



Sen. James A. DeLeo

**Filed: 2/28/2006**

09400SB0679sam001

LRB094 04411 RCE 56790 a

1 AMENDMENT TO SENATE BILL 679

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 679 by replacing  
3 everything after the enacting clause with the following:

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.

1 Each municipality shall receive the amount attributable to  
2 sales for which Illinois addresses for titling or registration  
3 purposes are given as being in such municipality. The remainder  
4 of the money paid into the Local Government Tax Fund from such  
5 sales shall be distributed to counties. Each county shall  
6 receive the amount attributable to sales for which Illinois  
7 addresses for titling or registration purposes are given as  
8 being located in the unincorporated area of such county.

9 A portion of the money paid into the Local Government Tax  
10 Fund from the 6.25% general rate (and, beginning July 1, 2000  
11 and through December 31, 2000, the 1.25% rate on motor fuel and  
12 gasohol and, beginning July 1, 2006, if applicable, the  
13 alternate minimum rate for fuel and petroleum products sold to  
14 or used by an air common carrier) on sales subject to taxation  
15 under the Retailers' Occupation Tax Act and the Service  
16 Occupation Tax Act, which occurred in municipalities, shall be  
17 distributed to each municipality, based upon the sales which  
18 occurred in that municipality. The remainder shall be  
19 distributed to each county, based upon the sales which occurred  
20 in the unincorporated area of such county.

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

30 Whenever the Department determines that a refund of money  
31 paid into the Local Government Tax Fund should be made to a  
32 claimant instead of issuing a credit memorandum, the Department  
33 shall notify the State Comptroller, who shall cause the order  
34 to be drawn for the amount specified, and to the person named,

1 in such notification from the Department. Such refund shall be  
2 paid by the State Treasurer out of the Local Government Tax  
3 Fund.

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

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

33 The provisions directing the distributions from the  
34 special fund in the State Treasury provided for in this Section

1 shall constitute an irrevocable and continuing appropriation  
2 of all amounts as provided herein. The State Treasurer and  
3 State Comptroller are hereby authorized to make distributions  
4 as provided in this Section.

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

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

15 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

16 Sec. 6z-20. Of the money received from the 6.25% general  
17 rate (and, beginning July 1, 2000 and through December 31,  
18 2000, the 1.25% rate on motor fuel and gasohol and, beginning  
19 July 1, 2006, if applicable, the alternate minimum rate for  
20 fuel and petroleum products sold to or used by an air common  
21 carrier) on sales subject to taxation under the Retailers'  
22 Occupation Tax Act and Service Occupation Tax Act and paid into  
23 the County and Mass Transit District Fund, distribution to the  
24 Regional Transportation Authority tax fund, created pursuant  
25 to Section 4.03 of the Regional Transportation Authority Act,  
26 for deposit therein shall be made based upon the retail sales  
27 occurring in a county having more than 3,000,000 inhabitants.  
28 The remainder shall be distributed to each county having  
29 3,000,000 or fewer inhabitants based upon the retail sales  
30 occurring in each such county.

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

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

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

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

34 On or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the  
2 disbursement of stated sums of money to the Regional  
3 Transportation Authority and to named counties, the counties to  
4 be those entitled to distribution, as hereinabove provided, of  
5 taxes or penalties paid to the Department during the second  
6 preceding calendar month. The amount to be paid to the Regional  
7 Transportation Authority and each county having 3,000,000 or  
8 fewer inhabitants shall be the amount (not including credit  
9 memoranda) collected during the second preceding calendar  
10 month by the Department and paid into the County and Mass  
11 Transit District Fund, plus an amount the Department determines  
12 is necessary to offset any amounts which were erroneously paid  
13 to a different taxing body, and not including an amount equal  
14 to the amount of refunds made during the second preceding  
15 calendar month by the Department, and not including any amount  
16 which the Department determines is necessary to offset any  
17 amounts which were payable to a different taxing body but were  
18 erroneously paid to the Regional Transportation Authority or  
19 county. Within 10 days after receipt, by the Comptroller, of  
20 the disbursement certification to the Regional Transportation  
21 Authority and counties, provided for in this Section to be  
22 given to the Comptroller by the Department, the Comptroller  
23 shall cause the orders to be drawn for the respective amounts  
24 in accordance with the directions contained in such  
25 certification.

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

33 The provisions directing the distributions from the  
34 special fund in the State Treasury provided for in this Section

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

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

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

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

19 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

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

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

9 Beginning on July 1, 2006, with respect to fuel and  
10 petroleum products sold to or used by an air common carrier,  
11 certified by the carrier to be used for consumption, shipment,  
12 or storage in the conduct of its business as an air common  
13 carrier, the tax is imposed at the rate that is the lesser of:

14 (1) 6.25% of the selling price; or

15 (2) an alternate minimum rate of 7.2 cents per gallon  
16 in State fiscal year 2007 and, for State fiscal year 2008  
17 and thereafter, the alternate minimum rate of the preceding  
18 fiscal year increased in an amount equal to the annual rate  
19 of increase of the Consumer Price Index for All Urban  
20 Consumers for all items published by the United States  
21 Department of Labor Bureau of Labor Statistics for the  
22 previous calendar year.

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

27 With respect to gasohol, the tax imposed by this Act  
28 applies to (i) 70% of the proceeds of sales made on or after  
29 January 1, 1990, and before July 1, 2003, (ii) 80% of the  
30 proceeds of sales made on or after July 1, 2003 and on or  
31 before December 31, 2013, and (iii) 100% of the proceeds of  
32 sales made thereafter. If, at any time, however, the tax under  
33 this Act on sales of gasohol is imposed at the rate of 1.25%,  
34 then the tax imposed by this Act applies to 100% of the



1 proceeds of sales of gasohol made during that time.

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

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

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

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

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

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

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

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

32 1. The name of the seller;

33 2. The address of the principal place of business from  
34 which he engages in the business of selling tangible

1 personal property at retail in this State;

2 3. The total amount of taxable receipts received by him  
3 during the preceding calendar month from sales of tangible  
4 personal property by him during such preceding calendar  
5 month, including receipts from charge and time sales, but  
6 less all deductions allowed by law;

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

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

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

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

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

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

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

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

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

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

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

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

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

1 taxpayer's reporting status. The Department shall change such  
2 taxpayer's reporting status unless it finds that such change is  
3 seasonal in nature and not likely to be long term. If any such  
4 quarter monthly payment is not paid at the time or in the  
5 amount required by this Section, then the taxpayer shall be  
6 liable for penalties and interest on the difference between the  
7 minimum amount due and the amount of such quarter monthly  
8 payment actually and timely paid, except insofar as the  
9 taxpayer has previously made payments for that month to the  
10 Department in excess of the minimum payments previously due as  
11 provided in this Section. The Department shall make reasonable  
12 rules and regulations to govern the quarter monthly payment  
13 amount and quarter monthly payment dates for taxpayers who file  
14 on other than a calendar monthly basis.

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



1 accordance with reasonable rules and regulations prescribed by  
2 the Department. If the Department subsequently determines that  
3 all or any part of the credit taken was not actually due to the  
4 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
5 be reduced by 2.1% or 1.75% of the difference between the  
6 credit taken and that actually due, and the taxpayer shall be  
7 liable for penalties and interest on such difference.

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

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

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

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

1           In addition, with respect to motor vehicles, watercraft,  
2 aircraft, and trailers that are required to be registered with  
3 an agency of this State, every retailer selling this kind of  
4 tangible personal property shall file, with the Department,  
5 upon a form to be prescribed and supplied by the Department, a  
6 separate return for each such item of tangible personal  
7 property which the retailer sells, except that if, in the same  
8 transaction, (i) a retailer of aircraft, watercraft, motor  
9 vehicles or trailers transfers more than one aircraft,  
10 watercraft, motor vehicle or trailer to another aircraft,  
11 watercraft, motor vehicle or trailer retailer for the purpose  
12 of resale or (ii) a retailer of aircraft, watercraft, motor  
13 vehicles, or trailers transfers more than one aircraft,  
14 watercraft, motor vehicle, or trailer to a purchaser for use as  
15 a qualifying rolling stock as provided in Section 3-55 of this  
16 Act, then that seller may report the transfer of all the  
17 aircraft, watercraft, motor vehicles or trailers involved in  
18 that transaction to the Department on the same uniform  
19 invoice-transaction reporting return form. For purposes of  
20 this Section, "watercraft" means a Class 2, Class 3, or Class 4  
21 watercraft as defined in Section 3-2 of the Boat Registration  
22 and Safety Act, a personal watercraft, or any boat equipped  
23 with an inboard motor.

24           The transaction reporting return in the case of motor  
25 vehicles or trailers that are required to be registered with an  
26 agency of this State, shall be the same document as the Uniform  
27 Invoice referred to in Section 5-402 of the Illinois Vehicle  
28 Code and must show the name and address of the seller; the name  
29 and address of the purchaser; the amount of the selling price  
30 including the amount allowed by the retailer for traded-in  
31 property, if any; the amount allowed by the retailer for the  
32 traded-in tangible personal property, if any, to the extent to  
33 which Section 2 of this Act allows an exemption for the value  
34 of traded-in property; the balance payable after deducting such

1 trade-in allowance from the total selling price; the amount of  
2 tax due from the retailer with respect to such transaction; the  
3 amount of tax collected from the purchaser by the retailer on  
4 such transaction (or satisfactory evidence that such tax is not  
5 due in that particular instance, if that is claimed to be the  
6 fact); the place and date of the sale; a sufficient  
7 identification of the property sold; such other information as  
8 is required in Section 5-402 of the Illinois Vehicle Code, and  
9 such other information as the Department may reasonably  
10 require.

11 The transaction reporting return in the case of watercraft  
12 and aircraft must show the name and address of the seller; the  
13 name and address of the purchaser; the amount of the selling  
14 price including the amount allowed by the retailer for  
15 traded-in property, if any; the amount allowed by the retailer  
16 for the traded-in tangible personal property, if any, to the  
17 extent to which Section 2 of this Act allows an exemption for  
18 the value of traded-in property; the balance payable after  
19 deducting such trade-in allowance from the total selling price;  
20 the amount of tax due from the retailer with respect to such  
21 transaction; the amount of tax collected from the purchaser by  
22 the retailer on such transaction (or satisfactory evidence that  
23 such tax is not due in that particular instance, if that is  
24 claimed to be the fact); the place and date of the sale, a  
25 sufficient identification of the property sold, and such other  
26 information as the Department may reasonably require.

27 Such transaction reporting return shall be filed not later  
28 than 20 days after the date of delivery of the item that is  
29 being sold, but may be filed by the retailer at any time sooner  
30 than that if he chooses to do so. The transaction reporting  
31 return and tax remittance or proof of exemption from the tax  
32 that is imposed by this Act may be transmitted to the  
33 Department by way of the State agency with which, or State  
34 officer with whom, the tangible personal property must be

1 titled or registered (if titling or registration is required)  
2 if the Department and such agency or State officer determine  
3 that this procedure will expedite the processing of  
4 applications for title or registration.

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

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

26 If the user who would otherwise pay tax to the retailer  
27 wants the transaction reporting return filed and the payment of  
28 tax or proof of exemption made to the Department before the  
29 retailer is willing to take these actions and such user has not  
30 paid the tax to the retailer, such user may certify to the fact  
31 of such delay by the retailer, and may (upon the Department  
32 being satisfied of the truth of such certification) transmit  
33 the information required by the transaction reporting return  
34 and the remittance for tax or proof of exemption directly to

1 the Department and obtain his tax receipt or exemption  
2 determination, in which event the transaction reporting return  
3 and tax remittance (if a tax payment was required) shall be  
4 credited by the Department to the proper retailer's account  
5 with the Department, but without the 2.1% or 1.75% discount  
6 provided for in this Section being allowed. When the user pays  
7 the tax directly to the Department, he shall pay the tax in the  
8 same amount and in the same form in which it would be remitted  
9 if the tax had been remitted to the Department by the retailer.

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

26 Any retailer filing a return under this Section shall also  
27 include (for the purpose of paying tax thereon) the total tax  
28 covered by such return upon the selling price of tangible  
29 personal property purchased by him at retail from a retailer,  
30 but as to which the tax imposed by this Act was not collected  
31 from the retailer filing such return, and such retailer shall  
32 remit the amount of such tax to the Department when filing such  
33 return.

34 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint  
2 return which will enable retailers, who are required to file  
3 returns hereunder and also under the Retailers' Occupation Tax  
4 Act, to furnish all the return information required by both  
5 Acts on the one form.

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

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

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

28 Beginning January 1, 1990, each month the Department shall  
29 pay into the State and Local Sales Tax Reform Fund, a special  
30 fund in the State Treasury, 20% of the net revenue realized for  
31 the preceding month from the 6.25% general rate on the selling  
32 price of tangible personal property, other than tangible  
33 personal property which is purchased outside Illinois at retail  
34 from a retailer and which is titled or registered by an agency

1 of this State's government.

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

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

13 Beginning July 1, 2006, each month the Department shall pay  
14 into the State and Local Sales Tax Reform Fund 100% of the net  
15 revenue realized for the preceding month from the alternate  
16 minimum rate for fuel and petroleum products sold to or used by  
17 an air common carrier.

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



1 the Build Illinois Bond Account to the Build Illinois Bond  
 2 Retirement and Interest Fund pursuant to Section 13 of the  
 3 Build Illinois Bond Act, an amount equal to such deficiency  
 4 shall be immediately paid from other moneys received by the  
 5 Department pursuant to the Tax Acts to the Build Illinois Fund;  
 6 provided, however, that any amounts paid to the Build Illinois  
 7 Fund in any fiscal year pursuant to this sentence shall be  
 8 deemed to constitute payments pursuant to clause (b) of the  
 9 preceding sentence and shall reduce the amount otherwise  
 10 payable for such fiscal year pursuant to clause (b) of the  
 11 preceding sentence. The moneys received by the Department  
 12 pursuant to this Act and required to be deposited into the  
 13 Build Illinois Fund are subject to the pledge, claim and charge  
 14 set forth in Section 12 of the Build Illinois Bond Act.

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

Fiscal Year	Total Deposit
1993	\$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000

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

26           each fiscal year  
27           thereafter that bonds  
28           are outstanding under  
29           Section 13.2 of the  
30           Metropolitan Pier and  
31           Exposition Authority Act,  
32           but not after fiscal year 2042.

33           Beginning July 20, 1993 and in each month of each fiscal  
34           year thereafter, one-eighth of the amount requested in the

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

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

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

33 Of the remainder of the moneys received by the Department  
34 pursuant to this Act, 75% thereof shall be paid into the State

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

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

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

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

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

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

30 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

31 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
32 Section, the tax imposed by this Act is at the rate of 6.25% of

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

5 Beginning on July 1, 2006, with respect to fuel and  
6 petroleum products sold to or used by an air common carrier,  
7 certified by the carrier to be used for consumption, shipment,  
8 or storage in the conduct of its business as an air common  
9 carrier, the tax is imposed at the rate that is the lesser of:

10 (1) 6.25% of the selling price; or

11 (2) an alternate minimum rate of 7.2 cents per gallon  
12 in State fiscal year 2007 and, for State fiscal year 2008  
13 and thereafter, the alternate minimum rate of the preceding  
14 fiscal year increased in an amount equal to the annual rate  
15 of increase of the Consumer Price Index for All Urban  
16 Consumers for all items published by the United States  
17 Department of Labor Bureau of Labor Statistics for the  
18 previous calendar year.

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

23 With respect to gasohol, as defined in the Use Tax Act, the  
24 tax imposed by this Act applies to (i) 70% of the selling price  
25 of property transferred as an incident to the sale of service  
26 on or after January 1, 1990, and before July 1, 2003, (ii) 80%  
27 of the selling price of property transferred as an incident to  
28 the sale of service on or after July 1, 2003 and on or before  
29 December 31, 2013, and (iii) 100% of the selling price  
30 thereafter. If, at any time, however, the tax under this Act on  
31 sales of gasohol, as defined in the Use Tax Act, is imposed at  
32 the rate of 1.25%, then the tax imposed by this Act applies to  
33 100% of the proceeds of sales of gasohol made during that time.

34 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply  
2 to the selling price of property transferred as an incident to  
3 the sale of service on or after July 1, 2003 and on or before  
4 December 31, 2013 but applies to 100% of the selling price  
5 thereafter.

6 With respect to biodiesel blends, as defined in the Use Tax  
7 Act, with no less than 1% and no more than 10% biodiesel, the  
8 tax imposed by this Act applies to (i) 80% 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 and  
11 (ii) 100% of the proceeds of the selling price thereafter. If,  
12 at any time, however, the tax under this Act on sales of  
13 biodiesel blends, as defined in the Use Tax Act, with no less  
14 than 1% and no more than 10% biodiesel is imposed at the rate  
15 of 1.25%, then the tax imposed by this Act applies to 100% of  
16 the proceeds of sales of biodiesel blends with no less than 1%  
17 and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax  
19 Act, and biodiesel blends, as defined in the Use Tax Act, 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 the selling price  
22 of property transferred as an incident to the sale of service  
23 on or after July 1, 2003 and on or before December 31, 2013 but  
24 applies to 100% of the selling price thereafter.

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

1           The tax shall be imposed at the rate of 1% on food prepared  
2 for immediate consumption and transferred incident to a sale of  
3 service subject to this Act or the Service Occupation Tax Act  
4 by an entity licensed under the Hospital Licensing Act, the  
5 Nursing Home Care Act, or the Child Care Act of 1969. The tax  
6 shall also be imposed at the rate of 1% on food for human  
7 consumption that is to be consumed off the premises where it is  
8 sold (other than alcoholic beverages, soft drinks, and food  
9 that has been prepared for immediate consumption and is not  
10 otherwise included in this paragraph) and prescription and  
11 nonprescription medicines, drugs, medical appliances,  
12 modifications to a motor vehicle for the purpose of rendering  
13 it usable by a disabled person, and insulin, urine testing  
14 materials, syringes, and needles used by diabetics, for human  
15 use. For the purposes of this Section, the term "soft drinks"  
16 means any complete, finished, ready-to-use, non-alcoholic  
17 drink, whether carbonated or not, including but not limited to  
18 soda water, cola, fruit juice, vegetable juice, carbonated  
19 water, and all other preparations commonly known as soft drinks  
20 of whatever kind or description that are contained in any  
21 closed or sealed bottle, can, carton, or container, regardless  
22 of size. "Soft drinks" does not include coffee, tea,  
23 non-carbonated water, infant formula, milk or milk products as  
24 defined in the Grade A Pasteurized Milk and Milk Products Act,  
25 or drinks containing 50% or more natural fruit or vegetable  
26 juice.

27           Notwithstanding any other provisions of this Act, "food for  
28 human consumption that is to be consumed off the premises where  
29 it is sold" includes all food sold through a vending machine,  
30 except soft drinks and food products that are dispensed hot  
31 from a vending machine, regardless of the location of the  
32 vending machine.

33           If the property that is acquired from a serviceman is  
34 acquired outside Illinois and used outside Illinois before

1 being brought to Illinois for use here and is taxable under  
2 this Act, the "selling price" on which the tax is computed  
3 shall be reduced by an amount that represents a reasonable  
4 allowance for depreciation for the period of prior out-of-state  
5 use.

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

7 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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

22 Except as provided hereinafter in this Section, on or  
23 before the twentieth day of each calendar month, such  
24 serviceman shall file a return for the preceding calendar month  
25 in accordance with reasonable Rules and Regulations to be  
26 promulgated by the Department. Such return shall be filed on a  
27 form prescribed by the Department and shall contain such  
28 information as the Department may reasonably require.

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



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

- 3 1. The name of the seller;
- 4 2. The address of the principal place of business from  
5 which he engages in business as a serviceman in this State;
- 6 3. The total amount of taxable receipts received by him  
7 during the preceding calendar month, including receipts  
8 from charge and time sales, but less all deductions allowed  
9 by law;
- 10 4. The amount of credit provided in Section 2d of this  
11 Act;
- 12 5. The amount of tax due;
- 13 5-5. The signature of the taxpayer; and
- 14 6. Such other reasonable information as the Department  
15 may require.

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

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

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

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

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

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

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

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

1 October, November and December of a given year being due by  
2 January 20 of the following year.

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

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

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

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

1 the purchaser.

2 Any serviceman filing a return hereunder shall also include  
3 the total tax upon the selling price of tangible personal  
4 property purchased for use by him as an incident to a sale of  
5 service, and such serviceman shall remit the amount of such tax  
6 to the Department when filing such return.

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

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

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

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

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

5           Beginning July 1, 2006, each month the Department shall pay  
6 into the State and Local Sales Tax Reform Fund 100% of the net  
7 revenue realized for the preceding month from the alternate  
8 minimum rate for fuel and petroleum products sold to or used by  
9 an air common carrier.

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

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

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

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

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

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

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

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



1 Fund, until the full amount requested for the fiscal year, but  
2 not in excess of the amount specified above as "Total Deposit",  
3 has been deposited.

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

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

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

28 As soon as possible after the first day of each month, upon  
29 certification of the Department of Revenue, the Comptroller  
30 shall order transferred and the Treasurer shall transfer from  
31 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
32 equal to 1.7% of 80% of the net revenue realized under this Act  
33 for the second preceding month. Beginning April 1, 2000, this  
34 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 on July 1, 2006, with respect to fuel and  
30 petroleum products sold to or used by an air common carrier,  
31 certified by the carrier to be used for consumption, shipment,  
32 or storage in the conduct of its business as an air common

1 carrier, the tax is imposed at the rate that is the lesser of:

2 (1) 6.25% of the selling price; or

3 (2) an alternate minimum rate of 7.2 cents per gallon  
4 in State fiscal year 2007 and, for State fiscal year 2008  
5 and thereafter, the alternate minimum rate of the preceding  
6 fiscal year increased in an amount equal to the annual rate  
7 of increase of the Consumer Price Index for All Urban  
8 Consumers for all items published by the United States  
9 Department of Labor Bureau of Labor Statistics for the  
10 previous calendar year.

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

15 With respect to gasohol, as defined in the Use Tax Act, the  
16 tax imposed by this Act shall apply to (i) 70% of the cost  
17 price of property transferred as an incident to the sale of  
18 service on or after January 1, 1990, and before July 1, 2003,  
19 (ii) 80% of the selling price of property transferred as an  
20 incident to the sale of service on or after July 1, 2003 and on  
21 or before December 31, 2013, and (iii) 100% of the cost price  
22 thereafter. If, at any time, however, the tax under this Act on  
23 sales of gasohol, as defined in the Use Tax Act, is imposed at  
24 the rate of 1.25%, then the tax imposed by this Act applies to  
25 100% of the proceeds of sales of gasohol made during that time.

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

32 With respect to biodiesel blends, as defined in the Use Tax  
33 Act, with no less than 1% and no more than 10% biodiesel, the  
34 tax imposed by this Act applies to (i) 80% of the selling price

1 of property transferred as an incident to the sale of service  
2 on or after July 1, 2003 and on or before December 31, 2013 and  
3 (ii) 100% of the proceeds of the selling price thereafter. If,  
4 at any time, however, the tax under this Act on sales of  
5 biodiesel blends, as defined in the Use Tax Act, with no less  
6 than 1% and no more than 10% biodiesel is imposed at the rate  
7 of 1.25%, then the tax imposed by this Act applies to 100% of  
8 the proceeds of sales of biodiesel blends with no less than 1%  
9 and no more than 10% biodiesel made during that time.

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

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

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

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

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

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

26 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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 at the time when he is required to file his return  
30 for the period during which such tax was collectible, less a  
31 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
32 after January 1, 1990, or \$5 per calendar year, whichever is  
33 greater, which is allowed to reimburse the serviceman for

1 expenses incurred in collecting the tax, keeping records,  
2 preparing and filing returns, remitting the tax and supplying  
3 data to the Department on request.

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

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

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

- 26 1. The name of the seller;
- 27 2. The address of the principal place of business from  
28 which he engages in business as a serviceman in this State;
- 29 3. The total amount of taxable receipts received by him  
30 during the preceding calendar month, including receipts  
31 from charge and time sales, but less all deductions allowed  
32 by law;
- 33 4. The amount of credit provided in Section 2d of this  
34 Act;

- 1           5. The amount of tax due;
- 2           5-5. The signature of the taxpayer; and
- 3           6. Such other reasonable information as the Department
- 4           may require.

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

9           Prior to October 1, 2003, and on and after September 1,  
10          2004 a serviceman may accept a Manufacturer's Purchase Credit  
11          certification from a purchaser in satisfaction of Service Use  
12          Tax as provided in Section 3-70 of the Service Use Tax Act if  
13          the purchaser provides the appropriate documentation as  
14          required by Section 3-70 of the Service Use Tax Act. A  
15          Manufacturer's Purchase Credit certification, accepted prior  
16          to October 1, 2003 or on or after September 1, 2004 by a  
17          serviceman as provided in Section 3-70 of the Service Use Tax  
18          Act, may be used by that serviceman to satisfy Service  
19          Occupation Tax liability in the amount claimed in the  
20          certification, not to exceed 6.25% of the receipts subject to  
21          tax from a qualifying purchase. A Manufacturer's Purchase  
22          Credit reported on any original or amended return filed under  
23          this Act after October 20, 2003 for reporting periods prior to  
24          September 1, 2004 shall be disallowed. Manufacturer's Purchase  
25          Credit reported on annual returns due on or after January 1,  
26          2005 will be disallowed for periods prior to September 1, 2004.  
27          No Manufacturer's Purchase Credit may be used after September  
28          30, 2003 through August 31, 2004 to satisfy any tax liability  
29          imposed under this Act, including any audit liability.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

33 Beginning August 1, 2000, each month the Department shall  
34 pay into the County and Mass Transit District Fund 20% of the

1 net revenue realized for the preceding month from the 1.25%  
2 rate on the selling price of motor fuel and gasohol.

3 Beginning July 1, 2006, each month the Department shall pay  
4 into the County and Mass Transit District Fund 20% of the net  
5 revenue realized for the preceding month from the alternate  
6 minimum rate for fuel and petroleum products sold to or used by  
7 an air common carrier.

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

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

16 Beginning July 1, 2006, each month the Department shall pay  
17 into the Local Government Tax Fund 80% of the net revenue  
18 realized for the preceding month from the alternate minimum  
19 rate for fuel and petroleum products sold to or used by an air  
20 common carrier.

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

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

1 aggregate of the moneys deposited in the Build Illinois Bond  
 2 Account in the Build Illinois Fund in such month shall be less  
 3 than the amount required to be transferred in such month from  
 4 the Build Illinois Bond Account to the Build Illinois Bond  
 5 Retirement and Interest Fund pursuant to Section 13 of the  
 6 Build Illinois Bond Act, an amount equal to such deficiency  
 7 shall be immediately paid from other moneys received by the  
 8 Department pursuant to the Tax Acts to the Build Illinois Fund;  
 9 provided, however, that any amounts paid to the Build Illinois  
 10 Fund in any fiscal year pursuant to this sentence shall be  
 11 deemed to constitute payments pursuant to clause (b) of the  
 12 preceding sentence and shall reduce the amount otherwise  
 13 payable for such fiscal year pursuant to clause (b) of the  
 14 preceding sentence. The moneys received by the Department  
 15 pursuant to this Act and required to be deposited into the  
 16 Build Illinois Fund are subject to the pledge, claim and charge  
 17 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
31	1993	\$0
32	1994	53,000,000
33	1995	58,000,000

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

29           each fiscal year  
30           thereafter that bonds  
31           are outstanding under  
32           Section 13.2 of the  
33           Metropolitan Pier and  
34           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 Law of the

1 Civil Administrative Code of Illinois.

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

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

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

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



1           until such return is filed as required, the penalty to be  
2           assessed and collected in the same manner as any other  
3           penalty provided for in this Act.

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

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

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

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

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

30          For greater simplicity of administration, it shall be  
31          permissible for manufacturers, importers and wholesalers whose  
32          products are sold by numerous servicemen in Illinois, and who  
33          wish to do so, to assume the responsibility for accounting and  
34          paying to the Department all tax accruing under this Act with

1 respect to such sales, if the servicemen who are affected do  
2 not make written objection to the Department to this  
3 arrangement.

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

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

9 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

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

14 Beginning on July 1, 2006, with respect to fuel and  
15 petroleum products sold to or used by an air common carrier,  
16 certified by the carrier to be used for consumption, shipment,  
17 or storage in the conduct of its business as an air common  
18 carrier, the tax is imposed at the rate that is the lesser of:

19 (1) 6.25% of the selling price; or

20 (2) an alternate minimum rate of 7.2 cents per gallon  
21 in State fiscal year 2007 and, for State fiscal year 2008  
22 and thereafter, the alternate minimum rate of the preceding  
23 fiscal year increased in an amount equal to the annual rate  
24 of increase of the Consumer Price Index for All Urban  
25 Consumers for all items published by the United States  
26 Department of Labor Bureau of Labor Statistics for the  
27 previous calendar year.

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

32 Within 14 days after the effective date of this amendatory

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

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

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

30 With respect to biodiesel blends, as defined in the Use Tax  
31 Act, with no less than 1% and no more than 10% biodiesel, the  
32 tax imposed by this Act applies to (i) 80% of the proceeds of  
33 sales made on or after July 1, 2003 and on or before December  
34 31, 2013 and (ii) 100% of the proceeds of sales made

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

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

13 With respect to food for human consumption that is to be  
14 consumed off the premises where it is sold (other than  
15 alcoholic beverages, soft drinks, and food that has been  
16 prepared for immediate consumption) and prescription and  
17 nonprescription medicines, drugs, medical appliances,  
18 modifications to a motor vehicle for the purpose of rendering  
19 it usable by a disabled person, and insulin, urine testing  
20 materials, syringes, and needles used by diabetics, for human  
21 use, the tax is imposed at the rate of 1%. For the purposes of  
22 this Section, the term "soft drinks" means any complete,  
23 finished, ready-to-use, non-alcoholic drink, whether  
24 carbonated or not, including but not limited to soda water,  
25 cola, fruit juice, vegetable juice, carbonated water, and all  
26 other preparations commonly known as soft drinks of whatever  
27 kind or description that are contained in any closed or sealed  
28 bottle, can, carton, or container, regardless of size. "Soft  
29 drinks" does not include coffee, tea, non-carbonated water,  
30 infant formula, milk or milk products as defined in the Grade A  
31 Pasteurized Milk and Milk Products Act, or drinks containing  
32 50% or more natural fruit or vegetable juice.

33 Notwithstanding any other provisions of this Act, "food for  
34 human consumption that is to be consumed off the premises where

1 it is sold" includes all food sold through a vending machine,  
2 except soft drinks and food products that are dispensed hot  
3 from a vending machine, regardless of the location of the  
4 vending machine.

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

6 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

12 1. The name of the seller;

13 2. His residence address and the address of his  
14 principal place of business and the address of the  
15 principal place of business (if that is a different  
16 address) from which he engages in the business of selling  
17 tangible personal property at retail in this State;

18 3. Total amount of receipts received by him during the  
19 preceding calendar month or quarter, as the case may be,  
20 from sales of tangible personal property, and from services  
21 furnished, by him during such preceding calendar month or  
22 quarter;

23 4. Total amount received by him during the preceding  
24 calendar month or quarter on charge and time sales of  
25 tangible personal property, and from services furnished,  
26 by him prior to the month or quarter for which the return  
27 is filed;

28 5. Deductions allowed by law;

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

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

- 1           8. The amount of tax due;
- 2           9. The signature of the taxpayer; and
- 3           10. Such other reasonable information as the
- 4           Department may require.

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

9           Each return shall be accompanied by the statement of  
10          prepaid tax issued pursuant to Section 2e for which credit is  
11          claimed.

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

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

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

6 1. The name of the seller;

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

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

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

17 5. The amount of tax due; and

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

20 Beginning on October 1, 2003, any person who is not a  
21 licensed distributor, importing distributor, or manufacturer,  
22 as defined in the Liquor Control Act of 1934, but is engaged in  
23 the business of selling, at retail, alcoholic liquor shall file  
24 a statement with the Department of Revenue, in a format and at  
25 a time prescribed by the Department, showing the total amount  
26 paid for alcoholic liquor purchased during the preceding month  
27 and such other information as is reasonably required by the  
28 Department. The Department may adopt rules to require that this  
29 statement be filed in an electronic or telephonic format. Such  
30 rules may provide for exceptions from the filing requirements  
31 of this paragraph. For the purposes of this paragraph, the term  
32 "alcoholic liquor" shall have the meaning prescribed in the  
33 Liquor Control Act of 1934.

34 Beginning on October 1, 2003, every distributor, importing

1 distributor, and manufacturer of alcoholic liquor as defined in  
2 the Liquor Control Act of 1934, shall file a statement with the  
3 Department of Revenue, no later than the 10th day of the month  
4 for the preceding month during which transactions occurred, by  
5 electronic means, showing the total amount of gross receipts  
6 from the sale of alcoholic liquor sold or distributed during  
7 the preceding month to purchasers; identifying the purchaser to  
8 whom it was sold or distributed; the purchaser's tax  
9 registration number; and such other information reasonably  
10 required by the Department. A distributor, importing  
11 distributor, or manufacturer of alcoholic liquor must  
12 personally deliver, mail, or provide by electronic means to  
13 each retailer listed on the monthly statement a report  
14 containing a cumulative total of that distributor's, importing  
15 distributor's, or manufacturer's total sales of alcoholic  
16 liquor to that retailer no later than the 10th day of the month  
17 for the preceding month during which the transaction occurred.  
18 The distributor, importing distributor, or manufacturer shall  
19 notify the retailer as to the method by which the distributor,  
20 importing distributor, or manufacturer will provide the sales  
21 information. If the retailer is unable to receive the sales  
22 information by electronic means, the distributor, importing  
23 distributor, or manufacturer shall furnish the sales  
24 information by personal delivery or by mail. For purposes of  
25 this paragraph, the term "electronic means" includes, but is  
26 not limited to, the use of a secure Internet website, e-mail,  
27 or facsimile.

28 If a total amount of less than \$1 is payable, refundable or  
29 creditable, such amount shall be disregarded if it is less than  
30 50 cents and shall be increased to \$1 if it is 50 cents or more.

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



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

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

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

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

34 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the  
2 requirements of this Section.

3 Any amount which is required to be shown or reported on any  
4 return or other document under this Act shall, if such amount  
5 is not a whole-dollar amount, be increased to the nearest  
6 whole-dollar amount in any case where the fractional part of a  
7 dollar is 50 cents or more, and decreased to the nearest  
8 whole-dollar amount where the fractional part of a dollar is  
9 less than 50 cents.

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

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

27 Such quarter annual and annual returns, as to form and  
28 substance, shall be subject to the same requirements as monthly  
29 returns.

30 Notwithstanding any other provision in this Act concerning  
31 the time within which a retailer may file his return, in the  
32 case of any retailer who ceases to engage in a kind of business  
33 which makes him responsible for filing returns under this Act,  
34 such retailer shall file a final return under this Act with the

1 Department not more than one month after discontinuing such  
2 business.

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

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

31 Any retailer who sells only motor vehicles, watercraft,  
32 aircraft, or trailers that are required to be registered with  
33 an agency of this State, so that all retailers' occupation tax  
34 liability is required to be reported, and is reported, on such

1 transaction reporting returns and who is not otherwise required  
2 to file monthly or quarterly returns, need not file monthly or  
3 quarterly returns. However, those retailers shall be required  
4 to file returns on an annual basis.

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

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

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

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

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

33 No retailer's failure or refusal to remit tax under this  
34 Act precludes a user, who has paid the proper tax to the

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

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

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

33 Where the seller is a corporation, the return filed on  
34 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly  
2 accredited agent of such corporation.

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

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

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

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



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

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

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

1 such tax liability is incurred begins on or after January 1,  
2 1986, each payment shall be in an amount equal to 22.5% of the  
3 taxpayer's actual liability for the month or 27.5% of the  
4 taxpayer's liability for the same calendar month of the  
5 preceding calendar year. If the month during which such tax  
6 liability is incurred begins on or after January 1, 1987, each  
7 payment shall be in an amount equal to 22.5% of the taxpayer's  
8 actual liability for the month or 26.25% of the taxpayer's  
9 liability for the same calendar month of the preceding year.  
10 The amount of such quarter monthly payments shall be credited  
11 against the final tax liability of the taxpayer's return for  
12 that month filed under this Section or Section 2f, as the case  
13 may be. Once applicable, the requirement of the making of  
14 quarter monthly payments to the Department pursuant to this  
15 paragraph shall continue until such taxpayer's average monthly  
16 prepaid tax collections during the preceding 2 complete  
17 calendar quarters is \$25,000 or less. If any such quarter  
18 monthly payment is not paid at the time or in the amount  
19 required, the taxpayer shall be liable for penalties and  
20 interest on such difference, except insofar as the taxpayer has  
21 previously made payments for that month in excess of the  
22 minimum payments previously due.

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

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

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

1 subsequently determined that all or any part of the credit  
2 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
3 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
4 of the difference between the credit taken and that actually  
5 due, and that taxpayer shall be liable for penalties and  
6 interest on such difference.

7 If a retailer of motor fuel is entitled to a credit under  
8 Section 2d of this Act which exceeds the taxpayer's liability  
9 to the Department under this Act for the month which the  
10 taxpayer is filing a return, the Department shall issue the  
11 taxpayer a credit memorandum for the excess.

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

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

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

31 Beginning July 1, 2006, each month the Department shall pay  
32 into the County and Mass Transit District Fund 20% of the net  
33 revenue realized for the preceding month from the alternate  
34 minimum rate for fuel and petroleum products sold to or used by

1 an air common carrier.

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

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

10 Beginning July 1, 2006, each month the Department shall pay  
11 into the Local Government Tax Fund 80% of the net revenue  
12 realized for the preceding month from the alternate minimum  
13 rate for fuel and petroleum products sold to or used by an air  
14 common carrier.

15 Of the remainder of the moneys received by the Department  
16 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
17 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
18 and after July 1, 1989, 3.8% thereof shall be paid into the  
19 Build Illinois Fund; provided, however, that if in any fiscal  
20 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
21 may be, of the moneys received by the Department and required  
22 to be paid into the Build Illinois Fund pursuant to this Act,  
23 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
24 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
25 being hereinafter called the "Tax Acts" and such aggregate of  
26 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
27 called the "Tax Act Amount", and (2) the amount transferred to  
28 the Build Illinois Fund from the State and Local Sales Tax  
29 Reform Fund shall be less than the Annual Specified Amount (as  
30 hereinafter defined), an amount equal to the difference shall  
31 be immediately paid into the Build Illinois Fund from other  
32 moneys received by the Department pursuant to the Tax Acts; the  
33 "Annual Specified Amount" means the amounts specified below for  
34 fiscal years 1986 through 1993:

1	Fiscal Year	Annual Specified Amount
2	1986	\$54,800,000
3	1987	\$76,650,000
4	1988	\$80,480,000
5	1989	\$88,510,000
6	1990	\$115,330,000
7	1991	\$145,470,000
8	1992	\$182,730,000
9	1993	\$206,520,000;

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

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

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



1 Retailers' Occupation Tax Act into the McCormick Place  
2 Expansion Project Fund in the specified fiscal years.

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

1                   2023 and                   275,000,000  
2                   each fiscal year  
3                   thereafter that bonds  
4                   are outstanding under  
5                   Section 13.2 of the  
6                   Metropolitan Pier and  
7                   Exposition Authority Act,  
8                   but not after fiscal year 2042.

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

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

30                  Subject to payment of amounts into the Build Illinois Fund  
31                  and the McCormick Place Expansion Project Fund pursuant to the  
32                  preceding paragraphs or in any amendments thereto hereafter  
33                  enacted, beginning with the receipt of the first report of  
34                  taxes paid by an eligible business and continuing for a 25-year

1 period, the Department shall each month pay into the Energy  
2 Infrastructure Fund 80% of the net revenue realized from the  
3 6.25% general rate on the selling price of Illinois-mined coal  
4 that was sold to an eligible business. For purposes of this  
5 paragraph, the term "eligible business" means a new electric  
6 generating facility certified pursuant to Section 605-332 of  
7 the Department of Commerce and Economic Opportunity Law of the  
8 Civil Administrative Code of Illinois.

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

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

1 helpful in determining the accuracy of the monthly, quarterly  
2 or annual returns filed by such retailer as provided for in  
3 this Section.

4 If the annual information return required by this Section  
5 is not filed when and as required, the taxpayer shall be liable  
6 as follows:

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

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

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

25 The provisions of this Section concerning the filing of an  
26 annual information return do not apply to a retailer who is not  
27 required to file an income tax return with the United States  
28 Government.

29 As soon as possible after the first day of each month, upon  
30 certification of the Department of Revenue, the Comptroller  
31 shall order transferred and the Treasurer shall transfer from  
32 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
33 equal to 1.7% of 80% of the net revenue realized under this Act  
34 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

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

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

13 Any person who promotes, organizes, provides retail  
14 selling space for concessionaires or other types of sellers at  
15 the Illinois State Fair, DuQuoin State Fair, county fairs,  
16 local fairs, art shows, flea markets and similar exhibitions or  
17 events, including any transient merchant as defined by Section  
18 2 of the Transient Merchant Act of 1987, is required to file a  
19 report with the Department providing the name of the merchant's  
20 business, the name of the person or persons engaged in  
21 merchant's business, the permanent address and Illinois  
22 Retailers Occupation Tax Registration Number of the merchant,  
23 the dates and location of the event and other reasonable  
24 information that the Department may require. The report must be  
25 filed not later than the 20th day of the month next following  
26 the month during which the event with retail sales was held.  
27 Any person who fails to file a report required by this Section  
28 commits a business offense and is subject to a fine not to  
29 exceed \$250.

30 Any person engaged in the business of selling tangible  
31 personal property at retail as a concessionaire or other type  
32 of seller at the Illinois State Fair, county fairs, art shows,  
33 flea markets and similar exhibitions or events, or any  
34 transient merchants, as defined by Section 2 of the Transient

1 Merchant Act of 1987, may be required to make a daily report of  
2 the amount of such sales to the Department and to make a daily  
3 payment of the full amount of tax due. The Department shall  
4 impose this requirement when it finds that there is a  
5 significant risk of loss of revenue to the State at such an  
6 exhibition or event. Such a finding shall be based on evidence  
7 that a substantial number of concessionaires or other sellers  
8 who are not residents of Illinois will be engaging in the  
9 business of selling tangible personal property at retail at the  
10 exhibition or event, or other evidence of a significant risk of  
11 loss of revenue to the State. The Department shall notify  
12 concessionaires and other sellers affected by the imposition of  
13 this requirement. In the absence of notification by the  
14 Department, the concessionaires and other sellers shall file  
15 their returns as otherwise required in this Section.

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

21 Section 99. Effective date. This Act takes effect upon  
22 becoming law."