

HB5684



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5684

by Rep. Barbara Flynn Currie

SYNOPSIS AS INTRODUCED:

625 ILCS 5/5-501

from Ch. 95 1/2, par. 5-501

Amends the Illinois Vehicle Code. Provides that the Secretary of State shall suspend or refuse to issue or renew the license of a motor vehicle dealer, transporter, wrecker, or rebuilder for violations of any tax administered by the Department of Revenue (currently, the Retailers' Occupation Tax Act only). Effective immediately.

LRB098 16363 HLH 51426 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Vehicle Code is amended by changing
5 Section 5-501 as follows:

6 (625 ILCS 5/5-501) (from Ch. 95 1/2, par. 5-501)

7 Sec. 5-501. Denial, suspension or revocation or
8 cancellation of a license.

9 (a) The license of a person issued under this Chapter may
10 be denied, revoked or suspended if the Secretary of State finds
11 that the applicant, or the officer, director, shareholder
12 having a ten percent or greater ownership interest in the
13 corporation, owner, partner, trustee, manager, employee or the
14 licensee has:

15 1. Violated this Act;

16 2. Made any material misrepresentation to the
17 Secretary of State in connection with an application for a
18 license, junking certificate, salvage certificate, title
19 or registration;

20 3. Committed a fraudulent act in connection with
21 selling, bartering, exchanging, offering for sale or
22 otherwise dealing in vehicles, chassis, essential parts,
23 or vehicle shells;

1 4. As a new vehicle dealer has no contract with a
2 manufacturer or enfranchised distributor to sell that new
3 vehicle in this State;

4 5. Not maintained an established place of business as
5 defined in this Code;

6 6. Failed to file or produce for the Secretary of State
7 any application, report, document or other pertinent
8 books, records, documents, letters, contracts, required to
9 be filed or produced under this Code or any rule or
10 regulation made by the Secretary of State pursuant to this
11 Code;

12 7. Previously had, within 3 years, such a license
13 denied, suspended, revoked, or cancelled under the
14 provisions of subsection (c) (2) of this Section;

15 8. Has committed in any calendar year 3 or more
16 violations, as determined in any civil or criminal
17 proceeding, of any one or more of the following Acts:

18 a. the "Consumer Finance Act";

19 b. the "Consumer Installment Loan Act";

20 c. the "Retail Installment Sales Act";

21 d. the "Motor Vehicle Retail Installment Sales
22 Act";

23 e. "An Act in relation to the rate of interest and
24 other charges in connection with sales on credit and
25 the lending of money", approved May 24, 1879, as
26 amended;

1 f. "An Act to promote the welfare of wage-earners
2 by regulating the assignment of wages, and prescribing
3 a penalty for the violation thereof", approved July 1,
4 1935, as amended;

5 g. Part 8 of Article XII of the Code of Civil
6 Procedure; or

7 h. the "Consumer Fraud Act";

8 9. Failed to pay any fees or taxes due under this Act,
9 or has failed to transmit any fees or taxes received by him
10 for transmittal by him to the Secretary of State or the
11 State of Illinois;

12 10. Converted an abandoned vehicle;

13 11. Used a vehicle identification plate or number
14 assigned to a vehicle other than the one to which
15 originally assigned;

16 12. Violated the provisions of Chapter 5 of this Act,
17 as amended;

18 13. Violated the provisions of Chapter 4 of this Act,
19 as amended;

20 14. Violated the provisions of Chapter 3 of this Act,
21 as amended;

22 15. Violated Section 21-2 of the Criminal Code of 1961
23 or the Criminal Code of 2012, Criminal Trespass to
24 Vehicles;

25 16. Made or concealed a material fact in connection
26 with his application for a license;

1 17. Acted in the capacity of a person licensed or acted
2 as a licensee under this Chapter without having a license
3 therefor;

4 18. Failed to pay, within 90 days after a final
5 judgment, any fines assessed against the licensee pursuant
6 to an action brought under Section 5-404;

7 19. Failed to pay the Dealer Recovery Trust Fund fee
8 under Section 5-102.7 of this Code;

9 20. Failed to pay, within 90 days after notice has been
10 given, any fine or fee owed as a result of an
11 administrative citation issued by the Secretary under this
12 Code.

13 (b) In addition to other grounds specified in this Chapter,
14 the Secretary of State, on complaint of the Department of
15 Revenue, shall refuse the issuance or renewal of a license, or
16 suspend or revoke such license, for any of the following
17 violations of any tax administered by the Department of Revenue
18 ~~the "Retailers' Occupation Tax Act":~~

19 1. Failure to make a tax return;

20 2. The filing of a fraudulent return;

21 3. Failure to pay all or part of any tax or penalty
22 finally determined to be due;

23 4. Failure to comply with the bonding requirements of
24 the "Retailers' Occupation Tax Act".

25 (b-1) In addition to other grounds specified in this
26 Chapter, the Secretary of State, on complaint of the Motor

1 Vehicle Review Board, shall refuse the issuance or renewal of a
2 license, or suspend or revoke that license, if costs or fees
3 assessed under Section 29 or Section 30 of the Motor Vehicle
4 Franchise Act have remained unpaid for a period in excess of 90
5 days after the licensee received from the Motor Vehicle Board a
6 second notice and demand for the costs or fees. The Motor
7 Vehicle Review Board must send the licensee written notice and
8 demand for payment of the fees or costs at least 2 times, and
9 the second notice and demand must be sent by certified mail.

10 (c) Cancellation of a license.

11 1. The license of a person issued under this Chapter
12 may be cancelled by the Secretary of State prior to its
13 expiration in any of the following situations:

14 A. When a license is voluntarily surrendered, by
15 the licensed person; or

16 B. If the business enterprise is a sole
17 proprietorship, which is not a franchised dealership,
18 when the sole proprietor dies or is imprisoned for any
19 period of time exceeding 30 days; or

20 C. If the license was issued to the wrong person or
21 corporation, or contains an error on its face. If any
22 person above whose license has been cancelled wishes to
23 apply for another license, whether during the same
24 license year or any other year, that person shall be
25 treated as any other new applicant and the cancellation
26 of the person's prior license shall not, in and of

1 itself, be a bar to the issuance of a new license.

2 2. The license of a person issued under this Chapter
3 may be cancelled without a hearing when the Secretary of
4 State is notified that the applicant, or any officer,
5 director, shareholder having a 10 per cent or greater
6 ownership interest in the corporation, owner, partner,
7 trustee, manager, employee or member of the applicant or
8 the licensee has been convicted of any felony involving the
9 selling, bartering, exchanging, offering for sale, or
10 otherwise dealing in vehicles, chassis, essential parts,
11 vehicle shells, or ownership documents relating to any of
12 the above items.

13 (Source: P.A. 97-480, eff. 10-1-11; 97-838, eff. 7-20-12;
14 97-1150, eff. 1-25-13.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.