be paid to the Regional  
25 Transportation Authority and each county having 3,000,000 or  
26 fewer inhabitants shall be the amount (not including credit  
27 memoranda) collected during the second preceding calendar  
28 month by the Department and paid into the County and Mass  
29 Transit District Fund, plus an amount the Department determines  
30 is necessary to offset any amounts which were erroneously paid  
31 to a different taxing body, and not including an amount equal  
32 to the amount of refunds made during the second preceding  
33 calendar month by the Department, and not including any amount  
34 which the Department determines is necessary to offset any  
35 amounts which were payable to a different taxing body but were  
36 erroneously paid to the Regional Transportation Authority or

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

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

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

23 In construing any development, redevelopment, annexation,  
24 preannexation or other lawful agreement in effect prior to  
25 September 1, 1990, which describes or refers to receipts from a  
26 county or municipal retailers' occupation tax, use tax or  
27 service occupation tax which now cannot be imposed, such  
28 description or reference shall be deemed to include the  
29 replacement revenue for such abolished taxes, distributed from  
30 the County and Mass Transit District Fund or Local Government  
31 Distributive Fund, as the case may be.

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

33 Section 10. The Use Tax Act is amended by changing Sections  
34 3-10 and 9 as follows:

1 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

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

23 Beginning February 1, 2006 and through April 30, 2006, with  
24 respect to propane and home heating oil sold to residential  
25 consumers, as defined in Section 2 of the Gas Revenue Tax Act,  
26 the tax is imposed at the rate of 1.25%.

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

31 With respect to gasohol, the tax imposed by this Act  
32 applies to (i) 70% of the proceeds of sales made on or after  
33 January 1, 1990, and before July 1, 2003, (ii) 80% of the  
34 proceeds of sales made on or after July 1, 2003 and on or  
35 before December 31, 2013, and (iii) 100% of the proceeds of  
36 sales made thereafter. If, at any time, however, the tax under



1 this Act on sales of gasohol is imposed at the rate of 1.25%,  
2 then the tax imposed by this Act applies to 100% of the  
3 proceeds of sales of gasohol made during that time.

4 With respect to majority blended ethanol fuel, the tax  
5 imposed by this Act does not apply to the proceeds of sales  
6 made on or after July 1, 2003 and on or before December 31,  
7 2013 but applies to 100% of the proceeds of sales made  
8 thereafter.

9 With respect to biodiesel blends with no less than 1% and  
10 no more than 10% biodiesel, the tax imposed by this Act applies  
11 to (i) 80% of the proceeds of sales made on or after July 1,  
12 2003 and on or before December 31, 2013 and (ii) 100% of the  
13 proceeds of sales made thereafter. If, at any time, however,  
14 the tax under this Act on sales of biodiesel blends with no  
15 less than 1% and no more than 10% biodiesel is imposed at the  
16 rate of 1.25%, then the tax imposed by this Act applies to 100%  
17 of the proceeds of sales of biodiesel blends with no less than  
18 1% and no more than 10% biodiesel made during that time.

19 With respect to 100% biodiesel and biodiesel blends with  
20 more than 10% but no more than 99% biodiesel, the tax imposed  
21 by this Act does not apply to the proceeds of sales made on or  
22 after July 1, 2003 and on or before December 31, 2013 but  
23 applies to 100% of the proceeds of sales made thereafter.

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

1 other preparations commonly known as soft drinks of whatever  
2 kind or description that are contained in any closed or sealed  
3 bottle, can, carton, or container, regardless of size. "Soft  
4 drinks" does not include coffee, tea, non-carbonated water,  
5 infant formula, milk or milk products as defined in the Grade A  
6 Pasteurized Milk and Milk Products Act, or drinks containing  
7 50% or more natural fruit or vegetable juice.

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

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

21 (Source: P.A. 93-17, eff. 6-11-03.)

22 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

23 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
24 and trailers that are required to be registered with an agency  
25 of this State, each retailer required or authorized to collect  
26 the tax imposed by this Act shall pay to the Department the  
27 amount of such tax (except as otherwise provided) at the time  
28 when he is required to file his return for the period during  
29 which such tax was collected, less a discount of 2.1% prior to  
30 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
31 per calendar year, whichever is greater, which is allowed to  
32 reimburse the retailer for expenses incurred in collecting the  
33 tax, keeping records, preparing and filing returns, remitting  
34 the tax and supplying data to the Department on request. In the  
35 case of retailers who report and pay the tax on a transaction

1 by transaction basis, as provided in this Section, such  
2 discount shall be taken with each such tax remittance instead  
3 of when such retailer files his periodic return. A retailer  
4 need not remit that part of any tax collected by him to the  
5 extent that he is required to remit and does remit the tax  
6 imposed by the Retailers' Occupation Tax Act, with respect to  
7 the sale of the same property.

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

18 Except as provided in this Section, on or before the  
19 twentieth day of each calendar month, such retailer shall file  
20 a return for the preceding calendar month. Such return shall be  
21 filed on forms prescribed by the Department and shall furnish  
22 such information as the Department may reasonably require.

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

30 1. The name of the seller;

31 2. The address of the principal place of business from  
32 which he engages in the business of selling tangible  
33 personal property at retail in this State;

34 3. The total amount of taxable receipts received by him  
35 during the preceding calendar month from sales of tangible  
36 personal property by him during such preceding calendar

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

3 4. The amount of credit provided in Section 2d of this  
4 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 Department  
8 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 be  
12 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 has  
17 an average monthly tax liability of \$100,000 or more shall make  
18 all payments required by rules of the Department by electronic  
19 funds transfer. Beginning October 1, 1995, a taxpayer who has  
20 an average monthly tax liability of \$50,000 or more shall make  
21 all payments required by rules of the Department by electronic  
22 funds transfer. Beginning October 1, 2000, a taxpayer who has  
23 an annual tax liability of \$200,000 or more shall make all  
24 payments required by rules of the Department by electronic  
25 funds transfer. The term "annual tax liability" shall be the  
26 sum of the taxpayer's liabilities under this Act, and under all  
27 other State and local occupation and use tax laws administered  
28 by the Department, for the immediately preceding calendar year.  
29 The term "average monthly tax liability" means the sum of the  
30 taxpayer's liabilities under this Act, and under all other  
31 State and local occupation and use tax laws administered by the  
32 Department, for the immediately preceding calendar year  
33 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
34 a tax liability in the amount set forth in subsection (b) of  
35 Section 2505-210 of the Department of Revenue Law shall make  
36 all payments required by rules of the Department by electronic

1 funds transfer.

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

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

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

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

17 Before October 1, 2000, if the taxpayer's average monthly  
18 tax liability to the Department under this Act, the Retailers'  
19 Occupation Tax Act, the Service Occupation Tax Act, the Service  
20 Use Tax Act was \$10,000 or more during the preceding 4 complete  
21 calendar quarters, he shall file a return with the Department  
22 each month by the 20th day of the month next following the  
23 month during which such tax liability is incurred and shall  
24 make payments to the Department on or before the 7th, 15th,  
25 22nd and last day of the month during which such liability is  
26 incurred. On and after October 1, 2000, if the taxpayer's  
27 average monthly tax liability to the Department under this Act,  
28 the Retailers' Occupation Tax Act, the Service Occupation Tax  
29 Act, and the Service Use Tax Act was \$20,000 or more during the  
30 preceding 4 complete calendar quarters, he shall file a return  
31 with the Department each month by the 20th day of the month  
32 next following the month during which such tax liability is  
33 incurred and shall make payment to the Department on or before  
34 the 7th, 15th, 22nd and last day of the month during which such  
35 liability is incurred. If the month during which such tax  
36 liability is incurred began prior to January 1, 1985, each

1 payment shall be in an amount equal to 1/4 of the taxpayer's  
2 actual liability for the month or an amount set by the  
3 Department not to exceed 1/4 of the average monthly liability  
4 of the taxpayer to the Department for the preceding 4 complete  
5 calendar quarters (excluding the month of highest liability and  
6 the month of lowest liability in such 4 quarter period). If the  
7 month during which such tax liability is incurred begins on or  
8 after January 1, 1985, and prior to January 1, 1987, each  
9 payment shall be in an amount equal to 22.5% of the taxpayer's  
10 actual liability for the month or 27.5% of the taxpayer's  
11 liability for the same calendar month of the preceding year. If  
12 the month during which such tax liability is incurred begins on  
13 or after January 1, 1987, and prior to January 1, 1988, each  
14 payment shall be in an amount equal to 22.5% of the taxpayer's  
15 actual liability for the month or 26.25% of the taxpayer's  
16 liability for the same calendar month of the preceding year. If  
17 the month during which such tax liability is incurred begins on  
18 or after January 1, 1988, and prior to January 1, 1989, or  
19 begins on or after January 1, 1996, each payment shall be in an  
20 amount equal to 22.5% of the taxpayer's actual liability for  
21 the month or 25% of the taxpayer's liability for the same  
22 calendar month of the preceding year. If the month during which  
23 such tax liability is incurred begins on or after January 1,  
24 1989, and prior to January 1, 1996, each payment shall be in an  
25 amount equal to 22.5% of the taxpayer's actual liability for  
26 the month or 25% of the taxpayer's liability for the same  
27 calendar month of the preceding year or 100% of the taxpayer's  
28 actual liability for the quarter monthly reporting period. The  
29 amount of such quarter monthly payments shall be credited  
30 against the final tax liability of the taxpayer's return for  
31 that month. Before October 1, 2000, once applicable, the  
32 requirement of the making of quarter monthly payments to the  
33 Department shall continue until such taxpayer's average  
34 monthly liability to the Department during the preceding 4  
35 complete calendar quarters (excluding the month of highest  
36 liability and the month of lowest liability) is less than

1 \$9,000, or until such taxpayer's average monthly liability to  
2 the Department as computed for each calendar quarter of the 4  
3 preceding complete calendar quarter period is less than  
4 \$10,000. However, if a taxpayer can show the Department that a  
5 substantial change in the taxpayer's business has occurred  
6 which causes the taxpayer to anticipate that his average  
7 monthly tax liability for the reasonably foreseeable future  
8 will fall below the \$10,000 threshold stated above, then such  
9 taxpayer may petition the Department for change in such  
10 taxpayer's reporting status. On and after October 1, 2000, once  
11 applicable, the requirement of the making of quarter monthly  
12 payments to the Department shall continue until such taxpayer's  
13 average monthly liability to the Department during the  
14 preceding 4 complete calendar quarters (excluding the month of  
15 highest liability and the month of lowest liability) is less  
16 than \$19,000 or until such taxpayer's average monthly liability  
17 to the Department as computed for each calendar quarter of the  
18 4 preceding complete calendar quarter period is less than  
19 \$20,000. 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 \$20,000 threshold stated above, then such  
24 taxpayer may petition the Department for a change in such  
25 taxpayer's reporting status. The Department shall change such  
26 taxpayer's reporting status unless it finds that such change is  
27 seasonal in nature and not likely to be long term. If any such  
28 quarter monthly payment is not paid at the time or in the  
29 amount required by this Section, then the taxpayer shall be  
30 liable for penalties and interest on the difference between the  
31 minimum amount due and the amount of such quarter monthly  
32 payment actually and timely paid, except insofar as the  
33 taxpayer has previously made payments for that month to the  
34 Department in excess of the minimum payments previously due as  
35 provided in this Section. The Department shall make reasonable  
36 rules and regulations to govern the quarter monthly payment

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

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

30 If the retailer is otherwise required to file a monthly  
31 return and if the retailer's average monthly tax liability to  
32 the Department does not exceed \$200, the Department may  
33 authorize his returns to be filed on a quarter annual basis,  
34 with the return for January, February, and March of a given  
35 year being due by April 20 of such year; with the return for  
36 April, May and June of a given year being due by July 20 of such



1 year; with the return for July, August and September of a given  
2 year being due by October 20 of such year, and with the return  
3 for October, November and December of a given year being due by  
4 January 20 of the following year.

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

11 Such quarter annual and annual returns, as to form and  
12 substance, shall be subject to the same requirements as monthly  
13 returns.

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

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

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

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

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

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

9 Such transaction reporting return shall be filed not later  
10 than 20 days after the date of delivery of the item that is  
11 being sold, but may be filed by the retailer at any time sooner  
12 than that if he chooses to do so. The transaction reporting  
13 return and tax remittance or proof of exemption from the tax  
14 that is imposed by this Act may be transmitted to the  
15 Department by way of the State agency with which, or State  
16 officer with whom, the tangible personal property must be  
17 titled or registered (if titling or registration is required)  
18 if the Department and such agency or State officer determine  
19 that this procedure will expedite the processing of  
20 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 receipt  
26 (or a certificate of exemption if the Department is satisfied  
27 that the particular sale is tax exempt) which such purchaser  
28 may submit to the agency with which, or State officer with  
29 whom, he must title or register the tangible personal property  
30 that is involved (if titling or registration is required) in  
31 support of such purchaser's application for an Illinois  
32 certificate or other evidence of title or registration to such  
33 tangible personal property.

34 No retailer's failure or refusal to remit tax under this  
35 Act precludes a user, who has paid the proper tax to the  
36 retailer, from obtaining his certificate of title or other

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

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

24 Where a retailer collects the tax with respect to the  
25 selling price of tangible personal property which he sells and  
26 the purchaser thereafter returns such tangible personal  
27 property and the retailer refunds the selling price thereof to  
28 the purchaser, such retailer shall also refund, to the  
29 purchaser, the tax so collected from the purchaser. When filing  
30 his return for the period in which he refunds such tax to the  
31 purchaser, the retailer may deduct the amount of the tax so  
32 refunded by him to the purchaser from any other use tax which  
33 such retailer may be required to pay or remit to the  
34 Department, as shown by such return, if the amount of the tax  
35 to be deducted was previously remitted to the Department by  
36 such retailer. If the retailer has not previously remitted the

1 amount of such tax to the Department, he is entitled to no  
2 deduction under this Act upon refunding such tax to the  
3 purchaser.

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

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

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

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

33 Beginning January 1, 1990, each month the Department shall  
34 pay into the County and Mass Transit District Fund 4% of the  
35 net revenue realized for the preceding month from the 6.25%  
36 general rate on the selling price of tangible personal property

1 which is purchased outside Illinois at retail from a retailer  
2 and which is titled or registered by an agency of this State's  
3 government.

4 Beginning January 1, 1990, each month the Department shall  
5 pay into the State and Local Sales Tax Reform Fund, a special  
6 fund in the State Treasury, 20% of the net revenue realized for  
7 the preceding month from the 6.25% general rate on the selling  
8 price of tangible personal property, other than tangible  
9 personal property which is purchased outside Illinois at retail  
10 from a retailer and which is titled or registered by an agency  
11 of this State's government.

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

16 Beginning February 1, 2006, each month the Department must  
17 pay into the State and Local Sales Tax Reform Fund 100% of the  
18 net revenue realized for the preceding month from the 1.25%  
19 rate on the selling price of propane and home heating oil sold  
20 to residential consumers during the period beginning February  
21 1, 2006 and continuing through April 30, 2006.

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

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

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

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

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

34		Total
	Fiscal Year	Deposit
35	1993	\$0



1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	93,000,000
10	2003	99,000,000
11	2004	103,000,000
12	2005	108,000,000
13	2006	113,000,000
14	2007	119,000,000
15	2008	126,000,000
16	2009	132,000,000
17	2010	139,000,000
18	2011	146,000,000
19	2012	153,000,000
20	2013	161,000,000
21	2014	170,000,000
22	2015	179,000,000
23	2016	189,000,000
24	2017	199,000,000
25	2018	210,000,000
26	2019	221,000,000
27	2020	233,000,000
28	2021	246,000,000
29	2022	260,000,000
30	2023 and	275,000,000

31           each fiscal year  
 32           thereafter that bonds  
 33           are outstanding under  
 34           Section 13.2 of the  
 35           Metropolitan Pier and  
 36           Exposition Authority Act,

1 but not after fiscal year 2042.

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

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

23 Subject to payment of amounts into the Build Illinois Fund  
24 and the McCormick Place Expansion Project Fund pursuant to the  
25 preceding paragraphs or in any amendments thereto hereafter  
26 enacted, beginning with the receipt of the first report of  
27 taxes paid by an eligible business and continuing for a 25-year  
28 period, the Department shall each month pay into the Energy  
29 Infrastructure Fund 80% of the net revenue realized from the  
30 6.25% general rate on the selling price of Illinois-mined coal  
31 that was sold to an eligible business. For purposes of this  
32 paragraph, the term "eligible business" means a new electric  
33 generating facility certified pursuant to Section 605-332 of  
34 the Department of Commerce and Economic Opportunity Community  
35 ~~Affairs~~ Law of the Civil Administrative Code of Illinois.

36 Of the remainder of the moneys received by the Department

1 pursuant to this Act, 75% thereof shall be paid into the State  
2 Treasury and 25% shall be reserved in a special account and  
3 used only for the transfer to the Common School Fund as part of  
4 the monthly transfer from the General Revenue Fund in  
5 accordance with Section 8a of the State Finance Act.

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

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

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

24 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101,  
25 eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00;  
26 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff. 6-28-01;  
27 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600, eff. 6-28-02;  
28 92-651, eff. 7-11-02; revised 10-15-03.)

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

31 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

32 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
33 Section, the tax imposed by this Act is at the rate of 6.25% of  
34 the selling price of tangible personal property transferred as

1 an incident to the sale of service, but, for the purpose of  
2 computing this tax, in no event shall the selling price be less  
3 than the cost price of the property to the serviceman.

4 Beginning February 1, 2006 and through April 30, 2006, with  
5 respect to propane and home heating oil sold to residential  
6 consumers, as defined in Section 2 of the Gas Revenue Act, the  
7 tax is imposed at the rate of 1.25%.

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

12 With respect to gasohol, as defined in the Use Tax Act, the  
13 tax imposed by this Act applies to (i) 70% of the selling price  
14 of property transferred as an incident to the sale of service  
15 on or after January 1, 1990, and before July 1, 2003, (ii) 80%  
16 of the selling price of property transferred as an incident to  
17 the sale of service on or after July 1, 2003 and on or before  
18 December 31, 2013, and (iii) 100% of the selling price  
19 thereafter. If, at any time, however, the tax under this Act on  
20 sales of gasohol, as defined in the Use Tax Act, is imposed at  
21 the rate of 1.25%, then the tax imposed by this Act applies to  
22 100% of the proceeds of sales of gasohol made during that time.

23 With respect to majority blended ethanol fuel, as defined  
24 in the Use Tax Act, the tax imposed by this Act does not apply  
25 to the selling price of property transferred as an incident to  
26 the sale of service on or after July 1, 2003 and on or before  
27 December 31, 2013 but applies to 100% of the selling price  
28 thereafter.

29 With respect to biodiesel blends, as defined in the Use Tax  
30 Act, with no less than 1% and no more than 10% biodiesel, the  
31 tax imposed by this Act applies to (i) 80% of the selling price  
32 of property transferred as an incident to the sale of service  
33 on or after July 1, 2003 and on or before December 31, 2013 and  
34 (ii) 100% of the proceeds of the selling price thereafter. If,  
35 at any time, however, the tax under this Act on sales of  
36 biodiesel blends, as defined in the Use Tax Act, with no less

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

5 With respect to 100% biodiesel, as defined in the Use Tax  
6 Act, and biodiesel blends, as defined in the Use Tax Act, with  
7 more than 10% but no more than 99% biodiesel, the tax imposed  
8 by this Act does not apply to the proceeds of the selling price  
9 of property transferred as an incident to the sale of service  
10 on or after July 1, 2003 and on or before December 31, 2013 but  
11 applies to 100% of the selling price thereafter.

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

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

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

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

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

25 (Source: P.A. 93-17, eff. 6-11-03.)

26 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

27 Sec. 9. Each serviceman required or authorized to collect  
28 the tax herein imposed shall pay to the Department the amount  
29 of such tax (except as otherwise provided) at the time when he  
30 is required to file his return for the period during which such  
31 tax was collected, less a discount of 2.1% prior to January 1,  
32 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
33 year, whichever is greater, which is allowed to reimburse the  
34 serviceman for expenses incurred in collecting the tax, keeping  
35 records, preparing and filing returns, remitting the tax and

1 supplying data to the Department on request. A serviceman need  
2 not remit that part of any tax collected by him to the extent  
3 that he is required to pay and does pay the tax imposed by the  
4 Service Occupation Tax Act with respect to his sale of service  
5 involving the incidental transfer by him of the same property.

6 Except as provided hereinafter in this Section, on or  
7 before the twentieth day of each calendar month, such  
8 serviceman shall file a return for the preceding calendar month  
9 in accordance with reasonable Rules and Regulations to be  
10 promulgated by the Department. Such return shall be filed on a  
11 form prescribed by the Department and shall contain such  
12 information as the Department may reasonably require.

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

20 1. The name of the seller;

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

23 3. The total amount of taxable receipts received by him  
24 during the preceding calendar month, including receipts  
25 from charge and time sales, but less all deductions allowed  
26 by law;

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

29 5. The amount of tax due;

30 5-5. The signature of the taxpayer; and

31 6. Such other reasonable information as the Department  
32 may require.

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

1           Beginning October 1, 1993, a taxpayer who has an average  
2 monthly tax liability of \$150,000 or more shall make all  
3 payments required by rules of the Department by electronic  
4 funds transfer. Beginning October 1, 1994, a taxpayer who has  
5 an average monthly tax liability of \$100,000 or more shall make  
6 all payments required by rules of the Department by electronic  
7 funds transfer. Beginning October 1, 1995, a taxpayer who has  
8 an average monthly tax liability of \$50,000 or more shall make  
9 all payments required by rules of the Department by electronic  
10 funds transfer. Beginning October 1, 2000, a taxpayer who has  
11 an annual tax liability of \$200,000 or more shall make all  
12 payments required by rules of the Department by electronic  
13 funds transfer. The term "annual tax liability" shall be the  
14 sum of the taxpayer's liabilities under this Act, and under all  
15 other State and local occupation and use tax laws administered  
16 by the Department, for the immediately preceding calendar year.  
17 The term "average monthly tax liability" means the sum of the  
18 taxpayer's liabilities under this Act, and under all other  
19 State and local occupation and use tax laws administered by the  
20 Department, for the immediately preceding calendar year  
21 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
22 a tax liability in the amount set forth in subsection (b) of  
23 Section 2505-210 of the Department of Revenue Law shall make  
24 all payments required by rules of the Department by electronic  
25 funds transfer.

26           Before August 1 of each year beginning in 1993, the  
27 Department shall notify all taxpayers required to make payments  
28 by electronic funds transfer. All taxpayers required to make  
29 payments by electronic funds transfer shall make those payments  
30 for a minimum of one year beginning on October 1.

31           Any taxpayer not required to make payments by electronic  
32 funds transfer may make payments by electronic funds transfer  
33 with the permission of the Department.

34           All taxpayers required to make payment by electronic funds  
35 transfer and any taxpayers authorized to voluntarily make  
36 payments by electronic funds transfer shall make those payments



1 in the manner authorized by the Department.

2 The Department shall adopt such rules as are necessary to  
3 effectuate a program of electronic funds transfer and the  
4 requirements of this Section.

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

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

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

25 Notwithstanding any other provision in this Act concerning  
26 the time within which a serviceman may file his return, in the  
27 case of any serviceman who ceases to engage in a kind of  
28 business which makes him responsible for filing returns under  
29 this Act, such serviceman shall file a final return under this  
30 Act with the Department not more than 1 month after  
31 discontinuing such business.

32 Where a serviceman collects the tax with respect to the  
33 selling price of property which he sells and the purchaser  
34 thereafter returns such property and the serviceman refunds the  
35 selling price thereof to the purchaser, such serviceman shall  
36 also refund, to the purchaser, the tax so collected from the

1 purchaser. When filing his return for the period in which he  
2 refunds such tax to the purchaser, the serviceman may deduct  
3 the amount of the tax so refunded by him to the purchaser from  
4 any other Service Use Tax, Service Occupation Tax, retailers'  
5 occupation tax or use tax which such serviceman may be required  
6 to pay or remit to the Department, as shown by such return,  
7 provided that the amount of the tax to be deducted shall  
8 previously have been remitted to the Department by such  
9 serviceman. If the serviceman shall not previously have  
10 remitted the amount of such tax to the Department, he shall be  
11 entitled to no deduction hereunder upon refunding such tax to  
12 the purchaser.

13 Any serviceman filing a return hereunder shall also include  
14 the total tax upon the selling price of tangible personal  
15 property purchased for use by him as an incident to a sale of  
16 service, and such serviceman shall remit the amount of such tax  
17 to the Department when filing such return.

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

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

29 Beginning January 1, 1990, each month the Department shall  
30 pay into the State and Local Tax Reform Fund, a special fund in  
31 the State Treasury, the net revenue realized for the preceding  
32 month from the 1% tax on sales of food for human consumption  
33 which is to be consumed off the premises where it is sold  
34 (other than alcoholic beverages, soft drinks and food which has  
35 been prepared for immediate consumption) and prescription and  
36 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by  
2 diabetics.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the State and Local Sales Tax Reform Fund 20% of the  
5 net revenue realized for the preceding month from the 6.25%  
6 general rate on transfers of tangible personal property, other  
7 than tangible personal property which is purchased outside  
8 Illinois at retail from a retailer and which is titled or  
9 registered by an agency of this State's government.

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

14 Beginning February 1, 2006, each month the Department must  
15 pay into the State and Local Sales Tax Reform Fund 100% of the  
16 net revenue realized for the preceding month from the 1.25%  
17 rate on the selling price of propane and home heating oil sold  
18 to residential consumers during the period beginning February  
19 1, 2006 and continuing through April 30, 2006.

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

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

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

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

	Fiscal Year	Total Deposit
25		
26	1993	\$0
27	1994	53,000,000
28	1995	58,000,000
29	1996	61,000,000
30	1997	64,000,000
31	1998	68,000,000
32	1999	71,000,000
33	2000	75,000,000
34	2001	80,000,000
35	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023 and	275,000,000

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

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

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

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

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

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

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

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

5 (Source: P.A. 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492,  
6 eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02;  
7 revised 10-15-03.)

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

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

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

29 Beginning February 1, 2006 and through April 30, 2006, with  
30 respect to propane and home heating oil sold to residential  
31 consumers, as defined in Section 2 of the Gas Revenue Tax Act,  
32 the tax is imposed at the rate of 1.25%.

33 Beginning on July 1, 2000 and through December 31, 2000,  
34 with respect to motor fuel, as defined in Section 1.1 of the



1 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of  
2 the Use Tax Act, the tax is imposed at the rate of 1.25%.

3 With respect to gasohol, as defined in the Use Tax Act, the  
4 tax imposed by this Act shall apply to (i) 70% of the cost  
5 price of property transferred as an incident to the sale of  
6 service on or after January 1, 1990, and before July 1, 2003,  
7 (ii) 80% of the selling price of property transferred as an  
8 incident to the sale of service on or after July 1, 2003 and on  
9 or before December 31, 2013, and (iii) 100% of the cost price  
10 thereafter. If, at any time, however, the tax under this Act on  
11 sales of gasohol, as defined in the Use Tax Act, is imposed at  
12 the rate of 1.25%, then the tax imposed by this Act applies to  
13 100% of the proceeds of sales of gasohol made during that time.

14 With respect to majority blended ethanol fuel, as defined  
15 in the Use Tax Act, the tax imposed by this Act does not apply  
16 to the selling price of property transferred as an incident to  
17 the sale of service on or after July 1, 2003 and on or before  
18 December 31, 2013 but applies to 100% of the selling price  
19 thereafter.

20 With respect to biodiesel blends, as defined in the Use Tax  
21 Act, with no less than 1% and no more than 10% biodiesel, the  
22 tax imposed by this Act applies to (i) 80% of the selling price  
23 of property transferred as an incident to the sale of service  
24 on or after July 1, 2003 and on or before December 31, 2013 and  
25 (ii) 100% of the proceeds of the selling price thereafter. If,  
26 at any time, however, the tax under this Act on sales of  
27 biodiesel blends, as defined in the Use Tax Act, with no less  
28 than 1% and no more than 10% biodiesel is imposed at the rate  
29 of 1.25%, then the tax imposed by this Act applies to 100% of  
30 the proceeds of sales of biodiesel blends with no less than 1%  
31 and no more than 10% biodiesel made during that time.

32 With respect to 100% biodiesel, as defined in the Use Tax  
33 Act, and biodiesel blends, as defined in the Use Tax Act, with  
34 more than 10% but no more than 99% biodiesel material, the tax  
35 imposed by this Act does not apply to the proceeds of the  
36 selling price of property transferred as an incident to the

1 sale of service on or after July 1, 2003 and on or before  
2 December 31, 2013 but applies to 100% of the selling price  
3 thereafter.

4 At the election of any registered serviceman made for each  
5 fiscal year, sales of service in which the aggregate annual  
6 cost price of tangible personal property transferred as an  
7 incident to the sales of service is less than 35%, or 75% in  
8 the case of servicemen transferring prescription drugs or  
9 servicemen engaged in graphic arts production, of the aggregate  
10 annual total gross receipts from all sales of service, the tax  
11 imposed by this Act shall be based on the serviceman's cost  
12 price of the tangible personal property transferred incident to  
13 the sale of those services.

14 The tax shall be imposed at the rate of 1% on food prepared  
15 for immediate consumption and transferred incident to a sale of  
16 service subject to this Act or the Service Occupation Tax Act  
17 by an entity licensed under the Hospital Licensing Act, the  
18 Nursing Home Care Act, or the Child Care Act of 1969. The tax  
19 shall also be imposed at the rate of 1% on food for human  
20 consumption that is to be consumed off the premises where it is  
21 sold (other than alcoholic beverages, soft drinks, and food  
22 that has been prepared for immediate consumption and is not  
23 otherwise included in this paragraph) 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. For the purposes of this Section, the term "soft drinks"  
29 means any complete, finished, ready-to-use, non-alcoholic  
30 drink, whether carbonated or not, including but not limited to  
31 soda water, cola, fruit juice, vegetable juice, carbonated  
32 water, and all other preparations commonly known as soft drinks  
33 of whatever kind or description that are contained in any  
34 closed or sealed can, carton, or container, regardless of size.  
35 "Soft drinks" does not include coffee, tea, non-carbonated  
36 water, infant formula, milk or milk products as defined in the

1 Grade A Pasteurized Milk and Milk Products Act, or drinks  
2 containing 50% or more natural fruit or vegetable juice.

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

9 (Source: P.A. 93-17, eff. 6-11-03.)

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

11 Sec. 9. Each serviceman required or authorized to collect  
12 the tax herein imposed shall pay to the Department the amount  
13 of such tax at the time when he is required to file his return  
14 for the period during which such tax was collectible, less a  
15 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
16 after January 1, 1990, or \$5 per calendar year, whichever is  
17 greater, which is allowed to reimburse the serviceman for  
18 expenses incurred in collecting the tax, keeping records,  
19 preparing and filing returns, remitting the tax and supplying  
20 data to the Department on request.

21 Where such tangible personal property is sold under a  
22 conditional sales contract, or under any other form of sale  
23 wherein the payment of the principal sum, or a part thereof, is  
24 extended beyond the close of the period for which the return is  
25 filed, the serviceman, in collecting the tax may collect, for  
26 each tax return period, only the tax applicable to the part of  
27 the selling price actually received during such tax return  
28 period.

29 Except as provided hereinafter in this Section, on or  
30 before the twentieth day of each calendar month, such  
31 serviceman shall file a return for the preceding calendar month  
32 in accordance with reasonable rules and regulations to be  
33 promulgated by the Department of Revenue. Such return shall be  
34 filed on a form prescribed by the Department and shall contain  
35 such information as the Department may reasonably require.

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

8 1. The name of the seller;

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

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

15 4. The amount of credit provided in Section 2d of this  
16 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 Department  
20 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 be  
24 due on the return shall be deemed assessed.

25 Prior to October 1, 2003, and on and after September 1,  
26 2004 a serviceman may accept a Manufacturer's Purchase Credit  
27 certification from a purchaser in satisfaction of Service Use  
28 Tax as provided in Section 3-70 of the Service Use Tax Act if  
29 the purchaser provides the appropriate documentation as  
30 required by Section 3-70 of the Service Use Tax Act. A  
31 Manufacturer's Purchase Credit certification, accepted prior  
32 to October 1, 2003 or on or after September 1, 2004 by a  
33 serviceman as provided in Section 3-70 of the Service Use Tax  
34 Act, may be used by that serviceman to satisfy Service  
35 Occupation Tax liability in the amount claimed in the  
36 certification, not to exceed 6.25% of the receipts subject to

1 tax from a qualifying purchase. A Manufacturer's Purchase  
2 Credit reported on any original or amended return filed under  
3 this Act after October 20, 2003 for reporting periods prior to  
4 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
5 Credit reported on annual returns due on or after January 1,  
6 2005 will be disallowed for periods prior to September 1, 2004.  
7 No Manufacturer's Purchase Credit may be used after September  
8 30, 2003 through August 31, 2004 to satisfy any tax liability  
9 imposed under this Act, including any audit liability.

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

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

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

27 Notwithstanding any other provision in this Act concerning  
28 the time within which a serviceman may file his return, in the  
29 case of any serviceman who ceases to engage in a kind of  
30 business which makes him responsible for filing returns under  
31 this Act, such serviceman shall file a final return under this  
32 Act with the Department not more than 1 month after  
33 discontinuing such business.

34 Beginning October 1, 1993, a taxpayer who has an average  
35 monthly tax liability of \$150,000 or more shall make all  
36 payments required by rules of the Department by electronic

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

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

28 Any taxpayer not required to make payments by electronic  
29 funds transfer may make payments by electronic funds transfer  
30 with the permission of the Department.

31 All taxpayers required to make payment by electronic funds  
32 transfer and any taxpayers authorized to voluntarily make  
33 payments by electronic funds transfer shall make those payments  
34 in the manner authorized by the Department.

35 The Department shall adopt such rules as are necessary to  
36 effectuate a program of electronic funds transfer and the

1 requirements of this Section.

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

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

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

30 Beginning January 1, 1990, each month the Department shall  
31 pay into the Local Government Tax Fund the revenue realized for  
32 the preceding month from the 1% tax on sales of food for human  
33 consumption which is to be consumed off the premises where it  
34 is sold (other than alcoholic beverages, soft drinks and food  
35 which has been prepared for immediate consumption) and  
36 prescription and nonprescription medicines, drugs, medical

1 appliances and insulin, urine testing materials, syringes and  
2 needles used by diabetics.

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

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

11 Beginning January 1, 1990, each month the Department shall  
12 pay into the Local Government Tax Fund 16% of the revenue  
13 realized for the preceding month from the 6.25% general rate on  
14 transfers of tangible personal 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 February 1, 2006, 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 propane and home heating oil sold to  
23 residential consumers during the period beginning February 1,  
24 2006 and continuing through April 30, 2006.

25 Beginning February 1, 2006, each month the Department shall  
26 pay into the County and Mass Transit District Fund 20% of the  
27 net revenue realized for the preceding month from the 1.25%  
28 rate on the selling price of propane and home heating oil sold  
29 to residential consumers during the period beginning February  
30 1, 2006 and continuing through April 30, 2006.

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



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

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

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

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

1           Section 13.2 of the  
2           Metropolitan Pier and  
3           Exposition Authority Act,  
4           but not after fiscal year 2042.

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

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

26          Subject to payment of amounts into the Build Illinois Fund  
27          and the McCormick Place Expansion Project Fund pursuant to the  
28          preceding paragraphs or in any amendments thereto hereafter  
29          enacted, beginning with the receipt of the first report of  
30          taxes paid by an eligible business and continuing for a 25-year  
31          period, the Department shall each month pay into the Energy  
32          Infrastructure Fund 80% of the net revenue realized from the  
33          6.25% general rate on the selling price of Illinois-mined coal  
34          that was sold to an eligible business. For purposes of this  
35          paragraph, the term "eligible business" means a new electric  
36          generating facility certified pursuant to Section 605-332 of

1 the Department of Commerce and Economic Opportunity Law of the  
2 Civil Administrative Code of Illinois.

3 Remaining moneys received by the Department pursuant to  
4 this Act shall be paid into the General Revenue Fund of the  
5 State Treasury.

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

29 If the annual information return required by this Section  
30 is not filed when and as required, the taxpayer shall be liable  
31 as follows:

32 (i) Until January 1, 1994, the taxpayer shall be liable  
33 for a penalty equal to 1/6 of 1% of the tax due from such  
34 taxpayer under this Act during the period to be covered by  
35 the annual return for each month or fraction of a month  
36 until such return is filed as required, the penalty to be

1           assessed and collected in the same manner as any other  
2           penalty provided for in this Act.

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

6           The chief executive officer, proprietor, owner or highest  
7           ranking manager shall sign the annual return to certify the  
8           accuracy of the information contained therein. Any person who  
9           willfully signs the annual return containing false or  
10          inaccurate information shall be guilty of perjury and punished  
11          accordingly. The annual return form prescribed by the  
12          Department shall include a warning that the person signing the  
13          return may be liable for perjury.

14          The foregoing portion of this Section concerning the filing  
15          of an annual information return shall not apply to a serviceman  
16          who is not required to file an income tax return with the  
17          United States Government.

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

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

29          For greater simplicity of administration, it shall be  
30          permissible for manufacturers, importers and wholesalers whose  
31          products are sold by numerous servicemen in Illinois, and who  
32          wish to do so, to assume the responsibility for accounting and  
33          paying to the Department all tax accruing under this Act with  
34          respect to such sales, if the servicemen who are affected do  
35          not make written objection to the Department to this  
36          arrangement.

1 (Source: P.A. 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492,  
2 eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02; 93-24,  
3 eff. 6-20-03; 93-840, eff. 7-30-04.)

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

6 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

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

11 Beginning February 1, 2006 and through April 30, 2006, with  
12 respect to propane and home heating oil sold to residential  
13 consumers, as defined in Section 2 of the Gas Revenue Tax Act,  
14 the tax is imposed at the rate of 1.25%.

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

19 Within 14 days after the effective date of this amendatory  
20 Act of the 91st General Assembly, each retailer of motor fuel  
21 and gasohol shall cause the following notice to be posted in a  
22 prominently visible place on each retail dispensing device that  
23 is used to dispense motor fuel or gasohol in the State of  
24 Illinois: "As of July 1, 2000, the State of Illinois has  
25 eliminated the State's share of sales tax on motor fuel and  
26 gasohol through December 31, 2000. The price on this pump  
27 should reflect the elimination of the tax." The notice shall be  
28 printed in bold print on a sign that is no smaller than 4  
29 inches by 8 inches. The sign shall be clearly visible to  
30 customers. Any retailer who fails to post or maintain a  
31 required sign through December 31, 2000 is guilty of a petty  
32 offense for which the fine shall be \$500 per day per each  
33 retail premises where a violation occurs.

34 With respect to gasohol, as defined in the Use Tax Act, the

1 tax imposed by this Act applies to (i) 70% of the proceeds of  
2 sales made on or after January 1, 1990, and before July 1,  
3 2003, (ii) 80% of the proceeds of sales made on or after July  
4 1, 2003 and on or before December 31, 2013, and (iii) 100% of  
5 the proceeds of sales made thereafter. If, at any time,  
6 however, the tax under this Act on sales of gasohol, as defined  
7 in the Use Tax Act, is imposed at the rate of 1.25%, then the  
8 tax imposed by this Act applies to 100% of the proceeds of  
9 sales of gasohol made during that time.

10 With respect to majority blended ethanol fuel, as defined  
11 in the Use Tax Act, the tax imposed by this Act does not apply  
12 to the proceeds of sales made on or after July 1, 2003 and on or  
13 before December 31, 2013 but applies to 100% of the proceeds of  
14 sales made thereafter.

15 With respect to biodiesel blends, as defined in the Use Tax  
16 Act, with no less than 1% and no more than 10% biodiesel, the  
17 tax imposed by this Act applies to (i) 80% of the proceeds of  
18 sales made on or after July 1, 2003 and on or before December  
19 31, 2013 and (ii) 100% of the proceeds of sales made  
20 thereafter. If, at any time, however, the tax under this Act on  
21 sales of biodiesel blends, as defined in the Use Tax Act, with  
22 no less than 1% and no more than 10% biodiesel is imposed at  
23 the rate of 1.25%, then the tax imposed by this Act applies to  
24 100% of the proceeds of sales of biodiesel blends with no less  
25 than 1% and no more than 10% biodiesel made during that time.

26 With respect to 100% biodiesel, as defined in the Use Tax  
27 Act, and biodiesel blends, as defined in the Use Tax Act, with  
28 more than 10% but no more than 99% biodiesel, the tax imposed  
29 by this Act does not apply to the proceeds of sales made on or  
30 after July 1, 2003 and on or before December 31, 2013 but  
31 applies to 100% of the proceeds of sales made thereafter.

32 With respect to food for human consumption that is to be  
33 consumed off the premises where it is sold (other than  
34 alcoholic beverages, soft drinks, and food that has been  
35 prepared for immediate consumption) and prescription and  
36 nonprescription medicines, drugs, medical appliances,



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

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

22 (Source: P.A. 93-17, eff. 6-11-03.)

23 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

29 1. The name of the seller;

30 2. His residence address and the address of his  
31 principal place of business and the address of the  
32 principal place of business (if that is a different  
33 address) from which he engages in the business of selling  
34 tangible personal property at retail in this State;

35 3. Total amount of receipts received by him during the

1 preceding calendar month or quarter, as the case may be,  
2 from sales of tangible personal property, and from services  
3 furnished, by him during such preceding calendar month or  
4 quarter;

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

10 5. Deductions allowed by law;

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

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

16 8. The amount of tax due;

17 9. The signature of the taxpayer; and

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

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

24 Each return shall be accompanied by the statement of  
25 prepaid tax issued pursuant to Section 2e for which credit is  
26 claimed.

27 Prior to October 1, 2003, and on and after September 1,  
28 2004 a retailer may accept a Manufacturer's Purchase Credit  
29 certification from a purchaser in satisfaction of Use Tax as  
30 provided in Section 3-85 of the Use Tax Act if the purchaser  
31 provides the appropriate documentation as required by Section  
32 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
33 certification, accepted by a retailer prior to October 1, 2003  
34 and on and after September 1, 2004 as provided in Section 3-85  
35 of the Use Tax Act, may be used by that retailer to satisfy  
36 Retailers' Occupation Tax liability in the amount claimed in

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

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

19 1. The name of the seller;

20 2. The address of the principal place of business from  
21 which he engages in the business of selling tangible  
22 personal property at retail in this State;

23 3. The total amount of taxable receipts received by him  
24 during the preceding calendar month from sales of tangible  
25 personal property by him during such preceding calendar  
26 month, including receipts from charge and time sales, but  
27 less all deductions allowed by law;

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

30 5. The amount of tax due; and

31 6. Such other reasonable information as the Department  
32 may require.

33 Beginning on October 1, 2003, any person who is not a  
34 licensed distributor, importing distributor, or manufacturer,  
35 as defined in the Liquor Control Act of 1934, but is engaged in  
36 the business of selling, at retail, alcoholic liquor shall file

1 a statement with the Department of Revenue, in a format and at  
2 a time prescribed by the Department, showing the total amount  
3 paid for alcoholic liquor purchased during the preceding month  
4 and such other information as is reasonably required by the  
5 Department. The Department may adopt rules to require that this  
6 statement be filed in an electronic or telephonic format. Such  
7 rules may provide for exceptions from the filing requirements  
8 of this paragraph. For the purposes of this paragraph, the term  
9 "alcoholic liquor" shall have the meaning prescribed in the  
10 Liquor Control Act of 1934.

11 Beginning on October 1, 2003, every distributor, importing  
12 distributor, and manufacturer of alcoholic liquor as defined in  
13 the Liquor Control Act of 1934, shall file a statement with the  
14 Department of Revenue, no later than the 10th day of the month  
15 for the preceding month during which transactions occurred, by  
16 electronic means, showing the total amount of gross receipts  
17 from the sale of alcoholic liquor sold or distributed during  
18 the preceding month to purchasers; identifying the purchaser to  
19 whom it was sold or distributed; the purchaser's tax  
20 registration number; and such other information reasonably  
21 required by the Department. A distributor, importing  
22 distributor, or manufacturer of alcoholic liquor must  
23 personally deliver, mail, or provide by electronic means to  
24 each retailer listed on the monthly statement a report  
25 containing a cumulative total of that distributor's, importing  
26 distributor's, or manufacturer's total sales of alcoholic  
27 liquor to that retailer no later than the 10th day of the month  
28 for the preceding month during which the transaction occurred.  
29 The distributor, importing distributor, or manufacturer shall  
30 notify the retailer as to the method by which the distributor,  
31 importing distributor, or manufacturer will provide the sales  
32 information. If the retailer is unable to receive the sales  
33 information by electronic means, the distributor, importing  
34 distributor, or manufacturer shall furnish the sales  
35 information by personal delivery or by mail. For purposes of  
36 this paragraph, the term "electronic means" includes, but is

1 not limited to, the use of a secure Internet website, e-mail,  
2 or facsimile.

3 If a total amount of less than \$1 is payable, refundable or  
4 creditable, such amount shall be disregarded if it is less than  
5 50 cents and shall be increased to \$1 if it is 50 cents or more.

6 Beginning October 1, 1993, a taxpayer who has an average  
7 monthly tax liability of \$150,000 or more shall make all  
8 payments required by rules of the Department by electronic  
9 funds transfer. Beginning October 1, 1994, a taxpayer who has  
10 an average monthly tax liability of \$100,000 or more shall make  
11 all payments required by rules of the Department by electronic  
12 funds transfer. Beginning October 1, 1995, a taxpayer who has  
13 an average monthly tax liability of \$50,000 or more shall make  
14 all payments required by rules of the Department by electronic  
15 funds transfer. Beginning October 1, 2000, a taxpayer who has  
16 an annual tax liability of \$200,000 or more shall make all  
17 payments required by rules of the Department by electronic  
18 funds transfer. The term "annual tax liability" shall be the  
19 sum of the taxpayer's liabilities under this Act, and under all  
20 other State and local occupation and use tax laws administered  
21 by the Department, for the immediately preceding calendar year.  
22 The term "average monthly tax liability" shall be the sum of  
23 the taxpayer's liabilities under this Act, and under all other  
24 State and local occupation and use tax laws administered by the  
25 Department, for the immediately preceding calendar year  
26 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
27 a tax liability in the amount set forth in subsection (b) of  
28 Section 2505-210 of the Department of Revenue Law shall make  
29 all payments required by rules of the Department by electronic  
30 funds transfer.

31 Before August 1 of each year beginning in 1993, the  
32 Department shall notify all taxpayers required to make payments  
33 by electronic funds transfer. All taxpayers required to make  
34 payments by electronic funds transfer shall make those payments  
35 for a minimum of one year beginning on October 1.

36 Any taxpayer not required to make payments by electronic

1 funds transfer may make payments by electronic funds transfer  
2 with the permission of the Department.

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

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

10 Any amount which is required to be shown or reported on any  
11 return or other document under this Act shall, if such amount  
12 is not a whole-dollar amount, be increased to the nearest  
13 whole-dollar amount in any case where the fractional part of a  
14 dollar is 50 cents or more, and decreased to the nearest  
15 whole-dollar amount where the fractional part of a dollar is  
16 less than 50 cents.

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

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

34 Such quarter annual and annual returns, as to form and  
35 substance, shall be subject to the same requirements as monthly  
36 returns.

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

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

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

36           Any retailer who sells only motor vehicles, watercraft,

1 aircraft, or trailers that are required to be registered with  
2 an agency of this State, so that all retailers' occupation tax  
3 liability is required to be reported, and is reported, on such  
4 transaction reporting returns and who is not otherwise required  
5 to file monthly or quarterly returns, need not file monthly or  
6 quarterly returns. However, those retailers shall be required  
7 to file returns on an annual basis.

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

29 The transaction reporting return in the case of watercraft  
30 or aircraft must show the name and address of the seller; the  
31 name and address of the purchaser; the amount of the selling  
32 price including the amount allowed by the retailer for  
33 traded-in property, if any; the amount allowed by the retailer  
34 for the traded-in tangible personal property, if any, to the  
35 extent to which Section 1 of this Act allows an exemption for  
36 the value of traded-in property; the balance payable after



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

9 Such transaction reporting return shall be filed not later  
10 than 20 days after the day of delivery of the item that is  
11 being sold, but may be filed by the retailer at any time sooner  
12 than that if he chooses to do so. The transaction reporting  
13 return and tax remittance or proof of exemption from the  
14 Illinois use tax may be transmitted to the Department by way of  
15 the State agency with which, or State officer with whom the  
16 tangible personal property must be titled or registered (if  
17 titling or registration is required) if the Department and such  
18 agency or State officer determine that this procedure will  
19 expedite the processing of applications for title or  
20 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 use 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 officer  
29 with whom, he must title or register the tangible personal  
30 property that is involved (if titling or registration is  
31 required) in support of such purchaser's application for an  
32 Illinois certificate or other evidence of title or registration  
33 to such tangible personal property.

34 No retailer's failure or refusal to remit tax under this  
35 Act precludes a user, who has paid the proper tax to the  
36 retailer, from obtaining his certificate of title or other

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

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

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

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

36 Where the seller is a limited liability company, the return

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

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

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

1 next following the month during which such tax liability is  
2 incurred and shall make payment to the Department on or before  
3 the 7th, 15th, 22nd and last day of the month during which such  
4 liability is incurred. If the month during which such tax  
5 liability is incurred began prior to January 1, 1985, each  
6 payment shall be in an amount equal to 1/4 of the taxpayer's  
7 actual liability for the month or an amount set by the  
8 Department not to exceed 1/4 of the average monthly liability  
9 of the taxpayer to the Department for the preceding 4 complete  
10 calendar quarters (excluding the month of highest liability and  
11 the month of lowest liability in such 4 quarter period). If the  
12 month during which such tax liability is incurred begins on or  
13 after January 1, 1985 and prior to January 1, 1987, each  
14 payment shall be in an amount equal to 22.5% of the taxpayer's  
15 actual liability for the month or 27.5% of the taxpayer's  
16 liability for the same calendar month of the preceding year. If  
17 the month during which such tax liability is incurred begins on  
18 or after January 1, 1987 and prior to January 1, 1988, each  
19 payment shall be in an amount equal to 22.5% of the taxpayer's  
20 actual liability for the month or 26.25% of the taxpayer's  
21 liability for the same calendar month of the preceding year. If  
22 the month during which such tax liability is incurred begins on  
23 or after January 1, 1988, and prior to January 1, 1989, or  
24 begins on or after January 1, 1996, each payment shall be in an  
25 amount equal to 22.5% of the taxpayer's actual liability for  
26 the month or 25% of the taxpayer's liability for the same  
27 calendar month of the preceding year. If the month during which  
28 such tax liability is incurred begins on or after January 1,  
29 1989, and prior to January 1, 1996, each payment shall be in an  
30 amount equal to 22.5% of the taxpayer's actual liability for  
31 the month or 25% of the taxpayer's liability for the same  
32 calendar month of the preceding year or 100% of the taxpayer's  
33 actual liability for the quarter monthly reporting period. The  
34 amount of such quarter monthly payments shall be credited  
35 against the final tax liability of the taxpayer's return for  
36 that month. Before October 1, 2000, once applicable, the

1 requirement of the making of quarter monthly payments to the  
2 Department by taxpayers having an average monthly tax liability  
3 of \$10,000 or more as determined in the manner provided above  
4 shall continue until such taxpayer's average monthly liability  
5 to the Department during the preceding 4 complete calendar  
6 quarters (excluding the month of highest liability and the  
7 month of lowest liability) is less than \$9,000, or until such  
8 taxpayer's average monthly liability to the Department as  
9 computed for each calendar quarter of the 4 preceding complete  
10 calendar quarter period is less than \$10,000. However, if a  
11 taxpayer can show the Department that a substantial change in  
12 the taxpayer's business has occurred which causes the taxpayer  
13 to anticipate that his average monthly tax liability for the  
14 reasonably foreseeable future will fall below the \$10,000  
15 threshold stated above, then such taxpayer may petition the  
16 Department for a change in such taxpayer's reporting status. On  
17 and after October 1, 2000, once applicable, the requirement of  
18 the making of quarter monthly payments to the Department by  
19 taxpayers having an average monthly tax liability of \$20,000 or  
20 more as determined in the manner provided above shall continue  
21 until such taxpayer's average monthly liability to the  
22 Department during the preceding 4 complete calendar quarters  
23 (excluding the month of highest liability and the month of  
24 lowest liability) is less than \$19,000 or until such taxpayer's  
25 average monthly liability to the Department as computed for  
26 each calendar quarter of the 4 preceding complete calendar  
27 quarter period is less than \$20,000. However, if a taxpayer can  
28 show the Department that a substantial change in the taxpayer's  
29 business has occurred which causes the taxpayer to anticipate  
30 that his average monthly tax liability for the reasonably  
31 foreseeable future will fall below the \$20,000 threshold stated  
32 above, then such taxpayer may petition the Department for a  
33 change in such taxpayer's reporting status. The Department  
34 shall change such taxpayer's reporting status unless it finds  
35 that such change is seasonal in nature and not likely to be  
36 long term. If any such quarter monthly payment is not paid at

1 the time or in the amount required by this Section, then the  
2 taxpayer shall be liable for penalties and interest on the  
3 difference between the minimum amount due as a payment and the  
4 amount of such quarter monthly payment actually and timely  
5 paid, except insofar as the taxpayer has previously made  
6 payments for that month to the Department in excess of the  
7 minimum payments previously due as provided in this Section.  
8 The Department shall make reasonable rules and regulations to  
9 govern the quarter monthly payment amount and quarter monthly  
10 payment dates for taxpayers who file on other than a calendar  
11 monthly basis.

12 The provisions of this paragraph apply before October 1,  
13 2001. Without regard to whether a taxpayer is required to make  
14 quarter monthly payments as specified above, any taxpayer who  
15 is required by Section 2d of this Act to collect and remit  
16 prepaid taxes and has collected prepaid taxes which average in  
17 excess of \$25,000 per month during the preceding 2 complete  
18 calendar quarters, shall file a return with the Department as  
19 required by Section 2f and shall make payments to the  
20 Department on or before the 7th, 15th, 22nd and last day of the  
21 month during which such liability is incurred. If the month  
22 during which such tax liability is incurred began prior to the  
23 effective date of this amendatory Act of 1985, each payment  
24 shall be in an amount not less than 22.5% of the taxpayer's  
25 actual liability under Section 2d. If the month during which  
26 such tax liability is incurred begins on or after January 1,  
27 1986, each payment shall be in an amount equal to 22.5% of the  
28 taxpayer's actual liability for the month or 27.5% of the  
29 taxpayer's liability for the same calendar month of the  
30 preceding calendar year. If the month during which such tax  
31 liability is incurred begins on or after January 1, 1987, each  
32 payment shall be in an amount equal to 22.5% of the taxpayer's  
33 actual liability for the month or 26.25% of the taxpayer's  
34 liability for the same calendar month of the preceding year.  
35 The amount of such quarter monthly payments shall be credited  
36 against the final tax liability of the taxpayer's return for

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

12 The provisions of this paragraph apply on and after October  
13 1, 2001. Without regard to whether a taxpayer is required to  
14 make quarter monthly payments as specified above, any taxpayer  
15 who is required by Section 2d of this Act to collect and remit  
16 prepaid taxes and has collected prepaid taxes that average in  
17 excess of \$20,000 per month during the preceding 4 complete  
18 calendar quarters shall file a return with the Department as  
19 required by Section 2f and shall make payments to the  
20 Department on or before the 7th, 15th, 22nd and last day of the  
21 month during which the liability is incurred. Each payment  
22 shall be in an amount equal to 22.5% of the taxpayer's actual  
23 liability for the month or 25% of the taxpayer's liability for  
24 the same calendar month of the preceding year. The amount of  
25 the quarter monthly payments shall be credited against the  
26 final tax liability of the taxpayer's return for that month  
27 filed under this Section or Section 2f, as the case may be.  
28 Once applicable, the requirement of the making of quarter  
29 monthly payments to the Department pursuant to this paragraph  
30 shall continue until the taxpayer's average monthly prepaid tax  
31 collections during the preceding 4 complete calendar quarters  
32 (excluding the month of highest liability and the month of  
33 lowest liability) is less than \$19,000 or until such taxpayer's  
34 average monthly liability to the Department as computed for  
35 each calendar quarter of the 4 preceding complete calendar  
36 quarters is less than \$20,000. If any such quarter monthly

1 payment is not paid at the time or in the amount required, the  
2 taxpayer shall be liable for penalties and interest on such  
3 difference, except insofar as the taxpayer has previously made  
4 payments for that month in excess of the minimum payments  
5 previously due.

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

28 If a retailer of motor fuel is entitled to a credit under  
29 Section 2d of this Act which exceeds the taxpayer's liability  
30 to the Department under this Act for the month which the  
31 taxpayer is filing a return, the Department shall issue the  
32 taxpayer a credit memorandum for the excess.

33 Beginning January 1, 1990, each month the Department shall  
34 pay into the Local Government Tax Fund, a special fund in the  
35 State treasury which is hereby created, the net revenue  
36 realized for the preceding month from the 1% tax on sales of



1 food for human consumption which is to be consumed off the  
2 premises where it is sold (other than alcoholic beverages, soft  
3 drinks and food which has been prepared for immediate  
4 consumption) and prescription and nonprescription medicines,  
5 drugs, medical appliances and insulin, urine testing  
6 materials, syringes and needles used by diabetics.

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

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

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

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

24 Beginning February 1, 2006, each month the Department shall  
25 pay into the Local Government Tax Fund 80% of the net revenue  
26 realized for the preceding month from the 1.25% rate on the  
27 selling price of propane and home heating oil sold to  
28 residential consumers during the period beginning February 1,  
29 2006 and continuing through April 30, 2006.

30 Beginning February 1, 2006, each month the Department shall  
31 pay into the County and Mass Transit District Fund 20% of the  
32 net revenue realized for the preceding month from the 1.25%  
33 rate on the selling price of propane and home heating oil sold  
34 to residential consumers during the period beginning February  
35 1, 2006 and continuing through April 30, 2006.

36 Of the remainder of the moneys received by the Department

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

20	Fiscal Year	Annual Specified Amount
21	1986	\$54,800,000
22	1987	\$76,650,000
23	1988	\$80,480,000
24	1989	\$88,510,000
25	1990	\$115,330,000
26	1991	\$145,470,000
27	1992	\$182,730,000
28	1993	\$206,520,000;

29 and means the Certified Annual Debt Service Requirement (as  
 30 defined in Section 13 of the Build Illinois Bond Act) or the  
 31 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
 32 each fiscal year thereafter; and further provided, that if on  
 33 the last business day of any month the sum of (1) the Tax Act  
 34 Amount required to be deposited into the Build Illinois Bond  
 35 Account in the Build Illinois Fund during such month and (2)  
 36 the amount transferred to the Build Illinois Fund from the

1 State and Local Sales Tax Reform Fund shall have been less than  
2 1/12 of the Annual Specified Amount, an amount equal to the  
3 difference shall be immediately paid into the Build Illinois  
4 Fund from other moneys received by the Department pursuant to  
5 the Tax 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 of  
9 (i) the Tax Act Amount or (ii) the Annual Specified Amount for  
10 such fiscal year. The amounts payable into the Build Illinois  
11 Fund under clause (b) of the first sentence in this paragraph  
12 shall be payable only until such time as the aggregate amount  
13 on deposit under each trust indenture securing Bonds issued and  
14 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 on  
19 any Bonds expected to be issued thereafter and all fees and  
20 costs payable with respect thereto, all as certified by the  
21 Director of the Bureau of the Budget (now Governor's Office of  
22 Management and Budget). If on the last business day of any  
23 month in which Bonds are outstanding pursuant to the Build  
24 Illinois Bond Act, the aggregate of moneys deposited in the  
25 Build Illinois Bond Account in the Build Illinois Fund in such  
26 month shall be less than the amount required to be transferred  
27 in such month from the Build Illinois Bond Account to the Build  
28 Illinois Bond Retirement and Interest Fund pursuant to Section  
29 13 of the Build Illinois Bond Act, an amount equal to such  
30 deficiency shall be immediately paid from other moneys received  
31 by the Department pursuant to the Tax Acts to the Build  
32 Illinois Fund; provided, however, that any amounts paid to the  
33 Build Illinois Fund in any fiscal year pursuant to this  
34 sentence shall be deemed to constitute payments pursuant to  
35 clause (b) of the first sentence of this paragraph and shall  
36 reduce the amount otherwise payable for such fiscal year

1 pursuant to that clause (b). The moneys received by the  
 2 Department pursuant to this Act and required to be deposited  
 3 into the Build Illinois Fund are subject to the pledge, claim  
 4 and charge set forth in Section 12 of the Build Illinois Bond  
 5 Act.

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

	Fiscal Year	Total Deposit
18		
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000
26	2000	75,000,000
27	2001	80,000,000
28	2002	93,000,000
29	2003	99,000,000
30	2004	103,000,000
31	2005	108,000,000
32	2006	113,000,000
33	2007	119,000,000
34	2008	126,000,000
35	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 Act,  
 21           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, but  
 33           not in excess of the amount specified above as "Total Deposit",  
 34           has been deposited.

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

1 preceding paragraphs or in any amendments thereto hereafter  
2 enacted, beginning July 1, 1993, the Department shall each  
3 month pay into the Illinois Tax Increment Fund 0.27% of 80% of  
4 the net revenue realized for the preceding month from the 6.25%  
5 general rate on the selling price of tangible personal  
6 property.

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

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

26 The Department may, upon separate written notice to a  
27 taxpayer, require the taxpayer to prepare and file with the  
28 Department on a form prescribed by the Department within not  
29 less than 60 days after receipt of the notice an annual  
30 information return for the tax year specified in the notice.  
31 Such annual return to the Department shall include a statement  
32 of gross receipts as shown by the retailer's last Federal  
33 income tax return. If the total receipts of the business as  
34 reported in the Federal income tax return do not agree with the  
35 gross receipts reported to the Department of Revenue for the  
36 same period, the retailer shall attach to his annual return a

1 schedule showing a reconciliation of the 2 amounts and the  
2 reasons for the difference. The retailer's annual return to the  
3 Department shall also disclose the cost of goods sold by the  
4 retailer during the year covered by such return, opening and  
5 closing inventories of such goods for such year, costs of goods  
6 used from stock or taken from stock and given away by the  
7 retailer during such year, payroll information of the  
8 retailer's business during such year and any additional  
9 reasonable information which the Department deems would be  
10 helpful in determining the accuracy of the monthly, quarterly  
11 or annual returns filed by such retailer as provided for in  
12 this Section.

13 If the annual information return required by this Section  
14 is not filed when and as required, the taxpayer shall be liable  
15 as follows:

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

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

26 The chief executive officer, proprietor, owner or highest  
27 ranking manager shall sign the annual return to certify the  
28 accuracy of the information contained therein. Any person who  
29 willfully signs the annual return containing false or  
30 inaccurate information shall be guilty of perjury and punished  
31 accordingly. The annual return form prescribed by the  
32 Department shall include a warning that the person signing the  
33 return may be liable for perjury.

34 The provisions of this Section concerning the filing of an  
35 annual information return do not apply to a retailer who is not  
36 required to file an income tax return with the United States

1 Government.

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

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

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

20 Any person who promotes, organizes, provides retail  
21 selling space for concessionaires or other types of sellers at  
22 the Illinois State Fair, DuQuoin State Fair, county fairs,  
23 local fairs, art shows, flea markets and similar exhibitions or  
24 events, including any transient merchant as defined by Section  
25 2 of the Transient Merchant Act of 1987, is required to file a  
26 report with the Department providing the name of the merchant's  
27 business, the name of the person or persons engaged in  
28 merchant's business, the permanent address and Illinois  
29 Retailers Occupation Tax Registration Number of the merchant,  
30 the dates and location of the event and other reasonable  
31 information that the Department may require. The report must be  
32 filed not later than the 20th day of the month next following  
33 the month during which the event with retail sales was held.  
34 Any person who fails to file a report required by this Section  
35 commits a business offense and is subject to a fine not to  
36 exceed \$250.



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

21 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,  
22 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,  
23 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,  
24 eff. 6-20-03; 93-840, eff. 7-30-04; 93-926, eff. 8-12-04;  
25 93-1057, eff. 12-2-04; revised 12-6-04.)

26 Section 30. The Gas Revenue Tax Act is amended by changing  
27 Section 2 as follows:

28 (35 ILCS 615/2) (from Ch. 120, par. 467.17)

29 Sec. 2. Tax imposed; rate.

30 (a) Except as provided in subsection (b), a tax is  
31 imposed upon persons engaged in the business of distributing,  
32 supplying, furnishing or selling gas to persons for use or  
33 consumption and not for resale at the rate of 2.4 cents per  
34 therm of all gas which is so distributed, supplied, furnished,

1 sold or transported to or for each customer in the course of  
2 such business, or 5% of the gross receipts received from each  
3 customer from such business, whichever is the lower rate as  
4 applied to each customer for that customer's billing period,  
5 provided that any change in rate imposed by this amendatory Act  
6 of 1985 shall become effective only with bills having a meter  
7 reading date on or after January 1, 1986. However, such taxes  
8 are not imposed with respect to any business in interstate  
9 commerce, or otherwise to the extent to which such business may  
10 not, under the Constitution and statutes of the United States,  
11 be made the subject of taxation by this State.

12 Nothing in this amendatory Act of 1985 shall impose a tax  
13 with respect to any transaction with respect to which no tax  
14 was imposed immediately preceding the effective date of this  
15 amendatory Act of 1985.

16 Beginning with bills issued to customers on and after  
17 October 1, 2003, no tax shall be imposed under this Act on  
18 transactions with customers who incur a tax liability under the  
19 Gas Use Tax Law.

20 (b) No tax is imposed under this Section for gas  
21 distributed, supplied, furnished, sold, or transported to a  
22 residential customer if the bill to the residential customer  
23 for such gas is issued between February 1, 2006 and April 30,  
24 2006. For purposes of this subsection, "residential customer"  
25 means a customer who is receiving gas or gas service for  
26 household purposes which is either (i) distributed to a  
27 dwelling of 2 or fewer units and billed under a residential  
28 rate or (ii) distributed to a dwelling unit or units, billed  
29 under a residential rate, and registered by a separate meter  
30 for each dwelling unit.

31 (Source: P.A. 93-31, eff. 10-1-03.)

32 Section 99. Effective date. This Act takes effect upon  
33 becoming law.