



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

**HB4638**

by Rep. Brent Hassert

#### SYNOPSIS AS INTRODUCED:

70 ILCS 3615/4.03  
70 ILCS 3615/4.03.3

from Ch. 111 2/3, par. 704.03

Amends the Regional Transportation Authority Act. Provides that the rate of a Regional Transportation Authority retailers' occupation tax and service occupation tax imposed on sales of food for human consumption and certain prescription and nonprescription medicines shall be 1% (now, 1.25%) in Cook County and 0.25% (now, 0.75%) in the counties of DuPage, Kane, Lake McHenry, and Will. Effective immediately.

LRB095 18697 HLH 44798 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Regional Transportation Authority Act is  
5 amended by changing Sections 4.03 and 4.03.3 as follows:

6 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)  
7 Sec. 4.03. Taxes.

8 (a) In order to carry out any of the powers or purposes of  
9 the Authority, the Board may by ordinance adopted with the  
10 concurrence of 12 of the then Directors, impose throughout the  
11 metropolitan region any or all of the taxes provided in this  
12 Section. Except as otherwise provided in this Act, taxes  
13 imposed under this Section and civil penalties imposed incident  
14 thereto shall be collected and enforced by the State Department  
15 of Revenue. The Department shall have the power to administer  
16 and enforce the taxes and to determine all rights for refunds  
17 for erroneous payments of the taxes. Nothing in this amendatory  
18 Act of the 95th General Assembly is intended to invalidate any  
19 taxes currently imposed by the Authority. The increased vote  
20 requirements to impose a tax shall only apply to actions taken  
21 after the effective date of this amendatory Act of the 95th  
22 General Assembly.

23 (b) The Board may impose a public transportation tax upon

1 all persons engaged in the metropolitan region in the business  
2 of selling at retail motor fuel for operation of motor vehicles  
3 upon public highways. The tax shall be at a rate not to exceed  
4 5% of the gross receipts from the sales of motor fuel in the  
5 course of the business. As used in this Act, the term "motor  
6 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
7 The Board may provide for details of the tax. The provisions of  
8 any tax shall conform, as closely as may be practicable, to the  
9 provisions of the Municipal Retailers Occupation Tax Act,  
10 including without limitation, conformity to penalties with  
11 respect to the tax imposed and as to the powers of the State  
12 Department of Revenue to promulgate and enforce rules and  
13 regulations relating to the administration and enforcement of  
14 the provisions of the tax imposed, except that reference in the  
15 Act to any municipality shall refer to the Authority and the  
16 tax shall be imposed only with regard to receipts from sales of  
17 motor fuel in the metropolitan region, at rates as limited by  
18 this Section.

19 (c) In connection with the tax imposed under paragraph (b)  
20 of this Section the Board may impose a tax upon the privilege  
21 of using in the metropolitan region motor fuel for the  
22 operation of a motor vehicle upon public highways, the tax to  
23 be at a rate not in excess of the rate of tax imposed under  
24 paragraph (b) of this Section. The Board may provide for  
25 details of the tax.

26 (d) The Board may impose a motor vehicle parking tax upon

1 the privilege of parking motor vehicles at off-street parking  
2 facilities in the metropolitan region at which a fee is  
3 charged, and may provide for reasonable classifications in and  
4 exemptions to the tax, for administration and enforcement  
5 thereof and for civil penalties and refunds thereunder and may  
6 provide criminal penalties thereunder, the maximum penalties  
7 not to exceed the maximum criminal penalties provided in the  
8 Retailers' Occupation Tax Act. The Authority may collect and  
9 enforce the tax itself or by contract with any unit of local  
10 government. The State Department of Revenue shall have no  
11 responsibility for the collection and enforcement unless the  
12 Department agrees with the Authority to undertake the  
13 collection and enforcement. As used in this paragraph, the term  
14 "parking facility" means a parking area or structure having  
15 parking spaces for more than 2 vehicles at which motor vehicles  
16 are permitted to park in return for an hourly, daily, or other  
17 periodic fee, whether publicly or privately owned, but does not  
18 include parking spaces on a public street, the use of which is  
19 regulated by parking meters.

20 (e) The Board may impose a Regional Transportation  
21 Authority Retailers' Occupation Tax upon all persons engaged in  
22 the business of selling tangible personal property at retail in  
23 the metropolitan region. In Cook County the tax rate shall be  
24 ~~1.25% of the gross receipts from sales of food for human~~  
25 ~~consumption that is to be consumed off the premises where it is~~  
26 ~~sold (other than alcoholic beverages, soft drinks and food that~~

1 ~~has been prepared for immediate consumption) and prescription~~  
2 ~~and nonprescription medicines, drugs, medical appliances and~~  
3 ~~insulin, urine testing materials, syringes and needles used by~~  
4 ~~diabetics, and 1% of the gross receipts from all other taxable~~  
5 sales made in the course of that business. In DuPage, Kane,  
6 Lake, McHenry, and Will Counties, the tax rate shall be 0.25%  
7 of the gross receipts from sales of food for human consumption  
8 that is to be consumed off the premises where it is sold (other  
9 than alcoholic beverages, soft drinks and food that has been  
10 prepared for immediate consumption) and prescription and  
11 nonprescription medicines, drugs, medical appliances and  
12 insulin, urine testing materials, syringes and needles used by  
13 diabetics, and 0.75% of the gross receipts from other all  
14 taxable sales made in the course of that business. The tax  
15 imposed under this Section and all civil penalties that may be  
16 assessed as an incident thereof shall be collected and enforced  
17 by the State Department of Revenue. The Department shall have  
18 full power to administer and enforce this Section; to collect  
19 all taxes and penalties so collected in the manner hereinafter  
20 provided; and to determine all rights to credit memoranda  
21 arising on account of the erroneous payment of tax or penalty  
22 hereunder. In the administration of, and compliance with this  
23 Section, the Department and persons who are subject to this  
24 Section shall have the same rights, remedies, privileges,  
25 immunities, powers and duties, and be subject to the same  
26 conditions, restrictions, limitations, penalties, exclusions,

1 exemptions and definitions of terms, and employ the same modes  
2 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c,  
3 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
4 provisions therein other than the State rate of tax), 2c, 3  
5 (except as to the disposition of taxes and penalties  
6 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,  
7 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the Retailers'  
8 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
9 Interest Act, as fully as if those provisions were set forth  
10 herein.

11 Persons subject to any tax imposed under the authority  
12 granted in this Section may reimburse themselves for their  
13 seller's tax liability hereunder by separately stating the tax  
14 as an additional charge, which charge may be stated in  
15 combination in a single amount with State taxes that sellers  
16 are required to collect under the Use Tax Act, under any  
17 bracket schedules the Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this Section to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the warrant to be drawn for the  
22 amount specified, and to the person named, in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of the Regional Transportation Authority tax fund  
25 established under paragraph (n) of this Section.

26 If a tax is imposed under this subsection (e), a tax shall

1 also be imposed under subsections (f) and (g) of this Section.

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

11 No tax shall be imposed or collected under this subsection  
12 on the sale of a motor vehicle in this State to a resident of  
13 another state if that motor vehicle will not be titled in this  
14 State.

15 Nothing in this Section shall be construed to authorize the  
16 Regional Transportation Authority to impose a tax upon the  
17 privilege of engaging in any business that under the  
18 Constitution of the United States may not be made the subject  
19 of taxation by this State.

20 (f) If a tax has been imposed under paragraph (e), a  
21 Regional Transportation Authority Service Occupation Tax shall  
22 also be imposed upon all persons engaged, in the metropolitan  
23 region in the business of making sales of service, who as an  
24 incident to making the sales of service, transfer tangible  
25 personal property within the metropolitan region, either in the  
26 form of tangible personal property or in the form of real

1 estate as an incident to a sale of service. In Cook County, the  
2 tax rate shall be: ~~(1) 1.25% of the serviceman's cost price of~~  
3 ~~food prepared for immediate consumption and transferred~~  
4 ~~incident to a sale of service subject to the service occupation~~  
5 ~~tax by an entity licensed under the Hospital Licensing Act or~~  
6 ~~the Nursing Home Care Act that is located in the metropolitan~~  
7 ~~region; (2) 1.25% of the selling price of food for human~~  
8 ~~consumption that is to be consumed off the premises where it is~~  
9 ~~sold (other than alcoholic beverages, soft drinks and food that~~  
10 ~~has been prepared for immediate consumption) and prescription~~  
11 ~~and nonprescription medicines, drugs, medical appliances and~~  
12 ~~insulin, urine testing materials, syringes and needles used by~~  
13 ~~diabetics; and (3) 1% of the selling price from all other~~  
14 taxable sales of tangible personal property transferred. In  
15 DuPage, Kane, Lake, McHenry and Will Counties the rate shall  
16 be: (1) 0.25% of the serviceman's cost price of food prepared  
17 for immediate consumption and transferred incident to a sale of  
18 service subject to the service occupation tax by an entity  
19 licensed under the Hospital Licensing Act or the Nursing Home  
20 Care Act that is located in the metropolitan region; (2) 0.25%  
21 of the selling price of food for human consumption that is to  
22 be consumed off the premises where it is sold (other than  
23 alcoholic beverages, soft drinks and food that has been  
24 prepared for immediate consumption) and prescription and  
25 nonprescription medicines, drugs, medical appliances and  
26 insulin, urine testing materials, syringes and needles used by



1 diabetics; and (3) 0.75% of the selling price of other ~~all~~  
2 tangible personal property transferred.

3 The tax imposed under this paragraph and all civil  
4 penalties that may be assessed as an incident thereof shall be  
5 collected and enforced by the State Department of Revenue. The  
6 Department shall have full power to administer and enforce this  
7 paragraph; to collect all taxes and penalties due hereunder; to  
8 dispose of taxes and penalties collected in the manner  
9 hereinafter provided; and to determine all rights to credit  
10 memoranda arising on account of the erroneous payment of tax or  
11 penalty hereunder. In the administration of and compliance with  
12 this paragraph, the Department and persons who are subject to  
13 this paragraph shall have the same rights, remedies,  
14 privileges, immunities, powers and duties, and be subject to  
15 the same conditions, restrictions, limitations, penalties,  
16 exclusions, exemptions and definitions of terms, and employ the  
17 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
18 2a, 3 through 3-50 (in respect to all provisions therein other  
19 than the State rate of tax), 4 (except that the reference to  
20 the State shall be to the Authority), 5, 7, 8 (except that the  
21 jurisdiction to which the tax shall be a debt to the extent  
22 indicated in that Section 8 shall be the Authority), 9 (except  
23 as to the disposition of taxes and penalties collected, and  
24 except that the returned merchandise credit for this tax may  
25 not be taken against any State tax), 10, 11, 12 (except the  
26 reference therein to Section 2b of the Retailers' Occupation

1 Tax Act), 13 (except that any reference to the State shall mean  
2 the Authority), the first paragraph of Section 15, 16, 17, 18,  
3 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
4 the Uniform Penalty and Interest Act, as fully as if those  
5 provisions were set forth herein.

6 Persons subject to any tax imposed under the authority  
7 granted in this paragraph may reimburse themselves for their  
8 serviceman's tax liability hereunder by separately stating the  
9 tax as an additional charge, that charge may be stated in  
10 combination in a single amount with State tax that servicemen  
11 are authorized to collect under the Service Use Tax Act, under  
12 any bracket schedules the Department may prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this paragraph to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the Regional Transportation Authority tax fund  
20 established under paragraph (n) of this Section.

21 Nothing in this paragraph shall be construed to authorize  
22 the Authority to impose a tax upon the privilege of engaging in  
23 any business that under the Constitution of the United States  
24 may not be made the subject of taxation by the State.

25 (g) If a tax has been imposed under paragraph (e), a tax  
26 shall also be imposed upon the privilege of using in the

1 metropolitan region, any item of tangible personal property  
2 that is purchased outside the metropolitan region at retail  
3 from a retailer, and that is titled or registered with an  
4 agency of this State's government. In Cook County the tax rate  
5 shall be 1% of the selling price of the tangible personal  
6 property, as "selling price" is defined in the Use Tax Act. In  
7 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
8 shall be 0.75% of the selling price of the tangible personal  
9 property, as "selling price" is defined in the Use Tax Act. The  
10 tax shall be collected from persons whose Illinois address for  
11 titling or registration purposes is given as being in the  
12 metropolitan region. The tax shall be collected by the  
13 Department of Revenue for the Regional Transportation  
14 Authority. The tax must be paid to the State, or an exemption  
15 determination must be obtained from the Department of Revenue,  
16 before the title or certificate of registration for the  
17 property may be issued. The tax or proof of exemption may be  
18 transmitted to the Department by way of the State agency with  
19 which, or the State officer with whom, the tangible personal  
20 property must be titled or registered if the Department and the  
21 State agency or State officer determine that this procedure  
22 will expedite the processing of applications for title or  
23 registration.

24 The Department shall have full power to administer and  
25 enforce this paragraph; to collect all taxes, penalties and  
26 interest due hereunder; to dispose of taxes, penalties and

1 interest collected in the manner hereinafter provided; and to  
2 determine all rights to credit memoranda or refunds arising on  
3 account of the erroneous payment of tax, penalty or interest  
4 hereunder. In the administration of and compliance with this  
5 paragraph, the Department and persons who are subject to this  
6 paragraph shall have the same rights, remedies, privileges,  
7 immunities, powers and duties, and be subject to the same  
8 conditions, restrictions, limitations, penalties, exclusions,  
9 exemptions and definitions of terms and employ the same modes  
10 of procedure, as are prescribed in Sections 2 (except the  
11 definition of "retailer maintaining a place of business in this  
12 State"), 3 through 3-80 (except provisions pertaining to the  
13 State rate of tax, and except provisions concerning collection  
14 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
15 19 (except the portions pertaining to claims by retailers and  
16 except the last paragraph concerning refunds), 20, 21 and 22 of  
17 the Use Tax Act, and are not inconsistent with this paragraph,  
18 as fully as if those provisions were set forth herein.

19 Whenever the Department determines that a refund should be  
20 made under this paragraph to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the order to be drawn for the  
23 amount specified, and to the person named in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the Regional Transportation Authority tax fund  
26 established under paragraph (n) of this Section.

1           (h) The Authority may impose a replacement vehicle tax of  
2           \$50 on any passenger car as defined in Section 1-157 of the  
3           Illinois Vehicle Code purchased within the metropolitan region  
4           by or on behalf of an insurance company to replace a passenger  
5           car of an insured person in settlement of a total loss claim.  
6           The tax imposed may not become effective before the first day  
7           of the month following the passage of the ordinance imposing  
8           the tax and receipt of a certified copy of the ordinance by the  
9           Department of Revenue. The Department of Revenue shall collect  
10          the tax for the Authority in accordance with Sections 3-2002  
11          and 3-2003 of the Illinois Vehicle Code.

12          The Department shall immediately pay over to the State  
13          Treasurer, *ex officio*, as trustee, all taxes collected  
14          hereunder. On or before the 25th day of each calendar month,  
15          the Department shall prepare and certify to the Comptroller the  
16          disbursement of stated sums of money to the Authority. The  
17          amount to be paid to the Authority shall be the amount  
18          collected hereunder during the second preceding calendar month  
19          by the Department, less any amount determined by the Department  
20          to be necessary for the payment of refunds. Within 10 days  
21          after receipt by the Comptroller of the disbursement  
22          certification to the Authority provided for in this Section to  
23          be given to the Comptroller by the Department, the Comptroller  
24          shall cause the orders to be drawn for that amount in  
25          accordance with the directions contained in the certification.

26          (i) The Board may not impose any other taxes except as it

1 may from time to time be authorized by law to impose.

2 (j) A certificate of registration issued by the State  
3 Department of Revenue to a retailer under the Retailers'  
4 Occupation Tax Act or under the Service Occupation Tax Act  
5 shall permit the registrant to engage in a business that is  
6 taxed under the tax imposed under paragraphs (b), (e), (f) or  
7 (g) of this Section and no additional registration shall be  
8 required under the tax. A certificate issued under the Use Tax  
9 Act or the Service Use Tax Act shall be applicable with regard  
10 to any tax imposed under paragraph (c) of this Section.

11 (k) The provisions of any tax imposed under paragraph (c)  
12 of this Section shall conform as closely as may be practicable  
13 to the provisions of the Use Tax Act, including without  
14 limitation conformity as to penalties with respect to the tax  
15 imposed and as to the powers of the State Department of Revenue  
16 to promulgate and enforce rules and regulations relating to the  
17 administration and enforcement of the provisions of the tax  
18 imposed. The taxes shall be imposed only on use within the  
19 metropolitan region and at rates as provided in the paragraph.

20 (l) The Board in imposing any tax as provided in paragraphs  
21 (b) and (c) of this Section, shall, after seeking the advice of  
22 the State Department of Revenue, provide means for retailers,  
23 users or purchasers of motor fuel for purposes other than those  
24 with regard to which the taxes may be imposed as provided in  
25 those paragraphs to receive refunds of taxes improperly paid,  
26 which provisions may be at variance with the refund provisions

1 as applicable under the Municipal Retailers Occupation Tax Act.  
2 The State Department of Revenue may provide for certificates of  
3 registration for users or purchasers of motor fuel for purposes  
4 other than those with regard to which taxes may be imposed as  
5 provided in paragraphs (b) and (c) of this Section to  
6 facilitate the reporting and nontaxability of the exempt sales  
7 or uses.

8 (m) Any ordinance imposing or discontinuing any tax under  
9 this Section shall be adopted and a certified copy thereof  
10 filed with the Department on or before June 1, whereupon the  
11 Department of Revenue shall proceed to administer and enforce  
12 this Section on behalf of the Regional Transportation Authority  
13 as of September 1 next following such adoption and filing.  
14 Beginning January 1, 1992, an ordinance or resolution imposing  
15 or discontinuing the tax hereunder shall be adopted and a  
16 certified copy thereof filed with the Department on or before  
17 the first day of July, whereupon the Department shall proceed  
18 to administer and enforce this Section as of the first day of  
19 October next following such adoption and filing. Beginning  
20 January 1, 1993, an ordinance or resolution imposing,  
21 increasing, decreasing, or discontinuing the tax hereunder  
22 shall be adopted and a certified copy thereof filed with the  
23 Department, whereupon the Department shall proceed to  
24 administer and enforce this Section as of the first day of the  
25 first month to occur not less than 60 days following such  
26 adoption and filing. Any ordinance or resolution of the

1 Authority imposing a tax under this Section and in effect on  
2 August 1, 2007 shall remain in full force and effect and shall  
3 be administered by the Department of Revenue under the terms  
4 and conditions and rates of tax established by such ordinance  
5 or resolution until the Department begins administering and  
6 enforcing an increased tax under this Section as authorized by  
7 this amendatory Act of the 95th General Assembly. The tax rates  
8 authorized by this amendatory Act of the 95th General Assembly  
9 are effective only if imposed by ordinance of the Authority.

10 (n) The State Department of Revenue shall, upon collecting  
11 any taxes as provided in this Section, pay the taxes over to  
12 the State Treasurer as trustee for the Authority. The taxes  
13 shall be held in a trust fund outside the State Treasury. On or  
14 before the 25th day of each calendar month, the State  
15 Department of Revenue shall prepare and certify to the  
16 Comptroller of the State of Illinois and to the Authority (i)  
17 the amount of taxes collected in each County other than Cook  
18 County in the metropolitan region, (ii) the amount of taxes  
19 collected within the City of Chicago, and (iii) the amount  
20 collected in that portion of Cook County outside of Chicago,  
21 each amount less the amount necessary for the payment of  
22 refunds to taxpayers located in those areas described in items  
23 (i), (ii), and (iii). Within 10 days after receipt by the  
24 Comptroller of the certification of the amounts, the  
25 Comptroller shall cause an order to be drawn for the payment of  
26 two-thirds of the amounts certified in item (i) of this



1 subsection to the Authority and one-third of the amounts  
2 certified in item (i) of this subsection to the respective  
3 counties other than Cook County and the amount certified in  
4 items (ii) and (iii) of this subsection to the Authority.

5 In addition to the disbursement required by the preceding  
6 paragraph, an allocation shall be made in July 1991 and each  
7 year thereafter to the Regional Transportation Authority. The  
8 allocation shall be made in an amount equal to the average  
9 monthly distribution during the preceding calendar year  
10 (excluding the 2 months of lowest receipts) and the allocation  
11 shall include the amount of average monthly distribution from  
12 the Regional Transportation Authority Occupation and Use Tax  
13 Replacement Fund. The distribution made in July 1992 and each  
14 year thereafter under this paragraph and the preceding  
15 paragraph shall be reduced by the amount allocated and  
16 disbursed under this paragraph in the preceding calendar year.  
17 The Department of Revenue shall prepare and certify to the  
18 Comptroller for disbursement the allocations made in  
19 accordance with this paragraph.

20 (o) Failure to adopt a budget ordinance or otherwise to  
21 comply with Section 4.01 of this Act or to adopt a Five-year  
22 Capital Program or otherwise to comply with paragraph (b) of  
23 Section 2.01 of this Act shall not affect the validity of any  
24 tax imposed by the Authority otherwise in conformity with law.

25 (p) At no time shall a public transportation tax or motor  
26 vehicle parking tax authorized under paragraphs (b), (c) and

1 (d) of this Section be in effect at the same time as any  
2 retailers' occupation, use or service occupation tax  
3 authorized under paragraphs (e), (f) and (g) of this Section is  
4 in effect.

5 Any taxes imposed under the authority provided in  
6 paragraphs (b), (c) and (d) shall remain in effect only until  
7 the time as any tax authorized by paragraphs (e), (f) or (g) of  
8 this Section are imposed and becomes effective. Once any tax  
9 authorized by paragraphs (e), (f) or (g) is imposed the Board  
10 may not reimpose taxes as authorized in paragraphs (b), (c) and  
11 (d) of the Section unless any tax authorized by paragraphs (e),  
12 (f) or (g) of this Section becomes ineffective by means other  
13 than an ordinance of the Board.

14 (q) Any existing rights, remedies and obligations  
15 (including enforcement by the Regional Transportation  
16 Authority) arising under any tax imposed under paragraphs (b),  
17 (c) or (d) of this Section shall not be affected by the  
18 imposition of a tax under paragraphs (e), (f) or (g) of this  
19 Section.

20 (Source: P.A. 95-708, eff. 1-18-08.)

21 (70 ILCS 3615/4.03.3)

22 Sec. 4.03.3. Distribution of Revenues. This Section  
23 applies only after the Department begins administering and  
24 enforcing an increased tax under Section 4.03(m) as authorized  
25 by this amendatory Act of the 95th General Assembly. After

1 providing for payment of its obligations with respect to bonds  
2 and notes issued under the provisions of Section 4.04 and  
3 obligations related to those bonds and notes, the Authority  
4 shall disburse the remaining proceeds from taxes it has  
5 received from the Department of Revenue under this Article IV  
6 and the remaining proceeds it has received from the State under  
7 Section 4.09(a) as follows:

8 (a) With respect to taxes imposed by the Authority under  
9 Section 4.03, after withholding (i) 15% of 80% of the receipts  
10 from those taxes collected in Cook County at a rate of 1% on  
11 the sales of food for human consumption that is to be consumed  
12 off the premises where it is sold (other than alcoholic  
13 beverages, soft drinks and food that has been prepared for  
14 immediate consumption) and prescription and nonprescription  
15 medicines, drugs, medical appliances and insulin, urine  
16 testing materials, syringes and needles used by diabetics,  
17 1.25%, (ii) 15% of 75% of the receipts from those taxes  
18 collected in Cook County at the rate of 1%, but not including  
19 taxes on those items specified in item (i) of this subsection  
20 (a), (iii) 15% of one-half of the receipts from those taxes  
21 collected in DuPage, Kane, Lake, McHenry, and Will Counties,  
22 and (iv) 15% of money received by the Authority from the  
23 Regional Transportation Authority Occupation and Use Tax  
24 Replacement Fund or from the Regional Transportation Authority  
25 tax fund created in Section 4.03(n), the Board shall allocate  
26 the proceeds and money remaining to the Service Boards as

1 follows:

2 (1) an amount equal to (i) 85% of 80% of the receipts  
3 from those taxes collected within the City of Chicago at a  
4 rate of 1% on the sales of food for human consumption that  
5 is to be consumed off the premises where it is sold (other  
6 than alcoholic beverages, soft drinks and food that has  
7 been prepared for immediate consumption) and prescription  
8 and nonprescription medicines, drugs, medical appliances  
9 and insulin, urine testing materials, syringes and needles  
10 used by diabetics, ~~1.25%~~ (ii) 85% of 75% of the receipts  
11 from those taxes collected in the City of Chicago at the  
12 rate of 1%, but not including taxes on those items  
13 specified in item (i) of this subparagraph (1), and (iii)  
14 85% of the money received by the Authority on account of  
15 transfers to the Regional Transportation Authority  
16 Occupation and Use Tax Replacement Fund or to the Regional  
17 Transportation Authority tax fund created in Section  
18 4.03(n) from the County and Mass Transit District Fund  
19 attributable to retail sales within the City of Chicago  
20 shall be allocated to the Chicago Transit Authority;

21 (2) an amount equal to (i) 85% of 80% of the receipts  
22 from those taxes collected within Cook County outside of  
23 the City of Chicago at a rate of 1% on the sales of food for  
24 human consumption that is to be consumed off the premises  
25 where it is sold (other than alcoholic beverages, soft  
26 drinks and food that has been prepared for immediate

1        consumption) and prescription and nonprescription  
2        medicines, drugs, medical appliances and insulin, urine  
3        testing materials, syringes and needles used by diabetics,  
4        ~~1.25%~~, (ii) 85% of 75% of the receipts from those taxes  
5        collected within Cook County outside the City of Chicago at  
6        a rate of 1%, but not including taxes on those items  
7        specified in item (i) of this subparagraph (2), and (iii)  
8        85% of the money received by the Authority on account of  
9        transfers to the Regional Transportation Authority  
10       Occupation and Use Tax Replacement Fund or to the Regional  
11       Transportation Authority tax fund created in Section  
12       4.03(n) from the County and Mass Transit District Fund  
13       attributable to retail sales within Cook County outside of  
14       the City of Chicago shall be allocated 30% to the Chicago  
15       Transit Authority, 55% to the Commuter Rail Board, and 15%  
16       to the Suburban Bus Board; and

17                (3) an amount equal to 85% of one-half of the receipts  
18       from the taxes collected within the Counties of DuPage,  
19       Kane, Lake, McHenry, and Will shall be allocated 70% to the  
20       Commuter Rail Board and 30% to the Suburban Bus Board.

21        (b) Moneys received by the Authority on account of  
22       transfers to the Regional Transportation Authority Occupation  
23       and Use Tax Replacement Fund from the State and Local Sales Tax  
24       Reform Fund shall be allocated among the Authority and the  
25       Service Boards as follows: 15% of such moneys shall be retained  
26       by the Authority and the remaining 85% shall be transferred to

1 the Service Boards as soon as may be practicable after the  
2 Authority receives payment. Moneys which are distributable to  
3 the Service Boards pursuant to the preceding sentence shall be  
4 allocated among the Service Boards on the basis of each Service  
5 Board's distribution ratio. The term "distribution ratio"  
6 means, for purposes of this subsection (b), the ratio of the  
7 total amount distributed to a Service Board pursuant to  
8 subsection (a) of Section 4.03.3 for the immediately preceding  
9 calendar year to the total amount distributed to all of the  
10 Service Boards pursuant to subsection (a) of Section 4.03.3 for  
11 the immediately preceding calendar year.

12 (c) (i) 20% of the receipts from those taxes collected in  
13 Cook County under Section 4.03 at the rate of 1% on the sales  
14 of food for human consumption that is to be consumed off the  
15 premises where it is sold (other than alcoholic beverages, soft  
16 drinks and food that has been prepared for immediate  
17 consumption) and prescription and nonprescription medicines,  
18 drugs, medical appliances and insulin, urine testing  
19 materials, syringes and needles used by diabetics, ~~1.25%~~, (ii)  
20 25% of the receipts from those taxes collected in Cook County  
21 under Section 4.03 at the rate of 1%, but not including taxes  
22 on those items specified in item (i) of this subsection, (iii)  
23 50% of the receipts from those taxes collected in DuPage, Kane,  
24 Lake, McHenry, and Will Counties under Section 4.03, and (iv)  
25 amounts received from the State under Section 4.09 (a) (2) and  
26 items (i), (ii), and (iii) of Section 4.09 (a) (3) shall be

1 allocated as follows: in 2008, \$100,000,000 shall be deposited  
2 in the ADA Paratransit Fund described in Section 2.01d,  
3 \$20,000,000 shall be deposited in the Suburban Community  
4 Mobility Fund described in Section 2.01e, and \$10,000,000 shall  
5 be deposited in the Innovation, Coordination and Enhancement  
6 Fund described in Section 2.01c, and the balance shall be  
7 allocated 48% to the Chicago Transit Authority, 39% to the  
8 Commuter Rail Board, and 13% to the Suburban Bus Board; and in  
9 2009 and each year thereafter, the amounts deposited in the ADA  
10 Paratransit Fund, the Suburban Community Mobility Fund and the  
11 Innovation, Coordination and Enhancement Fund respectively  
12 shall equal the amount deposited in the previous year increased  
13 or decreased by the percentage growth or decline in revenues  
14 received by the Authority from taxes imposed under Section 4.03  
15 in the previous year, and the balance shall be allocated 48% to  
16 the Chicago Transit Authority, 39% to the Commuter Rail Board  
17 and 13% to the Suburban Bus Board.

18 (d) Amounts received from the State under Section 4.09  
19 (a)(3)(iv) shall be distributed 100% to the Chicago Transit  
20 Authority.

21 (e) With respect to those taxes collected in DuPage, Kane,  
22 Lake, McHenry, and Will Counties and paid directly to the  
23 counties under Section 4.03, the County Board of each county  
24 shall use those amounts to fund operating and capital costs of  
25 public safety and public transportation services or facilities  
26 or to fund operating, capital, right-of-way, construction, and

1 maintenance costs of other transportation purposes, including  
2 road, bridge, public safety, and transit purposes intended to  
3 improve mobility or reduce congestion in the county. The  
4 receipt of funding by such counties pursuant to this paragraph  
5 shall not be used as the basis for reducing any funds that such  
6 counties would otherwise have received from the State of  
7 Illinois, any agency or instrumentality thereof, the  
8 Authority, or the Service Boards.

9 (f) The Authority by ordinance adopted by 12 of its then  
10 Directors shall apportion to the Service Boards funds provided  
11 by the State of Illinois under Section 4.09(a)(1) as it shall  
12 determine and shall make payment of the amounts to each Service  
13 Board as soon as may be practicable upon their receipt provided  
14 the Authority has adopted a balanced budget as required by  
15 Section 4.01 and further provided the Service Board is in  
16 compliance with the requirements in Section 4.11.

17 (g) Beginning January 1, 2009, before making any payments,  
18 transfers, or expenditures under this Section to a Service  
19 Board, the Authority must first comply with Section 4.02a or  
20 4.02b of this Act, whichever may be applicable.

21 (Source: P.A. 95-708, eff. 1-18-08.)

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