



## 98TH GENERAL ASSEMBLY

### State of Illinois

### 2013 and 2014

### HB5964

by Rep. Dwight Kay

#### SYNOPSIS AS INTRODUCED:

New Act

35 ILCS 5/224 new	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Creates the Employ Illinois Job Renewal Act. Requires the Department of Commerce and Economic Opportunity to develop application procedures to certify certain areas in the State as Job Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones. Requires the Department to certify all Job Renewal Zones by July 1, 2015 and provides that all zones expire on June 30, 2026. Requires the Department to report to the General Assembly and Governor no later than January 1, 2025 concerning the program. Effective immediately.

LRB098 18905 HLH 54052 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the Employ  
5 Illinois Job Renewal Act.

6 Section 5. Definitions. As used in this Act:

7 "Department" means the Department of Commerce and Economic  
8 Opportunity.

9 "Local government entity" means a county or a municipality.

10 Section 10. Qualifications for Job Renewal Zones. A local  
11 government entity is qualified to become a Job Renewal Zone if:

12 (1) it has no more than 200,000 residents according to  
13 the latest data available from the U.S. Census Bureau; and

14 (2) it has experienced unemployment rates over the last  
15 5 years that are higher than at least 75% of all Illinois  
16 local government entities.

17 Section 15. Certification of Job Renewal Zones by the  
18 Department.

19 (a) The Department must develop an application for Job  
20 Renewal Zone certification, contact local government entities  
21 that may qualify as a Job Renewal Zone under Section 10, and

1 inform those entities of their potential qualification. In  
2 determining those local government entities to be certified, in  
3 addition to characteristics mentioned in subsection (b), the  
4 Department must certify an equal amount of zones in the various  
5 regions of the State. The Department shall designate Job  
6 Renewal Zones in a manner that maximizes their effect equally  
7 in regions of the State. The Department may not designate more  
8 than 10 Job Renewal Zones in the State.

9 (b) In considering applications for Job Renewal Zone  
10 certification, the Department must consider all of the  
11 following factors:

12 (1) The degree to which the applicant local government  
13 entity has experienced population decline or equalized  
14 assessed property value decline or stagnant growth at  
15 greater levels than other local government entities that  
16 are eligible for Job Renewal Zone certification.

17 (2) The poverty of residents of the local government  
18 entity applicant relative to other local government  
19 entities that are eligible for Job Renewal Zone  
20 certification.

21 (3) The degree to which school districts within the  
22 jurisdiction of the local government entity applying for  
23 certification have experienced decline or stagnation in  
24 student enrollment having detrimental effects on the  
25 schools' State education funding at levels greater than  
26 other local government entities that are eligible for

1 certification.

2 (4) Whether the applicant local government entity has  
3 developed a strategic development plan that will guide the  
4 redevelopment of its community or county in a manner that  
5 benefits all residents of the applicant local government  
6 entity.

7 (5) Any other relevant factors determined by the  
8 Department.

9 Section 20. Taxes on businesses in Job Renewal Zones.

10 (a) All businesses located in a Job Renewal Zone, in  
11 addition to any other benefits and incentives that may be  
12 offered at the discretion of the Department or the local  
13 government entity creating the Job Renewal Zone as is provided  
14 under the Enterprise Zone Act, shall qualify, upon  
15 certification by the Department, for exemptions from the  
16 following taxes:

17 (1) taxes imposed under subsections (a) and (b) of  
18 Section 201 of the Illinois Income Tax Act; and

19 (2) the rate of tax imposed under the Use Tax Act, the  
20 Service Use Tax Act, the Service Occupation Tax Act, and  
21 the Retailers' Occupation Tax Act shall be reduced to 1.25%  
22 as provided in those Acts.

23 (b) Any business located in a Job Renewal Zone from which  
24 the Department has determined at least 51% of its products or  
25 services are exported outside of the State shall automatically

1 qualify for EDGE job creation assistance, as provided under the  
2 Economic Development for a Growing Economy Tax Credit Act.

3 Section 30. Deadline for zone certification; expiration.

4 (a) The Department must set a deadline for its receipt of  
5 applications for all zone certifications. The Department must  
6 certify all Job Renewal Zones by July 1, 2015.

7 (b) All Job Renewal Zones expire on June 30, 2026.

8 Section 35. Report required; extension of program.

9 (a) By January 1, 2025, the Department must prepare a  
10 report to the Governor and the General Assembly detailing the  
11 effects of the Job Renewal program on the local government  
12 entities. The report must include, without limitation,  
13 information concerning:

14 (1) employment growth and unemployment decline;

15 (2) population change;

16 (3) changes in poverty rates;

17 (4) changes in per capita income of the residents of  
18 the zone;

19 (5) changes in the equalized assessed value of property  
20 within the zone;

21 (6) changes in the cost of providing services to zone  
22 residents borne by the local government entity where the  
23 zone is located;

24 (7) changes in revenues collected by the local

1 government entity in which the zone is located; and

2 (8) changes in the cost of housing in the zone.

3 (b) If the General Assembly extends the expiration date of  
4 this program, the Department shall consider the progress of  
5 economic development of each zone then designated and  
6 surrounding areas when deciding whether the current 10 Job  
7 Renewal Zones will be re-extended.

8 Section 50. The Illinois Income Tax Act is amended by  
9 adding Section 224 as follows:

10 (35 ILCS 5/224 new)

11 Sec. 224. Employ Illinois Job Renewal Act. This Act is  
12 subject to the provisions of the Employ Illinois Job Renewal  
13 Act.

14 Section 55. The Use Tax Act is amended by changing Sections  
15 3-10 and 9 as follows:

16 (35 ILCS 105/3-10)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
18 Section, the tax imposed by this Act is at the rate of 6.25% of  
19 either the selling price or the fair market value, if any, of  
20 the tangible personal property. In all cases where property  
21 functionally used or consumed is the same as the property that  
22 was purchased at retail, then the tax is imposed on the selling

1 price of the property. In all cases where property functionally  
2 used or consumed is a by-product or waste product that has been  
3 refined, manufactured, or produced from property purchased at  
4 retail, then the tax is imposed on the lower of the fair market  
5 value, if any, of the specific property so used in this State  
6 or on the selling price of the property purchased at retail.  
7 For purposes of this Section "fair market value" means the  
8 price at which property would change hands between a willing  
9 buyer and a willing seller, neither being under any compulsion  
10 to buy or sell and both having reasonable knowledge of the  
11 relevant facts. The fair market value shall be established by  
12 Illinois sales by the taxpayer of the same property as that  
13 functionally used or consumed, or if there are no such sales by  
14 the taxpayer, then comparable sales or purchases of property of  
15 like kind and character in Illinois.

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

20 Beginning on August 6, 2010 through August 15, 2010, with  
21 respect to sales tax holiday items as defined in Section 3-6 of  
22 this Act, the tax is imposed at the rate of 1.25%.

23 With respect to gasohol, the tax imposed by this Act  
24 applies to (i) 70% of the proceeds of sales made on or after  
25 January 1, 1990, and before July 1, 2003, (ii) 80% of the  
26 proceeds of sales made on or after July 1, 2003 and on or

1 before December 31, 2018, and (iii) 100% of the proceeds of  
2 sales made thereafter. If, at any time, however, the tax under  
3 this Act on sales of gasohol is imposed at the rate of 1.25%,  
4 then the tax imposed by this Act applies to 100% of the  
5 proceeds of sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, the tax  
7 imposed by this Act does not apply to the proceeds of sales  
8 made on or after July 1, 2003 and on or before December 31,  
9 2018 but applies to 100% of the proceeds of sales made  
10 thereafter.

11 With respect to biodiesel blends with no less than 1% and  
12 no more than 10% biodiesel, the tax imposed by this Act applies  
13 to (i) 80% of the proceeds of sales made on or after July 1,  
14 2003 and on or before December 31, 2018 and (ii) 100% of the  
15 proceeds of sales made thereafter. If, at any time, however,  
16 the tax under this Act on sales of biodiesel blends with no  
17 less than 1% and no more than 10% biodiesel is imposed at the  
18 rate of 1.25%, then the tax imposed by this Act applies to 100%  
19 of the proceeds of sales of biodiesel blends with no less than  
20 1% and no more than 10% biodiesel made during that time.

21 With respect to 100% biodiesel and biodiesel blends with  
22 more than 10% but no more than 99% biodiesel, the tax imposed  
23 by this Act does not apply to the proceeds of sales made on or  
24 after July 1, 2003 and on or before December 31, 2018 but  
25 applies to 100% of the proceeds of sales made thereafter.

26 With respect to food for human consumption that is to be



1 consumed off the premises where it is sold (other than  
2 alcoholic beverages, soft drinks, and food that has been  
3 prepared for immediate consumption) and prescription and  
4 nonprescription medicines, drugs, medical appliances,  
5 modifications to a motor vehicle for the purpose of rendering  
6 it usable by a disabled person, and insulin, urine testing  
7 materials, syringes, and needles used by diabetics, for human  
8 use, the tax is imposed at the rate of 1%. For the purposes of  
9 this Section, until September 1, 2009: the term "soft drinks"  
10 means any complete, finished, ready-to-use, non-alcoholic  
11 drink, whether carbonated or not, including but not limited to  
12 soda water, cola, fruit juice, vegetable juice, carbonated  
13 water, and all other preparations commonly known as soft drinks  
14 of whatever kind or description that are contained in any  
15 closed or sealed bottle, can, carton, or container, regardless  
16 of size; but "soft drinks" does not include coffee, tea,  
17 non-carbonated water, infant formula, milk or milk products as  
18 defined in the Grade A Pasteurized Milk and Milk Products Act,  
19 or drinks containing 50% or more natural fruit or vegetable  
20 juice.

21 Notwithstanding any other provisions of this Act,  
22 beginning September 1, 2009, "soft drinks" means non-alcoholic  
23 beverages that contain natural or artificial sweeteners. "Soft  
24 drinks" do not include beverages that contain milk or milk  
25 products, soy, rice or similar milk substitutes, or greater  
26 than 50% of vegetable or fruit juice by volume.

1           Until August 1, 2009, and notwithstanding any other  
2 provisions of this Act, "food for human consumption that is to  
3 be consumed off the premises where it is sold" includes all  
4 food sold through a vending machine, except soft drinks and  
5 food products that are dispensed hot from a vending machine,  
6 regardless of the location of the vending machine. Beginning  
7 August 1, 2009, and notwithstanding any other provisions of  
8 this Act, "food for human consumption that is to be consumed  
9 off the premises where it is sold" includes all food sold  
10 through a vending machine, except soft drinks, candy, and food  
11 products that are dispensed hot from a vending machine,  
12 regardless of the location of the vending machine.

13           Notwithstanding any other provisions of this Act,  
14 beginning September 1, 2009, "food for human consumption that  
15 is to be consumed off the premises where it is sold" does not  
16 include candy. For purposes of this Section, "candy" means a  
17 preparation of sugar, honey, or other natural or artificial  
18 sweeteners in combination with chocolate, fruits, nuts or other  
19 ingredients or flavorings in the form of bars, drops, or  
20 pieces. "Candy" does not include any preparation that contains  
21 flour or requires refrigeration.

22           Notwithstanding any other provisions of this Act,  
23 beginning September 1, 2009, "nonprescription medicines and  
24 drugs" does not include grooming and hygiene products. For  
25 purposes of this Section, "grooming and hygiene products"  
26 includes, but is not limited to, soaps and cleaning solutions,

1 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
2 lotions and screens, unless those products are available by  
3 prescription only, regardless of whether the products meet the  
4 definition of "over-the-counter-drugs". For the purposes of  
5 this paragraph, "over-the-counter-drug" means a drug for human  
6 use that contains a label that identifies the product as a drug  
7 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
8 label includes:

9 (A) A "Drug Facts" panel; or

10 (B) A statement of the "active ingredient(s)" with a  
11 list of those ingredients contained in the compound,  
12 substance or preparation.

13 Beginning on the first day of the first month to occur not  
14 less than 30 days after the effective date of this amendatory  
15 Act of the 98th General Assembly, with respect to tangible  
16 personal property purchased from a business located in a Job  
17 Renewal Zone created under the Employ Illinois Job Renewal Act,  
18 the tax is imposed at the rate of 1.25%.

19 Beginning on the effective date of this amendatory Act of  
20 the 98th General Assembly, "prescription and nonprescription  
21 medicines and drugs" includes medical cannabis purchased from a  
22 registered dispensing organization under the Compassionate Use  
23 of Medical Cannabis Pilot Program Act.

24 If the property that is purchased at retail from a retailer  
25 is acquired outside Illinois and used outside Illinois before  
26 being brought to Illinois for use here and is taxable under

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

5 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

6 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

7 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
8 and trailers that are required to be registered with an agency  
9 of this State, each retailer required or authorized to collect  
10 the tax imposed by this Act shall pay to the Department the  
11 amount of such tax (except as otherwise provided) at the time  
12 when he is required to file his return for the period during  
13 which such tax was collected, less a discount of 2.1% prior to  
14 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
15 per calendar year, whichever is greater, which is allowed to  
16 reimburse the retailer for expenses incurred in collecting the  
17 tax, keeping records, preparing and filing returns, remitting  
18 the tax and supplying data to the Department on request. In the  
19 case of retailers who report and pay the tax on a transaction  
20 by transaction basis, as provided in this Section, such  
21 discount shall be taken with each such tax remittance instead  
22 of when such retailer files his periodic return. The Department  
23 may disallow the discount for retailers whose certificate of  
24 registration is revoked at the time the return is filed, but  
25 only if the Department's decision to revoke the certificate of

1 registration has become final. A retailer need not remit that  
2 part of any tax collected by him to the extent that he is  
3 required to remit and does remit the tax imposed by the  
4 Retailers' Occupation Tax Act, with respect to the sale of the  
5 same property.

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

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

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

1 the twentieth day of the following calendar month, stating:

2 1. The name of the seller;

3 2. The address of the principal place of business from  
4 which he engages in the business of selling tangible  
5 personal property at retail in this State;

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

11 4. The amount of credit provided in Section 2d of this  
12 Act;

13 5. The amount of tax due;

14 5-5. The signature of the taxpayer; and

15 6. Such other reasonable information as the Department  
16 may require.

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

21 Beginning October 1, 1993, a taxpayer who has an average  
22 monthly tax liability of \$150,000 or more shall make all  
23 payments required by rules of the Department by electronic  
24 funds transfer. Beginning October 1, 1994, a taxpayer who has  
25 an average monthly tax liability of \$100,000 or more shall make  
26 all payments required by rules of the Department by electronic

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

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

25 Any taxpayer not required to make payments by electronic  
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds  
3 transfer and any taxpayers authorized to voluntarily make  
4 payments by electronic funds transfer shall make those payments  
5 in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to  
7 effectuate a program of electronic funds transfer and the  
8 requirements of this Section.

9 Before October 1, 2000, if the taxpayer's average monthly  
10 tax liability to the Department under this Act, the Retailers'  
11 Occupation Tax Act, the Service Occupation Tax Act, the Service  
12 Use Tax Act was \$10,000 or more during the preceding 4 complete  
13 calendar quarters, he shall file a return with the Department  
14 each month by the 20th day of the month next following the  
15 month during which such tax liability is incurred and shall  
16 make payments to the Department on or before the 7th, 15th,  
17 22nd and last day of the month during which such liability is  
18 incurred. On and after October 1, 2000, if the taxpayer's  
19 average monthly tax liability to the Department under this Act,  
20 the Retailers' Occupation Tax Act, the Service Occupation Tax  
21 Act, and the Service Use Tax Act was \$20,000 or more during the  
22 preceding 4 complete calendar quarters, he shall file a return  
23 with the Department each month by the 20th day of the month  
24 next following the month during which such tax liability is  
25 incurred and shall make payment to the Department on or before  
26 the 7th, 15th, 22nd and last day of the month during which such



1 liability is incurred. If the month during which such tax  
2 liability is incurred began prior to January 1, 1985, each  
3 payment shall be in an amount equal to 1/4 of the taxpayer's  
4 actual liability for the month or an amount set by the  
5 Department not to exceed 1/4 of the average monthly liability  
6 of the taxpayer to the Department for the preceding 4 complete  
7 calendar quarters (excluding the month of highest liability and  
8 the month of lowest liability in such 4 quarter period). If the  
9 month during which such tax liability is incurred begins on or  
10 after January 1, 1985, and prior to January 1, 1987, each  
11 payment shall be in an amount equal to 22.5% of the taxpayer's  
12 actual liability for the month or 27.5% of the taxpayer's  
13 liability for the same calendar month of the preceding year. If  
14 the month during which such tax liability is incurred begins on  
15 or after January 1, 1987, and prior to January 1, 1988, each  
16 payment shall be in an amount equal to 22.5% of the taxpayer's  
17 actual liability for the month or 26.25% of the taxpayer's  
18 liability for the same calendar month of the preceding year. If  
19 the month during which such tax liability is incurred begins on  
20 or after January 1, 1988, and prior to January 1, 1989, or  
21 begins on or after January 1, 1996, each payment shall be in an  
22 amount equal to 22.5% of the taxpayer's actual liability for  
23 the month or 25% of the taxpayer's liability for the same  
24 calendar month of the preceding year. If the month during which  
25 such tax liability is incurred begins on or after January 1,  
26 1989, and prior to January 1, 1996, each payment shall be in an

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

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

25 If any such payment provided for in this Section exceeds  
26 the taxpayer's liabilities under this Act, the Retailers'

1 Occupation Tax Act, the Service Occupation Tax Act and the  
2 Service Use Tax Act, as shown by an original monthly return,  
3 the Department shall issue to the taxpayer a credit memorandum  
4 no later than 30 days after the date of payment, which  
5 memorandum may be submitted by the taxpayer to the Department  
6 in payment of tax liability subsequently to be remitted by the  
7 taxpayer to the Department or be assigned by the taxpayer to a  
8 similar taxpayer under this Act, the Retailers' Occupation Tax  
9 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
10 in accordance with reasonable rules and regulations to be  
11 prescribed by the Department, except that if such excess  
12 payment is shown on an original monthly return and is made  
13 after December 31, 1986, no credit memorandum shall be issued,  
14 unless requested by the taxpayer. If no such request is made,  
15 the taxpayer may credit such excess payment against tax  
16 liability subsequently to be remitted by the taxpayer to the  
17 Department under this Act, the Retailers' Occupation Tax Act,  
18 the Service Occupation Tax Act or the Service Use Tax Act, in  
19 accordance with reasonable rules and regulations prescribed by  
20 the Department. If the Department subsequently determines that  
21 all or any part of the credit taken was not actually due to the  
22 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
23 be reduced by 2.1% or 1.75% of the difference between the  
24 credit taken and that actually due, and the taxpayer shall be  
25 liable for penalties and interest on such difference.

26 If the retailer is otherwise required to file a monthly

1 return and if the retailer's average monthly tax liability to  
2 the Department does not exceed \$200, the Department may  
3 authorize his returns to be filed on a quarter annual basis,  
4 with the return for January, February, and March of a given  
5 year being due by April 20 of such year; with the return for  
6 April, May and June of a given year being due by July 20 of such  
7 year; with the return for July, August and September of a given  
8 year being due by October 20 of such year, and with the return  
9 for October, November and December of a given year being due by  
10 January 20 of the following year.

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

17 Such quarter annual and annual returns, as to form and  
18 substance, shall be subject to the same requirements as monthly  
19 returns.

20 Notwithstanding any other provision in this Act concerning  
21 the time within which a retailer may file his return, in the  
22 case of any retailer who ceases to engage in a kind of business  
23 which makes him responsible for filing returns under this Act,  
24 such retailer shall file a final return under this Act with the  
25 Department not more than one month after discontinuing such  
26 business.

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

24           The transaction reporting return in the case of motor  
25 vehicles or trailers that are required to be registered with an  
26 agency of this State, shall be the same document as the Uniform

1 Invoice referred to in Section 5-402 of the Illinois Vehicle  
2 Code and must show the name and address of the seller; the name  
3 and address of the purchaser; the amount of the selling price  
4 including the amount allowed by the retailer for traded-in  
5 property, if any; the amount allowed by the retailer for the  
6 traded-in tangible personal property, if any, to the extent to  
7 which Section 2 of this Act allows an exemption for the value  
8 of traded-in property; the balance payable after deducting such  
9 trade-in allowance from the total selling price; the amount of  
10 tax due from the retailer with respect to such transaction; the  
11 amount of tax collected from the purchaser by the retailer on  
12 such transaction (or satisfactory evidence that such tax is not  
13 due in that particular instance, if that is claimed to be the  
14 fact); the place and date of the sale; a sufficient  
15 identification of the property sold; such other information as  
16 is required in Section 5-402 of the Illinois Vehicle Code, and  
17 such other information as the Department may reasonably  
18 require.

19 The transaction reporting return in the case of watercraft  
20 and aircraft must show the name and address of the seller; the  
21 name and address of the purchaser; the amount of the selling  
22 price including the amount allowed by the retailer for  
23 traded-in property, if any; the amount allowed by the retailer  
24 for the traded-in tangible personal property, if any, to the  
25 extent to which Section 2 of this Act allows an exemption for  
26 the value of traded-in property; the balance payable after

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

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

21       With each such transaction reporting return, the retailer  
22 shall remit the proper amount of tax due (or shall submit  
23 satisfactory evidence that the sale is not taxable if that is  
24 the case), to the Department or its agents, whereupon the  
25 Department shall issue, in the purchaser's name, a tax receipt  
26 (or a certificate of exemption if the Department is satisfied



1 that the particular sale is tax exempt) which such purchaser  
2 may submit to the agency with which, or State officer with  
3 whom, he must title or register the tangible personal property  
4 that is involved (if titling or registration is required) in  
5 support of such purchaser's application for an Illinois  
6 certificate or other evidence of title or registration to such  
7 tangible personal property.

8 No retailer's failure or refusal to remit tax under this  
9 Act precludes a user, who has paid the proper tax to the  
10 retailer, from obtaining his certificate of title or other  
11 evidence of title or registration (if titling or registration  
12 is required) upon satisfying the Department that such user has  
13 paid the proper tax (if tax is due) to the retailer. The  
14 Department shall adopt appropriate rules to carry out the  
15 mandate of this paragraph.

16 If the user who would otherwise pay tax to the retailer  
17 wants the transaction reporting return filed and the payment of  
18 tax or proof of exemption made to the Department before the  
19 retailer is willing to take these actions and such user has not  
20 paid the tax to the retailer, such user may certify to the fact  
21 of such delay by the retailer, and may (upon the Department  
22 being satisfied of the truth of such certification) transmit  
23 the information required by the transaction reporting return  
24 and the remittance for tax or proof of exemption directly to  
25 the Department and obtain his tax receipt or exemption  
26 determination, in which event the transaction reporting return

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

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

24 Any retailer filing a return under this Section shall also  
25 include (for the purpose of paying tax thereon) the total tax  
26 covered by such return upon the selling price of tangible

1 personal property purchased by him at retail from a retailer,  
2 but as to which the tax imposed by this Act was not collected  
3 from the retailer filing such return, and such retailer shall  
4 remit the amount of such tax to the Department when filing such  
5 return.

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

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

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

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

8           Beginning January 1, 1990, each month the Department shall  
9 pay into the State and Local Sales Tax Reform Fund, a special  
10 fund in the State Treasury, 20% of the net revenue realized for  
11 the preceding month from the 6.25% general rate on the selling  
12 price of tangible personal property, other than tangible  
13 personal property which is purchased outside Illinois at retail  
14 from a retailer and which is titled or registered by an agency  
15 of this State's government.

16           Beginning August 1, 2000, each month the Department shall  
17 pay into the State and Local Sales Tax Reform Fund 100% of the  
18 net revenue realized for the preceding month from the 1.25%  
19 rate on the selling price of motor fuel and gasohol. Beginning  
20 September 1, 2010, each month the Department shall pay into the  
21 State and Local Sales Tax Reform Fund 100% of the net revenue  
22 realized for the preceding month from the 1.25% rate on the  
23 selling price of sales tax holiday items.

24           Beginning on the first day of the first month to occur not  
25 less than 30 days after the effective date of this amendatory  
26 Act of the 98th General Assembly, each month the Department

1 shall pay into the State and Local Sales Tax Reform Fund 100%  
2 of the net revenue realized for the preceding month from the  
3 1.25% rate on the selling price of tangible personal property  
4 purchased from a business located in a Job Renewal Zone created  
5 under the Employ Illinois Job Renewal Act.

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

13       Beginning October 1, 2009, each month the Department shall  
14 pay into the Capital Projects Fund an amount that is equal to  
15 an amount estimated by the Department to represent 80% of the  
16 net revenue realized for the preceding month from the sale of  
17 candy, grooming and hygiene products, and soft drinks that had  
18 been taxed at a rate of 1% prior to September 1, 2009 but that  
19 are ~~is~~ now taxed at 6.25%.

20       Beginning July 1, 2011, each month the Department shall pay  
21 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
22 realized for the preceding month from the 6.25% general rate on  
23 the selling price of sorbents used in Illinois in the process  
24 of sorbent injection as used to comply with the Environmental  
25 Protection Act or the federal Clean Air Act, but the total  
26 payment into the Clean Air Act (CAA) Permit Fund under this Act

1 and the Retailers' Occupation Tax Act shall not exceed  
2 \$2,000,000 in any fiscal year.

3 Beginning July 1, 2013, each month the Department shall pay  
4 into the Underground Storage Tank Fund from the proceeds  
5 collected under this Act, the Service Use Tax Act, the Service  
6 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
7 amount equal to the average monthly deficit in the Underground  
8 Storage Tank Fund during the prior year, as certified annually  
9 by the Illinois Environmental Protection Agency, but the total  
10 payment into the Underground Storage Tank Fund under this Act,  
11 the Service Use Tax Act, the Service Occupation Tax Act, and  
12 the Retailers' Occupation Tax Act shall not exceed \$18,000,000  
13 in any State fiscal year. As used in this paragraph, the  
14 "average monthly deficit" shall be equal to the difference  
15 between the average monthly claims for payment by the fund and  
16 the average monthly revenues deposited into the fund, excluding  
17 payments made pursuant to this paragraph.

18 Of the remainder of the moneys received by the Department  
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
21 and after July 1, 1989, 3.8% thereof shall be paid into the  
22 Build Illinois Fund; provided, however, that if in any fiscal  
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
24 may be, of the moneys received by the Department and required  
25 to be paid into the Build Illinois Fund pursuant to Section 3  
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

1 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
2 Service Occupation Tax Act, such Acts being hereinafter called  
3 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
4 may be, of moneys being hereinafter called the "Tax Act  
5 Amount", and (2) the amount transferred to the Build Illinois  
6 Fund from the State and Local Sales Tax Reform Fund shall be  
7 less than the Annual Specified Amount (as defined in Section 3  
8 of the Retailers' Occupation Tax Act), an amount equal to the  
9 difference shall be immediately paid into the Build Illinois  
10 Fund from other moneys received by the Department pursuant to  
11 the Tax Acts; and further provided, that if on the last  
12 business day of any month the sum of (1) the Tax Act Amount  
13 required to be deposited into the Build Illinois Bond Account  
14 in the Build Illinois Fund during such month and (2) the amount  
15 transferred during such month to the Build Illinois Fund from  
16 the State and Local Sales Tax Reform Fund shall have been less  
17 than 1/12 of the Annual Specified Amount, an amount equal to  
18 the difference shall be immediately paid into the Build  
19 Illinois Fund from other moneys received by the Department  
20 pursuant to the Tax Acts; and, further provided, that in no  
21 event shall the payments required under the preceding proviso  
22 result in aggregate payments into the Build Illinois Fund  
23 pursuant to this clause (b) for any fiscal year in excess of  
24 the greater of (i) the Tax Act Amount or (ii) the Annual  
25 Specified Amount for such fiscal year; and, further provided,  
26 that the amounts payable into the Build Illinois Fund under

1 this clause (b) shall be payable only until such time as the  
2 aggregate amount on deposit under each trust indenture securing  
3 Bonds issued and outstanding pursuant to the Build Illinois  
4 Bond Act is sufficient, taking into account any future  
5 investment income, to fully provide, in accordance with such  
6 indenture, for the defeasance of or the payment of the  
7 principal of, premium, if any, and interest on the Bonds  
8 secured by such indenture and on any Bonds expected to be  
9 issued thereafter and all fees and costs payable with respect  
10 thereto, all as certified by the Director of the Bureau of the  
11 Budget (now Governor's Office of Management and Budget). If on  
12 the last business day of any month in which Bonds are  
13 outstanding pursuant to the Build Illinois Bond Act, the  
14 aggregate of the moneys deposited in the Build Illinois Bond  
15 Account in the Build Illinois Fund in such month shall be less  
16 than the amount required to be transferred in such month from  
17 the Build Illinois Bond Account to the Build Illinois Bond  
18 Retirement and Interest Fund pursuant to Section 13 of the  
19 Build Illinois Bond Act, an amount equal to such deficiency  
20 shall be immediately paid from other moneys received by the  
21 Department pursuant to the Tax Acts to the Build Illinois Fund;  
22 provided, however, that any amounts paid to the Build Illinois  
23 Fund in any fiscal year pursuant to this sentence shall be  
24 deemed to constitute payments pursuant to clause (b) of the  
25 preceding sentence and shall reduce the amount otherwise  
26 payable for such fiscal year pursuant to clause (b) of the



1 preceding sentence. The moneys received by the Department  
 2 pursuant to this Act and required to be deposited into the  
 3 Build Illinois Fund are subject to the pledge, claim and charge  
 4 set forth in Section 12 of the Build Illinois Bond Act.

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

17	Fiscal Year	Total Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000
26	2001	80,000,000

1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	246,000,000
21	2022	260,000,000
22	2023	275,000,000
23	2024	275,000,000
24	2025	275,000,000
25	2026	279,000,000
26	2027	292,000,000

1	2028	307,000,000
2	2029	322,000,000
3	2030	338,000,000
4	2031	350,000,000
5	2032	350,000,000

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

1           Subject to payment of amounts into the Build Illinois Fund  
2 and the McCormick Place Expansion Project Fund pursuant to the  
3 preceding paragraphs or in any amendments thereto hereafter  
4 enacted, beginning July 1, 1993 and ending on September 30,  
5 2013, the Department shall each month pay into the Illinois Tax  
6 Increment Fund 0.27% of 80% of the net revenue realized for the  
7 preceding month from the 6.25% general rate on the selling  
8 price of tangible personal property.

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

22           Of the remainder of the moneys received by the Department  
23 pursuant to this Act, 75% thereof shall be paid into the State  
24 Treasury and 25% shall be reserved in a special account and  
25 used only for the transfer to the Common School Fund as part of  
26 the monthly transfer from the General Revenue Fund in

1 accordance with Section 8a of the State Finance Act.

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

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

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

20 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
21 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
22 revised 9-9-13.)

23 Section 60. The Service Use Tax Act is amended by changing  
24 Sections 3-10 and 9 as follows:

1 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

2 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
3 Section, the tax imposed by this Act is at the rate of 6.25% of  
4 the selling price of tangible personal property transferred as  
5 an incident to the sale of service, but, for the purpose of  
6 computing this tax, in no event shall the selling price be less  
7 than the cost price of the property to the serviceman.

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

12 With respect to gasohol, as defined in the Use Tax Act, the  
13 tax imposed by this Act applies to (i) 70% of the selling price  
14 of property transferred as an incident to the sale of service  
15 on or after January 1, 1990, and before July 1, 2003, (ii) 80%  
16 of the selling price of property transferred as an incident to  
17 the sale of service on or after July 1, 2003 and on or before  
18 December 31, 2018, and (iii) 100% of the selling price  
19 thereafter. If, at any time, however, the tax under this Act on  
20 sales of gasohol, as defined in the Use Tax Act, is imposed at  
21 the rate of 1.25%, then the tax imposed by this Act applies to  
22 100% of the proceeds of sales of gasohol made during that time.

23 With respect to majority blended ethanol fuel, as defined  
24 in the Use Tax Act, the tax imposed by this Act does not apply  
25 to the selling price of property transferred as an incident to  
26 the sale of service on or after July 1, 2003 and on or before

1 December 31, 2018 but applies to 100% of the selling price  
2 thereafter.

3 With respect to biodiesel blends, as defined in the Use Tax  
4 Act, with no less than 1% and no more than 10% biodiesel, the  
5 tax imposed by this Act applies to (i) 80% of the selling price  
6 of property transferred as an incident to the sale of service  
7 on or after July 1, 2003 and on or before December 31, 2018 and  
8 (ii) 100% of the proceeds of the selling price thereafter. If,  
9 at any time, however, the tax under this Act on sales of  
10 biodiesel blends, as defined in the Use Tax Act, with no less  
11 than 1% and no more than 10% biodiesel is imposed at the rate  
12 of 1.25%, then the tax imposed by this Act applies to 100% of  
13 the proceeds of sales of biodiesel blends with no less than 1%  
14 and no more than 10% biodiesel made during that time.

15 With respect to 100% biodiesel, as defined in the Use Tax  
16 Act, and biodiesel blends, as defined in the Use Tax Act, with  
17 more than 10% but no more than 99% biodiesel, the tax imposed  
18 by this Act does not apply to the proceeds of the selling price  
19 of property transferred as an incident to the sale of service  
20 on or after July 1, 2003 and on or before December 31, 2018 but  
21 applies to 100% of the selling price thereafter.

22 At the election of any registered serviceman made for each  
23 fiscal year, sales of service in which the aggregate annual  
24 cost price of tangible personal property transferred as an  
25 incident to the sales of service is less than 35%, or 75% in  
26 the case of servicemen transferring prescription drugs or

1 servicemen engaged in graphic arts production, of the aggregate  
2 annual total gross receipts from all sales of service, the tax  
3 imposed by this Act shall be based on the serviceman's cost  
4 price of the tangible personal property transferred as an  
5 incident to the sale of those services.

6 The tax shall be imposed at the rate of 1% on food prepared  
7 for immediate consumption and transferred incident to a sale of  
8 service subject to this Act or the Service Occupation Tax Act  
9 by an entity licensed under the Hospital Licensing Act, the  
10 Nursing Home Care Act, the ID/DD Community Care Act, the  
11 Specialized Mental Health Rehabilitation Act of 2013, or the  
12 Child Care Act of 1969. The tax shall also be imposed at the  
13 rate of 1% on food for human consumption that is to be consumed  
14 off the premises where it is sold (other than alcoholic  
15 beverages, soft drinks, and food that has been prepared for  
16 immediate consumption and is not otherwise included in this  
17 paragraph) and prescription and nonprescription medicines,  
18 drugs, medical appliances, modifications to a motor vehicle for  
19 the purpose of rendering it usable by a disabled person, and  
20 insulin, urine testing materials, syringes, and needles used by  
21 diabetics, for human use. For the purposes of this Section,  
22 until September 1, 2009: the term "soft drinks" means any  
23 complete, finished, ready-to-use, non-alcoholic drink, whether  
24 carbonated or not, including but not limited to soda water,  
25 cola, fruit juice, vegetable juice, carbonated water, and all  
26 other preparations commonly known as soft drinks of whatever



1 kind or description that are contained in any closed or sealed  
2 bottle, can, carton, or container, regardless of size; but  
3 "soft drinks" does not include coffee, tea, non-carbonated  
4 water, infant formula, milk or milk products as defined in the  
5 Grade A Pasteurized Milk and Milk Products Act, or drinks  
6 containing 50% or more natural fruit or vegetable juice.

7 Notwithstanding any other provisions of this Act,  
8 beginning September 1, 2009, "soft drinks" means non-alcoholic  
9 beverages that contain natural or artificial sweeteners. "Soft  
10 drinks" do not include beverages that contain milk or milk  
11 products, soy, rice or similar milk substitutes, or greater  
12 than 50% of vegetable or fruit juice by volume.

13 Until August 1, 2009, and notwithstanding any other  
14 provisions of this Act, "food for human consumption that is to  
15 be consumed off the premises where it is sold" includes all  
16 food sold through a vending machine, except soft drinks and  
17 food products that are dispensed hot from a vending machine,  
18 regardless of the location of the vending machine. Beginning  
19 August 1, 2009, and notwithstanding any other provisions of  
20 this Act, "food for human consumption that is to be consumed  
21 off the premises where it is sold" includes all food sold  
22 through a vending machine, except soft drinks, candy, and food  
23 products that are dispensed hot from a vending machine,  
24 regardless of the location of the vending machine.

25 Notwithstanding any other provisions of this Act,  
26 beginning September 1, 2009, "food for human consumption that

1 is to be consumed off the premises where it is sold" does not  
2 include candy. For purposes of this Section, "candy" means a  
3 preparation of sugar, honey, or other natural or artificial  
4 sweeteners in combination with chocolate, fruits, nuts or other  
5 ingredients or flavorings in the form of bars, drops, or  
6 pieces. "Candy" does not include any preparation that contains  
7 flour or requires refrigeration.

8 Notwithstanding any other provisions of this Act,  
9 beginning September 1, 2009, "nonprescription medicines and  
10 drugs" does not include grooming and hygiene products. For  
11 purposes of this Section, "grooming and hygiene products"  
12 includes, but is not limited to, soaps and cleaning solutions,  
13 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
14 lotions and screens, unless those products are available by  
15 prescription only, regardless of whether the products meet the  
16 definition of "over-the-counter-drugs". For the purposes of  
17 this paragraph, "over-the-counter-drug" means a drug for human  
18 use that contains a label that identifies the product as a drug  
19 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
20 label includes:

21 (A) A "Drug Facts" panel; or

22 (B) A statement of the "active ingredient(s)" with a  
23 list of those ingredients contained in the compound,  
24 substance or preparation.

25 Beginning on the first day of the first month to occur not  
26 less than 30 days after the effective date of this amendatory

1 Act of the 98th General Assembly, with respect to tangible  
2 personal property purchased from a business located in a Job  
3 Renewal Zone created under the Employ Illinois Job Renewal Act,  
4 the tax is imposed at the rate of 1.25%.

5 Beginning on January 1, 2014 (the effective date of Public  
6 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
7 "prescription and nonprescription medicines and drugs"  
8 includes medical cannabis purchased from a registered  
9 dispensing organization under the Compassionate Use of Medical  
10 Cannabis Pilot Program Act.

11 If the property that is acquired from a serviceman is  
12 acquired outside Illinois and used outside Illinois before  
13 being brought to Illinois for use here and is taxable under  
14 this Act, the "selling price" on which the tax is computed  
15 shall be reduced by an amount that represents a reasonable  
16 allowance for depreciation for the period of prior out-of-state  
17 use.

18 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,  
19 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; revised  
20 8-9-13.)

21 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

22 Sec. 9. Each serviceman required or authorized to collect  
23 the tax herein imposed shall pay to the Department the amount  
24 of such tax (except as otherwise provided) at the time when he  
25 is required to file his return for the period during which such

1 tax was collected, less a discount of 2.1% prior to January 1,  
2 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
3 year, whichever is greater, which is allowed to reimburse the  
4 serviceman for expenses incurred in collecting the tax, keeping  
5 records, preparing and filing returns, remitting the tax and  
6 supplying data to the Department on request. The Department may  
7 disallow the discount for servicemen whose certificate of  
8 registration is revoked at the time the return is filed, but  
9 only if the Department's decision to revoke the certificate of  
10 registration has become final. A serviceman need not remit that  
11 part of any tax collected by him to the extent that he is  
12 required to pay and does pay the tax imposed by the Service  
13 Occupation Tax Act with respect to his sale of service  
14 involving the incidental transfer by him of the same property.

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

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

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

3 1. The name of the seller;

4 2. The address of the principal place of business from  
5 which he engages in business as a serviceman in this State;

6 3. The total amount of taxable receipts received by him  
7 during the preceding calendar month, including receipts  
8 from charge and time sales, but less all deductions allowed  
9 by law;

10 4. The amount of credit provided in Section 2d of this  
11 Act;

12 5. The amount of tax due;

13 5-5. The signature of the taxpayer; and

14 6. Such other reasonable information as the Department  
15 may require.

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

20 Beginning October 1, 1993, a taxpayer who has an average  
21 monthly tax liability of \$150,000 or more shall make all  
22 payments required by rules of the Department by electronic  
23 funds transfer. Beginning October 1, 1994, a taxpayer who has  
24 an average monthly tax liability of \$100,000 or more shall make  
25 all payments required by rules of the Department by electronic  
26 funds transfer. Beginning October 1, 1995, a taxpayer who has

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

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

24 Any taxpayer not required to make payments by electronic  
25 funds transfer may make payments by electronic funds transfer  
26 with the permission of the Department.

1 All taxpayers required to make payment by electronic funds  
2 transfer and any taxpayers authorized to voluntarily make  
3 payments by electronic funds transfer shall make those payments  
4 in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to  
6 effectuate a program of electronic funds transfer and the  
7 requirements of this Section.

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

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

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

1 returns.

2 Notwithstanding any other provision in this Act concerning  
3 the time within which a serviceman may file his return, in the  
4 case of any serviceman who ceases to engage in a kind of  
5 business which makes him responsible for filing returns under  
6 this Act, such serviceman shall file a final return under this  
7 Act with the Department not more than 1 month after  
8 discontinuing such business.

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

26 Any serviceman filing a return hereunder shall also include



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

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

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

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

26 Beginning January 1, 1990, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund 20% of the  
2 net revenue realized for the preceding month from the 6.25%  
3 general rate on transfers of tangible personal property, other  
4 than tangible personal property which is purchased outside  
5 Illinois at retail from a retailer and which is titled or  
6 registered by an agency of this State's government.

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

11 Beginning on the first day of the first month to occur not  
12 less than 30 days after the effective date of this amendatory  
13 Act of the 98th General Assembly, each month the Department  
14 shall pay into the State and Local Sales Tax Reform Fund 100%  
15 of the net revenue realized for the preceding month from the  
16 1.25% rate on the selling price of tangible personal property  
17 purchased from a business located in a Job Renewal Zone created  
18 under the Employ Illinois Job Renewal Act.

19 Beginning October 1, 2009, each month the Department shall  
20 pay into the Capital Projects Fund an amount that is equal to  
21 an amount estimated by the Department to represent 80% of the  
22 net revenue realized for the preceding month from the sale of  
23 candy, grooming and hygiene products, and soft drinks that had  
24 been taxed at a rate of 1% prior to September 1, 2009 but that  
25 are ~~is~~ now taxed at 6.25%.

26 Beginning July 1, 2013, each month the Department shall pay

1 into the Underground Storage Tank Fund from the proceeds  
2 collected under this Act, the Use Tax Act, the Service  
3 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
4 amount equal to the average monthly deficit in the Underground  
5 Storage Tank Fund during the prior year, as certified annually  
6 by the Illinois Environmental Protection Agency, but the total  
7 payment into the Underground Storage Tank Fund under this Act,  
8 the Use Tax Act, the Service Occupation Tax Act, and the  
9 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in  
10 any State fiscal year. As used in this paragraph, the "average  
11 monthly deficit" shall be equal to the difference between the  
12 average monthly claims for payment by the fund and the average  
13 monthly revenues deposited into the fund, excluding payments  
14 made pursuant to this paragraph.

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

1 may be, of moneys being hereinafter called the "Tax Act  
2 Amount", and (2) the amount transferred to the Build Illinois  
3 Fund from the State and Local Sales Tax Reform Fund shall be  
4 less than the Annual Specified Amount (as defined in Section 3  
5 of the Retailers' Occupation Tax Act), an amount equal to the  
6 difference shall be immediately paid into the Build Illinois  
7 Fund from other moneys received by the Department pursuant to  
8 the Tax Acts; and further provided, that if on the last  
9 business day of any month the sum of (1) the Tax Act Amount  
10 required to be deposited into the Build Illinois Bond Account  
11 in the Build Illinois Fund during such month and (2) the amount  
12 transferred during such month to the Build Illinois Fund from  
13 the State and Local Sales Tax Reform Fund shall have been less  
14 than 1/12 of the Annual Specified Amount, an amount equal to  
15 the difference shall be immediately paid into the Build  
16 Illinois Fund from other moneys received by the Department  
17 pursuant to the Tax Acts; and, further provided, that in no  
18 event shall the payments required under the preceding proviso  
19 result in aggregate payments into the Build Illinois Fund  
20 pursuant to this clause (b) for any fiscal year in excess of  
21 the greater of (i) the Tax Act Amount or (ii) the Annual  
22 Specified Amount for such fiscal year; and, further provided,  
23 that the amounts payable into the Build Illinois Fund under  
24 this clause (b) shall be payable only until such time as the  
25 aggregate amount on deposit under each trust indenture securing  
26 Bonds issued and outstanding pursuant to the Build Illinois

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

1 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000

1	2004	103,000,000
2	2005	108,000,000
3	2006	113,000,000
4	2007	119,000,000
5	2008	126,000,000
6	2009	132,000,000
7	2010	139,000,000
8	2011	146,000,000
9	2012	153,000,000
10	2013	161,000,000
11	2014	170,000,000
12	2015	179,000,000
13	2016	189,000,000
14	2017	199,000,000
15	2018	210,000,000
16	2019	221,000,000
17	2020	233,000,000
18	2021	246,000,000
19	2022	260,000,000
20	2023	275,000,000
21	2024	275,000,000
22	2025	275,000,000
23	2026	279,000,000
24	2027	292,000,000
25	2028	307,000,000
26	2029	322,000,000

1	2030	338,000,000
2	2031	350,000,000
3	2032	350,000,000

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the



1 preceding paragraphs or in any amendments thereto hereafter  
2 enacted, beginning July 1, 1993 and ending on September 30,  
3 2013, the Department shall each month pay into the Illinois Tax  
4 Increment Fund 0.27% of 80% of the net revenue realized for the  
5 preceding month from the 6.25% general rate on the selling  
6 price of tangible personal property.

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

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

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

8           Net revenue realized for a month shall be the revenue  
9 collected by the State pursuant to this Act, less the amount  
10 paid out during that month as refunds to taxpayers for  
11 overpayment of liability.

12           (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
13 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; revised 9-9-13.)

14           Section 65. The Service Occupation Tax Act is amended by  
15 changing Sections 3-10 and 9 as follows:

16           (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

17           Sec. 3-10. Rate of tax. Unless otherwise provided in this  
18 Section, the tax imposed by this Act is at the rate of 6.25% of  
19 the "selling price", as defined in Section 2 of the Service Use  
20 Tax Act, of the tangible personal property. For the purpose of  
21 computing this tax, in no event shall the "selling price" be  
22 less than the cost price to the serviceman of the tangible  
23 personal property transferred. The selling price of each item  
24 of tangible personal property transferred as an incident of a

1 sale of service may be shown as a distinct and separate item on  
2 the serviceman's billing to the service customer. If the  
3 selling price is not so shown, the selling price of the  
4 tangible personal property is deemed to be 50% of the  
5 serviceman's entire billing to the service customer. When,  
6 however, a serviceman contracts to design, develop, and produce  
7 special order machinery or equipment, the tax imposed by this  
8 Act shall be based on the serviceman's cost price of the  
9 tangible personal property transferred incident to the  
10 completion of the contract.

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

15 With respect to gasohol, as defined in the Use Tax Act, the  
16 tax imposed by this Act shall apply to (i) 70% of the cost  
17 price of property transferred as an incident to the sale of  
18 service on or after January 1, 1990, and before July 1, 2003,  
19 (ii) 80% of the selling price of property transferred as an  
20 incident to the sale of service on or after July 1, 2003 and on  
21 or before December 31, 2018, and (iii) 100% of the cost price  
22 thereafter. If, at any time, however, the tax under this Act on  
23 sales of gasohol, as defined in the Use Tax Act, is imposed at  
24 the rate of 1.25%, then the tax imposed by this Act applies to  
25 100% of the proceeds of sales of gasohol made during that time.

26 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply  
2 to the selling price of property transferred as an incident to  
3 the sale of service on or after July 1, 2003 and on or before  
4 December 31, 2018 but applies to 100% of the selling price  
5 thereafter.

6 With respect to biodiesel blends, as defined in the Use Tax  
7 Act, with no less than 1% and no more than 10% biodiesel, the  
8 tax imposed by this Act applies to (i) 80% of the selling price  
9 of property transferred as an incident to the sale of service  
10 on or after July 1, 2003 and on or before December 31, 2018 and  
11 (ii) 100% of the proceeds of the selling price thereafter. If,  
12 at any time, however, the tax under this Act on sales of  
13 biodiesel blends, as defined in the Use Tax Act, with no less  
14 than 1% and no more than 10% biodiesel is imposed at the rate  
15 of 1.25%, then the tax imposed by this Act applies to 100% of  
16 the proceeds of sales of biodiesel blends with no less than 1%  
17 and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax  
19 Act, and biodiesel blends, as defined in the Use Tax Act, with  
20 more than 10% but no more than 99% biodiesel material, the tax  
21 imposed by this Act does not apply to the proceeds of the  
22 selling price of property transferred as an incident to the  
23 sale of service on or after July 1, 2003 and on or before  
24 December 31, 2018 but applies to 100% of the selling price  
25 thereafter.

26 At the election of any registered serviceman made for each

1 fiscal year, sales of service in which the aggregate annual  
2 cost price of tangible personal property transferred as an  
3 incident to the sales of service is less than 35%, or 75% in  
4 the case of servicemen transferring prescription drugs or  
5 servicemen engaged in graphic arts production, of the aggregate  
6 annual total gross receipts from all sales of service, the tax  
7 imposed by this Act shall be based on the serviceman's cost  
8 price of the tangible personal property transferred incident to  
9 the sale of those services.

10 The tax shall be imposed at the rate of 1% on food prepared  
11 for immediate consumption and transferred incident to a sale of  
12 service subject to this Act or the Service Occupation Tax Act  
13 by an entity licensed under the Hospital Licensing Act, the  
14 Nursing Home Care Act, the ID/DD Community Care Act, the  
15 Specialized Mental Health Rehabilitation Act of 2013, or the  
16 Child Care Act of 1969. The tax shall also be imposed at the  
17 rate of 1% on food for human consumption that is to be consumed  
18 off the premises where it is sold (other than alcoholic  
19 beverages, soft drinks, and food that has been prepared for  
20 immediate consumption and is not otherwise included in this  
21 paragraph) and prescription and nonprescription medicines,  
22 drugs, medical appliances, modifications to a motor vehicle for  
23 the purpose of rendering it usable by a disabled person, and  
24 insulin, urine testing materials, syringes, and needles used by  
25 diabetics, for human use. For the purposes of this Section,  
26 until September 1, 2009: the term "soft drinks" means any

1 complete, finished, ready-to-use, non-alcoholic drink, whether  
2 carbonated or not, including but not limited to soda water,  
3 cola, fruit juice, vegetable juice, carbonated water, and all  
4 other preparations commonly known as soft drinks of whatever  
5 kind or description that are contained in any closed or sealed  
6 can, carton, or container, regardless of size; but "soft  
7 drinks" does not include coffee, tea, non-carbonated water,  
8 infant formula, milk or milk products as defined in the Grade A  
9 Pasteurized Milk and Milk Products Act, or drinks containing  
10 50% or more natural fruit or vegetable juice.

11 Notwithstanding any other provisions of this Act,  
12 beginning September 1, 2009, "soft drinks" means non-alcoholic  
13 beverages that contain natural or artificial sweeteners. "Soft  
14 drinks" do not include beverages that contain milk or milk  
15 products, soy, rice or similar milk substitutes, or greater  
16 than 50% of vegetable or fruit juice by volume.

17 Until August 1, 2009, and notwithstanding any other  
18 provisions of this Act, "food for human consumption that is to  
19 be consumed off the premises where it is sold" includes all  
20 food sold through a vending machine, except soft drinks and  
21 food products that are dispensed hot from a vending machine,  
22 regardless of the location of the vending machine. Beginning  
23 August 1, 2009, and notwithstanding any other provisions of  
24 this Act, "food for human consumption that is to be consumed  
25 off the premises where it is sold" includes all food sold  
26 through a vending machine, except soft drinks, candy, and food

1 products that are dispensed hot from a vending machine,  
2 regardless of the location of the vending machine.

3 Notwithstanding any other provisions of this Act,  
4 beginning September 1, 2009, "food for human consumption that  
5 is to be consumed off the premises where it is sold" does not  
6 include candy. For purposes of this Section, "candy" means a  
7 preparation of sugar, honey, or other natural or artificial  
8 sweeteners in combination with chocolate, fruits, nuts or other  
9 ingredients or flavorings in the form of bars, drops, or  
10 pieces. "Candy" does not include any preparation that contains  
11 flour or requires refrigeration.

12 Notwithstanding any other provisions of this Act,  
13 beginning September 1, 2009, "nonprescription medicines and  
14 drugs" does not include grooming and hygiene products. For  
15 purposes of this Section, "grooming and hygiene products"  
16 includes, but is not limited to, soaps and cleaning solutions,  
17 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
18 lotions and screens, unless those products are available by  
19 prescription only, regardless of whether the products meet the  
20 definition of "over-the-counter-drugs". For the purposes of  
21 this paragraph, "over-the-counter-drug" means a drug for human  
22 use that contains a label that identifies the product as a drug  
23 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
24 label includes:

25 (A) A "Drug Facts" panel; or

26 (B) A statement of the "active ingredient(s)" with a

1 list of those ingredients contained in the compound,  
2 substance or preparation.

3 Beginning on the first day of the first month to occur not  
4 less than 30 days after the effective date of this amendatory  
5 Act of the 98th General Assembly, with respect to tangible  
6 personal property purchased from a business located in a Job  
7 Renewal Zone created under the Employ Illinois Job Renewal Act,  
8 the tax is imposed at the rate of 1.25%.

9 Beginning on January 1, 2014 (the effective date of Public  
10 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
11 "prescription and nonprescription medicines and drugs"  
12 includes medical cannabis purchased from a registered  
13 dispensing organization under the Compassionate Use of Medical  
14 Cannabis Pilot Program Act.

15 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,  
16 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; revised  
17 8-9-13.)

18 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

19 Sec. 9. Each serviceman required or authorized to collect  
20 the tax herein imposed shall pay to the Department the amount  
21 of such tax at the time when he is required to file his return  
22 for the period during which such tax was collectible, less a  
23 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
24 after January 1, 1990, or \$5 per calendar year, whichever is  
25 greater, which is allowed to reimburse the serviceman for



1 expenses incurred in collecting the tax, keeping records,  
2 preparing and filing returns, remitting the tax and supplying  
3 data to the Department on request. The Department may disallow  
4 the discount for servicemen whose certificate of registration  
5 is revoked at the time the return is filed, but only if the  
6 Department's decision to revoke the certificate of  
7 registration has become final.

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

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

23 The Department may require returns to be filed on a  
24 quarterly basis. If so required, a return for each calendar  
25 quarter shall be filed on or before the twentieth day of the  
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each  
2 of the first two months of each calendar quarter, on or before  
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

5 2. The address of the principal place of business from  
6 which he engages in business as a serviceman in this State;

7 3. The total amount of taxable receipts received by him  
8 during the preceding calendar month, including receipts  
9 from charge and time sales, but less all deductions allowed  
10 by law;

11 4. The amount of credit provided in Section 2d of this  
12 Act;

13 5. The amount of tax due;

14 5-5. The signature of the taxpayer; and

15 6. Such other reasonable information as the Department  
16 may require.

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

21 Prior to October 1, 2003, and on and after September 1,  
22 2004 a serviceman may accept a Manufacturer's Purchase Credit  
23 certification from a purchaser in satisfaction of Service Use  
24 Tax as provided in Section 3-70 of the Service Use Tax Act if  
25 the purchaser provides the appropriate documentation as  
26 required by Section 3-70 of the Service Use Tax Act. A

1 Manufacturer's Purchase Credit certification, accepted prior  
2 to October 1, 2003 or on or after September 1, 2004 by a  
3 serviceman as provided in Section 3-70 of the Service Use Tax  
4 Act, may be used by that serviceman to satisfy Service  
5 Occupation Tax liability in the amount claimed in the  
6 certification, not to exceed 6.25% of the receipts subject to  
7 tax from a qualifying purchase. A Manufacturer's Purchase  
8 Credit reported on any original or amended return filed under  
9 this Act after October 20, 2003 for reporting periods prior to  
10 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
11 Credit reported on annual returns due on or after January 1,  
12 2005 will be disallowed for periods prior to September 1, 2004.  
13 No Manufacturer's Purchase Credit may be used after September  
14 30, 2003 through August 31, 2004 to satisfy any tax liability  
15 imposed under this Act, including any audit liability.

16 If the serviceman's average monthly tax liability to the  
17 Department does not exceed \$200, the Department may authorize  
18 his returns to be filed on a quarter annual basis, with the  
19 return for January, February and March of a given year being  
20 due by April 20 of such year; with the return for April, May  
21 and June of a given year being due by July 20 of such year; with  
22 the return for July, August and September of a given year being  
23 due by October 20 of such year, and with the return for  
24 October, November and December of a given year being due by  
25 January 20 of the following year.

26 If the serviceman's average monthly tax liability to the

1 Department does not exceed \$50, the Department may authorize  
2 his returns to be filed on an annual basis, with the return for  
3 a given year being due by January 20 of the following year.

4 Such quarter annual and annual returns, as to form and  
5 substance, shall be subject to the same requirements as monthly  
6 returns.

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

14 Beginning October 1, 1993, a taxpayer who has an average  
15 monthly tax liability of \$150,000 or more shall make all  
16 payments required by rules of the Department by electronic  
17 funds transfer. Beginning October 1, 1994, a taxpayer who has  
18 an average monthly tax liability of \$100,000 or more shall make  
19 all payments required by rules of the Department by electronic  
20 funds transfer. Beginning October 1, 1995, a taxpayer who has  
21 an average monthly tax liability of \$50,000 or more shall make  
22 all payments required by rules of the Department by electronic  
23 funds transfer. Beginning October 1, 2000, a taxpayer who has  
24 an annual tax liability of \$200,000 or more shall make all  
25 payments required by rules of the Department by electronic  
26 funds transfer. The term "annual tax liability" shall be the

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

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

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

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

25 The Department shall adopt such rules as are necessary to  
26 effectuate a program of electronic funds transfer and the

1 requirements of this Section.

2 Where a serviceman collects the tax with respect to the  
3 selling price of tangible personal property which he sells and  
4 the purchaser thereafter returns such tangible personal  
5 property and the serviceman refunds the selling price thereof  
6 to the purchaser, such serviceman shall also refund, to the  
7 purchaser, the tax so collected from the purchaser. When filing  
8 his return for the period in which he refunds such tax to the  
9 purchaser, the serviceman may deduct the amount of the tax so  
10 refunded by him to the purchaser from any other Service  
11 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or  
12 Use Tax which such serviceman may be required to pay or remit  
13 to the Department, as shown by such return, provided that the  
14 amount of the tax to be deducted shall previously have been  
15 remitted to the Department by such serviceman. If the  
16 serviceman shall not previously have remitted the amount of  
17 such tax to the Department, he shall be entitled to no  
18 deduction hereunder upon refunding such tax to the purchaser.

19 If experience indicates such action to be practicable, the  
20 Department may prescribe and furnish a combination or joint  
21 return which will enable servicemen, who are required to file  
22 returns hereunder and also under the Retailers' Occupation Tax  
23 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
24 the return information required by all said Acts on the one  
25 form.

26 Where the serviceman has more than one business registered

1 with the Department under separate registrations hereunder,  
2 such serviceman shall file separate returns for each registered  
3 business.

4 Beginning January 1, 1990, each month the Department shall  
5 pay into the Local Government Tax Fund the revenue realized for  
6 the preceding month from the 1% tax on sales of food for human  
7 consumption which is to be consumed off the premises where it  
8 is sold (other than alcoholic beverages, soft drinks and food  
9 which has been prepared for immediate consumption) and  
10 prescription and nonprescription medicines, drugs, medical  
11 appliances and insulin, urine testing materials, syringes and  
12 needles used by diabetics.

13 Beginning January 1, 1990, each month the Department shall  
14 pay into the County and Mass Transit District Fund 4% of the  
15 revenue realized for the preceding month from the 6.25% general  
16 rate.

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

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

25 Beginning August 1, 2000, each month the Department shall  
26 pay into the Local Government Tax Fund 80% of the net revenue

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

3 Beginning on the first day of the first month to occur not  
4 less than 30 days after the effective date of this amendatory  
5 Act of the 98th General Assembly, each month the Department  
6 shall pay into the County and Mass Transit District Fund 20% of  
7 the net revenue realized for the preceding month from the 1.25%  
8 rate on the selling price of tangible personal property  
9 purchased from a business located in a Job Renewal Zone created  
10 under the Employ Illinois Job Renewal Act.

11 Beginning on the first day of the first month to occur not  
12 less than 30 days after the effective date of this amendatory  
13 Act of the 98th General Assembly, each month the Department  
14 shall pay into the Local Government Tax Fund 80% of the net  
15 revenue realized for the preceding month from the 1.25% rate on  
16 the selling price of tangible personal property purchased from  
17 a business located in a Job Renewal Zone created under the  
18 Employ Illinois Job Renewal Act.

19 Beginning October 1, 2009, each month the Department shall  
20 pay into the Capital Projects Fund an amount that is equal to  
21 an amount estimated by the Department to represent 80% of the  
22 net revenue realized for the preceding month from the sale of  
23 candy, grooming and hygiene products, and soft drinks that had  
24 been taxed at a rate of 1% prior to September 1, 2009 but that  
25 are ~~is~~ now taxed at 6.25%.

26 Beginning July 1, 2013, each month the Department shall pay



1 into the Underground Storage Tank Fund from the proceeds  
2 collected under this Act, the Use Tax Act, the Service Use Tax  
3 Act, and the Retailers' Occupation Tax Act an amount equal to  
4 the average monthly deficit in the Underground Storage Tank  
5 Fund during the prior year, as certified annually by the  
6 Illinois Environmental Protection Agency, but the total  
7 payment into the Underground Storage Tank Fund under this Act,  
8 the Use Tax Act, the Service Use Tax Act, and the Retailers'  
9 Occupation Tax Act shall not exceed \$18,000,000 in any State  
10 fiscal year. As used in this paragraph, the "average monthly  
11 deficit" shall be equal to the difference between the average  
12 monthly claims for payment by the fund and the average monthly  
13 revenues deposited into the fund, excluding payments made  
14 pursuant to this paragraph.

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

1 may be, of moneys being hereinafter called the "Tax Act  
2 Amount", and (2) the amount transferred to the Build Illinois  
3 Fund from the State and Local Sales Tax Reform Fund shall be  
4 less than the Annual Specified Amount (as defined in Section 3  
5 of the Retailers' Occupation Tax Act), an amount equal to the  
6 difference shall be immediately paid into the Build Illinois  
7 Fund from other moneys received by the Department pursuant to  
8 the Tax Acts; and further provided, that if on the last  
9 business day of any month the sum of (1) the Tax Act Amount  
10 required to be deposited into the Build Illinois Account in the  
11 Build Illinois Fund during such month and (2) the amount  
12 transferred during such month to the Build Illinois Fund from  
13 the State and Local Sales Tax Reform Fund shall have been less  
14 than 1/12 of the Annual Specified Amount, an amount equal to  
15 the difference shall be immediately paid into the Build  
16 Illinois Fund from other moneys received by the Department  
17 pursuant to the Tax Acts; and, further provided, that in no  
18 event shall the payments required under the preceding proviso  
19 result in aggregate payments into the Build Illinois Fund  
20 pursuant to this clause (b) for any fiscal year in excess of  
21 the greater of (i) the Tax Act Amount or (ii) the Annual  
22 Specified Amount for such fiscal year; and, further provided,  
23 that the amounts payable into the Build Illinois Fund under  
24 this clause (b) shall be payable only until such time as the  
25 aggregate amount on deposit under each trust indenture securing  
26 Bonds issued and outstanding pursuant to the Build Illinois

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

1 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000

1	2004	103,000,000
2	2005	108,000,000
3	2006	113,000,000
4	2007	119,000,000
5	2008	126,000,000
6	2009	132,000,000
7	2010	139,000,000
8	2011	146,000,000
9	2012	153,000,000
10	2013	161,000,000
11	2014	170,000,000
12	2015	179,000,000
13	2016	189,000,000
14	2017	199,000,000
15	2018	210,000,000
16	2019	221,000,000
17	2020	233,000,000
18	2021	246,000,000
19	2022	260,000,000
20	2023	275,000,000
21	2024	275,000,000
22	2025	275,000,000
23	2026	279,000,000
24	2027	292,000,000
25	2028	307,000,000
26	2029	322,000,000

1	2030	338,000,000
2	2031	350,000,000
3	2032	350,000,000

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter  
2 enacted, beginning July 1, 1993 and ending on September 30,  
3 2013, the Department shall each month pay into the Illinois Tax  
4 Increment Fund 0.27% of 80% of the net revenue realized for the  
5 preceding month from the 6.25% general rate on the selling  
6 price of tangible personal property.

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

20       Of the remainder of the moneys received by the Department  
21 pursuant to this Act, 75% shall be paid into the General  
22 Revenue Fund of the State Treasury and 25% shall be reserved in  
23 a special account and used only for the transfer to the Common  
24 School Fund as part of the monthly transfer from the General  
25 Revenue Fund in accordance with Section 8a of the State Finance  
26 Act.

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

24           If the annual information return required by this Section  
25 is not filed when and as required, the taxpayer shall be liable  
26 as follows:



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

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

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

19          The foregoing portion of this Section concerning the filing  
20          of an annual information return shall not apply to a serviceman  
21          who is not required to file an income tax return with the  
22          United States Government.

23          As soon as possible after the first day of each month, upon  
24          certification of the Department of Revenue, the Comptroller  
25          shall order transferred and the Treasurer shall transfer from  
26          the General Revenue Fund to the Motor Fuel Tax Fund an amount

1 equal to 1.7% of 80% of the net revenue realized under this Act  
2 for the second preceding month. Beginning April 1, 2000, this  
3 transfer is no longer required and shall not be made.

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

8 For greater simplicity of administration, it shall be  
9 permissible for manufacturers, importers and wholesalers whose  
10 products are sold by numerous servicemen in Illinois, and who  
11 wish to do so, to assume the responsibility for accounting and  
12 paying to the Department all tax accruing under this Act with  
13 respect to such sales, if the servicemen who are affected do  
14 not make written objection to the Department to this  
15 arrangement.

16 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
17 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; revised 9-9-13.)

18 Section 70. The Retailers' Occupation Tax Act is amended by  
19 changing Sections 2-10 and 3 as follows:

20 (35 ILCS 120/2-10)

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

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

5           Beginning on August 6, 2010 through August 15, 2010, with  
6 respect to sales tax holiday items as defined in Section 2-8 of  
7 this Act, the tax is imposed at the rate of 1.25%.

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

23           With respect to gasohol, as defined in the Use Tax Act, the  
24 tax imposed by this Act applies to (i) 70% of the proceeds of  
25 sales made on or after January 1, 1990, and before July 1,  
26 2003, (ii) 80% of the proceeds of sales made on or after July

1 1, 2003 and on or before December 31, 2018, and (iii) 100% of  
2 the proceeds of sales made thereafter. If, at any time,  
3 however, the tax under this Act on sales of gasohol, as defined  
4 in the Use Tax Act, is imposed at the rate of 1.25%, then the  
5 tax imposed by this Act applies to 100% of the proceeds of  
6 sales of gasohol made during that time.

7 With respect to majority blended ethanol fuel, as defined  
8 in the Use Tax Act, the tax imposed by this Act does not apply  
9 to the proceeds of sales made on or after July 1, 2003 and on or  
10 before December 31, 2018 but applies to 100% of the proceeds of  
11 sales made thereafter.

12 With respect to biodiesel blends, as defined in the Use Tax  
13 Act, with no less than 1% and no more than 10% biodiesel, the  
14 tax imposed by this Act applies to (i) 80% of the proceeds of  
15 sales made on or after July 1, 2003 and on or before December  
16 31, 2018 and (ii) 100% of the proceeds of sales made  
17 thereafter. If, at any time, however, the tax under this Act on  
18 sales of biodiesel blends, as defined in the Use Tax Act, with  
19 no less than 1% and no more than 10% biodiesel is imposed at  
20 the rate of 1.25%, then the tax imposed by this Act applies to  
21 100% of the proceeds of sales of biodiesel blends with no less  
22 than 1% and no more than 10% biodiesel made during that time.

23 With respect to 100% biodiesel, as defined in the Use Tax  
24 Act, and biodiesel blends, as defined in the Use Tax Act, with  
25 more than 10% but no more than 99% biodiesel, the tax imposed  
26 by this Act does not apply to the proceeds of sales made on or

1 after July 1, 2003 and on or before December 31, 2018 but  
2 applies to 100% of the proceeds of sales made thereafter.

3 With respect to food for human consumption that is to be  
4 consumed off the premises where it is sold (other than  
5 alcoholic beverages, soft drinks, and food that has been  
6 prepared for immediate consumption) and prescription and  
7 nonprescription medicines, drugs, medical appliances,  
8 modifications to a motor vehicle for the purpose of rendering  
9 it usable by a disabled person, and insulin, urine testing  
10 materials, syringes, and needles used by diabetics, for human  
11 use, the tax is imposed at the rate of 1%. For the purposes of  
12 this Section, until September 1, 2009: the term "soft drinks"  
13 means any complete, finished, ready-to-use, non-alcoholic  
14 drink, whether carbonated or not, including but not limited to  
15 soda water, cola, fruit juice, vegetable juice, carbonated  
16 water, and all other preparations commonly known as soft drinks  
17 of whatever kind or description that are contained in any  
18 closed or sealed bottle, can, carton, or container, regardless  
19 of size; but "soft drinks" does not include coffee, tea,  
20 non-carbonated water, infant formula, milk or milk products as  
21 defined in the Grade A Pasteurized Milk and Milk Products Act,  
22 or drinks containing 50% or more natural fruit or vegetable  
23 juice.

24 Notwithstanding any other provisions of this Act,  
25 beginning September 1, 2009, "soft drinks" means non-alcoholic  
26 beverages that contain natural or artificial sweeteners. "Soft

1 drinks" do not include beverages that contain milk or milk  
2 products, soy, rice or similar milk substitutes, or greater  
3 than 50% of vegetable or fruit juice by volume.

4 Until August 1, 2009, and notwithstanding any other  
5 provisions of this Act, "food for human consumption that is to  
6 be consumed off the premises where it is sold" includes all  
7 food sold through a vending machine, except soft drinks and  
8 food products that are dispensed hot from a vending machine,  
9 regardless of the location of the vending machine. Beginning  
10 August 1, 2009, and notwithstanding any other provisions of  
11 this Act, "food for human consumption that is to be consumed  
12 off the premises where it is sold" includes all food sold  
13 through a vending machine, except soft drinks, candy, and food  
14 products that are dispensed hot from a vending machine,  
15 regardless of the location of the vending machine.

16 Notwithstanding any other provisions of this Act,  
17 beginning September 1, 2009, "food for human consumption that  
18 is to be consumed off the premises where it is sold" does not  
19 include candy. For purposes of this Section, "candy" means a  
20 preparation of sugar, honey, or other natural or artificial  
21 sweeteners in combination with chocolate, fruits, nuts or other  
22 ingredients or flavorings in the form of bars, drops, or  
23 pieces. "Candy" does not include any preparation that contains  
24 flour or requires refrigeration.

25 Notwithstanding any other provisions of this Act,  
26 beginning September 1, 2009, "nonprescription medicines and

1 drugs" does not include grooming and hygiene products. For  
2 purposes of this Section, "grooming and hygiene products"  
3 includes, but is not limited to, soaps and cleaning solutions,  
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
5 lotions and screens, unless those products are available by  
6 prescription only, regardless of whether the products meet the  
7 definition of "over-the-counter-drugs". For the purposes of  
8 this paragraph, "over-the-counter-drug" means a drug for human  
9 use that contains a label that identifies the product as a drug  
10 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
11 label includes:

12 (A) A "Drug Facts" panel; or

13 (B) A statement of the "active ingredient(s)" with a  
14 list of those ingredients contained in the compound,  
15 substance or preparation.

16 Beginning on the first day of the first month to occur not  
17 less than 30 days after the effective date of this amendatory  
18 Act of the 98th General Assembly, with respect to tangible  
19 personal property purchased from a business located in a Job  
20 Renewal Zone created under the Employ Illinois Job Renewal Act,  
21 the tax is imposed at the rate of 1.25%.

22 Beginning on the effective date of this amendatory Act of  
23 the 98th General Assembly, "prescription and nonprescription  
24 medicines and drugs" includes medical cannabis purchased from a  
25 registered dispensing organization under the Compassionate Use  
26 of Medical Cannabis Pilot Program Act.

1 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

2 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

8 1. The name of the seller;

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

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

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

24 5. Deductions allowed by law;

25 6. Gross receipts which were received by him during the



1 preceding calendar month or quarter and upon the basis of  
2 which the tax is imposed;

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

5 8. The amount of tax due;

6 9. The signature of the taxpayer; and

7 10. Such other reasonable information as the  
8 Department may require.

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

13 Each return shall be accompanied by the statement of  
14 prepaid tax issued pursuant to Section 2e for which credit is  
15 claimed.

16 Prior to October 1, 2003, and on and after September 1,  
17 2004 a retailer may accept a Manufacturer's Purchase Credit  
18 certification from a purchaser in satisfaction of Use Tax as  
19 provided in Section 3-85 of the Use Tax Act if the purchaser  
20 provides the appropriate documentation as required by Section  
21 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
22 certification, accepted by a retailer prior to October 1, 2003  
23 and on and after September 1, 2004 as provided in Section 3-85  
24 of the Use Tax Act, may be used by that retailer to satisfy  
25 Retailers' Occupation Tax liability in the amount claimed in  
26 the certification, not to exceed 6.25% of the receipts subject

1 to tax from a qualifying purchase. A Manufacturer's Purchase  
2 Credit reported on any original or amended return filed under  
3 this Act after October 20, 2003 for reporting periods prior to  
4 September 1, 2004 shall be disallowed. Manufacturer's  
5 Purchaser Credit reported on annual returns due on or after  
6 January 1, 2005 will be disallowed for periods prior to  
7 September 1, 2004. No Manufacturer's Purchase Credit may be  
8 used after September 30, 2003 through August 31, 2004 to  
9 satisfy any tax liability imposed under this Act, including any  
10 audit liability.

11 The Department may require returns to be filed on a  
12 quarterly basis. If so required, a return for each calendar  
13 quarter shall be filed on or before the twentieth day of the  
14 calendar month following the end of such calendar quarter. The  
15 taxpayer shall also file a return with the Department for each  
16 of the first two months of each calendar quarter, on or before  
17 the twentieth day of the following calendar month, stating:

- 18 1. The name of the seller;
- 19 2. The address of the principal place of business from  
20 which he engages in the business of selling tangible  
21 personal property at retail in this State;
- 22 3. The total amount of taxable receipts received by him  
23 during the preceding calendar month from sales of tangible  
24 personal property by him during such preceding calendar  
25 month, including receipts from charge and time sales, but  
26 less all deductions allowed by law;

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

3           5. The amount of tax due; and

4           6. Such other reasonable information as the Department  
5           may require.

6           Beginning on October 1, 2003, any person who is not a  
7           licensed distributor, importing distributor, or manufacturer,  
8           as defined in the Liquor Control Act of 1934, but is engaged in  
9           the business of selling, at retail, alcoholic liquor shall file  
10          a statement with the Department of Revenue, in a format and at  
11          a time prescribed by the Department, showing the total amount  
12          paid for alcoholic liquor purchased during the preceding month  
13          and such other information as is reasonably required by the  
14          Department. The Department may adopt rules to require that this  
15          statement be filed in an electronic or telephonic format. Such  
16          rules may provide for exceptions from the filing requirements  
17          of this paragraph. For the purposes of this paragraph, the term  
18          "alcoholic liquor" shall have the meaning prescribed in the  
19          Liquor Control Act of 1934.

20          Beginning on October 1, 2003, every distributor, importing  
21          distributor, and manufacturer of alcoholic liquor as defined in  
22          the Liquor Control Act of 1934, shall file a statement with the  
23          Department of Revenue, no later than the 10th day of the month  
24          for the preceding month during which transactions occurred, by  
25          electronic means, showing the total amount of gross receipts  
26          from the sale of alcoholic liquor sold or distributed during

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

22 If a total amount of less than \$1 is payable, refundable or  
23 creditable, such amount shall be disregarded if it is less than  
24 50 cents and shall be increased to \$1 if it is 50 cents or more.

25 Beginning October 1, 1993, a taxpayer who has an average  
26 monthly tax liability of \$150,000 or more shall make all

1 payments required by rules of the Department by electronic  
2 funds transfer. Beginning October 1, 1994, a taxpayer who has  
3 an average monthly tax liability of \$100,000 or more shall make  
4 all payments required by rules of the Department by electronic  
5 funds transfer. Beginning October 1, 1995, a taxpayer who has  
6 an average monthly tax liability of \$50,000 or more shall make  
7 all payments required by rules of the Department by electronic  
8 funds transfer. Beginning October 1, 2000, a taxpayer who has  
9 an annual tax liability of \$200,000 or more shall make all  
10 payments required by rules of the Department by electronic  
11 funds transfer. The term "annual tax liability" shall be the  
12 sum of the taxpayer's liabilities under this Act, and under all  
13 other State and local occupation and use tax laws administered  
14 by the Department, for the immediately preceding calendar year.  
15 The term "average monthly tax liability" shall be the sum of  
16 the taxpayer's liabilities under this Act, and under all other  
17 State and local occupation and use tax laws administered by the  
18 Department, for the immediately preceding calendar year  
19 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
20 a tax liability in the amount set forth in subsection (b) of  
21 Section 2505-210 of the Department of Revenue Law shall make  
22 all payments required by rules of the Department by electronic  
23 funds transfer.

24 Before August 1 of each year beginning in 1993, the  
25 Department shall notify all taxpayers required to make payments  
26 by electronic funds transfer. All taxpayers required to make

1 payments by electronic funds transfer shall make those payments  
2 for a minimum of one year beginning on October 1.

3 Any taxpayer not required to make payments by electronic  
4 funds transfer may make payments by electronic funds transfer  
5 with the permission of the Department.

6 All taxpayers required to make payment by electronic funds  
7 transfer and any taxpayers authorized to voluntarily make  
8 payments by electronic funds transfer shall make those payments  
9 in the manner authorized by the Department.

10 The Department shall adopt such rules as are necessary to  
11 effectuate a program of electronic funds transfer and the  
12 requirements of this Section.

13 Any amount which is required to be shown or reported on any  
14 return or other document under this Act shall, if such amount  
15 is not a whole-dollar amount, be increased to the nearest  
16 whole-dollar amount in any case where the fractional part of a  
17 dollar is 50 cents or more, and decreased to the nearest  
18 whole-dollar amount where the fractional part of a dollar is  
19 less than 50 cents.

20 If the retailer is otherwise required to file a monthly  
21 return and if the retailer's average monthly tax liability to  
22 the Department does not exceed \$200, the Department may  
23 authorize his returns to be filed on a quarter annual basis,  
24 with the return for January, February and March of a given year  
25 being due by April 20 of such year; with the return for April,  
26 May and June of a given year being due by July 20 of such year;

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

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

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

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

21 Where the same person has more than one business registered  
22 with the Department under separate registrations under this  
23 Act, such person may not file each return that is due as a  
24 single return covering all such registered businesses, but  
25 shall file separate returns for each such registered business.

26 In addition, with respect to motor vehicles, watercraft,

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

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



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

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

26 The transaction reporting return in the case of watercraft

1 or aircraft must show the name and address of the seller; the  
2 name and address of the purchaser; the amount of the selling  
3 price including the amount allowed by the retailer for  
4 traded-in property, if any; the amount allowed by the retailer  
5 for the traded-in tangible personal property, if any, to the  
6 extent to which Section 1 of this Act allows an exemption for  
7 the value of traded-in property; the balance payable after  
8 deducting such trade-in allowance from the total selling price;  
9 the amount of tax due from the retailer with respect to such  
10 transaction; the amount of tax collected from the purchaser by  
11 the retailer on such transaction (or satisfactory evidence that  
12 such tax is not due in that particular instance, if that is  
13 claimed to be the fact); the place and date of the sale, a  
14 sufficient identification of the property sold, and such other  
15 information as the Department may reasonably require.

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

1 registration.

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

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

23 If the user who would otherwise pay tax to the retailer  
24 wants the transaction reporting return filed and the payment of  
25 the tax or proof of exemption made to the Department before the  
26 retailer is willing to take these actions and such user has not

1 paid the tax to the retailer, such user may certify to the fact  
2 of such delay by the retailer and may (upon the Department  
3 being satisfied of the truth of such certification) transmit  
4 the information required by the transaction reporting return  
5 and the remittance for tax or proof of exemption directly to  
6 the Department and obtain his tax receipt or exemption  
7 determination, in which event the transaction reporting return  
8 and tax remittance (if a tax payment was required) shall be  
9 credited by the Department to the proper retailer's account  
10 with the Department, but without the 2.1% or 1.75% discount  
11 provided for in this Section being allowed. When the user pays  
12 the tax directly to the Department, he shall pay the tax in the  
13 same amount and in the same form in which it would be remitted  
14 if the tax had been remitted to the Department by the retailer.

15 Refunds made by the seller during the preceding return  
16 period to purchasers, on account of tangible personal property  
17 returned to the seller, shall be allowed as a deduction under  
18 subdivision 5 of his monthly or quarterly return, as the case  
19 may be, in case the seller had theretofore included the  
20 receipts from the sale of such tangible personal property in a  
21 return filed by him and had paid the tax imposed by this Act  
22 with respect to such receipts.

23 Where the seller is a corporation, the return filed on  
24 behalf of such corporation shall be signed by the president,  
25 vice-president, secretary or treasurer or by the properly  
26 accredited agent of such corporation.

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

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

24          Before October 1, 2000, if the taxpayer's average monthly  
25          tax liability to the Department under this Act, the Use Tax  
26          Act, the Service Occupation Tax Act, and the Service Use Tax

1 Act, excluding any liability for prepaid sales tax to be  
2 remitted in accordance with Section 2d of this Act, was \$10,000  
3 or more during the preceding 4 complete calendar quarters, he  
4 shall file a return with the Department each month by the 20th  
5 day of the month next following the month during which such tax  
6 liability is incurred and shall make payments to the Department  
7 on or before the 7th, 15th, 22nd and last day of the month  
8 during which such liability is incurred. On and after October  
9 1, 2000, if the taxpayer's average monthly tax liability to the  
10 Department under this Act, the Use Tax Act, the Service  
11 Occupation Tax Act, and the Service Use Tax Act, excluding any  
12 liability for prepaid sales tax to be remitted in accordance  
13 with Section 2d of this Act, was \$20,000 or more during the  
14 preceding 4 complete calendar quarters, he shall file a return  
15 with the Department each month by the 20th day of the month  
16 next following the month during which such tax liability is  
17 incurred and shall make payment to the Department on or before  
18 the 7th, 15th, 22nd and last day of the month during which such  
19 liability is incurred. If the month during which such tax  
20 liability is incurred began prior to January 1, 1985, each  
21 payment shall be in an amount equal to 1/4 of the taxpayer's  
22 actual liability for the month or an amount set by the  
23 Department not to exceed 1/4 of the average monthly liability  
24 of the taxpayer to the Department for the preceding 4 complete  
25 calendar quarters (excluding the month of highest liability and  
26 the month of lowest liability in such 4 quarter period). If the

1 month during which such tax liability is incurred begins on or  
2 after January 1, 1985 and prior to January 1, 1987, each  
3 payment shall be in an amount equal to 22.5% of the taxpayer's  
4 actual liability for the month or 27.5% of the taxpayer's  
5 liability for the same calendar month of the preceding year. If  
6 the month during which such tax liability is incurred begins on  
7 or after January 1, 1987 and prior to January 1, 1988, each  
8 payment shall be in an amount equal to 22.5% of the taxpayer's  
9 actual liability for the month or 26.25% of the taxpayer's  
10 liability for the same calendar month of the preceding year. If  
11 the month during which such tax liability is incurred begins on  
12 or after January 1, 1988, and prior to January 1, 1989, or  
13 begins on or after January 1, 1996, each payment shall be in an  
14 amount equal to 22.5% of the taxpayer's actual liability for  
15 the month or 25% of the taxpayer's liability for the same  
16 calendar month of the preceding year. If the month during which  
17 such tax liability is incurred begins on or after January 1,  
18 1989, and prior to January 1, 1996, each payment shall be in an  
19 amount equal to 22.5% of the taxpayer's actual liability for  
20 the month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year or 100% of the taxpayer's  
22 actual liability for the quarter monthly reporting period. The  
23 amount of such quarter monthly payments shall be credited  
24 against the final tax liability of the taxpayer's return for  
25 that month. Before October 1, 2000, once applicable, the  
26 requirement of the making of quarter monthly payments to the

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



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

21 The provisions of this paragraph apply before October 1,  
22 2001. Without regard to whether a taxpayer is required to make  
23 quarter monthly payments as specified above, any taxpayer who  
24 is required by Section 2d of this Act to collect and remit  
25 prepaid taxes and has collected prepaid taxes which average in  
26 excess of \$25,000 per month during the preceding 2 complete

1 calendar quarters, shall file a return with the Department as  
2 required by Section 2f and shall make payments to the  
3 Department on or before the 7th, 15th, 22nd and last day of the  
4 month during which such liability is incurred. If the month  
5 during which such tax liability is incurred began prior to the  
6 effective date of this amendatory Act of 1985, each payment  
7 shall be in an amount not less than 22.5% of the taxpayer's  
8 actual liability under Section 2d. If the month during which  
9 such tax liability is incurred begins on or after January 1,  
10 1986, each payment shall be in an amount equal to 22.5% of the  
11 taxpayer's actual liability for the month or 27.5% of the  
12 taxpayer's liability for the same calendar month of the  
13 preceding calendar year. If the month during which such tax  
14 liability is incurred begins on or after January 1, 1987, each  
15 payment shall be in an amount equal to 22.5% of the taxpayer's  
16 actual liability for the month or 26.25% of the taxpayer's  
17 liability for the same calendar month of the preceding year.  
18 The amount of such quarter monthly payments shall be credited  
19 against the final tax liability of the taxpayer's return for  
20 that month filed under this Section or Section 2f, as the case  
21 may be. Once applicable, the requirement of the making of  
22 quarter monthly payments to the Department pursuant to this  
23 paragraph shall continue until such taxpayer's average monthly  
24 prepaid tax collections during the preceding 2 complete  
25 calendar quarters is \$25,000 or less. If any such quarter  
26 monthly payment is not paid at the time or in the amount

1 required, the taxpayer shall be liable for penalties and  
2 interest on such difference, except insofar as the taxpayer has  
3 previously made payments for that month in excess of the  
4 minimum payments previously due.

5 The provisions of this paragraph apply on and after October  
6 1, 2001. Without regard to whether a taxpayer is required to  
7 make quarter monthly payments as specified above, any taxpayer  
8 who is required by Section 2d of this Act to collect and remit  
9 prepaid taxes and has collected prepaid taxes that average in  
10 excess of \$20,000 per month during the preceding 4 complete  
11 calendar quarters shall file a return with the Department as  
12 required by Section 2f and shall make payments to the  
13 Department on or before the 7th, 15th, 22nd and last day of the  
14 month during which the liability is incurred. Each payment  
15 shall be in an amount equal to 22.5% of the taxpayer's actual  
16 liability for the month or 25% of the taxpayer's liability for  
17 the same calendar month of the preceding year. The amount of  
18 the quarter monthly payments shall be credited against the  
19 final tax liability of the taxpayer's return for that month  
20 filed under this Section or Section 2f, as the case may be.  
21 Once applicable, the requirement of the making of quarter  
22 monthly payments to the Department pursuant to this paragraph  
23 shall continue until the taxpayer's average monthly prepaid tax  
24 collections during the preceding 4 complete calendar quarters  
25 (excluding the month of highest liability and the month of  
26 lowest liability) is less than \$19,000 or until such taxpayer's

1 average monthly liability to the Department as computed for  
2 each calendar quarter of the 4 preceding complete calendar  
3 quarters is less than \$20,000. If any such quarter monthly  
4 payment is not paid at the time or in the amount required, the  
5 taxpayer shall be liable for penalties and interest on such  
6 difference, except insofar as the taxpayer has previously made  
7 payments for that month in excess of the minimum payments  
8 previously due.

9 If any payment provided for in this Section exceeds the  
10 taxpayer's liabilities under this Act, the Use Tax Act, the  
11 Service Occupation Tax Act and the Service Use Tax Act, as  
12 shown on an original monthly return, the Department shall, if  
13 requested by the taxpayer, issue to the taxpayer a credit  
14 memorandum no later than 30 days after the date of payment. The  
15 credit evidenced by such credit memorandum may be assigned by  
16 the taxpayer to a similar taxpayer under this Act, the Use Tax  
17 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
18 in accordance with reasonable rules and regulations to be  
19 prescribed by the Department. If no such request is made, the  
20 taxpayer may credit such excess payment against tax liability  
21 subsequently to be remitted to the Department under this Act,  
22 the Use Tax Act, the Service Occupation Tax Act or the Service  
23 Use Tax Act, in accordance with reasonable rules and  
24 regulations prescribed by the Department. If the Department  
25 subsequently determined that all or any part of the credit  
26 taken was not actually due to the taxpayer, the taxpayer's 2.1%

1 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
2 of the difference between the credit taken and that actually  
3 due, and that taxpayer shall be liable for penalties and  
4 interest on such difference.

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

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

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

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

1 net revenue realized for the preceding month from the 1.25%  
2 rate on the selling price of motor fuel and gasohol. Beginning  
3 September 1, 2010, each month the Department shall pay into the  
4 County and Mass Transit District Fund 20% of the net revenue  
5 realized for the preceding month from the 1.25% rate on the  
6 selling price of sales tax holiday items.

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

11 Beginning August 1, 2000, each month the Department shall  
12 pay into the Local Government Tax Fund 80% of the net revenue  
13 realized for the preceding month from the 1.25% rate on the  
14 selling price of motor fuel and gasohol. Beginning September 1,  
15 2010, each month the Department shall pay into the Local  
16 Government Tax Fund 80% of the net revenue realized for the  
17 preceding month from the 1.25% rate on the selling price of  
18 sales tax holiday items.

19 Beginning October 1, 2009, each month the Department shall  
20 pay into the Capital Projects Fund an amount that is equal to  
21 an amount estimated by the Department to represent 80% of the  
22 net revenue realized for the preceding month from the sale of  
23 candy, grooming and hygiene products, and soft drinks that had  
24 been taxed at a rate of 1% prior to September 1, 2009 but that  
25 are ~~is~~ now taxed at 6.25%.

26 Beginning on the first day of the first month to occur not

1 less than 30 days after the effective date of this amendatory  
2 Act of the 98th General Assembly, each month the Department  
3 shall pay into the County and Mass Transit District Fund 20% of  
4 the net revenue realized for the preceding month from the 1.25%  
5 rate on the selling price of tangible personal property  
6 purchased from a business located in a Job Renewal Zone created  
7 under the Employ Illinois Job Renewal Act.

8 Beginning on the first day of the first month to occur not  
9 less than 30 days after the effective date of this amendatory  
10 Act of the 98th General Assembly, each month the Department  
11 shall pay into the Local Government Tax Fund 80% of the net  
12 revenue realized for the preceding month from the 1.25% rate on  
13 the selling price of tangible personal property purchased from  
14 a business located in a Job Renewal Zone created under the  
15 Employ Illinois Job Renewal Act.

16 Beginning July 1, 2011, each month the Department shall pay  
17 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
18 realized for the preceding month from the 6.25% general rate on  
19 the selling price of sorbents used in Illinois in the process  
20 of sorbent injection as used to comply with the Environmental  
21 Protection Act or the federal Clean Air Act, but the total  
22 payment into the Clean Air Act (CAA) Permit Fund under this Act  
23 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal  
24 year.

25 Beginning July 1, 2013, each month the Department shall pay  
26 into the Underground Storage Tank Fund from the proceeds

1 collected under this Act, the Use Tax Act, the Service Use Tax  
2 Act, and the Service Occupation Tax Act an amount equal to the  
3 average monthly deficit in the Underground Storage Tank Fund  
4 during the prior year, as certified annually by the Illinois  
5 Environmental Protection Agency, but the total payment into the  
6 Underground Storage Tank Fund under this Act, the Use Tax Act,  
7 the Service Use Tax Act, and the Service Occupation Tax Act  
8 shall not exceed \$18,000,000 in any State fiscal year. As used  
9 in this paragraph, the "average monthly deficit" shall be equal  
10 to the difference between the average monthly claims for  
11 payment by the fund and the average monthly revenues deposited  
12 into the fund, excluding payments made pursuant to this  
13 paragraph.

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



1 the Build Illinois Fund from the State and Local Sales Tax  
2 Reform Fund shall be less than the Annual Specified Amount (as  
3 hereinafter defined), an amount equal to the difference shall  
4 be immediately paid into the Build Illinois Fund from other  
5 moneys received by the Department pursuant to the Tax Acts; the  
6 "Annual Specified Amount" means the amounts specified below for  
7 fiscal years 1986 through 1993:

8	Fiscal Year	Annual Specified Amount
9	1986	\$54,800,000
10	1987	\$76,650,000
11	1988	\$80,480,000
12	1989	\$88,510,000
13	1990	\$115,330,000
14	1991	\$145,470,000
15	1992	\$182,730,000
16	1993	\$206,520,000;

17 and means the Certified Annual Debt Service Requirement (as  
18 defined in Section 13 of the Build Illinois Bond Act) or the  
19 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
20 each fiscal year thereafter; and further provided, that if on  
21 the last business day of any month the sum of (1) the Tax Act  
22 Amount required to be deposited into the Build Illinois Bond  
23 Account in the Build Illinois Fund during such month and (2)  
24 the amount transferred to the Build Illinois Fund from the  
25 State and Local Sales Tax Reform Fund shall have been less than  
26 1/12 of the Annual Specified Amount, an amount equal to the

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

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

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

		Total
	Fiscal Year	Deposit
1		
2	1993	\$0
3	1994	53,000,000
4	1995	58,000,000
5	1996	61,000,000
6	1997	64,000,000
7	1998	68,000,000
8	1999	71,000,000
9	2000	75,000,000
10	2001	80,000,000
11	2002	93,000,000
12	2003	99,000,000
13	2004	103,000,000
14	2005	108,000,000
15	2006	113,000,000
16	2007	119,000,000
17	2008	126,000,000
18	2009	132,000,000
19	2010	139,000,000
20	2011	146,000,000
21	2012	153,000,000
22	2013	161,000,000
23	2014	170,000,000
24	2015	179,000,000
25	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	246,000,000
6	2022	260,000,000
7	2023	275,000,000
8	2024	275,000,000
9	2025	275,000,000
10	2026	279,000,000
11	2027	292,000,000
12	2028	307,000,000
13	2029	322,000,000
14	2030	338,000,000
15	2031	350,000,000
16	2032	350,000,000

17 and

18 each fiscal year

19 thereafter that bonds

20 are outstanding under

21 Section 13.2 of the

22 Metropolitan Pier and

23 Exposition Authority Act,

24 but not after fiscal year 2060.

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

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

12 Subject to payment of amounts into the Build Illinois Fund  
13 and the McCormick Place Expansion Project Fund pursuant to the  
14 preceding paragraphs or in any amendments thereto hereafter  
15 enacted, beginning July 1, 1993 and ending on September 30,  
16 2013, the Department shall each month pay into the Illinois Tax  
17 Increment Fund 0.27% of 80% of the net revenue realized for the  
18 preceding month from the 6.25% general rate on the selling  
19 price of tangible personal property.

20 Subject to payment of amounts into the Build Illinois Fund  
21 and the McCormick Place Expansion Project Fund pursuant to the  
22 preceding paragraphs or in any amendments thereto hereafter  
23 enacted, beginning with the receipt of the first report of  
24 taxes paid by an eligible business and continuing for a 25-year  
25 period, the Department shall each month pay into the Energy  
26 Infrastructure Fund 80% of the net revenue realized from the

1 6.25% general rate on the selling price of Illinois-mined coal  
2 that was sold to an eligible business. For purposes of this  
3 paragraph, the term "eligible business" means a new electric  
4 generating facility certified pursuant to Section 605-332 of  
5 the Department of Commerce and Economic Opportunity Law of the  
6 Civil Administrative Code of Illinois.

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

13 The Department may, upon separate written notice to a  
14 taxpayer, require the taxpayer to prepare and file with the  
15 Department on a form prescribed by the Department within not  
16 less than 60 days after receipt of the notice an annual  
17 information return for the tax year specified in the notice.  
18 Such annual return to the Department shall include a statement  
19 of gross receipts as shown by the retailer's last Federal  
20 income tax return. If the total receipts of the business as  
21 reported in the Federal income tax return do not agree with the  
22 gross receipts reported to the Department of Revenue for the  
23 same period, the retailer shall attach to his annual return a  
24 schedule showing a reconciliation of the 2 amounts and the  
25 reasons for the difference. The retailer's annual return to the  
26 Department shall also disclose the cost of goods sold by the

1 retailer during the year covered by such return, opening and  
2 closing inventories of such goods for such year, costs of goods  
3 used from stock or taken from stock and given away by the  
4 retailer during such year, payroll information of the  
5 retailer's business during such year and any additional  
6 reasonable information which the Department deems would be  
7 helpful in determining the accuracy of the monthly, quarterly  
8 or annual returns filed by such retailer as provided for in  
9 this Section.

10 If the annual information return required by this Section  
11 is not filed when and as required, the taxpayer shall be liable  
12 as follows:

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

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

23 The chief executive officer, proprietor, owner or highest  
24 ranking manager shall sign the annual return to certify the  
25 accuracy of the information contained therein. Any person who  
26 willfully signs the annual return containing false or



1 inaccurate information shall be guilty of perjury and punished  
2 accordingly. The annual return form prescribed by the  
3 Department shall include a warning that the person signing the  
4 return may be liable for perjury.

5 The provisions of this Section concerning the filing of an  
6 annual information return do not apply to a retailer who is not  
7 required to file an income tax return with the United States  
8 Government.

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

16 Net revenue realized for a month shall be the revenue  
17 collected by the State pursuant to this Act, less the amount  
18 paid out during that month as refunds to taxpayers for  
19 overpayment of liability.

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

1 Any person who promotes, organizes, provides retail  
2 selling space for concessionaires or other types of sellers at  
3 the Illinois State Fair, DuQuoin State Fair, county fairs,  
4 local fairs, art shows, flea markets and similar exhibitions or  
5 events, including any transient merchant as defined by Section  
6 2 of the Transient Merchant Act of 1987, is required to file a  
7 report with the Department providing the name of the merchant's  
8 business, the name of the person or persons engaged in  
9 merchant's business, the permanent address and Illinois  
10 Retailers Occupation Tax Registration Number of the merchant,  
11 the dates and location of the event and other reasonable  
12 information that the Department may require. The report must be  
13 filed not later than the 20th day of the month next following  
14 the month during which the event with retail sales was held.  
15 Any person who fails to file a report required by this Section  
16 commits a business offense and is subject to a fine not to  
17 exceed \$250.

18 Any person engaged in the business of selling tangible  
19 personal property at retail as a concessionaire or other type  
20 of seller at the Illinois State Fair, county fairs, art shows,  
21 flea markets and similar exhibitions or events, or any  
22 transient merchants, as defined by Section 2 of the Transient  
23 Merchant Act of 1987, may be required to make a daily report of  
24 the amount of such sales to the Department and to make a daily  
25 payment of the full amount of tax due. The Department shall  
26 impose this requirement when it finds that there is a

1 significant risk of loss of revenue to the State at such an  
2 exhibition or event. Such a finding shall be based on evidence  
3 that a substantial number of concessionaires or other sellers  
4 who are not residents of Illinois will be engaging in the  
5 business of selling tangible personal property at retail at the  
6 exhibition or event, or other evidence of a significant risk of  
7 loss of revenue to the State. The Department shall notify  
8 concessionaires and other sellers affected by the imposition of  
9 this requirement. In the absence of notification by the  
10 Department, the concessionaires and other sellers shall file  
11 their returns as otherwise required in this Section.

12 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
13 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
14 revised 9-9-13.)

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