



Sen. Toi W. Hutchinson

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LRB098 18944 HLH 58010 a

1 AMENDMENT TO SENATE BILL 3397

2 AMENDMENT NO. _____. Amend Senate Bill 3397, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Use Tax Act is amended by changing Section
6 19 as follows:

7 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

8 Sec. 19. If it shall appear that an amount of tax or
9 penalty or interest has been paid in error hereunder to the
10 Department by a purchaser, as distinguished from the retailer,
11 whether such amount be paid through a mistake of fact or an
12 error of law, such purchaser may file a claim for credit or
13 refund with the Department in accordance with Sections 6, 6a,
14 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act. If it
15 shall appear that an amount of tax or penalty or interest has
16 been paid in error to the Department hereunder by a retailer

1 who is required or authorized to collect and remit the use tax,
2 whether such amount be paid through a mistake of fact or an
3 error of law, such retailer may file a claim for credit or
4 refund with the Department in accordance with Sections 6, 6a,
5 6b, ~~and~~ 6c, and 6d of the Retailers' Occupation Tax Act,
6 provided that no credit or refund shall be allowed for any
7 amount paid by any such retailer unless it shall appear that he
8 bore the burden of such amount and did not shift the burden
9 thereof to anyone else (as in the case of a duplicated tax
10 payment which the retailer made to the Department and did not
11 collect from anyone else), or unless it shall appear that he or
12 she or his or her legal representative has unconditionally
13 repaid such amount to his vendee (1) who bore the burden
14 thereof and has not shifted such burden directly or indirectly
15 in any manner whatsoever; (2) who, if he has shifted such
16 burden, has repaid unconditionally such amount to his or her
17 own vendee, and (3) who is not entitled to receive any
18 reimbursement therefor from any other source than from his
19 vendor, nor to be relieved of such burden in any other manner
20 whatsoever. If it shall appear that an amount of tax has been
21 paid in error hereunder by the purchaser to a retailer, who
22 retained such tax as reimbursement for his or her tax liability
23 on the same sale under the Retailers' Occupation Tax Act, and
24 who remitted the amount involved to the Department under the
25 Retailers' Occupation Tax Act, whether such amount be paid
26 through a mistake of fact or an error of law, the procedure for

1 recovering such tax shall be that prescribed in Sections 6, 6a,
2 6b and 6c of the Retailers' Occupation Tax Act.

3 Any credit or refund that is allowed under this Section
4 shall bear interest at the rate and in the manner specified in
5 the Uniform Penalty and Interest Act.

6 Any claim filed hereunder shall be filed upon a form
7 prescribed and furnished by the Department. The claim shall be
8 signed by the claimant (or by the claimant's legal
9 representative if the claimant shall have died or become a
10 person under legal disability), or by a duly authorized agent
11 of the claimant or his or her legal representative.

12 A claim for credit or refund shall be considered to have
13 been filed with the Department on the date upon which it is
14 received by the Department. Upon receipt of any claim for
15 credit or refund filed under this Act, any officer or employee
16 of the Department, authorized in writing by the Director of
17 Revenue to acknowledge receipt of such claims on behalf of the
18 Department, shall execute on behalf of the Department, and
19 shall deliver or mail to the claimant or his duly authorized
20 agent, a written receipt, acknowledging that the claim has been
21 filed with the Department, describing the claim in sufficient
22 detail to identify it and stating the date upon which the claim
23 was received by the Department. Such written receipt shall be
24 prima facie evidence that the Department received the claim
25 described in such receipt and shall be prima facie evidence of
26 the date when such claim was received by the Department. In the

1 absence of such a written receipt, the records of the
2 Department as to when the claim was received by the Department,
3 or as to whether or not the claim was received at all by the
4 Department, shall be deemed to be prima facie correct upon
5 these questions in the event of any dispute between the
6 claimant (or his or her legal representative) and the
7 Department concerning these questions.

8 In case the Department determines that the claimant is
9 entitled to a refund, such refund shall be made only from such
10 appropriation as may be available for that purpose. If it
11 appears unlikely that the amount appropriated would permit
12 everyone having a claim allowed during the period covered by
13 such appropriation to elect to receive a cash refund, the
14 Department, by rule or regulation, shall provide for the
15 payment of refunds in hardship cases and shall define what
16 types of cases qualify as hardship cases.

17 If a retailer who has failed to pay use tax on gross
18 receipts from retail sales is required by the Department to pay
19 such tax, such retailer, without filing any formal claim with
20 the Department, shall be allowed to take credit against such
21 use tax liability to the extent, if any, to which such retailer
22 has paid an amount equivalent to retailers' occupation tax or
23 has paid use tax in error to his or her vendor or vendors of the
24 same tangible personal property which such retailer bought for
25 resale and did not first use before selling it, and no penalty
26 or interest shall be charged to such retailer on the amount of

1 such credit. However, when such credit is allowed to the
2 retailer by the Department, the vendor is precluded from
3 refunding any of that tax to the retailer and filing a claim
4 for credit or refund with respect thereto with the Department.
5 The provisions of this amendatory Act shall be applied
6 retroactively, regardless of the date of the transaction.
7 (Source: P.A. 90-562, eff. 12-16-97.)

8 Section 10. The Service Occupation Tax Act is amended by
9 changing Section 12 as follows:

10 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

11 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
12 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-54, 2a, 2b, 2c, 3 (except as to
13 the disposition by the Department of the tax collected under
14 this Act), 4 (except that the time limitation provisions shall
15 run from the date when the tax is due rather than from the date
16 when gross receipts are received), 5 (except that the time
17 limitation provisions on the issuance of notices of tax
18 liability shall run from the date when the tax is due rather
19 than from the date when gross receipts are received), 5a, 5b,
20 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 6d, 7, 8, 9, 10, 11 and 12 of
21 the "Retailers' Occupation Tax Act" which are not inconsistent
22 with this Act, and Section 3-7 of the Uniform Penalty and
23 Interest Act shall apply, as far as practicable, to the subject
24 matter of this Act to the same extent as if such provisions

1 were included herein.

2 (Source: P.A. 94-781, eff. 5-19-06; 94-1021, eff. 7-12-06;
3 95-331, eff. 8-21-07.)

4 Section 15. The Retailers' Occupation Tax Act is amended by
5 adding Section 6d as follows:

6 (35 ILCS 120/6d new)

7 Sec. 6d. Deduction for uncollectible debt.

8 (a) A retailer is relieved from liability for any tax that
9 becomes due and payable if the tax is represented by amounts
10 that are found to be worthless or uncollectible, have been
11 charged off in accordance with generally accepted accounting
12 principles, and will be claimed as a deduction pursuant to
13 Section 166 of the Internal Revenue Code. A retailer that has
14 previously paid such a tax may, under rules and regulations
15 adopted by the Department, take as a deduction the amount
16 charged off by the retailer. If these accounts are thereafter,
17 in whole or in part, collected by the retailer, the amount
18 collected shall be included in the first return filed after the
19 collection, and the tax shall be paid with the return.

20 (b) With respect to the payment of taxes on purchases made
21 through a private-label credit card:

22 (1) If consumer accounts or receivables are found to be
23 worthless or uncollectible, the retailer may claim a
24 deduction on a return in an amount equal to, or may obtain

1 a refund of, the tax remitted by the retailer on the unpaid
2 balance due if:

3 (A) the accounts or receivables have been charged
4 off as bad debt on the lender's books and records on or
5 after January 1, 2015; and

6 (B) a deduction was not previously claimed and a
7 refund was not previously allowed on that portion of
8 the account or receivable.

9 (2) If the retailer or the lender subsequently
10 collects, in whole or in part, the accounts or receivables
11 for which a deduction or refund has been granted under
12 paragraph (1), the retailer must include the taxable
13 percentage of the amount collected in the first return
14 filed after the collection and pay the tax on the portion
15 of that amount for which a deduction or refund was granted.

16 (3) The deduction or refund allowed under this Section:

17 (A) does not apply to credit sale transaction
18 amounts resulting from purchases of titled property;

19 (B) includes only those credit sale transaction
20 amounts that represent purchases from the retailer
21 whose name or logo appears on the private label credit
22 card used to make those purchases; and

23 (C) includes all credit sale transaction amounts
24 eligible under paragraph (B) that are outstanding with
25 respect to the specific private-label credit card
26 account or receivable at the time the account or

1 receivable is charged off, regardless of the date the
2 credit sale transaction actually occurred.

3 (4) The retailer and lender shall maintain adequate
4 books, records, or other documentation supporting the
5 charge-off of the accounts or receivables for which a
6 deduction was taken or a refund was claimed under this
7 Section. A retailer is not required to produce point of
8 sale documents to support the deduction. If appropriate, in
9 light of the volume and character of uncollectible
10 accounts, a retailer claiming a deduction or refund under
11 this subsection may provide alternative forms of
12 documentation to support the claim. A retailer may
13 calculate the amount of the deduction or refund using an
14 apportionment method to substantiate the amount of tax
15 imposed under this Act that is included in the bad debt to
16 which the deduction or refund applies. A retailer using an
17 apportionment method must use the retailer's Illinois and
18 non-Illinois sales, the retailer's taxable and non-taxable
19 sales, and the amount of tax the retailer remitted to this
20 State. For purposes of computing the deduction or refund,
21 payments on the accounts or receivables shall be prorated
22 against the amounts outstanding on the account.

23 (c) For purposes of this Section:

24 (1) "Retailer" means a person who holds himself or
25 herself out as being engaged (or who habitually engages) in
26 selling tangible personal property at retail with respect

1 to such sales and includes a retailer's affiliates or
2 franchisees.

3 (2) "Lender" means a person, or an affiliate, assignee,
4 or transferee of that person, who owns or has owned a
5 private-label credit card account or an interest in a
6 private-label credit card receivable that the person:

7 (A) purchased directly from a retailer who
8 remitted the tax imposed under this Act;

9 (B) originated pursuant to that person's contract
10 with the retailer who remitted the tax imposed under
11 this Act; or

12 (C) acquired from a third party.

13 (3) "Private-label credit card" means a charge card or
14 credit card that carries, refers to, or is branded with the
15 name or logo of a retailer.

16 (4) "Affiliate" means an entity affiliated under
17 Section 1504 of the Internal Revenue Code, or an entity
18 that would be an affiliate under that Section had the
19 entity been a corporation.

20 (d) This Section is exempt from the provisions of Section
21 2-70 of this Act, Section 3-90 of the Use Tax Act, Section 3-55
22 of the Service Use Tax Act, Section 3-55 of the Service
23 Occupation Tax Act, and any other provision of law that
24 provides that an exemption, credit, or deduction automatically
25 sunsets after a specified period of time after the effective
26 date of the Public Act creating the exemption, credit, or

1 deduction.

2 Section 20. The Counties Code is amended by changing
3 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

4 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

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

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

26 Persons subject to any tax imposed pursuant to the

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

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

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

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

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

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

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

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

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

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

26 An ordinance or resolution imposing or discontinuing a tax

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

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

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

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

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

13 (55 ILCS 5/5-1006.5)

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

16 (a) The county board of any county may impose a tax upon
17 all persons engaged in the business of selling tangible
18 personal property, other than personal property titled or
19 registered with an agency of this State's government, at retail
20 in the county on the gross receipts from the sales made in the
21 course of business to provide revenue to be used exclusively
22 for public safety, public facility, or transportation purposes
23 in that county, if a proposition for the tax has been submitted
24 to the electors of that county and approved by a majority of
25 those voting on the question. If imposed, this tax shall be

1 imposed only in one-quarter percent increments. By resolution,
2 the county board may order the proposition to be submitted at
3 any election. If the tax is imposed for transportation purposes
4 for expenditures for public highways or as authorized under the
5 Illinois Highway Code, the county board must publish notice of
6 the existence of its long-range highway transportation plan as
7 required or described in Section 5-301 of the Illinois Highway
8 Code and must make the plan publicly available prior to
9 approval of the ordinance or resolution imposing the tax. If
10 the tax is imposed for transportation purposes for expenditures
11 for passenger rail transportation, the county board must
12 publish notice of the existence of its long-range passenger
13 rail transportation plan and must make the plan publicly
14 available prior to approval of the ordinance or resolution
15 imposing the tax.

16 If a tax is imposed for public facilities purposes, then
17 the name of the project may be included in the proposition at
18 the discretion of the county board as determined in the
19 enabling resolution. For example, the "XXX Nursing Home" or the
20 "YYY Museum".

21 The county clerk shall certify the question to the proper
22 election authority, who shall submit the proposition at an
23 election in accordance with the general election law.

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

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

1 county) be authorized to impose an increase on its share of
2 local sales taxes by (insert rate)?"

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

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

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

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

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

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

26 For the purposes of the paragraph, "public safety

1 purposes" means crime prevention, detention, fire
2 fighting, police, medical, ambulance, or other emergency
3 services.

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

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

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

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

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

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

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

26 As additional information on the ballot below the

1 question shall appear the following:

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

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

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

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

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

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

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

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

1 of the county board. If the county board votes to include a
2 sunset provision, the proposition for public facilities
3 purposes shall be in substantially the following form:

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

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

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

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

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

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

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

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

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

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

1 amount specified and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the County Public Safety or Transportation
4 Retailers' Occupation Tax Fund.

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

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

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

1 prescribe.

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

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

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

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

1 STAR bond district.

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

26 In addition to the disbursement required by the preceding

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

15 A county may direct, by ordinance, that all or a portion of
16 the taxes and penalties collected under the Special County
17 Retailers' Occupation Tax For Public Safety or Transportation
18 be deposited into the Transportation Development Partnership
19 Trust Fund.

20 (d) For the purpose of determining the local governmental
21 unit whose tax is applicable, a retail sale by a producer of
22 coal or another mineral mined in Illinois is a sale at retail
23 at the place where the coal or other mineral mined in Illinois
24 is extracted from the earth. This paragraph does not apply to
25 coal or another mineral when it is delivered or shipped by the
26 seller to the purchaser at a point outside Illinois so that the

1 sale is exempt under the United States Constitution as a sale
2 in interstate or foreign commerce.

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

7 (e-5) If a county imposes a tax under this Section, the
8 county board may, by ordinance, discontinue or lower the rate
9 of the tax. If the county board lowers the tax rate or
10 discontinues the tax, a referendum must be held in accordance
11 with subsection (a) of this Section in order to increase the
12 rate of the tax or to reimpose the discontinued tax.

13 (f) Beginning April 1, 1998 and through December 31, 2013,
14 the results of any election authorizing a proposition to impose
15 a tax under this Section or effecting a change in the rate of
16 tax, or any ordinance lowering the rate or discontinuing the
17 tax, shall be certified by the county clerk and filed with the
18 Illinois Department of Revenue either (i) on or before the
19 first day of April, whereupon the Department shall proceed to
20 administer and enforce the tax as of the first day of July next
21 following the filing; or (ii) on or before the first day of
22 October, whereupon the Department shall proceed to administer
23 and enforce the tax as of the first day of January next
24 following the filing.

25 Beginning January 1, 2014, the results of any election
26 authorizing a proposition to impose a tax under this Section or

1 effecting an increase in the rate of tax, along with the
2 ordinance adopted to impose the tax or increase the rate of the
3 tax, or any ordinance adopted to lower the rate or discontinue
4 the tax, shall be certified by the county clerk and filed with
5 the Illinois Department of Revenue either (i) on or before the
6 first day of May, whereupon the Department shall proceed to
7 administer and enforce the tax as of the first day of July next
8 following the adoption and filing; or (ii) on or before the
9 first day of October, whereupon the Department shall proceed to
10 administer and enforce the tax as of the first day of January
11 next following the adoption and filing.

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

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

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

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

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

22 (Source: P.A. 98-584, eff. 8-27-13.)

23 (55 ILCS 5/5-1006.7)

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

25 (a) In any county, a tax shall be imposed upon all persons

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

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

26 In the administration of and compliance with this

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

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

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

26 (b) If a tax has been imposed under subsection (a), then a

1 service occupation tax must also be imposed at the same rate
2 upon all persons engaged, in the county, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the county as an incident to a sale of service.

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

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

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

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

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

25 (c) The tax under this Section may not be imposed until the
26 question of imposing the tax has been submitted to the electors

1 of the county at a regular election and approved by a majority
2 of the electors voting on the question. For all regular
3 elections held prior to the effective date of this amendatory
4 Act of the 97th General Assembly, upon a resolution by the
5 county board or a resolution by school district boards that
6 represent at least 51% of the student enrollment within the
7 county, the county board must certify the question to the
8 proper election authority in accordance with the Election Code.

9 For all regular elections held prior to the effective date
10 of this amendatory Act of the 97th General Assembly, the
11 election authority must submit the question in substantially
12 the following form:

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

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

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

22 For all regular elections held on or after the effective
23 date of this amendatory Act of the 97th General Assembly, the
24 regional superintendent of schools for the county must, upon
25 receipt of a resolution or resolutions of school district
26 boards that represent more than 50% of the student enrollment

1 within the county, certify the question to the proper election
2 authority for submission to the electors of the county at the
3 next regular election at which the question lawfully may be
4 submitted to the electors, all in accordance with the Election
5 Code.

6 For all regular elections held on or after the effective
7 date of this amendatory Act of the 97th General Assembly, the
8 election authority must submit the question in substantially
9 the following form:

10 Shall a retailers' occupation tax and a service
11 occupation tax (commonly referred to as a "sales tax") be
12 imposed in (name of county) at a rate of (insert rate) to
13 be used exclusively for school facility purposes?

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

15 If a majority of the electors voting on the question vote
16 in the affirmative, then the tax shall be imposed at the rate
17 set forth in the question.

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

23 (d) The Department shall immediately pay over to the State
24 Treasurer, ex officio, as trustee, all taxes and penalties
25 collected under this Section to be deposited into the School
26 Facility Occupation Tax Fund, which shall be an unappropriated

1 trust fund held outside the State treasury.

2 On or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to the regional
5 superintendents of schools in counties from which retailers or
6 servicemen have paid taxes or penalties to the Department
7 during the second preceding calendar month. The amount to be
8 paid to each regional superintendent of schools and disbursed
9 to him or her in accordance with Section 3-14.31 of the School
10 Code, is equal to the amount (not including credit memoranda)
11 collected from the county under this Section during the second
12 preceding calendar month by the Department, (i) less 2% of that
13 amount, which shall be deposited into the Tax Compliance and
14 Administration Fund and shall be used by the Department,
15 subject to appropriation, to cover the costs of the Department
16 in administering and enforcing the provisions of this Section,
17 on behalf of the county, (ii) plus an amount that the
18 Department determines is necessary to offset any amounts that
19 were erroneously paid to a different taxing body; (iii) less an
20 amount equal to the amount of refunds made during the second
21 preceding calendar month by the Department on behalf of the
22 county; and (iv) less any amount that the Department determines
23 is necessary to offset any amounts that were payable to a
24 different taxing body but were erroneously paid to the county.
25 When certifying the amount of a monthly disbursement to a
26 regional superintendent of schools under this Section, the

1 Department shall increase or decrease the amounts by an amount
2 necessary to offset any miscalculation of previous
3 disbursements within the previous 6 months from the time a
4 miscalculation is discovered.

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

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

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

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

5 (g) If a county board imposes a tax under this Section
6 pursuant to a referendum held before the effective date of this
7 amendatory Act of the 97th General Assembly at a rate below the
8 rate set forth in the question approved by a majority of
9 electors of that county voting on the question as provided in
10 subsection (c), then the county board may, by ordinance,
11 increase the rate of the tax up to the rate set forth in the
12 question approved by a majority of electors of that county
13 voting on the question as provided in subsection (c). If a
14 county board imposes a tax under this Section pursuant to a
15 referendum held before the effective date of this amendatory
16 Act of the 97th General Assembly, then the board may, by
17 ordinance, discontinue or reduce the rate of the tax. If a tax
18 is imposed under this Section pursuant to a referendum held on
19 or after the effective date of this amendatory Act of the 97th
20 General Assembly, then the county board may reduce or
21 discontinue the tax, but only in accordance with subsection
22 (h-5) of this Section. If, however, a school board issues bonds
23 that are secured by the proceeds of the tax under this Section,
24 then the county board may not reduce the tax rate or
25 discontinue the tax if that rate reduction or discontinuance
26 would adversely affect the school board's ability to pay the

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

8 Until January 1, 2014, the results of any election that
9 imposes, reduces, or discontinues a tax under this Section must
10 be certified by the election authority, and any ordinance that
11 increases or lowers the rate or discontinues the tax must be
12 certified by the county clerk and, in each case, filed with the
13 Illinois Department of Revenue either (i) on or before the
14 first day of April, whereupon the Department shall proceed to
15 administer and enforce the tax or change in the rate as of the
16 first day of July next following the filing; or (ii) on or
17 before the first day of October, whereupon the Department shall
18 proceed to administer and enforce the tax or change in the rate
19 as of the first day of January next following the filing.

20 Beginning January 1, 2014, the results of any election that
21 imposes, reduces, or discontinues a tax under this Section must
22 be certified by the election authority, and any ordinance that
23 increases or lowers the rate or discontinues the tax must be
24 certified by the county clerk and, in each case, filed with the
25 Illinois Department of Revenue either (i) on or before the
26 first day of May, whereupon the Department shall proceed to

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

6 (h) For purposes of this Section, "school facility
7 purposes" means (i) the acquisition, development,
8 construction, reconstruction, rehabilitation, improvement,
9 financing, architectural planning, and installation of capital
10 facilities consisting of buildings, structures, and durable
11 equipment and for the acquisition and improvement of real
12 property and interest in real property required, or expected to
13 be required, in connection with the capital facilities and (ii)
14 the payment of bonds or other obligations heretofore or
15 hereafter issued, including bonds or other obligations
16 heretofore or hereafter issued to refund or to continue to
17 refund bonds or other obligations issued, for school facility
18 purposes, provided that the taxes levied to pay those bonds are
19 abated by the amount of the taxes imposed under this Section
20 that are used to pay those bonds. "School-facility purposes"
21 also includes fire prevention, safety, energy conservation,
22 disabled accessibility, school security, and specified repair
23 purposes set forth under Section 17-2.11 of the School Code.

24 (h-5) A county board in a county where a tax has been
25 imposed under this Section pursuant to a referendum held on or
26 after the effective date of this amendatory Act of the 97th

1 General Assembly may, by ordinance or resolution, submit to the
2 voters of the county the question of reducing or discontinuing
3 the tax. In the ordinance or resolution, the county board shall
4 certify the question to the proper election authority in
5 accordance with the Election Code. The election authority must
6 submit the question in substantially the following form:

7 Shall the school facility retailers' occupation tax
8 and service occupation tax (commonly referred to as the
9 "school facility sales tax") currently imposed in (name of
10 county) at a rate of (insert rate) be (reduced to (insert
11 rate)) (discontinued)?

12 If a majority of the electors voting on the question vote in
13 the affirmative, then, subject to the provisions of subsection
14 (g) of this Section, the tax shall be reduced or discontinued
15 as set forth in the question.

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

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

19 (Source: P.A. 97-542, eff. 8-23-11; 97-813, eff. 7-13-12;
20 98-584, eff. 8-27-13.)

21 Section 25. The Illinois Municipal Code is amended by
22 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

23 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

24 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax

1 Act. The corporate authorities of a home rule municipality may
2 impose a tax upon all persons engaged in the business of
3 selling tangible personal property, other than an item of
4 tangible personal property titled or registered with an agency
5 of this State's government, at retail in the municipality on
6 the gross receipts from these sales made in the course of such
7 business. If imposed, the tax shall only be imposed in 1/4%
8 increments. On and after September 1, 1991, this additional tax
9 may not be imposed on the sales of food for human consumption
10 that is to be consumed off the premises where it is sold (other
11 than alcoholic beverages, soft drinks and food that has been
12 prepared for immediate consumption) and prescription and
13 nonprescription medicines, drugs, medical appliances and
14 insulin, urine testing materials, syringes and needles used by
15 diabetics. The tax imposed by a home rule municipality under
16 this Section and all civil penalties that may be assessed as an
17 incident of the tax shall be collected and enforced by the
18 State Department of Revenue. The certificate of registration
19 that is issued by the Department to a retailer under the
20 Retailers' Occupation Tax Act shall permit the retailer to
21 engage in a business that is taxable under any ordinance or
22 resolution enacted pursuant to this Section without
23 registering separately with the Department under such
24 ordinance or resolution or under this Section. The Department
25 shall have full power to administer and enforce this Section;
26 to collect all taxes and penalties due hereunder; to dispose of

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

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

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

1 bracket schedules as the Department may prescribe.

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

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

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

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

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

20 In addition to the disbursement required by the preceding
21 paragraph and in order to mitigate delays caused by
22 distribution procedures, an allocation shall, if requested, be
23 made within 10 days after January 14, 1991, and in November of
24 1991 and each year thereafter, to each municipality that
25 received more than \$500,000 during the preceding fiscal year,
26 (July 1 through June 30) whether collected by the municipality

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

1 shall prepare and certify to the Comptroller for disbursement
2 the allocations made in accordance with this paragraph.

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

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

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

1 enforce this Section as of the first day of October next
2 following such adoption and filing. Beginning January 1, 1993,
3 an ordinance or resolution imposing or discontinuing the tax
4 hereunder or effecting a change in the rate thereof shall be
5 adopted and a certified copy thereof filed with the Department
6 on or before the first day of October, whereupon the Department
7 shall proceed to administer and enforce this Section as of the
8 first day of January next following the adoption and filing.
9 However, a municipality located in a county with a population
10 in excess of 3,000,000 that elected to become a home rule unit
11 at the general primary election in 1994 may adopt an ordinance
12 or resolution imposing the tax under this Section and file a
13 certified copy of the ordinance or resolution with the
14 Department on or before July 1, 1994. The Department shall then
15 proceed to administer and enforce this Section as of October 1,
16 1994. Beginning April 1, 1998, an ordinance or resolution
17 imposing or discontinuing the tax hereunder or effecting a
18 change in the rate thereof shall either (i) be adopted and a
19 certified copy thereof filed with the Department on or before
20 the first day of April, whereupon the Department shall proceed
21 to administer and enforce this Section as of the first day of
22 July next following the adoption and filing; or (ii) be adopted
23 and a certified copy thereof filed with the Department on or
24 before the first day of October, whereupon the Department shall
25 proceed to administer and enforce this Section as of the first
26 day of January next following the adoption and filing.

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

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

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

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

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

1 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

2 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
3 Occupation Tax Act. The corporate authorities of a non-home
4 rule municipality may impose a tax upon all persons engaged in
5 the business of selling tangible personal property, other than
6 on an item of tangible personal property which is titled and
7 registered by an agency of this State's Government, at retail
8 in the municipality for expenditure on public infrastructure or
9 for property tax relief or both as defined in Section 8-11-1.2
10 if approved by referendum as provided in Section 8-11-1.1, of
11 the gross receipts from such sales made in the course of such
12 business. If the tax is approved by referendum on or after July
13 14, 2010 (the effective date of Public Act 96-1057), the
14 corporate authorities of a non-home rule municipality may,
15 until December 31, 2020, use the proceeds of the tax for
16 expenditure on municipal operations, in addition to or in lieu
17 of any expenditure on public infrastructure or for property tax
18 relief. The tax imposed may not be more than 1% and may be
19 imposed only in 1/4% increments. The tax may not be imposed on
20 the sale of food for human consumption that is to be consumed
21 off the premises where it is sold (other than alcoholic
22 beverages, soft drinks, and food that has been prepared for
23 immediate consumption) and prescription and nonprescription
24 medicines, drugs, medical appliances, and insulin, urine
25 testing materials, syringes, and needles used by diabetics. The

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

1 and Section 3-7 of the Uniform Penalty and Interest Act as
2 fully as if those provisions were set forth herein.

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

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

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

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

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

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

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

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

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

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

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

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

6 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
7 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

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

9 Sec. 8-11-1.6. Non-home rule municipal retailers
10 occupation tax; municipalities between 20,000 and 25,000. The
11 corporate authorities of a non-home rule municipality with a
12 population of more than 20,000 but less than 25,000 that has,
13 prior to January 1, 1987, established a Redevelopment Project
14 Area that has been certified as a State Sales Tax Boundary and
15 has issued bonds or otherwise incurred indebtedness to pay for
16 costs in excess of \$5,000,000, which is secured in part by a
17 tax increment allocation fund, in accordance with the
18 provisions of Division 11-74.4 of this Code may, by passage of
19 an ordinance, impose a tax upon all persons engaged in the
20 business of selling tangible personal property, other than on
21 an item of tangible personal property that is titled and
22 registered by an agency of this State's Government, at retail
23 in the municipality. This tax may not be imposed on the sales
24 of food for human consumption that is to be consumed off the
25 premises where it is sold (other than alcoholic beverages, soft

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

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

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

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

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

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the Non-Home Rule Municipal Retailers'
6 Occupation Tax Fund, which is hereby created.

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

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

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

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

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

26 Nothing in this Section shall be construed to authorize a

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

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

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

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

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

16 (70 ILCS 750/25)

17 Sec. 25. Flood prevention retailers' and service
18 occupation taxes.

19 (a) If the Board of Commissioners of a flood prevention
20 district determines that an emergency situation exists
21 regarding levee repair or flood prevention, and upon an
22 ordinance confirming the determination adopted by the
23 affirmative vote of a majority of the members of the county
24 board of the county in which the district is situated, the

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

19 In the administration of and compliance with this
20 subsection, the Department and persons who are subject to this
21 subsection (i) have the same rights, remedies, privileges,
22 immunities, powers, and duties, (ii) are subject to the same
23 conditions, restrictions, limitations, penalties, and
24 definitions of terms, and (iii) shall employ the same modes of
25 procedure as are set forth in Sections 1 through 10, 2 through
26 2-70 (in respect to all provisions contained in those Sections

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

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

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

16 (b) If a tax has been imposed under subsection (a), a flood
17 prevention service occupation tax shall also be imposed upon
18 all persons engaged within the territory of the district in the
19 business of making sales of service, who, as an incident to
20 making the sales of service, transfer tangible personal
21 property, either in the form of tangible personal property or
22 in the form of real estate as an incident to a sale of service
23 to provide revenue to pay the costs of providing emergency
24 levee repair and flood prevention and to secure the payment of
25 bonds, notes, and other evidences of indebtedness issued under
26 this Act for a period not to exceed 25 years or as required to

1 repay the bonds, notes, and other evidences of indebtedness.
2 The tax rate shall be 0.25% of the selling price of all
3 tangible personal property transferred.

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

13 In the administration of and compliance with this
14 subsection, the Department and persons who are subject to this
15 subsection shall (i) have the same rights, remedies,
16 privileges, immunities, powers, and duties, (ii) be subject to
17 the same conditions, restrictions, limitations, penalties, and
18 definitions of terms, and (iii) employ the same modes of
19 procedure as are set forth in Sections 2 (except that the
20 reference to State in the definition of supplier maintaining a
21 place of business in this State means the district), 2a through
22 2d, 3 through 3-50 (in respect to all provisions contained in
23 those Sections other than the State rate of tax), 4 (except
24 that the reference to the State shall be to the district), 5,
25 7, 8 (except that the jurisdiction to which the tax is a debt
26 to the extent indicated in that Section 8 is the district), 9

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

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

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

25 (d) Nothing in this Section shall be construed to authorize
26 the district to impose a tax upon the privilege of engaging in

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

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

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

14 On or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to the counties from which
17 retailers or servicemen have paid taxes or penalties to the
18 Department during the second preceding calendar month. The
19 amount to be paid to each county is equal to the amount (not
20 including credit memoranda) collected from the county under
21 this Section during the second preceding calendar month by the
22 Department, (i) less 2% of that amount, which shall be
23 deposited into the Tax Compliance and Administration Fund and
24 shall be used by the Department in administering and enforcing
25 the provisions of this Section on behalf of the county, (ii)
26 plus an amount that the Department determines is necessary to

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

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

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

25 (g) If a county imposes a tax under this Section, then the
26 county board shall, by ordinance, discontinue the tax upon the

1 payment of all indebtedness of the flood prevention district.
2 The tax shall not be discontinued until all indebtedness of the
3 District has been paid.

4 (h) Any ordinance imposing the tax under this Section, or
5 any ordinance that discontinues the tax, must be certified by
6 the county clerk and filed with the Illinois Department of
7 Revenue either (i) on or before the first day of April,
8 whereupon the Department shall proceed to administer and
9 enforce the tax or change in the rate as of the first day of
10 July next following the filing; or (ii) on or before the first
11 day of October, whereupon the Department shall proceed to
12 administer and enforce the tax or change in the rate as of the
13 first day of January next following the filing.

14 (j) County Flood Prevention Occupation Tax Fund. All
15 proceeds received by a county from a tax distribution under
16 this Section must be maintained in a special fund known as the
17 [name of county] flood prevention occupation tax fund. The
18 county shall, at the direction of the flood prevention
19 district, use moneys in the fund to pay the costs of providing
20 emergency levee repair and flood prevention and to pay bonds,
21 notes, and other evidences of indebtedness issued under this
22 Act.

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

25 (Source: P.A. 96-939, eff. 6-24-10; 97-188, eff. 7-22-11.)

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

3 (70 ILCS 1605/30)

4 Sec. 30. Taxes.

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

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

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

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

1 to collect under the Use Tax Act, pursuant to such bracketed
2 schedules as the Department may prescribe.

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

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

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

26 Persons subject to any tax imposed under the authority

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

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

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

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

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the Innovation
4 Development and Economy Act, collected under this Section
5 during the second preceding calendar month for sales within a
6 STAR bond district. The Department shall make this
7 certification only if the Metro East Park and Recreation
8 District imposes a tax on real property as provided in the
9 definition of "local sales taxes" under the Innovation
10 Development and Economy Act.

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

1 were erroneously paid to the District, and (iii) any amounts
2 that are transferred to the STAR Bonds Revenue Fund. Within 10
3 days after receipt by the Comptroller of the disbursement
4 certification to the District provided for in this Section to
5 be given to the Comptroller by the Department, the Comptroller
6 shall cause the orders to be drawn for the respective amounts
7 in accordance with directions contained in the certification.

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

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

21 (f) An ordinance imposing a tax under this Section or an
22 ordinance extending the imposition of a tax to an additional
23 county or counties shall be certified by the board and filed
24 with the Department of Revenue either (i) on or before the
25 first day of April, whereupon the Department shall proceed to
26 administer and enforce the tax as of the first day of July next

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

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

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

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

14 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

15 Sec. 5.01. Metro East Mass Transit District; use and
16 occupation taxes.

17 (a) The Board of Trustees of any Metro East Mass Transit
18 District may, by ordinance adopted with the concurrence of
19 two-thirds of the then trustees, impose throughout the District
20 any or all of the taxes and fees provided in this Section. All
21 taxes and fees imposed under this Section shall be used only
22 for public mass transportation systems, and the amount used to
23 provide mass transit service to unserved areas of the District
24 shall be in the same proportion to the total proceeds as the

1 number of persons residing in the unserved areas is to the
2 total population of the District. Except as otherwise provided
3 in this Act, taxes imposed under this Section and civil
4 penalties imposed incident thereto shall be collected and
5 enforced by the State Department of Revenue. The Department
6 shall have the power to administer and enforce the taxes and to
7 determine all rights for refunds for erroneous payments of the
8 taxes.

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

1 penalties, exclusions, exemptions and definitions of terms and
2 employ the same modes of procedure, as are prescribed in
3 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
4 (in respect to all provisions therein other than the State rate
5 of tax), 2c, 3 (except as to the disposition of taxes and
6 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
7 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
8 the Retailers' Occupation Tax Act and Section 3-7 of the
9 Uniform Penalty and Interest Act, as fully as if those
10 provisions were set forth herein.

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

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

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

1 also be imposed under subsections (c) and (d) of this Section.

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

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

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

20 (c) If a tax has been imposed under subsection (b), a Metro
21 East Mass Transit District Service Occupation Tax shall also be
22 imposed upon all persons engaged, in the district, in the
23 business of making sales of service, who, as an incident to
24 making those sales of service, transfer tangible personal
25 property within the District, either in the form of tangible
26 personal property or in the form of real estate as an incident

1 to a sale of service. The tax rate shall be 1/4%, or as
2 authorized under subsection (d-5) of this Section, of the
3 selling price of tangible personal property so transferred
4 within the district. The tax imposed under this paragraph and
5 all civil penalties that may be assessed as an incident thereof
6 shall be collected and enforced by the State Department of
7 Revenue. The Department shall have full power to administer and
8 enforce this paragraph; to collect all taxes and penalties due
9 hereunder; to dispose of taxes and penalties so collected in
10 the manner hereinafter provided; and to determine all rights to
11 credit memoranda arising on account of the erroneous payment of
12 tax or penalty hereunder. In the administration of, and
13 compliance with this paragraph, the Department and persons who
14 are subject to this paragraph shall have the same rights,
15 remedies, privileges, immunities, powers and duties, and be
16 subject to the same conditions, restrictions, limitations,
17 penalties, exclusions, exemptions and definitions of terms and
18 employ the same modes of procedure as are prescribed in
19 Sections 1a-1, 2 (except that the reference to State in the
20 definition of supplier maintaining a place of business in this
21 State shall mean the Authority), 2a, 3 through 3-50 (in respect
22 to all provisions therein other than the State rate of tax), 4
23 (except that the reference to the State shall be to the
24 Authority), 5, 7, 8 (except that the jurisdiction to which the
25 tax shall be a debt to the extent indicated in that Section 8
26 shall be the District), 9 (except as to the disposition of

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

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

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

26 Nothing in this paragraph shall be construed to authorize

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

4 (d) If a tax has been imposed under subsection (b), a Metro
5 East Mass Transit District Use Tax shall also be imposed upon
6 the privilege of using, in the district, any item of tangible
7 personal property that is purchased outside the district at
8 retail from a retailer, and that is titled or registered with
9 an agency of this State's government, at a rate of 1/4%, or as
10 authorized under subsection (d-5) of this Section, of the
11 selling price of the tangible personal property within the
12 District, as "selling price" is defined in the Use Tax Act. The
13 tax shall be collected from persons whose Illinois address for
14 titling or registration purposes is given as being in the
15 District. The tax shall be collected by the Department of
16 Revenue for the Metro East Mass Transit District. The tax must
17 be paid to the State, or an exemption determination must be
18 obtained from the Department of Revenue, before the title or
19 certificate of registration for the property may be issued. The
20 tax or proof of exemption may be transmitted to the Department
21 by way of the State agency with which, or the State officer
22 with whom, the tangible personal property must be titled or
23 registered if the Department and the State agency or State
24 officer determine that this procedure will expedite the
25 processing of applications for title or registration.

26 The Department shall have full power to administer and

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

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 (d-5) (A) The county board of any county participating in
5 the Metro East Mass Transit District may authorize, by
6 ordinance, a referendum on the question of whether the tax
7 rates for the Metro East Mass Transit District Retailers'
8 Occupation Tax, the Metro East Mass Transit District Service
9 Occupation Tax, and the Metro East Mass Transit District Use
10 Tax for the District should be increased from 0.25% to 0.75%.
11 Upon adopting the ordinance, the county board shall certify the
12 proposition to the proper election officials who shall submit
13 the proposition to the voters of the District at the next
14 election, in accordance with the general election law.

15 The proposition shall be in substantially the following
16 form:

17 Shall the tax rates for the Metro East Mass Transit
18 District Retailers' Occupation Tax, the Metro East Mass
19 Transit District Service Occupation Tax, and the Metro East
20 Mass Transit District Use Tax be increased from 0.25% to
21 0.75%?

22 (B) Two thousand five hundred electors of any Metro East
23 Mass Transit District may petition the Chief Judge of the
24 Circuit Court, or any judge of that Circuit designated by the
25 Chief Judge, in which that District is located to cause to be
26 submitted to a vote of the electors the question whether the

1 tax rates for the Metro East Mass Transit District Retailers'
2 Occupation Tax, the Metro East Mass Transit District Service
3 Occupation Tax, and the Metro East Mass Transit District Use
4 Tax for the District should be increased from 0.25% to 0.75%.

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

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

14 The form of the petition shall be in substantially the
15 following form: To the Circuit Court of the County of (name of
16 county):

17 We, the undersigned electors of the (name of transit
18 district), respectfully petition your honor to submit to a
19 vote of the electors of (name of transit district) the
20 following proposition:

21 Shall the tax rates for the Metro East Mass Transit
22 District Retailers' Occupation Tax, the Metro East Mass
23 Transit District Service Occupation Tax, and the Metro East
24 Mass Transit District Use Tax be increased from 0.25% to
25 0.75%?

26 Name

Address, with Street and Number.

1
 2

3 (C) The votes shall be recorded as "YES" or "NO". If a
 4 majority of all votes cast on the proposition are for the
 5 increase in the tax rates, the Metro East Mass Transit District
 6 shall begin imposing the increased rates in the District, and
 7 the Department of Revenue shall begin collecting the increased
 8 amounts, as provided under this Section. An ordinance imposing
 9 or discontinuing a tax hereunder or effecting a change in the
 10 rate thereof shall be adopted and a certified copy thereof
 11 filed with the Department on or before the first day of
 12 October, whereupon the Department shall proceed to administer
 13 and enforce this Section as of the first day of January next
 14 following the adoption and filing, or on or before the first
 15 day of April, whereupon the Department shall proceed to
 16 administer and enforce this Section as of the first day of July
 17 next following the adoption and filing.

18 (D) If the voters have approved a referendum under this
 19 subsection, before November 1, 1994, to increase the tax rate
 20 under this subsection, the Metro East Mass Transit District
 21 Board of Trustees may adopt by a majority vote an ordinance at
 22 any time before January 1, 1995 that excludes from the rate
 23 increase tangible personal property that is titled or
 24 registered with an agency of this State's government. The
 25 ordinance excluding titled or registered tangible personal
 26 property from the rate increase must be filed with the

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

1 tangible personal property from the rate increase shall be
2 adopted, and a certified copy of that ordinance shall be filed
3 with the Department on or before October 1, whereupon the
4 Department shall administer and enforce this exclusion from the
5 rate increase as of the following January 1, or on or before
6 April 1, whereupon the Department shall administer and enforce
7 this exclusion from the rate increase as of the following July
8 1. The Board of Trustees of any Metro East Mass Transit
9 District may never reimpose a previously excluded tax rate
10 increase on tangible personal property titled or registered
11 with an agency of this State's government.

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

1 motor vehicle in this State to a resident of another state if
2 that motor vehicle will not be titled in this State.

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

9 (d-7.1) Beginning July 1, 2004, any fee imposed by the
10 Board of Trustees of any Metro East Mass Transit District under
11 subsection (d-6) and all civil penalties that may be assessed
12 as an incident of the fees shall be collected and enforced by
13 the State Department of Revenue. Reference to "taxes" in this
14 Section shall be construed to apply to the administration,
15 payment, and remittance of all fees under this Section. For
16 purposes of any fee imposed under subsection (d-6), 4% of the
17 fee, penalty, and interest received by the Department in the
18 first 12 months that the fee is collected and enforced by the
19 Department and 2% of the fee, penalty, and interest following
20 the first 12 months shall be deposited into the Tax Compliance
21 and Administration Fund and shall be used by the Department,
22 subject to appropriation, to cover the costs of the Department.
23 No retailers' discount shall apply to any fee imposed under
24 subsection (d-6).

25 (d-8) No item of titled property shall be subject to both
26 the higher rate approved by referendum, as authorized under

1 subsection (d-5), and any fee imposed under subsection (d-6) or
2 (d-7).

3 (d-9) (Blank).

4 (d-10) (Blank).

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

14 (f) (Blank).

15 (g) Any ordinance imposing or discontinuing any tax under
16 this Section shall be adopted and a certified copy thereof
17 filed with the Department on or before June 1, whereupon the
18 Department of Revenue shall proceed to administer and enforce
19 this Section on behalf of the Metro East Mass Transit District
20 as of September 1 next following such adoption and filing.
21 Beginning January 1, 1992, an ordinance or resolution imposing
22 or discontinuing the tax hereunder shall be adopted and a
23 certified copy thereof filed with the Department on or before
24 the first day of July, whereupon the Department shall proceed
25 to administer and enforce this Section as of the first day of
26 October next following such adoption and filing. Beginning

1 January 1, 1993, except as provided in subsection (d-5) of this
2 Section, an ordinance or resolution imposing or discontinuing
3 the tax hereunder shall be adopted and a certified copy thereof
4 filed with the Department on or before the first day of
5 October, whereupon the Department shall proceed to administer
6 and enforce this Section as of the first day of January next
7 following such adoption and filing, or, beginning January 1,
8 2004, on or before the first day of April, whereupon the
9 Department shall proceed to administer and enforce this Section
10 as of the first day of July next following the adoption and
11 filing.

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

17 As soon as possible after the first day of each month,
18 beginning January 1, 2011, upon certification of the Department
19 of Revenue, the Comptroller shall order transferred, and the
20 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
21 local sales tax increment, as defined in the Innovation
22 Development and Economy Act, collected under this Section
23 during the second preceding calendar month for sales within a
24 STAR bond district. The Department shall make this
25 certification only if the local mass transit district imposes a
26 tax on real property as provided in the definition of "local

1 sales taxes" under the Innovation Development and Economy Act.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the State
4 Department of Revenue shall prepare and certify to the
5 Comptroller of the State of Illinois the amount to be paid to
6 the District, which shall be the amount (not including credit
7 memoranda) collected under this Section during the second
8 preceding calendar month by the Department plus an amount the
9 Department determines is necessary to offset any amounts that
10 were erroneously paid to a different taxing body, and not
11 including any amount equal to the amount of refunds made during
12 the second preceding calendar month by the Department on behalf
13 of the District, and not including any amount that the
14 Department determines is necessary to offset any amounts that
15 were payable to a different taxing body but were erroneously
16 paid to the District, and less any amounts that are transferred
17 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
18 the Comptroller of the certification of the amount to be paid
19 to the District, the Comptroller shall cause an order to be
20 drawn for payment for the amount in accordance with the
21 direction in the certification.

22 (Source: P.A. 98-298, eff. 8-9-13.)

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

1 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

2 Sec. 4.03. Taxes.

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

18 (b) The Board may impose a public transportation tax upon
19 all persons engaged in the metropolitan region in the business
20 of selling at retail motor fuel for operation of motor vehicles
21 upon public highways. The tax shall be at a rate not to exceed
22 5% of the gross receipts from the sales of motor fuel in the
23 course of the business. As used in this Act, the term "motor
24 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
25 The Board may provide for details of the tax. The provisions of
26 any tax shall conform, as closely as may be practicable, to the

1 provisions of the Municipal Retailers Occupation Tax Act,
2 including without limitation, conformity to penalties with
3 respect to the tax imposed and as to the powers of the State
4 Department of Revenue to promulgate and enforce rules and
5 regulations relating to the administration and enforcement of
6 the provisions of the tax imposed, except that reference in the
7 Act to any municipality shall refer to the Authority and the
8 tax shall be imposed only with regard to receipts from sales of
9 motor fuel in the metropolitan region, at rates as limited by
10 this Section.

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

18 (d) The Board may impose a motor vehicle parking tax upon
19 the privilege of parking motor vehicles at off-street parking
20 facilities in the metropolitan region at which a fee is
21 charged, and may provide for reasonable classifications in and
22 exemptions to the tax, for administration and enforcement
23 thereof and for civil penalties and refunds thereunder and may
24 provide criminal penalties thereunder, the maximum penalties
25 not to exceed the maximum criminal penalties provided in the
26 Retailers' Occupation Tax Act. The Authority may collect and

1 enforce the tax itself or by contract with any unit of local
2 government. The State Department of Revenue shall have no
3 responsibility for the collection and enforcement unless the
4 Department agrees with the Authority to undertake the
5 collection and enforcement. As used in this paragraph, the term
6 "parking facility" means a parking area or structure having
7 parking spaces for more than 2 vehicles at which motor vehicles
8 are permitted to park in return for an hourly, daily, or other
9 periodic fee, whether publicly or privately owned, but does not
10 include parking spaces on a public street, the use of which is
11 regulated by parking meters.

12 (e) The Board may impose a Regional Transportation
13 Authority Retailers' Occupation Tax upon all persons engaged in
14 the business of selling tangible personal property at retail in
15 the metropolitan region. In Cook County the tax rate shall be
16 1.25% of the gross receipts from sales of food for human
17 consumption that is to be consumed off the premises where it is
18 sold (other than alcoholic beverages, soft drinks and food that
19 has been prepared for immediate consumption) and prescription
20 and nonprescription medicines, drugs, medical appliances and
21 insulin, urine testing materials, syringes and needles used by
22 diabetics, and 1% of the gross receipts from other taxable
23 sales made in the course of that business. In DuPage, Kane,
24 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
25 of the gross receipts from all taxable sales made in the course
26 of that business. The tax imposed under this Section and all

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

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

1 are required to collect under the Use Tax Act, under any
2 bracket schedules the Department may prescribe.

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

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

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

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

26 Nothing in this Section shall be construed to authorize the

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

5 (f) If a tax has been imposed under paragraph (e), a
6 Regional Transportation Authority Service Occupation Tax shall
7 also be imposed upon all persons engaged, in the metropolitan
8 region in the business of making sales of service, who as an
9 incident to making the sales of service, transfer tangible
10 personal property within the metropolitan region, either in the
11 form of tangible personal property or in the form of real
12 estate as an incident to a sale of service. In Cook County, the
13 tax rate shall be: (1) 1.25% of the serviceman's cost price of
14 food prepared for immediate consumption and transferred
15 incident to a sale of service subject to the service occupation
16 tax by an entity licensed under the Hospital Licensing Act, the
17 Nursing Home Care Act, the Specialized Mental Health
18 Rehabilitation Act of 2013, or the ID/DD Community Care Act
19 that is located in the metropolitan region; (2) 1.25% of the
20 selling price of food for human consumption that is to be
21 consumed off the premises where it is sold (other than
22 alcoholic beverages, soft drinks and food that has been
23 prepared for immediate consumption) and prescription and
24 nonprescription medicines, drugs, medical appliances and
25 insulin, urine testing materials, syringes and needles used by
26 diabetics; and (3) 1% of the selling price from other taxable

1 sales of tangible personal property transferred. In DuPage,
2 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
3 of the selling price of all tangible personal property
4 transferred.

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

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

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

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

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

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

26 The Department shall have full power to administer and

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

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

1 Treasurer out of the Regional Transportation Authority tax fund
2 established under paragraph (n) of this Section.

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

14 The Department shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes collected
16 hereunder.

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

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to the Authority. The
3 amount to be paid to the Authority shall be the amount
4 collected hereunder during the second preceding calendar month
5 by the Department, less any amount determined by the Department
6 to be necessary for the payment of refunds, and less any
7 amounts that are transferred to the STAR Bonds Revenue Fund.
8 Within 10 days after receipt by the Comptroller of the
9 disbursement certification to the Authority provided for in
10 this Section to be given to the Comptroller by the Department,
11 the Comptroller shall cause the orders to be drawn for that
12 amount in accordance with the directions contained in the
13 certification.

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

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

25 (k) The provisions of any tax imposed under paragraph (c)
26 of this Section shall conform as closely as may be practicable

1 to the provisions of the Use Tax Act, including without
2 limitation conformity as to penalties with respect to the tax
3 imposed and as to the powers of the State Department of Revenue
4 to promulgate and enforce rules and regulations relating to the
5 administration and enforcement of the provisions of the tax
6 imposed. The taxes shall be imposed only on use within the
7 metropolitan region and at rates as provided in the paragraph.

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

22 (m) Any ordinance imposing or discontinuing any tax under
23 this Section shall be adopted and a certified copy thereof
24 filed with the Department on or before June 1, whereupon the
25 Department of Revenue shall proceed to administer and enforce
26 this Section on behalf of the Regional Transportation Authority

1 as of September 1 next following such adoption and filing.
2 Beginning January 1, 1992, an ordinance or resolution imposing
3 or discontinuing the tax hereunder shall be adopted and a
4 certified copy thereof filed with the Department on or before
5 the first day of July, whereupon the Department shall proceed
6 to administer and enforce this Section as of the first day of
7 October next following such adoption and filing. Beginning
8 January 1, 1993, an ordinance or resolution imposing,
9 increasing, decreasing, or discontinuing the tax hereunder
10 shall be adopted and a certified copy thereof filed with the
11 Department, whereupon the Department shall proceed to
12 administer and enforce this Section as of the first day of the
13 first month to occur not less than 60 days following such
14 adoption and filing. Any ordinance or resolution of the
15 Authority imposing a tax under this Section and in effect on
16 August 1, 2007 shall remain in full force and effect and shall
17 be administered by the Department of Revenue under the terms
18 and conditions and rates of tax established by such ordinance
19 or resolution until the Department begins administering and
20 enforcing an increased tax under this Section as authorized by
21 this amendatory Act of the 95th General Assembly. The tax rates
22 authorized by this amendatory Act of the 95th General Assembly
23 are effective only if imposed by ordinance of the Authority.

24 (n) The State Department of Revenue shall, upon collecting
25 any taxes as provided in this Section, pay the taxes over to
26 the State Treasurer as trustee for the Authority. The taxes

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

19 In addition to the disbursement required by the preceding
20 paragraph, an allocation shall be made in July 1991 and each
21 year thereafter to the Regional Transportation Authority. The
22 allocation shall be made in an amount equal to the average
23 monthly distribution during the preceding calendar year
24 (excluding the 2 months of lowest receipts) and the allocation
25 shall include the amount of average monthly distribution from
26 the Regional Transportation Authority Occupation and Use Tax

1 Replacement Fund. The distribution made in July 1992 and each
2 year thereafter under this paragraph and the preceding
3 paragraph shall be reduced by the amount allocated and
4 disbursed under this paragraph in the preceding calendar year.
5 The Department of Revenue shall prepare and certify to the
6 Comptroller for disbursement the allocations made in
7 accordance with this paragraph.

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

13 (p) At no time shall a public transportation tax or motor
14 vehicle parking tax authorized under paragraphs (b), (c) and
15 (d) of this Section be in effect at the same time as any
16 retailers' occupation, use or service occupation tax
17 authorized under paragraphs (e), (f) and (g) of this Section is
18 in effect.

19 Any taxes imposed under the authority provided in
20 paragraphs (b), (c) and (d) shall remain in effect only until
21 the time as any tax authorized by paragraphs (e), (f) or (g) of
22 this Section are imposed and becomes effective. Once any tax
23 authorized by paragraphs (e), (f) or (g) is imposed the Board
24 may not reimpose taxes as authorized in paragraphs (b), (c) and
25 (d) of the Section unless any tax authorized by paragraphs (e),
26 (f) or (g) of this Section becomes ineffective by means other

1 than an ordinance of the Board.

2 (q) Any existing rights, remedies and obligations
3 (including enforcement by the Regional Transportation
4 Authority) arising under any tax imposed under paragraphs (b),
5 (c) or (d) of this Section shall not be affected by the
6 imposition of a tax under paragraphs (e), (f) or (g) of this
7 Section.

8 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
9 eff. 7-13-12; 98-104, eff. 7-22-13.)

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

12 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

13 Sec. 4. Taxes.

14 (a) The board of commissioners of any county water
15 commission may, by ordinance, impose throughout the territory
16 of the commission any or all of the taxes provided in this
17 Section for its corporate purposes. However, no county water
18 commission may impose any such tax unless the commission
19 certifies the proposition of imposing the tax to the proper
20 election officials, who shall submit the proposition to the
21 voters residing in the territory at an election in accordance
22 with the general election law, and the proposition has been
23 approved by a majority of those voting on the proposition.

24 The proposition shall be in the form provided in Section 5

1 or shall be substantially in the following form:

2 -----

3 Shall the (insert corporate
4 name of county water commission)

YES

5 impose (state type of tax or
6 taxes to be imposed) at the
7 rate of 1/4%?

NO

8 -----

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

14 (b) The board of commissioners may impose a County Water
15 Commission Retailers' Occupation Tax upon all persons engaged
16 in the business of selling tangible personal property at retail
17 in the territory of the commission at a rate of 1/4% of the
18 gross receipts from the sales made in the course of such
19 business within the territory. The tax imposed under this
20 paragraph and all civil penalties that may be assessed as an
21 incident thereof shall be collected and enforced by the State
22 Department of Revenue. The Department shall have full power to
23 administer and enforce this paragraph; to collect all taxes and
24 penalties due hereunder; to dispose of taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

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

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

1 combination, in a single amount, with State taxes that sellers
2 are required to collect under the Use Tax Act and under
3 subsection (e) of Section 4.03 of the Regional Transportation
4 Authority Act, in accordance with such bracket schedules as the
5 Department may prescribe.

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

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

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

25 No tax shall be imposed or collected under this subsection
26 on the sale of a motor vehicle in this State to a resident of

1 another state if that motor vehicle will not be titled in this
2 State.

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

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

1 and duties, and be subject to the same conditions,
2 restrictions, limitations, penalties, exclusions, exemptions
3 and definitions of terms, and employ the same modes of
4 procedure, as are prescribed in Sections 1a-1, 2 (except that
5 the reference to State in the definition of supplier
6 maintaining a place of business in this State shall mean the
7 territory of the commission), 2a, 3 through 3-50 (in respect to
8 all provisions therein other than the State rate of tax except
9 that food for human consumption that is to be consumed off the
10 premises where it is sold (other than alcoholic beverages, soft
11 drinks, and food that has been prepared for immediate
12 consumption) and prescription and nonprescription medicines,
13 drugs, medical appliances and insulin, urine testing
14 materials, syringes, and needles used by diabetics, for human
15 use, shall not be subject to tax hereunder), 4 (except that the
16 reference to the State shall be to the territory of the
17 commission), 5, 7, 8 (except that the jurisdiction to which the
18 tax shall be a debt to the extent indicated in that Section 8
19 shall be the commission), 9 (except as to the disposition of
20 taxes and penalties collected and except that the returned
21 merchandise credit for this tax may not be taken against any
22 State tax), 10, 11, 12 (except the reference therein to Section
23 2b of the Retailers' Occupation Tax Act), 13 (except that any
24 reference to the State shall mean the territory of the
25 commission), the first paragraph of Section 15, 15.5, 16, 17,
26 18, 19 and 20 of the Service Occupation Tax Act as fully as if

1 those provisions were set forth herein.

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

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

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

25 (d) If a tax has been imposed under subsection (b), a tax
26 shall also imposed upon the privilege of using, in the

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

20 The Department shall have full power to administer and
21 enforce this paragraph; to collect all taxes, penalties and
22 interest due hereunder; to dispose of taxes, penalties and
23 interest so collected in the manner hereinafter provided; and
24 to determine all rights to credit memoranda or refunds arising
25 on account of the erroneous payment of tax, penalty or interest
26 hereunder. In the administration of, and compliance with this

1 paragraph, the Department and persons who are subject to this
2 paragraph shall have the same rights, remedies, privileges,
3 immunities, powers and duties, and be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions and definitions of terms and employ the same modes
6 of procedure, as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3 through 3-80 (except provisions pertaining to the
9 State rate of tax, and except provisions concerning collection
10 or refunding of the tax by retailers, and except that food for
11 human consumption that is to be consumed off the premises where
12 it is sold (other than alcoholic beverages, soft drinks, and
13 food that has been prepared for immediate consumption) and
14 prescription and nonprescription medicines, drugs, medical
15 appliances and insulin, urine testing materials, syringes, and
16 needles used by diabetics, for human use, shall not be subject
17 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
18 portions pertaining to claims by retailers and except the last
19 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
20 and Section 3-7 of the Uniform Penalty and Interest Act that
21 are not inconsistent with this paragraph, as fully as if those
22 provisions were set forth herein.

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

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of a county water commission tax fund established
4 under paragraph (g) of this Section.

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

14 (f) Any ordinance imposing or discontinuing any tax under
15 this Section shall be adopted and a certified copy thereof
16 filed with the Department on or before June 1, whereupon the
17 Department of Revenue shall proceed to administer and enforce
18 this Section on behalf of the county water commission as of
19 September 1 next following the adoption and filing. Beginning
20 January 1, 1992, an ordinance or resolution imposing or
21 discontinuing the tax hereunder shall be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of July, whereupon the Department shall proceed
24 to administer and enforce this Section as of the first day of
25 October next following such adoption and filing. Beginning
26 January 1, 1993, an ordinance or resolution imposing or

1 discontinuing the tax hereunder shall be adopted and a
2 certified copy thereof filed with the Department on or before
3 the first day of October, whereupon the Department shall
4 proceed to administer and enforce this Section as of the first
5 day of January next following such adoption and filing.

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

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois the amount to be paid to
22 the commission, which shall be the amount (not including credit
23 memoranda) collected under this Section during the second
24 preceding calendar month by the Department plus an amount the
25 Department determines is necessary to offset any amounts that
26 were erroneously paid to a different taxing body, and not

1 including any amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of the commission, and not including any amount that the
4 Department determines is necessary to offset any amounts that
5 were payable to a different taxing body but were erroneously
6 paid to the commission, and less any amounts that are
7 transferred to the STAR Bonds Revenue Fund. Within 10 days
8 after receipt by the Comptroller of the certification of the
9 amount to be paid to the commission, the Comptroller shall
10 cause an order to be drawn for the payment for the amount in
11 accordance with the direction in the certification.

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

16 (Source: P.A. 97-333, eff. 8-12-11; 98-298, eff. 8-9-13.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law."