



Rep. Thomas Holbrook

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1 AMENDMENT TO SENATE BILL 1909

2 AMENDMENT NO. _____. Amend Senate Bill 1909, AS AMENDED,
3 with reference to page and line numbers of House Amendment No.
4 3, by replacing lines 14 through 26 on page 9 and lines 1
5 through 9 on page 10 with the following:

6 "Local sales taxes" means any locally-imposed taxes
7 received by a local governmental entity arising from sales by
8 retailers and servicemen within a STAR bond district, including
9 business district sales taxes. For the purpose of this Act,
10 "local sales taxes" does not include (i) any taxes authorized
11 pursuant to the Local Mass Transit District Act, the Metro-East
12 Park and Recreation District Act, or the Flood Prevention
13 District Act for so long as the applicable taxing district does
14 not impose a tax on real property or (ii) any local sales taxes
15 that are, at the time of formation of a STAR bond district,
16 already subject to tax increment financing under the Tax
17 Increment Allocation Redevelopment Act.

18 "Local sales tax increment" means, with respect to local

1 sales taxes administered by the Illinois Department of Revenue,
2 that portion of the local sales tax that is in excess of the
3 local sales tax for the same month in the base year, as
4 determined by the Illinois Department of Revenue. "Local sales
5 tax increment" means, with respect to local sales taxes
6 administered by a municipality, county, or other unit of local
7 government, that portion of the local sales tax that is in
8 excess of the local sales tax for the same month in the base
9 year, as determined by the respective municipality, county, or
10 other unit of the local government. The Illinois Department of
11 Revenue shall allocate the local sales tax increment only if
12 the local sales tax is administered by the Department."; and

13 on page 11, by deleting lines 8 through 12; and

14 by replacing lines 14 through 26 on page 19 and lines 1 and 2 on
15 page 20 with the following:

16 "State sales tax" means all of the net revenue realized
17 under the Retailers' Occupation Tax Act, the Use Tax Act, the
18 Service Use Tax Act, and the Service Occupation Tax Act from
19 transactions at places of business located within a STAR bond
20 district. For the purposes of this Act, "State sales tax" does
21 not include any State sales taxes that are, at the time of
22 formation of a STAR bond district, already subject to tax
23 increment financing under the Tax Increment Allocation
24 Redevelopment Act.

1 "State sales tax increment" means that portion of the State
2 sales tax that is in excess of the State sales tax for the same
3 month in the base year, as determined by the Department of
4 Revenue."; and

5 by replacing lines 20 through 26 on page 22 and lines 1 through
6 6 on page 23 with the following:

7 "Revenue."; and

8 on page 26, by replacing lines 2 through 9 with the following:

9 "The political subdivision shall select the independent
10 economist to perform the economic impact study under item (5)
11 of this subsection (b) and shall provide notice of the
12 selection to the Director. If the Director does not disapprove
13 of the economist within 20 days of receipt of the notice, then
14 the economist shall be commissioned to conduct the economic
15 impact study."; and

16 on page 29, line 23, after the period, by inserting the
17 following:

18 "If a certified copy of the resolution adopting the STAR bond
19 project plan is filed with the Department on or before the
20 first day of April, the Department, if all other requirements
21 of this subsection are met, shall proceed to collect and
22 allocate any local sales tax increment and any State sales tax
23 increment in accordance with the provisions of this Act as of

1 the first day of July next following the adoption and filing.
2 If a certified copy of the resolution adopting the STAR bond
3 project plan is filed with the Department after April 1 but on
4 or before the first day of October, the Department, if all
5 other requirements of this subsection are met, shall proceed to
6 collect and allocate any local sales tax increment and any
7 State sales tax increment in accordance with the provisions of
8 this Act as of the first day of January next following the
9 adoption and filing."; and

10 on page 29, immediately below line 26, by inserting the
11 following:

12 "The Department of Revenue shall not collect or allocate
13 any local sales tax increment or State sales tax increment,
14 until the political subdivision also provides, in the manner
15 prescribed by the Department, the boundaries of the STAR bond
16 project area and each address in the STAR bond project area in
17 such a way that the Department can determine by its address
18 whether a business is located in the STAR bond project area.
19 The political subdivision must provide this boundary and
20 address information to the Department on or before April 1 for
21 administration and enforcement under this Act by the Department
22 beginning on the following July 1 and on or before October 1
23 for administration and enforcement under this Act by the
24 Department beginning on the following January 1. The Department
25 of Revenue shall not administer or enforce any change made to

1 the boundaries of a STAR bond project or any address change,
2 addition, or deletion until the political subdivision reports
3 the boundary change or address change, addition, or deletion to
4 the Department in the manner prescribed by the Department. The
5 political subdivision must provide this boundary change or
6 address change, addition, or deletion information to the
7 Department on or before April 1 for administration and
8 enforcement by the Department of the change, addition, or
9 deletion beginning on the following July 1 and on or before
10 October 1 for administration and enforcement by the Department
11 of the change, addition, or deletion beginning on the following
12 January 1. If a retailer is incorrectly included or excluded
13 from the list of those located in the STAR bond project, the
14 Department of Revenue shall be held harmless if it reasonably
15 relied on information provided by the political subdivision.";
16 and

17 on page 34, by replacing lines 8 through 15 with the following:

18 "(e) There is created in the State treasury a special fund
19 to be known as the STAR Bonds Revenue Fund. As soon as possible
20 after the first day of each month, beginning January 1, 2010,
21 upon certification of the Department of Revenue, the
22 Comptroller shall order transferred, and the Treasurer shall
23 transfer, from the General Revenue Fund to the STAR Bonds
24 Revenue Fund the State sales tax increment for the second
25 preceding month, less the amount of the State sales tax

1 increment deposited into the Local Government Tax Fund and the
2 County and Mass Transit District Fund. As soon as possible
3 after the first day of each month, beginning January 1, 2010,
4 upon certification of the Department of Revenue, the
5 Comptroller shall order transferred, and the Treasurer shall
6 transfer, from the Local Government Tax Fund to the STAR Bonds
7 Revenue Fund the State sales tax increment for the second
8 preceding month, as provided in Section 6z-18 of the State
9 Finance Act and from the County and Mass Transit District Fund
10 to the STAR Bonds Revenue Fund the State sales tax increment
11 for the second preceding month, as provided in Section 6z-20 of
12 the State Finance Act.

13 On or before the 25th day of each calendar month, beginning
14 in January 2010, the Department shall prepare and certify to
15 the Comptroller the disbursement of stated sums of money out of
16 the STAR Bonds Revenue Fund to named municipalities and
17 counties, the municipalities and counties to be those entitled
18 to distribution of taxes or penalties paid to the Department
19 during the second preceding calendar month. The amount to be
20 paid to each municipality or county shall be the amount of the
21 State sales tax increment and the local sales tax increment
22 (not including credit memoranda) collected during the second
23 preceding calendar month by the Department from retailers and
24 servicemen on transactions at places of business located within
25 a STAR bond district in that municipality or county, plus an
26 amount the Department determines is necessary to offset any

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

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

21 on page 37, line 1, by replacing "net revenue realized" with
22 "State sales tax increment and local sales tax increment"; and

23 on page 37, line 6, by replacing "net revenue realized" with
24 "State sales tax increment and local sales tax increment"; and

1 on page 37, line 25, after the period, by inserting the
2 following:

3 "The notice shall include a date certain on which deposits into
4 the STAR Bonds Revenue Fund for that STAR bond project shall
5 terminate and shall be provided to the Department of Revenue at
6 least 60 days prior to that date."; and

7 on page 41, immediately below line 1, by inserting the
8 following:

9 "Section 66. The State Finance Act is amended by changing
10 Sections 6z-18 and 6z-20 and by adding Section 5.719 as
11 follows:

12 (30 ILCS 105/5.719 new)

13 Sec. 5.719. The STAR Bonds Revenue Fund.

14 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

15 Sec. 6z-18. A portion of the money paid into the Local
16 Government Tax Fund from sales of food for human consumption
17 which is to be consumed off the premises where it is sold
18 (other than alcoholic beverages, soft drinks and food which has
19 been prepared for immediate consumption) and prescription and
20 nonprescription medicines, drugs, medical appliances and
21 insulin, urine testing materials, syringes and needles used by

1 diabetics, which occurred in municipalities, shall be
2 distributed to each municipality based upon the sales which
3 occurred in that municipality. The remainder shall be
4 distributed to each county based upon the sales which occurred
5 in the unincorporated area of that county.

6 A portion of the money paid into the Local Government Tax
7 Fund from the 6.25% general use tax rate on the selling price
8 of 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 shall be
11 distributed to municipalities as provided in this paragraph.
12 Each municipality shall receive the amount attributable to
13 sales for which Illinois addresses for titling or registration
14 purposes are given as being in such municipality. The remainder
15 of the money paid into the Local Government Tax Fund from such
16 sales shall be distributed to counties. Each county shall
17 receive the amount attributable to sales for which Illinois
18 addresses for titling or registration purposes are given as
19 being located in the unincorporated area of such county.

20 A portion of the money paid into the Local Government Tax
21 Fund from the 6.25% general rate (and, beginning July 1, 2000
22 and through December 31, 2000, the 1.25% rate on motor fuel and
23 gasohol) on sales subject to taxation under the Retailers'
24 Occupation Tax Act and the Service Occupation Tax Act, which
25 occurred in municipalities, shall be distributed to each
26 municipality, based upon the sales which occurred in that

1 municipality. The remainder shall be distributed to each
2 county, based upon the sales which occurred in the
3 unincorporated area of such county.

4 For the purpose of determining allocation to the local
5 government unit, a retail sale by a producer of coal or other
6 mineral mined in Illinois is a sale at retail at the place
7 where the coal or other mineral mined in Illinois is extracted
8 from the earth. This paragraph does not apply to coal or other
9 mineral when it is delivered or shipped by the seller to the
10 purchaser at a point outside Illinois so that the sale is
11 exempt under the United States Constitution as a sale in
12 interstate or foreign commerce.

13 Whenever the Department determines that a refund of money
14 paid into the Local Government Tax Fund should be made to a
15 claimant instead of issuing a credit memorandum, the Department
16 shall notify the State Comptroller, who shall cause the order
17 to be drawn for the amount specified, and to the person named,
18 in such notification from the Department. Such refund shall be
19 paid by the State Treasurer out of the Local Government Tax
20 Fund.

21 As soon as possible after the first day of each month,
22 beginning January 1, 2010, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer to the STAR Bonds Revenue Fund the
25 State sales tax increment, as defined in the STAR Bonds
26 Financing Act, collected during the second preceding calendar

1 month for sales within a STAR bond district and deposited into
2 the Local Government Tax Fund.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on ~~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, and
21 not including any amounts that are transferred to the STAR
22 Bonds Revenue Fund. Within 10 days after receipt, by the
23 Comptroller, of the disbursement certification to the
24 municipalities and counties, provided for in this Section to be
25 given to the Comptroller by the Department, the Comptroller
26 shall cause the orders to be drawn for the respective amounts

1 in accordance with the directions contained in such
2 certification.

3 When certifying the amount of monthly disbursement to a
4 municipality or county under this Section, the Department shall
5 increase or decrease that amount by an amount necessary to
6 offset any misallocation of previous disbursements. The offset
7 amount shall be the amount erroneously disbursed within the 6
8 months preceding the time a misallocation is discovered.

9 The provisions directing the distributions from the
10 special fund in the State Treasury provided for in this Section
11 shall constitute an irrevocable and continuing appropriation
12 of all amounts as provided herein. The State Treasurer and
13 State Comptroller are hereby authorized to make distributions
14 as provided in this Section.

15 In construing any development, redevelopment, annexation,
16 preannexation or other lawful agreement in effect prior to
17 September 1, 1990, which describes or refers to receipts from a
18 county or municipal retailers' occupation tax, use tax or
19 service occupation tax which now cannot be imposed, such
20 description or reference shall be deemed to include the
21 replacement revenue for such abolished taxes, distributed from
22 the Local Government Tax Fund.

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

1 Sec. 6z-20. Of the money received from the 6.25% general
2 rate (and, beginning July 1, 2000 and through December 31,
3 2000, the 1.25% rate on motor fuel and gasohol) on sales
4 subject to taxation under the Retailers' Occupation Tax Act and
5 Service Occupation Tax Act and paid into the County and Mass
6 Transit District Fund, distribution to the Regional
7 Transportation Authority tax fund, created pursuant to Section
8 4.03 of the Regional Transportation Authority Act, for deposit
9 therein shall be made based upon the retail sales occurring in
10 a county having more than 3,000,000 inhabitants. The remainder
11 shall be distributed to each county having 3,000,000 or fewer
12 inhabitants based upon the retail sales occurring in each such
13 county.

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

23 Of the money received from the 6.25% general use tax rate
24 on tangible personal property which is purchased outside
25 Illinois at retail from a retailer and which is titled or
26 registered by any agency of this State's government and paid

1 into the County and Mass Transit District Fund, the amount for
2 which Illinois addresses for titling or registration purposes
3 are given as being in each county having more than 3,000,000
4 inhabitants shall be distributed into the Regional
5 Transportation Authority tax fund, created pursuant to Section
6 4.03 of the Regional Transportation Authority Act. The
7 remainder of the money paid from such sales shall be
8 distributed to each county based on sales for which Illinois
9 addresses for titling or registration purposes are given as
10 being located in the county. Any money paid into the Regional
11 Transportation Authority Occupation and Use Tax Replacement
12 Fund from the County and Mass Transit District Fund prior to
13 January 14, 1991, which has not been paid to the Authority
14 prior to that date, shall be transferred to the Regional
15 Transportation Authority tax fund.

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2010, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 State sales tax increment, as defined in the STAR Bonds
3 Financing Act, collected during the second preceding calendar
4 month for sales within a STAR bond district and deposited into
5 the County and Mass Transit District Fund.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on ~~on~~ or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to the Regional
10 Transportation Authority and to named counties, the counties to
11 be those entitled to distribution, as hereinabove provided, of
12 taxes or penalties paid to the Department during the second
13 preceding calendar month. The amount to be paid to the Regional
14 Transportation Authority and each county having 3,000,000 or
15 fewer inhabitants shall be the amount (not including credit
16 memoranda) collected during the second preceding calendar
17 month by the Department and paid into the County and Mass
18 Transit District Fund, plus an amount the Department determines
19 is necessary to offset any amounts which were erroneously paid
20 to a different taxing body, and not including an amount equal
21 to the amount of refunds made during the second preceding
22 calendar month by the Department, and not including any amount
23 which the Department determines is necessary to offset any
24 amounts which were payable to a different taxing body but were
25 erroneously paid to the Regional Transportation Authority or
26 county, and not including any amounts that are transferred to

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

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

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

23 In construing any development, redevelopment, annexation,
24 preannexation or other lawful agreement in effect prior to
25 September 1, 1990, which describes or refers to receipts from a
26 county or municipal retailers' occupation tax, use tax or

1 service occupation tax which now cannot be imposed, such
2 description or reference shall be deemed to include the
3 replacement revenue for such abolished taxes, distributed from
4 the County and Mass Transit District Fund or Local Government
5 Distributive Fund, as the case may be.

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

7 Section 67. The Counties Code is amended by changing
8 Sections 5-1006, 5-1006.5, 5-1006.7, and 5-1007 as follows:

9 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

10 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
11 Law. Any county that is a home rule unit may impose a tax upon
12 all persons engaged in the business of selling tangible
13 personal property, other than an item of tangible personal
14 property titled or registered with an agency of this State's
15 government, at retail in the county on the gross receipts from
16 such sales made in the course of their business. If imposed,
17 this tax shall only be imposed in 1/4% increments. On and after
18 September 1, 1991, this additional tax may not be imposed on
19 the sales of food for human consumption which is to be consumed
20 off the premises where it is sold (other than alcoholic
21 beverages, soft drinks and food which has been prepared for
22 immediate consumption) and prescription and nonprescription
23 medicines, drugs, medical appliances and insulin, urine
24 testing materials, syringes and needles used by diabetics. The

1 tax imposed by a home rule county pursuant to this Section and
2 all civil penalties that may be assessed as an incident thereof
3 shall be collected and enforced by the State Department of
4 Revenue. The certificate of registration that is issued by the
5 Department to a retailer under the Retailers' Occupation Tax
6 Act shall permit the retailer to engage in a business that is
7 taxable under any ordinance or resolution enacted pursuant to
8 this Section without registering separately with the
9 Department under such ordinance or resolution or under this
10 Section. The Department shall have full power to administer and
11 enforce this Section; to collect all taxes and penalties due
12 hereunder; to dispose of taxes and penalties so collected in
13 the manner hereinafter provided; and to determine all rights to
14 credit memoranda arising on account of the erroneous payment of
15 tax or penalty hereunder. In the administration of, and
16 compliance with, this Section, the Department and persons who
17 are subject to this Section shall have the same rights,
18 remedies, privileges, immunities, powers and duties, and be
19 subject to the same conditions, restrictions, limitations,
20 penalties and definitions of terms, and employ the same modes
21 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
22 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
23 provisions therein other than the State rate of tax), 4, 5, 5a,
24 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
25 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
26 Section 3-7 of the Uniform Penalty and Interest Act, as fully

1 as if those provisions were set forth herein.

2 No tax may be imposed by a home rule county pursuant to
3 this Section unless the county also imposes a tax at the same
4 rate pursuant to Section 5-1007.

5 Persons subject to any tax imposed pursuant to the
6 authority granted in this Section may reimburse themselves for
7 their seller's tax liability hereunder by separately stating
8 such tax as an additional charge, which charge may be stated in
9 combination, in a single amount, with State tax which sellers
10 are required to collect under the Use Tax Act, pursuant to such
11 bracket schedules as the Department may prescribe.

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified and to the person named in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the home rule county retailers' occupation tax
19 fund.

20 The Department shall forthwith pay over to the State
21 Treasurer, ex officio, as trustee, all taxes and penalties
22 collected hereunder.

23 As soon as possible after the first day of each month,
24 beginning January 1, 2010, upon certification of the Department
25 of Revenue, the Comptroller shall order transferred, and the
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the STAR Bonds
2 Financing Act, collected under this Section during the second
3 preceding calendar month for sales within a STAR bond district.

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

1 directions contained in the certification.

2 In addition to the disbursement required by the preceding
3 paragraph, an allocation shall be made in March of each year to
4 each county that received more than \$500,000 in disbursements
5 under the preceding paragraph in the preceding calendar year.
6 The allocation shall be in an amount equal to the average
7 monthly distribution made to each such county under the
8 preceding paragraph during the preceding calendar year
9 (excluding the 2 months of highest receipts). The distribution
10 made in March of each year subsequent to the year in which an
11 allocation was made pursuant to this paragraph and the
12 preceding paragraph shall be reduced by the amount allocated
13 and disbursed under this paragraph in the preceding calendar
14 year. The Department shall prepare and certify to the
15 Comptroller for disbursement the allocations made in
16 accordance with this paragraph.

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

26 Nothing in this Section shall be construed to authorize a

1 county to impose a tax upon the privilege of engaging in any
2 business which under the Constitution of the United States may
3 not be made the subject of taxation by this State.

4 An ordinance or resolution imposing or discontinuing a tax
5 hereunder or effecting a change in the rate thereof shall be
6 adopted and a certified copy thereof filed with the Department
7 on or before the first day of June, whereupon the Department
8 shall proceed to administer and enforce this Section as of the
9 first day of September next following such adoption and filing.

10 Beginning January 1, 1992, an ordinance or resolution imposing
11 or discontinuing the tax hereunder or effecting a change in the
12 rate thereof shall be adopted and a certified copy thereof
13 filed with the Department on or before the first day of July,
14 whereupon the Department shall proceed to administer and
15 enforce this Section as of the first day of October next
16 following such adoption and filing. Beginning January 1, 1993,
17 an ordinance or resolution imposing or discontinuing the tax
18 hereunder or effecting a change in the rate thereof shall be
19 adopted and a certified copy thereof filed with the Department
20 on or before the first day of October, whereupon the Department
21 shall proceed to administer and enforce this Section as of the
22 first day of January next following such adoption and filing.

23 Beginning April 1, 1998, an ordinance or resolution imposing or
24 discontinuing the tax hereunder or effecting a change in the
25 rate thereof shall either (i) be adopted and a certified copy
26 thereof filed with the Department on or before the first day of

1 April, whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of July next following
3 the adoption and filing; or (ii) be adopted and a certified
4 copy thereof filed with the Department on or before the first
5 day of October, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of
7 January next following the adoption and filing.

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

14 This Section shall be known and may be cited as the Home
15 Rule County Retailers' Occupation Tax Law.

16 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

17 (55 ILCS 5/5-1006.5)

18 Sec. 5-1006.5. Special County Retailers' Occupation Tax
19 For Public Safety, Public Facilities, or Transportation.

20 (a) The county board of any county may impose a tax upon
21 all persons engaged in the business of selling tangible
22 personal property, other than personal property titled or
23 registered with an agency of this State's government, at retail
24 in the county on the gross receipts from the sales made in the
25 course of business to provide revenue to be used exclusively

1 for public safety, public facility, or transportation purposes
2 in that county, if a proposition for the tax has been submitted
3 to the electors of that county and approved by a majority of
4 those voting on the question. If imposed, this tax shall be
5 imposed only in one-quarter percent increments. By resolution,
6 the county board may order the proposition to be submitted at
7 any election. If the tax is imposed for transportation purposes
8 for expenditures for public highways or as authorized under the
9 Illinois Highway Code, the county board must publish notice of
10 the existence of its long-range highway transportation plan as
11 required or described in Section 5-301 of the Illinois Highway
12 Code and must make the plan publicly available prior to
13 approval of the ordinance or resolution imposing the tax. If
14 the tax is imposed for transportation purposes for expenditures
15 for passenger rail transportation, the county board must
16 publish notice of the existence of its long-range passenger
17 rail transportation plan and must make the plan publicly
18 available prior to approval of the ordinance or resolution
19 imposing the tax. The county clerk shall certify the question
20 to the proper election authority, who shall submit the
21 proposition at an election in accordance with the general
22 election law.

23 (1) The proposition for public safety purposes shall be
24 in substantially the following form:

25 "To pay for public safety purposes, shall (name of
26 county) be authorized to impose an increase on its share of

1 local sales taxes by (insert rate)?"

2 As additional information on the ballot below the
3 question shall appear the following:

4 "This would mean that a consumer would pay an
5 additional (insert amount) in sales tax for every \$100 of
6 tangible personal property bought at retail."

7 The county board may also opt to establish a sunset
8 provision at which time the additional sales tax would
9 cease being collected, if not terminated earlier by a vote
10 of the county board. If the county board votes to include a
11 sunset provision, the proposition for public safety
12 purposes shall be in substantially the following form:

13 "To pay for public safety purposes, shall (name of
14 county) be authorized to impose an increase on its share of
15 local sales taxes by (insert rate) for a period not to
16 exceed (insert number of years)?"

17 As additional information on the ballot below the
18 question shall appear the following:

19 "This would mean that a consumer would pay an
20 additional (insert amount) in sales tax for every \$100 of
21 tangible personal property bought at retail. If imposed,
22 the additional tax would cease being collected at the end
23 of (insert number of years), if not terminated earlier by a
24 vote of the county board."

25 For the purposes of the paragraph, "public safety
26 purposes" means crime prevention, detention, fire

1 fighting, police, medical, ambulance, or other emergency
2 services.

3 Votes shall be recorded as "Yes" or "No".

4 (2) The proposition for transportation purposes shall
5 be in substantially the following form:

6 "To pay for improvements to roads and other
7 transportation purposes, shall (name of county) be
8 authorized to impose an increase on its share of local
9 sales taxes by (insert rate)?"

10 As additional information on the ballot below the
11 question shall appear the following:

12 "This would mean that a consumer would pay an
13 additional (insert amount) in sales tax for every \$100 of
14 tangible personal property bought at retail."

15 The county board may also opt to establish a sunset
16 provision at which time the additional sales tax would
17 cease being collected, if not terminated earlier by a vote
18 of the county board. If the county board votes to include a
19 sunset provision, the proposition for transportation
20 purposes shall be in substantially the following form:

21 "To pay for road improvements and other transportation
22 purposes, shall (name of county) be authorized to impose an
23 increase on its share of local sales taxes by (insert rate)
24 for a period not to exceed (insert number of years)?"

25 As additional information on the ballot below the
26 question shall appear the following:

1 "This would mean that a consumer would pay an
2 additional (insert amount) in sales tax for every \$100 of
3 tangible personal property bought at retail. If imposed,
4 the additional tax would cease being collected at the end
5 of (insert number of years), if not terminated earlier by a
6 vote of the county board."

7 For the purposes of this paragraph, transportation
8 purposes means construction, maintenance, operation, and
9 improvement of public highways, any other purpose for which
10 a county may expend funds under the Illinois Highway Code,
11 and passenger rail transportation.

12 The votes shall be recorded as "Yes" or "No".

13 (3) The proposition for public facility purposes shall
14 be in substantially the following form:

15 "To pay for public facility purposes, shall (name of
16 county) be authorized to impose an increase on its share of
17 local sales taxes by (insert rate)?"

18 As additional information on the ballot below the
19 question shall appear the following:

20 "This would mean that a consumer would pay an
21 additional (insert amount) in sales tax for every \$100 of
22 tangible personal property bought at retail."

23 The county board may also opt to establish a sunset
24 provision at which time the additional sales tax would
25 cease being collected, if not terminated earlier by a vote
26 of the county board. If the county board votes to include a

1 sunset provision, the proposition for public facility
2 purposes shall be in substantially the following form:

3 "To pay for public facility purposes, shall (name of
4 county) be authorized to impose an increase on its share of
5 local sales taxes by (insert rate) for a period not to
6 exceed (insert number of years)?"

7 As additional information on the ballot below the
8 question shall appear the following:

9 "This would mean that a consumer would pay an
10 additional (insert amount) in sales tax for every \$100 of
11 tangible personal property bought at retail. If imposed,
12 the additional tax would cease being collected at the end
13 of (insert number of years), if not terminated earlier by a
14 vote of the county board."

15 For purposes of this Section, "public facilities
16 purposes" means the acquisition, development,
17 construction, reconstruction, rehabilitation, improvement,
18 financing, architectural planning, and installation of
19 capital facilities consisting of buildings, structures,
20 and durable equipment and for the acquisition and
21 improvement of real property and interest in real property
22 required, or expected to be required, in connection with
23 the public facilities, for use by the county for the
24 furnishing of governmental services to its citizens,
25 including but not limited to museums and nursing homes.

26 The votes shall be recorded as "Yes" or "No".

1 If a majority of the electors voting on the proposition
2 vote in favor of it, the county may impose the tax. A county
3 may not submit more than one proposition authorized by this
4 Section to the electors at any one time.

5 This additional tax may not be imposed on the sales of food
6 for human consumption that is to be consumed off the premises
7 where it is sold (other than alcoholic beverages, soft drinks,
8 and food which has been prepared for immediate consumption) and
9 prescription and non-prescription medicines, drugs, medical
10 appliances and insulin, urine testing materials, syringes, and
11 needles used by diabetics. The tax imposed by a county under
12 this Section and all civil penalties that may be assessed as an
13 incident of the tax shall be collected and enforced by the
14 Illinois Department of Revenue and deposited into a special
15 fund created for that purpose. The certificate of registration
16 that is issued by the Department to a retailer under the
17 Retailers' Occupation Tax Act shall permit the retailer to
18 engage in a business that is taxable without registering
19 separately with the Department under an ordinance or resolution
20 under this Section. The Department has full power to administer
21 and enforce this Section, to collect all taxes and penalties
22 due under this Section, to dispose of taxes and penalties so
23 collected in the manner provided in this Section, and to
24 determine all rights to credit memoranda arising on account of
25 the erroneous payment of a tax or penalty under this Section.
26 In the administration of and compliance with this Section, the

1 Department and persons who are subject to this Section shall
2 (i) have the same rights, remedies, privileges, immunities,
3 powers, and duties, (ii) be subject to the same conditions,
4 restrictions, limitations, penalties, and definitions of
5 terms, and (iii) employ the same modes of procedure as are
6 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
7 1n, 2 through 2-70 (in respect to all provisions contained in
8 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
9 (except provisions relating to transaction returns and quarter
10 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
11 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
12 the Retailers' Occupation Tax Act and Section 3-7 of the
13 Uniform Penalty and Interest Act as if those provisions were
14 set forth in this Section.

15 Persons subject to any tax imposed under the authority
16 granted in this Section may reimburse themselves for their
17 sellers' tax liability by separately stating the tax as an
18 additional charge, which charge may be stated in combination,
19 in a single amount, with State tax which sellers are required
20 to collect under the Use Tax Act, pursuant to such bracketed
21 schedules as the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the order to be drawn for the
26 amount specified and to the person named in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the County Public Safety or Transportation
3 Retailers' Occupation Tax Fund.

4 (b) If a tax has been imposed under subsection (a), a
5 service occupation tax shall also be imposed at the same rate
6 upon all persons engaged, in the county, in the business of
7 making sales of service, who, as an incident to making those
8 sales of service, transfer tangible personal property within
9 the county as an incident to a sale of service. This tax may
10 not be imposed on sales of food for human consumption that is
11 to be consumed off the premises where it is sold (other than
12 alcoholic beverages, soft drinks, and food prepared for
13 immediate consumption) and prescription and non-prescription
14 medicines, drugs, medical appliances and insulin, urine
15 testing materials, syringes, and needles used by diabetics. The
16 tax imposed under this subsection and all civil penalties that
17 may be assessed as an incident thereof shall be collected and
18 enforced by the Department of Revenue. The Department has full
19 power to administer and enforce this subsection; to collect all
20 taxes and penalties due hereunder; to dispose of taxes and
21 penalties so collected in the manner hereinafter provided; and
22 to determine all rights to credit memoranda arising on account
23 of the erroneous payment of tax or penalty hereunder. In the
24 administration of, and compliance with this subsection, the
25 Department and persons who are subject to this paragraph shall
26 (i) have the same rights, remedies, privileges, immunities,

1 powers, and duties, (ii) be subject to the same conditions,
2 restrictions, limitations, penalties, exclusions, exemptions,
3 and definitions of terms, and (iii) employ the same modes of
4 procedure as are prescribed in Sections 2 (except that the
5 reference to State in the definition of supplier maintaining a
6 place of business in this State shall mean the county), 2a, 2b,
7 2c, 3 through 3-50 (in respect to all provisions therein other
8 than the State rate of tax), 4 (except that the reference to
9 the State shall be to the county), 5, 7, 8 (except that the
10 jurisdiction to which the tax shall be a debt to the extent
11 indicated in that Section 8 shall be the county), 9 (except as
12 to the disposition of taxes and penalties collected), 10, 11,
13 12 (except the reference therein to Section 2b of the
14 Retailers' Occupation Tax Act), 13 (except that any reference
15 to the State shall mean the county), Section 15, 16, 17, 18, 19
16 and 20 of the Service Occupation Tax Act and Section 3-7 of the
17 Uniform Penalty and Interest Act, as fully as if those
18 provisions were set forth herein.

19 Persons subject to any tax imposed under the authority
20 granted in this subsection may reimburse themselves for their
21 serviceman's tax liability by separately stating the tax as an
22 additional charge, which charge may be stated in combination,
23 in a single amount, with State tax that servicemen are
24 authorized to collect under the Service Use Tax Act, in
25 accordance with such bracket schedules as the Department may
26 prescribe.

1 Whenever the Department determines that a refund should be
2 made under this subsection to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the warrant to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of the County Public Safety or Transportation
8 Retailers' Occupation Fund.

9 Nothing in this subsection shall be construed to authorize
10 the county to impose a tax upon the privilege of engaging in
11 any business which under the Constitution of the United States
12 may not be made the subject of taxation by the State.

13 (c) The Department shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes and penalties
15 collected under this Section to be deposited into the County
16 Public Safety or Transportation Retailers' Occupation Tax
17 Fund, which shall be an unappropriated trust fund held outside
18 of the State treasury.

19 As soon as possible after the first day of each month,
20 beginning January 1, 2010, upon certification of the Department
21 of Revenue, the Comptroller shall order transferred, and the
22 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
23 local sales tax increment, as defined in the STAR Bonds
24 Financing Act, collected under this Section during the second
25 preceding calendar month for sales within a STAR bond district.

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on ~~On~~ or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money to the counties from which
4 retailers have paid taxes or penalties to the Department during
5 the second preceding calendar month. The amount to be paid to
6 each county, and deposited by the county into its special fund
7 created for the purposes of this Section, shall be the amount
8 (not including credit memoranda) collected under this Section
9 during the second preceding calendar month by the Department
10 plus an amount the Department determines is necessary to offset
11 any amounts that were erroneously paid to a different taxing
12 body, and not including (i) an amount equal to the amount of
13 refunds made during the second preceding calendar month by the
14 Department on behalf of the county, ~~and~~ (ii) any amount that
15 the Department determines is necessary to offset any amounts
16 that were payable to a different taxing body but were
17 erroneously paid to the county, and (iii) any amounts that are
18 transferred to the STAR Bonds Revenue Fund. Within 10 days
19 after receipt by the Comptroller of the disbursement
20 certification to the counties provided for in this Section to
21 be given to the Comptroller by the Department, the Comptroller
22 shall cause the orders to be drawn for the respective amounts
23 in accordance with directions contained in the certification.

24 In addition to the disbursement required by the preceding
25 paragraph, an allocation shall be made in March of each year to
26 each county that received more than \$500,000 in disbursements

1 under the preceding paragraph in the preceding calendar year.
2 The allocation shall be in an amount equal to the average
3 monthly distribution made to each such county under the
4 preceding paragraph during the preceding calendar year
5 (excluding the 2 months of highest receipts). The distribution
6 made in March of each year subsequent to the year in which an
7 allocation was made pursuant to this paragraph and the
8 preceding paragraph shall be reduced by the amount allocated
9 and disbursed under this paragraph in the preceding calendar
10 year. The Department shall prepare and certify to the
11 Comptroller for disbursement the allocations made in
12 accordance with this paragraph.

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

22 (e) Nothing in this Section shall be construed to authorize
23 a county to impose a tax upon the privilege of engaging in any
24 business that under the Constitution of the United States may
25 not be made the subject of taxation by this State.

26 (e-5) If a county imposes a tax under this Section, the

1 county board may, by ordinance, discontinue or lower the rate
2 of the tax. If the county board lowers the tax rate or
3 discontinues the tax, a referendum must be held in accordance
4 with subsection (a) of this Section in order to increase the
5 rate of the tax or to reimpose the discontinued tax.

6 (f) Beginning April 1, 1998, the results of any election
7 authorizing a proposition to impose a tax under this Section or
8 effecting a change in the rate of tax, or any ordinance
9 lowering the rate or discontinuing the tax, shall be certified
10 by the county clerk and filed with the Illinois Department of
11 Revenue either (i) on or before the first day of April,
12 whereupon the Department shall proceed to administer and
13 enforce the tax as of the first day of July next following the
14 filing; or (ii) on or before the first day of October,
15 whereupon the Department shall proceed to administer and
16 enforce the tax as of the first day of January next following
17 the filing.

18 (g) When certifying the amount of a monthly disbursement to
19 a county under this Section, the Department shall increase or
20 decrease the amounts by an amount necessary to offset any
21 miscalculation of previous disbursements. The offset amount
22 shall be the amount erroneously disbursed within the previous 6
23 months from the time a miscalculation is discovered.

24 (h) This Section may be cited as the "Special County
25 Occupation Tax For Public Safety, Public Facilities, or
26 Transportation Law".

1 (i) For purposes of this Section, "public safety" includes,
2 but is not limited to, crime prevention, detention, fire
3 fighting, police, medical, ambulance, or other emergency
4 services. For the purposes of this Section, "transportation"
5 includes, but is not limited to, the construction, maintenance,
6 operation, and improvement of public highways, any other
7 purpose for which a county may expend funds under the Illinois
8 Highway Code, and passenger rail transportation. For the
9 purposes of this Section, "public facilities purposes"
10 includes, but is not limited to, the acquisition, development,
11 construction, reconstruction, rehabilitation, improvement,
12 financing, architectural planning, and installation of capital
13 facilities consisting of buildings, structures, and durable
14 equipment and for the acquisition and improvement of real
15 property and interest in real property required, or expected to
16 be required, in connection with the public facilities, for use
17 by the county for the furnishing of governmental services to
18 its citizens, including but not limited to museums and nursing
19 homes.

20 (j) The Department may promulgate rules to implement this
21 amendatory Act of the 95th General Assembly only to the extent
22 necessary to apply the existing rules for the Special County
23 Retailers' Occupation Tax for Public Safety to this new purpose
24 for public facilities.

25 (Source: P.A. 94-781, eff. 5-19-06; 95-474, eff. 1-1-08;
26 95-1002, eff. 11-20-08.)

1 (55 ILCS 5/5-1006.7)

2 Sec. 5-1006.7. School facility occupation taxes.

3 (a) The county board of any county may impose a tax upon
4 all persons engaged in the business of selling tangible
5 personal property, other than personal property titled or
6 registered with an agency of this State's government, at retail
7 in the county on the gross receipts from the sales made in the
8 course of business to provide revenue to be used exclusively
9 for school facility purposes if a proposition for the tax has
10 been submitted to the electors of that county and approved by a
11 majority of those voting on the question as provided in
12 subsection (c). The tax under this Section may be imposed only
13 in one-quarter percent increments and may not exceed 1%.

14 This additional tax may not be imposed on the sale of food
15 for human consumption that is to be consumed off the premises
16 where it is sold (other than alcoholic beverages, soft drinks,
17 and food that has been prepared for immediate consumption) and
18 prescription and non-prescription medicines, drugs, medical
19 appliances and insulin, urine testing materials, syringes and
20 needles used by diabetics. The Department of Revenue has full
21 power to administer and enforce this subsection, to collect all
22 taxes and penalties due under this subsection, to dispose of
23 taxes and penalties so collected in the manner provided in this
24 subsection, and to determine all rights to credit memoranda
25 arising on account of the erroneous payment of a tax or penalty

1 under this subsection. The Department shall deposit all taxes
2 and penalties collected under this subsection into a special
3 fund created for that purpose.

4 In the administration of and compliance with this
5 subsection, the Department and persons who are subject to this
6 subsection (i) have the same rights, remedies, privileges,
7 immunities, powers, and duties, (ii) are subject to the same
8 conditions, restrictions, limitations, penalties, and
9 definitions of terms, and (iii) shall employ the same modes of
10 procedure as are set forth in Sections 1 through 10, 2 through
11 2-70 (in respect to all provisions contained in those Sections
12 other than the State rate of tax), 2a through 2h, 3 (except as
13 to the disposition of taxes and penalties collected), 4, 5, 5a,
14 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
15 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
16 and all provisions of the Uniform Penalty and Interest Act as
17 if those provisions were set forth in this subsection.

18 The certificate of registration that is issued by the
19 Department to a retailer under the Retailers' Occupation Tax
20 Act permits the retailer to engage in a business that is
21 taxable without registering separately with the Department
22 under an ordinance or resolution under this subsection.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 seller's tax liability by separately stating that tax as an
26 additional charge, which may be stated in combination, in a

1 single amount, with State tax that sellers are required to
2 collect under the Use Tax Act, pursuant to any bracketed
3 schedules set forth by the Department.

4 (b) If a tax has been imposed under subsection (a), then a
5 service occupation tax must also be imposed at the same rate
6 upon all persons engaged, in the county, in the business of
7 making sales of service, who, as an incident to making those
8 sales of service, transfer tangible personal property within
9 the county as an incident to a sale of service.

10 This tax may not be imposed on sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks, and food
13 prepared for immediate consumption) and prescription and
14 non-prescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes, and needles used by
16 diabetics.

17 The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident thereof shall be
19 collected and enforced by the Department and deposited into a
20 special fund created for that purpose. The Department has full
21 power to administer and enforce this subsection, to collect all
22 taxes and penalties due under this subsection, to dispose of
23 taxes and penalties so collected in the manner provided in this
24 subsection, and to determine all rights to credit memoranda
25 arising on account of the erroneous payment of a tax or penalty
26 under this subsection.

1 In the administration of and compliance with this
2 subsection, the Department and persons who are subject to this
3 subsection shall (i) have the same rights, remedies,
4 privileges, immunities, powers and duties, (ii) be subject to
5 the same conditions, restrictions, limitations, penalties and
6 definition of terms, and (iii) employ the same modes of
7 procedure as are set forth in Sections 2 (except that that
8 reference to State in the definition of supplier maintaining a
9 place of business in this State means the county), 2a through
10 2d, 3 through 3-50 (in respect to all provisions contained in
11 those Sections other than the State rate of tax), 4 (except
12 that the reference to the State shall be to the county), 5, 7,
13 8 (except that the jurisdiction to which the tax is a debt to
14 the extent indicated in that Section 8 is the county), 9
15 (except as to the disposition of taxes and penalties
16 collected), 10, 11, 12 (except the reference therein to Section
17 2b of the Retailers' Occupation Tax Act), 13 (except that any
18 reference to the State means the county), Section 15, 16, 17,
19 18, 19, and 20 of the Service Occupation Tax Act and all
20 provisions of the Uniform Penalty and Interest Act, as fully as
21 if those provisions were set forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this subsection may reimburse themselves for their
24 serviceman's tax liability by separately stating the tax as an
25 additional charge, which may be stated in combination, in a
26 single amount, with State tax that servicemen are authorized to

1 collect under the Service Use Tax Act, pursuant to any
2 bracketed schedules set forth by the Department.

3 (c) The tax under this Section may not be imposed until, by
4 ordinance or resolution of the county board, the question of
5 imposing the tax has been submitted to the electors of the
6 county at a regular election and approved by a majority of the
7 electors voting on the question. Upon a resolution by the
8 county board or a resolution by school district boards that
9 represent at least 51% of the student enrollment within the
10 county, the county board must certify the question to the
11 proper election authority in accordance with the Election Code.

12 The election authority must submit the question in
13 substantially the following form:

14 Shall (name of county) be authorized to impose a
15 retailers' occupation tax and a service occupation tax
16 (commonly referred to as a "sales tax") at a rate of
17 (insert rate) to be used exclusively for school facility
18 purposes?

19 The election authority must record the votes as "Yes" or "No".

20 If a majority of the electors voting on the question vote
21 in the affirmative, then the county may, thereafter, impose the
22 tax.

23 For the purposes of this subsection (c), "enrollment" means
24 the head count of the students residing in the county on the
25 last school day of September of each year, which must be
26 reported on the Illinois State Board of Education Public School

1 Fall Enrollment/Housing Report.

2 (d) The Department shall immediately pay over to the State
3 Treasurer, ex officio, as trustee, all taxes and penalties
4 collected under this Section to be deposited into the School
5 Facility Occupation Tax Fund, which shall be an unappropriated
6 trust fund held outside the State treasury.

7 As soon as possible after the first day of each month,
8 beginning January 1, 2010, upon certification of the Department
9 of Revenue, the Comptroller shall order transferred, and the
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
11 local sales tax increment, as defined in the STAR Bonds
12 Financing Act, collected under this Section during the second
13 preceding calendar month for sales within a STAR bond district.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on ~~on~~ or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the regional
18 superintendents of schools in counties from which retailers or
19 servicemen have paid taxes or penalties to the Department
20 during the second preceding calendar month. The amount to be
21 paid to each regional superintendent of schools and disbursed
22 to him or her in accordance with 3-14.31 of the School Code, is
23 equal to the amount (not including credit memoranda) collected
24 from the county under this Section during the second preceding
25 calendar month by the Department, (i) less 2% of that amount,
26 which shall be deposited into the Tax Compliance and

1 Administration Fund and shall be used by the Department,
2 subject to appropriation, to cover the costs of the Department
3 in administering and enforcing the provisions of this Section,
4 on behalf of the county, (ii) plus an amount that the
5 Department determines is necessary to offset any amounts that
6 were erroneously paid to a different taxing body; (iii) less an
7 amount equal to the amount of refunds made during the second
8 preceding calendar month by the Department on behalf of the
9 county; ~~and~~ (iv) less any amount that the Department determines
10 is necessary to offset any amounts that were payable to a
11 different taxing body but were erroneously paid to the county;
12 and (v) less any amounts that are transferred to the STAR Bonds
13 Revenue Fund. When certifying the amount of a monthly
14 disbursement to a regional superintendent of schools under this
15 Section, the Department shall increase or decrease the amounts
16 by an amount necessary to offset any miscalculation of previous
17 disbursements within the previous 6 months from the time a
18 miscalculation is discovered.

19 Within 10 days after receipt by the Comptroller from the
20 Department of the disbursement certification to the regional
21 superintendents of the schools provided for in this Section,
22 the Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with directions contained in
24 the certification.

25 If the Department determines that a refund should be made
26 under this Section to a claimant instead of issuing a credit

1 memorandum, then the Department shall notify the Comptroller,
2 who shall cause the order to be drawn for the amount specified
3 and to the person named in the notification from the
4 Department. The refund shall be paid by the Treasurer out of
5 the School Facility Occupation Tax Fund.

6 (e) For the purposes of determining the local governmental
7 unit whose tax is applicable, a retail sale by a producer of
8 coal or another mineral mined in Illinois is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This subsection does not apply to
11 coal or another mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the United States Constitution as a sale
14 in interstate or foreign commerce.

15 (f) Nothing in this Section may be construed to authorize a
16 county board to impose a tax upon the privilege of engaging in
17 any business that under the Constitution of the United States
18 may not be made the subject of taxation by this State.

19 (g) If a county board imposes a tax under this Section,
20 then the board may, by ordinance, discontinue or reduce the
21 rate of the tax. If, however, a school board issues bonds that
22 are backed by the proceeds of the tax under this Section, then
23 the county board may not reduce the tax rate or discontinue the
24 tax if that rate reduction or discontinuance would inhibit the
25 school board's ability to pay the principal and interest on
26 those bonds as they become due. If the county board reduces the

1 tax rate or discontinues the tax, then a referendum must be
2 held in accordance with subsection (c) of this Section in order
3 to increase the rate of the tax or to reimpose the discontinued
4 tax.

5 The results of any election that authorizes a proposition
6 to impose a tax under this Section or to change the rate of the
7 tax along with an ordinance imposing the tax, or any ordinance
8 that lowers the rate or discontinues the tax, must be certified
9 by the county clerk and filed with the Illinois Department of
10 Revenue either (i) on or before the first day of April,
11 whereupon the Department shall proceed to administer and
12 enforce the tax or change in the rate as of the first day of
13 July next following the filing; or (ii) on or before the first
14 day of October, whereupon the Department shall proceed to
15 administer and enforce the tax or change in the rate as of the
16 first day of January next following the filing.

17 (h) For purposes of this Section, "school facility
18 purposes" means the acquisition, development, construction,
19 reconstruction, rehabilitation, improvement, financing,
20 architectural planning, and installation of capital facilities
21 consisting of buildings, structures, and durable equipment and
22 for the acquisition and improvement of real property and
23 interest in real property required, or expected to be required,
24 in connection with the capital facilities. "School-facility
25 purposes" also includes fire prevention, safety, energy
26 conservation, disabled accessibility, school security, and

1 specified repair purposes set forth under Section 17-2.11 of
2 the School Code.

3 (i) This Section does not apply to Cook County.

4 (j) This Section may be cited as the County School Facility
5 Occupation Tax Law.

6 (Source: P.A. 95-675, eff. 10-11-07.)

7 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

8 Sec. 5-1007. Home Rule County Service Occupation Tax Law.

9 The corporate authorities of a home rule county may impose a
10 tax upon all persons engaged, in such county, in the business
11 of making sales of service at the same rate of tax imposed
12 pursuant to Section 5-1006 of the selling price of all tangible
13 personal property transferred by such servicemen either in the
14 form of tangible personal property or in the form of real
15 estate as an incident to a sale of service. If imposed, such
16 tax shall only be imposed in 1/4% increments. On and after
17 September 1, 1991, this additional tax may not be imposed on
18 the sales of food for human consumption which is to be consumed
19 off the premises where it is sold (other than alcoholic
20 beverages, soft drinks and food which has been prepared for
21 immediate consumption) and prescription and nonprescription
22 medicines, drugs, medical appliances and insulin, urine
23 testing materials, syringes and needles used by diabetics. The
24 tax imposed by a home rule county pursuant to this Section and
25 all civil penalties that may be assessed as an incident thereof

1 shall be collected and enforced by the State Department of
2 Revenue. The certificate of registration which is issued by the
3 Department to a retailer under the Retailers' Occupation Tax
4 Act or under the Service Occupation Tax Act shall permit such
5 registrant to engage in a business which is taxable under any
6 ordinance or resolution enacted pursuant to this Section
7 without registering separately with the Department under such
8 ordinance or resolution or under this Section. The Department
9 shall have full power to administer and enforce this Section;
10 to collect all taxes and penalties due hereunder; to dispose of
11 taxes and penalties so collected in the manner hereinafter
12 provided; and to determine all rights to credit memoranda
13 arising on account of the erroneous payment of tax or penalty
14 hereunder. In the administration of, and compliance with, this
15 Section the Department and persons who are subject to this
16 Section shall have the same rights, remedies, privileges,
17 immunities, powers and duties, and be subject to the same
18 conditions, restrictions, limitations, penalties and
19 definitions of terms, and employ the same modes of procedure,
20 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
21 respect to all provisions therein other than the State rate of
22 tax), 4 (except that the reference to the State shall be to the
23 taxing county), 5, 7, 8 (except that the jurisdiction to which
24 the tax shall be a debt to the extent indicated in that Section
25 8 shall be the taxing county), 9 (except as to the disposition
26 of taxes and penalties collected, and except that the returned

1 merchandise credit for this county tax may not be taken against
2 any State tax), 10, 11, 12 (except the reference therein to
3 Section 2b of the Retailers' Occupation Tax Act), 13 (except
4 that any reference to the State shall mean the taxing county),
5 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
6 Service Occupation Tax Act and Section 3-7 of the Uniform
7 Penalty and Interest Act, as fully as if those provisions were
8 set forth herein.

9 No tax may be imposed by a home rule county pursuant to
10 this Section unless such county also imposes a tax at the same
11 rate pursuant to Section 5-1006.

12 Persons subject to any tax imposed pursuant to the
13 authority granted in this Section may reimburse themselves for
14 their serviceman's tax liability hereunder by separately
15 stating such tax as an additional charge, which charge may be
16 stated in combination, in a single amount, with State tax which
17 servicemen are authorized to collect under the Service Use Tax
18 Act, pursuant to such bracket schedules as the Department may
19 prescribe.

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing credit
22 memorandum, the Department shall notify the State Comptroller,
23 who shall cause the order to be drawn for the amount specified,
24 and to the person named, in such notification from the
25 Department. Such refund shall be paid by the State Treasurer
26 out of the home rule county retailers' occupation tax fund.

1 The Department shall forthwith pay over to the State
2 Treasurer, ex-officio, as trustee, all taxes and penalties
3 collected hereunder.

4 As soon as possible after the first day of each month,
5 beginning January 1, 2010, upon certification of the Department
6 of Revenue, the Comptroller shall order transferred, and the
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
8 local sales tax increment, as defined in the STAR Bonds
9 Financing Act, collected under this Section during the second
10 preceding calendar month for sales within a STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on ~~on~~ or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named counties, the
15 counties to be those from which suppliers and servicemen have
16 paid taxes or penalties hereunder to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 county shall be the amount (not including credit memoranda)
19 collected hereunder during the second preceding calendar month
20 by the Department, and not including an amount equal to the
21 amount of refunds made during the second preceding calendar
22 month by the Department on behalf of such county, and not
23 including any amounts that are transferred to the STAR Bonds
24 Revenue Fund. Within 10 days after receipt, by the Comptroller,
25 of the disbursement certification to the counties provided for
26 in this Section to be given to the Comptroller by the

1 Department, the Comptroller shall cause the orders to be drawn
2 for the respective amounts in accordance with the directions
3 contained in such certification.

4 In addition to the disbursement required by the preceding
5 paragraph, an allocation shall be made in each year to each
6 county which received more than \$500,000 in disbursements under
7 the preceding paragraph in the preceding calendar year. The
8 allocation shall be in an amount equal to the average monthly
9 distribution made to each such county under the preceding
10 paragraph during the preceding calendar year (excluding the 2
11 months of highest receipts). The distribution made in March of
12 each year subsequent to the year in which an allocation was
13 made pursuant to this paragraph and the preceding paragraph
14 shall be reduced by the amount allocated and disbursed under
15 this paragraph in the preceding calendar year. The Department
16 shall prepare and certify to the Comptroller for disbursement
17 the allocations made in accordance with this paragraph.

18 Nothing in this Section shall be construed to authorize a
19 county to impose a tax upon the privilege of engaging in any
20 business which under the Constitution of the United States may
21 not be made the subject of taxation by this State.

22 An ordinance or resolution imposing or discontinuing a tax
23 hereunder or effecting a change in the rate thereof shall be
24 adopted and a certified copy thereof filed with the Department
25 on or before the first day of June, whereupon the Department
26 shall proceed to administer and enforce this Section as of the

1 first day of September next following such adoption and filing.
2 Beginning January 1, 1992, an ordinance or resolution imposing
3 or discontinuing the tax hereunder or effecting a change in the
4 rate thereof shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of July,
6 whereupon the Department shall proceed to administer and
7 enforce this Section as of the first day of October next
8 following such adoption and filing. Beginning January 1, 1993,
9 an ordinance or resolution imposing or discontinuing the tax
10 hereunder or effecting a change in the rate thereof shall be
11 adopted and a certified copy thereof filed with the Department
12 on or before the first day of October, whereupon the Department
13 shall proceed to administer and enforce this Section as of the
14 first day of January next following such adoption and filing.
15 Beginning April 1, 1998, an ordinance or resolution imposing or
16 discontinuing the tax hereunder or effecting a change in the
17 rate thereof shall either (i) be adopted and a certified copy
18 thereof filed with the Department on or before the first day of
19 April, whereupon the Department shall proceed to administer and
20 enforce this Section as of the first day of July next following
21 the adoption and filing; or (ii) be adopted and a certified
22 copy thereof filed with the Department on or before the first
23 day of October, whereupon the Department shall proceed to
24 administer and enforce this Section as of the first day of
25 January next following the adoption and filing.

26 This Section shall be known and may be cited as the Home

1 Rule County Service Occupation Tax Law.

2 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)"; and

3 on page 41, by replacing lines 2 and 3 with the following:

4 "Section 70. The Illinois Municipal Code is amended by
5 changing Sections 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
6 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:"; and

7 on page 44, immediately below line 15, by inserting the
8 following:

9 "(65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

10 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
11 Act. The corporate authorities of a home rule municipality may
12 impose a tax upon all persons engaged in the business of
13 selling tangible personal property, other than an item of
14 tangible personal property titled or registered with an agency
15 of this State's government, at retail in the municipality on
16 the gross receipts from these sales made in the course of such
17 business. If imposed, the tax shall only be imposed in 1/4%
18 increments. On and after September 1, 1991, this additional tax
19 may not be imposed on the sales of food for human consumption
20 that is to be consumed off the premises where it is sold (other
21 than alcoholic beverages, soft drinks and food that has been
22 prepared for immediate consumption) and prescription and
23 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by
2 diabetics. The tax imposed by a home rule municipality under
3 this Section and all civil penalties that may be assessed as an
4 incident of the tax shall be collected and enforced by the
5 State Department of Revenue. The certificate of registration
6 that is issued by the Department to a retailer under the
7 Retailers' Occupation Tax Act shall permit the retailer to
8 engage in a business that is taxable under any ordinance or
9 resolution enacted pursuant to this Section without
10 registering separately with the Department under such
11 ordinance or resolution or under this Section. The Department
12 shall have full power to administer and enforce this Section;
13 to collect all taxes and penalties due hereunder; to dispose of
14 taxes and penalties so collected in the manner hereinafter
15 provided; and to determine all rights to credit memoranda
16 arising on account of the erroneous payment of tax or penalty
17 hereunder. In the administration of, and compliance with, this
18 Section the Department and persons who are subject to this
19 Section shall have the same rights, remedies, privileges,
20 immunities, powers and duties, and be subject to the same
21 conditions, restrictions, limitations, penalties and
22 definitions of terms, and employ the same modes of procedure,
23 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,
24 1m, 1n, 2 through 2-65 (in respect to all provisions therein
25 other than the State rate of tax), 2c, 3 (except as to the
26 disposition of taxes and penalties collected), 4, 5, 5a, 5b,

1 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9,
2 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
3 Section 3-7 of the Uniform Penalty and Interest Act, as fully
4 as if those provisions were set forth herein.

5 No tax may be imposed by a home rule municipality under
6 this Section unless the municipality also imposes a tax at the
7 same rate under Section 8-11-5 of this Act.

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

15 Whenever the Department determines that a refund should be
16 made under this Section to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the home rule municipal retailers' occupation
22 tax fund.

23 The Department shall immediately pay over to the State
24 Treasurer, ex officio, as trustee, all taxes and penalties
25 collected hereunder.

26 As soon as possible after the first day of each month,

1 beginning January 1, 2010, upon certification of the Department
2 of Revenue, the Comptroller shall order transferred, and the
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
4 local sales tax increment, as defined in the STAR Bonds
5 Financing Act, collected under this Section during the second
6 preceding calendar month for sales within a STAR bond district.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on ~~on~~ or before the 25th day of each calendar month, the
9 Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to named municipalities,
11 the municipalities to be those from which retailers have paid
12 taxes or penalties hereunder to the Department during the
13 second preceding calendar month. The amount to be paid to each
14 municipality shall be the amount (not including credit
15 memoranda) collected hereunder during the second preceding
16 calendar month by the Department plus an amount the Department
17 determines is necessary to offset any amounts that were
18 erroneously paid to a different taxing body, and not including
19 an amount equal to the amount of refunds made during the second
20 preceding calendar month by the Department on behalf of such
21 municipality, and not including any amount that the Department
22 determines is necessary to offset any amounts that were payable
23 to a different taxing body but were erroneously paid to the
24 municipality, and not including any amounts that are
25 transferred to the STAR Bonds Revenue Fund. Within 10 days
26 after receipt by the Comptroller of the disbursement

1 certification to the municipalities provided for in this
2 Section to be given to the Comptroller by the Department, the
3 Comptroller shall cause the orders to be drawn for the
4 respective amounts in accordance with the directions contained
5 in the certification.

6 In addition to the disbursement required by the preceding
7 paragraph and in order to mitigate delays caused by
8 distribution procedures, an allocation shall, if requested, be
9 made within 10 days after January 14, 1991, and in November of
10 1991 and each year thereafter, to each municipality that
11 received more than \$500,000 during the preceding fiscal year,
12 (July 1 through June 30) whether collected by the municipality
13 or disbursed by the Department as required by this Section.
14 Within 10 days after January 14, 1991, participating
15 municipalities shall notify the Department in writing of their
16 intent to participate. In addition, for the initial
17 distribution, participating municipalities shall certify to
18 the Department the amounts collected by the municipality for
19 each month under its home rule occupation and service
20 occupation tax during the period July 1, 1989 through June 30,
21 1990. The allocation within 10 days after January 14, 1991,
22 shall be in an amount equal to the monthly average of these
23 amounts, excluding the 2 months of highest receipts. The
24 monthly average for the period of July 1, 1990 through June 30,
25 1991 will be determined as follows: the amounts collected by
26 the municipality under its home rule occupation and service

1 occupation tax during the period of July 1, 1990 through
2 September 30, 1990, plus amounts collected by the Department
3 and paid to such municipality through June 30, 1991, excluding
4 the 2 months of highest receipts. The monthly average for each
5 subsequent period of July 1 through June 30 shall be an amount
6 equal to the monthly distribution made to each such
7 municipality under the preceding paragraph during this period,
8 excluding the 2 months of highest receipts. The distribution
9 made in November 1991 and each year thereafter under this
10 paragraph and the preceding paragraph shall be reduced by the
11 amount allocated and disbursed under this paragraph in the
12 preceding period of July 1 through June 30. The Department
13 shall prepare and certify to the Comptroller for disbursement
14 the allocations made in accordance with this paragraph.

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

24 Nothing in this Section shall be construed to authorize a
25 municipality to impose a tax upon the privilege of engaging in
26 any business which under the Constitution of the United States

1 may not be made the subject of taxation by this State.

2 An ordinance or resolution imposing or discontinuing a tax
3 hereunder or effecting a change in the rate thereof shall be
4 adopted and a certified copy thereof filed with the Department
5 on or before the first day of June, whereupon the Department
6 shall proceed to administer and enforce this Section as of the
7 first day of September next following the adoption and filing.
8 Beginning January 1, 1992, an ordinance or resolution imposing
9 or discontinuing the tax hereunder or effecting a change in the
10 rate thereof shall be adopted and a certified copy thereof
11 filed with the Department on or before the first day of July,
12 whereupon the Department shall proceed to administer and
13 enforce this Section as of the first day of October next
14 following such adoption and filing. Beginning January 1, 1993,
15 an ordinance or resolution imposing or discontinuing the tax
16 hereunder or effecting a change in the rate thereof shall be
17 adopted and a certified copy thereof filed with the Department
18 on or before the first day of October, whereupon the Department
19 shall proceed to administer and enforce this Section as of the
20 first day of January next following the adoption and filing.
21 However, a municipality located in a county with a population
22 in excess of 3,000,000 that elected to become a home rule unit
23 at the general primary election in 1994 may adopt an ordinance
24 or resolution imposing the tax under this Section and file a
25 certified copy of the ordinance or resolution with the
26 Department on or before July 1, 1994. The Department shall then

1 proceed to administer and enforce this Section as of October 1,
2 1994. Beginning April 1, 1998, an ordinance or resolution
3 imposing or discontinuing the tax hereunder or effecting a
4 change in the rate thereof shall either (i) be adopted and a
5 certified copy thereof filed with the Department on or before
6 the first day of April, whereupon the Department shall proceed
7 to administer and enforce this Section as of the first day of
8 July next following the adoption and filing; or (ii) be adopted
9 and a certified copy thereof filed with the Department on or
10 before the first day of October, whereupon the Department shall
11 proceed to administer and enforce this Section as of the first
12 day of January next following the adoption and filing.

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

19 Any unobligated balance remaining in the Municipal
20 Retailers' Occupation Tax Fund on December 31, 1989, which fund
21 was abolished by Public Act 85-1135, and all receipts of
22 municipal tax as a result of audits of liability periods prior
23 to January 1, 1990, shall be paid into the Local Government Tax
24 Fund for distribution as provided by this Section prior to the
25 enactment of Public Act 85-1135. All receipts of municipal tax
26 as a result of an assessment not arising from an audit, for

1 liability periods prior to January 1, 1990, shall be paid into
2 the Local Government Tax Fund for distribution before July 1,
3 1990, as provided by this Section prior to the enactment of
4 Public Act 85-1135; and on and after July 1, 1990, all such
5 receipts shall be distributed as provided in Section 6z-18 of
6 the State Finance Act.

7 As used in this Section, "municipal" and "municipality"
8 means a city, village or incorporated town, including an
9 incorporated town that has superseded a civil township.

10 This Section shall be known and may be cited as the Home
11 Rule Municipal Retailers' Occupation Tax Act.

12 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

13 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

14 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
15 Occupation Tax Act. The corporate authorities of a non-home
16 rule municipality may impose a tax upon all persons engaged in
17 the business of selling tangible personal property, other than
18 on an item of tangible personal property which is titled and
19 registered by an agency of this State's Government, at retail
20 in the municipality for expenditure on public infrastructure or
21 for property tax relief or both as defined in Section 8-11-1.2
22 if approved by referendum as provided in Section 8-11-1.1, of
23 the gross receipts from such sales made in the course of such
24 business. The tax imposed may not be more than 1% and may be
25 imposed only in 1/4% increments. The tax may not be imposed on

1 the sale of food for human consumption that is to be consumed
2 off the premises where it is sold (other than alcoholic
3 beverages, soft drinks, and food that has been prepared for
4 immediate consumption) and prescription and nonprescription
5 medicines, drugs, medical appliances, and insulin, urine
6 testing materials, syringes, and needles used by diabetics. The
7 tax imposed by a municipality pursuant to this Section and all
8 civil penalties that may be assessed as an incident thereof
9 shall be collected and enforced by the State Department of
10 Revenue. The certificate of registration which is issued by the
11 Department to a retailer under the Retailers' Occupation Tax
12 Act shall permit such retailer to engage in a business which is
13 taxable under any ordinance or resolution enacted pursuant to
14 this Section without registering separately with the
15 Department under such ordinance or resolution or under this
16 Section. The Department shall have full power to administer and
17 enforce this Section; to collect all taxes and penalties due
18 hereunder; to dispose of taxes and penalties so collected in
19 the manner hereinafter provided, and to determine all rights to
20 credit memoranda, arising on account of the erroneous payment
21 of tax or penalty hereunder. In the administration of, and
22 compliance with, this Section, the Department and persons who
23 are subject to this Section shall have the same rights,
24 remedies, privileges, immunities, powers and duties, and be
25 subject to the same conditions, restrictions, limitations,
26 penalties and definitions of terms, and employ the same modes

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

9 No municipality may impose a tax under this Section unless
10 the municipality also imposes a tax at the same rate under
11 Section 8-11-1.4 of this Code.

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

19 Whenever the Department determines that a refund should be
20 made under this Section 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 such notification
24 from the Department. Such refund shall be paid by the State
25 Treasurer out of the non-home rule municipal retailers'
26 occupation tax fund.

1 The Department shall forthwith pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected hereunder.

4 As soon as possible after the first day of each month,
5 beginning January 1, 2010, upon certification of the Department
6 of Revenue, the Comptroller shall order transferred, and the
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
8 local sales tax increment, as defined in the STAR Bonds
9 Financing Act, collected under this Section during the second
10 preceding calendar month for sales within a STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on ~~on~~ or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which retailers have paid
16 taxes or penalties hereunder to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 municipality shall be the amount (not including credit
19 memoranda) collected hereunder during the second preceding
20 calendar month by the Department plus an amount the Department
21 determines is necessary to offset any amounts which were
22 erroneously paid to a different taxing body, and not including
23 an amount equal to the amount of refunds made during the second
24 preceding calendar month by the Department on behalf of such
25 municipality, and not including any amount which the Department
26 determines is necessary to offset any amounts which were

1 payable to a different taxing body but were erroneously paid to
2 the municipality, and not including any amounts that are
3 transferred to the STAR Bonds Revenue Fund. Within 10 days
4 after receipt, by the Comptroller, of the disbursement
5 certification to the municipalities, provided for in this
6 Section to be given to the Comptroller by the Department, the
7 Comptroller shall cause the orders to be drawn for the
8 respective amounts in accordance with the directions contained
9 in such certification.

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

19 Nothing in this Section shall be construed to authorize a
20 municipality to impose a tax upon the privilege of engaging in
21 any business which under the constitution of the United States
22 may not be made the subject of taxation by this State.

23 When certifying the amount of a monthly disbursement to a
24 municipality under this Section, the Department shall increase
25 or decrease such amount by an amount necessary to offset any
26 misallocation of previous disbursements. The offset amount

1 shall be the amount erroneously disbursed within the previous 6
2 months from the time a misallocation is discovered.

3 The Department of Revenue shall implement this amendatory
4 Act of the 91st General Assembly so as to collect the tax on
5 and after January 1, 2002.

6 As used in this Section, "municipal" and "municipality"
7 means a city, village or incorporated town, including an
8 incorporated town which has superseded a civil township.

9 This Section shall be known and may be cited as the
10 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

11 (Source: P.A. 94-679, eff. 1-1-06.)

12 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

13 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
14 Tax Act. The corporate authorities of a non-home rule
15 municipality may impose a tax upon all persons engaged, in such
16 municipality, in the business of making sales of service for
17 expenditure on public infrastructure or for property tax relief
18 or both as defined in Section 8-11-1.2 if approved by
19 referendum as provided in Section 8-11-1.1, of the selling
20 price of all tangible personal property transferred by such
21 servicemen either in the form of tangible personal property or
22 in the form of real estate as an incident to a sale of service.
23 The tax imposed may not be more than 1% and may be imposed only
24 in 1/4% increments. The tax may not be imposed on the sale of
25 food for human consumption that is to be consumed off the

1 premises where it is sold (other than alcoholic beverages, soft
2 drinks, and food that has been prepared for immediate
3 consumption) and prescription and nonprescription medicines,
4 drugs, medical appliances, and insulin, urine testing
5 materials, syringes, and needles used by diabetics. The tax
6 imposed by a municipality pursuant to this Section and all
7 civil penalties that may be assessed as an incident thereof
8 shall be collected and enforced by the State Department of
9 Revenue. The certificate of registration which is issued by the
10 Department to a retailer under the Retailers' Occupation Tax
11 Act or under the Service Occupation Tax Act shall permit such
12 registrant to engage in a business which is taxable under any
13 ordinance or resolution enacted pursuant to this Section
14 without registering separately with the Department under such
15 ordinance or resolution or under this Section. The Department
16 shall have full power to administer and enforce this Section;
17 to collect all taxes and penalties due hereunder; to dispose of
18 taxes and penalties so collected in the manner hereinafter
19 provided, and to determine all rights to credit memoranda
20 arising on account of the erroneous payment of tax or penalty
21 hereunder. In the administration of, and compliance with, this
22 Section the Department and persons who are subject to this
23 Section shall have the same rights, remedies, privileges,
24 immunities, powers and duties, and be subject to the same
25 conditions, restrictions, limitations, penalties and
26 definitions of terms, and employ the same modes of procedure,

1 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
2 respect to all provisions therein other than the State rate of
3 tax), 4 (except that the reference to the State shall be to the
4 taxing municipality), 5, 7, 8 (except that the jurisdiction to
5 which the tax shall be a debt to the extent indicated in that
6 Section 8 shall be the taxing municipality), 9 (except as to
7 the disposition of taxes and penalties collected, and except
8 that the returned merchandise credit for this municipal tax may
9 not be taken against any State tax), 10, 11, 12 (except the
10 reference therein to Section 2b of the Retailers' Occupation
11 Tax Act), 13 (except that any reference to the State shall mean
12 the taxing municipality), the first paragraph of Section 15,
13 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
14 Section 3-7 of the Uniform Penalty and Interest Act, as fully
15 as if those provisions were set forth herein.

16 No municipality may impose a tax under this Section unless
17 the municipality also imposes a tax at the same rate under
18 Section 8-11-1.3 of this Code.

19 Persons subject to any tax imposed pursuant to the
20 authority granted in this Section may reimburse themselves for
21 their serviceman's tax liability hereunder by separately
22 stating such tax as an additional charge, which charge may be
23 stated in combination, in a single amount, with State tax which
24 servicemen are authorized to collect under the Service Use Tax
25 Act, pursuant to such bracket schedules as the Department may
26 prescribe.

1 Whenever the Department determines that a refund should be
2 made under this Section to a claimant instead of issuing credit
3 memorandum, the Department shall notify the State Comptroller,
4 who shall cause the order to be drawn for the amount specified,
5 and to the person named, in such notification from the
6 Department. Such refund shall be paid by the State Treasurer
7 out of the municipal retailers' occupation tax fund.

8 The Department shall forthwith pay over to the State
9 Treasurer, ex officio, as trustee, all taxes and penalties
10 collected hereunder.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2010, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the STAR Bonds
16 Financing Act, collected under this Section during the second
17 preceding calendar month for sales within a STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which suppliers and
23 servicemen have paid taxes or penalties hereunder to the
24 Department during the second preceding calendar month. The
25 amount to be paid to each municipality shall be the amount (not
26 including credit memoranda) collected hereunder during the

1 second preceding calendar month by the Department, and not
2 including an amount equal to the amount of refunds made during
3 the second preceding calendar month by the Department on behalf
4 of such municipality, and not including any amounts that are
5 transferred to the STAR Bonds Revenue Fund. Within 10 days
6 after receipt, by the Comptroller, of the disbursement
7 certification to the municipalities and the General Revenue
8 Fund, provided for in this Section to be given to the
9 Comptroller by the Department, the Comptroller shall cause the
10 orders to be drawn for the respective amounts in accordance
11 with the directions contained in such certification.

12 The Department of Revenue shall implement this amendatory
13 Act of the 91st General Assembly so as to collect the tax on
14 and after January 1, 2002.

15 Nothing in this Section shall be construed to authorize a
16 municipality to impose a tax upon the privilege of engaging in
17 any business which under the constitution of the United States
18 may not be made the subject of taxation by this State.

19 As used in this Section, "municipal" or "municipality"
20 means or refers to a city, village or incorporated town,
21 including an incorporated town which has superseded a civil
22 township.

23 This Section shall be known and may be cited as the
24 "Non-Home Rule Municipal Service Occupation Tax Act".

25 (Source: P.A. 94-679, eff. 1-1-06.)

1 (65 ILCS 5/8-11-1.6)

2 Sec. 8-11-1.6. Non-home rule municipal retailers
3 occupation tax; municipalities between 20,000 and 25,000. The
4 corporate authorities of a non-home rule municipality with a
5 population of more than 20,000 but less than 25,000 that has,
6 prior to January 1, 1987, established a Redevelopment Project
7 Area that has been certified as a State Sales Tax Boundary and
8 has issued bonds or otherwise incurred indebtedness to pay for
9 costs in excess of \$5,000,000, which is secured in part by a
10 tax increment allocation fund, in accordance with the
11 provisions of Division 11-74.4 of this Code may, by passage of
12 an ordinance, impose a tax upon all persons engaged in the
13 business of selling tangible personal property, other than on
14 an item of tangible personal property that is titled and
15 registered by an agency of this State's Government, at retail
16 in the municipality. This tax may not be imposed on the sales
17 of food for human consumption that is to be consumed off the
18 premises where it is sold (other than alcoholic beverages, soft
19 drinks, and food that has been prepared for immediate
20 consumption) and prescription and nonprescription medicines,
21 drugs, medical appliances and insulin, urine testing
22 materials, syringes, and needles used by diabetics. If imposed,
23 the tax shall only be imposed in .25% increments of the gross
24 receipts from such sales made in the course of business. Any
25 tax imposed by a municipality under this Sec. and all civil
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the State Department of Revenue. An
2 ordinance imposing a tax hereunder or effecting a change in the
3 rate thereof shall be adopted and a certified copy thereof
4 filed with the Department on or before the first day of
5 October, whereupon the Department shall proceed to administer
6 and enforce this Section as of the first day of January next
7 following such adoption and filing. The certificate of
8 registration that is issued by the Department to a retailer
9 under the Retailers' Occupation Tax Act shall permit the
10 retailer to engage in a business that is taxable under any
11 ordinance or resolution enacted under this Section without
12 registering separately with the Department under the ordinance
13 or resolution or under this Section. The Department shall have
14 full power to administer and enforce this Section, to collect
15 all taxes and penalties due hereunder, to dispose of taxes and
16 penalties so collected in the manner hereinafter provided, and
17 to determine all rights to credit memoranda, arising on account
18 of the erroneous payment of tax or penalty hereunder. In the
19 administration of, and compliance with this Section, the
20 Department and persons who are subject to this Section shall
21 have the same rights, remedies, privileges, immunities,
22 powers, and duties, and be subject to the same conditions,
23 restrictions, limitations, penalties, and definitions of
24 terms, and employ the same modes of procedure, as are
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
26 through 2-65 (in respect to all provisions therein other than

1 the State rate of tax), 2c, 3 (except as to the disposition of
2 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
3 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and
4 13 of the Retailers' Occupation Tax Act and Section 3-7 of the
5 Uniform Penalty and Interest Act as fully as if those
6 provisions were set forth herein.

7 A tax may not be imposed by a municipality under this
8 Section unless the municipality also imposes a tax at the same
9 rate under Section 8-11-1.7 of this Act.

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

17 Whenever the Department determines that a refund should be
18 made under this Section to a claimant, instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the order to be drawn for the
21 amount specified, and to the person named in the notification
22 from the Department. The refund shall be paid by the State
23 Treasurer out of the Non-Home Rule Municipal Retailers'
24 Occupation Tax Fund, which is hereby created.

25 The Department shall forthwith pay over to the State
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected hereunder.

2 As soon as possible after the first day of each month,
3 beginning January 1, 2010, upon certification of the Department
4 of Revenue, the Comptroller shall order transferred, and the
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
6 local sales tax increment, as defined in the STAR Bonds
7 Financing Act, collected under this Section during the second
8 preceding calendar month for sales within a STAR bond district.

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on ~~or~~ or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to named municipalities,
13 the municipalities to be those from which retailers have paid
14 taxes or penalties hereunder to the Department during the
15 second preceding calendar month. The amount to be paid to each
16 municipality shall be the amount (not including credit
17 memoranda) collected hereunder during the second preceding
18 calendar month by the Department plus an amount the Department
19 determines is necessary to offset any amounts that were
20 erroneously paid to a different taxing body, and not including
21 an amount equal to the amount of refunds made during the second
22 preceding calendar month by the Department on behalf of the
23 municipality, and not including any amount that the Department
24 determines is necessary to offset any amounts that were payable
25 to a different taxing body but were erroneously paid to the
26 municipality, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund. Within 10 days
2 after receipt by the Comptroller of the disbursement
3 certification to the municipalities provided for in this
4 Section to be given to the Comptroller by the Department, the
5 Comptroller shall cause the orders to be drawn for the
6 respective amounts in accordance with the directions contained
7 in the certification.

8 For the purpose of determining the local governmental unit
9 whose tax is applicable, a retail sale by a producer of coal or
10 other mineral mined in Illinois is a sale at retail at the
11 place where the coal or other mineral mined in Illinois is
12 extracted from the earth. This paragraph does not apply to coal
13 or other mineral when it is delivered or shipped by the seller
14 to the purchaser at a point outside Illinois so that the sale
15 is exempt under the federal Constitution as a sale in
16 interstate or foreign commerce.

17 Nothing in this Section shall be construed to authorize a
18 municipality to impose a tax upon the privilege of engaging in
19 any business which under the constitution of the United States
20 may not be made the subject of taxation by this State.

21 When certifying the amount of a monthly disbursement to a
22 municipality under this Section, the Department shall increase
23 or decrease the amount by an amount necessary to offset any
24 misallocation of previous disbursements. The offset amount
25 shall be the amount erroneously disbursed within the previous 6
26 months from the time a misallocation is discovered.

1 As used in this Section, "municipal" and "municipality"
2 means a city, village, or incorporated town, including an
3 incorporated town that has superseded a civil township.

4 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

5 (65 ILCS 5/8-11-1.7)

6 Sec. 8-11-1.7. Non-home rule municipal service occupation
7 tax; municipalities between 20,000 and 25,000. The corporate
8 authorities of a non-home rule municipality with a population
9 of more than 20,000 but less than 25,000 as determined by the
10 last preceding decennial census that has, prior to January 1,
11 1987, established a Redevelopment Project Area that has been
12 certified as a State Sales Tax Boundary and has issued bonds or
13 otherwise incurred indebtedness to pay for costs in excess of
14 \$5,000,000, which is secured in part by a tax increment
15 allocation fund, in accordance with the provisions of Division
16 11-74.7 of this Code may, by passage of an ordinance, impose a
17 tax upon all persons engaged in the municipality in the
18 business of making sales of service. If imposed, the tax shall
19 only be imposed in .25% increments of the selling price of all
20 tangible personal property transferred by such servicemen
21 either in the form of tangible personal property or in the form
22 of real estate as an incident to a sale of service. This tax
23 may not be imposed on the sales of food for human consumption
24 that is to be consumed off the premises where it is sold (other
25 than alcoholic beverages, soft drinks, and food that has been

1 prepared for immediate consumption) and prescription and
2 nonprescription medicines, drugs, medical appliances and
3 insulin, urine testing materials, syringes, and needles used by
4 diabetics. The tax imposed by a municipality under this Sec.
5 and all civil penalties that may be assessed as an incident
6 thereof shall be collected and enforced by the State Department
7 of Revenue. An ordinance imposing a tax hereunder or effecting
8 a change in the rate thereof shall be adopted and a certified
9 copy thereof filed with the Department on or before the first
10 day of October, whereupon the Department shall proceed to
11 administer and enforce this Section as of the first day of
12 January next following such adoption and filing. The
13 certificate of registration that is issued by the Department to
14 a retailer under the Retailers' Occupation Tax Act or under the
15 Service Occupation Tax Act shall permit the registrant to
16 engage in a business that is taxable under any ordinance or
17 resolution enacted under this Section without registering
18 separately with the Department under the ordinance or
19 resolution or under this Section. The Department shall have
20 full power to administer and enforce this Section, to collect
21 all taxes and penalties due hereunder, to dispose of taxes and
22 penalties so collected in a manner hereinafter provided, and to
23 determine all rights to credit memoranda arising on account of
24 the erroneous payment of tax or penalty hereunder. In the
25 administration of and compliance with this Section, the
26 Department and persons who are subject to this Section shall

1 have the same rights, remedies, privileges, immunities,
2 powers, and duties, and be subject to the same conditions,
3 restrictions, limitations, penalties and definitions of terms,
4 and employ the same modes of procedure, as are prescribed in
5 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
6 provisions therein other than the State rate of tax), 4 (except
7 that the reference to the State shall be to the taxing
8 municipality), 5, 7, 8 (except that the jurisdiction to which
9 the tax shall be a debt to the extent indicated in that Section
10 8 shall be the taxing municipality), 9 (except as to the
11 disposition of taxes and penalties collected, and except that
12 the returned merchandise credit for this municipal tax may not
13 be taken against any State tax), 10, 11, 12, (except the
14 reference therein to Section 2b of the Retailers' Occupation
15 Tax Act), 13 (except that any reference to the State shall mean
16 the taxing municipality), the first paragraph of Sections 15,
17 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and
18 Section 3-7 of the Uniform Penalty and Interest Act, as fully
19 as if those provisions were set forth herein.

20 A tax may not be imposed by a municipality under this
21 Section unless the municipality also imposes a tax at the same
22 rate under Section 8-11-1.6 of this Act.

23 Person subject to any tax imposed under the authority
24 granted in this Section may reimburse themselves for their
25 servicemen's tax liability hereunder by separately stating the
26 tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, under
3 such bracket schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should be
5 made under this Section to a claimant instead of issuing credit
6 memorandum, the Department shall notify the State Comptroller,
7 who shall cause the order to be drawn for the amount specified,
8 and to the person named, in such notification from the
9 Department. The refund shall be paid by the State Treasurer out
10 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

11 The Department shall forthwith pay over to the State
12 Treasurer, ex officio, as trustee, all taxes and penalties
13 collected hereunder.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2010, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the STAR Bonds
19 Financing Act, collected under this Section during the second
20 preceding calendar month for sales within a STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on ~~on~~ or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to named municipalities,
25 the municipalities to be those from which suppliers and
26 servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The
2 amount to be paid to each municipality shall be the amount (not
3 including credit memoranda) collected hereunder during the
4 second preceding calendar month by the Department, and not
5 including an amount equal to the amount of refunds made during
6 the second preceding calendar month by the Department on behalf
7 of such municipality, and not including any amounts that are
8 transferred to the STAR Bonds Revenue Fund. Within 10 days
9 after receipt by the Comptroller of the disbursement
10 certification to the municipalities and the General Revenue
11 Fund, provided for in this Section to be given to the
12 Comptroller by the Department, the Comptroller shall cause the
13 orders to be drawn for the respective amounts in accordance
14 with the directions contained in the certification.

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

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

25 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

1 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

2 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
3 Act. The corporate authorities of a home rule municipality may
4 impose a tax upon all persons engaged, in such municipality, in
5 the business of making sales of service at the same rate of tax
6 imposed pursuant to Section 8-11-1, of the selling price of all
7 tangible personal property transferred by such servicemen
8 either in the form of tangible personal property or in the form
9 of real estate as an incident to a sale of service. If imposed,
10 such tax shall only be imposed in 1/4% increments. On and after
11 September 1, 1991, this additional tax may not be imposed on
12 the sales of food for human consumption which is to be consumed
13 off the premises where it is sold (other than alcoholic
14 beverages, soft drinks and food which has been prepared for
15 immediate consumption) and prescription and nonprescription
16 medicines, drugs, medical appliances and insulin, urine
17 testing materials, syringes and needles used by diabetics. The
18 tax imposed by a home rule municipality pursuant to this
19 Section and all civil penalties that may be assessed as an
20 incident thereof shall be collected and enforced by the State
21 Department of Revenue. The certificate of registration which is
22 issued by the Department to a retailer under the Retailers'
23 Occupation Tax Act or under the Service Occupation Tax Act
24 shall permit such registrant to engage in a business which is
25 taxable under any ordinance or resolution enacted pursuant to
26 this Section without registering separately with the

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

1 State tax liability), 18, 19 and 20 of the Service Occupation
2 Tax Act and Section 3-7 of the Uniform Penalty and Interest
3 Act, as fully as if those provisions were set forth herein.

4 No tax may be imposed by a home rule municipality pursuant
5 to this Section unless such municipality also imposes a tax at
6 the same rate pursuant to Section 8-11-1 of this Act.

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

15 Whenever the Department determines that a refund should be
16 made under this Section to a claimant instead of issuing credit
17 memorandum, the Department shall notify the State Comptroller,
18 who shall cause the order to be drawn for the amount specified,
19 and to the person named, in such notification from the
20 Department. Such refund shall be paid by the State Treasurer
21 out of the home rule municipal retailers' occupation tax fund.

22 The Department shall forthwith pay over to the State
23 Treasurer, ex-officio, as trustee, all taxes and penalties
24 collected hereunder.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2010, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the STAR Bonds
4 Financing Act, collected under this Section during the second
5 preceding calendar month for sales within a STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on ~~on~~ or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to named municipalities,
10 the municipalities to be those from which suppliers and
11 servicemen have paid taxes or penalties hereunder to the
12 Department during the second preceding calendar month. The
13 amount to be paid to each municipality shall be the amount (not
14 including credit memoranda) collected hereunder during the
15 second preceding calendar month by the Department, and not
16 including an amount equal to the amount of refunds made during
17 the second preceding calendar month by the Department on behalf
18 of such municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt, by the Comptroller, of the disbursement
21 certification to the municipalities, provided for in this
22 Section to be given to the Comptroller by the Department, the
23 Comptroller shall cause the orders to be drawn for the
24 respective amounts in accordance with the directions contained
25 in such certification.

26 In addition to the disbursement required by the preceding

1 paragraph and in order to mitigate delays caused by
2 distribution procedures, an allocation shall, if requested, be
3 made within 10 days after January 14, 1991, and in November of
4 1991 and each year thereafter, to each municipality that
5 received more than \$500,000 during the preceding fiscal year,
6 (July 1 through June 30) whether collected by the municipality
7 or disbursed by the Department as required by this Section.
8 Within 10 days after January 14, 1991, participating
9 municipalities shall notify the Department in writing of their
10 intent to participate. In addition, for the initial
11 distribution, participating municipalities shall certify to
12 the Department the amounts collected by the municipality for
13 each month under its home rule occupation and service
14 occupation tax during the period July 1, 1989 through June 30,
15 1990. The allocation within 10 days after January 14, 1991,
16 shall be in an amount equal to the monthly average of these
17 amounts, excluding the 2 months of highest receipts. Monthly
18 average for the period of July 1, 1990 through June 30, 1991
19 will be determined as follows: the amounts collected by the
20 municipality under its home rule occupation and service
21 occupation tax during the period of July 1, 1990 through
22 September 30, 1990, plus amounts collected by the Department
23 and paid to such municipality through June 30, 1991, excluding
24 the 2 months of highest receipts. The monthly average for each
25 subsequent period of July 1 through June 30 shall be an amount
26 equal to the monthly distribution made to each such

1 municipality under the preceding paragraph during this period,
2 excluding the 2 months of highest receipts. The distribution
3 made in November 1991 and each year thereafter under this
4 paragraph and the preceding paragraph shall be reduced by the
5 amount allocated and disbursed under this paragraph in the
6 preceding period of July 1 through June 30. The Department
7 shall prepare and certify to the Comptroller for disbursement
8 the allocations made in accordance with this paragraph.

9 Nothing in this Section shall be construed to authorize a
10 municipality to impose a tax upon the privilege of engaging in
11 any business which under the constitution of the United States
12 may not be made the subject of taxation by this State.

13 An ordinance or resolution imposing or discontinuing a tax
14 hereunder or effecting a change in the rate thereof shall be
15 adopted and a certified copy thereof filed with the Department
16 on or before the first day of June, whereupon the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of September next following such adoption and filing.
19 Beginning January 1, 1992, an ordinance or resolution imposing
20 or discontinuing the tax hereunder or effecting a change in the
21 rate thereof shall be adopted and a certified copy thereof
22 filed with the Department on or before the first day of July,
23 whereupon the Department shall proceed to administer and
24 enforce this Section as of the first day of October next
25 following such adoption and filing. Beginning January 1, 1993,
26 an ordinance or resolution imposing or discontinuing the tax

1 hereunder or effecting a change in the rate thereof shall be
2 adopted and a certified copy thereof filed with the Department
3 on or before the first day of October, whereupon the Department
4 shall proceed to administer and enforce this Section as of the
5 first day of January next following such adoption and filing.
6 However, a municipality located in a county with a population
7 in excess of 3,000,000 that elected to become a home rule unit
8 at the general primary election in 1994 may adopt an ordinance
9 or resolution imposing the tax under this Section and file a
10 certified copy of the ordinance or resolution with the
11 Department on or before July 1, 1994. The Department shall then
12 proceed to administer and enforce this Section as of October 1,
13 1994. Beginning April 1, 1998, an ordinance or resolution
14 imposing or discontinuing the tax hereunder or effecting a
15 change in the rate thereof shall either (i) be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of April, whereupon the Department shall proceed
18 to administer and enforce this Section as of the first day of
19 July next following the adoption and filing; or (ii) be adopted
20 and a certified copy thereof filed with the Department on or
21 before the first day of October, whereupon the Department shall
22 proceed to administer and enforce this Section as of the first
23 day of January next following the adoption and filing.

24 Any unobligated balance remaining in the Municipal
25 Retailers' Occupation Tax Fund on December 31, 1989, which fund
26 was abolished by Public Act 85-1135, and all receipts of

1 municipal tax as a result of audits of liability periods prior
2 to January 1, 1990, shall be paid into the Local Government Tax
3 Fund, for distribution as provided by this Section prior to the
4 enactment of Public Act 85-1135. All receipts of municipal tax
5 as a result of an assessment not arising from an audit, for
6 liability periods prior to January 1, 1990, shall be paid into
7 the Local Government Tax Fund for distribution before July 1,
8 1990, as provided by this Section prior to the enactment of
9 Public Act 85-1135, and on and after July 1, 1990, all such
10 receipts shall be distributed as provided in Section 6z-18 of
11 the State Finance Act.

12 As used in this Section, "municipal" and "municipality"
13 means a city, village or incorporated town, including an
14 incorporated town which has superseded a civil township.

15 This Section shall be known and may be cited as the Home
16 Rule Municipal Service Occupation Tax Act.

17 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

18 (65 ILCS 5/11-74.3-6)

19 Sec. 11-74.3-6. Business district revenue and obligations.

20 (a) If the corporate authorities of a municipality have
21 approved a business district development or redevelopment plan
22 and have elected to impose a tax by ordinance pursuant to
23 subsections (b), (c), or (d) of this Section, each year after
24 the date of the approval of the ordinance and until all
25 business district project costs and all municipal obligations

1 financing the business district project costs, if any, have
2 been paid in accordance with the business district development
3 or redevelopment plan, but in no event longer than 23 years
4 after the date of adoption of the ordinance approving the
5 business district development or redevelopment plan, all
6 amounts generated by the retailers' occupation tax and service
7 occupation tax shall be collected and the tax shall be enforced
8 by the Department of Revenue in the same manner as all
9 retailers' occupation taxes and service occupation taxes
10 imposed in the municipality imposing the tax and all amounts
11 generated by the hotel operators' occupation tax shall be
12 collected and the tax shall be enforced by the municipality in
13 the same manner as all hotel operators' occupation taxes
14 imposed in the municipality imposing the tax. The corporate
15 authorities of the municipality shall deposit the proceeds of
16 the taxes imposed under subsections (b), (c), and (d) into a
17 special fund held by the corporate authorities of the
18 municipality called the Business District Tax Allocation Fund
19 for the purpose of paying business district project costs and
20 obligations incurred in the payment of those costs.

21 (b) The corporate authorities of a municipality that has
22 established a business district under this Division 74.3 may,
23 by ordinance or resolution, impose a Business District
24 Retailers' Occupation Tax upon all persons engaged in the
25 business of selling tangible personal property, other than an
26 item of tangible personal property titled or registered with an

1 agency of this State's government, at retail in the business
2 district at a rate not to exceed 1% of the gross receipts from
3 the sales made in the course of such business, to be imposed
4 only in 0.25% increments. The tax may not be imposed on food
5 for human consumption that is to be consumed off the premises
6 where it is sold (other than alcoholic beverages, soft drinks,
7 and food that has been prepared for immediate consumption),
8 prescription and nonprescription medicines, drugs, medical
9 appliances, modifications to a motor vehicle for the purpose of
10 rendering it usable by a disabled person, and insulin, urine
11 testing materials, syringes, and needles used by diabetics, for
12 human use.

13 The tax imposed under this subsection and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the Department of Revenue. The
16 certificate of registration that is issued by the Department to
17 a retailer under the Retailers' Occupation Tax Act shall permit
18 the retailer to engage in a business that is taxable under any
19 ordinance or resolution enacted pursuant to this subsection
20 without registering separately with the Department under such
21 ordinance or resolution or under this subsection. The
22 Department of Revenue shall have full power to administer and
23 enforce this subsection; to collect all taxes and penalties due
24 under this subsection in the manner hereinafter provided; and
25 to determine all rights to credit memoranda arising on account
26 of the erroneous payment of tax or penalty under this

1 subsection. In the administration of, and compliance with, this
2 subsection, the Department and persons who are subject to this
3 subsection shall have the same rights, remedies, privileges,
4 immunities, powers and duties, and be subject to the same
5 conditions, restrictions, limitations, penalties, exclusions,
6 exemptions, and definitions of terms and employ the same modes
7 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
8 through 2-65 (in respect to all provisions therein other than
9 the State rate of tax), 2c through 2h, 3 (except as to the
10 disposition of taxes and penalties collected), 4, 5, 5a, 5c,
11 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
12 12, 13, and 14 of the Retailers' Occupation Tax Act and all
13 provisions of the Uniform Penalty and Interest Act, as fully as
14 if those provisions were set forth herein.

15 Persons subject to any tax imposed under this subsection
16 may reimburse themselves for their seller's tax liability under
17 this subsection by separately stating the tax as an additional
18 charge, which charge may be stated in combination, in a single
19 amount, with State taxes that sellers are required to collect
20 under the Use Tax Act, in accordance with such bracket
21 schedules as the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this subsection to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the order to be drawn for the
26 amount specified and to the person named in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the business district retailers' occupation
3 tax fund.

4 The Department shall immediately pay over to the State
5 Treasurer, ex officio, as trustee, all taxes, penalties, and
6 interest collected under this subsection for deposit into the
7 business district retailers' occupation tax fund.

8 As soon as possible after the first day of each month,
9 beginning January 1, 2010, upon certification of the Department
10 of Revenue, the Comptroller shall order transferred, and the
11 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
12 local sales tax increment, as defined in the STAR Bonds
13 Financing Act, collected under this subsection during the
14 second preceding calendar month for sales within a STAR bond
15 district.

16 After the monthly transfer to the STAR Bonds Revenue Fund,
17 on or ~~on~~ before the 25th day of each calendar month, the
18 Department shall prepare and certify to the Comptroller the
19 disbursement of stated sums of money to named municipalities
20 from the business district retailers' occupation tax fund, the
21 municipalities to be those from which retailers have paid taxes
22 or penalties under this subsection to the Department during the
23 second preceding calendar month. The amount to be paid to each
24 municipality shall be the amount (not including credit
25 memoranda) collected under this subsection during the second
26 preceding calendar month by the Department plus an amount the

1 Department determines is necessary to offset any amounts that
2 were erroneously paid to a different taxing body, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department, less 2%
5 of that amount, which shall be deposited into the Tax
6 Compliance and Administration Fund and shall be used by the
7 Department, subject to appropriation, to cover the costs of the
8 Department in administering and enforcing the provisions of
9 this subsection, on behalf of such municipality, and not
10 including any amount that the Department determines is
11 necessary to offset any amounts that were payable to a
12 different taxing body but were erroneously paid to the
13 municipality, and not including any amounts that are
14 transferred to the STAR Bonds Revenue Fund. Within 10 days
15 after receipt by the Comptroller of the disbursement
16 certification to the municipalities provided for in this
17 subsection to be given to the Comptroller by the Department,
18 the Comptroller shall cause the orders to be drawn for the
19 respective amounts in accordance with the directions contained
20 in the certification. The proceeds of the tax paid to
21 municipalities under this subsection shall be deposited into
22 the Business District Tax Allocation Fund by the municipality.

23 An ordinance or resolution imposing or discontinuing the
24 tax under this subsection or effecting a change in the rate
25 thereof shall either (i) be adopted and a certified copy
26 thereof filed with the Department on or before the first day of

1 April, whereupon the Department, if all other requirements of
2 this subsection are met, shall proceed to administer and
3 enforce this subsection as of the first day of July next
4 following the adoption and filing; or (ii) be adopted and a
5 certified copy thereof filed with the Department on or before
6 the first day of October, whereupon, if all other requirements
7 of this subsection are met, the Department shall proceed to
8 administer and enforce this subsection as of the first day of
9 January next following the adoption and filing.

10 The Department of Revenue shall not administer or enforce
11 an ordinance imposing, discontinuing, or changing the rate of
12 the tax under this subsection, until the municipality also
13 provides, in the manner prescribed by the Department, the
14 boundaries of the business district in such a way that the
15 Department can determine by its address whether a business is
16 located in the business district. The municipality must provide
17 this boundary information to the Department on or before April
18 1 for administration and enforcement of the tax under this
19 subsection by the Department beginning on the following July 1
20 and on or before October 1 for administration and enforcement
21 of the tax under this subsection by the Department beginning on
22 the following January 1. The Department of Revenue shall not
23 administer or enforce any change made to the boundaries of a
24 business district until the municipality reports the boundary
25 change to the Department in the manner prescribed by the
26 Department. The municipality must provide this boundary change

1 information to the Department on or before April 1 for
2 administration and enforcement by the Department of the change
3 beginning on the following July 1 and on or before October 1
4 for administration and enforcement by the Department of the
5 change beginning on the following January 1. The retailers in
6 the business district shall be responsible for charging the tax
7 imposed under this subsection. If a retailer is incorrectly
8 included or excluded from the list of those required to collect
9 the tax under this subsection, both the Department of Revenue
10 and the retailer shall be held harmless if they reasonably
11 relied on information provided by the municipality.

12 A municipality that imposes the tax under this subsection
13 must submit to the Department of Revenue any other information
14 as the Department may require for the administration and
15 enforcement of the tax.

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

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

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

1 also be imposed under subsection (c) of this Section.

2 (c) If a tax has been imposed under subsection (b), a
3 Business District Service Occupation Tax shall also be imposed
4 upon all persons engaged, in the business district, in the
5 business of making sales of service, who, as an incident to
6 making those sales of service, transfer tangible personal
7 property within the business district, either in the form of
8 tangible personal property or in the form of real estate as an
9 incident to a sale of service. The tax shall be imposed at the
10 same rate as the tax imposed in subsection (b) and shall not
11 exceed 1% of the selling price of tangible personal property so
12 transferred within the business district, to be imposed only in
13 0.25% increments. The tax may not be imposed on food for human
14 consumption that is to be consumed off the premises where it is
15 sold (other than alcoholic beverages, soft drinks, and food
16 that has been prepared for immediate consumption),
17 prescription and nonprescription medicines, drugs, medical
18 appliances, modifications to a motor vehicle for the purpose of
19 rendering it usable by a disabled person, and insulin, urine
20 testing materials, syringes, and needles used by diabetics, for
21 human use.

22 The tax imposed under this subsection and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the Department of Revenue. The
25 certificate of registration which is issued by the Department
26 to a retailer under the Retailers' Occupation Tax Act or under

1 the Service Occupation Tax Act shall permit such registrant to
2 engage in a business which is taxable under any ordinance or
3 resolution enacted pursuant to this subsection without
4 registering separately with the Department under such
5 ordinance or resolution or under this subsection. The
6 Department of Revenue shall have full power to administer and
7 enforce this subsection; to collect all taxes and penalties due
8 under this subsection; to dispose of taxes and penalties so
9 collected in the manner hereinafter provided; and to determine
10 all rights to credit memoranda arising on account of the
11 erroneous payment of tax or penalty under this subsection. In
12 the administration of, and compliance with this subsection, the
13 Department and persons who are subject to this subsection shall
14 have the same rights, remedies, privileges, immunities, powers
15 and duties, and be subject to the same conditions,
16 restrictions, limitations, penalties, exclusions, exemptions,
17 and definitions of terms and employ the same modes of procedure
18 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
19 (in respect to all provisions therein other than the State rate
20 of tax), 4 (except that the reference to the State shall be to
21 the business district), 5, 7, 8 (except that the jurisdiction
22 to which the tax shall be a debt to the extent indicated in
23 that Section 8 shall be the municipality), 9 (except as to the
24 disposition of taxes and penalties collected, and except that
25 the returned merchandise credit for this tax may not be taken
26 against any State tax), 10, 11, 12 (except the reference

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

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

15 Whenever the Department determines that a refund should be
16 made under this subsection to a claimant instead of issuing
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified, and to the person named, in such notification
20 from the Department. Such refund shall be paid by the State
21 Treasurer out of the business district retailers' occupation
22 tax fund.

23 The Department shall forthwith pay over to the State
24 Treasurer, ex-officio, as trustee, all taxes, penalties, and
25 interest collected under this subsection for deposit into the
26 business district retailers' occupation tax fund.

1 As soon as possible after the first day of each month,
2 beginning January 1, 2010, upon certification of the Department
3 of Revenue, the Comptroller shall order transferred, and the
4 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
5 local sales tax increment, as defined in the STAR Bonds
6 Financing Act, collected under this subsection during the
7 second preceding calendar month for sales within a STAR bond
8 district.

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on ~~or~~ or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to named municipalities
13 from the business district retailers' occupation tax fund, the
14 municipalities to be those from which suppliers and servicemen
15 have paid taxes or penalties under this subsection to the
16 Department during the second preceding calendar month. The
17 amount to be paid to each municipality shall be the amount (not
18 including credit memoranda) collected under this subsection
19 during the second preceding calendar month by the Department,
20 less 2% of that amount, which shall be deposited into the Tax
21 Compliance and Administration Fund and shall be used by the
22 Department, subject to appropriation, to cover the costs of the
23 Department in administering and enforcing the provisions of
24 this subsection, and not including an amount equal to the
25 amount of refunds made during the second preceding calendar
26 month by the Department on behalf of such municipality, and not

1 including any amounts that are transferred to the STAR Bonds
2 Revenue Fund. Within 10 days after receipt, by the Comptroller,
3 of the disbursement certification to the municipalities,
4 provided for in this subsection to be given to the Comptroller
5 by the Department, the Comptroller shall cause the orders to be
6 drawn for the respective amounts in accordance with the
7 directions contained in such certification. The proceeds of the
8 tax paid to municipalities under this subsection shall be
9 deposited into the Business District Tax Allocation Fund by the
10 municipality.

11 An ordinance or resolution imposing or discontinuing the
12 tax under this subsection or effecting a change in the rate
13 thereof shall either (i) be adopted and a certified copy
14 thereof filed with the Department on or before the first day of
15 April, whereupon the Department, if all other requirements of
16 this subsection are met, shall proceed to administer and
17 enforce this subsection as of the first day of July next
18 following the adoption and filing; or (ii) be adopted and a
19 certified copy thereof filed with the Department on or before
20 the first day of October, whereupon, if all other conditions of
21 this subsection are met, the Department shall proceed to
22 administer and enforce this subsection as of the first day of
23 January next following the adoption and filing.

24 The Department of Revenue shall not administer or enforce
25 an ordinance imposing, discontinuing, or changing the rate of
26 the tax under this subsection, until the municipality also

1 provides, in the manner prescribed by the Department, the
2 boundaries of the business district in such a way that the
3 Department can determine by its address whether a business is
4 located in the business district. The municipality must provide
5 this boundary information to the Department on or before April
6 1 for administration and enforcement of the tax under this
7 subsection by the Department beginning on the following July 1
8 and on or before October 1 for administration and enforcement
9 of the tax under this subsection by the Department beginning on
10 the following January 1. The Department of Revenue shall not
11 administer or enforce any change made to the boundaries of a
12 business district until the municipality reports the boundary
13 change to the Department in the manner prescribed by the
14 Department. The municipality must provide this boundary change
15 information to the Department on or before April 1 for
16 administration and enforcement by the Department of the change
17 beginning on the following July 1 and on or before October 1
18 for administration and enforcement by the Department of the
19 change beginning on the following January 1. The retailers in
20 the business district shall be responsible for charging the tax
21 imposed under this subsection. If a retailer is incorrectly
22 included or excluded from the list of those required to collect
23 the tax under this subsection, both the Department of Revenue
24 and the retailer shall be held harmless if they reasonably
25 relied on information provided by the municipality.

26 A municipality that imposes the tax under this subsection

1 must submit to the Department of Revenue any other information
2 as the Department may require for the administration and
3 enforcement of the tax.

4 Nothing in this subsection shall be construed to authorize
5 the municipality to impose a tax upon the privilege of engaging
6 in any business which under the Constitution of the United
7 States may not be made the subject of taxation by the State.

8 If a tax is imposed under this subsection (c), a tax shall
9 also be imposed under subsection (b) of this Section.

10 (d) By ordinance, a municipality that has established a
11 business district under this Division 74.3 may impose an
12 occupation tax upon all persons engaged in the business
13 district in the business of renting, leasing, or letting rooms
14 in a hotel, as defined in the Hotel Operators' Occupation Tax
15 Act, at a rate not to exceed 1% of the gross rental receipts
16 from the renting, leasing, or letting of hotel rooms within the
17 business district, to be imposed only in 0.25% increments,
18 excluding, however, from gross rental receipts the proceeds of
19 renting, leasing, or letting to permanent residents of a hotel,
20 as defined in the Hotel Operators' Occupation Tax Act, and
21 proceeds from the tax imposed under subsection (c) of Section
22 13 of the Metropolitan Pier and Exposition Authority Act.

23 The tax imposed by the municipality under this subsection
24 and all civil penalties that may be assessed as an incident to
25 that tax shall be collected and enforced by the municipality
26 imposing the tax. The municipality shall have full power to

1 administer and enforce this subsection, to collect all taxes
2 and penalties due under this subsection, to dispose of taxes
3 and penalties so collected in the manner provided in this
4 subsection, and to determine all rights to credit memoranda
5 arising on account of the erroneous payment of tax or penalty
6 under this subsection. In the administration of and compliance
7 with this subsection, the municipality and persons who are
8 subject to this subsection shall have the same rights,
9 remedies, privileges, immunities, powers, and duties, shall be
10 subject to the same conditions, restrictions, limitations,
11 penalties, and definitions of terms, and shall employ the same
12 modes of procedure as are employed with respect to a tax
13 adopted by the municipality under Section 8-3-14 of this Code.

14 Persons subject to any tax imposed under the authority
15 granted in this subsection may reimburse themselves for their
16 tax liability for that tax by separately stating that tax as an
17 additional charge, which charge may be stated in combination,
18 in a single amount, with State taxes imposed under the Hotel
19 Operators' Occupation Tax Act, and with any other tax.

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

24 The proceeds of the tax imposed under this subsection shall
25 be deposited into the Business District Tax Allocation Fund.

26 (e) Obligations issued pursuant to subsection (14) of

1 Section 11-74.3-3 shall be retired in the manner provided in
2 the ordinance authorizing the issuance of those obligations by
3 the receipts of taxes levied as authorized in subsections (12)
4 and (13) of Section 11-74.3-3. The ordinance shall pledge all
5 of the amounts in and to be deposited in the Business District
6 Tax Allocation Fund to the payment of business district project
7 costs and obligations. Obligations issued pursuant to
8 subsection (14) of Section 11-74.3-3 may be sold at public or
9 private sale at a price determined by the corporate authorities
10 of the municipality and no referendum approval of the electors
11 shall be required as a condition to the issuance of those
12 obligations. The ordinance authorizing the obligations may
13 require that the obligations contain a recital that they are
14 issued pursuant to subsection (14) of Section 11-74.3-3 and
15 this recital shall be conclusive evidence of their validity and
16 of the regularity of their issuance. The corporate authorities
17 of the municipality may also issue its obligations to refund,
18 in whole or in part, obligations previously issued by the
19 municipality under the authority of this Code, whether at or
20 prior to maturity. All obligations issued pursuant to
21 subsection (14) of Section 11-74.3-3 shall not be regarded as
22 indebtedness of the municipality issuing the obligations for
23 the purpose of any limitation imposed by law.

24 (f) When business district costs, including, without
25 limitation, all municipal obligations financing business
26 district project costs incurred under Section 11-74.3-3 have

1 been paid, any surplus funds then remaining in the Business
2 District Tax Allocation Fund shall be distributed to the
3 municipal treasurer for deposit into the municipal general
4 corporate fund. Upon payment of all business district project
5 costs and retirement of obligations, but in no event more than
6 23 years after the date of adoption of the ordinance approving
7 the business district development or redevelopment plan, the
8 municipality shall adopt an ordinance immediately rescinding
9 the taxes imposed pursuant to subsections (12) and (13) of
10 Section 11-74.3-3.

11 (Source: P.A. 93-1053, eff. 1-1-05; 93-1089, eff. 3-7-05.)

12 Section 75. The Metropolitan Pier and Exposition Authority
13 Act is amended by changing Section 13 as follows:

14 (70 ILCS 210/13) (from Ch. 85, par. 1233)

15 Sec. 13. (a) The Authority shall not have power to levy
16 taxes for any purpose, except as provided in subsections (b),
17 (c), (d), (e), and (f).

18 (b) By ordinance the Authority shall, as soon as
19 practicable after the effective date of this amendatory Act of
20 1991, impose a Metropolitan Pier and Exposition Authority
21 Retailers' Occupation Tax upon all persons engaged in the
22 business of selling tangible personal property at retail within
23 the territory described in this subsection at the rate of 1.0%
24 of the gross receipts (i) from the sale of food, alcoholic

1 beverages, and soft drinks sold for consumption on the premises
2 where sold and (ii) from the sale of food, alcoholic beverages,
3 and soft drinks sold for consumption off the premises where
4 sold by a retailer whose principal source of gross receipts is
5 from the sale of food, alcoholic beverages, and soft drinks
6 prepared for immediate consumption.

7 The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident to that tax shall
9 be collected and enforced by the Illinois Department of
10 Revenue. The Department shall have full power to administer and
11 enforce this subsection, to collect all taxes and penalties so
12 collected in the manner provided in this subsection, and to
13 determine all rights to credit memoranda arising on account of
14 the erroneous payment of tax or penalty under this subsection.
15 In the administration of and compliance with this subsection,
16 the Department and persons who are subject to this subsection
17 shall have the same rights, remedies, privileges, immunities,
18 powers, and duties, shall be subject to the same conditions,
19 restrictions, limitations, penalties, exclusions, exemptions,
20 and definitions of terms, and shall employ the same modes of
21 procedure applicable to this Retailers' Occupation Tax as are
22 prescribed in Sections 1, 2 through 2-65 (in respect to all
23 provisions of those Sections other than the State rate of
24 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes
25 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,
26 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, and until

1 January 1, 1994, 13.5 of the Retailers' Occupation Tax Act,
2 and, on and after January 1, 1994, all applicable provisions of
3 the Uniform Penalty and Interest Act that are not inconsistent
4 with this Act, as fully as if provisions contained in those
5 Sections of the Retailers' Occupation Tax Act were set forth in
6 this subsection.

7 Persons subject to any tax imposed under the authority
8 granted in this subsection may reimburse themselves for their
9 seller's tax liability under this subsection by separately
10 stating that tax as an additional charge, which charge may be
11 stated in combination, in a single amount, with State taxes
12 that sellers are required to collect under the Use Tax Act,
13 pursuant to bracket schedules as the Department may prescribe.
14 The retailer filing the return shall, at the time of filing the
15 return, pay to the Department the amount of tax imposed under
16 this subsection, less a discount of 1.75%, which is allowed to
17 reimburse the retailer for the expenses incurred in keeping
18 records, preparing and filing returns, remitting the tax, and
19 supplying data to the Department on request.

20 Whenever the Department determines that a refund should be
21 made under this subsection to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause a warrant to be drawn for the
24 amount specified and to the person named in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the Metropolitan Pier and Exposition Authority

1 trust fund held by the State Treasurer as trustee for the
2 Authority.

3 Nothing in this subsection authorizes the Authority to
4 impose a tax upon the privilege of engaging in any business
5 that under the Constitution of the United States may not be
6 made the subject of taxation by this State.

7 The Department shall forthwith pay over to the State
8 Treasurer, ex officio, as trustee for the Authority, all taxes
9 and penalties collected under this subsection for deposit into
10 a trust fund held outside of the State Treasury.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2010, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the STAR Bonds
16 Financing Act, collected under this subsection during the
17 second preceding calendar month for sales within a STAR bond
18 district.

19 After the monthly transfer to the STAR Bonds Revenue Fund,
20 on ~~on~~ or before the 25th day of each calendar month, the
21 Department shall prepare and certify to the Comptroller the
22 amounts to be paid under subsection (g) of this Section, which
23 shall be the amounts, not including credit memoranda, collected
24 under this subsection during the second preceding calendar
25 month by the Department, less any amounts determined by the
26 Department to be necessary for the payment of refunds, ~~and~~ less

1 2% of such balance, which sum shall be deposited by the State
2 Treasurer into the Tax Compliance and Administration Fund in
3 the State Treasury from which it shall be appropriated to the
4 Department to cover the costs of the Department in
5 administering and enforcing the provisions of this subsection,
6 and less any amounts that are transferred to the STAR Bonds
7 Revenue Fund. Within 10 days after receipt by the Comptroller
8 of the certification, the Comptroller shall cause the orders to
9 be drawn for the remaining amounts, and the Treasurer shall
10 administer those amounts as required in subsection (g).

11 A certificate of registration issued by the Illinois
12 Department of Revenue to a retailer under the Retailers'
13 Occupation Tax Act shall permit the registrant to engage in a
14 business that is taxed under the tax imposed under this
15 subsection, and no additional registration shall be required
16 under the ordinance imposing the tax or under this subsection.

17 A certified copy of any ordinance imposing or discontinuing
18 any tax under this subsection or effecting a change in the rate
19 of that tax shall be filed with the Department, whereupon the
20 Department shall proceed to administer and enforce this
21 subsection on behalf of the Authority as of the first day of
22 the third calendar month following the date of filing.

23 The tax authorized to be levied under this subsection may
24 be levied within all or any part of the following described
25 portions of the metropolitan area:

26 (1) that portion of the City of Chicago located within

1 the following area: Beginning at the point of intersection
2 of the Cook County - DuPage County line and York Road, then
3 North along York Road to its intersection with Touhy
4 Avenue, then east along Touhy Avenue to its intersection
5 with the Northwest Tollway, then southeast along the
6 Northwest Tollway to its intersection with Lee Street, then
7 south along Lee Street to Higgins Road, then south and east
8 along Higgins Road to its intersection with Mannheim Road,
9 then south along Mannheim Road to its intersection with
10 Irving Park Road, then west along Irving Park Road to its
11 intersection with the Cook County - DuPage County line,
12 then north and west along the county line to the point of
13 beginning; and

14 (2) that portion of the City of Chicago located within
15 the following area: Beginning at the intersection of West
16 55th Street with Central Avenue, then east along West 55th
17 Street to its intersection with South Cicero Avenue, then
18 south along South Cicero Avenue to its intersection with
19 West 63rd Street, then west along West 63rd Street to its
20 intersection with South Central Avenue, then north along
21 South Central Avenue to the point of beginning; and

22 (3) that portion of the City of Chicago located within
23 the following area: Beginning at the point 150 feet west of
24 the intersection of the west line of North Ashland Avenue
25 and the north line of West Diversey Avenue, then north 150
26 feet, then east along a line 150 feet north of the north

1 line of West Diversey Avenue extended to the shoreline of
2 Lake Michigan, then following the shoreline of Lake
3 Michigan (including Navy Pier and all other improvements
4 fixed to land, docks, or piers) to the point where the
5 shoreline of Lake Michigan and the Adlai E. Stevenson
6 Expressway extended east to that shoreline intersect, then
7 west along the Adlai E. Stevenson Expressway to a point 150
8 feet west of the west line of South Ashland Avenue, then
9 north along a line 150 feet west of the west line of South
10 and North Ashland Avenue to the point of beginning.

11 The tax authorized to be levied under this subsection may
12 also be levied on food, alcoholic beverages, and soft drinks
13 sold on boats and other watercraft departing from and returning
14 to the shoreline of Lake Michigan (including Navy Pier and all
15 other improvements fixed to land, docks, or piers) described in
16 item (3).

17 (c) By ordinance the Authority shall, as soon as
18 practicable after the effective date of this amendatory Act of
19 1991, impose an occupation tax upon all persons engaged in the
20 corporate limits of the City of Chicago in the business of
21 renting, leasing, or letting rooms in a hotel, as defined in
22 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of
23 the gross rental receipts from the renting, leasing, or letting
24 of hotel rooms within the City of Chicago, excluding, however,
25 from gross rental receipts the proceeds of renting, leasing, or
26 letting to permanent residents of a hotel, as defined in that

1 Act. Gross rental receipts shall not include charges that are
2 added on account of the liability arising from any tax imposed
3 by the State or any governmental agency on the occupation of
4 renting, leasing, or letting rooms in a hotel.

5 The tax imposed by the Authority under this subsection and
6 all civil penalties that may be assessed as an incident to that
7 tax shall be collected and enforced by the Illinois Department
8 of Revenue. The certificate of registration that is issued by
9 the Department to a lessor under the Hotel Operators'
10 Occupation Tax Act shall permit that registrant to engage in a
11 business that is taxable under any ordinance enacted under this
12 subsection without registering separately with the Department
13 under that ordinance or under this subsection. The Department
14 shall have full power to administer and enforce this
15 subsection, to collect all taxes and penalties due under this
16 subsection, to dispose of taxes and penalties so collected in
17 the manner provided in this subsection, and to determine all
18 rights to credit memoranda arising on account of the erroneous
19 payment of tax or penalty under this subsection. In the
20 administration of and compliance with this subsection, the
21 Department and persons who are subject to this subsection shall
22 have the same rights, remedies, privileges, immunities,
23 powers, and duties, shall be subject to the same conditions,
24 restrictions, limitations, penalties, and definitions of
25 terms, and shall employ the same modes of procedure as are
26 prescribed in the Hotel Operators' Occupation Tax Act (except

1 where that Act is inconsistent with this subsection), as fully
2 as if the provisions contained in the Hotel Operators'
3 Occupation Tax Act were set out in this subsection.

4 Whenever the Department determines that a refund should be
5 made under this subsection to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause a warrant to be drawn for the
8 amount specified and to the person named in the notification
9 from the Department. The refund shall be paid by the State
10 Treasurer out of the Metropolitan Pier and Exposition Authority
11 trust fund held by the State Treasurer as trustee for the
12 Authority.

13 Persons subject to any tax imposed under the authority
14 granted in this subsection may reimburse themselves for their
15 tax liability for that tax by separately stating that tax as an
16 additional charge, which charge may be stated in combination,
17 in a single amount, with State taxes imposed under the Hotel
18 Operators' Occupation Tax Act, the municipal tax imposed under
19 Section 8-3-13 of the Illinois Municipal Code, and the tax
20 imposed under Section 19 of the Illinois Sports Facilities
21 Authority Act.

22 The person filing the return shall, at the time of filing
23 the return, pay to the Department the amount of tax, less a
24 discount of 2.1% or \$25 per calendar year, whichever is
25 greater, which is allowed to reimburse the operator for the
26 expenses incurred in keeping records, preparing and filing

1 returns, remitting the tax, and supplying data to the
2 Department on request.

3 The Department shall forthwith pay over to the State
4 Treasurer, ex officio, as trustee for the Authority, all taxes
5 and penalties collected under this subsection for deposit into
6 a trust fund held outside the State Treasury. On or before the
7 25th day of each calendar month, the Department shall certify
8 to the Comptroller the amounts to be paid under subsection (g)
9 of this Section, which shall be the amounts (not including
10 credit memoranda) collected under this subsection during the
11 second preceding calendar month by the Department, less any
12 amounts determined by the Department to be necessary for
13 payment of refunds. Within 10 days after receipt by the
14 Comptroller of the Department's certification, the Comptroller
15 shall cause the orders to be drawn for such amounts, and the
16 Treasurer shall administer those amounts as required in
17 subsection (g).

18 A certified copy of any ordinance imposing or discontinuing
19 a tax under this subsection or effecting a change in the rate
20 of that tax shall be filed with the Illinois Department of
21 Revenue, whereupon the Department shall proceed to administer
22 and enforce this subsection on behalf of the Authority as of
23 the first day of the third calendar month following the date of
24 filing.

25 (d) By ordinance the Authority shall, as soon as
26 practicable after the effective date of this amendatory Act of

1 1991, impose a tax upon all persons engaged in the business of
2 renting automobiles in the metropolitan area at the rate of 6%
3 of the gross receipts from that business, except that no tax
4 shall be imposed on the business of renting automobiles for use
5 as taxicabs or in livery service. The tax imposed under this
6 subsection and all civil penalties that may be assessed as an
7 incident to that tax shall be collected and enforced by the
8 Illinois Department of Revenue. The certificate of
9 registration issued by the Department to a retailer under the
10 Retailers' Occupation Tax Act or under the Automobile Renting
11 Occupation and Use Tax Act shall permit that person to engage
12 in a business that is taxable under any ordinance enacted under
13 this subsection without registering separately with the
14 Department under that ordinance or under this subsection. The
15 Department shall have full power to administer and enforce this
16 subsection, to collect all taxes and penalties due under this
17 subsection, to dispose of taxes and penalties so collected in
18 the manner provided in this subsection, and to determine all
19 rights to credit memoranda arising on account of the erroneous
20 payment of tax or penalty under this subsection. In the
21 administration of and compliance with this subsection, the
22 Department and persons who are subject to this subsection shall
23 have the same rights, remedies, privileges, immunities,
24 powers, and duties, be subject to the same conditions,
25 restrictions, limitations, penalties, and definitions of
26 terms, and employ the same modes of procedure as are prescribed

1 in Sections 2 and 3 (in respect to all provisions of those
2 Sections other than the State rate of tax; and in respect to
3 the provisions of the Retailers' Occupation Tax Act referred to
4 in those Sections, except as to the disposition of taxes and
5 penalties collected, except for the provision allowing
6 retailers a deduction from the tax to cover certain costs, and
7 except that credit memoranda issued under this subsection may
8 not be used to discharge any State tax liability) of the
9 Automobile Renting Occupation and Use Tax Act, as fully as if
10 provisions contained in those Sections of that Act were set
11 forth in this subsection.

12 Persons subject to any tax imposed under the authority
13 granted in this subsection may reimburse themselves for their
14 tax liability under this subsection by separately stating that
15 tax as an additional charge, which charge may be stated in
16 combination, in a single amount, with State tax that sellers
17 are required to collect under the Automobile Renting Occupation
18 and Use Tax Act, pursuant to bracket schedules as the
19 Department may prescribe.

20 Whenever the Department determines that a refund should be
21 made under this subsection to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause a warrant to be drawn for the
24 amount specified and to the person named in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the Metropolitan Pier and Exposition Authority

1 trust fund held by the State Treasurer as trustee for the
2 Authority.

3 The Department shall forthwith pay over to the State
4 Treasurer, ex officio, as trustee, all taxes and penalties
5 collected under this subsection for deposit into a trust fund
6 held outside the State Treasury. On or before the 25th day of
7 each calendar month, the Department shall certify to the
8 Comptroller the amounts to be paid under subsection (g) of this
9 Section (not including credit memoranda) collected under this
10 subsection during the second preceding calendar month by the
11 Department, less any amount determined by the Department to be
12 necessary for payment of refunds. Within 10 days after receipt
13 by the Comptroller of the Department's certification, the
14 Comptroller shall cause the orders to be drawn for such
15 amounts, and the Treasurer shall administer those amounts as
16 required in subsection (g).

17 Nothing in this subsection authorizes the Authority to
18 impose a tax upon the privilege of engaging in any business
19 that under the Constitution of the United States may not be
20 made the subject of taxation by this State.

21 A certified copy of any ordinance imposing or discontinuing
22 a tax under this subsection or effecting a change in the rate
23 of that tax shall be filed with the Illinois Department of
24 Revenue, whereupon the Department shall proceed to administer
25 and enforce this subsection on behalf of the Authority as of
26 the first day of the third calendar month following the date of

1 filing.

2 (e) By ordinance the Authority shall, as soon as
3 practicable after the effective date of this amendatory Act of
4 1991, impose a tax upon the privilege of using in the
5 metropolitan area an automobile that is rented from a rentor
6 outside Illinois and is titled or registered with an agency of
7 this State's government at a rate of 6% of the rental price of
8 that automobile, except that no tax shall be imposed on the
9 privilege of using automobiles rented for use as taxicabs or in
10 livery service. The tax shall be collected from persons whose
11 Illinois address for titling or registration purposes is given
12 as being in the metropolitan area. The tax shall be collected
13 by the Department of Revenue for the Authority. The tax must be
14 paid to the State or an exemption determination must be
15 obtained from the Department of Revenue before the title or
16 certificate of registration for the property may be issued. The
17 tax or proof of exemption may be transmitted to the Department
18 by way of the State agency with which or State officer with
19 whom the tangible personal property must be titled or
20 registered if the Department and that agency or State officer
21 determine that this procedure will expedite the processing of
22 applications for title or registration.

23 The Department shall have full power to administer and
24 enforce this subsection, to collect all taxes, penalties, and
25 interest due under this subsection, to dispose of taxes,
26 penalties, and interest so collected in the manner provided in

1 this subsection, and to determine all rights to credit
2 memoranda or refunds arising on account of the erroneous
3 payment of tax, penalty, or interest under this subsection. In
4 the administration of and compliance with this subsection, the
5 Department and persons who are subject to this subsection shall
6 have the same rights, remedies, privileges, immunities,
7 powers, and duties, be subject to the same conditions,
8 restrictions, limitations, penalties, and definitions of
9 terms, and employ the same modes of procedure as are prescribed
10 in Sections 2 and 4 (except provisions pertaining to the State
11 rate of tax; and in respect to the provisions of the Use Tax
12 Act referred to in that Section, except provisions concerning
13 collection or refunding of the tax by retailers, except the
14 provisions of Section 19 pertaining to claims by retailers,
15 except the last paragraph concerning refunds, and except that
16 credit memoranda issued under this subsection may not be used
17 to discharge any State tax liability) of the Automobile Renting
18 Occupation and Use Tax Act, as fully as if provisions contained
19 in those Sections of that Act were set forth in this
20 subsection.

21 Whenever the Department determines that a refund should be
22 made under this subsection to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause a warrant to be drawn for the
25 amount specified and to the person named in the notification
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the Metropolitan Pier and Exposition Authority
2 trust fund held by the State Treasurer as trustee for the
3 Authority.

4 The Department shall forthwith pay over to the State
5 Treasurer, ex officio, as trustee, all taxes, penalties, and
6 interest collected under this subsection for deposit into a
7 trust fund held outside the State Treasury. On or before the
8 25th day of each calendar month, the Department shall certify
9 to the State Comptroller the amounts to be paid under
10 subsection (g) of this Section, which shall be the amounts (not
11 including credit memoranda) collected under this subsection
12 during the second preceding calendar month by the Department,
13 less any amounts determined by the Department to be necessary
14 for payment of refunds. Within 10 days after receipt by the
15 State Comptroller of the Department's certification, the
16 Comptroller shall cause the orders to be drawn for such
17 amounts, and the Treasurer shall administer those amounts as
18 required in subsection (g).

19 A certified copy of any ordinance imposing or discontinuing
20 a tax or effecting a change in the rate of that tax shall be
21 filed with the Illinois Department of Revenue, whereupon the
22 Department shall proceed to administer and enforce this
23 subsection on behalf of the Authority as of the first day of
24 the third calendar month following the date of filing.

25 (f) By ordinance the Authority shall, as soon as
26 practicable after the effective date of this amendatory Act of

1 1991, impose an occupation tax on all persons, other than a
2 governmental agency, engaged in the business of providing
3 ground transportation for hire to passengers in the
4 metropolitan area at a rate of (i) \$2 per taxi or livery
5 vehicle departure with passengers for hire from commercial
6 service airports in the metropolitan area, (ii) for each
7 departure with passengers for hire from a commercial service
8 airport in the metropolitan area in a bus or van operated by a
9 person other than a person described in item (iii): \$9 per bus
10 or van with a capacity of 1-12 passengers, \$18 per bus or van
11 with a capacity of 13-24 passengers, and \$27 per bus or van
12 with a capacity of over 24 passengers, and (iii) for each
13 departure with passengers for hire from a commercial service
14 airport in the metropolitan area in a bus or van operated by a
15 person regulated by the Interstate Commerce Commission or
16 Illinois Commerce Commission, operating scheduled service from
17 the airport, and charging fares on a per passenger basis: \$1
18 per passenger for hire in each bus or van. The term "commercial
19 service airports" means those airports receiving scheduled
20 passenger service and enplaning more than 100,000 passengers
21 per year.

22 In the ordinance imposing the tax, the Authority may
23 provide for the administration and enforcement of the tax and
24 the collection of the tax from persons subject to the tax as
25 the Authority determines to be necessary or practicable for the
26 effective administration of the tax. The Authority may enter

1 into agreements as it deems appropriate with any governmental
2 agency providing for that agency to act as the Authority's
3 agent to collect the tax.

4 In the ordinance imposing the tax, the Authority may
5 designate a method or methods for persons subject to the tax to
6 reimburse themselves for the tax liability arising under the
7 ordinance (i) by separately stating the full amount of the tax
8 liability as an additional charge to passengers departing the
9 airports, (ii) by separately stating one-half of the tax
10 liability as an additional charge to both passengers departing
11 from and to passengers arriving at the airports, or (iii) by
12 some other method determined by the Authority.

13 All taxes, penalties, and interest collected under any
14 ordinance adopted under this subsection, less any amounts
15 determined to be necessary for the payment of refunds, shall be
16 paid forthwith to the State Treasurer, ex officio, for deposit
17 into a trust fund held outside the State Treasury and shall be
18 administered by the State Treasurer as provided in subsection
19 (g) of this Section.

20 (g) Amounts deposited from the proceeds of taxes imposed by
21 the Authority under subsections (b), (c), (d), (e), and (f) of
22 this Section and amounts deposited under Section 19 of the
23 Illinois Sports Facilities Authority Act shall be held in a
24 trust fund outside the State Treasury and shall be administered
25 by the Treasurer as follows: first, an amount necessary for the
26 payment of refunds shall be retained in the trust fund; second,

1 the balance of the proceeds deposited in the trust fund during
2 fiscal year 1993 shall be retained in the trust fund during
3 that year and thereafter shall be administered as a reserve to
4 fund the deposits required in item "third"; third, beginning
5 July 20, 1993, and continuing each month thereafter, provided
6 that the amount requested in the certificate of the Chairman of
7 the Authority filed under Section 8.25f of the State Finance
8 Act has been appropriated for payment to the Authority, 1/8 of
9 the annual amount requested in that certificate together with
10 any cumulative deficiencies shall be transferred from the trust
11 fund into the McCormick Place Expansion Project Fund in the
12 State Treasury until 100% of the amount requested in that
13 certificate plus any cumulative deficiencies in the amounts
14 transferred into the McCormick Place Expansion Project Fund
15 under this item "third", have been so transferred; fourth, the
16 balance shall be maintained in the trust fund; fifth, on July
17 20, 1994, and on July 20 of each year thereafter the Treasurer
18 shall calculate for the previous fiscal year the surplus
19 revenues in the trust fund and pay that amount to the
20 Authority. "Surplus revenues" shall mean the difference
21 between the amount in the trust fund on June 30 of the fiscal
22 year previous to the current fiscal year (excluding amounts
23 retained for refunds under item "first") minus the amount
24 deposited in the trust fund during fiscal year 1993 under item
25 "second". Moneys received by the Authority under item "fifth"
26 may be used solely for the purposes of paying debt service on

1 the bonds and notes issued by the Authority, including early
2 redemption of those bonds or notes, and for the purposes of
3 repair, replacement, and improvement of the grounds,
4 buildings, and facilities of the Authority; provided that any
5 moneys in excess of \$50,000,000 held by the Authority as of
6 June 30 in any fiscal year and received by the Authority under
7 item "fifth" shall be used solely for paying the debt service
8 on or early redemption of the Authority's bonds or notes. When
9 bonds and notes issued under Section 13.2, or bonds or notes
10 issued to refund those bonds and notes, are no longer
11 outstanding, the balance in the trust fund shall be paid to the
12 Authority.

13 (h) The ordinances imposing the taxes authorized by this
14 Section shall be repealed when bonds and notes issued under
15 Section 13.2 or bonds and notes issued to refund those bonds
16 and notes are no longer outstanding.

17 (Source: P.A. 90-612, eff. 7-8-98.)

18 Section 80. The Flood Prevention District Act is amended by
19 changing Section 25 as follows:

20 (70 ILCS 750/25)

21 Sec. 25. Flood prevention retailers' and service
22 occupation taxes.

23 (a) If the Board of Commissioners of a flood prevention
24 district determines that an emergency situation exists

1 regarding levee repair or flood prevention, and upon an
2 ordinance confirming the determination adopted by the
3 affirmative vote of a majority of the members of the county
4 board of the county in which the district is situated, the
5 county may impose a flood prevention retailers' occupation tax
6 upon all persons engaged in the business of selling tangible
7 personal property at retail within the territory of the
8 district to provide revenue to pay the costs of providing
9 emergency levee repair and flood prevention and to secure the
10 payment of bonds, notes, and other evidences of indebtedness
11 issued under this Act for a period not to exceed 25 years or as
12 required to repay the bonds, notes, and other evidences of
13 indebtedness issued under this Act. The tax rate shall be 0.25%
14 of the gross receipts from all taxable sales made in the course
15 of that business. The tax imposed under this Section and all
16 civil penalties that may be assessed as an incident thereof
17 shall be collected and enforced by the State Department of
18 Revenue. The Department shall have full power to administer and
19 enforce this Section; to collect all taxes and penalties so
20 collected in the manner hereinafter provided; and to determine
21 all rights to credit memoranda arising on account of the
22 erroneous payment of tax or penalty hereunder.

23 In the administration of and compliance with this
24 subsection, the Department and persons who are subject to this
25 subsection (i) have the same rights, remedies, privileges,
26 immunities, powers, and duties, (ii) are subject to the same

1 conditions, restrictions, limitations, penalties, and
2 definitions of terms, and (iii) shall employ the same modes of
3 procedure as are set forth in Sections 1 through 10, 2 through
4 2-70 (in respect to all provisions contained in those Sections
5 other than the State rate of tax), 2a through 2h, 3 (except as
6 to the disposition of taxes and penalties collected), 4, 5, 5a,
7 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
8 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and
9 all provisions of the Uniform Penalty and Interest Act as if
10 those provisions were set forth in this subsection.

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

18 If a tax is imposed under this subsection (a), a tax shall
19 also be imposed under subsection (b) of this Section.

20 (b) If a tax has been imposed under subsection (a), a flood
21 prevention service occupation tax shall also be imposed upon
22 all persons engaged within the territory of the district in the
23 business of making sales of service, who, as an incident to
24 making the sales of service, transfer tangible personal
25 property, either in the form of tangible personal property or
26 in the form of real estate as an incident to a sale of service

1 to provide revenue to pay the costs of providing emergency
2 levee repair and flood prevention and to secure the payment of
3 bonds, notes, and other evidences of indebtedness issued under
4 this Act for a period not to exceed 25 years or as required to
5 repay the bonds, notes, and other evidences of indebtedness.
6 The tax rate shall be 0.25% of the selling price of all
7 tangible personal property transferred.

8 The tax imposed under this subsection and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. The
11 Department shall have full power to administer and enforce this
12 subsection; to collect all taxes and penalties due hereunder;
13 to dispose of taxes and penalties collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax or
16 penalty hereunder.

17 In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 subsection shall (i) have the same rights, remedies,
20 privileges, immunities, powers, and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties, and
22 definitions of terms, and (iii) employ the same modes of
23 procedure as are set forth in Sections 2 (except that the
24 reference to State in the definition of supplier maintaining a
25 place of business in this State means the district), 2a through
26 2d, 3 through 3-50 (in respect to all provisions contained in

1 those Sections other than the State rate of tax), 4 (except
2 that the reference to the State shall be to the district), 5,
3 7, 8 (except that the jurisdiction to which the tax is a debt
4 to the extent indicated in that Section 8 is the district), 9
5 (except as to the disposition of taxes and penalties
6 collected), 10, 11, 12 (except the reference therein to Section
7 2b of the Retailers' Occupation Tax Act), 13 (except that any
8 reference to the State means the district), Section 15, 16, 17,
9 18, 19, and 20 of the Service Occupation Tax Act and all
10 provisions of the Uniform Penalty and Interest Act, as fully as
11 if those provisions were set forth herein.

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

19 (c) The taxes imposed in subsections (a) and (b) may not be
20 imposed on personal property titled or registered with an
21 agency of the State; food for human consumption that is to be
22 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); prescription and
25 non-prescription medicines, drugs, and medical appliances;
26 modifications to a motor vehicle for the purpose of rendering

1 it usable by a disabled person; or insulin, urine testing
2 materials, and syringes and needles used by diabetics.

3 (d) Nothing in this Section shall be construed to authorize
4 the district to impose a tax upon the privilege of engaging in
5 any business that under the Constitution of the United States
6 may not be made the subject of taxation by the State.

7 (e) The certificate of registration that is issued by the
8 Department to a retailer under the Retailers' Occupation Tax
9 Act or a serviceman under the Service Occupation Tax Act
10 permits the retailer or serviceman to engage in a business that
11 is taxable without registering separately with the Department
12 under an ordinance or resolution under this Section.

13 (f) The Department shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes and penalties
15 collected under this Section to be deposited into the Flood
16 Prevention Occupation Tax Fund, which shall be an
17 unappropriated trust fund held outside the State treasury.

18 As soon as possible after the first day of each month,
19 beginning January 1, 2010, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the STAR Bonds
23 Financing Act, collected under this Section during the second
24 preceding calendar month for sales within a STAR bond district.
25 The Department shall make this certification only if the flood
26 prevention district imposes a tax on real property as provided

1 in the definition of "local sales taxes" under the STAR Bonds
2 Financing Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on ~~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 the counties from which
7 retailers or servicemen have paid taxes or penalties to the
8 Department during the second preceding calendar month. The
9 amount to be paid to each county is equal to the amount (not
10 including credit memoranda) collected from the county under
11 this Section during the second preceding calendar month by the
12 Department, (i) less 2% of that amount, which shall be
13 deposited into the Tax Compliance and Administration Fund and
14 shall be used by the Department in administering and enforcing
15 the provisions of this Section on behalf of the county, (ii)
16 plus an amount that the Department determines is necessary to
17 offset any amounts that were erroneously paid to a different
18 taxing body; (iii) less an amount equal to the amount of
19 refunds made during the second preceding calendar month by the
20 Department on behalf of the county; ~~and~~ (iv) less any amount
21 that the Department determines is necessary to offset any
22 amounts that were payable to a different taxing body but were
23 erroneously paid to the county; and (v) less any amounts that
24 are transferred to the STAR Bonds Revenue Fund. When certifying
25 the amount of a monthly disbursement to a county under this
26 Section, the Department shall increase or decrease the amounts

1 by an amount necessary to offset any miscalculation of previous
2 disbursements within the previous 6 months from the time a
3 miscalculation is discovered.

4 Within 10 days after receipt by the Comptroller from the
5 Department of the disbursement certification to the counties
6 provided for in this Section, the Comptroller shall cause the
7 orders to be drawn for the respective amounts in accordance
8 with directions contained in the certification.

9 If the Department determines that a refund should be made
10 under this Section to a claimant instead of issuing a credit
11 memorandum, then the Department shall notify the Comptroller,
12 who shall cause the order to be drawn for the amount specified
13 and to the person named in the notification from the
14 Department. The refund shall be paid by the Treasurer out of
15 the Flood Prevention Occupation Tax Fund.

16 (g) If a county imposes a tax under this Section, then the
17 county board shall, by ordinance, discontinue the tax upon the
18 payment of all indebtedness of the flood prevention district.
19 The tax shall not be discontinued until all indebtedness of the
20 District has been paid.

21 (h) Any ordinance imposing the tax under this Section, or
22 any ordinance that discontinues the tax, must be certified by
23 the county clerk and filed with the Illinois Department of
24 Revenue either (i) on or before the first day of April,
25 whereupon the Department shall proceed to administer and
26 enforce the tax or change in the rate as of the first day of

1 July next following the filing; or (ii) on or before the first
2 day of October, whereupon the Department shall proceed to
3 administer and enforce the tax or change in the rate as of the
4 first day of January next following the filing.

5 (j) County Flood Prevention Occupation Tax Fund. All
6 proceeds received by a county from a tax distribution under
7 this Section must be maintained in a special fund known as the
8 [name of county] flood prevention occupation tax fund. The
9 county shall, at the direction of the flood prevention
10 district, use moneys in the fund to pay the costs of providing
11 emergency levee repair and flood prevention and to pay bonds,
12 notes, and other evidences of indebtedness issued under this
13 Act.

14 (k) This Section may be cited as the Flood Prevention
15 Occupation Tax Law.

16 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08.)

17 Section 85. The Metro-East Park and Recreation District Act
18 is amended by changing Section 30 as follows:

19 (70 ILCS 1605/30)

20 Sec. 30. Taxes.

21 (a) The board shall impose a tax upon all persons engaged
22 in the business of selling tangible personal property, other
23 than personal property titled or registered with an agency of
24 this State's government, at retail in the District on the gross

1 receipts from the sales made in the course of business. This
2 tax shall be imposed only at the rate of one-tenth of one per
3 cent.

4 This additional tax may not be imposed on the sales of food
5 for human consumption that is to be consumed off the premises
6 where it is sold (other than alcoholic beverages, soft drinks,
7 and food which has been prepared for immediate consumption) and
8 prescription and non-prescription medicines, drugs, medical
9 appliances, and insulin, urine testing materials, syringes,
10 and needles used by diabetics. The tax imposed by the Board
11 under this Section and all civil penalties that may be assessed
12 as an incident of the tax shall be collected and enforced by
13 the Department of Revenue. The certificate of registration that
14 is issued by the Department to a retailer under the Retailers'
15 Occupation Tax Act shall permit the retailer to engage in a
16 business that is taxable without registering separately with
17 the Department under an ordinance or resolution under this
18 Section. The Department has full power to administer and
19 enforce this Section, to collect all taxes and penalties due
20 under this Section, to dispose of taxes and penalties so
21 collected in the manner provided in this Section, and to
22 determine all rights to credit memoranda arising on account of
23 the erroneous payment of a tax or penalty under this Section.
24 In the administration of and compliance with this Section, the
25 Department and persons who are subject to this Section shall
26 (i) have the same rights, remedies, privileges, immunities,

1 powers, and duties, (ii) be subject to the same conditions,
2 restrictions, limitations, penalties, and definitions of
3 terms, and (iii) employ the same modes of procedure as are
4 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
5 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
6 in those Sections other than the State rate of tax), 2-15
7 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
8 transaction returns and quarter monthly payments), 4, 5, 5a,
9 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
10 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
11 and the Uniform Penalty and Interest Act as if those provisions
12 were set forth in this Section.

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

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the order to be drawn for the
24 amount specified and to the person named in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the State Metro-East Park and Recreation

1 District Fund.

2 (b) If a tax has been imposed under subsection (a), a
3 service occupation tax shall also be imposed at the same rate
4 upon all persons engaged, in the District, in the business of
5 making sales of service, who, as an incident to making those
6 sales of service, transfer tangible personal property within
7 the District as an incident to a sale of service. This tax may
8 not be imposed on sales of food for human consumption that is
9 to be consumed off the premises where it is sold (other than
10 alcoholic beverages, soft drinks, and food prepared for
11 immediate consumption) and prescription and non-prescription
12 medicines, drugs, medical appliances, and insulin, urine
13 testing materials, syringes, and needles used by diabetics. The
14 tax imposed under this subsection and all civil penalties that
15 may be assessed as an incident thereof shall be collected and
16 enforced by the Department of Revenue. The Department has full
17 power to administer and enforce this subsection; to collect all
18 taxes and penalties due hereunder; to dispose of taxes and
19 penalties so collected in the manner hereinafter provided; and
20 to determine all rights to credit memoranda arising on account
21 of the erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with this subsection, the
23 Department and persons who are subject to this paragraph shall
24 (i) have the same rights, remedies, privileges, immunities,
25 powers, and duties, (ii) be subject to the same conditions,
26 restrictions, limitations, penalties, exclusions, exemptions,

1 and definitions of terms, and (iii) employ the same modes of
2 procedure as are prescribed in Sections 2 (except that the
3 reference to State in the definition of supplier maintaining a
4 place of business in this State shall mean the District), 2a,
5 2b, 2c, 3 through 3-50 (in respect to all provisions therein
6 other than the State rate of tax), 4 (except that the reference
7 to the State shall be to the District), 5, 7, 8 (except that
8 the jurisdiction to which the tax shall be a debt to the extent
9 indicated in that Section 8 shall be the District), 9 (except
10 as to the disposition of taxes and penalties collected), 10,
11 11, 12 (except the reference therein to Section 2b of the
12 Retailers' Occupation Tax Act), 13 (except that any reference
13 to the State shall mean the District), Sections 15, 16, 17, 18,
14 19 and 20 of the Service Occupation Tax Act and the Uniform
15 Penalty and Interest Act, as fully as if those provisions were
16 set forth herein.

17 Persons subject to any tax imposed under the authority
18 granted in this subsection may reimburse themselves for their
19 serviceman's tax liability by separately stating the tax as an
20 additional charge, which charge may be stated in combination,
21 in a single amount, with State tax that servicemen are
22 authorized to collect under the Service Use Tax Act, in
23 accordance with such bracket schedules as the Department may
24 prescribe.

25 Whenever the Department determines that a refund should be
26 made under this subsection to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the warrant to be drawn for the
3 amount specified, and to the person named, in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the State Metro-East Park and Recreation
6 District Fund.

7 Nothing in this subsection shall be construed to authorize
8 the board to impose a tax upon the privilege of engaging in any
9 business which under the Constitution of the United States may
10 not be made the subject of taxation by the State.

11 (c) The Department shall immediately pay over to the State
12 Treasurer, ex officio, as trustee, all taxes and penalties
13 collected under this Section to be deposited into the State
14 Metro-East Park and Recreation District Fund, which shall be an
15 unappropriated trust fund held outside of the State treasury.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2010, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the STAR Bonds
21 Financing Act, collected under this Section during the second
22 preceding calendar month for sales within a STAR bond district.
23 The Department shall make this certification only if the Metro
24 East Park and Recreation District imposes a tax on real
25 property as provided in the definition of "local sales taxes"
26 under the STAR Bonds Financing Act.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on ~~On~~ or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money pursuant to Section 35 of
5 this Act to the District from which retailers have paid taxes
6 or penalties to the Department during the second preceding
7 calendar month. The amount to be paid to the District shall be
8 the amount (not including credit memoranda) collected under
9 this Section during the second preceding calendar month by the
10 Department plus an amount the Department determines is
11 necessary to offset any amounts that were erroneously paid to a
12 different taxing body, and not including (i) an amount equal to
13 the amount of refunds made during the second preceding calendar
14 month by the Department on behalf of the District, ~~and~~ (ii) any
15 amount that the Department determines is necessary to offset
16 any amounts that were payable to a different taxing body but
17 were erroneously paid to the District, and (iii) any amounts
18 that are transferred to the STAR Bonds Revenue Fund. Within 10
19 days after receipt by the Comptroller of the disbursement
20 certification to the District provided for in this Section to
21 be given to the Comptroller by the Department, the Comptroller
22 shall cause the orders to be drawn for the respective amounts
23 in accordance with directions contained in the certification.

24 (d) For the purpose of determining whether a tax authorized
25 under this Section is applicable, a retail sale by a producer
26 of coal or another mineral mined in Illinois is a sale at

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

7 (e) Nothing in this Section shall be construed to authorize
8 the board to impose a tax upon the privilege of engaging in any
9 business that under the Constitution of the United States may
10 not be made the subject of taxation by this State.

11 (f) An ordinance imposing a tax under this Section or an
12 ordinance extending the imposition of a tax to an additional
13 county or counties shall be certified by the board and filed
14 with the Department of Revenue either (i) on or before the
15 first day of April, whereupon the Department shall proceed to
16 administer and enforce the tax as of the first day of July next
17 following the filing; or (ii) on or before the first day of
18 October, whereupon the Department shall proceed to administer
19 and enforce the tax as of the first day of January next
20 following the filing.

21 (g) When certifying the amount of a monthly disbursement to
22 the District under this Section, the Department shall increase
23 or decrease the amounts by an amount necessary to offset any
24 misallocation of previous disbursements. The offset amount
25 shall be the amount erroneously disbursed within the previous 6
26 months from the time a misallocation is discovered.

1 (Source: P.A. 91-103, eff. 7-13-99.)

2 Section 90. The Local Mass Transit District Act is amended
3 by changing Section 5.01 as follows:

4 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

5 Sec. 5.01. Metro East Mass Transit District; use and
6 occupation taxes.

7 (a) The Board of Trustees of any Metro East Mass Transit
8 District may, by ordinance adopted with the concurrence of
9 two-thirds of the then trustees, impose throughout the District
10 any or all of the taxes and fees provided in this Section. All
11 taxes and fees imposed under this Section shall be used only
12 for public mass transportation systems, and the amount used to
13 provide mass transit service to unserved areas of the District
14 shall be in the same proportion to the total proceeds as the
15 number of persons residing in the unserved areas is to the
16 total population of the District. Except as otherwise provided
17 in this Act, taxes imposed under this Section and civil
18 penalties imposed incident thereto shall be collected and
19 enforced by the State Department of Revenue. The Department
20 shall have the power to administer and enforce the taxes and to
21 determine all rights for refunds for erroneous payments of the
22 taxes.

23 (b) The Board may impose a Metro East Mass Transit District
24 Retailers' Occupation Tax upon all persons engaged in the

1 business of selling tangible personal property at retail in the
2 district at a rate of 1/4 of 1%, or as authorized under
3 subsection (d-5) of this Section, of the gross receipts from
4 the sales made in the course of such business within the
5 district. The tax imposed under this Section and all civil
6 penalties that may be assessed as an incident thereof shall be
7 collected and enforced by the State Department of Revenue. The
8 Department shall have full power to administer and enforce this
9 Section; to collect all taxes and penalties so collected in the
10 manner hereinafter provided; and to determine all rights to
11 credit memoranda arising on account of the erroneous payment of
12 tax or penalty hereunder. In the administration of, and
13 compliance with, this Section, the Department and persons who
14 are subject to this Section shall have the same rights,
15 remedies, privileges, immunities, powers and duties, and be
16 subject to the same conditions, restrictions, limitations,
17 penalties, exclusions, exemptions and definitions of terms and
18 employ the same modes of procedure, as are prescribed in
19 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
20 (in respect to all provisions therein other than the State rate
21 of tax), 2c, 3 (except as to the disposition of taxes and
22 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
23 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
24 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
25 Penalty and Interest Act, as fully as if those provisions were
26 set forth herein.

1 Persons subject to any tax imposed under the Section may
2 reimburse themselves for their seller's tax liability
3 hereunder by separately stating the tax as an additional
4 charge, which charge may be stated in combination, in a single
5 amount, with State taxes that sellers are required to collect
6 under the Use Tax Act, in accordance with such bracket
7 schedules as the Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the Metro East Mass Transit District tax fund
15 established under paragraph (h) ~~(g)~~ of this Section.

16 If a tax is imposed under this subsection (b), a tax shall
17 also be imposed under subsections (c) and (d) of this Section.

18 For the purpose of determining whether a tax authorized
19 under this Section is applicable, a retail sale, by a producer
20 of coal or other mineral mined in Illinois, is a sale at retail
21 at the place where the coal or other mineral mined in Illinois
22 is extracted from the earth. This paragraph does not apply to
23 coal or other mineral when it is delivered or shipped by the
24 seller to the purchaser at a point outside Illinois so that the
25 sale is exempt under the Federal Constitution as a sale in
26 interstate or foreign commerce.

1 No tax shall be imposed or collected under this subsection
2 on the sale of a motor vehicle in this State to a resident of
3 another state if that motor vehicle will not be titled in this
4 State.

5 Nothing in this Section shall be construed to authorize the
6 Metro East Mass Transit District to impose a tax upon the
7 privilege of engaging in any business which under the
8 Constitution of the United States may not be made the subject
9 of taxation by this State.

10 (c) If a tax has been imposed under subsection (b), a Metro
11 East Mass Transit District Service Occupation Tax shall also be
12 imposed upon all persons engaged, in the district, in the
13 business of making sales of service, who, as an incident to
14 making those sales of service, transfer tangible personal
15 property within the District, either in the form of tangible
16 personal property or in the form of real estate as an incident
17 to a sale of service. The tax rate shall be 1/4%, or as
18 authorized under subsection (d-5) of this Section, of the
19 selling price of tangible personal property so transferred
20 within the district. The tax imposed under this paragraph and
21 all civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this paragraph; to collect all taxes and penalties due
25 hereunder; to dispose of taxes and penalties so collected in
26 the manner hereinafter provided; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of
2 tax or penalty hereunder. In the administration of, and
3 compliance with this paragraph, the Department and persons who
4 are subject to this paragraph shall have the same rights,
5 remedies, privileges, immunities, powers and duties, and be
6 subject to the same conditions, restrictions, limitations,
7 penalties, exclusions, exemptions and definitions of terms and
8 employ the same modes of procedure as are prescribed in
9 Sections 1a-1, 2 (except that the reference to State in the
10 definition of supplier maintaining a place of business in this
11 State shall mean the Authority), 2a, 3 through 3-50 (in respect
12 to all provisions therein other than the State rate of tax), 4
13 (except that the reference to the State shall be to the
14 Authority), 5, 7, 8 (except that the jurisdiction to which the
15 tax shall be a debt to the extent indicated in that Section 8
16 shall be the District), 9 (except as to the disposition of
17 taxes and penalties collected, and except that the returned
18 merchandise credit for this tax may not be taken against any
19 State tax), 10, 11, 12 (except the reference therein to Section
20 2b of the Retailers' Occupation Tax Act), 13 (except that any
21 reference to the State shall mean the District), the first
22 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
23 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
24 Interest Act, as fully as if those provisions were set forth
25 herein.

26 Persons subject to any tax imposed under the authority

1 granted in this paragraph may reimburse themselves for their
2 serviceman's tax liability hereunder by separately stating the
3 tax as an additional charge, which charge may be stated in
4 combination, in a single amount, with State tax that servicemen
5 are authorized to collect under the Service Use Tax Act, in
6 accordance with such bracket schedules as the Department may
7 prescribe.

8 Whenever the Department determines that a refund should be
9 made under this paragraph to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the Metro East Mass Transit District tax fund
15 established under paragraph (h) ~~(g)~~ of this Section.

16 Nothing in this paragraph shall be construed to authorize
17 the District to impose a tax upon the privilege of engaging in
18 any business which under the Constitution of the United States
19 may not be made the subject of taxation by the State.

20 (d) If a tax has been imposed under subsection (b), a Metro
21 East Mass Transit District Use Tax shall also be imposed upon
22 the privilege of using, in the district, any item of tangible
23 personal property that is purchased outside the district at
24 retail from a retailer, and that is titled or registered with
25 an agency of this State's government, at a rate of 1/4%, or as
26 authorized under subsection (d-5) of this Section, of the

1 selling price of the tangible personal property within the
2 District, as "selling price" is defined in the Use Tax Act. The
3 tax shall be collected from persons whose Illinois address for
4 titling or registration purposes is given as being in the
5 District. The tax shall be collected by the Department of
6 Revenue for the Metro East Mass Transit District. The tax must
7 be paid to the State, or an exemption determination must be
8 obtained from the Department of Revenue, before the title or
9 certificate of registration for the property may be issued. The
10 tax or proof of exemption may be transmitted to the Department
11 by way of the State agency with which, or the State officer
12 with whom, the tangible personal property must be titled or
13 registered if the Department and the State agency or State
14 officer determine that this procedure will expedite the
15 processing of applications for title or registration.

16 The Department shall have full power to administer and
17 enforce this paragraph; to collect all taxes, penalties and
18 interest due hereunder; to dispose of taxes, penalties and
19 interest so collected in the manner hereinafter provided; and
20 to determine all rights to credit memoranda or refunds arising
21 on account of the erroneous payment of tax, penalty or interest
22 hereunder. In the administration of, and compliance with, this
23 paragraph, the Department and persons who are subject to this
24 paragraph 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 2 (except the
3 definition of "retailer maintaining a place of business in this
4 State"), 3 through 3-80 (except provisions pertaining to the
5 State rate of tax, and except provisions concerning collection
6 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
7 19 (except the portions pertaining to claims by retailers and
8 except the last paragraph concerning refunds), 20, 21 and 22 of
9 the Use Tax Act and Section 3-7 of the Uniform Penalty and
10 Interest Act, that are not inconsistent with this paragraph, as
11 fully as if those provisions were set forth herein.

12 Whenever the Department determines that a refund should be
13 made under this paragraph to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Metro East Mass Transit District tax fund
19 established under paragraph (h) ~~(g)~~ of this Section.

20 (d-5) (A) The county board of any county participating in
21 the Metro East Mass Transit District may authorize, by
22 ordinance, a referendum on the question of whether the tax
23 rates for the Metro East Mass Transit District Retailers'
24 Occupation Tax, the Metro East Mass Transit District Service
25 Occupation Tax, and the Metro East Mass Transit District Use
26 Tax for the District should be increased from 0.25% to 0.75%.

1 Upon adopting the ordinance, the county board shall certify the
2 proposition to the proper election officials who shall submit
3 the proposition to the voters of the District at the next
4 election, in accordance with the general election law.

5 The proposition shall be in substantially the following
6 form:

7 Shall the tax rates for the Metro East Mass Transit
8 District Retailers' Occupation Tax, the Metro East Mass
9 Transit District Service Occupation Tax, and the Metro East
10 Mass Transit District Use Tax be increased from 0.25% to
11 0.75%?

12 (B) Two thousand five hundred electors of any Metro East
13 Mass Transit District may petition the Chief Judge of the
14 Circuit Court, or any judge of that Circuit designated by the
15 Chief Judge, in which that District is located to cause to be
16 submitted to a vote of the electors the question whether the
17 tax rates for the Metro East Mass Transit District Retailers'
18 Occupation Tax, the Metro East Mass Transit District Service
19 Occupation Tax, and the Metro East Mass Transit District Use
20 Tax for the District should be increased from 0.25% to 0.75%.

21 Upon submission of such petition the court shall set a date
22 not less than 10 nor more than 30 days thereafter for a hearing
23 on the sufficiency thereof. Notice of the filing of such
24 petition and of such date shall be given in writing to the
25 District and the County Clerk at least 7 days before the date
26 of such hearing.

1 If such petition is found sufficient, the court shall enter
2 an order to submit that proposition at the next election, in
3 accordance with general election law.

4 The form of the petition shall be in substantially the
5 following form: To the Circuit Court of the County of (name of
6 county):

7 We, the undersigned electors of the (name of transit
8 district), respectfully petition your honor to submit to a
9 vote of the electors of (name of transit district) the
10 following proposition:

11 Shall the tax rates for the Metro East Mass Transit
12 District Retailers' Occupation Tax, the Metro East Mass
13 Transit District Service Occupation Tax, and the Metro East
14 Mass Transit District Use Tax be increased from 0.25% to
15 0.75%?

16 Name Address, with Street and Number.
17
18

19 (C) The votes shall be recorded as "YES" or "NO". If a
20 majority of all votes cast on the proposition are for the
21 increase in the tax rates, the Metro East Mass Transit District
22 shall begin imposing the increased rates in the District, and
23 the Department of Revenue shall begin collecting the increased
24 amounts, as provided under this Section. An ordinance imposing
25 or discontinuing a tax hereunder or effecting a change in the
26 rate thereof shall be adopted and a certified copy thereof

1 filed with the Department on or before the first day of
2 October, whereupon the Department shall proceed to administer
3 and enforce this Section as of the first day of January next
4 following the adoption and filing, or on or before the first
5 day of April, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of July
7 next following the adoption and filing.

8 (D) If the voters have approved a referendum under this
9 subsection, before November 1, 1994, to increase the tax rate
10 under this subsection, the Metro East Mass Transit District
11 Board of Trustees may adopt by a majority vote an ordinance at
12 any time before January 1, 1995 that excludes from the rate
13 increase tangible personal property that is titled or
14 registered with an agency of this State's government. The
15 ordinance excluding titled or registered tangible personal
16 property from the rate increase must be filed with the
17 Department at least 15 days before its effective date. At any
18 time after adopting an ordinance excluding from the rate
19 increase tangible personal property that is titled or
20 registered with an agency of this State's government, the Metro
21 East Mass Transit District Board of Trustees may adopt an
22 ordinance applying the rate increase to that tangible personal
23 property. The ordinance shall be adopted, and a certified copy
24 of that ordinance shall be filed with the Department, on or
25 before October 1, whereupon the Department shall proceed to
26 administer and enforce the rate increase against tangible

1 personal property titled or registered with an agency of this
2 State's government as of the following January 1. After
3 December 31, 1995, any reimposed rate increase in effect under
4 this subsection shall no longer apply to tangible personal
5 property titled or registered with an agency of this State's
6 government. Beginning January 1, 1996, the Board of Trustees of
7 any Metro East Mass Transit District may never reimpose a
8 previously excluded tax rate increase on tangible personal
9 property titled or registered with an agency of this State's
10 government. After July 1, 2004, if the voters have approved a
11 referendum under this subsection to increase the tax rate under
12 this subsection, the Metro East Mass Transit District Board of
13 Trustees may adopt by a majority vote an ordinance that
14 excludes from the rate increase tangible personal property that
15 is titled or registered with an agency of this State's
16 government. The ordinance excluding titled or registered
17 tangible personal property from the rate increase shall be
18 adopted, and a certified copy of that ordinance shall be filed
19 with the Department on or before October 1, whereupon the
20 Department shall administer and enforce this exclusion from the
21 rate increase as of the following January 1, or on or before
22 April 1, whereupon the Department shall administer and enforce
23 this exclusion from the rate increase as of the following July
24 1. The Board of Trustees of any Metro East Mass Transit
25 District may never reimpose a previously excluded tax rate
26 increase on tangible personal property titled or registered

1 with an agency of this State's government.

2 (d-6) If the Board of Trustees of any Metro East Mass
3 Transit District has imposed a rate increase under subsection
4 (d-5) and filed an ordinance with the Department of Revenue
5 excluding titled property from the higher rate, then that Board
6 may, by ordinance adopted with the concurrence of two-thirds of
7 the then trustees, impose throughout the District a fee. The
8 fee on the excluded property shall not exceed \$20 per retail
9 transaction or an amount equal to the amount of tax excluded,
10 whichever is less, on tangible personal property that is titled
11 or registered with an agency of this State's government.
12 Beginning July 1, 2004, the fee shall apply only to titled
13 property that is subject to either the Metro East Mass Transit
14 District Retailers' Occupation Tax or the Metro East Mass
15 Transit District Service Occupation Tax. No fee shall be
16 imposed or collected under this subsection on the sale of a
17 motor vehicle in this State to a resident of another state if
18 that motor vehicle will not be titled in this State.

19 (d-7) Until June 30, 2004, if a fee has been imposed under
20 subsection (d-6), a fee shall also be imposed upon the
21 privilege of using, in the district, any item of tangible
22 personal property that is titled or registered with any agency
23 of this State's government, in an amount equal to the amount of
24 the fee imposed under subsection (d-6).

25 (d-7.1) Beginning July 1, 2004, any fee imposed by the
26 Board of Trustees of any Metro East Mass Transit District under

1 subsection (d-6) and all civil penalties that may be assessed
2 as an incident of the fees shall be collected and enforced by
3 the State Department of Revenue. Reference to "taxes" in this
4 Section shall be construed to apply to the administration,
5 payment, and remittance of all fees under this Section. For
6 purposes of any fee imposed under subsection (d-6), 4% of the
7 fee, penalty, and interest received by the Department in the
8 first 12 months that the fee is collected and enforced by the
9 Department and 2% of the fee, penalty, and interest following
10 the first 12 months shall be deposited into the Tax Compliance
11 and Administration Fund and shall be used by the Department,
12 subject to appropriation, to cover the costs of the Department.
13 No retailers' discount shall apply to any fee imposed under
14 subsection (d-6).

15 (d-8) No item of titled property shall be subject to both
16 the higher rate approved by referendum, as authorized under
17 subsection (d-5), and any fee imposed under subsection (d-6) or
18 (d-7).

19 (d-9) (Blank).

20 (d-10) (Blank).

21 (e) A certificate of registration issued by the State
22 Department of Revenue to a retailer under the Retailers'
23 Occupation Tax Act or under the Service Occupation Tax Act
24 shall permit the registrant to engage in a business that is
25 taxed under the tax imposed under paragraphs (b), (c) or (d) of
26 this Section and no additional registration shall be required

1 under the tax. A certificate issued under the Use Tax Act or
2 the Service Use Tax Act shall be applicable with regard to any
3 tax imposed under paragraph (c) of this Section.

4 (f) (Blank).

5 (g) Any ordinance imposing or discontinuing any tax under
6 this Section shall be adopted and a certified copy thereof
7 filed with the Department on or before June 1, whereupon the
8 Department of Revenue shall proceed to administer and enforce
9 this Section on behalf of the Metro East Mass Transit District
10 as of September 1 next following such adoption and filing.
11 Beginning January 1, 1992, an ordinance or resolution imposing
12 or discontinuing the tax hereunder shall be adopted and a
13 certified copy thereof filed with the Department on or before
14 the first day of July, whereupon the Department shall proceed
15 to administer and enforce this Section as of the first day of
16 October next following such adoption and filing. Beginning
17 January 1, 1993, except as provided in subsection (d-5) of this
18 Section, an ordinance or resolution imposing or discontinuing
19 the tax hereunder shall be adopted and a certified copy thereof
20 filed with the Department on or before the first day of
21 October, whereupon the Department shall proceed to administer
22 and enforce this Section as of the first day of January next
23 following such adoption and filing, or, beginning January 1,
24 2004, on or before the first day of April, whereupon the
25 Department shall proceed to administer and enforce this Section
26 as of the first day of July next following the adoption and

1 filing.

2 (h) Except as provided in subsection (d-7.1), the State
3 Department of Revenue shall, upon collecting any taxes as
4 provided in this Section, pay the taxes over to the State
5 Treasurer as trustee for the District. The taxes shall be held
6 in a trust fund outside the State Treasury.

7 As soon as possible after the first day of each month,
8 beginning January 1, 2010, upon certification of the Department
9 of Revenue, the Comptroller shall order transferred, and the
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
11 local sales tax increment, as defined in the STAR Bonds
12 Financing Act, collected under this Section during the second
13 preceding calendar month for sales within a STAR bond district.
14 The Department shall make this certification only if the local
15 mass transit district imposes a tax on real property as
16 provided in the definition of "local sales taxes" under the
17 STAR Bonds Financing Act.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois the amount to be paid to
22 the District, which shall be the then balance in the fund, less
23 any amount determined by the Department to be necessary for the
24 payment of refunds, and less any amounts that are transferred
25 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
26 the Comptroller of the certification of the amount to be paid

1 to the District, the Comptroller shall cause an order to be
2 drawn for payment for the amount in accordance with the
3 direction in the certification.

4 (Source: P.A. 94-776, eff. 5-19-06; 95-331, eff. 8-21-07;
5 revised 10-23-08.)

6 Section 100. The Regional Transportation Authority Act is
7 amended by changing Section 4.03 as follows:

8 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

9 Sec. 4.03. Taxes.

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

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

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

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

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

1 sold (other than alcoholic beverages, soft drinks and food that
2 has been prepared for immediate consumption) and prescription
3 and nonprescription medicines, drugs, medical appliances and
4 insulin, urine testing materials, syringes and needles used by
5 diabetics, and 1% of the gross receipts from other taxable
6 sales made in the course of that business. In DuPage, Kane,
7 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
8 of the gross receipts from all taxable sales made in the course
9 of that business. The tax imposed under this Section and all
10 civil penalties that may be assessed as an incident thereof
11 shall be collected and enforced by the State Department of
12 Revenue. The Department shall have full power to administer and
13 enforce this Section; to collect all taxes and penalties so
14 collected in the manner hereinafter provided; and to determine
15 all rights to credit memoranda arising on account of the
16 erroneous payment of tax or penalty hereunder. In the
17 administration of, and compliance with this Section, the
18 Department and persons who are subject to this Section shall
19 have the same rights, remedies, privileges, immunities, powers
20 and duties, and be subject to the same conditions,
21 restrictions, limitations, penalties, exclusions, exemptions
22 and definitions of terms, and employ the same modes of
23 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
24 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
25 therein other than the State rate of tax), 2c, 3 (except as to
26 the disposition of taxes and penalties collected), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
2 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
3 Section 3-7 of the Uniform Penalty and Interest Act, as fully
4 as if those provisions were set forth herein.

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

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

20 If a tax is imposed under this subsection (e), a tax shall
21 also be imposed under subsections (f) and (g) of this Section.

22 For the purpose of determining whether a tax authorized
23 under this Section is applicable, a retail sale by a producer
24 of coal or other mineral mined in Illinois, is a sale at retail
25 at the place where the coal or other mineral mined in Illinois
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the
2 seller to the purchaser at a point outside Illinois so that the
3 sale is exempt under the Federal Constitution as a sale in
4 interstate or foreign commerce.

5 No tax shall be imposed or collected under this subsection
6 on the sale of a motor vehicle in this State to a resident of
7 another state if that motor vehicle will not be titled in this
8 State.

9 Nothing in this Section shall be construed to authorize the
10 Regional Transportation Authority to impose a tax upon the
11 privilege of engaging in any business that under the
12 Constitution of the United States may not be made the subject
13 of taxation by this State.

14 (f) If a tax has been imposed under paragraph (e), a
15 Regional Transportation Authority Service Occupation Tax shall
16 also be imposed upon all persons engaged, in the metropolitan
17 region in the business of making sales of service, who as an
18 incident to making the sales of service, transfer tangible
19 personal property within the metropolitan region, either in the
20 form of tangible personal property or in the form of real
21 estate as an incident to a sale of service. In Cook County, the
22 tax rate shall be: (1) 1.25% of the serviceman's cost price of
23 food prepared for immediate consumption and transferred
24 incident to a sale of service subject to the service occupation
25 tax by an entity licensed under the Hospital Licensing Act or
26 the Nursing Home Care Act that is located in the metropolitan

1 region; (2) 1.25% of the selling price of food for human
2 consumption that is to be consumed off the premises where it is
3 sold (other than alcoholic beverages, soft drinks and food that
4 has been prepared for immediate consumption) and prescription
5 and nonprescription medicines, drugs, medical appliances and
6 insulin, urine testing materials, syringes and needles used by
7 diabetics; and (3) 1% of the selling price from other taxable
8 sales of tangible personal property transferred. In DuPage,
9 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
10 of the selling price of all tangible personal property
11 transferred.

12 The tax imposed under this paragraph and all civil
13 penalties that may be assessed as an incident thereof shall be
14 collected and enforced by the State Department of Revenue. The
15 Department shall have full power to administer and enforce this
16 paragraph; to collect all taxes and penalties due hereunder; to
17 dispose of taxes and penalties collected in the manner
18 hereinafter provided; and to determine all rights to credit
19 memoranda arising on account of the erroneous payment of tax or
20 penalty hereunder. In the administration of and compliance with
21 this paragraph, the Department and persons who are subject to
22 this paragraph shall have the same rights, remedies,
23 privileges, immunities, powers and duties, and be subject to
24 the same conditions, restrictions, limitations, penalties,
25 exclusions, exemptions and definitions of terms, and employ the
26 same modes of procedure, as are prescribed in Sections 1a-1, 2,

1 2a, 3 through 3-50 (in respect to all provisions therein other
2 than the State rate of tax), 4 (except that the reference to
3 the State shall be to the Authority), 5, 7, 8 (except that the
4 jurisdiction to which the tax shall be a debt to the extent
5 indicated in that Section 8 shall be the Authority), 9 (except
6 as to the disposition of taxes and penalties collected, and
7 except that the returned merchandise credit for this tax may
8 not be taken against any State tax), 10, 11, 12 (except the
9 reference therein to Section 2b of the Retailers' Occupation
10 Tax Act), 13 (except that any reference to the State shall mean
11 the Authority), the first paragraph of Section 15, 16, 17, 18,
12 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
13 the Uniform Penalty and Interest Act, as fully as if those
14 provisions were set forth herein.

15 Persons subject to any tax imposed under the authority
16 granted in this paragraph may reimburse themselves for their
17 serviceman's tax liability hereunder by separately stating the
18 tax as an additional charge, that charge may be stated in
19 combination in a single amount with State tax that servicemen
20 are authorized to collect under the Service Use Tax Act, under
21 any bracket schedules the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this paragraph to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Regional Transportation Authority tax fund
3 established under paragraph (n) of this Section.

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

8 (g) If a tax has been imposed under paragraph (e), a tax
9 shall also be imposed upon the privilege of using in the
10 metropolitan region, any item of tangible personal property
11 that is purchased outside the metropolitan region at retail
12 from a retailer, and that is titled or registered with an
13 agency of this State's government. In Cook County the tax rate
14 shall be 1% of the selling price of the tangible personal
15 property, as "selling price" is defined in the Use Tax Act. In
16 DuPage, Kane, Lake, McHenry and Will counties the tax rate
17 shall be 0.75% of the selling price of the tangible personal
18 property, as "selling price" is defined in the Use Tax Act. The
19 tax shall be collected from persons whose Illinois address for
20 titling or registration purposes is given as being in the
21 metropolitan region. The tax shall be collected by the
22 Department of Revenue for the Regional Transportation
23 Authority. The tax must be paid to the State, or an exemption
24 determination must be obtained from the Department of Revenue,
25 before the title or certificate of registration for the
26 property may be issued. The tax or proof of exemption may be

1 transmitted to the Department by way of the State agency with
2 which, or the State officer with whom, the tangible personal
3 property must be titled or registered if the Department and the
4 State agency or State officer determine that this procedure
5 will expedite the processing of applications for title or
6 registration.

7 The Department shall have full power to administer and
8 enforce this paragraph; to collect all taxes, penalties and
9 interest due hereunder; to dispose of taxes, penalties and
10 interest collected in the manner hereinafter provided; and to
11 determine all rights to credit memoranda or refunds arising on
12 account of the erroneous payment of tax, penalty or interest
13 hereunder. In the administration of and compliance with this
14 paragraph, the Department and persons who are subject to this
15 paragraph shall have the same rights, remedies, privileges,
16 immunities, powers and duties, and be subject to the same
17 conditions, restrictions, limitations, penalties, exclusions,
18 exemptions and definitions of terms and employ the same modes
19 of procedure, as are prescribed in Sections 2 (except the
20 definition of "retailer maintaining a place of business in this
21 State"), 3 through 3-80 (except provisions pertaining to the
22 State rate of tax, and except provisions concerning collection
23 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
24 19 (except the portions pertaining to claims by retailers and
25 except the last paragraph concerning refunds), 20, 21 and 22 of
26 the Use Tax Act, and are not inconsistent with this paragraph,

1 as fully as if those provisions were set forth herein.

2 Whenever the Department determines that a refund should be
3 made under this paragraph to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order to be drawn for the
6 amount specified, and to the person named in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the Regional Transportation Authority tax fund
9 established under paragraph (n) of this Section.

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

21 The Department shall immediately pay over to the State
22 Treasurer, ex officio, as trustee, all taxes collected
23 hereunder.

24 As soon as possible after the first day of each month,
25 beginning January 1, 2010, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 local sales tax increment, as defined in the STAR Bonds
3 Financing Act, collected under this Section during the second
4 preceding calendar month for sales within a STAR bond district.

5 After the monthly transfer to the STAR Bonds Revenue Fund,
6 on ~~on~~ or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to the Authority. The
9 amount to be paid to the Authority shall be the amount
10 collected hereunder during the second preceding calendar month
11 by the Department, less any amount determined by the Department
12 to be necessary for the payment of refunds, and less any
13 amounts that are transferred to the STAR Bonds Revenue Fund.

14 Within 10 days after receipt by the Comptroller of the
15 disbursement certification to the Authority provided for in
16 this Section to be given to the Comptroller by the Department,
17 the Comptroller shall cause the orders to be drawn for that
18 amount in accordance with the directions contained in the
19 certification.

20 (i) The Board may not impose any other taxes except as it
21 may from time to time be authorized by law to impose.

22 (j) A certificate of registration issued by the State
23 Department of Revenue to a retailer under the Retailers'
24 Occupation Tax Act or under the Service Occupation Tax Act
25 shall permit the registrant to engage in a business that is
26 taxed under the tax imposed under paragraphs (b), (e), (f) or

1 (g) of this Section and no additional registration shall be
2 required under the tax. A certificate issued under the Use Tax
3 Act or the Service Use Tax Act shall be applicable with regard
4 to any tax imposed under paragraph (c) of this Section.

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

14 (l) The Board in imposing any tax as provided in paragraphs
15 (b) and (c) of this Section, shall, after seeking the advice of
16 the State Department of Revenue, provide means for retailers,
17 users or purchasers of motor fuel for purposes other than those
18 with regard to which the taxes may be imposed as provided in
19 those paragraphs to receive refunds of taxes improperly paid,
20 which provisions may be at variance with the refund provisions
21 as applicable under the Municipal Retailers Occupation Tax Act.
22 The State Department of Revenue may provide for certificates of
23 registration for users or purchasers of motor fuel for purposes
24 other than those with regard to which taxes may be imposed as
25 provided in paragraphs (b) and (c) of this Section to
26 facilitate the reporting and nontaxability of the exempt sales

1 or uses.

2 (m) Any ordinance imposing or discontinuing any tax under
3 this Section shall be adopted and a certified copy thereof
4 filed with the Department on or before June 1, whereupon the
5 Department of Revenue shall proceed to administer and enforce
6 this Section on behalf of the Regional Transportation Authority
7 as of September 1 next following such adoption and filing.
8 Beginning January 1, 1992, an ordinance or resolution imposing
9 or discontinuing the tax hereunder shall be adopted and a
10 certified copy thereof filed with the Department on or before
11 the first day of July, whereupon the Department shall proceed
12 to administer and enforce this Section as of the first day of
13 October next following such adoption and filing. Beginning
14 January 1, 1993, an ordinance or resolution imposing,
15 increasing, decreasing, or discontinuing the tax hereunder
16 shall be adopted and a certified copy thereof filed with the
17 Department, whereupon the Department shall proceed to
18 administer and enforce this Section as of the first day of the
19 first month to occur not less than 60 days following such
20 adoption and filing. Any ordinance or resolution of the
21 Authority imposing a tax under this Section and in effect on
22 August 1, 2007 shall remain in full force and effect and shall
23 be administered by the Department of Revenue under the terms
24 and conditions and rates of tax established by such ordinance
25 or resolution until the Department begins administering and
26 enforcing an increased tax under this Section as authorized by

1 this amendatory Act of the 95th General Assembly. The tax rates
2 authorized by this amendatory Act of the 95th General Assembly
3 are effective only if imposed by ordinance of the Authority.

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

25 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in July 1991 and each

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

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

19 (p) At no time shall a public transportation tax or motor
20 vehicle parking tax authorized under paragraphs (b), (c) and
21 (d) of this Section be in effect at the same time as any
22 retailers' occupation, use or service occupation tax
23 authorized under paragraphs (e), (f) and (g) of this Section is
24 in effect.

25 Any taxes imposed under the authority provided in
26 paragraphs (b), (c) and (d) shall remain in effect only until

1 the time as any tax authorized by paragraphs (e), (f) or (g) of
2 this Section are imposed and becomes effective. Once any tax
3 authorized by paragraphs (e), (f) or (g) is imposed the Board
4 may not reimpose taxes as authorized in paragraphs (b), (c) and
5 (d) of the Section unless any tax authorized by paragraphs (e),
6 (f) or (g) of this Section becomes ineffective by means other
7 than an ordinance of the Board.

8 (q) Any existing rights, remedies and obligations
9 (including enforcement by the Regional Transportation
10 Authority) arising under any tax imposed under paragraphs (b),
11 (c) or (d) of this Section shall not be affected by the
12 imposition of a tax under paragraphs (e), (f) or (g) of this
13 Section.

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

15 Section 105. The Water Commission Act of 1985 is amended by
16 changing Section 4 as follows:

17 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

18 Sec. 4. (a) The board of commissioners of any county water
19 commission may, by ordinance, impose throughout the territory
20 of the commission any or all of the taxes provided in this
21 Section for its corporate purposes. However, no county water
22 commission may impose any such tax unless the commission
23 certifies the proposition of imposing the tax to the proper
24 election officials, who shall submit the proposition to the

1 voters residing in the territory at an election in accordance
2 with the general election law, and the proposition has been
3 approved by a majority of those voting on the proposition.

4 The proposition shall be in the form provided in Section 5
5 or shall be substantially in the following form:

6 -----

7	Shall the (insert corporate	
8	name of county water commission)	YES
9	impose (state type of tax or	-----
10	taxes to be imposed) at the	NO
11	rate of 1/4%?	

12 -----

13 Taxes imposed under this Section and civil penalties
14 imposed incident thereto shall be collected and enforced by the
15 State Department of Revenue. The Department shall have the
16 power to administer and enforce the taxes and to determine all
17 rights for refunds for erroneous payments of the taxes.

18 (b) The board of commissioners may impose a County Water
19 Commission Retailers' Occupation Tax upon all persons engaged
20 in the business of selling tangible personal property at retail
21 in the territory of the commission at a rate of 1/4% of the
22 gross receipts from the sales made in the course of such
23 business within the territory. The tax imposed under this
24 paragraph and all civil penalties that may be assessed as an
25 incident thereof shall be collected and enforced by the State
26 Department of Revenue. The Department shall have full power to

1 administer and enforce this paragraph; to collect all taxes and
2 penalties due hereunder; to dispose of taxes and penalties so
3 collected in the manner hereinafter provided; and to determine
4 all rights to credit memoranda arising on account of the
5 erroneous payment of tax or penalty hereunder. In the
6 administration of, and compliance with, this paragraph, the
7 Department and persons who are subject to this paragraph shall
8 have the same rights, remedies, privileges, immunities, powers
9 and duties, and be subject to the same conditions,
10 restrictions, limitations, penalties, exclusions, exemptions
11 and definitions of terms, and employ the same modes of
12 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
13 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
14 therein other than the State rate of tax except that food for
15 human consumption that is to be consumed off the premises where
16 it is sold (other than alcoholic beverages, soft drinks, and
17 food that has been prepared for immediate consumption) and
18 prescription and nonprescription medicine, drugs, medical
19 appliances and insulin, urine testing materials, syringes, and
20 needles used by diabetics, for human use, shall not be subject
21 to tax hereunder), 2c, 3 (except as to the disposition of taxes
22 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,
23 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the
24 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
25 Penalty and Interest Act, as fully as if those provisions were
26 set forth herein.

1 Persons subject to any tax imposed under the authority
2 granted in this paragraph may reimburse themselves for their
3 seller's tax liability hereunder by separately stating the tax
4 as an additional charge, which charge may be stated in
5 combination, in a single amount, with State taxes that sellers
6 are required to collect under the Use Tax Act and under
7 subsection (e) of Section 4.03 of the Regional Transportation
8 Authority Act, in accordance with such bracket schedules as the
9 Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this paragraph to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant to be drawn for the
14 amount specified, and to the person named, in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of a county water commission tax fund established
17 under paragraph (g) of this Section.

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

1 If a tax is imposed under this subsection (b) a tax shall
2 also be imposed under subsections (c) and (d) of this Section.

3 No tax shall be imposed or collected under this subsection
4 on the sale of a motor vehicle in this State to a resident of
5 another state if that motor vehicle will not be titled in this
6 State.

7 Nothing in this paragraph shall be construed to authorize a
8 county water commission to impose a tax upon the privilege of
9 engaging in any business which under the Constitution of the
10 United States may not be made the subject of taxation by this
11 State.

12 (c) If a tax has been imposed under subsection (b), a
13 County Water Commission Service Occupation Tax shall also be
14 imposed upon all persons engaged, in the territory of the
15 commission, in the business of making sales of service, who, as
16 an incident to making the sales of service, transfer tangible
17 personal property within the territory. The tax rate shall be
18 1/4% of the selling price of tangible personal property so
19 transferred within the territory. The tax imposed under this
20 paragraph and all civil penalties that may be assessed as an
21 incident thereof shall be collected and enforced by the State
22 Department of Revenue. The Department shall have full power to
23 administer and enforce this paragraph; to collect all taxes and
24 penalties due hereunder; to dispose of taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

1 erroneous payment of tax or penalty hereunder. In the
2 administration of, and compliance with, this paragraph, the
3 Department and persons who are subject to this paragraph shall
4 have the same rights, remedies, privileges, immunities, powers
5 and duties, and be subject to the same conditions,
6 restrictions, limitations, penalties, exclusions, exemptions
7 and definitions of terms, and employ the same modes of
8 procedure, as are prescribed in Sections 1a-1, 2 (except that
9 the reference to State in the definition of supplier
10 maintaining a place of business in this State shall mean the
11 territory of the commission), 2a, 3 through 3-50 (in respect to
12 all provisions therein other than the State rate of tax except
13 that food for human consumption that is to be consumed off the
14 premises where it is sold (other than alcoholic beverages, soft
15 drinks, and food that has been prepared for immediate
16 consumption) and prescription and nonprescription medicines,
17 drugs, medical appliances and insulin, urine testing
18 materials, syringes, and needles used by diabetics, for human
19 use, shall not be subject to tax hereunder), 4 (except that the
20 reference to the State shall be to the territory of the
21 commission), 5, 7, 8 (except that the jurisdiction to which the
22 tax shall be a debt to the extent indicated in that Section 8
23 shall be the commission), 9 (except as to the disposition of
24 taxes and penalties collected and except that the returned
25 merchandise credit for this tax may not be taken against any
26 State tax), 10, 11, 12 (except the reference therein to Section

1 2b of the Retailers' Occupation Tax Act), 13 (except that any
2 reference to the State shall mean the territory of the
3 commission), the first paragraph of Section 15, 15.5, 16, 17,
4 18, 19 and 20 of the Service Occupation Tax Act as fully as if
5 those 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, which 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, and
12 any tax for which servicemen may be liable under subsection (f)
13 of Sec. 4.03 of the Regional Transportation Authority Act, in
14 accordance with such bracket schedules as the Department may
15 prescribe.

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

24 Nothing in this paragraph shall be construed to authorize a
25 county water commission to impose a tax upon the privilege of
26 engaging in any business which under the Constitution of the

1 United States may not be made the subject of taxation by the
2 State.

3 (d) If a tax has been imposed under subsection (b), a tax
4 shall also imposed upon the privilege of using, in the
5 territory of the commission, any item of tangible personal
6 property that is purchased outside the territory at retail from
7 a retailer, and that is titled or registered with an agency of
8 this State's government, at a rate of 1/4% of the selling price
9 of the tangible personal property within the territory, as
10 "selling price" is defined in the Use Tax Act. The tax shall be
11 collected from persons whose Illinois address for titling or
12 registration purposes is given as being in the territory. The
13 tax shall be collected by the Department of Revenue for a
14 county water commission. The tax must be paid to the State, or
15 an exemption determination must be obtained from the Department
16 of Revenue, before the title or certificate of registration for
17 the property may be issued. The tax or proof of exemption may
18 be transmitted to the Department by way of the State agency
19 with which, or the State officer with whom, the tangible
20 personal property must be titled or registered if the
21 Department and the State agency or State officer determine that
22 this procedure will expedite the processing of applications for
23 title or 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 so collected in the manner hereinafter provided; and
2 to determine all rights to credit memoranda or refunds arising
3 on 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, and except that food for
15 human consumption that is to be consumed off the premises where
16 it is sold (other than alcoholic beverages, soft drinks, and
17 food that has been prepared for immediate consumption) and
18 prescription and nonprescription medicines, drugs, medical
19 appliances and insulin, urine testing materials, syringes, and
20 needles used by diabetics, for human use, shall not be subject
21 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
22 portions pertaining to claims by retailers and except the last
23 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
24 and Section 3-7 of the Uniform Penalty and Interest Act that
25 are not inconsistent with this paragraph, as fully as if those
26 provisions were set forth herein.

1 Whenever the Department determines that a refund should be
2 made under this paragraph to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of a county water commission tax fund established
8 under paragraph (g) of this Section.

9 (e) A certificate of registration issued by the State
10 Department of Revenue to a retailer under the Retailers'
11 Occupation Tax Act or under the Service Occupation Tax Act
12 shall permit the registrant to engage in a business that is
13 taxed under the tax imposed under paragraphs (b), (c) or (d) of
14 this Section and no additional registration shall be required
15 under the tax. A certificate issued under the Use Tax Act or
16 the Service Use Tax Act shall be applicable with regard to any
17 tax imposed under paragraph (c) of this Section.

18 (f) Any ordinance imposing or discontinuing any tax under
19 this Section shall be adopted and a certified copy thereof
20 filed with the Department on or before June 1, whereupon the
21 Department of Revenue shall proceed to administer and enforce
22 this Section on behalf of the county water commission as of
23 September 1 next following the adoption and filing. Beginning
24 January 1, 1992, an ordinance or resolution imposing or
25 discontinuing the tax hereunder shall be adopted and a
26 certified copy thereof filed with the Department on or before

1 the first day of July, whereupon the Department shall proceed
2 to administer and enforce this Section as of the first day of
3 October next following such adoption and filing. Beginning
4 January 1, 1993, an ordinance or resolution imposing or
5 discontinuing the tax hereunder shall be adopted and a
6 certified copy thereof filed with the Department on or before
7 the first day of October, whereupon the Department shall
8 proceed to administer and enforce this Section as of the first
9 day of January next following such adoption and filing.

10 (g) 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 commission. The taxes
13 shall be held in a trust fund outside the State Treasury.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2010, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the STAR Bonds
19 Financing Act, collected under this Section during the second
20 preceding calendar month for sales within a STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on ~~On~~ or before the 25th day of each calendar month, the State
23 Department of Revenue shall prepare and certify to the
24 Comptroller of the State of Illinois the amount to be paid to
25 the commission, which shall be the then balance in the fund,
26 less any amount determined by the Department to be necessary

1 for the payment of refunds, and less any amounts that are
2 transferred to the STAR Bonds Revenue Fund. Within 10 days
3 after receipt by the Comptroller of the certification of the
4 amount to be paid to the commission, the Comptroller shall
5 cause an order to be drawn for the payment for the amount in
6 accordance with the direction in the certification.

7 (Source: P.A. 92-221, eff. 8-2-01; 93-1068, eff. 1-15-05.);
8 and

9 on page 44, line 16, by replacing "Section 99" with "Section
10 999".