



Sen. Toi W. Hutchinson

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09700SB2194sam001

LRB097 10235 HLH 51586 a

1 AMENDMENT TO SENATE BILL 2194

2 AMENDMENT NO. _____. Amend Senate Bill 2194 by replacing
3 everything after the enacting clause with the following:

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

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

7 Sec. 6z-18. A portion of the money paid into the Local
8 Government Tax Fund from sales of food for human consumption
9 which is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, soft drinks and food which has
11 been prepared for immediate consumption) and prescription and
12 nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used by
14 diabetics, which occurred in municipalities, shall be
15 distributed to each municipality based upon the sales which
16 occurred in that municipality. The remainder shall be

1 distributed to each county based upon the sales which occurred
2 in the unincorporated area of that county.

3 A portion of the money paid into the Local Government Tax
4 Fund from the 6.25% general use tax rate on the selling price
5 of tangible personal property which is purchased outside
6 Illinois at retail from a retailer and which is titled or
7 registered by any agency of this State's government shall be
8 distributed to municipalities as provided in this paragraph.
9 Each municipality shall receive the amount attributable to
10 sales for which Illinois addresses for titling or registration
11 purposes are given as being in such municipality. The remainder
12 of the money paid into the Local Government Tax Fund from such
13 sales shall be distributed to counties. Each county shall
14 receive the amount attributable to sales for which Illinois
15 addresses for titling or registration purposes are given as
16 being located in the unincorporated area of such county.

17 A portion of the money paid into the Local Government Tax
18 Fund from the 6.25% general rate (and, beginning July 1, 2000
19 and through December 31, 2000, the 1.25% rate on motor fuel and
20 gasohol, and beginning on August 6, 2010 through August 15,
21 2010, the 1.25% rate on sales tax holiday items) on sales
22 subject to taxation under the Retailers' Occupation Tax Act and
23 the Service Occupation Tax Act, which occurred in
24 municipalities, shall be distributed to each municipality,
25 based upon the sales which occurred in that municipality. The
26 remainder shall be distributed to each county, based upon the

1 sales which occurred in the unincorporated area of such county.

2 In allocating or sourcing any municipal, county, special
3 district, or other local retailers' occupation tax or the local
4 share of the state's retailers' occupation tax for sales
5 occurring in this state, the sales location for such allocation
6 or sourcing purposes shall be the office location that the
7 order for the purchase of the tangible personal property is
8 accepted by the retailer or its authorized representative,
9 except as provided in the next paragraph. In determining the
10 acceptance location for a sale, the office the order is first
11 received by the retailer or its authorized representative shall
12 be deemed the acceptance location, unless clearly proven
13 otherwise by the retailer that the final event or activity
14 giving rise to the retailer's acceptance of, or the binding
15 contract for, such sale occurred at a different office
16 location. In applying this paragraph and the next paragraph, if
17 the order is received by electronic means, including but not
18 limited to e-mail and facsimile transmission, and the first
19 electronic receipt of the order is not addressed to or
20 otherwise identified with a specific office location of the
21 retailer or its authorized representative, then the order shall
22 be deemed first received at the office location of the retailer
23 or its authorized representative to which the addressee of the
24 electronic order is primarily assigned or stationed, but in the
25 event such addressee has no identifiable office location then
26 the order shall be deemed first received at the office location

1 that first records the receipt of such electronic order. For
2 purposes of this paragraph, and the next paragraph, the term
3 "order" means the request (in writing, orally or
4 electronically) by the purchaser to buy tangible personal
5 property. Neither the delivery location nor the location of the
6 acceptance of the tangible personal property by the purchaser
7 (either before or after inspection or installation) shall
8 determine the sales location for allocation or sourcing
9 purposes under this Section.

10 Notwithstanding anything to the contrary in the preceding
11 paragraph, the sales location for the allocation or sourcing of
12 any municipal, county, special district, or other local
13 retailers' occupation tax or the local share of the state's
14 retailers' occupation tax shall be as follows: (1) in the event
15 the acceptance of the order by the retailer occurs outside of
16 the state (whether or not the receipt of the order occurs
17 within the state), then in those situations the sales location
18 shall be deemed outside of the state, and no local sourcing of
19 retailers' occupation tax applies, except when the tangible
20 personal property which is being sold is in the inventory of
21 the retailer at a location within the state at the time of sale
22 (or is subsequently produced by the retailer at a location in
23 this state), then in that event such inventory location shall
24 be deemed the sales location, or (2) in those situations in
25 which the retailer sends to the purchaser a complete and
26 unconditional offer to sell, then the sales location shall be

1 the office location that the retailer or its authorized
2 representative first receives back the purchaser's acceptance
3 of such offer, or (3) for keep full or similar requirements
4 contracts where the retailer agrees to supply tangible personal
5 property to a purchaser on a continuous basis until notified to
6 stop by the purchaser, then for such contracts the sales
7 location shall be the office location that the retailer or its
8 authorized representative receives the initial order under
9 such contract, provided that if such contract is a written
10 contract not requiring a separate initial order to start the
11 continuous supply process, then in such a situation the sales
12 location shall be the office location that the retailer or its
13 authorized representative signed the contract, or (4) for sales
14 accepted in Illinois under a long term blanket or master
15 contract which (though definite as to price and quantity) must
16 be implemented by the purchaser's placing of specific orders
17 when goods are wanted, the office location of the retailer or
18 its authorized representative with which such subsequent
19 specific orders are received (rather than the place where the
20 seller signed the master contract) will determine the sales
21 location with respect to such orders.

22 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
23 purpose of determining allocation to the local government unit,
24 a retail sale by a producer of coal or other mineral mined in
25 Illinois is a sale at retail at the place where the coal or
26 other mineral mined in Illinois is extracted from the earth.

1 With respect to minerals (i) the term "extracted from the
2 earth" means the location at which the coal or other mineral is
3 extracted from the mouth of the mine, and (ii) a "mineral"
4 includes not only coal, but also oil, sand, stone taken from a
5 quarry, gravel and any other thing commonly regarded as a
6 mineral and extracted from the earth. This paragraph does not
7 apply to coal or other mineral when it is delivered or shipped
8 by the seller to the purchaser at a point outside Illinois so
9 that the sale is exempt under the United States Constitution as
10 a sale in interstate or foreign commerce.

11 The changes made by this amendatory Act of the 97th General
12 Assembly shall be effective upon becoming law, and for past
13 periods not yet closed by any applicable limitations period, a
14 retailer may apply the changes made to this Section by this
15 amendatory Act of the 97th General Assembly in the allocation
16 of its past sales but only to the extent it does not change the
17 retailer's previous filing location for such sales.

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

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

1 beginning January 1, 2011, 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 Innovation
5 Development and Economy Act, collected during the second
6 preceding calendar month for sales within a STAR bond district
7 and deposited into the Local Government Tax Fund, less 3% of
8 that amount, which shall be transferred into the Tax Compliance
9 and Administration Fund and shall be used by the Department,
10 subject to appropriation, to cover the costs of the Department
11 in administering the Innovation Development and Economy Act.

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

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

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

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

24 In construing any development, redevelopment, annexation,
25 preannexation or other lawful agreement in effect prior to
26 September 1, 1990, which describes or refers to receipts from a

1 county or municipal retailers' occupation tax, use tax or
2 service occupation tax which now cannot be imposed, such
3 description or reference shall be deemed to include the
4 replacement revenue for such abolished taxes, distributed from
5 the Local Government Tax Fund.

6 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
7 revised 7-22-10.)

8 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

9 Sec. 6z-20. Of the money received from the 6.25% general
10 rate (and, beginning July 1, 2000 and through December 31,
11 2000, the 1.25% rate on motor fuel and gasohol, and beginning
12 on August 6, 2010 through August 15, 2010, the 1.25% rate on
13 sales tax holiday items) on sales subject to taxation under the
14 Retailers' Occupation Tax Act and Service Occupation Tax Act
15 and paid into the County and Mass Transit District Fund,
16 distribution to the Regional Transportation Authority tax
17 fund, created pursuant to Section 4.03 of the Regional
18 Transportation Authority Act, for deposit therein shall be made
19 based upon the retail sales occurring in a county having more
20 than 3,000,000 inhabitants. The remainder shall be distributed
21 to each county having 3,000,000 or fewer inhabitants based upon
22 the retail sales occurring in each such county.

23 In allocating or sourcing any municipal, county, special
24 district, or other local retailers' occupation tax or the local
25 share of the state's retailers' occupation tax for sales

1 occurring in this state, the sales location for such allocation
2 or sourcing purposes shall be the office location that the
3 order for the purchase of the tangible personal property is
4 accepted by the retailer or its authorized representative,
5 except as provided in the next paragraph. In determining the
6 acceptance location for a sale, the office the order is first
7 received by the retailer or its authorized representative shall
8 be deemed the acceptance location, unless clearly proven
9 otherwise by the retailer that the final event or activity
10 giving rise to the retailer's acceptance of, or the binding
11 contract for, such sale occurred at a different office
12 location. In applying this paragraph and the next paragraph, if
13 the order is received by electronic means, including but not
14 limited to e-mail and facsimile transmission, and the first
15 electronic receipt of the order is not addressed to or
16 otherwise identified with a specific office location of the
17 retailer or its authorized representative, then the order shall
18 be deemed first received at the office location of the retailer
19 or its authorized representative to which the addressee of the
20 electronic order is primarily assigned or stationed, but in the
21 event such addressee has no identifiable office location then
22 the order shall be deemed first received at the office location
23 that first records the receipt of such electronic order. For
24 purposes of this paragraph and the next paragraph, the term
25 "order" means the request (in writing, orally or
26 electronically) by the purchaser to buy tangible personal

1 property. Neither the delivery location nor the location of the
2 acceptance of the tangible personal property by the purchaser
3 (either before or after inspection or installation) shall
4 determine the sales location for allocation or sourcing
5 purposes under this Section.

6 Notwithstanding anything to the contrary in the preceding
7 paragraph, the sales location for the allocation or sourcing of
8 any municipal, county, special district, or other local
9 retailers' occupation tax or the local share of the state's
10 retailers' occupation tax shall be as follows: (1) in the event
11 the acceptance of the order by the retailer occurs outside of
12 the state (whether or not the receipt of the order occurs
13 within the state), then in those situations the sales location
14 shall be deemed outside of the state, and no local sourcing of
15 retailers' occupation tax applies, except when the tangible
16 personal property which is being sold is in the inventory of
17 the retailer at a location within the state at the time of sale
18 (or is subsequently produced by the retailer at a location in
19 this state), then in that event such inventory location shall
20 be deemed the sales location, or (2) in those situations in
21 which the retailer sends to the purchaser a complete and
22 unconditional offer to sell, then the sales location shall be
23 the office location that the retailer or its authorized
24 representative first receives back the purchaser's acceptance
25 of such offer, or (3) for keep full or similar requirements
26 contracts where the retailer agrees to supply tangible personal

1 property to a purchaser on a continuous basis until notified to
2 stop by the purchaser, then for such contracts the sales
3 location shall be the office location that the retailer or its
4 authorized representative receives the initial order under
5 such contract, provided that if such contract is a written
6 contract not requiring a separate initial order to start the
7 continuous supply process, then in such a situation the sales
8 location shall be the office location that the retailer or its
9 authorized representative signed the contract, or (4) for sales
10 accepted in Illinois under a long term blanket or master
11 contract which (though definite as to price and quantity) must
12 be implemented by the purchaser's placing of specific orders
13 when goods are wanted, the office location of the retailer or
14 its authorized representative with which such subsequent
15 specific orders are received (rather than the place where the
16 seller signed the master contract) will determine the sales
17 location with respect to such orders.

18 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
19 purpose of determining allocation to the local government unit,
20 a retail sale by a producer of coal or other mineral mined in
21 Illinois is a sale at retail at the place where the coal or
22 other mineral mined in Illinois is extracted from the earth.
23 With respect to minerals (i) the term "extracted from the
24 earth" means the location at which the coal or other mineral is
25 extracted from the mouth of the mine, and (ii) a "mineral"
26 includes not only coal, but also oil, sand, stone taken from a

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

7 The changes made by this amendatory Act of the 97th General
8 Assembly shall be effective upon becoming law, and for past
9 periods not yet closed by any applicable limitations period, a
10 retailer may apply the changes made to this Section by this
11 amendatory Act of the 97th General Assembly in the allocation
12 of its past sales but only to the extent it does not change the
13 retailer's previous filing location for such sales.

14 Of the money received from the 6.25% general use tax rate
15 on tangible personal property which is purchased outside
16 Illinois at retail from a retailer and which is titled or
17 registered by any agency of this State's government and paid
18 into the County and Mass Transit District Fund, the amount for
19 which Illinois addresses for titling or registration purposes
20 are given as being in each county having more than 3,000,000
21 inhabitants shall be distributed into the Regional
22 Transportation Authority tax fund, created pursuant to Section
23 4.03 of the Regional Transportation Authority Act. The
24 remainder of the money paid from such sales shall be
25 distributed to each county based on sales for which Illinois
26 addresses for titling or registration purposes are given as

1 being located in the county. Any money paid into the Regional
2 Transportation Authority Occupation and Use Tax Replacement
3 Fund from the County and Mass Transit District Fund prior to
4 January 14, 1991, which has not been paid to the Authority
5 prior to that date, shall be transferred to the Regional
6 Transportation Authority tax fund.

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

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Innovation
20 Development and Economy Act, collected during the second
21 preceding calendar month for sales within a STAR bond district
22 and deposited into the County and Mass Transit District Fund,
23 less 3% of that amount, which shall be transferred into the Tax
24 Compliance and Administration Fund and shall be used by the
25 Department, subject to appropriation, to cover the costs of the
26 Department in administering the Innovation Development and

1 Economy Act.

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

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

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

1 Distributive Fund, as the case may be.

2 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
3 revised 7-22-10.)

4 Section 10. The Counties Code is amended by changing
5 Sections 5-1006, 5-1006.5, 5-1006.7, and 5-1008.5 as follows:

6 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

1 Revenue. The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act shall permit the retailer to engage in a business that is
4 taxable under any ordinance or resolution enacted pursuant to
5 this Section without registering separately with the
6 Department under such ordinance or resolution or under this
7 Section. The Department shall have full power to administer and
8 enforce this Section; to collect all taxes and penalties due
9 hereunder; to dispose of taxes and penalties so collected in
10 the 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 and definitions of terms, and employ the same modes
18 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
19 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
20 provisions therein other than the State rate of tax), 4, 5, 5a,
21 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
22 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
23 Section 3-7 of the Uniform Penalty and Interest Act, as fully
24 as if those provisions were set forth herein.

25 No tax may be imposed by a home rule county pursuant to
26 this Section unless the county also imposes a tax at the same

1 rate pursuant to Section 5-1007.

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

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

17 The Department shall forthwith pay over to the State
18 Treasurer, ex officio, as trustee, all taxes and penalties
19 collected hereunder.

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the Innovation
25 Development and Economy Act, collected under this Section
26 during the second preceding calendar month for sales within a

1 STAR bond district.

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

26 In addition to the disbursement required by the preceding

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

15 In allocating or sourcing any municipal, county, special
16 district, or other local retailers' occupation tax or the local
17 share of the state's retailers' occupation tax for sales
18 occurring in this state, the sales location for such allocation
19 or sourcing purposes shall be the office location that the
20 order for the purchase of the tangible personal property is
21 accepted by the retailer or its authorized representative,
22 except as provided in the next paragraph. In determining the
23 acceptance location for a sale, the office the order is first
24 received by the retailer or its authorized representative shall
25 be deemed the acceptance location, unless clearly proven
26 otherwise by the retailer that the final event or activity

1 giving rise to the retailer's acceptance of, or the binding
2 contract for, such sale occurred at a different office
3 location. In applying this paragraph and the next paragraph, if
4 the order is received by electronic means, including but not
5 limited to e-mail and facsimile transmission, and the first
6 electronic receipt of the order is not addressed to or
7 otherwise identified with a specific office location of the
8 retailer or its authorized representative, then the order shall
9 be deemed first received at the office location of the retailer
10 or its authorized representative to which the addressee of the
11 electronic order is primarily assigned or stationed, but in the
12 event such addressee has no identifiable office location then
13 the order shall be deemed first received at the office location
14 that first records the receipt of such electronic order. For
15 purposes of this paragraph and the next paragraph, the term
16 "order" means the request (in writing, orally or
17 electronically) by the purchaser to buy tangible personal
18 property. Neither the delivery location nor the location of the
19 acceptance of the tangible personal property by the purchaser
20 (either before or after inspection or installation) shall
21 determine the sales location for allocation or sourcing
22 purposes under this Section.

23 Notwithstanding anything to the contrary in the preceding
24 paragraph, the sales location for the allocation or sourcing of
25 any municipal, county, special district, or other local
26 retailers' occupation tax or the local share of the state's

1 retailers' occupation tax shall be as follows: (1) in the event
2 the acceptance of the order by the retailer occurs outside of
3 the state (whether or not the receipt of the order occurs
4 within the state), then in those situations the sales location
5 shall be deemed outside of the state, and no local sourcing of
6 retailers' occupation tax applies, except when the tangible
7 personal property which is being sold is in the inventory of
8 the retailer at a location within the state at the time of sale
9 (or is subsequently produced by the retailer at a location in
10 this state), then in that event such inventory location shall
11 be deemed the sales location, or (2) in those situations in
12 which the retailer sends to the purchaser a complete and
13 unconditional offer to sell, then the sales location shall be
14 the office location that the retailer or its authorized
15 representative first receives back the purchaser's acceptance
16 of such offer, or (3) for keep full or similar requirements
17 contracts where the retailer agrees to supply tangible personal
18 property to a purchaser on a continuous basis until notified to
19 stop by the purchaser, then for such contracts the sales
20 location shall be the office location that the retailer or its
21 authorized representative receives the initial order under
22 such contract, provided that if such contract is a written
23 contract not requiring a separate initial order to start the
24 continuous supply process, then in such a situation the sales
25 location shall be the office location that the retailer or its
26 authorized representative signed the contract, or (4) for sales

1 accepted in Illinois under a long term blanket or master
2 contract which (though definite as to price and quantity) must
3 be implemented by the purchaser's placing of specific orders
4 when goods are wanted, the office location of the retailer or
5 its authorized representative with which such subsequent
6 specific orders are received (rather than the place where the
7 seller signed the master contract) will determine the sales
8 location with respect to such orders.

9 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
10 purpose of determining the local governmental unit whose tax is
11 applicable, a retail sale by a producer of coal or other
12 mineral mined in Illinois is a sale at retail at the place
13 where the coal or other mineral mined in Illinois is extracted
14 from the earth. With respect to minerals (i) the term
15 "extracted from the earth" means the location at which the coal
16 or other mineral is extracted from the mouth of the mine, and
17 (ii) a "mineral" includes not only coal, but also oil, sand,
18 stone taken from a quarry, gravel and any other thing commonly
19 regarded as a mineral and extracted from the earth. This
20 paragraph does not apply to coal or other mineral when it is
21 delivered or shipped by the seller to the purchaser at a point
22 outside Illinois so that the sale is exempt under the United
23 States Constitution as a sale in interstate or foreign
24 commerce.

25 The changes made by this amendatory Act of the 97th General
26 Assembly shall be effective upon becoming law, and for past

1 periods not yet closed by any applicable limitations period, a
2 retailer may apply the changes made to this Section by this
3 amendatory Act of the 97th General Assembly in the allocation
4 of its past sales but only to the extent it does not change the
5 retailer's previous filing location for such sales.

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

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

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

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

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

22 (Source: P.A. 96-939, eff. 6-24-10.)

23 (55 ILCS 5/5-1006.5)

24 (Text of Section before amendment by P.A. 96-845)

25 Sec. 5-1006.5. Special County Retailers' Occupation Tax

1 For Public Safety, Public Facilities, or Transportation.

2 (a) The county board of any county may impose a tax upon
3 all persons engaged in the business of selling tangible
4 personal property, other than personal property titled or
5 registered with an agency of this State's government, at retail
6 in the county on the gross receipts from the sales made in the
7 course of business to provide revenue to be used exclusively
8 for public safety, public facility, or transportation purposes
9 in that county, if a proposition for the tax has been submitted
10 to the electors of that county and approved by a majority of
11 those voting on the question. If imposed, this tax shall be
12 imposed only in one-quarter percent increments. By resolution,
13 the county board may order the proposition to be submitted at
14 any election. If the tax is imposed for transportation purposes
15 for expenditures for public highways or as authorized under the
16 Illinois Highway Code, the county board must publish notice of
17 the existence of its long-range highway transportation plan as
18 required or described in Section 5-301 of the Illinois Highway
19 Code and must make the plan publicly available prior to
20 approval of the ordinance or resolution imposing the tax. If
21 the tax is imposed for transportation purposes for expenditures
22 for passenger rail transportation, the county board must
23 publish notice of the existence of its long-range passenger
24 rail transportation plan and must make the plan publicly
25 available prior to approval of the ordinance or resolution
26 imposing the tax.

1 If a tax is imposed for public facilities purposes, then
2 the name of the project may be included in the proposition at
3 the discretion of the county board as determined in the
4 enabling resolution. For example, the "XXX Nursing Home" or the
5 "YYY Museum".

6 The county clerk shall certify the question to the proper
7 election authority, who shall submit the proposition at an
8 election in accordance with the general election law.

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

11 "To pay for public safety purposes, shall (name of
12 county) be authorized to impose an increase on its share of
13 local sales taxes by (insert rate)?"

14 As additional information on the ballot below the
15 question shall appear the following:

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

19 The county board may also opt to establish a sunset
20 provision at which time the additional sales tax would
21 cease being collected, if not terminated earlier by a vote
22 of the county board. If the county board votes to include a
23 sunset provision, the proposition for public safety
24 purposes shall be 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) for a period not to
2 exceed (insert number of years)?"

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

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

11 For the purposes of the paragraph, "public safety
12 purposes" means crime prevention, detention, fire
13 fighting, police, medical, ambulance, or other emergency
14 services.

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

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

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

22 As additional information on the ballot below the
23 question shall appear the following:

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

1 The county board may also opt to establish a sunset
2 provision at which time the additional sales tax would
3 cease being collected, if not terminated earlier by a vote
4 of the county board. If the county board votes to include a
5 sunset provision, the proposition for transportation
6 purposes shall be in substantially the following form:

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

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

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

19 For the purposes of this paragraph, transportation
20 purposes means construction, maintenance, operation, and
21 improvement of public highways, any other purpose for which
22 a county may expend funds under the Illinois Highway Code,
23 and passenger rail transportation.

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

25 (3) The proposition for public facilities purposes
26 shall be in substantially the following form:

1 "To pay for public facilities purposes, shall (name of
2 county) be authorized to impose an increase on its share of
3 local sales taxes by (insert rate)?"

4 As additional information on the ballot below the
5 question shall appear the following:

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

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

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

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

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

1 For purposes of this Section, "public facilities
2 purposes" means the acquisition, development,
3 construction, reconstruction, rehabilitation, improvement,
4 financing, architectural planning, and installation of
5 capital facilities consisting of buildings, structures,
6 and durable equipment and for the acquisition and
7 improvement of real property and interest in real property
8 required, or expected to be required, in connection with
9 the public facilities, for use by the county for the
10 furnishing of governmental services to its citizens,
11 including but not limited to museums and nursing homes.

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

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

17 This additional tax may not be imposed on the sales of food
18 for human consumption that is to be consumed off the premises
19 where it is sold (other than alcoholic beverages, soft drinks,
20 and food which has been prepared for immediate consumption) and
21 prescription and non-prescription medicines, drugs, medical
22 appliances and insulin, urine testing materials, syringes, and
23 needles used by diabetics. The tax imposed by a county under
24 this Section and all civil penalties that may be assessed as an
25 incident of the tax shall be collected and enforced by the
26 Illinois Department of Revenue and deposited into a special

1 fund created for that purpose. The certificate of registration
2 that is issued by the Department to a retailer under the
3 Retailers' Occupation Tax Act shall permit the retailer to
4 engage in a business that is taxable without registering
5 separately with the Department under an ordinance or resolution
6 under this Section. The Department has full power to administer
7 and enforce this Section, to collect all taxes and penalties
8 due under this Section, to dispose of taxes and penalties so
9 collected in the manner provided in this Section, and to
10 determine all rights to credit memoranda arising on account of
11 the erroneous payment of a tax or penalty under this Section.
12 In the administration of and compliance with this Section, the
13 Department and persons who are subject to this Section shall
14 (i) have the same rights, remedies, privileges, immunities,
15 powers, and duties, (ii) be subject to the same conditions,
16 restrictions, limitations, penalties, and definitions of
17 terms, and (iii) employ the same modes of procedure as are
18 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
19 1n, 2 through 2-70 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
21 (except provisions relating to transaction returns and quarter
22 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
23 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
24 the Retailers' Occupation Tax Act and Section 3-7 of the
25 Uniform Penalty and Interest Act as if those provisions were
26 set forth in this Section.

1 Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 sellers' tax liability by separately stating the tax as an
4 additional charge, which charge may be stated in combination,
5 in a single amount, with State tax which sellers are required
6 to collect under the Use Tax Act, pursuant to such bracketed
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 order 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 County Public Safety or Transportation
15 Retailers' Occupation Tax Fund.

16 (b) If a tax has been imposed under subsection (a), a
17 service occupation tax shall also be imposed at the same rate
18 upon all persons engaged, in the county, in the business of
19 making sales of service, who, as an incident to making those
20 sales of service, transfer tangible personal property within
21 the county as an incident to a sale of service. This tax may
22 not be imposed on sales of food for human consumption that is
23 to be consumed off the premises where it is sold (other than
24 alcoholic beverages, soft drinks, and food prepared for
25 immediate consumption) and prescription and non-prescription
26 medicines, drugs, medical appliances and insulin, urine

1 testing materials, syringes, and needles used by diabetics. The
2 tax imposed under this subsection and all civil penalties that
3 may be assessed as an incident thereof shall be collected and
4 enforced by the Department of Revenue. The Department has full
5 power to administer and enforce this subsection; to collect all
6 taxes and penalties due hereunder; to dispose of taxes and
7 penalties so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda arising on account
9 of the erroneous payment of tax or penalty hereunder. In the
10 administration of, and compliance with this subsection, the
11 Department and persons who are subject to this paragraph shall
12 (i) have the same rights, remedies, privileges, immunities,
13 powers, and duties, (ii) be subject to the same conditions,
14 restrictions, limitations, penalties, exclusions, exemptions,
15 and definitions of terms, and (iii) employ the same modes of
16 procedure as are prescribed in Sections 2 (except that the
17 reference to State in the definition of supplier maintaining a
18 place of business in this State shall mean the county), 2a, 2b,
19 2c, 3 through 3-50 (in respect to all provisions therein other
20 than the State rate of tax), 4 (except that the reference to
21 the State shall be to the county), 5, 7, 8 (except that the
22 jurisdiction to which the tax shall be a debt to the extent
23 indicated in that Section 8 shall be the county), 9 (except as
24 to the disposition of taxes and penalties collected), 10, 11,
25 12 (except the reference therein to Section 2b of the
26 Retailers' Occupation Tax Act), 13 (except that any reference

1 to the State shall mean the county), Section 15, 16, 17, 18, 19
2 and 20 of the Service Occupation Tax Act and Section 3-7 of the
3 Uniform Penalty and Interest Act, as fully as if those
4 provisions were set forth herein.

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

13 Whenever the Department determines that a refund should be
14 made under this subsection to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named, in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the County Public Safety or Transportation
20 Retailers' Occupation Fund.

21 Nothing in this subsection shall be construed to authorize
22 the county 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 the State.

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

1 collected under this Section to be deposited into the County
2 Public Safety or Transportation Retailers' Occupation Tax
3 Fund, which shall be an unappropriated trust fund held outside
4 of the State treasury.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Innovation
10 Development and Economy Act, collected under this Section
11 during the second preceding calendar month for sales within a
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to the counties from which
17 retailers have paid taxes or penalties to the Department during
18 the second preceding calendar month. The amount to be paid to
19 each county, and deposited by the county into its special fund
20 created for the purposes of this Section, shall be the amount
21 (not including credit memoranda) collected under this Section
22 during the second preceding calendar month by the Department
23 plus an amount the Department determines is necessary to offset
24 any amounts that were erroneously paid to a different taxing
25 body, and not including (i) an amount equal to the amount of
26 refunds made during the second preceding calendar month by the

1 Department on behalf of the county, (ii) any amount that the
2 Department determines is necessary to offset any amounts that
3 were payable to a different taxing body but were erroneously
4 paid to the county, and (iii) any amounts that are transferred
5 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
6 the Comptroller of the disbursement certification to the
7 counties provided for in this Section to be given to the
8 Comptroller by the Department, the Comptroller shall cause the
9 orders to be drawn for the respective amounts in accordance
10 with directions contained in the certification.

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

26 (c-5) In allocating or sourcing any municipal, county,

1 special district, or other local retailers' occupation tax or
2 the local share of the state's retailers' occupation tax for
3 sales occurring in this state, the sales location for such
4 allocation or sourcing purposes shall be the office location
5 that the order for the purchase of the tangible personal
6 property is accepted by the retailer or its authorized
7 representative, except as provided in the next paragraph. In
8 determining the acceptance location for a sale, the office the
9 order is first received by the retailer or its authorized
10 representative shall be deemed the acceptance location, unless
11 clearly proven otherwise by the retailer that the final event
12 or activity giving rise to the retailer's acceptance of, or the
13 binding contract for, such sale occurred at a different office
14 location. In applying this Subsection (c-5), if the order is
15 received by electronic means, including but not limited to
16 e-mail and facsimile transmission, and the first electronic
17 receipt of the order is not addressed to or otherwise
18 identified with a specific office location of the retailer or
19 its authorized representative, then the order shall be deemed
20 first received at the office location of the retailer or its
21 authorized representative to which the addressee of the
22 electronic order is primarily assigned or stationed, but in the
23 event such addressee has no identifiable office location then
24 the order shall be deemed first received at the office location
25 that first records the receipt of such electronic order. For
26 purposes of this Subsection (c-5), the term "order" means the

1 request (in writing, orally or electronically) by the purchaser
2 to buy tangible personal property. Neither the delivery
3 location nor the location of the acceptance of the tangible
4 personal property by the purchaser (either before or after
5 inspection or installation) shall determine the sales location
6 for allocation or sourcing purposes under this Section.

7 Notwithstanding anything to the contrary in the preceding
8 paragraph, the sales location for the allocation or sourcing of
9 any municipal, county, special district, or other local
10 retailers' occupation tax or the local share of the state's
11 retailers' occupation tax shall be as follows: (1) in the event
12 the acceptance of the order by the retailer occurs outside of
13 the state (whether or not the receipt of the order occurs
14 within the state), then in those situations the sales location
15 shall be deemed outside of the state, and no local sourcing of
16 retailers' occupation tax applies, except when the tangible
17 personal property which is being sold is in the inventory of
18 the retailer at a location within the state at the time of sale
19 (or is subsequently produced by the retailer at a location in
20 this state), then in that event such inventory location shall
21 be deemed the sales location, or (2) in those situations in
22 which the retailer sends to the purchaser a complete and
23 unconditional offer to sell, then the sales location shall be
24 the office location that the retailer or its authorized
25 representative first receives back the purchaser's acceptance
26 of such offer, or (3) for keep full or similar requirements

1 contracts where the retailer agrees to supply tangible personal
2 property to a purchaser on a continuous basis until notified to
3 stop by the purchaser, then for such contracts the sales
4 location shall be the office location that the retailer or its
5 authorized representative receives the initial order under
6 such contract, provided that if such contract is a written
7 contract not requiring a separate initial order to start the
8 continuous supply process, then in such a situation the sales
9 location shall be the office location that the retailer or its
10 authorized representative signed the contract, or (4) for sales
11 accepted in Illinois under a long term blanket or master
12 contract which (though definite as to price and quantity) must
13 be implemented by the purchaser's placing of specific orders
14 when goods are wanted, the office location of the retailer or
15 its authorized representative with which such subsequent
16 specific orders are received (rather than the place where the
17 seller signed the master contract) will determine the sales
18 location with respect to such orders.

19 (c-6) The changes made by this amendatory Act of the 97th
20 General Assembly shall be effective upon becoming law, and for
21 past periods not yet closed by any applicable limitations
22 period, a retailer may apply the changes made to this Section
23 by this amendatory Act of the 97th General Assembly in the
24 allocation of its past sales but only to the extent it does not
25 change the retailer's previous filing location for such sales.

26 (d) Notwithstanding subsection (c-5) of this Section, for

1 ~~For~~ the purpose of determining the local governmental unit
2 whose tax is applicable, a retail sale by a producer of coal or
3 another mineral mined in Illinois is a sale at retail at the
4 place where the coal or other mineral mined in Illinois is
5 extracted from the earth. With respect to minerals (i) the term
6 "extracted from the earth" means the location at which the coal
7 or other mineral is extracted from the mouth of the mine, and
8 (ii) a "mineral" includes not only coal, but also oil, sand,
9 stone taken from a quarry, gravel and any other thing commonly
10 regarded as a mineral and extracted from the earth. This
11 paragraph does not apply to coal or another mineral when it is
12 delivered or shipped by the seller to the purchaser at a point
13 outside Illinois so that the sale is exempt under the United
14 States Constitution as a sale in interstate or foreign
15 commerce.

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

20 (e-5) If a county imposes a tax under this Section, the
21 county board may, by ordinance, discontinue or lower the rate
22 of the tax. If the county board lowers the tax rate or
23 discontinues the tax, a referendum must be held in accordance
24 with subsection (a) of this Section in order to increase the
25 rate of the tax or to reimpose the discontinued tax.

26 (f) Beginning April 1, 1998, the results of any election

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

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

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

21 (i) For purposes of this Section, "public safety" includes,
22 but is not limited to, crime prevention, detention, fire
23 fighting, police, medical, ambulance, or other emergency
24 services. The county may share tax proceeds received under this
25 Section for public safety purposes, including proceeds
26 received before August 4, 2009 (the effective date of Public

1 Act 96-124), with any fire protection district located in the
2 county. For the purposes of this Section, "transportation"
3 includes, but is not limited to, the construction, maintenance,
4 operation, and improvement of public highways, any other
5 purpose for which a county may expend funds under the Illinois
6 Highway Code, and passenger rail transportation. For the
7 purposes of this Section, "public facilities purposes"
8 includes, but is not limited to, the acquisition, development,
9 construction, reconstruction, rehabilitation, improvement,
10 financing, architectural planning, and installation of capital
11 facilities consisting of buildings, structures, and durable
12 equipment and for the acquisition and improvement of real
13 property and interest in real property required, or expected to
14 be required, in connection with the public facilities, for use
15 by the county for the furnishing of governmental services to
16 its citizens, including but not limited to museums and nursing
17 homes.

18 (j) The Department may promulgate rules to implement Public
19 Act 95-1002 only to the extent necessary to apply the existing
20 rules for the Special County Retailers' Occupation Tax for
21 Public Safety to this new purpose for public facilities.

22 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
23 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-939, eff.
24 6-24-10; 96-1000, eff. 7-2-10.)

25 (Text of Section after amendment by P.A. 96-845)

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

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 public safety, public facility, or transportation purposes
10 in that county, if a proposition for the tax has been submitted
11 to the electors of that county and approved by a majority of
12 those voting on the question. If imposed, this tax shall be
13 imposed only in one-quarter percent increments. By resolution,
14 the county board may order the proposition to be submitted at
15 any election. If the tax is imposed for transportation purposes
16 for expenditures for public highways or as authorized under the
17 Illinois Highway Code, the county board must publish notice of
18 the existence of its long-range highway transportation plan as
19 required or described in Section 5-301 of the Illinois Highway
20 Code and must make the plan publicly available prior to
21 approval of the ordinance or resolution imposing the tax. If
22 the tax is imposed for transportation purposes for expenditures
23 for passenger rail transportation, the county board must
24 publish notice of the existence of its long-range passenger
25 rail transportation plan and must make the plan publicly
26 available prior to approval of the ordinance or resolution

1 imposing the tax.

2 If a tax is imposed for public facilities purposes, then
3 the name of the project may be included in the proposition at
4 the discretion of the county board as determined in the
5 enabling resolution. For example, the "XXX Nursing Home" or the
6 "YYY Museum".

7 The county clerk shall certify the question to the proper
8 election authority, who shall submit the proposition at an
9 election in accordance with the general election law.

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

12 "To pay for public safety purposes, shall (name of
13 county) be authorized to impose an increase on its share of
14 local sales taxes by (insert rate)?"

15 As additional information on the ballot below the
16 question shall appear the following:

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

20 The county board may also opt to establish a sunset
21 provision at which time the additional sales tax would
22 cease being collected, if not terminated earlier by a vote
23 of the county board. If the county board votes to include a
24 sunset provision, the proposition for public safety
25 purposes shall be in substantially the following form:

26 "To pay for public safety purposes, shall (name of

1 county) be authorized to impose an increase on its share of
2 local sales taxes by (insert rate) for a period not to
3 exceed (insert number of years)?"

4 As additional information on the ballot below the
5 question shall appear the following:

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

12 For the purposes of the paragraph, "public safety
13 purposes" means crime prevention, detention, fire
14 fighting, police, medical, ambulance, or other emergency
15 services.

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

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

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

23 As additional information on the ballot below the
24 question shall appear the following:

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail."

2 The county board may also opt to establish a sunset
3 provision at which time the additional sales tax would
4 cease being collected, if not terminated earlier by a vote
5 of the county board. If the county board votes to include a
6 sunset provision, the proposition for transportation
7 purposes shall be in substantially the following form:

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

12 As additional information on the ballot below the
13 question shall appear the following:

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

20 For the purposes of this paragraph, transportation
21 purposes means construction, maintenance, operation, and
22 improvement of public highways, any other purpose for which
23 a county may expend funds under the Illinois Highway Code,
24 and passenger rail transportation.

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

26 (3) The proposition for public facilities purposes

1 shall be in substantially the following form:

2 "To pay for public facilities purposes, shall (name of
3 county) be authorized to impose an increase on its share of
4 local sales taxes by (insert rate)?"

5 As additional information on the ballot below the
6 question shall appear the following:

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

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

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

20 As additional information on the ballot below the
21 question shall appear the following:

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

1 vote of the county board."

2 For purposes of this Section, "public facilities
3 purposes" means the acquisition, development,
4 construction, reconstruction, rehabilitation, improvement,
5 financing, architectural planning, and installation of
6 capital facilities consisting of buildings, structures,
7 and durable equipment and for the acquisition and
8 improvement of real property and interest in real property
9 required, or expected to be required, in connection with
10 the public facilities, for use by the county for the
11 furnishing of governmental services to its citizens,
12 including but not limited to museums and nursing homes.

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

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

18 This additional tax may not be imposed on the sales of food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, soft drinks,
21 and food which has been prepared for immediate consumption) and
22 prescription and non-prescription medicines, drugs, medical
23 appliances and insulin, urine testing materials, syringes, and
24 needles used by diabetics. The tax imposed by a county under
25 this Section and all civil penalties that may be assessed as an
26 incident of the tax shall be collected and enforced by the

1 Illinois Department of Revenue and deposited into a special
2 fund created for that purpose. The certificate of registration
3 that is issued by the Department to a retailer under the
4 Retailers' Occupation Tax Act shall permit the retailer to
5 engage in a business that is taxable without registering
6 separately with the Department under an ordinance or resolution
7 under this Section. The Department has full power to administer
8 and enforce this Section, to collect all taxes and penalties
9 due under this Section, to dispose of taxes and penalties so
10 collected in the manner provided in this Section, and to
11 determine all rights to credit memoranda arising on account of
12 the erroneous payment of a tax or penalty under this Section.
13 In the administration of and compliance with this Section, the
14 Department and persons who are subject to this Section shall
15 (i) have the same rights, remedies, privileges, immunities,
16 powers, and duties, (ii) be subject to the same conditions,
17 restrictions, limitations, penalties, and definitions of
18 terms, and (iii) employ the same modes of procedure as are
19 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
20 1n, 2 through 2-70 (in respect to all provisions contained in
21 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
22 (except provisions relating to transaction returns and quarter
23 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
24 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
25 the Retailers' Occupation Tax Act and Section 3-7 of the
26 Uniform Penalty and Interest Act as if those provisions were

1 set forth in this Section.

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

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the County Public Safety or Transportation
16 Retailers' Occupation Tax Fund.

17 (b) If a tax has been imposed under subsection (a), a
18 service occupation tax shall also be imposed at the same rate
19 upon all persons engaged, in the county, in the business of
20 making sales of service, who, as an incident to making those
21 sales of service, transfer tangible personal property within
22 the county as an incident to a sale of service. This tax may
23 not be imposed on sales of food for human consumption that is
24 to be consumed off the premises where it is sold (other than
25 alcoholic beverages, soft drinks, and food prepared for
26 immediate consumption) and prescription and non-prescription

1 medicines, drugs, medical appliances and insulin, urine
2 testing materials, syringes, and needles used by diabetics. The
3 tax imposed under this subsection and all civil penalties that
4 may be assessed as an incident thereof shall be collected and
5 enforced by the Department of Revenue. The Department has full
6 power to administer and enforce this subsection; to collect all
7 taxes and penalties due hereunder; to dispose of taxes and
8 penalties so collected in the manner hereinafter provided; and
9 to determine all rights to credit memoranda arising on account
10 of the erroneous payment of tax or penalty hereunder. In the
11 administration of, and compliance with this subsection, the
12 Department and persons who are subject to this paragraph shall
13 (i) have the same rights, remedies, privileges, immunities,
14 powers, and duties, (ii) be subject to the same conditions,
15 restrictions, limitations, penalties, exclusions, exemptions,
16 and definitions of terms, and (iii) employ the same modes of
17 procedure as are prescribed in Sections 2 (except that the
18 reference to State in the definition of supplier maintaining a
19 place of business in this State shall mean the county), 2a, 2b,
20 2c, 3 through 3-50 (in respect to all provisions therein other
21 than the State rate of tax), 4 (except that the reference to
22 the State shall be to the county), 5, 7, 8 (except that the
23 jurisdiction to which the tax shall be a debt to the extent
24 indicated in that Section 8 shall be the county), 9 (except as
25 to the disposition of taxes and penalties collected), 10, 11,
26 12 (except the reference therein to Section 2b of the

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

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

14 Whenever the Department determines that a refund should be
15 made under this subsection to a claimant instead of issuing a
16 credit memorandum, the Department shall notify the State
17 Comptroller, who shall cause the warrant to be drawn for the
18 amount specified, and to the person named, in the notification
19 from the Department. The refund shall be paid by the State
20 Treasurer out of the County Public Safety or Transportation
21 Retailers' Occupation Fund.

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

26 (c) The Department shall immediately pay over to the State

1 Treasurer, ex officio, as trustee, all taxes and penalties
2 collected under this Section to be deposited into the County
3 Public Safety or Transportation Retailers' Occupation Tax
4 Fund, which shall be an unappropriated trust fund held outside
5 of the State treasury.

6 As soon as possible after the first day of each month,
7 beginning January 1, 2011, upon certification of the Department
8 of Revenue, the Comptroller shall order transferred, and the
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
10 local sales tax increment, as defined in the Innovation
11 Development and Economy Act, collected under this Section
12 during the second preceding calendar month for sales within a
13 STAR bond district.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 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 counties from which
18 retailers have paid taxes or penalties to the Department during
19 the second preceding calendar month. The amount to be paid to
20 each county, and deposited by the county into its special fund
21 created for the purposes of this Section, shall be the amount
22 (not including credit memoranda) collected under this Section
23 during the second preceding calendar month by the Department
24 plus an amount the Department determines is necessary to offset
25 any amounts that were erroneously paid to a different taxing
26 body, and not including (i) an amount equal to the amount of

1 refunds made during the second preceding calendar month by the
2 Department on behalf of the county, (ii) any amount that the
3 Department determines is necessary to offset any amounts that
4 were payable to a different taxing body but were erroneously
5 paid to the county, and (iii) any amounts that are transferred
6 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
7 the Comptroller of the disbursement certification to the
8 counties 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 directions contained in the certification.

12 In addition to the disbursement required by the preceding
13 paragraph, an allocation shall be made in March of each year to
14 each county that received more than \$500,000 in disbursements
15 under the preceding paragraph in the preceding calendar year.
16 The allocation shall be in an amount equal to the average
17 monthly distribution made to each such county under the
18 preceding paragraph during the preceding calendar year
19 (excluding the 2 months of highest receipts). The distribution
20 made in March of each year subsequent to the year in which an
21 allocation was made pursuant to this paragraph and the
22 preceding paragraph shall be reduced by the amount allocated
23 and disbursed under this paragraph in the preceding calendar
24 year. The Department shall prepare and certify to the
25 Comptroller for disbursement the allocations made in
26 accordance with this paragraph.

1 A county may direct, by ordinance, that all or a portion of
2 the taxes and penalties collected under the Special County
3 Retailers' Occupation Tax For Public Safety or Transportation
4 be deposited into the Transportation Development Partnership
5 Trust Fund.

6 (c-5) In allocating or sourcing any municipal, county,
7 special district, or other local retailers' occupation tax or
8 the local share of the state's retailers' occupation tax for
9 sales occurring in this state, the sales location for such
10 allocation or sourcing purposes shall be the office location
11 that the order for the purchase of the tangible personal
12 property is accepted by the retailer or its authorized
13 representative, except as provided in the next paragraph. In
14 determining the acceptance location for a sale, the office the
15 order is first received by the retailer or its authorized
16 representative shall be deemed the acceptance location, unless
17 clearly proven otherwise by the retailer that the final event
18 or activity giving rise to the retailer's acceptance of, or the
19 binding contract for, such sale occurred at a different office
20 location. In applying this Subsection (c-5), if the order is
21 received by electronic means, including but not limited to
22 e-mail and facsimile transmission, and the first electronic
23 receipt of the order is not addressed to or otherwise
24 identified with a specific office location of the retailer or
25 its authorized representative, then the order shall be deemed
26 first received at the office location of the retailer or its

1 authorized representative to which the addressee of the
2 electronic order is primarily assigned or stationed, but in the
3 event such addressee has no identifiable office location then
4 the order shall be deemed first received at the office location
5 that first records the receipt of such electronic order. For
6 purposes of this Subsection (c-5), the term "order" means the
7 request (in writing, orally or electronically) by the purchaser
8 to buy tangible personal property. Neither the delivery
9 location nor the location of the acceptance of the tangible
10 personal property by the purchaser (either before or after
11 inspection or installation) shall determine the sales location
12 for allocation or sourcing purposes under this Section.

13 Notwithstanding anything to the contrary in the preceding
14 paragraph, the sales location for the allocation or sourcing of
15 any municipal, county, special district, or other local
16 retailers' occupation tax or the local share of the state's
17 retailers' occupation tax shall be as follows: (1) in the event
18 the acceptance of the order by the retailer occurs outside of
19 the state (whether or not the receipt of the order occurs
20 within the state), then in those situations the sales location
21 shall be deemed outside of the state, and no local sourcing of
22 retailers' occupation tax applies, except when the tangible
23 personal property which is being sold is in the inventory of
24 the retailer at a location within the state at the time of sale
25 (or is subsequently produced by the retailer at a location in
26 this state), then in that event such inventory location shall

1 be deemed the sales location, or (2) in those situations in
2 which the retailer sends to the purchaser a complete and
3 unconditional offer to sell, then the sales location shall be
4 the office location that the retailer or its authorized
5 representative first receives back the purchaser's acceptance
6 of such offer, or (3) for keep full or similar requirements
7 contracts where the retailer agrees to supply tangible personal
8 property to a purchaser on a continuous basis until notified to
9 stop by the purchaser, then for such contracts the sales
10 location shall be the office location that the retailer or its
11 authorized representative receives the initial order under
12 such contract, provided that if such contract is a written
13 contract not requiring a separate initial order to start the
14 continuous supply process, then in such a situation the sales
15 location shall be the office location that the retailer or its
16 authorized representative signed the contract, or (4) for sales
17 accepted in Illinois under a long term blanket or master
18 contract which (though definite as to price and quantity) must
19 be implemented by the purchaser's placing of specific orders
20 when goods are wanted, the office location of the retailer or
21 its authorized representative with which such subsequent
22 specific orders are received (rather than the place where the
23 seller signed the master contract) will determine the sales
24 location with respect to such orders.

25 (c-6) The changes made by this amendatory Act of the 97th
26 General Assembly shall be effective upon becoming law, and for

1 past periods not yet closed by any applicable limitations
2 period, a retailer may apply the changes made to this Section
3 by this amendatory Act of the 97th General Assembly in the
4 allocation of its past sales but only to the extent it does not
5 change the retailer's previous filing location for such sales.

6 (d) Notwithstanding subsection (c-5) of this Section, for
7 ~~For~~ the purpose of determining the local governmental unit
8 whose tax is applicable, a retail sale by a producer of coal or
9 another mineral mined in Illinois is a sale at retail at the
10 place where the coal or other mineral mined in Illinois is
11 extracted from the earth. With respect to minerals (i) the term
12 "extracted from the earth" means the location at which the coal
13 or other mineral is extracted from the mouth of the mine, and
14 (ii) a "mineral" includes not only coal, but also oil, sand,
15 stone taken from a quarry, gravel and any other thing commonly
16 regarded as a mineral and extracted from the earth. This
17 paragraph does not apply to coal or another mineral when it is
18 delivered or shipped by the seller to the purchaser at a point
19 outside Illinois so that the sale is exempt under the United
20 States Constitution as a sale in interstate or foreign
21 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. The county may share tax proceeds received under this
5 Section for public safety purposes, including proceeds
6 received before August 4, 2009 (the effective date of Public
7 Act 96-124), with any fire protection district located in the
8 county. For the purposes of this Section, "transportation"
9 includes, but is not limited to, the construction, maintenance,
10 operation, and improvement of public highways, any other
11 purpose for which a county may expend funds under the Illinois
12 Highway Code, and passenger rail transportation. For the
13 purposes of this Section, "public facilities purposes"
14 includes, but is not limited to, the acquisition, development,
15 construction, reconstruction, rehabilitation, improvement,
16 financing, architectural planning, and installation of capital
17 facilities consisting of buildings, structures, and durable
18 equipment and for the acquisition and improvement of real
19 property and interest in real property required, or expected to
20 be required, in connection with the public facilities, for use
21 by the county for the furnishing of governmental services to
22 its citizens, including but not limited to museums and nursing
23 homes.

24 (j) The Department may promulgate rules to implement Public
25 Act 95-1002 only to the extent necessary to apply the existing
26 rules for the Special County Retailers' Occupation Tax for

1 Public Safety to this new purpose for public facilities.

2 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
3 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-845, eff. 7-1-12;
4 96-939, eff. 6-24-10; 96-1000, eff. 7-2-10.)

5 (55 ILCS 5/5-1006.7)

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

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

18 This additional tax may not be imposed on the sale of food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, soft drinks,
21 and food that has been prepared for immediate consumption) and
22 prescription and non-prescription medicines, drugs, medical
23 appliances and insulin, urine testing materials, syringes and
24 needles used by diabetics. The Department of Revenue has full
25 power to administer and enforce this subsection, to collect all

1 taxes and penalties due under this subsection, to dispose of
2 taxes and penalties so collected in the manner provided in this
3 subsection, and to determine all rights to credit memoranda
4 arising on account of the erroneous payment of a tax or penalty
5 under this subsection. The Department shall deposit all taxes
6 and penalties collected under this subsection into a special
7 fund created for that purpose.

8 In the administration of and compliance with this
9 subsection, the Department and persons who are subject to this
10 subsection (i) have the same rights, remedies, privileges,
11 immunities, powers, and duties, (ii) are subject to the same
12 conditions, restrictions, limitations, penalties, and
13 definitions of terms, and (iii) shall employ the same modes of
14 procedure as are set forth in Sections 1 through 1o, 2 through
15 2-70 (in respect to all provisions contained in those Sections
16 other than the State rate of tax), 2a through 2h, 3 (except as
17 to the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
19 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
20 and all provisions of the Uniform Penalty and Interest Act as
21 if those provisions were set forth in this subsection.

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

1 Persons subject to any tax imposed under the authority
2 granted in this subsection may reimburse themselves for their
3 seller's tax liability by separately stating that tax as an
4 additional charge, which may be stated in combination, in a
5 single amount, with State tax that sellers are required to
6 collect under the Use Tax Act, pursuant to any bracketed
7 schedules set forth by the Department.

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

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

21 The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident thereof shall be
23 collected and enforced by the Department and deposited into a
24 special fund created for that purpose. The Department has full
25 power to administer and enforce this subsection, to collect all
26 taxes and penalties due under this subsection, to dispose of

1 taxes and penalties so collected in the manner provided in this
2 subsection, and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of a tax or penalty
4 under this subsection.

5 In the administration of and compliance with this
6 subsection, the Department and persons who are subject to this
7 subsection shall (i) have the same rights, remedies,
8 privileges, immunities, powers and duties, (ii) be subject to
9 the same conditions, restrictions, limitations, penalties and
10 definition of terms, and (iii) employ the same modes of
11 procedure as are set forth in Sections 2 (except that that
12 reference to State in the definition of supplier maintaining a
13 place of business in this State means the county), 2a through
14 2d, 3 through 3-50 (in respect to all provisions contained in
15 those Sections other than the State rate of tax), 4 (except
16 that the reference to the State shall be to the county), 5, 7,
17 8 (except that the jurisdiction to which the tax is a debt to
18 the extent indicated in that Section 8 is the county), 9
19 (except as to the disposition of taxes and penalties
20 collected), 10, 11, 12 (except the reference therein to Section
21 2b of the Retailers' Occupation Tax Act), 13 (except that any
22 reference to the State means the county), Section 15, 16, 17,
23 18, 19, and 20 of the Service Occupation Tax Act and all
24 provisions of the Uniform Penalty and Interest Act, as fully as
25 if those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this subsection may reimburse themselves for their
2 serviceman's tax liability by separately stating the tax as an
3 additional charge, which may be stated in combination, in a
4 single amount, with State tax that servicemen are authorized to
5 collect under the Service Use Tax Act, pursuant to any
6 bracketed schedules set forth by the Department.

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

16 The election authority must submit the question in
17 substantially the following form:

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

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

24 If a majority of the electors voting on the question vote
25 in the affirmative, then the county may, thereafter, impose the
26 tax.

1 For the purposes of this subsection (c), "enrollment" means
2 the head count of the students residing in the county on the
3 last school day of September of each year, which must be
4 reported on the Illinois State Board of Education Public School
5 Fall Enrollment/Housing Report.

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

11 On or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to the regional
14 superintendents of schools in counties from which retailers or
15 servicemen have paid taxes or penalties to the Department
16 during the second preceding calendar month. The amount to be
17 paid to each regional superintendent of schools and disbursed
18 to him or her in accordance with 3-14.31 of the School Code, is
19 equal to the amount (not including credit memoranda) collected
20 from the county under this Section during the second preceding
21 calendar month by the Department, (i) less 2% of that amount,
22 which shall be deposited into the Tax Compliance and
23 Administration Fund and shall be used by the Department,
24 subject to appropriation, to cover the costs of the Department
25 in administering and enforcing the provisions of this Section,
26 on behalf of the county, (ii) plus an amount that the

1 Department determines is necessary to offset any amounts that
2 were erroneously paid to a different taxing body; (iii) less an
3 amount equal to the amount of refunds made during the second
4 preceding calendar month by the Department on behalf of the
5 county; and (iv) less any amount that the Department determines
6 is necessary to offset any amounts that were payable to a
7 different taxing body but were erroneously paid to the county.
8 When certifying the amount of a monthly disbursement to a
9 regional superintendent of schools under this Section, the
10 Department shall increase or decrease the amounts by an amount
11 necessary to offset any miscalculation of previous
12 disbursements within the previous 6 months from the time a
13 miscalculation is discovered.

14 Within 10 days after receipt by the Comptroller from the
15 Department of the disbursement certification to the regional
16 superintendents of the schools provided for in this Section,
17 the Comptroller shall cause the orders to be drawn for the
18 respective amounts in accordance with directions contained in
19 the certification.

20 If the Department determines that a refund should be made
21 under this Section to a claimant instead of issuing a credit
22 memorandum, then the Department shall notify the Comptroller,
23 who shall cause the order to be drawn for the amount specified
24 and to the person named in the notification from the
25 Department. The refund shall be paid by the Treasurer out of
26 the School Facility Occupation Tax Fund.

1 (d-5) In allocating or sourcing any municipal, county,
2 special district, or other local retailers' occupation tax or
3 the local share of the state's retailers' occupation tax for
4 sales occurring in this state, the sales location for such
5 allocation or sourcing purposes shall be the office location
6 that the order for the purchase of the tangible personal
7 property is accepted by the retailer or its authorized
8 representative, except as provided in the next paragraph. In
9 determining the acceptance location for a sale, the office the
10 order is first received by the retailer or its authorized
11 representative shall be deemed the acceptance location, unless
12 clearly proven otherwise by the retailer that the final event
13 or activity giving rise to the retailer's acceptance of, or the
14 binding contract for, such sale occurred at a different office
15 location. In applying this Subsection (d-5), if the order is
16 received by electronic means, including but not limited to
17 e-mail and facsimile transmission, and the first electronic
18 receipt of the order is not addressed to or otherwise
19 identified with a specific office location of the retailer or
20 its authorized representative, then the order shall be deemed
21 first received at the office location of the retailer or its
22 authorized representative to which the addressee of the
23 electronic order is primarily assigned or stationed, but in the
24 event such addressee has no identifiable office location then
25 the order shall be deemed first received at the office location
26 that first records the receipt of such electronic order. For

1 purposes of this Subsection (d-5), the term "order" means the
2 request (in writing, orally or electronically) by the purchaser
3 to buy tangible personal property. Neither the delivery
4 location nor the location of the acceptance of the tangible
5 personal property by the purchaser (either before or after
6 inspection or installation) shall determine the sales location
7 for allocation or sourcing purposes under this Section.

8 Notwithstanding anything to the contrary in the preceding
9 paragraph, the sales location for the allocation or sourcing of
10 any municipal, county, special district, or other local
11 retailers' occupation tax or the local share of the state's
12 retailers' occupation tax shall be as follows: (1) in the event
13 the acceptance of the order by the retailer occurs outside of
14 the state (whether or not the receipt of the order occurs
15 within the state), then in those situations the sales location
16 shall be deemed outside of the state, and no local sourcing of
17 retailers' occupation tax applies, except when the tangible
18 personal property which is being sold is in the inventory of
19 the retailer at a location within the state at the time of sale
20 (or is subsequently produced by the retailer at a location in
21 this state), then in that event such inventory location shall
22 be deemed the sales location, or (2) in those situations in
23 which the retailer sends to the purchaser a complete and
24 unconditional offer to sell, then the sales location shall be
25 the office location that the retailer or its authorized
26 representative first receives back the purchaser's acceptance

1 of such offer, or (3) for keep full or similar requirements
2 contracts where the retailer agrees to supply tangible personal
3 property to a purchaser on a continuous basis until notified to
4 stop by the purchaser, then for such contracts the sales
5 location shall be the office location that the retailer or its
6 authorized representative receives the initial order under
7 such contract, provided that if such contract is a written
8 contract not requiring a separate initial order to start the
9 continuous supply process, then in such a situation the sales
10 location shall be the office location that the retailer or its
11 authorized representative signed the contract, or (4) for sales
12 accepted in Illinois under a long term blanket or master
13 contract which (though definite as to price and quantity) must
14 be implemented by the purchaser's placing of specific orders
15 when goods are wanted, the office location of the retailer or
16 its authorized representative with which such subsequent
17 specific orders are received (rather than the place where the
18 seller signed the master contract) will determine the sales
19 location with respect to such orders.

20 (d-6) The changes made by this amendatory Act of the 97th
21 General Assembly shall be effective upon becoming law, and for
22 past periods not yet closed by any applicable limitations
23 period, a retailer may apply the changes made to this Section
24 by this amendatory Act of the 97th General Assembly in the
25 allocation of its past sales but only to the extent it does not
26 change the retailer's previous filing location for such sales.

1 (e) Notwithstanding subsection (d-5) of this Section, for
2 ~~For~~ the purposes of determining the local governmental unit
3 whose tax is applicable, a retail sale by a producer of coal or
4 another mineral mined in Illinois is a sale at retail at the
5 place where the coal or other mineral mined in Illinois is
6 extracted from the earth. With respect to minerals (i) the term
7 "extracted from the earth" means the location at which the coal
8 or other mineral is extracted from the mouth of the mine, and
9 (ii) a "mineral" includes not only coal, but also oil, sand,
10 stone taken from a quarry, gravel and any other thing commonly
11 regarded as a mineral and extracted from the earth. This
12 subsection does not apply to coal or another mineral when it is
13 delivered or shipped by the seller to the purchaser at a point
14 outside Illinois so that the sale is exempt under the United
15 States Constitution as a sale in interstate or foreign
16 commerce.

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

21 (g) If a county board imposes a tax under this Section,
22 then the board may, by ordinance, discontinue or reduce the
23 rate of the tax. If, however, a school board issues bonds that
24 are backed by the proceeds of the tax under this Section, then
25 the county board may not reduce the tax rate or discontinue the
26 tax if that rate reduction or discontinuance would inhibit the

1 school board's ability to pay the principal and interest on
2 those bonds as they become due. If the county board reduces the
3 tax rate or discontinues the tax, then a referendum must be
4 held in accordance with subsection (c) of this Section in order
5 to increase the rate of the tax or to reimpose the discontinued
6 tax.

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

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

1 purposes" also includes fire prevention, safety, energy
2 conservation, disabled accessibility, school security, and
3 specified repair purposes set forth under Section 17-2.11 of
4 the School Code.

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

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

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

9 (55 ILCS 5/5-1008.5)

10 Sec. 5-1008.5. Use and occupation taxes.

11 (a) The Rock Island County Board may adopt a resolution
12 that authorizes a referendum on the question of whether the
13 county shall be authorized to impose a retailers' occupation
14 tax, a service occupation tax, and a use tax at a rate of 1/4 of
15 1% on behalf of the economic development activities of Rock
16 Island County and communities located within the county. The
17 county board shall certify the question to the proper election
18 authorities who shall submit the question to the voters of the
19 county at the next regularly scheduled election in accordance
20 with the general election law. The question shall be in
21 substantially the following form:

22 Shall Rock Island County be authorized to impose a
23 retailers' occupation tax, a service occupation tax, and a
24 use tax at the rate of 1/4 of 1% for the sole purpose of
25 economic development activities, including creation and

1 retention of job opportunities, support of affordable
2 housing opportunities, and enhancement of quality of life
3 improvements?

4 Votes shall be recorded as "yes" or "no". If a majority of
5 all votes cast on the proposition are in favor of the
6 proposition, the county is authorized to impose the tax.

7 (b) The county shall impose the retailers' occupation tax
8 upon all persons engaged in the business of selling tangible
9 personal property at retail in the county, at the rate approved
10 by referendum, on the gross receipts from the sales made in the
11 course of those businesses within the county. This additional
12 tax may not be imposed on the sale of food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks, and food
15 that has been prepared for immediate consumption) and
16 prescription and non-prescription medicines, drugs, medical
17 appliances and insulin, urine testing materials, syringes, and
18 needles used by diabetics. The tax imposed under this Section
19 and all civil penalties that may be assessed as an incident of
20 the tax shall be collected and enforced by the Department of
21 Revenue. The Department has full power to administer and
22 enforce this Section; to collect all 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 tax or penalty under this Section. In
26 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, exclusions, exemptions,
5 and definitions of terms, and (iii) employ the same modes of
6 procedure as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
7 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to
8 all provisions other than the State rate of tax), 2-15 through
9 2-70, 2a, 2b, 2c, 3 (except as to the disposition of taxes and
10 penalties collected and provisions related to quarter monthly
11 payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,
12 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'
13 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
14 Interest Act, as fully as if those provisions were set forth in
15 this subsection.

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

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 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 tax fund referenced under paragraph (g) of
3 this Section.

4 If a tax is imposed under this subsection (b), a tax shall
5 also be imposed at the same rate under subsections (c) and (d)
6 of this Section.

7 Notwithstanding subsection (h-5) of this Section, for ~~For~~
8 the purpose of determining whether a tax authorized under this
9 Section is applicable, a retail sale, by a producer of coal or
10 another 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. With respect to minerals (i) the term
13 "extracted from the earth" means the location at which the coal
14 or other mineral is extracted from the mouth of the mine, and
15 (ii) a "mineral" includes not only coal, but also oil, sand,
16 stone taken from a quarry, gravel and any other thing commonly
17 regarded as a mineral and extracted from the earth. This
18 paragraph does not apply to coal or another mineral when it is
19 delivered or shipped by the seller to the purchaser at a point
20 outside Illinois so that the sale is exempt under the federal
21 Constitution as a sale in interstate or foreign commerce.

22 Nothing in this Section shall be construed to authorize the
23 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 (c) If a tax has been imposed under subsection (b), a

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

1 modes of procedure as are prescribed in Sections 2 (except that
2 the reference to State in the definition of supplier
3 maintaining a place of business in this State shall mean the
4 county), 2a, 2b, 3 through 3-55 (in respect to all provisions
5 other than the State rate of tax), 4 (except that the reference
6 to the State shall be to the county), 5, 7, 8 (except that the
7 jurisdiction to which the tax shall be a debt to the extent
8 indicated in that Section 8 shall be the county), 9 (except as
9 to the disposition of taxes and penalties collected, and except
10 that the returned merchandise credit for this tax may not be
11 taken against any State tax), 11, 12 (except the reference to
12 Section 2b of the Retailers' Occupation Tax Act), 13 (except
13 that any reference to the State shall mean the county), 15, 16,
14 17, 18, 19 and 20 of the Service Occupation Tax Act and Section
15 3-7 of the Uniform Penalty and Interest Act, as fully as if
16 those provisions were set forth in this subsection.

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 bracket schedules prescribed by the
24 Department.

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 tax fund referenced under paragraph (g) of
6 this Section.

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

11 (d) If a tax has been imposed under subsection (b), a use
12 tax shall also be imposed at the same rate upon the privilege
13 of using, in the county, any item of tangible personal property
14 that is purchased outside the county at retail from a retailer,
15 and that is titled or registered at a location within the
16 county with an agency of this State's government. This
17 additional tax may not be imposed on the sale of food for human
18 consumption that is to be consumed off the premises where it is
19 sold (other than alcoholic beverages, soft drinks, and food
20 that has been prepared for immediate consumption) and
21 prescription and non-prescription medicines, drugs, medical
22 appliances and insulin, urine testing materials, syringes, and
23 needles used by diabetics. "Selling price" is defined as in the
24 Use Tax Act. The tax shall be collected from persons whose
25 Illinois address for titling or registration purposes is given
26 as being in the county. The tax shall be collected by the

1 Department of Revenue for the county. The tax must be paid to
2 the State, or an exemption determination must be obtained from
3 the Department of Revenue, before the title or certificate of
4 registration for the property may be issued. The tax or proof
5 of exemption may be transmitted to the Department by way of the
6 State agency with which, or the State officer with whom, the
7 tangible personal property must be titled or registered if the
8 Department and the State agency or State officer determine that
9 this procedure will expedite the processing of applications for
10 title or registration.

11 The Department has full power to administer and enforce
12 this paragraph; to collect all taxes, penalties, and interest
13 due under this Section; to dispose of taxes, penalties, and
14 interest so collected in the manner provided in this Section;
15 and to determine all rights to credit memoranda or refunds
16 arising on account of the erroneous payment of tax, penalty, or
17 interest under this Section. In the administration of, and
18 compliance with, this subsection, the Department and persons
19 who are subject to this paragraph shall (i) have the same
20 rights, remedies, privileges, immunities, powers, and duties,
21 (ii) be subject to the same conditions, restrictions,
22 limitations, penalties, exclusions, exemptions, and
23 definitions of terms, and (iii) employ the same modes of
24 procedure as are prescribed in Sections 2 (except the
25 definition of "retailer maintaining a place of business in this
26 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,

1 7, 8 (except that the jurisdiction to which the tax shall be a
2 debt to the extent indicated in that Section 8 shall be the
3 county), 9 (except provisions relating to quarter monthly
4 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
5 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
6 Interest Act, that are not inconsistent with this paragraph, as
7 fully as if those provisions were set forth in this subsection.

8 Whenever the Department determines that a refund should be
9 made under this subsection to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order 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 tax fund referenced under paragraph (g) of
15 this Section.

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

25 (f) The results of any election authorizing a proposition
26 to impose a tax under this Section or effecting a change in the

1 rate of tax shall be certified by the proper election
2 authorities and filed with the Illinois Department on or before
3 the first day of October. In addition, an ordinance imposing,
4 discontinuing, or effecting a change in the rate of tax under
5 this Section shall be adopted and a certified copy of the
6 ordinance filed with the Department on or before the first day
7 of October. After proper receipt of the certifications, the
8 Department shall proceed to administer and enforce this Section
9 as of the first day of January next following the adoption and
10 filing.

11 (g) The Department of Revenue shall, upon collecting any
12 taxes and penalties as provided in this Section, pay the taxes
13 and penalties over to the State Treasurer as trustee for the
14 county. The taxes and penalties shall be held in a trust fund
15 outside the State Treasury. On or before the 25th day of each
16 calendar month, the Department of Revenue shall prepare and
17 certify to the Comptroller of the State of Illinois the amount
18 to be paid to the county, which shall be the balance in the
19 fund, less any amount determined by the Department to be
20 necessary for the payment of refunds. Within 10 days after
21 receipt by the Comptroller of the certification of the amount
22 to be paid to the county, the Comptroller shall cause an order
23 to be drawn for payment for the amount in accordance with the
24 directions contained in the certification. Amounts received
25 from the tax imposed under this Section shall be used only for
26 the economic development activities of the county and

1 communities located within the county.

2 (h) When certifying the amount of a monthly disbursement to
3 the county under this Section, the Department shall increase or
4 decrease the amounts by an amount necessary to offset any
5 miscalculation of previous disbursements. The offset amount
6 shall be the amount erroneously disbursed within the previous 6
7 months from the time a miscalculation is discovered.

8 (h-5) In allocating or sourcing any municipal, county,
9 special district, or other local retailers' occupation tax or
10 the local share of the state's retailers' occupation tax for
11 sales occurring in this state, the sales location for such
12 allocation or sourcing purposes shall be the office location
13 that the order for the purchase of the tangible personal
14 property is accepted by the retailer or its authorized
15 representative, except as provided in the next paragraph. In
16 determining the acceptance location for a sale, the office the
17 order is first received by the retailer or its authorized
18 representative shall be deemed the acceptance location, unless
19 clearly proven otherwise by the retailer that the final event
20 or activity giving rise to the retailer's acceptance of, or the
21 binding contract for, such sale occurred at a different office
22 location. In applying this Subsection (h-5), if the order is
23 received by electronic means, including but not limited to
24 e-mail and facsimile transmission, and the first electronic
25 receipt of the order is not addressed to or otherwise
26 identified with a specific office location of the retailer or

1 its authorized representative, then the order shall be deemed
2 first received at the office location of the retailer or its
3 authorized representative to which the addressee of the
4 electronic order is primarily assigned or stationed, but in the
5 event such addressee has no identifiable office location then
6 the order shall be deemed first received at the office location
7 that first records the receipt of such electronic order. For
8 purposes of this Subsection (h-5), the term "order" means the
9 request (in writing, orally or electronically) by the purchaser
10 to buy tangible personal property. Neither the delivery
11 location nor the location of the acceptance of the tangible
12 personal property by the purchaser (either before or after
13 inspection or installation) shall determine the sales location
14 for allocation or sourcing purposes under this Section.

15 Notwithstanding anything to the contrary in the preceding
16 paragraph, the sales location for the allocation or sourcing of
17 any municipal, county, special district, or other local
18 retailers' occupation tax or the local share of the state's
19 retailers' occupation tax shall be as follows: (1) in the event
20 the acceptance of the order by the retailer occurs outside of
21 the state (whether or not the receipt of the order occurs
22 within the state), then in those situations the sales location
23 shall be deemed outside of the state, and no local sourcing of
24 retailers' occupation tax applies, except when the tangible
25 personal property which is being sold is in the inventory of
26 the retailer at a location within the state at the time of sale

1 (or is subsequently produced by the retailer at a location in
2 this state), then in that event such inventory location shall
3 be deemed the sales location, or (2) in those situations in
4 which the retailer sends to the purchaser a complete and
5 unconditional offer to sell, then the sales location shall be
6 the office location that the retailer or its authorized
7 representative first receives back the purchaser's acceptance
8 of such offer, or (3) for keep full or similar requirements
9 contracts where the retailer agrees to supply tangible personal
10 property to a purchaser on a continuous basis until notified to
11 stop by the purchaser, then for such contracts the sales
12 location shall be the office location that the retailer or its
13 authorized representative receives the initial order under
14 such contract, provided that if such contract is a written
15 contract not requiring a separate initial order to start the
16 continuous supply process, then in such a situation the sales
17 location shall be the office location that the retailer or its
18 authorized representative signed the contract, or (4) for sales
19 accepted in Illinois under a long term blanket or master
20 contract which (though definite as to price and quantity) must
21 be implemented by the purchaser's placing of specific orders
22 when goods are wanted, the office location of the retailer or
23 its authorized representative with which such subsequent
24 specific orders are received (rather than the place where the
25 seller signed the master contract) will determine the sales
26 location with respect to such orders.

1 (h-6) The changes made by this amendatory Act of the 97th
2 General Assembly shall be effective upon becoming law, and for
3 past periods not yet closed by any applicable limitations
4 period, a retailer may apply the changes made to this Section
5 by this amendatory Act of the 97th General Assembly in the
6 allocation of its past sales but only to the extent it does not
7 change the retailer's previous filing location for such sales.

8 (i) This Section may be cited as the Rock Island County Use
9 and Occupation Tax Law.

10 (Source: P.A. 90-415, eff. 8-15-97.)

11 Section 15. The Illinois Municipal Code is amended by
12 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

13 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

14 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
15 Act. The corporate authorities of a home rule municipality may
16 impose a tax upon all persons engaged in the business of
17 selling tangible personal property, other than an item of
18 tangible personal property titled or registered with an agency
19 of this State's government, at retail in the municipality on
20 the gross receipts from these sales made in the course of such
21 business. If imposed, the tax shall only be imposed in 1/4%
22 increments. On and after September 1, 1991, this additional 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

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

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

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

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

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

26 The Department shall immediately pay over to the State

1 Treasurer, ex officio, as trustee, all taxes and penalties
2 collected hereunder.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Innovation
8 Development and Economy Act, collected under this Section
9 during the second preceding calendar month for sales within a
10 STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 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 that 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 that the Department
26 determines is necessary to offset any amounts that were payable

1 to a different taxing body but were erroneously paid to the
2 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 the certification.

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

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

19 In allocating or sourcing any municipal, county, special
20 district, or other local retailers' occupation tax or the local
21 share of the state's retailers' occupation tax for sales
22 occurring in this state, the sales location for such allocation
23 or sourcing purposes shall be the office location that the
24 order for the purchase of the tangible personal property is
25 accepted by the retailer or its authorized representative,
26 except as provided in the next paragraph. In determining the

1 acceptance location for a sale, the office the order is first
2 received by the retailer or its authorized representative shall
3 be deemed the acceptance location, unless clearly proven
4 otherwise by the retailer that the final event or activity
5 giving rise to the retailer's acceptance of, or the binding
6 contract for, such sale occurred at a different office
7 location. In applying this paragraph and the next paragraph, if
8 the order is received by electronic means, including but not
9 limited to e-mail and facsimile transmission, and the first
10 electronic receipt of the order is not addressed to or
11 otherwise identified with a specific office location of the
12 retailer or its authorized representative, then the order shall
13 be deemed first received at the office location of the retailer
14 or its authorized representative to which the addressee of the
15 electronic order is primarily assigned or stationed, but in the
16 event such addressee has no identifiable office location then
17 the order shall be deemed first received at the office location
18 that first records the receipt of such electronic order. For
19 purposes of this paragraph and the next paragraph, the term
20 "order" means the request (in writing, orally or
21 electronically) by the purchaser to buy tangible personal
22 property. Neither the delivery location nor the location of the
23 acceptance of the tangible personal property by the purchaser
24 (either before or after inspection or installation) shall
25 determine the sales location for allocation or sourcing
26 purposes under this Section.

1 Notwithstanding anything to the contrary in the preceding
2 paragraph, the sales location for the allocation or sourcing of
3 any municipal, county, special district, or other local
4 retailers' occupation tax or the local share of the state's
5 retailers' occupation tax shall be as follows: (1) in the event
6 the acceptance of the order by the retailer occurs outside of
7 the state (whether or not the receipt of the order occurs
8 within the state), then in those situations the sales location
9 shall be deemed outside of the state, and no local sourcing of
10 retailers' occupation tax applies, except when the tangible
11 personal property which is being sold is in the inventory of
12 the retailer at a location within the state at the time of sale
13 (or is subsequently produced by the retailer at a location in
14 this state), then in that event such inventory location shall
15 be deemed the sales location, or (2) in those situations in
16 which the retailer sends to the purchaser a complete and
17 unconditional offer to sell, then the sales location shall be
18 the office location that the retailer or its authorized
19 representative first receives back the purchaser's acceptance
20 of such offer, or (3) for keep full or similar requirements
21 contracts where the retailer agrees to supply tangible personal
22 property to a purchaser on a continuous basis until notified to
23 stop by the purchaser, then for such contracts the sales
24 location shall be the office location that the retailer or its
25 authorized representative receives the initial order under
26 such contract, provided that if such contract is a written

1 contract not requiring a separate initial order to start the
2 continuous supply process, then in such a situation the sales
3 location shall be the office location that the retailer or its
4 authorized representative signed the contract, or (4) for sales
5 accepted in Illinois under a long term blanket or master
6 contract which (though definite as to price and quantity) must
7 be implemented by the purchaser's placing of specific orders
8 when goods are wanted, the office location of the retailer or
9 its authorized representative with which such subsequent
10 specific orders are received (rather than the place where the
11 seller signed the master contract) will determine the sales
12 location with respect to such orders.

13 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
14 purpose of determining the local governmental unit whose tax is
15 applicable, 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. With respect to minerals (i) the term
19 "extracted from the earth" means the location at which the coal
20 or other mineral is extracted from the mouth of the mine, and
21 (ii) a "mineral" includes not only coal, but also oil, sand,
22 stone taken from a quarry, gravel and any other thing commonly
23 regarded as a mineral and extracted from the earth. This
24 paragraph does not apply to coal or other mineral when it is
25 delivered or shipped by the seller to the purchaser at a point
26 outside Illinois so that the sale is exempt under the United

1 States Constitution as a sale in interstate or foreign
2 commerce.

3 The changes made by this amendatory Act of the 97th General
4 Assembly shall be effective upon becoming law, and for past
5 periods not yet closed by any applicable limitations period, a
6 retailer may apply the changes made to this Section by this
7 amendatory Act of the 97th General Assembly in the allocation
8 of its past sales but only to the extent it does not change the
9 retailer's previous filing location for such sales.

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

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

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

25 When certifying the amount of a monthly disbursement to a
26 municipality under this Section, the Department shall increase

1 or decrease the amount by an amount necessary to offset any
2 misallocation of previous disbursements. The offset amount
3 shall be the amount erroneously disbursed within the previous 6
4 months from the time a misallocation is discovered.

5 Any unobligated balance remaining in the Municipal
6 Retailers' Occupation Tax Fund on December 31, 1989, which fund
7 was abolished by Public Act 85-1135, and all receipts of
8 municipal tax as a result of audits of liability periods prior
9 to January 1, 1990, shall be paid into the Local Government Tax
10 Fund for distribution as provided by this Section prior to the
11 enactment of Public Act 85-1135. All receipts of municipal tax
12 as a result of an assessment not arising from an audit, for
13 liability periods prior to January 1, 1990, shall be paid into
14 the Local Government Tax Fund for distribution before July 1,
15 1990, as provided by this Section prior to the enactment of
16 Public Act 85-1135; and on and after July 1, 1990, all such
17 receipts shall be distributed as provided in Section 6z-18 of
18 the State Finance Act.

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

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

24 (Source: P.A. 96-939, eff. 6-24-10.)

1 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
2 Occupation Tax Act. The corporate authorities of a non-home
3 rule municipality may impose a tax upon all persons engaged in
4 the business of selling tangible personal property, other than
5 on an item of tangible personal property which is titled and
6 registered by an agency of this State's Government, at retail
7 in the municipality for expenditure on public infrastructure or
8 for property tax relief or both as defined in Section 8-11-1.2
9 if approved by referendum as provided in Section 8-11-1.1, of
10 the gross receipts from such sales made in the course of such
11 business. If the tax is approved by referendum on or after July
12 14, 2010 (the effective date of Public Act 96-1057) ~~this~~
13 ~~amendatory Act of the 96th General Assembly~~, the corporate
14 authorities of a non-home rule municipality may, until December
15 31, 2015, use the proceeds of the tax for expenditure on
16 municipal operations, in addition to or in lieu of any
17 expenditure on public infrastructure or for property tax
18 relief. The tax imposed may not be more than 1% and may be
19 imposed only in 1/4% increments. The tax may not be imposed on
20 the sale of food for human consumption that is to be consumed
21 off the premises where it is sold (other than alcoholic
22 beverages, soft drinks, and food that has been prepared for
23 immediate consumption) and prescription and nonprescription
24 medicines, drugs, medical appliances, and insulin, urine
25 testing materials, syringes, and needles used by diabetics. The
26 tax imposed by a municipality pursuant to this Section and all

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

1 if those provisions were set forth herein.

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

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 such notification
17 from the Department. Such refund shall be paid by the State
18 Treasurer out of the non-home rule municipal retailers'
19 occupation tax 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, 2011, 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 Innovation
2 Development and Economy Act, collected under this Section
3 during the second preceding calendar month for sales within a
4 STAR bond district.

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

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

4 In allocating or sourcing any municipal, county, special
5 district, or other local retailers' occupation tax or the local
6 share of the state's retailers' occupation tax for sales
7 occurring in this state, the sales location for such allocation
8 or sourcing purposes shall be the office location that the
9 order for the purchase of the tangible personal property is
10 accepted by the retailer or its authorized representative,
11 except as provided in the next paragraph. In determining the
12 acceptance location for a sale, the office the order is first
13 received by the retailer or its authorized representative shall
14 be deemed the acceptance location, unless clearly proven
15 otherwise by the retailer that the final event or activity
16 giving rise to the retailer's acceptance of, or the binding
17 contract for, such sale occurred at a different office
18 location. In applying this paragraph and the next paragraph, if
19 the order is received by electronic means, including but not
20 limited to e-mail and facsimile transmission, and the first
21 electronic receipt of the order is not addressed to or
22 otherwise identified with a specific office location of the
23 retailer or its authorized representative, then the order shall
24 be deemed first received at the office location of the retailer
25 or its authorized representative to which the addressee of the
26 electronic order is primarily assigned or stationed, but in the

1 event such addressee has no identifiable office location then
2 the order shall be deemed first received at the office location
3 that first records the receipt of such electronic order. For
4 purposes of this paragraph and the next paragraph, the term
5 "order" means the request (in writing, orally or
6 electronically) by the purchaser to buy tangible personal
7 property. Neither the delivery location nor the location of the
8 acceptance of the tangible personal property by the purchaser
9 (either before or after inspection or installation) shall
10 determine the sales location for allocation or sourcing
11 purposes under this Section.

12 Notwithstanding anything to the contrary in the preceding
13 paragraph, the sales location for the allocation or sourcing of
14 any municipal, county, special district, or other local
15 retailers' occupation tax or the local share of the state's
16 retailers' occupation tax shall be as follows: (1) in the event
17 the acceptance of the order by the retailer occurs outside of
18 the state (whether or not the receipt of the order occurs
19 within the state), then in those situations the sales location
20 shall be deemed outside of the state, and no local sourcing of
21 retailers' occupation tax applies, except when the tangible
22 personal property which is being sold is in the inventory of
23 the retailer at a location within the state at the time of sale
24 (or is subsequently produced by the retailer at a location in
25 this state), then in that event such inventory location shall
26 be deemed the sales location, or (2) in those situations in

1 which the retailer sends to the purchaser a complete and
2 unconditional offer to sell, then the sales location shall be
3 the office location that the retailer or its authorized
4 representative first receives back the purchaser's acceptance
5 of such offer, or (3) for keep full or similar requirements
6 contracts where the retailer agrees to supply tangible personal
7 property to a purchaser on a continuous basis until notified to
8 stop by the purchaser, then for such contracts the sales
9 location shall be the office location that the retailer or its
10 authorized representative receives the initial order under
11 such contract, provided that if such contract is a written
12 contract not requiring a separate initial order to start the
13 continuous supply process, then in such a situation the sales
14 location shall be the office location that the retailer or its
15 authorized representative signed the contract, or (4) for sales
16 accepted in Illinois under a long term blanket or master
17 contract which (though definite as to price and quantity) must
18 be implemented by the purchaser's placing of specific orders
19 when goods are wanted, the office location of the retailer or
20 its authorized representative with which such subsequent
21 specific orders are received (rather than the place where the
22 seller signed the master contract) will determine the sales
23 location with respect to such orders.

24 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
25 purpose of determining the local governmental unit whose tax is
26 applicable, a retail sale, by a producer of coal or other

1 mineral mined in Illinois, is a sale at retail at the place
2 where the coal or other mineral mined in Illinois is extracted
3 from the earth. With respect to minerals (i) the term
4 "extracted from the earth" means the location at which the coal
5 or other mineral is extracted from the mouth of the mine, and
6 (ii) a "mineral" includes not only coal, but also oil, sand,
7 stone taken from a quarry, gravel and any other thing commonly
8 regarded as a mineral and extracted from the earth. This
9 paragraph does not apply to coal or other mineral when it is
10 delivered or shipped by the seller to the purchaser at a point
11 outside Illinois so that the sale is exempt under the Federal
12 Constitution as a sale in interstate or foreign commerce.

13 The changes made by this amendatory Act of the 97th General
14 Assembly shall be effective upon becoming law, and for past
15 periods not yet closed by any applicable limitations period, a
16 retailer may apply the changes made to this Section by this
17 amendatory Act of the 97th General Assembly in the allocation
18 of its past sales but only to the extent it does not change the
19 retailer's previous filing location for such sales.

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

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

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous 6
3 months from the time a misallocation is discovered.

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

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

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

12 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
13 revised 7-22-10.)

14 (65 ILCS 5/8-11-1.6)

15 Sec. 8-11-1.6. Non-home rule municipal retailers
16 occupation tax; municipalities between 20,000 and 25,000. The
17 corporate authorities of a non-home rule municipality with a
18 population of more than 20,000 but less than 25,000 that has,
19 prior to January 1, 1987, established a Redevelopment Project
20 Area that has been certified as a State Sales Tax Boundary and
21 has issued bonds or otherwise incurred indebtedness to pay for
22 costs in excess of \$5,000,000, which is secured in part by a
23 tax increment allocation fund, in accordance with the
24 provisions of Division 11-74.4 of this Code may, by passage of
25 an ordinance, impose a tax upon all persons engaged in the

1 business of selling tangible personal property, other than on
2 an item of tangible personal property that is titled and
3 registered by an agency of this State's Government, at retail
4 in the municipality. This tax may not be imposed on the sales
5 of food for human consumption that is to be consumed off the
6 premises where it is sold (other than alcoholic beverages, soft
7 drinks, and food that has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances and insulin, urine testing
10 materials, syringes, and needles used by diabetics. If imposed,
11 the tax shall only be imposed in .25% increments of the gross
12 receipts from such sales made in the course of business. Any
13 tax imposed by a municipality under this Sec. and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the State Department of Revenue. An
16 ordinance imposing a tax hereunder or effecting a change in the
17 rate thereof shall be adopted and a certified copy thereof
18 filed with the Department on or before the first day of
19 October, whereupon the Department shall proceed to administer
20 and enforce this Section as of the first day of January next
21 following such adoption and filing. The certificate of
22 registration that is issued by the Department to a retailer
23 under the Retailers' Occupation Tax Act shall permit the
24 retailer to engage in a business that is taxable under any
25 ordinance or resolution enacted under this Section without
26 registering separately with the Department under the ordinance

1 or resolution or under this Section. The Department shall have
2 full power to administer and enforce this Section, to collect
3 all taxes and penalties due hereunder, to dispose of taxes and
4 penalties so collected in the manner hereinafter provided, and
5 to determine all rights to credit memoranda, arising on account
6 of the erroneous payment of tax or penalty hereunder. In the
7 administration of, and compliance with this Section, the
8 Department and persons who are subject to this Section shall
9 have the same rights, remedies, privileges, immunities,
10 powers, and duties, and be subject to the same conditions,
11 restrictions, limitations, penalties, and definitions of
12 terms, and employ the same modes of procedure, as are
13 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
14 through 2-65 (in respect to all provisions therein other than
15 the State rate of tax), 2c, 3 (except as to the disposition of
16 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
17 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and
18 13 of the Retailers' Occupation Tax Act and Section 3-7 of the
19 Uniform Penalty and Interest Act as fully as if those
20 provisions were set forth herein.

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

24 Persons subject to any tax imposed under the authority
25 granted in this Section, may reimburse themselves for their
26 seller's tax liability hereunder by separately stating the tax

1 as an additional charge, which charge may be stated in
2 combination, in a single amount, with State tax which sellers
3 are required to collect under the Use Tax Act, pursuant to such
4 bracket schedules as the Department may prescribe.

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

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

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, 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 Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

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

23 In allocating or sourcing any municipal, county, special
24 district, or other local retailers' occupation tax or the local
25 share of the state's retailers' occupation tax for sales
26 occurring in this state, the sales location for such allocation

1 or sourcing purposes shall be the office location that the
2 order for the purchase of the tangible personal property is
3 accepted by the retailer or its authorized representative,
4 except as provided in the next paragraph. In determining the
5 acceptance location for a sale, the office the order is first
6 received by the retailer or its authorized representative shall
7 be deemed the acceptance location, unless clearly proven
8 otherwise by the retailer that the final event or activity
9 giving rise to the retailer's acceptance of, or the binding
10 contract for, such sale occurred at a different office
11 location. In applying this paragraph and the next paragraph, if
12 the order is received by electronic means, including but not
13 limited to e-mail and facsimile transmission, and the first
14 electronic receipt of the order is not addressed to or
15 otherwise identified with a specific office location of the
16 retailer or its authorized representative, then the order shall
17 be deemed first received at the office location of the retailer
18 or its authorized representative to which the addressee of the
19 electronic order is primarily assigned or stationed, but in the
20 event such addressee has no identifiable office location then
21 the order shall be deemed first received at the office location
22 that first records the receipt of such electronic order. For
23 purposes of this paragraph and the next paragraph, the term
24 "order" means the request (in writing, orally or
25 electronically) by the purchaser to buy tangible personal
26 property. Neither the delivery location nor the location of the

1 acceptance of the tangible personal property by the purchaser
2 (either before or after inspection or installation) shall
3 determine the sales location for allocation or sourcing
4 purposes under this Section.

5 Notwithstanding anything to the contrary in the preceding
6 paragraph, the sales location for the allocation or sourcing of
7 any municipal, county, special district, or other local
8 retailers' occupation tax or the local share of the state's
9 retailers' occupation tax shall be as follows: (1) in the event
10 the acceptance of the order by the retailer occurs outside of
11 the state (whether or not the receipt of the order occurs
12 within the state), then in those situations the sales location
13 shall be deemed outside of the state, and no local sourcing of
14 retailers' occupation tax applies, except when the tangible
15 personal property which is being sold is in the inventory of
16 the retailer at a location within the state at the time of sale
17 (or is subsequently produced by the retailer at a location in
18 this state), then in that event such inventory location shall
19 be deemed the sales location, or (2) in those situations in
20 which the retailer sends to the purchaser a complete and
21 unconditional offer to sell, then the sales location shall be
22 the office location that the retailer or its authorized
23 representative first receives back the purchaser's acceptance
24 of such offer, or (3) for keep full or similar requirements
25 contracts where the retailer agrees to supply tangible personal
26 property to a purchaser on a continuous basis until notified to

1 stop by the purchaser, then for such contracts the sales
2 location shall be the office location that the retailer or its
3 authorized representative receives the initial order under
4 such contract, provided that if such contract is a written
5 contract not requiring a separate initial order to start the
6 continuous supply process, then in such a situation the sales
7 location shall be the office location that the retailer or its
8 authorized representative signed the contract, or (4) for sales
9 accepted in Illinois under a long term blanket or master
10 contract which (though definite as to price and quantity) must
11 be implemented by the purchaser's placing of specific orders
12 when goods are wanted, the office location of the retailer or
13 its authorized representative with which such subsequent
14 specific orders are received (rather than the place where the
15 seller signed the master contract) will determine the sales
16 location with respect to such orders.

17 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
18 purpose of determining the local governmental unit whose tax is
19 applicable, a retail sale by a producer of coal or other
20 mineral mined in Illinois is a sale at retail at the place
21 where the coal or other mineral mined in Illinois is extracted
22 from the earth. With respect to minerals (i) the term
23 "extracted from the earth" means the location at which the coal
24 or other mineral is extracted from the mouth of the mine, and
25 (ii) a "mineral" includes not only coal, but also oil, sand,
26 stone taken from a quarry, gravel and any other thing commonly

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

6 The changes made by this amendatory Act of the 97th General
7 Assembly shall be effective upon becoming law, and for past
8 periods not yet closed by any applicable limitations period, a
9 retailer may apply the changes made to this Section by this
10 amendatory Act of the 97th General Assembly in the allocation
11 of its past sales but only to the extent it does not change the
12 retailer's previous filing location for such sales.

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

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

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

26 (Source: P.A. 96-939, eff. 6-24-10.)

1 Section 20. The Civic Center Code is amended by changing
2 Section 245-12 as follows:

3 (70 ILCS 200/245-12)

4 Sec. 245-12. Use and occupation taxes.

5 (a) The Authority may adopt a resolution that authorizes a
6 referendum on the question of whether the Authority shall be
7 authorized to impose a retailers' occupation tax, a service
8 occupation tax, and a use tax in one-quarter percent increments
9 at a rate not to exceed 1%. The Authority shall certify the
10 question to the proper election authorities who shall submit
11 the question to the voters of the metropolitan area at the next
12 regularly scheduled election in accordance with the general
13 election law. The question shall be in substantially the
14 following form:

15 "Shall the Salem Civic Center Authority be authorized to
16 impose a retailers' occupation tax, a service occupation
17 tax, and a use tax at the rate of (rate) for the sole
18 purpose of obtaining funds for the support, construction,
19 maintenance, or financing of a facility of the Authority?"

20 Votes shall be recorded as "yes" or "no". If a majority of
21 all votes cast on the proposition are in favor of the
22 proposition, the Authority is authorized to impose the tax.

23 (b) The Authority shall impose the retailers' occupation
24 tax upon all persons engaged in the business of selling

1 tangible personal property at retail in the metropolitan area,
2 at the rate approved by referendum, on the gross receipts from
3 the sales made in the course of such business within the
4 metropolitan area. The tax imposed under this Section and all
5 civil penalties that may be assessed as an incident thereof
6 shall be collected and enforced by the Department of Revenue.
7 The Department has full power to administer and enforce this
8 Section; to collect all taxes and penalties so collected in the
9 manner provided in this Section; and to determine all rights to
10 credit memoranda arising on account of the erroneous payment of
11 tax or penalty hereunder. In the administration of, and
12 compliance with, this Section, the Department and persons who
13 are subject to this Section shall (i) have the same rights,
14 remedies, privileges, immunities, powers and duties, (ii) be
15 subject to the same conditions, restrictions, limitations,
16 penalties, exclusions, exemptions, and definitions of terms,
17 and (iii) employ the same modes of procedure as are prescribed
18 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,
19 2-5, 2-5.5, 2-10 (in respect to all provisions therein other
20 than the State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3
21 (except as to the disposition of taxes and penalties collected
22 and provisions related to quarter monthly payments), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9,
24 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
25 and Section 3-7 of the Uniform Penalty and Interest Act, as
26 fully as if those provisions were set forth in this subsection.

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

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

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

18 In allocating or sourcing any municipal, county, special
19 district, or other local retailers' occupation tax or the local
20 share of the state's retailers' occupation tax for sales
21 occurring in this state, the sales location for such allocation
22 or sourcing purposes shall be the office location that the
23 order for the purchase of the tangible personal property is
24 accepted by the retailer or its authorized representative,
25 except as provided in the next paragraph. In determining the
26 acceptance location for a sale, the office the order is first

1 received by the retailer or its authorized representative shall
2 be deemed the acceptance location, unless clearly proven
3 otherwise by the retailer that the final event or activity
4 giving rise to the retailer's acceptance of, or the binding
5 contract for, such sale occurred at a different office
6 location. In applying this paragraph and the next paragraph, if
7 the order is received by electronic means, including but not
8 limited to e-mail and facsimile transmission, and the first
9 electronic receipt of the order is not addressed to or
10 otherwise identified with a specific office location of the
11 retailer or its authorized representative, then the order shall
12 be deemed first received at the office location of the retailer
13 or its authorized representative to which the addressee of the
14 electronic order is primarily assigned or stationed, but in the
15 event such addressee has no identifiable office location then
16 the order shall be deemed first received at the office location
17 that first records the receipt of such electronic order. For
18 purposes of this paragraph and the next paragraph, the term
19 "order" means the request (in writing, orally or
20 electronically) by the purchaser to buy tangible personal
21 property. Neither the delivery location nor the location of the
22 acceptance of the tangible personal property by the purchaser
23 (either before or after inspection or installation) shall
24 determine the sales location for allocation or sourcing
25 purposes under this Section.

26 Notwithstanding anything to the contrary in the preceding

1 paragraph, the sales location for the allocation or sourcing of
2 any municipal, county, special district, or other local
3 retailers' occupation tax or the local share of the state's
4 retailers' occupation tax shall be as follows: (1) in the event
5 the acceptance of the order by the retailer occurs outside of
6 the state (whether or not the receipt of the order occurs
7 within the state), then in those situations the sales location
8 shall be deemed outside of the state, and no local sourcing of
9 retailers' occupation tax applies, except when the tangible
10 personal property which is being sold is in the inventory of
11 the retailer at a location within the state at the time of sale
12 (or is subsequently produced by the retailer at a location in
13 this state), then in that event such inventory location shall
14 be deemed the sales location, or (2) in those situations in
15 which the retailer sends to the purchaser a complete and
16 unconditional offer to sell, then the sales location shall be
17 the office location that the retailer or its authorized
18 representative first receives back the purchaser's acceptance
19 of such offer, or (3) for keep full or similar requirements
20 contracts where the retailer agrees to supply tangible personal
21 property to a purchaser on a continuous basis until notified to
22 stop by the purchaser, then for such contracts the sales
23 location shall be the office location that the retailer or its
24 authorized representative receives the initial order under
25 such contract, provided that if such contract is a written
26 contract not requiring a separate initial order to start the

1 continuous supply process, then in such a situation the sales
2 location shall be the office location that the retailer or its
3 authorized representative signed the contract, or (4) for sales
4 accepted in Illinois under a long term blanket or master
5 contract which (though definite as to price and quantity) must
6 be implemented by the purchaser's placing of specific orders
7 when goods are wanted, the office location of the retailer or
8 its authorized representative with which such subsequent
9 specific orders are received (rather than the place where the
10 seller signed the master contract) will determine the sales
11 location with respect to such orders.

12 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the
13 purpose of determining whether a tax authorized under this
14 Section is applicable, a retail sale, by a producer of coal or
15 other mineral mined in Illinois, is a sale at retail at the
16 place where the coal or other mineral mined in Illinois is
17 extracted from the earth. With respect to minerals (i) the term
18 "extracted from the earth" means the location at which the coal
19 or other mineral is extracted from the mouth of the mine, and
20 (ii) a "mineral" includes not only coal, but also oil, sand,
21 stone taken from a quarry, gravel and any other thing commonly
22 regarded as a mineral and extracted from the earth. This
23 paragraph does not apply to coal or other mineral when it is
24 delivered or shipped by the seller to the purchaser at a point
25 outside Illinois so that the sale is exempt under the Federal
26 Constitution as a sale in interstate or foreign commerce.

1 The changes made by this amendatory Act of the 97th General
2 Assembly shall be effective upon becoming law, and for past
3 periods not yet closed by any applicable limitations period, a
4 retailer may apply the changes made to this Section by this
5 amendatory Act of the 97th General Assembly in the allocation
6 of its past sales but only to the extent it does not change the
7 retailer's previous filing location for such sales.

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

12 (c) If a tax has been imposed under subsection (b), a
13 service occupation tax shall also be imposed at the same rate
14 upon all persons engaged, in the metropolitan area, in the
15 business of making sales of service, who, as an incident to
16 making those sales of service, transfer tangible personal
17 property within the metropolitan area as an incident to a sale
18 of service. The tax imposed under this subsection and all civil
19 penalties that may be assessed as an incident thereof shall be
20 collected and enforced by the Department of Revenue. The
21 Department has full power to administer and enforce this
22 paragraph; to collect all taxes and penalties due hereunder; to
23 dispose of taxes and penalties so collected in the manner
24 hereinafter provided; and to determine all rights to credit
25 memoranda arising on account of the erroneous payment of tax or
26 penalty hereunder. In the administration of, and compliance

1 with this paragraph, the Department and persons who are subject
2 to this paragraph shall (i) have the same rights, remedies,
3 privileges, immunities, powers, and duties, (ii) be subject to
4 the same conditions, restrictions, limitations, penalties,
5 exclusions, exemptions, and definitions of terms, and (iii)
6 employ the same modes of procedure as are prescribed in
7 Sections 2 (except that the reference to State in the
8 definition of supplier maintaining a place of business in this
9 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
10 (in respect to all provisions therein other than the State rate
11 of tax), 4 (except that the reference to the State shall be to
12 the Authority), 5, 7, 8 (except that the jurisdiction to which
13 the tax shall be a debt to the extent indicated in that Section
14 8 shall be the Authority), 9 (except as to the disposition of
15 taxes and penalties collected, and except that the returned
16 merchandise credit for this tax may not be taken against any
17 State tax), 11, 12 (except the reference therein to Section 2b
18 of the Retailers' Occupation Tax Act), 13 (except that any
19 reference to the State shall mean the Authority), 15, 16, 17,
20 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7
21 of the Uniform Penalty and Interest Act, as fully as if those
22 provisions were set forth herein.

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

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

5 Whenever the Department determines that a refund should be
6 made under this subsection to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the warrant to be drawn for the
9 amount specified, and to the person named, in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the tax fund referenced under paragraph (g) of
12 this Section.

13 Nothing in this subsection ~~paragraph~~ shall be construed to
14 authorize the Authority to impose a tax upon the privilege of
15 engaging in any business which under the Constitution of the
16 United States may not be made the subject of taxation by the
17 State.

18 (d) If a tax has been imposed under subsection (b), a use
19 tax shall also be imposed at the same rate upon the privilege
20 of using, in the metropolitan area, any item of tangible
21 personal property that is purchased outside the metropolitan
22 area at retail from a retailer, and that is titled or
23 registered at a location within the metropolitan area with an
24 agency of this State's government. "Selling price" is defined
25 as in the Use Tax Act. The tax shall be collected from persons
26 whose Illinois address for titling or registration purposes is

1 given as being in the metropolitan area. The tax shall be
2 collected by the Department of Revenue for the Authority. The
3 tax must be paid to the State, or an exemption determination
4 must be obtained from the Department of Revenue, before the
5 title or certificate of registration for the property may be
6 issued. The tax or proof of exemption may be transmitted to the
7 Department by way of the State agency with which, or the State
8 officer with whom, the tangible personal property must be
9 titled or registered if the Department and the State agency or
10 State officer determine that this procedure will expedite the
11 processing of applications for title or registration.

12 The Department has full power to administer and enforce
13 this paragraph; to collect all taxes, penalties and interest
14 due hereunder; to dispose of taxes, penalties and interest so
15 collected in the manner hereinafter provided; and to determine
16 all rights to credit memoranda or refunds arising on account of
17 the erroneous payment of tax, penalty or interest hereunder. In
18 the administration of, and compliance with, this subsection,
19 the Department and persons who are subject to this paragraph
20 shall (i) have the same rights, remedies, privileges,
21 immunities, powers, and duties, (ii) be subject to the same
22 conditions, restrictions, limitations, penalties, exclusions,
23 exemptions, and definitions of terms, and (iii) employ the same
24 modes of procedure as are prescribed in Sections 2 (except the
25 definition of "retailer maintaining a place of business in this
26 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,

1 7, 8 (except that the jurisdiction to which the tax shall be a
2 debt to the extent indicated in that Section 8 shall be the
3 Authority), 9 (except provisions relating to quarter monthly
4 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
5 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
6 Interest Act, that are not inconsistent with this paragraph, as
7 fully as if those provisions were set forth herein.

8 Whenever the Department determines that a refund should be
9 made under this subsection to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order 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 tax fund referenced under paragraph (g) of
15 this Section.

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

25 (f) The results of any election authorizing a proposition
26 to impose a tax under this Section or effecting a change in the

1 rate of tax shall be certified by the proper election
2 authorities and filed with the Illinois Department on or before
3 the first day of April. In addition, an ordinance imposing,
4 discontinuing, or effecting a change in the rate of tax under
5 this Section shall be adopted and a certified copy thereof
6 filed with the Department on or before the first day of April.
7 After proper receipt of such certifications, the Department
8 shall proceed to administer and enforce this Section as of the
9 first day of July next following such adoption and filing.

10 (g) The Department of Revenue shall, upon collecting any
11 taxes and penalties as provided in this Section, pay the taxes
12 and penalties over to the State Treasurer as trustee for the
13 Authority. The taxes and penalties shall be held in a trust
14 fund outside the State Treasury. On or before the 25th day of
15 each calendar month, the Department of Revenue shall prepare
16 and certify to the Comptroller of the State of Illinois the
17 amount to be paid to the Authority, which shall be the balance
18 in the fund, less any amount determined by the Department to be
19 necessary for the payment of refunds. Within 10 days after
20 receipt by the Comptroller of the certification of the amount
21 to be paid to the Authority, the Comptroller shall cause an
22 order to be drawn for payment for the amount in accordance with
23 the directions contained in the certification. Amounts
24 received from the tax imposed under this Section shall be used
25 only for the support, construction, maintenance, or financing
26 of a facility of the Authority.

1 (h) When certifying the amount of a monthly disbursement to
2 the Authority under this Section, the Department shall increase
3 or decrease the amounts by an amount necessary to offset any
4 miscalculation of previous disbursements. The offset amount
5 shall be the amount erroneously disbursed within the previous 6
6 months from the time a miscalculation is discovered.

7 (i) This Section may be cited as the Salem Civic Center Use
8 and Occupation Tax Law.

9 (Source: P.A. 90-328, eff. 1-1-98.)

10 Section 25. The Metropolitan Pier and Exposition Authority
11 Act is amended by changing Section 13 as follows:

12 (70 ILCS 210/13) (from Ch. 85, par. 1233)

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

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

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

5 The tax imposed under this subsection and all civil
6 penalties that may be assessed as an incident to that tax shall
7 be collected and enforced by the Illinois Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this subsection, to collect all taxes and penalties so
10 collected in the manner provided in this subsection, and to
11 determine all rights to credit memoranda arising on account of
12 the erroneous payment of tax or penalty under this subsection.
13 In the administration of and compliance with this subsection,
14 the Department and persons who are subject to this subsection
15 shall have the same rights, remedies, privileges, immunities,
16 powers, and duties, shall be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions,
18 and definitions of terms, and shall employ the same modes of
19 procedure applicable to this Retailers' Occupation Tax as are
20 prescribed in Sections 1, 2 through 2-65 (in respect to all
21 provisions of those Sections other than the State rate of
22 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes
23 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,
24 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, and until
25 January 1, 1994, 13.5 of the Retailers' Occupation Tax Act,
26 and, on and after January 1, 1994, all applicable provisions of

1 the Uniform Penalty and Interest Act that are not inconsistent
2 with this Act, as fully as if provisions contained in those
3 Sections of the Retailers' Occupation Tax Act were set forth in
4 this subsection.

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

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

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

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

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected under this subsection
15 during the second preceding calendar month for sales within a
16 STAR bond district.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 amounts to be paid under subsection (g) of this Section, which
21 shall be the amounts, not including credit memoranda, collected
22 under this subsection during the second preceding calendar
23 month by the Department, less any amounts determined by the
24 Department to be necessary for the payment of refunds, less 2%
25 of such balance, which sum shall be deposited by the State
26 Treasurer into the Tax Compliance and Administration Fund in

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

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

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

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

24 (1) that portion of the City of Chicago located within
25 the following area: Beginning at the point of intersection
26 of the Cook County - DuPage County line and York Road, then

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

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

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

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

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

15 In allocating or sourcing any municipal, county, special
16 district, or other local retailers' occupation tax or the local
17 share of the state's retailers' occupation tax for sales
18 occurring in this state, the sales location for such allocation
19 or sourcing purposes shall be the office location that the
20 order for the purchase of the tangible personal property is
21 accepted by the retailer or its authorized representative,
22 except as provided in the next paragraph. In determining the
23 acceptance location for a sale, the office the order is first
24 received by the retailer or its authorized representative shall
25 be deemed the acceptance location, unless clearly proven
26 otherwise by the retailer that the final event or activity

1 giving rise to the retailer's acceptance of, or the binding
2 contract for, such sale occurred at a different office
3 location. In applying this paragraph and the next paragraph, if
4 the order is received by electronic means, including but not
5 limited to e-mail and facsimile transmission, and the first
6 electronic receipt of the order is not addressed to or
7 otherwise identified with a specific office location of the
8 retailer or its authorized representative, then the order shall
9 be deemed first received at the office location of the retailer
10 or its authorized representative to which the addressee of the
11 electronic order is primarily assigned or stationed, but in the
12 event such addressee has no identifiable office location then
13 the order shall be deemed first received at the office location
14 that first records the receipt of such electronic order. For
15 purposes of this paragraph and the next paragraph, the term
16 "order" means the request (in writing, orally or
17 electronically) by the purchaser to buy tangible personal
18 property. Neither the delivery location nor the location of the
19 acceptance of the tangible personal property by the purchaser
20 (either before or after inspection or installation) shall
21 determine the sales location for allocation or sourcing
22 purposes under this Section.

23 Notwithstanding anything to the contrary in the preceding
24 paragraph, the sales location for the allocation or sourcing of
25 any municipal, county, special district, or other local
26 retailers' occupation tax or the local share of the state's

1 retailers' occupation tax shall be as follows: (1) in the event
2 the acceptance of the order by the retailer occurs outside of
3 the state (whether or not the receipt of the order occurs
4 within the state), then in those situations the sales location
5 shall be deemed outside of the state, and no local sourcing of
6 retailers' occupation tax applies, except when the tangible
7 personal property which is being sold is in the inventory of
8 the retailer at a location within the state at the time of sale
9 (or is subsequently produced by the retailer at a location in
10 this state), then in that event such inventory location shall
11 be deemed the sales location, or (2) in those situations in
12 which the retailer sends to the purchaser a complete and
13 unconditional offer to sell, then the sales location shall be
14 the office location that the retailer or its authorized
15 representative first receives back the purchaser's acceptance
16 of such offer, or (3) for keep full or similar requirements
17 contracts where the retailer agrees to supply tangible personal
18 property to a purchaser on a continuous basis until notified to
19 stop by the purchaser, then for such contracts the sales
20 location shall be the office location that the retailer or its
21 authorized representative receives the initial order under
22 such contract, provided that if such contract is a written
23 contract not requiring a separate initial order to start the
24 continuous supply process, then in such a situation the sales
25 location shall be the office location that the retailer or its
26 authorized representative signed the contract, or (4) for sales

1 accepted in Illinois under a long term blanket or master
2 contract which (though definite as to price and quantity) must
3 be implemented by the purchaser's placing of specific orders
4 when goods are wanted, the office location of the retailer or
5 its authorized representative with which such subsequent
6 specific orders are received (rather than the place where the
7 seller signed the master contract) will determine the sales
8 location with respect to such orders, or (5) for sales to end
9 users by a producer of coal or other minerals mined in this
10 state, the sales location shall be the place where the coal or
11 other minerals mined in this state is extracted from the earth.
12 With respect to minerals (i) the term "extracted from the
13 earth" means the location at which the coal or other mineral is
14 extracted from the mouth of the mine, and (ii) a "mineral"
15 includes not only coal, but also oil, sand, stone taken from a
16 quarry, gravel and any other thing commonly regarded as a
17 mineral and extracted from the earth.

18 The changes made by this amendatory Act of the 97th General
19 Assembly shall be effective upon becoming law, and for past
20 periods not yet closed by any applicable limitations period, a
21 retailer may apply the changes made to this Section by this
22 amendatory Act of the 97th General Assembly in the allocation
23 of its past sales but only to the extent it does not change the
24 retailer's previous filing location for such sales.

25 (c) 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 upon all persons engaged in the
2 corporate limits of the City of Chicago in the business of
3 renting, leasing, or letting rooms in a hotel, as defined in
4 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of
5 the gross rental receipts from the renting, leasing, or letting
6 of hotel rooms within the City of Chicago, excluding, however,
7 from gross rental receipts the proceeds of renting, leasing, or
8 letting to permanent residents of a hotel, as defined in that
9 Act. Gross rental receipts shall not include charges that are
10 added on account of the liability arising from any tax imposed
11 by the State or any governmental agency on the occupation of
12 renting, leasing, or letting rooms in a hotel.

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

1 payment of tax or penalty under this subsection. In the
2 administration of and compliance with this subsection, the
3 Department and persons who are subject to this subsection shall
4 have the same rights, remedies, privileges, immunities,
5 powers, and duties, shall be subject to the same conditions,
6 restrictions, limitations, penalties, and definitions of
7 terms, and shall employ the same modes of procedure as are
8 prescribed in the Hotel Operators' Occupation Tax Act (except
9 where that Act is inconsistent with this subsection), as fully
10 as if the provisions contained in the Hotel Operators'
11 Occupation Tax Act were set out in this subsection.

12 Whenever the Department determines that a refund should be
13 made under this subsection to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause a 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 Metropolitan Pier and Exposition Authority
19 trust fund held by the State Treasurer as trustee for the
20 Authority.

21 Persons subject to any tax imposed under the authority
22 granted in this subsection may reimburse themselves for their
23 tax liability for that tax by separately stating that tax as an
24 additional charge, which charge may be stated in combination,
25 in a single amount, with State taxes imposed under the Hotel
26 Operators' Occupation Tax Act, the municipal tax imposed under

1 Section 8-3-13 of the Illinois Municipal Code, and the tax
2 imposed under Section 19 of the Illinois Sports Facilities
3 Authority Act.

4 The person filing the return shall, at the time of filing
5 the return, pay to the Department the amount of tax, less a
6 discount of 2.1% or \$25 per calendar year, whichever is
7 greater, which is allowed to reimburse the operator for the
8 expenses incurred in keeping records, preparing and filing
9 returns, remitting the tax, and supplying data to the
10 Department on request.

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

26 A certified copy of any ordinance imposing or discontinuing

1 a tax under this subsection or effecting a change in the rate
2 of that tax shall be filed with the Illinois Department of
3 Revenue, whereupon the Department shall proceed to administer
4 and enforce this subsection on behalf of the Authority as of
5 the first day of the third calendar month following the date of
6 filing.

7 (d) By ordinance the Authority shall, as soon as
8 practicable after the effective date of this amendatory Act of
9 1991, impose a tax upon all persons engaged in the business of
10 renting automobiles in the metropolitan area at the rate of 6%
11 of the gross receipts from that business, except that no tax
12 shall be imposed on the business of renting automobiles for use
13 as taxicabs or in livery service. The tax imposed under this
14 subsection and all civil penalties that may be assessed as an
15 incident to that tax shall be collected and enforced by the
16 Illinois Department of Revenue. The certificate of
17 registration issued by the Department to a retailer under the
18 Retailers' Occupation Tax Act or under the Automobile Renting
19 Occupation and Use Tax Act shall permit that person to engage
20 in a business that is taxable under any ordinance enacted under
21 this subsection without registering separately with the
22 Department under that ordinance or under this subsection. The
23 Department shall have full power to administer and enforce this
24 subsection, to collect all taxes and penalties due under this
25 subsection, to dispose of taxes and penalties so collected in
26 the manner provided in this subsection, and to determine all

1 rights to credit memoranda arising on account of the erroneous
2 payment of tax or penalty under this subsection. In the
3 administration of and compliance with this subsection, the
4 Department and persons who are subject to this subsection shall
5 have the same rights, remedies, privileges, immunities,
6 powers, and duties, be subject to the same conditions,
7 restrictions, limitations, penalties, and definitions of
8 terms, and employ the same modes of procedure as are prescribed
9 in Sections 2 and 3 (in respect to all provisions of those
10 Sections other than the State rate of tax; and in respect to
11 the provisions of the Retailers' Occupation Tax Act referred to
12 in those Sections, except as to the disposition of taxes and
13 penalties collected, except for the provision allowing
14 retailers a deduction from the tax to cover certain costs, and
15 except that credit memoranda issued under this subsection may
16 not be used to discharge any State tax liability) of the
17 Automobile Renting Occupation and Use Tax Act, as fully as if
18 provisions contained in those Sections of that Act were set
19 forth in this subsection.

20 Persons subject to any tax imposed under the authority
21 granted in this subsection may reimburse themselves for their
22 tax liability under this subsection by separately stating that
23 tax as an additional charge, which charge may be stated in
24 combination, in a single amount, with State tax that sellers
25 are required to collect under the Automobile Renting Occupation
26 and Use Tax Act, pursuant to bracket schedules as the

1 Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this subsection to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause a warrant 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 Metropolitan Pier and Exposition Authority
9 trust fund held by the State Treasurer as trustee for the
10 Authority.

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

25 Nothing in this subsection authorizes the Authority to
26 impose a tax upon the privilege of engaging in any business

1 that under the Constitution of the United States may not be
2 made the subject of taxation by this State.

3 A certified copy of any ordinance imposing or discontinuing
4 a tax under this subsection or effecting a change in the rate
5 of that tax shall be filed with the Illinois Department of
6 Revenue, whereupon the Department shall proceed to administer
7 and enforce this subsection on behalf of the Authority as of
8 the first day of the third calendar month following the date of
9 filing.

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

1 whom the tangible personal property must be titled or
2 registered if the Department and that agency or State officer
3 determine that this procedure will expedite the processing of
4 applications for title or registration.

5 The Department shall have full power to administer and
6 enforce this subsection, to collect all taxes, penalties, and
7 interest due under this subsection, to dispose of taxes,
8 penalties, and interest so collected in the manner provided in
9 this subsection, and to determine all rights to credit
10 memoranda or refunds arising on account of the erroneous
11 payment of tax, penalty, or interest 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,
15 powers, and duties, be subject to the same conditions,
16 restrictions, limitations, penalties, and definitions of
17 terms, and employ the same modes of procedure as are prescribed
18 in Sections 2 and 4 (except provisions pertaining to the State
19 rate of tax; and in respect to the provisions of the Use Tax
20 Act referred to in that Section, except provisions concerning
21 collection or refunding of the tax by retailers, except the
22 provisions of Section 19 pertaining to claims by retailers,
23 except the last paragraph concerning refunds, and except that
24 credit memoranda issued under this subsection may not be used
25 to discharge any State tax liability) of the Automobile Renting
26 Occupation and Use Tax Act, as fully as if provisions contained

1 in those Sections of that Act were set forth in this
2 subsection.

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

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

1 A certified copy of any ordinance imposing or discontinuing
2 a tax or effecting a change in the rate of that tax shall be
3 filed with the Illinois Department of Revenue, whereupon the
4 Department shall proceed to administer and enforce this
5 subsection on behalf of the Authority as of the first day of
6 the third calendar month following the date of filing.

7 (f) By ordinance the Authority shall, as soon as
8 practicable after the effective date of this amendatory Act of
9 1991, impose an occupation tax on all persons, other than a
10 governmental agency, engaged in the business of providing
11 ground transportation for hire to passengers in the
12 metropolitan area at a rate of (i) \$4 per taxi or livery
13 vehicle departure with passengers for hire from commercial
14 service airports in the metropolitan area, (ii) for each
15 departure with passengers for hire from a commercial service
16 airport in the metropolitan area in a bus or van operated by a
17 person other than a person described in item (iii): \$18 per bus
18 or van with a capacity of 1-12 passengers, \$36 per bus or van
19 with a capacity of 13-24 passengers, and \$54 per bus or van
20 with a capacity of over 24 passengers, and (iii) for each
21 departure with passengers for hire from a commercial service
22 airport in the metropolitan area in a bus or van operated by a
23 person regulated by the Interstate Commerce Commission or
24 Illinois Commerce Commission, operating scheduled service from
25 the airport, and charging fares on a per passenger basis: \$2
26 per passenger for hire in each bus or van. The term "commercial

1 service airports" means those airports receiving scheduled
2 passenger service and enplaning more than 100,000 passengers
3 per year.

4 In the ordinance imposing the tax, the Authority may
5 provide for the administration and enforcement of the tax and
6 the collection of the tax from persons subject to the tax as
7 the Authority determines to be necessary or practicable for the
8 effective administration of the tax. The Authority may enter
9 into agreements as it deems appropriate with any governmental
10 agency providing for that agency to act as the Authority's
11 agent to collect the tax.

12 In the ordinance imposing the tax, the Authority may
13 designate a method or methods for persons subject to the tax to
14 reimburse themselves for the tax liability arising under the
15 ordinance (i) by separately stating the full amount of the tax
16 liability as an additional charge to passengers departing the
17 airports, (ii) by separately stating one-half of the tax
18 liability as an additional charge to both passengers departing
19 from and to passengers arriving at the airports, or (iii) by
20 some other method determined by the Authority.

21 All taxes, penalties, and interest collected under any
22 ordinance adopted under this subsection, less any amounts
23 determined to be necessary for the payment of refunds and less
24 the taxes, penalties, and interest attributable to any increase
25 in the rate of tax authorized by Public Act 96-898 ~~this~~
26 ~~amendatory Act of the 96th General Assembly~~, shall be paid

1 forthwith to the State Treasurer, ex officio, for deposit into
2 a trust fund held outside the State Treasury and shall be
3 administered by the State Treasurer as provided in subsection
4 (g) of this Section. All taxes, penalties, and interest
5 attributable to any increase in the rate of tax authorized by
6 Public Act 96-898 ~~this amendatory Act of the 96th General~~
7 ~~Assembly~~ shall be paid by the State Treasurer as follows: 25%
8 for deposit into the Convention Center Support Fund, to be used
9 by the Village of Rosemont for the repair, maintenance, and
10 improvement of the Donald E. Stephens Convention Center and for
11 debt service on debt instruments issued for those purposes by
12 the village and 75% to the Authority to be used for grants to
13 an organization meeting the qualifications set out in Section
14 5.6 of this Act, provided the Metropolitan Pier and Exposition
15 Authority has entered into a marketing agreement with such an
16 organization.

17 (g) Amounts deposited from the proceeds of taxes imposed by
18 the Authority under subsections (b), (c), (d), (e), and (f) of
19 this Section and amounts deposited under Section 19 of the
20 Illinois Sports Facilities Authority Act shall be held in a
21 trust fund outside the State Treasury and shall be administered
22 by the Treasurer as follows:

23 (1) An amount necessary for the payment of refunds with
24 respect to those taxes shall be retained in the trust fund
25 and used for those payments.

26 (2) On July 20 and on the 20th of each month

1 thereafter, provided that the amount requested in the
2 annual certificate of the Chairman of the Authority filed
3 under Section 8.25f of the State Finance Act has been
4 appropriated for payment to the Authority, 1/8 of the local
5 tax transfer amount, together with any cumulative
6 deficiencies in the amounts transferred into the McCormick
7 Place Expansion Project Fund under this subparagraph (2)
8 during the fiscal year for which the certificate has been
9 filed, shall be transferred from the trust fund into the
10 McCormick Place Expansion Project Fund in the State
11 treasury until 100% of the local tax transfer amount has
12 been so transferred. "Local tax transfer amount" shall mean
13 the amount requested in the annual certificate, minus the
14 reduction amount. "Reduction amount" shall mean \$41.7
15 million in fiscal year 2011, \$36.7 million in fiscal year
16 2012, \$36.7 million in fiscal year 2013, \$36.7 million in
17 fiscal year 2014, and \$31.7 million in each fiscal year
18 thereafter until 2032, provided that the reduction amount
19 shall be reduced by (i) the amount certified by the
20 Authority to the State Comptroller and State Treasurer
21 under Section 8.25 of the State Finance Act, as amended,
22 with respect to that fiscal year and (ii) in any fiscal
23 year in which the amounts deposited in the trust fund under
24 this Section exceed \$318.3 million, exclusive of amounts
25 set aside for refunds and for the reserve account, one
26 dollar for each dollar of the deposits in the trust fund

1 above \$318.3 million with respect to that year, exclusive
2 of amounts set aside for refunds and for the reserve
3 account.

4 (3) On July 20, 2010, the Comptroller shall certify to
5 the Governor, the Treasurer, and the Chairman of the
6 Authority the 2010 deficiency amount, which means the
7 cumulative amount of transfers that were due from the trust
8 fund to the McCormick Place Expansion Project Fund in
9 fiscal years 2008, 2009, and 2010 under Section 13(g) of
10 this Act, as it existed prior to May 27, 2010 (the
11 effective date of Public Act 96-898) ~~this amendatory Act of~~
12 ~~the 96th General Assembly~~, but not made. On July 20, 2011
13 and on July 20 of each year through July 20, 2014, the
14 Treasurer shall calculate for the previous fiscal year the
15 surplus revenues in the trust fund and pay that amount to
16 the Authority. On July 20, 2015 and on July 20 of each year
17 thereafter, as long as bonds and notes issued under Section
18 13.2 or bonds and notes issued to refund those bonds and
19 notes are outstanding, the Treasurer shall calculate for
20 the previous fiscal year the surplus revenues in the trust
21 fund and pay one-half of that amount to the State Treasurer
22 for deposit into the General Revenue Fund until the 2010
23 deficiency amount has been paid and shall pay the balance
24 of the surplus revenues to the Authority. "Surplus
25 revenues" means the amounts remaining in the trust fund on
26 June 30 of the previous fiscal year (A) after the State

1 Treasurer has set aside in the trust fund (i) amounts
2 retained for refunds under subparagraph (1) and (ii) any
3 amounts necessary to meet the reserve account amount and
4 (B) after the State Treasurer has transferred from the
5 trust fund to the General Revenue Fund 100% of any
6 post-2010 deficiency amount. "Reserve account amount"
7 means \$15 million in fiscal year 2011 and \$30 million in
8 each fiscal year thereafter. The reserve account amount
9 shall be set aside in the trust fund and used as a reserve
10 to be transferred to the McCormick Place Expansion Project
11 Fund in the event the proceeds of taxes imposed under this
12 Section 13 are not sufficient to fund the transfer required
13 in subparagraph (2). "Post-2010 deficiency amount" means
14 any deficiency in transfers from the trust fund to the
15 McCormick Place Expansion Project Fund with respect to
16 fiscal years 2011 and thereafter. It is the intention of
17 this subparagraph (3) that no surplus revenues shall be
18 paid to the Authority with respect to any year in which a
19 post-2010 deficiency amount has not been satisfied by the
20 Authority.

21 Moneys received by the Authority as surplus revenues may be
22 used (i) for the purposes of paying debt service on the bonds
23 and notes issued by the Authority, including early redemption
24 of those bonds or notes, (ii) for the purposes of repair,
25 replacement, and improvement of the grounds, buildings, and
26 facilities of the Authority, and (iii) for the corporate

1 purposes of the Authority in fiscal years 2011 through 2015 in
2 an amount not to exceed \$20,000,000 annually or \$80,000,000
3 total, which amount shall be reduced \$0.75 for each dollar of
4 the receipts of the Authority in that year from any contract
5 entered into with respect to naming rights at McCormick Place
6 under Section 5(m) of this Act. When bonds and notes issued
7 under Section 13.2, or bonds or notes issued to refund those
8 bonds and notes, are no longer outstanding, the balance in the
9 trust fund shall be paid to the Authority.

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

14 (Source: P.A. 96-898, eff. 5-27-10; 96-939, eff. 6-24-10;
15 revised 9-16-10.)

16 Section 30. The Flood Prevention District Act is amended by
17 changing Section 25 as follows:

18 (70 ILCS 750/25)

19 Sec. 25. Flood prevention retailers' and service
20 occupation taxes.

21 (a) If the Board of Commissioners of a flood prevention
22 district determines that an emergency situation exists
23 regarding levee repair or flood prevention, and upon an
24 ordinance confirming the determination adopted by the

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

21 In the administration of and compliance with this
22 subsection, the Department and persons who are subject to this
23 subsection (i) have the same rights, remedies, privileges,
24 immunities, powers, and duties, (ii) are subject to the same
25 conditions, restrictions, limitations, penalties, and
26 definitions of terms, and (iii) shall employ the same modes of

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

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

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

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

1 bonds, notes, and other evidences of indebtedness issued under
2 this Act for a period not to exceed 25 years or as required to
3 repay the bonds, notes, and other evidences of indebtedness.
4 The tax rate shall be 0.25% of the selling price of all
5 tangible personal property transferred.

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

15 In the administration of and compliance with this
16 subsection, the Department and persons who are subject to this
17 subsection shall (i) have the same rights, remedies,
18 privileges, immunities, powers, and duties, (ii) be subject to
19 the same conditions, restrictions, limitations, penalties, and
20 definitions of terms, and (iii) employ the same modes of
21 procedure as are set forth in Sections 2 (except that the
22 reference to State in the definition of supplier maintaining a
23 place of business in this State means the district), 2a through
24 2d, 3 through 3-50 (in respect to all provisions contained in
25 those Sections other than the State rate of tax), 4 (except
26 that the reference to the State shall be to the district), 5,

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

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

17 (c) The taxes imposed in subsections (a) and (b) may not be
18 imposed on personal property titled or registered with an
19 agency of the State; food for human consumption that is to be
20 consumed off the premises where it is sold (other than
21 alcoholic beverages, soft drinks, and food that has been
22 prepared for immediate consumption); prescription and
23 non-prescription medicines, drugs, and medical appliances;
24 modifications to a motor vehicle for the purpose of rendering
25 it usable by a disabled person; or insulin, urine testing
26 materials, and syringes and needles used by diabetics.

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

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

11 (f) 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 Flood
14 Prevention Occupation Tax Fund, which shall be an
15 unappropriated trust fund held outside the State treasury.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, 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 Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district. The Department shall make this
24 certification only if the flood prevention district imposes a
25 tax on real property as provided in the definition of "local
26 sales taxes" under the Innovation Development and Economy Act.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 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 to the counties from which
5 retailers or servicemen have paid taxes or penalties to the
6 Department during the second preceding calendar month. The
7 amount to be paid to each county is equal to the amount (not
8 including credit memoranda) collected from the county under
9 this Section during the second preceding calendar month by the
10 Department, (i) less 2% of that amount, which shall be
11 deposited into the Tax Compliance and Administration Fund and
12 shall be used by the Department in administering and enforcing
13 the provisions of this Section on behalf of the county, (ii)
14 plus an amount that the Department determines is necessary to
15 offset any amounts that were erroneously paid to a different
16 taxing body; (iii) less an amount equal to the amount of
17 refunds made during the second preceding calendar month by the
18 Department on behalf of the county; (iv) less any amount that
19 the Department determines is necessary to offset any amounts
20 that were payable to a different taxing body but were
21 erroneously paid to the county; and (v) less any amounts that
22 are transferred to the STAR Bonds Revenue Fund. When certifying
23 the amount of a monthly disbursement to a county under this
24 Section, the Department shall increase or decrease the amounts
25 by an amount necessary to offset any miscalculation of previous
26 disbursements within the previous 6 months from the time a

1 miscalculation is discovered.

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

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

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

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

1 administer and enforce the tax or change in the rate as of the
2 first day of January next following the filing.

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

12 (j-5) In allocating or sourcing any municipal, county,
13 special district, or other local retailers' occupation tax or
14 the local share of the state's retailers' occupation tax for
15 sales occurring in this state, the sales location for such
16 allocation or sourcing purposes shall be the office location
17 that the order for the purchase of the tangible personal
18 property is accepted by the retailer or its authorized
19 representative, except as provided in the next paragraph. In
20 determining the acceptance location for a sale, the office the
21 order is first received by the retailer or its authorized
22 representative shall be deemed the acceptance location, unless
23 clearly proven otherwise by the retailer that the final event
24 or activity giving rise to the retailer's acceptance of, or the
25 binding contract for, such sale occurred at a different office
26 location. In applying this Subsection (j-5), if the order is

1 received by electronic means, including but not limited to
2 e-mail and facsimile transmission, and the first electronic
3 receipt of the order is not addressed to or otherwise
4 identified with a specific office location of the retailer or
5 its authorized representative, then the order shall be deemed
6 first received at the office location of the retailer or its
7 authorized representative to which the addressee of the
8 electronic order is primarily assigned or stationed, but in the
9 event such addressee has no identifiable office location then
10 the order shall be deemed first received at the office location
11 that first records the receipt of such electronic order. For
12 purposes of this Subsection (j-5), the term "order" means the
13 request (in writing, orally or electronically) by the purchaser
14 to buy tangible personal property. Neither the delivery
15 location nor the location of the acceptance of the tangible
16 personal property by the purchaser (either before or after
17 inspection or installation) shall determine the sales location
18 for allocation or sourcing purposes under this Section.

19 Notwithstanding anything to the contrary in the preceding
20 paragraph, the sales location for the allocation or sourcing of
21 any municipal, county, special district, or other local
22 retailers' occupation tax or the local share of the state's
23 retailers' occupation tax shall be as follows: (1) in the event
24 the acceptance of the order by the retailer occurs outside of
25 the state (whether or not the receipt of the order occurs
26 within the state), then in those situations the sales location

1 shall be deemed outside of the state, and no local sourcing of
2 retailers' occupation tax applies, except when the tangible
3 personal property which is being sold is in the inventory of
4 the retailer at a location within the state at the time of sale
5 (or is subsequently produced by the retailer at a location in
6 this state), then in that event such inventory location shall
7 be deemed the sales location, or (2) in those situations in
8 which the retailer sends to the purchaser a complete and
9 unconditional offer to sell, then the sales location shall be
10 the office location that the retailer or its authorized
11 representative first receives back the purchaser's acceptance
12 of such offer, or (3) for keep full or similar requirements
13 contracts where the retailer agrees to supply tangible personal
14 property to a purchaser on a continuous basis until notified to
15 stop by the purchaser, then for such contracts the sales
16 location shall be the office location that the retailer or its
17 authorized representative receives the initial order under
18 such contract, provided that if such contract is a written
19 contract not requiring a separate initial order to start the
20 continuous supply process, then in such a situation the sales
21 location shall be the office location that the retailer or its
22 authorized representative signed the contract, or (4) for sales
23 accepted in Illinois under a long term blanket or master
24 contract which (though definite as to price and quantity) must
25 be implemented by the purchaser's placing of specific orders
26 when goods are wanted, the office location of the retailer or

1 its authorized representative with which such subsequent
2 specific orders are received (rather than the place where the
3 seller signed the master contract) will determine the sales
4 location with respect to such orders, or (5) for sales to end
5 users by a producer of coal or other minerals mined in this
6 state, the sales location shall be the place where the coal or
7 other minerals mined in this state is extracted from the earth.
8 With respect to minerals (i) the term "extracted from the
9 earth" means the location at which the coal or other mineral is
10 extracted from the mouth of the mine, and (ii) a "mineral"
11 includes not only coal, but also oil, sand, stone taken from a
12 quarry, gravel and any other thing commonly regarded as a
13 mineral and extracted from the earth.

14 The changes made by this amendatory Act of the 97th General
15 Assembly shall be effective upon becoming law, and for past
16 periods not yet closed by any applicable limitations period, a
17 retailer may apply this subsection in the allocation of its
18 past sales but only to the extent it does not change the
19 retailer's previous filing location for such sales.

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

22 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08;
23 96-939, eff. 6-24-10.)

24 Section 35. The Metro-East Park and Recreation District Act
25 is amended by changing Section 30 as follows:

1 (70 ILCS 1605/30)

2 Sec. 30. Taxes.

3 (a) The board shall impose a tax upon all persons engaged
4 in the business of selling tangible personal property, other
5 than personal property titled or registered with an agency of
6 this State's government, at retail in the District on the gross
7 receipts from the sales made in the course of business. This
8 tax shall be imposed only at the rate of one-tenth of one per
9 cent.

10 This additional tax may not be imposed on the sales of food
11 for human consumption that is to be consumed off the premises
12 where it is sold (other than alcoholic beverages, soft drinks,
13 and food which has been prepared for immediate consumption) and
14 prescription and non-prescription medicines, drugs, medical
15 appliances, and insulin, urine testing materials, syringes,
16 and needles used by diabetics. The tax imposed by the Board
17 under this Section and all civil penalties that may be assessed
18 as an incident of the tax shall be collected and enforced by
19 the Department of Revenue. The certificate of registration that
20 is issued by the Department to a retailer under the Retailers'
21 Occupation Tax Act shall permit the retailer to engage in a
22 business that is taxable without registering separately with
23 the Department under an ordinance or resolution under this
24 Section. The Department has full power to administer and
25 enforce this Section, to collect all taxes and penalties due

1 under this Section, to dispose of taxes and penalties so
2 collected in the manner provided in this Section, and to
3 determine all rights to credit memoranda arising on account of
4 the erroneous payment of a tax or penalty under this Section.
5 In the administration of and compliance with this Section, the
6 Department and persons who are subject to this Section shall
7 (i) have the same rights, remedies, privileges, immunities,
8 powers, and duties, (ii) be subject to the same conditions,
9 restrictions, limitations, penalties, and definitions of
10 terms, and (iii) employ the same modes of procedure as are
11 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
12 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
13 in those Sections other than the State rate of tax), 2-15
14 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
15 transaction returns and quarter monthly payments), 4, 5, 5a,
16 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
17 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
18 and the Uniform Penalty and Interest Act as if those provisions
19 were set forth in this Section.

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

1 Whenever the Department determines that a refund should be
2 made under this Section 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 the State Metro-East Park and Recreation
8 District Fund.

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

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

24 Persons subject to any tax imposed under the authority
25 granted in this subsection may reimburse themselves for their
26 serviceman's tax liability by separately stating the tax as an

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

6 Whenever the Department determines that a refund should be
7 made under this subsection to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the State Metro-East Park and Recreation
13 District Fund.

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

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

23 As soon as possible after the first day of each month,
24 beginning January 1, 2011, 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 Innovation
2 Development and Economy Act, collected under this Section
3 during the second preceding calendar month for sales within a
4 STAR bond district. The Department shall make this
5 certification only if the Metro East Park and Recreation
6 District imposes a tax on real property as provided in the
7 definition of "local sales taxes" under the Innovation
8 Development and Economy Act.

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on 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 pursuant to Section 35 of
13 this Act to the District from which retailers have paid taxes
14 or penalties to the Department during the second preceding
15 calendar month. The amount to be paid to the District shall be
16 the amount (not including credit memoranda) collected under
17 this Section during the second preceding calendar month by the
18 Department plus an amount the Department determines is
19 necessary to offset any amounts that were erroneously paid to a
20 different taxing body, and not including (i) an amount equal to
21 the amount of refunds made during the second preceding calendar
22 month by the Department on behalf of the District, (ii) any
23 amount that the Department determines is necessary to offset
24 any amounts that were payable to a different taxing body but
25 were erroneously paid to the District, and (iii) any amounts
26 that are transferred to the STAR Bonds Revenue Fund. Within 10

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

6 (c-5) In allocating or sourcing any municipal, county,
7 special district, or other local retailers' occupation tax or
8 the local share of the state's retailers' occupation tax for
9 sales occurring in this state, the sales location for such
10 allocation or sourcing purposes shall be the office location
11 that the order for the purchase of the tangible personal
12 property is accepted by the retailer or its authorized
13 representative, except as provided in the next paragraph. In
14 determining the acceptance location for a sale, the office the
15 order is first received by the retailer or its authorized
16 representative shall be deemed the acceptance location, unless
17 clearly proven otherwise by the retailer that the final event
18 or activity giving rise to the retailer's acceptance of, or the
19 binding contract for, such sale occurred at a different office
20 location. In applying this Subsection (c-5), if the order is
21 received by electronic means, including but not limited to
22 e-mail and facsimile transmission, and the first electronic
23 receipt of the order is not addressed to or otherwise
24 identified with a specific office location of the retailer or
25 its authorized representative, then the order shall be deemed
26 first received at the office location of the retailer or its

1 authorized representative to which the addressee of the
2 electronic order is primarily assigned or stationed, but in the
3 event such addressee has no identifiable office location then
4 the order shall be deemed first received at the office location
5 that first records the receipt of such electronic order. For
6 purposes of this Subsection (c-5), the term "order" means the
7 request (in writing, orally or electronically) by the purchaser
8 to buy tangible personal property. Neither the delivery
9 location nor the location of the acceptance of the tangible
10 personal property by the purchaser (either before or after
11 inspection or installation) shall determine the sales location
12 for allocation or sourcing purposes under this Section.

13 Notwithstanding anything to the contrary in the preceding
14 paragraph, the sales location for the allocation or sourcing of
15 any municipal, county, special district, or other local
16 retailers' occupation tax or the local share of the state's
17 retailers' occupation tax shall be as follows: (1) in the event
18 the acceptance of the order by the retailer occurs outside of
19 the state (whether or not the receipt of the order occurs
20 within the state), then in those situations the sales location
21 shall be deemed outside of the state, and no local sourcing of
22 retailers' occupation tax applies, except when the tangible
23 personal property which is being sold is in the inventory of
24 the retailer at a location within the state at the time of sale
25 (or is subsequently produced by the retailer at a location in
26 this state), then in that event such inventory location shall

1 be deemed the sales location, or (2) in those situations in
2 which the retailer sends to the purchaser a complete and
3 unconditional offer to sell, then the sales location shall be
4 the office location that the retailer or its authorized
5 representative first receives back the purchaser's acceptance
6 of such offer, or (3) for keep full or similar requirements
7 contracts where the retailer agrees to supply tangible personal
8 property to a purchaser on a continuous basis until notified to
9 stop by the purchaser, then for such contracts the sales
10 location shall be the office location that the retailer or its
11 authorized representative receives the initial order under
12 such contract, provided that if such contract is a written
13 contract not requiring a separate initial order to start the
14 continuous supply process, then in such a situation the sales
15 location shall be the office location that the retailer or its
16 authorized representative signed the contract, or (4) for sales
17 accepted in Illinois under a long term blanket or master
18 contract which (though definite as to price and quantity) must
19 be implemented by the purchaser's placing of specific orders
20 when goods are wanted, the office location of the retailer or
21 its authorized representative with which such subsequent
22 specific orders are received (rather than the place where the
23 seller signed the master contract) will determine the sales
24 location with respect to such orders.

25 (c-6) The changes made by this amendatory Act of the 97th
26 General Assembly shall be effective upon becoming law, and for

1 past periods not yet closed by any applicable limitations
2 period, a retailer may apply the changes made to this Section
3 by this amendatory Act of the 97th General Assembly in the
4 allocation of its past sales but only to the extent it does not
5 change the retailer's previous filing location for such sales.

6 (d) Notwithstanding subsection (c-5) of this Section, for
7 ~~For~~ the purpose of determining whether a tax authorized under
8 this Section is applicable, a retail sale by a producer of coal
9 or another mineral mined in Illinois is a sale at retail at the
10 place where the coal or other mineral mined in Illinois is
11 extracted from the earth. With respect to minerals (i) the term
12 "extracted from the earth" means the location at which the coal
13 or other mineral is extracted from the mouth of the mine, and
14 (ii) a "mineral" includes not only coal, but also oil, sand,
15 stone taken from a quarry, gravel and any other thing commonly
16 regarded as a mineral and extracted from the earth. This
17 paragraph does not apply to coal or another mineral when it is
18 delivered or shipped by the seller to the purchaser at a point
19 outside Illinois so that the sale is exempt under the United
20 States Constitution as a sale in interstate or foreign
21 commerce.

22 (e) Nothing in this Section shall be construed to authorize
23 the board 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 (f) An ordinance imposing a tax under this Section or an

1 ordinance extending the imposition of a tax to an additional
2 county or counties shall be certified by the board and filed
3 with the Department of Revenue either (i) on or before the
4 first day of April, whereupon the Department shall proceed to
5 administer and enforce the tax as of the first day of July next
6 following the filing; or (ii) on or before the first day of
7 October, whereupon the Department shall proceed to administer
8 and enforce the tax as of the first day of January next
9 following the filing.

10 (g) When certifying the amount of a monthly disbursement to
11 the District under this Section, the Department shall increase
12 or decrease the amounts by an amount necessary to offset any
13 misallocation of previous disbursements. The offset amount
14 shall be the amount erroneously disbursed within the previous 6
15 months from the time a misallocation is discovered.

16 (Source: P.A. 96-939, eff. 6-24-10.)

17 Section 40. The Local Mass Transit District Act is amended
18 by changing Section 5.01 as follows:

19 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

20 Sec. 5.01. Metro East Mass Transit District; use and
21 occupation taxes.

22 (a) The Board of Trustees of any Metro East Mass Transit
23 District may, by ordinance adopted with the concurrence of
24 two-thirds of the then trustees, impose throughout the District

1 any or all of the taxes and fees provided in this Section. All
2 taxes and fees imposed under this Section shall be used only
3 for public mass transportation systems, and the amount used to
4 provide mass transit service to unserved areas of the District
5 shall be in the same proportion to the total proceeds as the
6 number of persons residing in the unserved areas is to the
7 total population of the District. Except as otherwise provided
8 in this Act, taxes imposed under this Section and civil
9 penalties imposed incident thereto shall be collected and
10 enforced by the State Department of Revenue. The Department
11 shall have the power to administer and enforce the taxes and to
12 determine all rights for refunds for erroneous payments of the
13 taxes.

14 (b) The Board may impose a Metro East Mass Transit District
15 Retailers' Occupation Tax upon all persons engaged in the
16 business of selling tangible personal property at retail in the
17 district at a rate of $1/4$ of 1%, or as authorized under
18 subsection (d-5) of this Section, of the gross receipts from
19 the sales made in the course of such business within the
20 district. The tax imposed under this Section and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the State Department of Revenue. The
23 Department shall have full power to administer and enforce this
24 Section; to collect all taxes and penalties so collected in the
25 manner hereinafter provided; and to determine all rights to
26 credit memoranda arising on account of the erroneous payment of

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

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

23 Whenever the Department determines that a refund should be
24 made under this Section to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Metro East Mass Transit District tax fund
4 established under paragraph (h) of this Section.

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

7 Notwithstanding subsection (i) of this Section, for ~~For~~ the
8 purpose of determining whether a tax authorized under this
9 Section 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. With respect to minerals (i) the term
13 "extracted from the earth" means the location at which the coal
14 or other mineral is extracted from the mouth of the mine, and
15 (ii) a "mineral" includes not only coal, but also oil, sand,
16 stone taken from a quarry, gravel and any other thing commonly
17 regarded as a mineral and extracted from the earth. This
18 paragraph does not apply to coal or other mineral when it is
19 delivered or shipped by the seller to the purchaser at a point
20 outside Illinois so that the sale is exempt under the Federal
21 Constitution as a sale in interstate or foreign commerce.

22 No tax shall be imposed or collected under this subsection
23 on the sale of a motor vehicle in this State to a resident of
24 another state if that motor vehicle will not be titled in this
25 State.

26 Nothing in this Section shall be construed to authorize the

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

5 (c) If a tax has been imposed under subsection (b), a Metro
6 East Mass Transit District Service Occupation Tax shall also be
7 imposed upon all persons engaged, in the district, in the
8 business of making sales of service, who, as an incident to
9 making those sales of service, transfer tangible personal
10 property within the District, either in the form of tangible
11 personal property or in the form of real estate as an incident
12 to a sale of service. The tax rate shall be 1/4%, or as
13 authorized under subsection (d-5) of this Section, of the
14 selling price of tangible personal property so transferred
15 within the district. The tax imposed under this paragraph and
16 all 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 paragraph; to collect all taxes and penalties due
20 hereunder; to dispose of taxes and penalties so collected in
21 the manner hereinafter provided; and to determine all rights to
22 credit memoranda arising on account of the erroneous payment of
23 tax or penalty hereunder. In the administration of, and
24 compliance with this paragraph, the Department and persons who
25 are subject to this paragraph shall have the same rights,
26 remedies, privileges, immunities, powers and duties, and be

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

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

1 accordance with such bracket schedules as the Department may
2 prescribe.

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

11 Nothing in this ~~subsection~~ paragraph shall be construed to
12 authorize the District to impose a tax upon the privilege of
13 engaging in any business which under the Constitution of the
14 United States may not be made the subject of taxation by the
15 State.

16 (d) If a tax has been imposed under subsection (b), a Metro
17 East Mass Transit District Use Tax shall also be imposed upon
18 the privilege of using, in the district, any item of tangible
19 personal property that is purchased outside the district at
20 retail from a retailer, and that is titled or registered with
21 an agency of this State's government, at a rate of 1/4%, or as
22 authorized under subsection (d-5) of this Section, of the
23 selling price of the tangible personal property within the
24 District, as "selling price" is defined in the Use Tax Act. The
25 tax shall be collected from persons whose Illinois address for
26 titling or registration purposes is given as being in the

1 District. The tax shall be collected by the Department of
2 Revenue for the Metro East Mass Transit District. The tax must
3 be paid to the State, or an exemption determination must be
4 obtained from the Department of Revenue, before the title or
5 certificate of registration for the property may be issued. The
6 tax or proof of exemption may be transmitted to the Department
7 by way of the State agency with which, or the State officer
8 with whom, the tangible personal property must be titled or
9 registered if the Department and the State agency or State
10 officer determine that this procedure will expedite the
11 processing of applications for title or registration.

12 The Department shall have full power to administer and
13 enforce this paragraph; to collect all taxes, penalties and
14 interest due hereunder; to dispose of taxes, penalties and
15 interest so collected in the manner hereinafter provided; and
16 to determine all rights to credit memoranda or refunds arising
17 on account of the erroneous payment of tax, penalty or interest
18 hereunder. In the administration of, and compliance with, this
19 paragraph, the Department and persons who are subject to this
20 paragraph shall have the same rights, remedies, privileges,
21 immunities, powers and duties, and be subject to the same
22 conditions, restrictions, limitations, penalties, exclusions,
23 exemptions and definitions of terms and employ the same modes
24 of procedure, as are prescribed in Sections 2 (except the
25 definition of "retailer maintaining a place of business in this
26 State"), 3 through 3-80 (except provisions pertaining to the

1 State rate of tax, and except provisions concerning collection
2 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
3 19 (except the portions pertaining to claims by retailers and
4 except the last paragraph concerning refunds), 20, 21 and 22 of
5 the Use Tax Act and Section 3-7 of the Uniform Penalty and
6 Interest Act, that are not inconsistent with this paragraph, as
7 fully as if those provisions were set forth herein.

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 order 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) of this Section.

16 (d-5) (A) The county board of any county participating in
17 the Metro East Mass Transit District may authorize, by
18 ordinance, a referendum on the question of whether the tax
19 rates for the Metro East Mass Transit District Retailers'
20 Occupation Tax, the Metro East Mass Transit District Service
21 Occupation Tax, and the Metro East Mass Transit District Use
22 Tax for the District should be increased from 0.25% to 0.75%.
23 Upon adopting the ordinance, the county board shall certify the
24 proposition to the proper election officials who shall submit
25 the proposition to the voters of the District at the next
26 election, in accordance with the general election law.

1 The proposition shall be in substantially the following
2 form:

3 Shall the tax rates for the Metro East Mass Transit
4 District Retailers' Occupation Tax, the Metro East Mass
5 Transit District Service Occupation Tax, and the Metro East
6 Mass Transit District Use Tax be increased from 0.25% to
7 0.75%?

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

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

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

26 The form of the petition shall be in substantially the

1 following form: To the Circuit Court of the County of (name of
2 county):

3 We, the undersigned electors of the (name of transit
4 district), respectfully petition your honor to submit to a
5 vote of the electors of (name of transit district) the
6 following proposition:

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	Name	Address, with Street and Number.
13
14

15 (C) The votes shall be recorded as "YES" or "NO". If a
16 majority of all votes cast on the proposition are for the
17 increase in the tax rates, the Metro East Mass Transit District
18 shall begin imposing the increased rates in the District, and
19 the Department of Revenue shall begin collecting the increased
20 amounts, as provided under this Section. An ordinance imposing
21 or discontinuing a tax hereunder or effecting a change in the
22 rate thereof shall be adopted and a certified copy thereof
23 filed with the Department on or before the first day of
24 October, whereupon the Department shall proceed to administer
25 and enforce this Section as of the first day of January next
26 following the adoption and filing, or on or before the first

1 day of April, whereupon the Department shall proceed to
2 administer and enforce this Section as of the first day of July
3 next following the adoption and filing.

4 (D) If the voters have approved a referendum under this
5 subsection, before November 1, 1994, to increase the tax rate
6 under this subsection, the Metro East Mass Transit District
7 Board of Trustees may adopt by a majority vote an ordinance at
8 any time before January 1, 1995 that excludes from the rate
9 increase tangible personal property that is titled or
10 registered with an agency of this State's government. The
11 ordinance excluding titled or registered tangible personal
12 property from the rate increase must be filed with the
13 Department at least 15 days before its effective date. At any
14 time after adopting an ordinance excluding from the rate
15 increase tangible personal property that is titled or
16 registered with an agency of this State's government, the Metro
17 East Mass Transit District Board of Trustees may adopt an
18 ordinance applying the rate increase to that tangible personal
19 property. The ordinance shall be adopted, and a certified copy
20 of that ordinance shall be filed with the Department, on or
21 before October 1, whereupon the Department shall proceed to
22 administer and enforce the rate increase against tangible
23 personal property titled or registered with an agency of this
24 State's government as of the following January 1. After
25 December 31, 1995, any reimposed rate increase in effect under
26 this subsection shall no longer apply to tangible personal

1 property titled or registered with an agency of this State's
2 government. Beginning January 1, 1996, the Board of Trustees of
3 any Metro East Mass Transit District may never reimpose a
4 previously excluded tax rate increase on tangible personal
5 property titled or registered with an agency of this State's
6 government. After July 1, 2004, if the voters have approved a
7 referendum under this subsection to increase the tax rate under
8 this subsection, the Metro East Mass Transit District Board of
9 Trustees may adopt by a majority vote an ordinance that
10 excludes from the rate increase tangible personal property that
11 is titled or registered with an agency of this State's
12 government. The ordinance excluding titled or registered
13 tangible personal property from the rate increase shall be
14 adopted, and a certified copy of that ordinance shall be filed
15 with the Department on or before October 1, whereupon the
16 Department shall administer and enforce this exclusion from the
17 rate increase as of the following January 1, or on or before
18 April 1, whereupon the Department shall administer and enforce
19 this exclusion from the rate increase as of the following July
20 1. The Board of Trustees of any Metro East Mass Transit
21 District may never reimpose a previously excluded tax rate
22 increase on tangible personal property titled or registered
23 with an agency of this State's government.

24 (d-6) If the Board of Trustees of any Metro East Mass
25 Transit District has imposed a rate increase under subsection
26 (d-5) and filed an ordinance with the Department of Revenue

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

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

21 (d-7.1) Beginning July 1, 2004, any fee imposed by the
22 Board of Trustees of any Metro East Mass Transit District under
23 subsection (d-6) and all civil penalties that may be assessed
24 as an incident of the fees shall be collected and enforced by
25 the State Department of Revenue. Reference to "taxes" in this
26 Section shall be construed to apply to the administration,

1 payment, and remittance of all fees under this Section. For
2 purposes of any fee imposed under subsection (d-6), 4% of the
3 fee, penalty, and interest received by the Department in the
4 first 12 months that the fee is collected and enforced by the
5 Department and 2% of the fee, penalty, and interest following
6 the first 12 months shall be deposited into the Tax Compliance
7 and Administration Fund and shall be used by the Department,
8 subject to appropriation, to cover the costs of the Department.
9 No retailers' discount shall apply to any fee imposed under
10 subsection (d-6).

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

15 (d-9) (Blank).

16 (d-10) (Blank).

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

26 (f) (Blank).

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

24 (h) Except as provided in subsection (d-7.1), the State
25 Department of Revenue shall, upon collecting any taxes as
26 provided in this Section, pay the taxes over to the State

1 Treasurer as trustee for the District. The taxes shall be held
2 in a trust fund outside the State Treasury.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Innovation
8 Development and Economy Act, collected under this Section
9 during the second preceding calendar month for sales within a
10 STAR bond district. The Department shall make this
11 certification only if the local mass transit district imposes a
12 tax on real property as provided in the definition of "local
13 sales taxes" under the Innovation Development and Economy Act.

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

26 (i) In allocating or sourcing any municipal, county,

1 special district, or other local retailers' occupation tax or
2 the local share of the state's retailers' occupation tax for
3 sales occurring in this state, the sales location for such
4 allocation or sourcing purposes shall be the office location
5 that the order for the purchase of the tangible personal
6 property is accepted by the retailer or its authorized
7 representative, except as provided in the next paragraph. In
8 determining the acceptance location for a sale, the office the
9 order is first received by the retailer or its authorized
10 representative shall be deemed the acceptance location, unless
11 clearly proven otherwise by the retailer that the final event
12 or activity giving rise to the retailer's acceptance of, or the
13 binding contract for, such sale occurred at a different office
14 location. In applying this Subsection (i), if the order is
15 received by electronic means, including but not limited to
16 e-mail and facsimile transmission, and the first electronic
17 receipt of the order is not addressed to or otherwise
18 identified with a specific office location of the retailer or
19 its authorized representative, then the order shall be deemed
20 first received at the office location of the retailer or its
21 authorized representative to which the addressee of the
22 electronic order is primarily assigned or stationed, but in the
23 event such addressee has no identifiable office location then
24 the order shall be deemed first received at the office location
25 that first records the receipt of such electronic order. For
26 purposes of this Subsection (i), the term "order" means the

1 request (in writing, orally or electronically) by the purchaser
2 to buy tangible personal property. Neither the delivery
3 location nor the location of the acceptance of the tangible
4 personal property by the purchaser (either before or after
5 inspection or installation) shall determine the sales location
6 for allocation or sourcing purposes under this Section.

7 Notwithstanding anything to the contrary in the preceding
8 paragraph, the sales location for the allocation or sourcing of
9 any municipal, county, special district, or other local
10 retailers' occupation tax or the local share of the state's
11 retailers' occupation tax shall be as follows: (1) in the event
12 the acceptance of the order by the retailer occurs outside of
13 the state (whether or not the receipt of the order occurs
14 within the state), then in those situations the sales location
15 shall be deemed outside of the state, and no local sourcing of
16 retailers' occupation tax applies, except when the tangible
17 personal property which is being sold is in the inventory of
18 the retailer at a location within the state at the time of sale
19 (or is subsequently produced by the retailer at a location in
20 this state), then in that event such inventory location shall
21 be deemed the sales location, or (2) in those situations in
22 which the retailer sends to the purchaser a complete and
23 unconditional offer to sell, then the sales location shall be
24 the office location that the retailer or its authorized
25 representative first receives back the purchaser's acceptance
26 of such offer, or (3) for keep full or similar requirements

1 contracts where the retailer agrees to supply tangible personal
2 property to a purchaser on a continuous basis until notified to
3 stop by the purchaser, then for such contracts the sales
4 location shall be the office location that the retailer or its
5 authorized representative receives the initial order under
6 such contract, provided that if such contract is a written
7 contract not requiring a separate initial order to start the
8 continuous supply process, then in such a situation the sales
9 location shall be the office location that the retailer or its
10 authorized representative signed the contract, or (4) for sales
11 accepted in Illinois under a long term blanket or master
12 contract which (though definite as to price and quantity) must
13 be implemented by the purchaser's placing of specific orders
14 when goods are wanted, the office location of the retailer or
15 its authorized representative with which such subsequent
16 specific orders are received (rather than the place where the
17 seller signed the master contract) will determine the sales
18 location with respect to such orders.

19 (j) The changes made by this amendatory Act of the 97th
20 General Assembly shall be effective upon becoming law, and for
21 past periods not yet closed by any applicable limitations
22 period, a retailer may apply the changes made to this Section
23 by this amendatory Act of the 97th General Assembly in the
24 allocation of its past sales but only to the extent it does not
25 change the retailer's previous filing location for such sales.

26 (Source: P.A. 95-331, eff. 8-21-07; 96-328, eff. 8-11-09;

1 96-939, eff. 6-24-10.)

2 Section 45. The Regional Transportation Authority Act is
3 amended by changing Section 4.03 as follows:

4 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

5 Sec. 4.03. Taxes.

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

21 (b) The Board may impose a public transportation tax upon
22 all persons engaged in the metropolitan region in the business
23 of selling at retail motor fuel for operation of motor vehicles
24 upon public highways. The tax shall be at a rate not to exceed

1 5% of the gross receipts from the sales of motor fuel in the
2 course of the business. As used in this Act, the term "motor
3 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
4 The Board may provide for details of the tax. The provisions of
5 any tax shall conform, as closely as may be practicable, to the
6 provisions of the Municipal Retailers Occupation Tax Act,
7 including without limitation, conformity to penalties with
8 respect to the tax imposed and as to the powers of the State
9 Department of Revenue to promulgate and enforce rules and
10 regulations relating to the administration and enforcement of
11 the provisions of the tax imposed, except that reference in the
12 Act to any municipality shall refer to the Authority and the
13 tax shall be imposed only with regard to receipts from sales of
14 motor fuel in the metropolitan region, at rates as limited by
15 this Section.

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

23 (d) The Board may impose a motor vehicle parking tax upon
24 the privilege of parking motor vehicles at off-street parking
25 facilities in the metropolitan region at which a fee is
26 charged, and may provide for reasonable classifications in and

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

17 (e) The Board may impose a Regional Transportation
18 Authority Retailers' Occupation Tax upon all persons engaged in
19 the business of selling tangible personal property at retail in
20 the metropolitan region. In Cook County the tax rate shall be
21 1.25% of the gross receipts from sales of food for human
22 consumption that is to be consumed off the premises where it is
23 sold (other than alcoholic beverages, soft drinks and food that
24 has been prepared for immediate consumption) and prescription
25 and nonprescription medicines, drugs, medical appliances and
26 insulin, urine testing materials, syringes and needles used by

1 diabetics, and 1% of the gross receipts from other taxable
2 sales made in the course of that business. In DuPage, Kane,
3 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
4 of the gross receipts from all taxable sales made in the course
5 of that business. The tax imposed under this Section and all
6 civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this Section; to collect all taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder. In the
13 administration of, and compliance with this Section, the
14 Department and persons who are subject to this Section shall
15 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions
18 and definitions of terms, and employ the same modes of
19 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
20 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
21 therein other than the State rate of tax), 2c, 3 (except as to
22 the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
24 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

1 Persons subject to any tax imposed under the authority
2 granted in this Section 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, under any
7 bracket schedules 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 Regional Transportation Authority tax fund
15 established under paragraph (n) of this Section.

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

18 Notwithstanding subsection (r) of this Section, for ~~For~~ the
19 purpose of determining whether a tax authorized under this
20 Section is applicable, a retail sale by a producer of coal or
21 other mineral mined in Illinois, is a sale at retail at the
22 place where the coal or other mineral mined in Illinois is
23 extracted from the earth. With respect to minerals (i) the term
24 "extracted from the earth" means the location at which the coal
25 or other mineral is extracted from the mouth of the mine, and
26 (ii) a "mineral" includes not only coal, but also oil, sand,

1 stone taken from a quarry, gravel and any other thing commonly
2 regarded as a mineral and extracted from the earth. This
3 paragraph does not apply to coal or other mineral when it is
4 delivered or shipped by the seller to the purchaser at a point
5 outside Illinois so that the sale is exempt under the Federal
6 Constitution as a sale in interstate or foreign commerce.

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

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

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

1 tax by an entity licensed under the Hospital Licensing Act, the
2 Nursing Home Care Act, or the MR/DD Community Care Act that is
3 located in the metropolitan region; (2) 1.25% of the selling
4 price of food for human consumption that is to be consumed off
5 the premises where it is sold (other than alcoholic beverages,
6 soft drinks and food that has been prepared for immediate
7 consumption) and prescription and nonprescription medicines,
8 drugs, medical appliances and insulin, urine testing
9 materials, syringes and needles used by diabetics; and (3) 1%
10 of the selling price from other taxable sales of tangible
11 personal property transferred. In DuPage, Kane, Lake, McHenry
12 and Will Counties the rate shall be 0.75% of the selling price
13 of all tangible personal property transferred.

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

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

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

24 Whenever the Department determines that a refund should be
25 made under this paragraph to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the
2 amount specified, and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Regional Transportation Authority tax fund
5 established under paragraph (n) of this Section.

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

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

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

9 The Department shall have full power to administer and
10 enforce this paragraph; to collect all taxes, penalties and
11 interest due hereunder; to dispose of taxes, penalties and
12 interest collected in the manner hereinafter provided; and to
13 determine all rights to credit memoranda or refunds arising on
14 account of the erroneous payment of tax, penalty or interest
15 hereunder. In the administration of and compliance with this
16 paragraph, the Department and persons who are subject to this
17 paragraph shall have the same rights, remedies, privileges,
18 immunities, powers and duties, and be subject to the same
19 conditions, restrictions, limitations, penalties, exclusions,
20 exemptions and definitions of terms and employ the same modes
21 of procedure, as are prescribed in Sections 2 (except the
22 definition of "retailer maintaining a place of business in this
23 State"), 3 through 3-80 (except provisions pertaining to the
24 State rate of tax, and except provisions concerning collection
25 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
26 19 (except the portions pertaining to claims by retailers and

1 except the last paragraph concerning refunds), 20, 21 and 22 of
2 the Use Tax Act, and are not inconsistent with this paragraph,
3 as fully as if those provisions were set forth herein.

4 Whenever the Department determines that a refund should be
5 made under this paragraph to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the order 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 Regional Transportation Authority tax fund
11 established under paragraph (n) of this Section.

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

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

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

1 beginning January 1, 2011, 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 Innovation
5 Development and Economy Act, collected under this Section
6 during the second preceding calendar month for sales within a
7 STAR bond district.

8 After the monthly transfer to the STAR Bonds Revenue Fund,
9 on or before the 25th day of each calendar month, the
10 Department shall prepare and certify to the Comptroller the
11 disbursement of stated sums of money to the Authority. The
12 amount to be paid to the Authority shall be the amount
13 collected hereunder during the second preceding calendar month
14 by the Department, less any amount determined by the Department
15 to be necessary for the payment of refunds, and less any
16 amounts that are transferred to the STAR Bonds Revenue Fund.
17 Within 10 days after receipt by the Comptroller of the
18 disbursement certification to the Authority provided for in
19 this Section to be given to the Comptroller by the Department,
20 the Comptroller shall cause the orders to be drawn for that
21 amount in accordance with the directions contained in the
22 certification.

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

25 (j) A certificate of registration issued by the State
26 Department of Revenue to a retailer under the Retailers'

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

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

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

1 other than those with regard to which taxes may be imposed as
2 provided in paragraphs (b) and (c) of this Section to
3 facilitate the reporting and nontaxability of the exempt sales
4 or uses.

5 (m) 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 Regional Transportation Authority
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, an ordinance or resolution imposing,
18 increasing, decreasing, or discontinuing the tax hereunder
19 shall be adopted and a certified copy thereof filed with the
20 Department, whereupon the Department shall proceed to
21 administer and enforce this Section as of the first day of the
22 first month to occur not less than 60 days following such
23 adoption and filing. Any ordinance or resolution of the
24 Authority imposing a tax under this Section and in effect on
25 August 1, 2007 shall remain in full force and effect and shall
26 be administered by the Department of Revenue under the terms

1 and conditions and rates of tax established by such ordinance
2 or resolution until the Department begins administering and
3 enforcing an increased tax under this Section as authorized by
4 this amendatory Act of the 95th General Assembly. The tax rates
5 authorized by this amendatory Act of the 95th General Assembly
6 are effective only if imposed by ordinance of the Authority.

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

1 items (ii) and (iii) of this subsection to the Authority.

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

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

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

1 in effect.

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

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

17 (r) In allocating or sourcing any municipal, county,
18 special district, or other local retailers' occupation tax or
19 the local share of the state's retailers' occupation tax for
20 sales occurring in this state, the sales location for such
21 allocation or sourcing purposes shall be the office location
22 that the order for the purchase of the tangible personal
23 property is accepted by the retailer or its authorized
24 representative, except as provided in the next paragraph. In
25 determining the acceptance location for a sale, the office the
26 order is first received by the retailer or its authorized

1 representative shall be deemed the acceptance location, unless
2 clearly proven otherwise by the retailer that the final event
3 or activity giving rise to the retailer's acceptance of, or the
4 binding contract for, such sale occurred at a different office
5 location. In applying this Subsection (r), if the order is
6 received by electronic means, including but not limited to
7 e-mail and facsimile transmission, and the first electronic
8 receipt of the order is not addressed to or otherwise
9 identified with a specific office location of the retailer or
10 its authorized representative, then the order shall be deemed
11 first received at the office location of the retailer or its
12 authorized representative to which the addressee of the
13 electronic order is primarily assigned or stationed, but in the
14 event such addressee has no identifiable office location then
15 the order shall be deemed first received at the office location
16 that first records the receipt of such electronic order. For
17 purposes of this Subsection (r), the term "order" means the
18 request (in writing, orally or electronically) by the purchaser
19 to buy tangible personal property. Neither the delivery
20 location nor the location of the acceptance of the tangible
21 personal property by the purchaser (either before or after
22 inspection or installation) shall determine the sales location
23 for allocation or sourcing purposes under this Section.

24 Notwithstanding anything to the contrary in the preceding
25 paragraph, the sales location for the allocation or sourcing of
26 any municipal, county, special district, or other local

1 retailers' occupation tax or the local share of the state's
2 retailers' occupation tax shall be as follows: (1) in the event
3 the acceptance of the order by the retailer occurs outside of
4 the state (whether or not the receipt of the order occurs
5 within the state), then in those situations the sales location
6 shall be deemed outside of the state, and no local sourcing of
7 retailers' occupation tax applies, except when the tangible
8 personal property which is being sold is in the inventory of
9 the retailer at a location within the state at the time of sale
10 (or is subsequently produced by the retailer at a location in
11 this state), then in that event such inventory location shall
12 be deemed the sales location, or (2) in those situations in
13 which the retailer sends to the purchaser a complete and
14 unconditional offer to sell, then the sales location shall be
15 the office location that the retailer or its authorized
16 representative first receives back the purchaser's acceptance
17 of such offer, or (3) for keep full or similar requirements
18 contracts where the retailer agrees to supply tangible personal
19 property to a purchaser on a continuous basis until notified to
20 stop by the purchaser, then for such contracts the sales
21 location shall be the office location that the retailer or its
22 authorized representative receives the initial order under
23 such contract, provided that if such contract is a written
24 contract not requiring a separate initial order to start the
25 continuous supply process, then in such a situation the sales
26 location shall be the office location that the retailer or its

1 authorized representative signed the contract, or (4) for sales
2 accepted in Illinois under a long term blanket or master
3 contract which (though definite as to price and quantity) must
4 be implemented by the purchaser's placing of specific orders
5 when goods are wanted, the office location of the retailer or
6 its authorized representative with which such subsequent
7 specific orders are received (rather than the place where the
8 seller signed the master contract) will determine the sales
9 location with respect to such orders.

10 (s) The changes made by this amendatory Act of the 97th
11 General Assembly shall be effective upon becoming law, and for
12 past periods not yet closed by any applicable limitations
13 period, a retailer may apply the changes made to this Section
14 by this amendatory Act of the 97th General Assembly in the
15 allocation of its past sales but only to the extent it does not
16 change the retailer's previous filing location for such sales.

17 (Source: P.A. 95-708, eff. 1-18-08; 96-339, eff. 7-1-10;
18 96-939, eff. 6-24-10.)

19 Section 50. The Water Commission Act of 1985 is amended by
20 changing Section 4 as follows:

21 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

22 Sec. 4. Taxes.

23 (a) The board of commissioners of any county water
24 commission may, by ordinance, impose throughout the territory

1 of the commission any or all of the taxes provided in this
 2 Section for its corporate purposes. However, no county water
 3 commission may impose any such tax unless the commission
 4 certifies the proposition of imposing the tax to the proper
 5 election officials, who shall submit the proposition to the
 6 voters residing in the territory at an election in accordance
 7 with the general election law, and the proposition has been
 8 approved by a majority of those voting on the proposition.

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

11 -----
 12 Shall the (insert corporate
 13 name of county water commission) YES
 14 impose (state type of tax or -----
 15 taxes to be imposed) at the NO
 16 rate of 1/4%?
 17 -----

18 Taxes imposed under this Section and civil penalties
 19 imposed incident thereto shall be collected and enforced by the
 20 State Department of Revenue. The Department shall have the
 21 power to administer and enforce the taxes and to determine all
 22 rights for refunds for erroneous payments of the taxes.

23 (b) The board of commissioners may impose a County Water
 24 Commission Retailers' Occupation Tax upon all persons engaged
 25 in the business of selling tangible personal property at retail
 26 in the territory of the commission at a rate of 1/4% of the

1 gross receipts from the sales made in the course of such
2 business within the territory. The tax imposed under this
3 paragraph and all civil penalties that may be assessed as an
4 incident thereof shall be collected and enforced by the State
5 Department of Revenue. The Department shall have full power to
6 administer and enforce this paragraph; to collect all taxes and
7 penalties due hereunder; to dispose of taxes and penalties so
8 collected in the manner hereinafter provided; and to determine
9 all rights to credit memoranda arising on account of the
10 erroneous payment of tax or penalty hereunder. In the
11 administration of, and compliance with, this paragraph, the
12 Department and persons who are subject to this paragraph shall
13 have the same rights, remedies, privileges, immunities, powers
14 and duties, and be subject to the same conditions,
15 restrictions, limitations, penalties, exclusions, exemptions
16 and definitions of terms, and employ the same modes of
17 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
18 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
19 therein other than the State rate of tax except that food for
20 human consumption that is to be consumed off the premises where
21 it is sold (other than alcoholic beverages, soft drinks, and
22 food that has been prepared for immediate consumption) and
23 prescription and nonprescription medicine, drugs, medical
24 appliances and insulin, urine testing materials, syringes, and
25 needles used by diabetics, for human use, shall not be subject
26 to tax hereunder), 2c, 3 (except as to the disposition of taxes

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

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

15 Whenever the Department determines that a refund should be
16 made under this paragraph to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the warrant 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 a county water commission tax fund established
22 under paragraph (g) of this Section.

23 Notwithstanding subsection (g-5) of this Section, for ~~For~~
24 the purpose of determining whether a tax authorized under this
25 paragraph is applicable, a retail sale by a producer of coal or
26 other mineral mined in Illinois is a sale at retail at the

1 place where the coal or other mineral mined in Illinois is
2 extracted from the earth. With respect to minerals (i) the term
3 "extracted from the earth" means the location at which the coal
4 or other mineral is extracted from the mouth of the mine, and
5 (ii) a "mineral" includes not only coal, but also oil, sand,
6 stone taken from a quarry, gravel and any other thing commonly
7 regarded as a mineral and extracted from the earth. This
8 paragraph does not apply to coal or other mineral when it is
9 delivered or shipped by the seller to the purchaser at a point
10 outside Illinois so that the sale is exempt under the Federal
11 Constitution as a sale in interstate or foreign commerce.

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

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

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

23 (c) If a tax has been imposed under subsection (b), a
24 County Water Commission Service Occupation Tax shall also be
25 imposed upon all persons engaged, in the territory of the
26 commission, in the business of making sales of service, who, as

1 an incident to making the sales of service, transfer tangible
2 personal property within the territory. The tax rate shall be
3 1/4% of the selling price of tangible personal property so
4 transferred within the territory. The tax imposed under this
5 paragraph and all civil penalties that may be assessed as an
6 incident thereof shall be collected and enforced by the State
7 Department of Revenue. The Department shall have full power to
8 administer and enforce this paragraph; to collect all taxes and
9 penalties due hereunder; to dispose of taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder. In the
13 administration of, and compliance with, this paragraph, the
14 Department and persons who are subject to this paragraph shall
15 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions
18 and definitions of terms, and employ the same modes of
19 procedure, as are prescribed in Sections 1a-1, 2 (except that
20 the reference to State in the definition of supplier
21 maintaining a place of business in this State shall mean the
22 territory of the commission), 2a, 3 through 3-50 (in respect to
23 all provisions therein other than the State rate of tax except
24 that food for human consumption that is to be consumed off the
25 premises where it is sold (other than alcoholic beverages, soft
26 drinks, and food that has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,
2 drugs, medical appliances and insulin, urine testing
3 materials, syringes, and needles used by diabetics, for human
4 use, shall not be subject to tax hereunder), 4 (except that the
5 reference to the State shall be to the territory of the
6 commission), 5, 7, 8 (except that the jurisdiction to which the
7 tax shall be a debt to the extent indicated in that Section 8
8 shall be the commission), 9 (except as to the disposition of
9 taxes and penalties collected and except that the returned
10 merchandise credit for this tax may not be taken against any
11 State tax), 10, 11, 12 (except the reference therein to Section
12 2b of the Retailers' Occupation Tax Act), 13 (except that any
13 reference to the State shall mean the territory of the
14 commission), the first paragraph of Section 15, 15.5, 16, 17,
15 18, 19 and 20 of the Service Occupation Tax Act as fully as if
16 those provisions were set forth herein.

17 Persons subject to any tax imposed under the authority
18 granted in this paragraph may reimburse themselves for their
19 serviceman's tax liability hereunder by separately stating the
20 tax as an additional charge, which charge may be stated in
21 combination, in a single amount, with State tax that servicemen
22 are authorized to collect under the Service Use Tax Act, and
23 any tax for which servicemen may be liable under subsection (f)
24 of Sec. 4.03 of the Regional Transportation Authority 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 paragraph 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 a county water commission tax fund established
8 under paragraph (g) of this Section.

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

14 (d) If a tax has been imposed under subsection (b), a tax
15 shall also imposed upon the privilege of using, in the
16 territory of the commission, any item of tangible personal
17 property that is purchased outside the territory at retail from
18 a retailer, and that is titled or registered with an agency of
19 this State's government, at a rate of 1/4% of the selling price
20 of the tangible personal property within the territory, as
21 "selling price" is defined in the Use Tax Act. The tax shall be
22 collected from persons whose Illinois address for titling or
23 registration purposes is given as being in the territory. The
24 tax shall be collected by the Department of Revenue for a
25 county water commission. The tax must be paid to the State, or
26 an exemption determination must be obtained from the Department

1 of Revenue, before the title or certificate of registration for
2 the property may be issued. The tax or proof of exemption may
3 be transmitted to the Department by way of the State agency
4 with which, or the State officer with whom, the tangible
5 personal property must be titled or registered if the
6 Department and the State agency or State officer determine that
7 this procedure will expedite the processing of applications for
8 title or registration.

9 The Department shall have full power to administer and
10 enforce this paragraph; to collect all taxes, penalties and
11 interest due hereunder; to dispose of taxes, penalties and
12 interest so collected in the manner hereinafter provided; and
13 to determine all rights to credit memoranda or refunds arising
14 on account of the erroneous payment of tax, penalty or interest
15 hereunder. In the administration of, and compliance with this
16 paragraph, the Department and persons who are subject to this
17 paragraph shall have the same rights, remedies, privileges,
18 immunities, powers and duties, and be subject to the same
19 conditions, restrictions, limitations, penalties, exclusions,
20 exemptions and definitions of terms and employ the same modes
21 of procedure, as are prescribed in Sections 2 (except the
22 definition of "retailer maintaining a place of business in this
23 State"), 3 through 3-80 (except provisions pertaining to the
24 State rate of tax, and except provisions concerning collection
25 or refunding of the tax by retailers, and except that food for
26 human consumption that is to be consumed off the premises where

1 it is sold (other than alcoholic beverages, soft drinks, and
2 food that has been prepared for immediate consumption) and
3 prescription and nonprescription medicines, drugs, medical
4 appliances and insulin, urine testing materials, syringes, and
5 needles used by diabetics, for human use, shall not be subject
6 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
7 portions pertaining to claims by retailers and except the last
8 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
9 and Section 3-7 of the Uniform Penalty and Interest Act that
10 are not inconsistent with this paragraph, as fully as if those
11 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 a county water commission tax fund established
19 under paragraph (g) of this Section.

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

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

3 (f) Any ordinance imposing or discontinuing any tax under
4 this Section shall be adopted and a certified copy thereof
5 filed with the Department on or before June 1, whereupon the
6 Department of Revenue shall proceed to administer and enforce
7 this Section on behalf of the county water commission as of
8 September 1 next following the adoption and filing. Beginning
9 January 1, 1992, an ordinance or resolution imposing or
10 discontinuing the tax hereunder shall be adopted and a
11 certified copy thereof filed with the Department on or before
12 the first day of July, whereupon the Department shall proceed
13 to administer and enforce this Section as of the first day of
14 October next following such adoption and filing. Beginning
15 January 1, 1993, an ordinance or resolution imposing or
16 discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of October, whereupon the Department shall
19 proceed to administer and enforce this Section as of the first
20 day of January next following such adoption and filing.

21 (g) The State Department of Revenue shall, upon collecting
22 any taxes as provided in this Section, pay the taxes over to
23 the State Treasurer as trustee for the commission. The taxes
24 shall be held in a trust fund outside the State Treasury.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, 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 Innovation
4 Development and Economy Act, collected under this Section
5 during the second preceding calendar month for sales within a
6 STAR bond district.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on or 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 the amount to be paid to
11 the commission, which shall be the then balance in the fund,
12 less any amount determined by the Department to be necessary
13 for the payment of refunds, and less any amounts that are
14 transferred to the STAR Bonds Revenue Fund. Within 10 days
15 after receipt by the Comptroller of the certification of the
16 amount to be paid to the commission, the Comptroller shall
17 cause an order to be drawn for the payment for the amount in
18 accordance with the direction in the certification.

19 (g-5) In allocating or sourcing any municipal, county,
20 special district, or other local retailers' occupation tax or
21 the local share of the state's retailers' occupation tax for
22 sales occurring in this state, the sales location for such
23 allocation or sourcing purposes shall be the office location
24 that the order for the purchase of the tangible personal
25 property is accepted by the retailer or its authorized
26 representative, except as provided in the next paragraph. In

1 determining the acceptance location for a sale, the office the
2 order is first received by the retailer or its authorized
3 representative shall be deemed the acceptance location, unless
4 clearly proven otherwise by the retailer that the final event
5 or activity giving rise to the retailer's acceptance of, or the
6 binding contract for, such sale occurred at a different office
7 location. In applying this Subsection (g-5), if the order is
8 received by electronic means, including but not limited to
9 e-mail and facsimile transmission, and the first electronic
10 receipt of the order is not addressed to or otherwise
11 identified with a specific office location of the retailer or
12 its authorized representative, then the order shall be deemed
13 first received at the office location of the retailer or its
14 authorized representative to which the addressee of the
15 electronic order is primarily assigned or stationed, but in the
16 event such addressee has no identifiable office location then
17 the order shall be deemed first received at the office location
18 that first records the receipt of such electronic order. For
19 purposes of this Subsection (g-5), the term "order" means the
20 request (in writing, orally or electronically) by the purchaser
21 to buy tangible personal property. Neither the delivery
22 location nor the location of the acceptance of the tangible
23 personal property by the purchaser (either before or after
24 inspection or installation) shall determine the sales location
25 for allocation or sourcing purposes under this Section.

26 Notwithstanding anything to the contrary in the preceding

1 paragraph, the sales location for the allocation or sourcing of
2 any municipal, county, special district, or other local
3 retailers' occupation tax or the local share of the state's
4 retailers' occupation tax shall be as follows: (1) in the event
5 the acceptance of the order by the retailer occurs outside of
6 the state (whether or not the receipt of the order occurs
7 within the state), then in those situations the sales location
8 shall be deemed outside of the state, and no local sourcing of
9 retailers' occupation tax applies, except when the tangible
10 personal property which is being sold is in the inventory of
11 the retailer at a location within the state at the time of sale
12 (or is subsequently produced by the retailer at a location in
13 this state), then in that event such inventory location shall
14 be deemed the sales location, or (2) in those situations in
15 which the retailer sends to the purchaser a complete and
16 unconditional offer to sell, then the sales location shall be
17 the office location that the retailer or its authorized
18 representative first receives back the purchaser's acceptance
19 of such offer, or (3) for keep full or similar requirements
20 contracts where the retailer agrees to supply tangible personal
21 property to a purchaser on a continuous basis until notified to
22 stop by the purchaser, then for such contracts the sales
23 location shall be the office location that the retailer or its
24 authorized representative receives the initial order under
25 such contract, provided that if such contract is a written
26 contract not requiring a separate initial order to start the

1 continuous supply process, then in such a situation the sales
2 location shall be the office location that the retailer or its
3 authorized representative signed the contract, or (4) for sales
4 accepted in Illinois under a long term blanket or master
5 contract which (though definite as to price and quantity) must
6 be implemented by the purchaser's placing of specific orders
7 when goods are wanted, the office location of the retailer or
8 its authorized representative with which such subsequent
9 specific orders are received (rather than the place where the
10 seller signed the master contract) will determine the sales
11 location with respect to such orders.

12 (g-10) The changes made by this amendatory Act of the 97th
13 General Assembly shall be effective upon becoming law, and for
14 past periods not yet closed by any applicable limitations
15 period, a retailer may apply the changes made to this Section
16 by this amendatory Act of the 97th General Assembly in the
17 allocation of its past sales but only to the extent it does not
18 change the retailer's previous filing location for such sales.

19 (h) Beginning June 1, 2016, any tax imposed pursuant to
20 this Section may no longer be imposed or collected, unless a
21 continuation of the tax is approved by the voters at a
22 referendum as set forth in this Section.

23 (Source: P.A. 96-939, eff. 6-24-10; 96-1389, eff. 7-29-10;
24 revised 9-2-10.)

25 Section 95. No acceleration or delay. Where this Act makes

1 changes in a statute that is represented in this Act by text
2 that is not yet or no longer in effect (for example, a Section
3 represented by multiple versions), the use of that text does
4 not accelerate or delay the taking effect of (i) the changes
5 made by this Act or (ii) provisions derived from any other
6 Public Act.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".