



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2201

Introduced 2/10/2023, by Sen. Donald P. DeWitte

SYNOPSIS AS INTRODUCED:

35 ILCS 105/2	from Ch. 120, par. 439.2
35 ILCS 105/3	from Ch. 120, par. 439.3
35 ILCS 120/1	from Ch. 120, par. 440
35 ILCS 120/2	from Ch. 120, par. 441
35 ILCS 120/2c	from Ch. 120, par. 441c
35 ILCS 120/6e new	
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.7	
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-6a	from Ch. 24, par. 8-11-6a
70 ILCS 200/245-12	
70 ILCS 750/25	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Provides that the taxes also apply to leases of tangible personal property, other than computer software, property that is subject to the Rental Purchase Agreement Occupation and Use Tax Act, and certain automobiles. Amends the Counties Code, the Illinois Municipal Code, the Civic Center Code, the Flood Prevention District Act, the Local Mass Transit District Act, and the Regional Transportation Authority Act to make changes concerning the taxation of leased property. Effective immediately.

LRB103 28036 HLH 54415 b

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Sections
5 2 and 3 as follows:

6 (35 ILCS 105/2) (from Ch. 120, par. 439.2)

7 Sec. 2. Definitions.

8 "Use" means the exercise by any person of any right or
9 power over tangible personal property incident to the
10 ownership of that property, except that it does not include
11 the sale of such property in any form as tangible personal
12 property in the regular course of business to the extent that
13 such property is not first subjected to a use for which it was
14 purchased, and does not include the use of such property by its
15 owner for demonstration purposes: Provided that the property
16 purchased is deemed to be purchased for the purpose of resale,
17 despite first being used, to the extent to which it is resold
18 as an ingredient of an intentionally produced product or
19 by-product of manufacturing. "Use" does not mean the
20 demonstration use or interim use of tangible personal property
21 by a retailer before he sells that tangible personal property.
22 For watercraft or aircraft, if the period of demonstration use
23 or interim use by the retailer exceeds 18 months, the retailer

1 shall pay on the retailers' original cost price the tax
2 imposed by this Act, and no credit for that tax is permitted if
3 the watercraft or aircraft is subsequently sold by the
4 retailer. "Use" does not mean the physical incorporation of
5 tangible personal property, to the extent not first subjected
6 to a use for which it was purchased, as an ingredient or
7 constituent, into other tangible personal property (a) which
8 is sold in the regular course of business or (b) which the
9 person incorporating such ingredient or constituent therein
10 has undertaken at the time of such purchase to cause to be
11 transported in interstate commerce to destinations outside the
12 State of Illinois: Provided that the property purchased is
13 deemed to be purchased for the purpose of resale, despite
14 first being used, to the extent to which it is resold as an
15 ingredient of an intentionally produced product or by-product
16 of manufacturing.

17 "Watercraft" means a Class 2, Class 3, or Class 4
18 watercraft as defined in Section 3-2 of the Boat Registration
19 and Safety Act, a personal watercraft, or any boat equipped
20 with an inboard motor.

21 "Purchase at retail" means the acquisition of the
22 ownership of or title to tangible personal property through a
23 sale at retail.

24 "Purchaser" means anyone who, through a sale at retail,
25 acquires the ownership of tangible personal property for a
26 valuable consideration.

1 "Sale at retail" means any transfer of the ownership of or
2 title to tangible personal property to a purchaser, for the
3 purpose of use, and not for the purpose of resale in any form
4 as tangible personal property to the extent not first
5 subjected to a use for which it was purchased, for a valuable
6 consideration: Provided that the property purchased is deemed
7 to be purchased for the purpose of resale, despite first being
8 used, to the extent to which it is resold as an ingredient of
9 an intentionally produced product or by-product of
10 manufacturing. For this purpose, slag produced as an incident
11 to manufacturing pig iron or steel and sold is considered to be
12 an intentionally produced by-product of manufacturing. "Sale
13 at retail" includes any such transfer made for resale unless
14 made in compliance with Section 2c of the Retailers'
15 Occupation Tax Act, as incorporated by reference into Section
16 12 of this Act. Transactions whereby the possession of the
17 property is transferred but the seller retains the title as
18 security for payment of the selling price are sales.

19 "Sale at retail" shall also be construed to include any
20 Illinois florist's sales transaction in which the purchase
21 order is received in Illinois by a florist and the sale is for
22 use or consumption, but the Illinois florist has a florist in
23 another state deliver the property to the purchaser or the
24 purchaser's donee in such other state.

25 Nonreusable tangible personal property that is used by
26 persons engaged in the business of operating a restaurant,

1 cafeteria, or drive-in is a sale for resale when it is
2 transferred to customers in the ordinary course of business as
3 part of the sale of food or beverages and is used to deliver,
4 package, or consume food or beverages, regardless of where
5 consumption of the food or beverages occurs. Examples of those
6 items include, but are not limited to nonreusable, paper and
7 plastic cups, plates, baskets, boxes, sleeves, buckets or
8 other containers, utensils, straws, placemats, napkins, doggie
9 bags, and wrapping or packaging materials that are transferred
10 to customers as part of the sale of food or beverages in the
11 ordinary course of business.

12 The purchase, employment and transfer of such tangible
13 personal property as newsprint and ink for the primary purpose
14 of conveying news (with or without other information) is not a
15 purchase, use or sale of tangible personal property.

16 "Selling price" means the consideration for a sale valued
17 in money whether received in money or otherwise, including
18 cash, credits, property other than as hereinafter provided,
19 and services, but, prior to January 1, 2020 and beginning
20 again on January 1, 2022, not including the value of or credit
21 given for traded-in tangible personal property where the item
22 that is traded-in is of like kind and character as that which
23 is being sold; beginning January 1, 2020 and until January 1,
24 2022, "selling price" includes the portion of the value of or
25 credit given for traded-in motor vehicles of the First
26 Division as defined in Section 1-146 of the Illinois Vehicle

1 Code of like kind and character as that which is being sold
2 that exceeds \$10,000. "Selling price" shall be determined
3 without any deduction on account of the cost of the property
4 sold, the cost of materials used, labor or service cost or any
5 other expense whatsoever, but does not include interest or
6 finance charges which appear as separate items on the bill of
7 sale or sales contract nor charges that are added to prices by
8 sellers on account of the seller's tax liability under the
9 Retailers' Occupation Tax Act, or on account of the seller's
10 duty to collect, from the purchaser, the tax that is imposed by
11 this Act, or, except as otherwise provided with respect to any
12 cigarette tax imposed by a home rule unit, on account of the
13 seller's tax liability under any local occupation tax
14 administered by the Department, or, except as otherwise
15 provided with respect to any cigarette tax imposed by a home
16 rule unit on account of the seller's duty to collect, from the
17 purchasers, the tax that is imposed under any local use tax
18 administered by the Department. Effective December 1, 1985,
19 "selling price" shall include charges that are added to prices
20 by sellers on account of the seller's tax liability under the
21 Cigarette Tax Act, on account of the seller's duty to collect,
22 from the purchaser, the tax imposed under the Cigarette Use
23 Tax Act, and on account of the seller's duty to collect, from
24 the purchaser, any cigarette tax imposed by a home rule unit.

25 Notwithstanding any law to the contrary, for any motor
26 vehicle, as defined in Section 1-146 of the Vehicle Code, that

1 is sold on or after January 1, 2015 for the purpose of leasing
2 the vehicle for a defined period that is longer than one year
3 and (1) is a motor vehicle of the second division that: (A) is
4 a self-contained motor vehicle designed or permanently
5 converted to provide living quarters for recreational,
6 camping, or travel use, with direct walk through access to the
7 living quarters from the driver's seat; (B) is of the van
8 configuration designed for the transportation of not less than
9 7 nor more than 16 passengers; or (C) has a gross vehicle
10 weight rating of 8,000 pounds or less or (2) is a motor vehicle
11 of the first division, and, on and after January 1, 2023, for
12 any item of tangible personal property, other than computer
13 software and property subject to the Rental Purchase Agreement
14 Occupation and Use Tax Act, that the purchaser certifies is
15 purchased for the purpose of leasing, referred to in this
16 Section as "leased property", "selling price" or "amount of
17 sale" means the consideration received by the lessor pursuant
18 to the motor vehicle lease contract, or oral or written
19 agreement for other leased property, including amounts due at
20 lease signing and all monthly or other regular payments
21 charged over the term of the lease. Also included in the
22 selling price is any amount received by the lessor from the
23 lessee for the leased vehicle or other leased property that is
24 not calculated at the time the lease is executed, including,
25 but not limited to, excess mileage charges and charges for
26 excess wear and tear. For sales that occur in Illinois, with

1 respect to any amount received by the lessor from the lessee
2 for the leased vehicle or other leased property that is not
3 calculated at the time the lease is executed, the lessor who
4 purchased the motor vehicle or other leased property does not
5 incur the tax imposed by the Use Tax Act on those amounts, and
6 the retailer who makes the retail sale of the motor vehicle to
7 the lessor is not required to collect the tax imposed by this
8 Act or to pay the tax imposed by the Retailers' Occupation Tax
9 Act on those amounts. However, the lessor who purchased the
10 motor vehicle or other leased property assumes the liability
11 for reporting and paying the tax on those amounts directly to
12 the Department in the same form (Illinois Retailers'
13 Occupation Tax, and local retailers' occupation taxes, if
14 applicable) in which the retailer would have reported and paid
15 such tax if the retailer had accounted for the tax to the
16 Department. For amounts received by the lessor from the lessee
17 that are not calculated at the time the lease is executed, the
18 lessor must file the return and pay the tax to the Department
19 by the due date otherwise required by this Act for returns
20 other than transaction returns. If the retailer is entitled
21 under this Act to a discount for collecting and remitting the
22 tax imposed under this Act to the Department with respect to
23 the sale of the motor vehicle or other leased property to the
24 lessor, then the right to the discount provided in this Act
25 shall be transferred to the lessor with respect to the tax paid
26 by the lessor for any amount received by the lessor from the

1 lessee for the leased vehicle or other leased property that is
2 not calculated at the time the lease is executed; provided
3 that the discount is only allowed if the return is timely filed
4 and for amounts timely paid. The "selling price" of a motor
5 vehicle that is sold on or after January 1, 2015 for the
6 purpose of leasing for a defined period of longer than one
7 year, and the "selling price" of other tangible personal
8 property, other than computer software and property that is
9 subject to the Rental Purchase Agreement Occupation and Use
10 Tax Act, that is sold on or after January 1, 2023 for the
11 purpose of leasing, shall not be reduced by the value of or
12 credit given for traded-in tangible personal property owned by
13 the lessor, nor shall it be reduced by the value of or credit
14 given for traded-in tangible personal property owned by the
15 lessee, regardless of whether the trade-in value thereof is
16 assigned by the lessee to the lessor. In the case of a motor
17 vehicle that is sold for the purpose of leasing for a defined
18 period of longer than one year, the sale occurs at the time of
19 the delivery of the vehicle, regardless of the due date of any
20 lease payments. In the case of other leased property, the sale
21 occurs upon delivery of the property to the lessor, and tax is
22 due upon each payment made by a lessee. A lessor who incurs a
23 Retailers' Occupation Tax liability on the sale of a motor
24 vehicle coming off lease or the sale of other leased property
25 may not take a credit against that liability for the Use Tax
26 the lessor paid upon the purchase of the motor vehicle (or for

1 any tax the lessor paid with respect to any amount received by
2 the lessor from the lessee for the leased vehicle that was not
3 calculated at the time the lease was executed) if the selling
4 price of the motor vehicle at the time of purchase was
5 calculated using the definition of "selling price" as defined
6 in this paragraph. Notwithstanding any other provision of this
7 Act to the contrary, lessors shall file all returns and make
8 all payments required under this paragraph to the Department
9 by electronic means in the manner and form as required by the
10 Department. This paragraph does not apply to leases of motor
11 vehicles for which, at the time the lease is entered into, the
12 term of the lease is not a defined period, including leases
13 with a defined initial period with the option to continue the
14 lease on a month-to-month or other basis beyond the initial
15 defined period.

16 The phrase "like kind and character" shall be liberally
17 construed (including but not limited to any form of motor
18 vehicle for any form of motor vehicle, or any kind of farm or
19 agricultural implement for any other kind of farm or
20 agricultural implement), while not including a kind of item
21 which, if sold at retail by that retailer, would be exempt from
22 retailers' occupation tax and use tax as an isolated or
23 occasional sale.

24 "Department" means the Department of Revenue.

25 "Person" means any natural individual, firm, partnership,
26 association, joint stock company, joint adventure, public or

1 private corporation, limited liability company, or a receiver,
2 executor, trustee, guardian or other representative appointed
3 by order of any court.

4 "Retailer" means and includes every person engaged in the
5 business of making sales at retail as defined in this Section.

6 A person who holds himself or herself out as being engaged
7 (or who habitually engages) in selling tangible personal
8 property at retail is a retailer hereunder with respect to
9 such sales (and not primarily in a service occupation)
10 notwithstanding the fact that such person designs and produces
11 such tangible personal property on special order for the
12 purchaser and in such a way as to render the property of value
13 only to such purchaser, if such tangible personal property so
14 produced on special order serves substantially the same
15 function as stock or standard items of tangible personal
16 property that are sold at retail.

17 A person whose activities are organized and conducted
18 primarily as a not-for-profit service enterprise, and who
19 engages in selling tangible personal property at retail
20 (whether to the public or merely to members and their guests)
21 is a retailer with respect to such transactions, excepting
22 only a person organized and operated exclusively for
23 charitable, religious or educational purposes either (1), to
24 the extent of sales by such person to its members, students,
25 patients or inmates of tangible personal property to be used
26 primarily for the purposes of such person, or (2), to the

1 extent of sales by such person of tangible personal property
2 which is not sold or offered for sale by persons organized for
3 profit. The selling of school books and school supplies by
4 schools at retail to students is not "primarily for the
5 purposes of" the school which does such selling. This
6 paragraph does not apply to nor subject to taxation occasional
7 dinners, social or similar activities of a person organized
8 and operated exclusively for charitable, religious or
9 educational purposes, whether or not such activities are open
10 to the public.

11 A person who is the recipient of a grant or contract under
12 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and
13 serves meals to participants in the federal Nutrition Program
14 for the Elderly in return for contributions established in
15 amount by the individual participant pursuant to a schedule of
16 suggested fees as provided for in the federal Act is not a
17 retailer under this Act with respect to such transactions.

18 Persons who engage in the business of transferring
19 tangible personal property upon the redemption of trading
20 stamps are retailers hereunder when engaged in such business.

21 The isolated or occasional sale of tangible personal
22 property at retail by a person who does not hold himself out as
23 being engaged (or who does not habitually engage) in selling
24 such tangible personal property at retail or a sale through a
25 bulk vending machine does not make such person a retailer
26 hereunder. However, any person who is engaged in a business

1 which is not subject to the tax imposed by the Retailers'
2 Occupation Tax Act because of involving the sale of or a
3 contract to sell real estate or a construction contract to
4 improve real estate, but who, in the course of conducting such
5 business, transfers tangible personal property to users or
6 consumers in the finished form in which it was purchased, and
7 which does not become real estate, under any provision of a
8 construction contract or real estate sale or real estate sales
9 agreement entered into with some other person arising out of
10 or because of such nontaxable business, is a retailer to the
11 extent of the value of the tangible personal property so
12 transferred. If, in such transaction, a separate charge is
13 made for the tangible personal property so transferred, the
14 value of such property, for the purposes of this Act, is the
15 amount so separately charged, but not less than the cost of
16 such property to the transferor; if no separate charge is
17 made, the value of such property, for the purposes of this Act,
18 is the cost to the transferor of such tangible personal
19 property.

20 "Retailer maintaining a place of business in this State",
21 or any like term, means and includes any of the following
22 retailers:

23 (1) A retailer having or maintaining within this
24 State, directly or by a subsidiary, an office,
25 distribution house, sales house, warehouse or other place
26 of business, or any agent or other representative

1 operating within this State under the authority of the
2 retailer or its subsidiary, irrespective of whether such
3 place of business or agent or other representative is
4 located here permanently or temporarily, or whether such
5 retailer or subsidiary is licensed to do business in this
6 State. However, the ownership of property that is located
7 at the premises of a printer with which the retailer has
8 contracted for printing and that consists of the final
9 printed product, property that becomes a part of the final
10 printed product, or copy from which the printed product is
11 produced shall not result in the retailer being deemed to
12 have or maintain an office, distribution house, sales
13 house, warehouse, or other place of business within this
14 State.

15 (1.1) A retailer having a contract with a person
16 located in this State under which the person, for a
17 commission or other consideration based upon the sale of
18 tangible personal property by the retailer, directly or
19 indirectly refers potential customers to the retailer by
20 providing to the potential customers a promotional code or
21 other mechanism that allows the retailer to track
22 purchases referred by such persons. Examples of mechanisms
23 that allow the retailer to track purchases referred by
24 such persons include but are not limited to the use of a
25 link on the person's Internet website, promotional codes
26 distributed through the person's hand-delivered or mailed

1 material, and promotional codes distributed by the person
2 through radio or other broadcast media. The provisions of
3 this paragraph (1.1) shall apply only if the cumulative
4 gross receipts from sales of tangible personal property by
5 the retailer to customers who are referred to the retailer
6 by all persons in this State under such contracts exceed
7 \$10,000 during the preceding 4 quarterly periods ending on
8 the last day of March, June, September, and December. A
9 retailer meeting the requirements of this paragraph (1.1)
10 shall be presumed to be maintaining a place of business in
11 this State but may rebut this presumption by submitting
12 proof that the referrals or other activities pursued
13 within this State by such persons were not sufficient to
14 meet the nexus standards of the United States Constitution
15 during the preceding 4 quarterly periods.

16 (1.2) Beginning July 1, 2011, a retailer having a
17 contract with a person located in this State under which:

18 (A) the retailer sells the same or substantially
19 similar line of products as the person located in this
20 State and does so using an identical or substantially
21 similar name, trade name, or trademark as the person
22 located in this State; and

23 (B) the retailer provides a commission or other
24 consideration to the person located in this State
25 based upon the sale of tangible personal property by
26 the retailer.

1 The provisions of this paragraph (1.2) shall apply
2 only if the cumulative gross receipts from sales of
3 tangible personal property by the retailer to customers in
4 this State under all such contracts exceed \$10,000 during
5 the preceding 4 quarterly periods ending on the last day
6 of March, June, September, and December.

7 (2) (Blank).

8 (3) (Blank).

9 (4) (Blank).

10 (5) (Blank).

11 (6) (Blank).

12 (7) (Blank).

13 (8) (Blank).

14 (9) Beginning October 1, 2018, a retailer making sales
15 of tangible personal property to purchasers in Illinois
16 from outside of Illinois if:

17 (A) the cumulative gross receipts from sales of
18 tangible personal property to purchasers in Illinois
19 are \$100,000 or more; or

20 (B) the retailer enters into 200 or more separate
21 transactions for the sale of tangible personal
22 property to purchasers in Illinois.

23 The retailer shall determine on a quarterly basis,
24 ending on the last day of March, June, September, and
25 December, whether he or she meets the criteria of either
26 subparagraph (A) or (B) of this paragraph (9) for the

1 preceding 12-month period. If the retailer meets the
2 threshold of either subparagraph (A) or (B) for a 12-month
3 period, he or she is considered a retailer maintaining a
4 place of business in this State and is required to collect
5 and remit the tax imposed under this Act and file returns
6 for one year. At the end of that one-year period, the
7 retailer shall determine whether he or she met the
8 threshold of either subparagraph (A) or (B) during the
9 preceding 12-month period. If the retailer met the
10 criteria in either subparagraph (A) or (B) for the
11 preceding 12-month period, he or she is considered a
12 retailer maintaining a place of business in this State and
13 is required to collect and remit the tax imposed under
14 this Act and file returns for the subsequent year. If at
15 the end of a one-year period a retailer that was required
16 to collect and remit the tax imposed under this Act
17 determines that he or she did not meet the threshold in
18 either subparagraph (A) or (B) during the preceding
19 12-month period, the retailer shall subsequently determine
20 on a quarterly basis, ending on the last day of March,
21 June, September, and December, whether he or she meets the
22 threshold of either subparagraph (A) or (B) for the
23 preceding 12-month period.

24 Beginning January 1, 2020, neither the gross receipts
25 from nor the number of separate transactions for sales of
26 tangible personal property to purchasers in Illinois that

1 a retailer makes through a marketplace facilitator and for
2 which the retailer has received a certification from the
3 marketplace facilitator pursuant to Section 2d of this Act
4 shall be included for purposes of determining whether he
5 or she has met the thresholds of this paragraph (9).

6 (10) Beginning January 1, 2020, a marketplace
7 facilitator that meets a threshold set forth in subsection
8 (b) of Section 2d of this Act.

9 "Bulk vending machine" means a vending machine, containing
10 unsorted confections, nuts, toys, or other items designed
11 primarily to be used or played with by children which, when a
12 coin or coins of a denomination not larger than \$0.50 are
13 inserted, are dispensed in equal portions, at random and
14 without selection by the customer.

15 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 1-1-20;
16 101-604, eff. 1-1-20; 102-353, eff. 1-1-22.)

17 (35 ILCS 105/3) (from Ch. 120, par. 439.3)

18 Sec. 3. Tax imposed. A tax is imposed upon the privilege of
19 (i) using in this State tangible personal property purchased
20 at retail from a retailer, including computer software, and
21 including photographs, negatives, and positives that are the
22 product of photoprocessing, but not including products of
23 photoprocessing produced for use in motion pictures for
24 commercial exhibition and (ii) leasing in this State tangible
25 personal property, other than computer software and property

1 subject to the Rental Purchase Agreement Occupation and Use
2 Tax Act and any motor vehicle as defined in Section 1-146 of
3 the Illinois Vehicle Code. Beginning January 1, 2001, prepaid
4 telephone calling arrangements shall be considered tangible
5 personal property subject to the tax imposed under this Act
6 regardless of the form in which those arrangements may be
7 embodied, transmitted, or fixed by any method now known or
8 hereafter developed. Purchases of (1) electricity delivered to
9 customers by wire; (2) natural or artificial gas that is
10 delivered to customers through pipes, pipelines, or mains; and
11 (3) water that is delivered to customers through pipes,
12 pipelines, or mains are not subject to tax under this Act. The
13 provisions of this amendatory Act of the 98th General Assembly
14 are declaratory of existing law as to the meaning and scope of
15 this Act.

16 (Source: P.A. 98-583, eff. 1-1-14.)

17 Section 10. The Retailers' Occupation Tax Act is amended
18 by changing Sections 1, 2, and 2c and by adding Section 6e as
19 follows:

20 (35 ILCS 120/1) (from Ch. 120, par. 440)

21 Sec. 1. Definitions. "Sale at retail" means any transfer
22 of the ownership of or title to tangible personal property to a
23 purchaser, for the purpose of use or consumption, and not for
24 the purpose of resale in any form as tangible personal

1 property to the extent not first subjected to a use for which
2 it was purchased, for a valuable consideration: Provided that
3 the property purchased is deemed to be purchased for the
4 purpose of resale, despite first being used, to the extent to
5 which it is resold as an ingredient of an intentionally
6 produced product or byproduct of manufacturing. For this
7 purpose, slag produced as an incident to manufacturing pig
8 iron or steel and sold is considered to be an intentionally
9 produced byproduct of manufacturing. Transactions whereby the
10 possession of the property is transferred but the seller
11 retains the title as security for payment of the selling price
12 shall be deemed to be sales.

13 "Sale at retail" shall be construed to include any
14 transfer of the ownership of or title to tangible personal
15 property to a purchaser, for use or consumption by any other
16 person to whom such purchaser may transfer the tangible
17 personal property without a valuable consideration, and to
18 include any transfer, whether made for or without a valuable
19 consideration, for resale in any form as tangible personal
20 property unless made in compliance with Section 2c of this
21 Act.

22 Sales of tangible personal property, which property, to
23 the extent not first subjected to a use for which it was
24 purchased, as an ingredient or constituent, goes into and
25 forms a part of tangible personal property subsequently the
26 subject of a "Sale at retail", are not sales at retail as

1 defined in this Act: Provided that the property purchased is
2 deemed to be purchased for the purpose of resale, despite
3 first being used, to the extent to which it is resold as an
4 ingredient of an intentionally produced product or byproduct
5 of manufacturing.

6 "Sale at retail" shall be construed to include any
7 Illinois florist's sales transaction in which the purchase
8 order is received in Illinois by a florist and the sale is for
9 use or consumption, but the Illinois florist has a florist in
10 another state deliver the property to the purchaser or the
11 purchaser's donee in such other state.

12 Nonreusable tangible personal property that is used by
13 persons engaged in the business of operating a restaurant,
14 cafeteria, or drive-in is a sale for resale when it is
15 transferred to customers in the ordinary course of business as
16 part of the sale of food or beverages and is used to deliver,
17 package, or consume food or beverages, regardless of where
18 consumption of the food or beverages occurs. Examples of those
19 items include, but are not limited to nonreusable, paper and
20 plastic cups, plates, baskets, boxes, sleeves, buckets or
21 other containers, utensils, straws, placemats, napkins, doggie
22 bags, and wrapping or packaging materials that are transferred
23 to customers as part of the sale of food or beverages in the
24 ordinary course of business.

25 The purchase, employment and transfer of such tangible
26 personal property as newsprint and ink for the primary purpose

1 of conveying news (with or without other information) is not a
2 purchase, use or sale of tangible personal property.

3 A person whose activities are organized and conducted
4 primarily as a not-for-profit service enterprise, and who
5 engages in selling tangible personal property at retail
6 (whether to the public or merely to members and their guests)
7 is engaged in the business of selling tangible personal
8 property at retail with respect to such transactions,
9 excepting only a person organized and operated exclusively for
10 charitable, religious or educational purposes either (1), to
11 the extent of sales by such person to its members, students,
12 patients or inmates of tangible personal property to be used
13 primarily for the purposes of such person, or (2), to the
14 extent of sales by such person of tangible personal property
15 which is not sold or offered for sale by persons organized for
16 profit. The selling of school books and school supplies by
17 schools at retail to students is not "primarily for the
18 purposes of" the school which does such selling. The
19 provisions of this paragraph shall not apply to nor subject to
20 taxation occasional dinners, socials or similar activities of
21 a person organized and operated exclusively for charitable,
22 religious or educational purposes, whether or not such
23 activities are open to the public.

24 A person who is the recipient of a grant or contract under
25 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and
26 serves meals to participants in the federal Nutrition Program

1 for the Elderly in return for contributions established in
2 amount by the individual participant pursuant to a schedule of
3 suggested fees as provided for in the federal Act is not
4 engaged in the business of selling tangible personal property
5 at retail with respect to such transactions.

6 "Purchaser" means anyone who, through a sale at retail,
7 acquires the ownership of or title to tangible personal
8 property for a valuable consideration.

9 "Reseller of motor fuel" means any person engaged in the
10 business of selling or delivering or transferring title of
11 motor fuel to another person other than for use or
12 consumption. No person shall act as a reseller of motor fuel
13 within this State without first being registered as a reseller
14 pursuant to Section 2c or a retailer pursuant to Section 2a.

15 "Selling price" or the "amount of sale" means the
16 consideration for a sale valued in money whether received in
17 money or otherwise, including cash, credits, property, other
18 than as hereinafter provided, and services, but, prior to
19 January 1, 2020 and beginning again on January 1, 2022, not
20 including the value of or credit given for traded-in tangible
21 personal property where the item that is traded-in is of like
22 kind and character as that which is being sold; beginning
23 January 1, 2020 and until January 1, 2022, "selling price"
24 includes the portion of the value of or credit given for
25 traded-in motor vehicles of the First Division as defined in
26 Section 1-146 of the Illinois Vehicle Code of like kind and

1 character as that which is being sold that exceeds \$10,000.
2 "Selling price" shall be determined without any deduction on
3 account of the cost of the property sold, the cost of materials
4 used, labor or service cost or any other expense whatsoever,
5 but does not include charges that are added to prices by
6 sellers on account of the seller's tax liability under this
7 Act, or on account of the seller's duty to collect, from the
8 purchaser, the tax that is imposed by the Use Tax Act, or,
9 except as otherwise provided with respect to any cigarette tax
10 imposed by a home rule unit, on account of the seller's tax
11 liability under any local occupation tax administered by the
12 Department, or, except as otherwise provided with respect to
13 any cigarette tax imposed by a home rule unit on account of the
14 seller's duty to collect, from the purchasers, the tax that is
15 imposed under any local use tax administered by the
16 Department. Effective December 1, 1985, "selling price" shall
17 include charges that are added to prices by sellers on account
18 of the seller's tax liability under the Cigarette Tax Act, on
19 account of the sellers' duty to collect, from the purchaser,
20 the tax imposed under the Cigarette Use Tax Act, and on account
21 of the seller's duty to collect, from the purchaser, any
22 cigarette tax imposed by a home rule unit.

23 Notwithstanding any law to the contrary, for any motor
24 vehicle, as defined in Section 1-146 of the Vehicle Code, that
25 is sold on or after January 1, 2015 for the purpose of leasing
26 the vehicle for a defined period that is longer than one year

1 and (1) is a motor vehicle of the second division that: (A) is
2 a self-contained motor vehicle designed or permanently
3 converted to provide living quarters for recreational,
4 camping, or travel use, with direct walk through access to the
5 living quarters from the driver's seat; (B) is of the van
6 configuration designed for the transportation of not less than
7 nor more than 16 passengers; or (C) has a gross vehicle
8 weight rating of 8,000 pounds or less or (2) is a motor vehicle
9 of the first division, and, on and after January 1, 2023, for
10 any item of tangible personal property, other than computer
11 software and property subject to the Rental Purchase Agreement
12 Occupation and Use Tax Act, that the purchaser certifies is
13 purchased for the purpose of leasing, referred to in this
14 Section as "leased property", "selling price" or "amount of
15 sale" means the consideration received by the lessor pursuant
16 to the motor vehicle lease contract, or oral or written
17 agreement for other leased property, including amounts due at
18 lease signing and all monthly or other regular payments
19 charged over the term of the lease. Also included in the
20 selling price is any amount received by the lessor from the
21 lessee for the leased vehicle or other leased property that is
22 not calculated at the time the lease is executed, including,
23 but not limited to, excess mileage charges and charges for
24 excess wear and tear. For sales that occur in Illinois, with
25 respect to any amount received by the lessor from the lessee
26 for the leased vehicle or other leased property that is not

1 calculated at the time the lease is executed, the lessor who
2 purchased the motor vehicle or other leased property does not
3 incur the tax imposed by the Use Tax Act on those amounts, and
4 the retailer who makes the retail sale of the motor vehicle to
5 the lessor is not required to collect the tax imposed by the
6 Use Tax Act or to pay the tax imposed by this Act on those
7 amounts. However, the lessor who purchased the motor vehicle
8 assumes the liability for reporting and paying the tax on
9 those amounts directly to the Department in the same form
10 (Illinois Retailers' Occupation Tax, and local retailers'
11 occupation taxes, if applicable) in which the retailer would
12 have reported and paid such tax if the retailer had accounted
13 for the tax to the Department. For amounts received by the
14 lessor from the lessee that are not calculated at the time the
15 lease is executed, the lessor must file the return and pay the
16 tax to the Department by the due date otherwise required by
17 this Act for returns other than transaction returns. If the
18 retailer is entitled under this Act to a discount for
19 collecting and remitting the tax imposed under this Act to the
20 Department with respect to the sale of the motor vehicle or
21 other leased property to the lessor, then the right to the
22 discount provided in this Act shall be transferred to the
23 lessor with respect to the tax paid by the lessor for any
24 amount received by the lessor from the lessee for the leased
25 vehicle or other leased property that is not calculated at the
26 time the lease is executed; provided that the discount is only

1 allowed if the return is timely filed and for amounts timely
2 paid. The "selling price" of a motor vehicle that is sold on or
3 after January 1, 2015 for the purpose of leasing for a defined
4 period of longer than one year and other tangible personal
5 property, other than computer software and property that is
6 subject to the Rental Purchase Agreement Occupation and Use
7 Tax Act, that is sold on or after January 1, 2023 for the
8 purpose of leasing shall not be reduced by the value of or
9 credit given for traded-in tangible personal property owned by
10 the lessor, nor shall it be reduced by the value of or credit
11 given for traded-in tangible personal property owned by the
12 lessee, regardless of whether the trade-in value thereof is
13 assigned by the lessee to the lessor. In the case of a motor
14 vehicle that is sold for the purpose of leasing for a defined
15 period of longer than one year, the sale occurs at the time of
16 the delivery of the vehicle, regardless of the due date of any
17 lease payments. In the case of other leased property, the sale
18 occurs upon delivery of the property to the lessor, and tax is
19 due upon each payment made by the lessee. A lessor who incurs a
20 Retailers' Occupation Tax liability on the sale of a motor
21 vehicle coming off lease or the sale of other leased property
22 may not take a credit against that liability for the Use Tax
23 the lessor paid upon the purchase of the motor vehicle (or for
24 any tax the lessor paid with respect to any amount received by
25 the lessor from the lessee for the leased vehicle that was not
26 calculated at the time the lease was executed) if the selling

1 price of the motor vehicle at the time of purchase was
2 calculated using the definition of "selling price" as defined
3 in this paragraph. Notwithstanding any other provision of this
4 Act to the contrary, lessors shall file all returns and make
5 all payments required under this paragraph to the Department
6 by electronic means in the manner and form as required by the
7 Department. This paragraph does not apply to leases of motor
8 vehicles for which, at the time the lease is entered into, the
9 term of the lease is not a defined period, including leases
10 with a defined initial period with the option to continue the
11 lease on a month-to-month or other basis beyond the initial
12 defined period.

13 The phrase "like kind and character" shall be liberally
14 construed (including but not limited to any form of motor
15 vehicle for any form of motor vehicle, or any kind of farm or
16 agricultural implement for any other kind of farm or
17 agricultural implement), while not including a kind of item
18 which, if sold at retail by that retailer, would be exempt from
19 retailers' occupation tax and use tax as an isolated or
20 occasional sale.

21 "Gross receipts" from the sales of tangible personal
22 property at retail means the total selling price or the amount
23 of such sales, as hereinbefore defined. In the case of charge
24 and time sales, the amount thereof shall be included only as
25 and when payments are received by the seller. Receipts or
26 other consideration derived by a seller from the sale,

1 transfer or assignment of accounts receivable to a wholly
2 owned subsidiary will not be deemed payments prior to the time
3 the purchaser makes payment on such accounts.

4 "Department" means the Department of Revenue.

5 "Person" means any natural individual, firm, partnership,
6 association, joint stock company, joint adventure, public or
7 private corporation, limited liability company, or a receiver,
8 executor, trustee, guardian or other representative appointed
9 by order of any court.

10 The isolated or occasional sale of tangible personal
11 property at retail by a person who does not hold himself out as
12 being engaged (or who does not habitually engage) in selling
13 such tangible personal property at retail, or a sale through a
14 bulk vending machine, does not constitute engaging in a
15 business of selling such tangible personal property at retail
16 within the meaning of this Act; provided that any person who is
17 engaged in a business which is not subject to the tax imposed
18 by this Act because of involving the sale of or a contract to
19 sell real estate or a construction contract to improve real
20 estate or a construction contract to engineer, install, and
21 maintain an integrated system of products, but who, in the
22 course of conducting such business, transfers tangible
23 personal property to users or consumers in the finished form
24 in which it was purchased, and which does not become real
25 estate or was not engineered and installed, under any
26 provision of a construction contract or real estate sale or

1 real estate sales agreement entered into with some other
2 person arising out of or because of such nontaxable business,
3 is engaged in the business of selling tangible personal
4 property at retail to the extent of the value of the tangible
5 personal property so transferred. If, in such a transaction, a
6 separate charge is made for the tangible personal property so
7 transferred, the value of such property, for the purpose of
8 this Act, shall be the amount so separately charged, but not
9 less than the cost of such property to the transferor; if no
10 separate charge is made, the value of such property, for the
11 purposes of this Act, is the cost to the transferor of such
12 tangible personal property. Construction contracts for the
13 improvement of real estate consisting of engineering,
14 installation, and maintenance of voice, data, video, security,
15 and all telecommunication systems do not constitute engaging
16 in a business of selling tangible personal property at retail
17 within the meaning of this Act if they are sold at one
18 specified contract price.

19 A person who holds himself or herself out as being engaged
20 (or who habitually engages) in selling tangible personal
21 property at retail is a person engaged in the business of
22 selling tangible personal property at retail hereunder with
23 respect to such sales (and not primarily in a service
24 occupation) notwithstanding the fact that such person designs
25 and produces such tangible personal property on special order
26 for the purchaser and in such a way as to render the property

1 of value only to such purchaser, if such tangible personal
2 property so produced on special order serves substantially the
3 same function as stock or standard items of tangible personal
4 property that are sold at retail.

5 Persons who engage in the business of transferring
6 tangible personal property upon the redemption of trading
7 stamps are engaged in the business of selling such property at
8 retail and shall be liable for and shall pay the tax imposed by
9 this Act on the basis of the retail value of the property
10 transferred upon redemption of such stamps.

11 "Bulk vending machine" means a vending machine, containing
12 unsorted confections, nuts, toys, or other items designed
13 primarily to be used or played with by children which, when a
14 coin or coins of a denomination not larger than \$0.50 are
15 inserted, are dispensed in equal portions, at random and
16 without selection by the customer.

17 "Remote retailer" means a retailer that does not maintain
18 within this State, directly or by a subsidiary, an office,
19 distribution house, sales house, warehouse or other place of
20 business, or any agent or other representative operating
21 within this State under the authority of the retailer or its
22 subsidiary, irrespective of whether such place of business or
23 agent is located here permanently or temporarily or whether
24 such retailer or subsidiary is licensed to do business in this
25 State.

26 "Marketplace" means a physical or electronic place, forum,

1 platform, application, or other method by which a marketplace
2 seller sells or offers to sell items.

3 "Marketplace facilitator" means a person who, pursuant to
4 an agreement with an unrelated third-party marketplace seller,
5 directly or indirectly through one or more affiliates
6 facilitates a retail sale by an unrelated third party
7 marketplace seller by:

8 (1) listing or advertising for sale by the marketplace
9 seller in a marketplace, tangible personal property that
10 is subject to tax under this Act; and

11 (2) either directly or indirectly, through agreements
12 or arrangements with third parties, collecting payment
13 from the customer and transmitting that payment to the
14 marketplace seller regardless of whether the marketplace
15 facilitator receives compensation or other consideration
16 in exchange for its services.

17 A person who provides advertising services, including
18 listing products for sale, is not considered a marketplace
19 facilitator, so long as the advertising service platform or
20 forum does not engage, directly or indirectly through one or
21 more affiliated persons, in the activities described in
22 paragraph (2) of this definition of "marketplace facilitator".

23 "Marketplace facilitator" does not include any person
24 licensed under the Auction License Act. This exemption does
25 not apply to any person who is an Internet auction listing
26 service, as defined by the Auction License Act.

1 "Marketplace seller" means a person that makes sales
2 through a marketplace operated by an unrelated third party
3 marketplace facilitator.

4 (Source: P.A. 101-31, eff. 6-28-19; 101-604, eff. 1-1-20;
5 102-353, eff. 1-1-22; 102-634, eff. 8-27-21; 102-813, eff.
6 5-13-22.)

7 (35 ILCS 120/2) (from Ch. 120, par. 441)

8 Sec. 2. Tax imposed.

9 (a) A tax is imposed upon persons engaged in the business
10 of one or both of the following: (i) selling at retail tangible
11 personal property, including computer software, and including
12 photographs, negatives, and positives that are the product of
13 photoprocessing, but not including products of photoprocessing
14 produced for use in motion pictures for public commercial
15 exhibition and (ii) leasing tangible personal property, other
16 than computer software and property subject to the Rental
17 Purchase Agreement Occupation and Use Tax Act and any motor
18 vehicle as defined in Section 1-146 of the Illinois Vehicle
19 Code. Beginning January 1, 2001, prepaid telephone calling
20 arrangements shall be considered tangible personal property
21 subject to the tax imposed under this Act regardless of the
22 form in which those arrangements may be embodied, transmitted,
23 or fixed by any method now known or hereafter developed. Sales
24 of (1) electricity delivered to customers by wire; (2) natural
25 or artificial gas that is delivered to customers through

1 pipes, pipelines, or mains; and (3) water that is delivered to
2 customers through pipes, pipelines, or mains are not subject
3 to tax under this Act. The provisions of this amendatory Act of
4 the 98th General Assembly are declaratory of existing law as
5 to the meaning and scope of this Act.

6 (b) Beginning on January 1, 2021, a remote retailer is
7 engaged in the occupation of selling at retail in Illinois for
8 purposes of this Act, if:

9 (1) the cumulative gross receipts from sales of
10 tangible personal property to purchasers in Illinois are
11 \$100,000 or more; or

12 (2) the retailer enters into 200 or more separate
13 transactions for the sale of tangible personal property to
14 purchasers in Illinois.

15 Remote retailers that meet or exceed the threshold in
16 either paragraph (1) or (2) above shall be liable for all
17 applicable State retailers' and locally imposed retailers'
18 occupation taxes administered by the Department on all retail
19 sales to Illinois purchasers.

20 The remote retailer shall determine on a quarterly basis,
21 ending on the last day of March, June, September, and
22 December, whether he or she meets the criteria of either
23 paragraph (1) or (2) of this subsection for the preceding
24 12-month period. If the retailer meets the criteria of either
25 paragraph (1) or (2) for a 12-month period, he or she is
26 considered a retailer maintaining a place of business in this

1 State and is required to collect and remit the tax imposed
2 under this Act and all retailers' occupation tax imposed by
3 local taxing jurisdictions in Illinois, provided such local
4 taxes are administered by the Department, and to file all
5 applicable returns for one year. At the end of that one-year
6 period, the retailer shall determine whether the retailer met
7 the criteria of either paragraph (1) or (2) for the preceding
8 12-month period. If the retailer met the criteria in either
9 paragraph (1) or (2) for the preceding 12-month period, he or
10 she is considered a retailer maintaining a place of business
11 in this State and is required to collect and remit all
12 applicable State and local retailers' occupation taxes and
13 file returns for the subsequent year. If, at the end of a
14 one-year period, a retailer that was required to collect and
15 remit the tax imposed under this Act determines that he or she
16 did not meet the criteria in either paragraph (1) or (2) during
17 the preceding 12-month period, then the retailer shall
18 subsequently determine on a quarterly basis, ending on the
19 last day of March, June, September, and December, whether he
20 or she meets the criteria of either paragraph (1) or (2) for
21 the preceding 12-month period.

22 (b-5) For the purposes of this Section, neither the gross
23 receipts from nor the number of separate transactions for
24 sales of tangible personal property to purchasers in Illinois
25 that a remote retailer makes through a marketplace facilitator
26 shall be included for the purposes of determining whether he

1 or she has met the thresholds of subsection (b) of this Section
2 so long as the remote retailer has received certification from
3 the marketplace facilitator that the marketplace facilitator
4 is legally responsible for payment of tax on such sales.

5 (b-10) A remote retailer required to collect taxes imposed
6 under the Use Tax Act on retail sales made to Illinois
7 purchasers shall be liable to the Department for such taxes,
8 except when the remote retailer is relieved of the duty to
9 remit such taxes by virtue of having paid to the Department
10 taxes imposed by this Act in accordance with this Section upon
11 his or her gross receipts from such sales.

12 (c) Marketplace facilitators engaged in the business of
13 selling at retail tangible personal property in Illinois.
14 Beginning January 1, 2021, a marketplace facilitator is
15 engaged in the occupation of selling at retail tangible
16 personal property in Illinois for purposes of this Act if,
17 during the previous 12-month period:

18 (1) the cumulative gross receipts from sales of
19 tangible personal property on its own behalf or on behalf
20 of marketplace sellers to purchasers in Illinois equals
21 \$100,000 or more; or

22 (2) the marketplace facilitator enters into 200 or
23 more separate transactions on its own behalf or on behalf
24 of marketplace sellers for the sale of tangible personal
25 property to purchasers in Illinois, regardless of whether
26 the marketplace facilitator or marketplace sellers for

1 whom such sales are facilitated are registered as
2 retailers in this State.

3 A marketplace facilitator who meets either paragraph (1)
4 or (2) of this subsection is required to remit the applicable
5 State retailers' occupation taxes under this Act and local
6 retailers' occupation taxes administered by the Department on
7 all taxable sales of tangible personal property made by the
8 marketplace facilitator or facilitated for marketplace sellers
9 to customers in this State. A marketplace facilitator selling
10 or facilitating the sale of tangible personal property to
11 customers in this State is subject to all applicable
12 procedures and requirements of this Act.

13 The marketplace facilitator shall determine on a quarterly
14 basis, ending on the last day of March, June, September, and
15 December, whether he or she meets the criteria of either
16 paragraph (1) or (2) of this subsection for the preceding
17 12-month period. If the marketplace facilitator meets the
18 criteria of either paragraph (1) or (2) for a 12-month period,
19 he or she is considered a retailer maintaining a place of
20 business in this State and is required to remit the tax imposed
21 under this Act and all retailers' occupation tax imposed by
22 local taxing jurisdictions in Illinois, provided such local
23 taxes are administered by the Department, and to file all
24 applicable returns for one year. At the end of that one-year
25 period, the marketplace facilitator shall determine whether it
26 met the criteria of either paragraph (1) or (2) for the

1 preceding 12-month period. If the marketplace facilitator met
2 the criteria in either paragraph (1) or (2) for the preceding
3 12-month period, it is considered a retailer maintaining a
4 place of business in this State and is required to collect and
5 remit all applicable State and local retailers' occupation
6 taxes and file returns for the subsequent year. If at the end
7 of a one-year period a marketplace facilitator that was
8 required to collect and remit the tax imposed under this Act
9 determines that he or she did not meet the criteria in either
10 paragraph (1) or (2) during the preceding 12-month period, the
11 marketplace facilitator shall subsequently determine on a
12 quarterly basis, ending on the last day of March, June,
13 September, and December, whether he or she meets the criteria
14 of either paragraph (1) or (2) for the preceding 12-month
15 period.

16 A marketplace facilitator shall be entitled to any
17 credits, deductions, or adjustments to the sales price
18 otherwise provided to the marketplace seller, in addition to
19 any such adjustments provided directly to the marketplace
20 facilitator. This Section pertains to, but is not limited to,
21 adjustments such as discounts, coupons, and rebates. In
22 addition, a marketplace facilitator shall be entitled to the
23 retailers' discount provided in Section 3 of the Retailers'
24 Occupation Tax Act on all marketplace sales, and the
25 marketplace seller shall not include sales made through a
26 marketplace facilitator when computing any retailers' discount

1 on remaining sales. Marketplace facilitators shall report and
2 remit the applicable State and local retailers' occupation
3 taxes on sales facilitated for marketplace sellers separately
4 from any sales or use tax collected on taxable retail sales
5 made directly by the marketplace facilitator or its
6 affiliates.

7 The marketplace facilitator is liable for the remittance
8 of all applicable State retailers' occupation taxes under this
9 Act and local retailers' occupation taxes administered by the
10 Department on sales through the marketplace and is subject to
11 audit on all such sales. The Department shall not audit
12 marketplace sellers for their marketplace sales where a
13 marketplace facilitator remitted the applicable State and
14 local retailers' occupation taxes unless the marketplace
15 facilitator seeks relief as a result of incorrect information
16 provided to the marketplace facilitator by a marketplace
17 seller as set forth in this Section. The marketplace
18 facilitator shall not be held liable for tax on any sales made
19 by a marketplace seller that take place outside of the
20 marketplace and which are not a part of any agreement between a
21 marketplace facilitator and a marketplace seller. In addition,
22 marketplace facilitators shall not be held liable to State and
23 local governments of Illinois for having charged and remitted
24 an incorrect amount of State and local retailers' occupation
25 tax if, at the time of the sale, the tax is computed based on
26 erroneous data provided by the State in database files on tax

1 rates, boundaries, or taxing jurisdictions or incorrect
2 information provided to the marketplace facilitator by the
3 marketplace seller.

4 (d) A marketplace facilitator shall:

5 (1) certify to each marketplace seller that the
6 marketplace facilitator assumes the rights and duties of a
7 retailer under this Act with respect to sales made by the
8 marketplace seller through the marketplace; and

9 (2) remit taxes imposed by this Act as required by
10 this Act for sales made through the marketplace.

11 (e) A marketplace seller shall retain books and records
12 for all sales made through a marketplace in accordance with
13 the requirements of this Act.

14 (f) A marketplace facilitator is subject to audit on all
15 marketplace sales for which it is considered to be the
16 retailer, but shall not be liable for tax or subject to audit
17 on sales made by marketplace sellers outside of the
18 marketplace.

19 (g) A marketplace facilitator required to collect taxes
20 imposed under the Use Tax Act on marketplace sales made to
21 Illinois purchasers shall be liable to the Department for such
22 taxes, except when the marketplace facilitator is relieved of
23 the duty to remit such taxes by virtue of having paid to the
24 Department taxes imposed by this Act in accordance with this
25 Section upon his or her gross receipts from such sales.

26 (h) Nothing in this Section shall allow the Department to

1 collect retailers' occupation taxes from both the marketplace
2 facilitator and marketplace seller on the same transaction.

3 (i) If, for any reason, the Department is prohibited from
4 enforcing the marketplace facilitator's duty under this Act to
5 remit taxes pursuant to this Section, the duty to remit such
6 taxes remains with the marketplace seller.

7 (j) Nothing in this Section affects the obligation of any
8 consumer to remit use tax for any taxable transaction for
9 which a certified service provider acting on behalf of a
10 remote retailer or a marketplace facilitator does not collect
11 and remit the appropriate tax.

12 (k) Nothing in this Section shall allow the Department to
13 collect the retailers' occupation tax from both the
14 marketplace facilitator and the marketplace seller.

15 (Source: P.A. 101-31, eff. 6-28-19; 101-604, eff. 1-1-20.)

16 (35 ILCS 120/2c) (from Ch. 120, par. 441c)

17 Sec. 2c. If the purchaser is not registered with the
18 Department as a taxpayer, but claims to be a reseller of the
19 tangible personal property in such a way that such resales are
20 not taxable under this Act or under some other tax law which
21 the Department may administer, such purchaser (except in the
22 case of an out-of-State purchaser who will always resell and
23 deliver the property to his customers outside Illinois) shall
24 apply to the Department for a resale number. Such applicant
25 shall state facts which will show the Department why such

1 applicant is not liable for tax under this Act or under some
2 other tax law which the Department may administer on any of his
3 resales and shall furnish such additional information as the
4 Department may reasonably require.

5 Upon approval of the application, the Department shall
6 assign a resale number to the applicant and shall certify such
7 number to him. The Department may cancel any such number which
8 is obtained through misrepresentation, or which is used to
9 make a purchase tax-free when the purchase in fact is not a
10 purchase for resale, or which no longer applies because of the
11 purchaser's having discontinued the making of tax exempt
12 resales of the property.

13 The Department may restrict the use of the number to one
14 year at a time or to some other definite period if the
15 Department finds it impracticable or otherwise inadvisable to
16 issue such numbers for indefinite periods.

17 Except as provided hereinabove in this Section, a sale
18 shall be made tax-free on the ground of being a sale for resale
19 or lease if the purchaser has an active registration number or
20 resale number from the Department and furnishes that number to
21 the seller in connection with certifying to the seller that
22 any sale to such purchaser is nontaxable because of being a
23 sale for resale or lease.

24 Failure to present an active registration number or resale
25 number and a certification to the seller that a sale is for
26 resale or lease creates a presumption that a sale is not for

1 resale or lease. This presumption may be rebutted by other
2 evidence that all of the seller's sales are sale for resale or
3 lease, or that a particular sale is a sale for resale or lease.
4 (Source: P.A. 83-1463.)

5 (35 ILCS 120/6e new)

6 Sec. 6e. One-time transitional use tax credit. Within 3
7 months after the effective date of this amendatory Act of the
8 103rd General Assembly, lessors of non-titled leased property,
9 other than computer software and property subject to the
10 Rental Purchase Agreement Occupation and Use Tax Act, shall
11 file an application upon a form prescribed and furnished by
12 the Department, to receive a one-time credit for any use tax
13 paid prior to the effective date of effective date of this
14 amendatory Act of the 103rd General Assembly on that property.
15 The Department shall issue a credit in that amount. Upon
16 issuance of the credit, the lessor may apply the credit
17 against the tax imposed under this Act or the Use Tax Act.

18 Section 15. The Counties Code is amended by changing
19 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

20 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

21 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
22 Law. Any county that is a home rule unit may impose a tax upon
23 all persons engaged in the business of selling tangible

1 personal property, leasing tangible personal property, or both
2 selling and leasing tangible personal property, ~~other than an~~
3 ~~item of tangible personal property titled or registered with~~
4 ~~an agency of this State's government,~~ at retail in the county
5 on the gross receipts from such sales or leases made in the
6 course of their business. The tax shall not be imposed on the
7 sale or lease of: (1) tangible personal property titled or
8 registered with an agency of this State's government; (2)
9 tangible personal property subject to a personal property
10 lease transaction tax paid to the home rule municipality; (3)
11 computer software; or (4) tangible personal property subject
12 to the Rental Purchase Agreement Occupation and Use Tax Act.
13 If imposed, this tax shall only be imposed in 1/4% increments.
14 On and after September 1, 1991, this additional tax may not be
15 imposed on tangible personal property taxed at the 1% rate
16 under the Retailers' Occupation Tax Act (or at the 0% rate
17 imposed under this amendatory Act of the 102nd General
18 Assembly). Beginning December 1, 2019, this tax is not imposed
19 on sales of aviation fuel unless the tax revenue is expended
20 for airport-related purposes. If the county does not have an
21 airport-related purpose to which it dedicates aviation fuel
22 tax revenue, then aviation fuel is excluded from the tax. The
23 county must comply with the certification requirements for
24 airport-related purposes under Section 2-22 of the Retailers'
25 Occupation Tax Act. For purposes of this Section,
26 "airport-related purposes" has the meaning ascribed in Section

1 6z-20.2 of the State Finance Act. This exclusion for aviation
2 fuel only applies for so long as the revenue use requirements
3 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
4 county. The changes made to this Section by this amendatory
5 Act of the 101st General Assembly are a denial and limitation
6 of home rule powers and functions under subsection (g) of
7 Section 6 of Article VII of the Illinois Constitution. The tax
8 imposed by a home rule county pursuant to this Section and all
9 civil penalties that may be assessed as an incident thereof
10 shall be collected and enforced by the State Department of
11 Revenue. The certificate of registration that is issued by the
12 Department to a retailer under the Retailers' Occupation Tax
13 Act shall permit the retailer to engage in a business that is
14 taxable under any ordinance or resolution enacted pursuant to
15 this Section without registering separately with the
16 Department under such ordinance or resolution or under this
17 Section. The Department shall have full power to administer
18 and enforce this Section; to collect all taxes and penalties
19 due hereunder; to dispose of taxes and penalties so collected
20 in the manner hereinafter provided; and to determine all
21 rights to credit memoranda arising on account of the erroneous
22 payment of tax or penalty hereunder. In the administration of,
23 and compliance with, this Section, the Department and persons
24 who 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 and definitions of terms, and employ the same modes
2 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
3 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
4 provisions therein other than the State rate of tax), 3
5 (except as to the disposition of taxes and penalties
6 collected, and except that the retailer's discount is not
7 allowed for taxes paid on aviation fuel that are subject to the
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
9 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l,
10 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers'
11 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
12 Interest Act, as fully as if those provisions were set forth
13 herein.

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

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

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

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the home rule county retailers' occupation
5 tax fund or the Local Government Aviation Trust Fund, as
6 appropriate.

7 Except as otherwise provided in this paragraph, the
8 Department shall forthwith pay over to the State Treasurer, ex
9 officio, as trustee, all taxes and penalties collected
10 hereunder for deposit into the Home Rule County Retailers'
11 Occupation Tax Fund. Taxes and penalties collected on aviation
12 fuel sold on or after December 1, 2019, shall be immediately
13 paid over by the Department to the State Treasurer, ex
14 officio, as trustee, for deposit into the Local Government
15 Aviation Trust Fund. The Department shall only pay moneys into
16 the Local Government Aviation Trust Fund under this Section
17 for so long as the revenue use requirements of 49 U.S.C.
18 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to named counties, the
5 counties to be those from which retailers have paid taxes or
6 penalties hereunder to the Department during the second
7 preceding calendar month. The amount to be paid to each county
8 shall be the amount (not including credit memoranda and not
9 including taxes and penalties collected on aviation fuel sold
10 on or after December 1, 2019) collected hereunder during the
11 second preceding calendar month by the Department plus an
12 amount the Department determines is necessary to offset any
13 amounts that were erroneously paid to a different taxing body,
14 and not including an amount equal to the amount of refunds made
15 during the second preceding calendar month by the Department
16 on behalf of such county, and not including any amount which
17 the Department determines is necessary to offset any amounts
18 which were payable to a different taxing body but were
19 erroneously paid to the county, and not including any amounts
20 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
21 of the remainder, which the Department shall transfer into the
22 Tax Compliance and Administration Fund. The Department, at the
23 time of each monthly disbursement to the counties, shall
24 prepare and certify to the State Comptroller the amount to be
25 transferred into the Tax Compliance and Administration Fund
26 under this Section. Within 10 days after receipt, by the

1 Comptroller, of the disbursement certification to the counties
2 and the Tax Compliance and Administration Fund provided for in
3 this Section to be given to the Comptroller by the Department,
4 the Comptroller shall cause the orders to be drawn for the
5 respective amounts in accordance with the directions contained
6 in the certification.

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

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

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

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

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

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

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

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

22 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
23 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

24 (55 ILCS 5/5-1006.5)

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

1 For Public Safety, Public Facilities, Mental Health, Substance
2 Abuse, or Transportation.

3 (a) The county board of any county may impose a tax upon
4 all persons engaged in the business of selling tangible
5 personal property, leasing tangible personal property, or both
6 selling and leasing tangible personal property, other than
7 personal property titled or registered with an agency of this
8 State's government, at retail in the county on the gross
9 receipts from the sales or leases made in the course of
10 business to provide revenue to be used exclusively for public
11 safety, public facility, mental health, substance abuse, or
12 transportation purposes in that county (except as otherwise
13 provided in this Section), if a proposition for the tax has
14 been submitted to the electors of that county and approved by a
15 majority of those voting on the question. The tax shall not be
16 imposed on the sale or lease of: (1) tangible personal
17 property titled or registered with an agency of this State's
18 government; (2) tangible personal property subject to a
19 personal property lease transaction tax paid to the home rule
20 municipality; (3) computer software; or (4) tangible personal
21 property subject to the Rental Purchase Agreement Occupation
22 and Use Tax Act. If imposed, this tax shall be imposed only in
23 one-quarter percent increments. By resolution, the county
24 board may order the proposition to be submitted at any
25 election. If the tax is imposed for transportation purposes
26 for expenditures for public highways or as authorized under

1 the Illinois Highway Code, the county board must publish
2 notice of the existence of its long-range highway
3 transportation plan as required or described in Section 5-301
4 of the Illinois Highway Code and must make the plan publicly
5 available prior to approval of the ordinance or resolution
6 imposing the tax. If the tax is imposed for transportation
7 purposes for expenditures for passenger rail transportation,
8 the county board must publish notice of the existence of its
9 long-range passenger rail transportation plan and must make
10 the plan publicly available prior to approval of the ordinance
11 or resolution imposing the tax.

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

17 The county clerk shall certify the question to the proper
18 election authority, who shall submit the proposition at an
19 election in accordance with the general election law.

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

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

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

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

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

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

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

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

22 For the purposes of the paragraph, "public safety
23 purposes" means crime prevention, detention, fire
24 fighting, police, medical, ambulance, or other emergency
25 services.

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

1 Beginning on the January 1 or July 1, whichever is
2 first, that occurs not less than 30 days after May 31, 2015
3 (the effective date of Public Act 99-4), Adams County may
4 impose a public safety retailers' occupation tax and
5 service occupation tax at the rate of 0.25%, as provided
6 in the referendum approved by the voters on April 7, 2015,
7 notwithstanding the omission of the additional information
8 that is otherwise required to be printed on the ballot
9 below the question pursuant to this item (1).

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

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

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

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

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

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

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

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

14 For the purposes of this paragraph, transportation
15 purposes means construction, maintenance, operation, and
16 improvement of public highways, any other purpose for
17 which a county may expend funds under the Illinois Highway
18 Code, and passenger rail transportation.

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

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

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

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

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

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

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

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

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

22 For purposes of this Section, "public facilities
23 purposes" means the acquisition, development,
24 construction, reconstruction, rehabilitation,
25 improvement, financing, architectural planning, and
26 installation of capital facilities consisting of

1 buildings, structures, and durable equipment and for the
2 acquisition and improvement of real property and interest
3 in real property required, or expected to be required, in
4 connection with the public facilities, for use by the
5 county for the furnishing of governmental services to its
6 citizens, including, but not limited to, museums and
7 nursing homes.

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

9 (4) The proposition for mental health purposes shall
10 be in substantially the following form:

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

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

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

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

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

1 of local sales taxes by (insert rate) for a period not to
2 exceed (insert number of years)?"

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

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

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

12 (5) The proposition for substance abuse purposes shall
13 be in substantially the following form:

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

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

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

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

1 purposes shall be in substantially the following form:

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

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

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

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

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

19 This additional tax may not be imposed on tangible
20 personal property taxed at the 1% rate under the Retailers'
21 Occupation Tax Act (or at the 0% rate imposed under this
22 amendatory Act of the 102nd General Assembly). Beginning
23 December 1, 2019 and through December 31, 2020, this tax is not
24 imposed on sales of aviation fuel unless the tax revenue is
25 expended for airport-related purposes. If the county does not
26 have an airport-related purpose to which it dedicates aviation

1 fuel tax revenue, then aviation fuel is excluded from the tax.
2 The county must comply with the certification requirements for
3 airport-related purposes under Section 2-22 of the Retailers'
4 Occupation Tax Act. For purposes of this Section,
5 "airport-related purposes" has the meaning ascribed in Section
6 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
7 this tax is not imposed on sales of aviation fuel for so long
8 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
9 U.S.C. 47133 are binding on the county. The tax imposed by a
10 county under this Section and all civil penalties that may be
11 assessed as an incident of the tax shall be collected and
12 enforced by the Illinois Department of Revenue and deposited
13 into a special fund created for that purpose. The certificate
14 of registration that is issued by the Department to a retailer
15 under the Retailers' Occupation Tax Act shall permit the
16 retailer to engage in a business that is taxable without
17 registering separately with the Department under an ordinance
18 or resolution under this Section. The Department has full
19 power to administer and enforce this Section, to collect all
20 taxes and penalties due under this Section, to dispose of
21 taxes and penalties so collected in the manner provided in
22 this Section, and to determine all rights to credit memoranda
23 arising on account of the erroneous payment of a tax or penalty
24 under this Section. In the administration of and compliance
25 with this Section, the Department and persons who are subject
26 to this Section shall (i) have the same rights, remedies,

1 privileges, immunities, powers, and duties, (ii) be subject to
2 the same conditions, restrictions, limitations, penalties, and
3 definitions of terms, and (iii) employ the same modes of
4 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
5 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all
6 provisions contained in those Sections other than the State
7 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to
8 transaction returns and quarter monthly payments, and except
9 that the retailer's discount is not allowed for taxes paid on
10 aviation fuel that are deposited into the Local Government
11 Aviation Trust Fund), 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, Public Facilities,
4 Mental Health, Substance Abuse, or Transportation Retailers'
5 Occupation Tax Fund or the Local Government Aviation Trust
6 Fund, as appropriate.

7 (b) If a tax has been imposed under subsection (a), a
8 service occupation tax shall also be imposed at the same rate
9 upon all persons engaged, in the county, in the business of
10 making sales of service, who, as an incident to making those
11 sales of service, transfer tangible personal property within
12 the county as an incident to a sale of service. This tax may
13 not be imposed on tangible personal property taxed at the 1%
14 rate under the Service Occupation Tax Act (or at the 0% rate
15 imposed under this amendatory Act of the 102nd General
16 Assembly). Beginning December 1, 2019 and through December 31,
17 2020, this tax is not imposed on sales of aviation fuel unless
18 the tax revenue is expended for airport-related purposes. If
19 the county does not have an airport-related purpose to which
20 it dedicates aviation fuel tax revenue, then aviation fuel is
21 excluded from the tax. The county must comply with the
22 certification requirements for airport-related purposes under
23 Section 2-22 of the Retailers' Occupation Tax Act. For
24 purposes of this Section, "airport-related purposes" has the
25 meaning ascribed in Section 6z-20.2 of the State Finance Act.
26 Beginning January 1, 2021, this tax is not imposed on sales of

1 aviation fuel for so long as the revenue use requirements of 49
2 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.
3 The tax imposed under this subsection and all civil penalties
4 that may be assessed as an incident thereof shall be collected
5 and enforced by the Department of Revenue. The Department has
6 full power to administer and enforce this subsection; to
7 collect all taxes and penalties due hereunder; to dispose of
8 taxes and penalties so collected in the manner hereinafter
9 provided; and to determine all rights to credit memoranda
10 arising on account of the erroneous payment of tax or penalty
11 hereunder. In the administration of and compliance with this
12 subsection, the Department and persons who are subject to this
13 paragraph shall (i) have the same rights, remedies,
14 privileges, immunities, powers, and duties, (ii) be subject to
15 the same conditions, restrictions, limitations, penalties,
16 exclusions, exemptions, and definitions of terms, and (iii)
17 employ the same modes of procedure as are prescribed in
18 Sections 2 (except that the reference to State in the
19 definition of supplier maintaining a place of business in this
20 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
21 respect to all provisions therein other than the State rate of
22 tax), 4 (except that the reference to the State shall be to the
23 county), 5, 7, 8 (except that the jurisdiction to which the tax
24 shall be a debt to the extent indicated in that Section 8 shall
25 be the county), 9 (except as to the disposition of taxes and
26 penalties collected, and except that the retailer's discount

1 is not allowed for taxes paid on aviation fuel that are
2 deposited into the Local Government Aviation Trust Fund), 10,
3 11, 12 (except the reference therein to Section 2b of the
4 Retailers' Occupation Tax Act), 13 (except that any reference
5 to the State shall mean the county), Section 15, 16, 17, 18,
6 19, and 20 of the Service Occupation Tax Act, and Section 3-7
7 of the Uniform Penalty and Interest Act, as fully as if those
8 provisions were set forth herein.

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

17 Whenever the Department determines that a refund should be
18 made under this subsection to a claimant instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the warrant to be drawn for the
21 amount specified, and to the person named, in the notification
22 from the Department. The refund shall be paid by the State
23 Treasurer out of the County Public Safety, Public Facilities,
24 Mental Health, Substance Abuse, or Transportation Retailers'
25 Occupation Fund or the Local Government Aviation Trust Fund,
26 as appropriate.

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

5 (c) Except as otherwise provided in this paragraph, the
6 Department shall immediately pay over to the State Treasurer,
7 ex officio, as trustee, all taxes and penalties collected
8 under this Section to be deposited into the County Public
9 Safety, Public Facilities, Mental Health, Substance Abuse, or
10 Transportation Retailers' Occupation Tax Fund, which shall be
11 an unappropriated trust fund held outside of the State
12 treasury. Taxes and penalties collected on aviation fuel sold
13 on or after December 1, 2019 and through December 31, 2020,
14 shall be immediately paid over by the Department to the State
15 Treasurer, ex officio, as trustee, for deposit into the Local
16 Government Aviation Trust Fund. The Department shall only pay
17 moneys into the Local Government Aviation Trust Fund under
18 this Act for so long as the revenue use requirements of 49
19 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

1 sales within a 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
6 which retailers have paid taxes or penalties to the Department
7 during the second preceding calendar month. The amount to be
8 paid to each county, and deposited by the county into its
9 special fund created for the purposes of this Section, shall
10 be the amount (not including credit memoranda and not
11 including taxes and penalties collected on aviation fuel sold
12 on or after December 1, 2019 and through December 31, 2020)
13 collected under this Section during the second preceding
14 calendar month by the Department plus an amount the Department
15 determines is necessary to offset any amounts that were
16 erroneously paid to a different taxing body, and not including
17 (i) an amount equal to the amount of refunds made during the
18 second preceding calendar month by the Department on behalf of
19 the county, (ii) any amount that the Department determines is
20 necessary to offset any amounts that were payable to a
21 different taxing body but were erroneously paid to the county,
22 (iii) any amounts that are transferred to the STAR Bonds
23 Revenue Fund, and (iv) 1.5% of the remainder, which shall be
24 transferred into the Tax Compliance and Administration Fund.
25 The Department, at the time of each monthly disbursement to
26 the counties, shall prepare and certify to the State

1 Comptroller the amount to be transferred into the Tax
2 Compliance and Administration Fund under this subsection.
3 Within 10 days after receipt by the Comptroller of the
4 disbursement certification to the counties and the Tax
5 Compliance and Administration Fund provided for in this
6 Section to be given to the Comptroller by the Department, the
7 Comptroller shall cause the orders to be drawn for the
8 respective amounts in accordance with directions contained in
9 the certification.

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

25 (d) For the purpose of determining the local governmental
26 unit whose tax is applicable, a retail sale by a producer of

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

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

13 (e-5) If a county imposes a tax under this Section, the
14 county board may, by ordinance, discontinue or lower the rate
15 of the tax. If the county board lowers the tax rate or
16 discontinues the tax, a referendum must be held in accordance
17 with subsection (a) of this Section in order to increase the
18 rate of the tax or to reimpose the discontinued tax.

19 (f) Beginning April 1, 1998 and through December 31, 2013,
20 the results of any election authorizing a proposition to
21 impose a tax under this Section or effecting a change in the
22 rate of tax, or any ordinance lowering the rate or
23 discontinuing the tax, shall be certified by the county clerk
24 and filed with the Illinois Department of Revenue either (i)
25 on or before the first day of April, whereupon the Department
26 shall proceed to administer and enforce the tax as of the first

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

5 Beginning January 1, 2014, the results of any election
6 authorizing a proposition to impose a tax under this Section
7 or effecting an increase in the rate of tax, along with the
8 ordinance adopted to impose the tax or increase the rate of the
9 tax, or any ordinance adopted to lower the rate or discontinue
10 the tax, shall be certified by the county clerk and filed with
11 the Illinois Department of Revenue either (i) on or before the
12 first day of May, whereupon the Department shall proceed to
13 administer and enforce the tax as of the first day of July next
14 following the adoption and filing; or (ii) on or before the
15 first day of October, whereupon the Department shall proceed
16 to administer and enforce the tax as of the first day of
17 January next following the adoption and filing.

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

24 (g-5) Every county authorized to levy a tax under this
25 Section shall, before it levies such tax, establish a 7-member
26 mental health board, which shall have the same powers and

1 duties and be constituted in the same manner as a community
2 mental health board established under the Community Mental
3 Health Act. Proceeds of the tax under this Section that are
4 earmarked for mental health or substance abuse purposes shall
5 be deposited into a special county occupation tax fund for
6 mental health and substance abuse. The 7-member mental health
7 board established under this subsection shall administer the
8 special county occupation tax fund for mental health and
9 substance abuse in the same manner as the community mental
10 health board administers the community mental health fund
11 under the Community Mental Health Act.

12 (h) This Section may be cited as the "Special County
13 Occupation Tax For Public Safety, Public Facilities, Mental
14 Health, Substance Abuse, or Transportation Law".

15 (i) For purposes of this Section, "public safety"
16 includes, but is not limited to, crime prevention, detention,
17 fire fighting, police, medical, ambulance, or other emergency
18 services. The county may share tax proceeds received under
19 this Section for public safety purposes, including proceeds
20 received before August 4, 2009 (the effective date of Public
21 Act 96-124), with any fire protection district located in the
22 county. For the purposes of this Section, "transportation"
23 includes, but is not limited to, the construction,
24 maintenance, operation, and improvement of public highways,
25 any other purpose for which a county may expend funds under the
26 Illinois Highway Code, and passenger rail transportation. For

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

12 (j) The Department may promulgate rules to implement
13 Public Act 95-1002 only to the extent necessary to apply the
14 existing rules for the Special County Retailers' Occupation
15 Tax for Public Safety to this new purpose for public
16 facilities.

17 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
18 101-275, eff. 8-9-19; 101-604, eff. 12-13-19; 102-379, eff.
19 1-1-22; 102-700, eff. 4-19-22.)

20 (55 ILCS 5/5-1006.7)

21 Sec. 5-1006.7. School facility and resources occupation
22 taxes.

23 (a) In any county, a tax shall be imposed upon all persons
24 engaged in the business of selling tangible personal property,
25 leasing tangible personal property, or both selling and

1 ~~leasing~~ tangible personal property, ~~other than personal~~
2 ~~property titled or registered with an agency of this State's~~
3 ~~government,~~ at retail in the county on the gross receipts from
4 the sales or leases made in the course of business to provide
5 revenue to be used exclusively for (i) school facility
6 purposes (except as otherwise provided in this Section), (ii)
7 school resource officers and mental health professionals, or
8 (iii) school facility purposes, school resource officers, and
9 mental health professionals if a proposition for the tax has
10 been submitted to the electors of that county and approved by a
11 majority of those voting on the question as provided in
12 subsection (c). The tax shall not be imposed on the sale or
13 lease of: (1) tangible personal property titled or registered
14 with an agency of this State's government; (2) tangible
15 personal property subject to a personal property lease
16 transaction tax paid to the home rule municipality; (3)
17 computer software; or (4) tangible personal property subject
18 to the Rental Purchase Agreement Occupation and Use Tax Act.

19 The tax under this Section shall be imposed only in
20 one-quarter percent increments and may not exceed 1%.

21 This additional tax may not be imposed on tangible
22 personal property taxed at the 1% rate under the Retailers'
23 Occupation Tax Act (or at the 0% rate imposed under Public Act
24 102-700 ~~this amendatory Act of the 102nd General Assembly~~).
25 Beginning December 1, 2019 and through December 31, 2020, this
26 tax is not imposed on sales of aviation fuel unless the tax

1 revenue is expended for airport-related purposes. If the
2 county does not have an airport-related purpose to which it
3 dedicates aviation fuel tax revenue, then aviation fuel is
4 excluded from the tax. The county must comply with the
5 certification requirements for airport-related purposes under
6 Section 2-22 of the Retailers' Occupation Tax Act. For
7 purposes of this Section, "airport-related purposes" has the
8 meaning ascribed in Section 6z-20.2 of the State Finance Act.
9 Beginning January 1, 2021, this tax is not imposed on sales of
10 aviation fuel for so long as the revenue use requirements of 49
11 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.
12 The Department of Revenue has full power to administer and
13 enforce this subsection, to collect all taxes and penalties
14 due under this subsection, to dispose of taxes and penalties
15 so collected in the manner provided in this subsection, and to
16 determine all rights to credit memoranda arising on account of
17 the erroneous payment of a tax or penalty under this
18 subsection. The Department shall deposit all taxes and
19 penalties collected under this subsection into a special fund
20 created for that purpose.

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

1 procedure as are set forth in Sections 1 through 1o, 2 through
2 2-70 (in respect to all provisions contained in those Sections
3 other than the State rate of tax), 2a through 2h, 3 (except as
4 to the disposition of taxes and penalties collected, and
5 except that the retailer's discount is not allowed for taxes
6 paid on aviation fuel that are subject to the revenue use
7 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
8 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
9 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'
10 Occupation Tax Act and all provisions of the Uniform Penalty
11 and Interest Act as if those provisions were set forth in this
12 subsection.

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

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

25 (b) If a tax has been imposed under subsection (a), then a
26 service occupation tax must also be imposed at the same rate

1 upon all persons engaged, in the county, in the business of
2 making sales of service, who, as an incident to making those
3 sales of service, transfer tangible personal property within
4 the county as an incident to a sale of service.

5 This tax may not be imposed on tangible personal property
6 taxed at the 1% rate under the Service Occupation Tax Act (or
7 at the 0% rate imposed under Public Act 102-700 ~~this~~
8 ~~amendatory Act of the 102nd General Assembly~~). Beginning
9 December 1, 2019 and through December 31, 2020, this tax is not
10 imposed on sales of aviation fuel unless the tax revenue is
11 expended for airport-related purposes. If the county does not
12 have an airport-related purpose to which it dedicates aviation
13 fuel tax revenue, then aviation fuel is excluded from the tax.
14 The county must comply with the certification requirements for
15 airport-related purposes under Section 2-22 of the Retailers'
16 Occupation Tax Act. For purposes of this Section,
17 "airport-related purposes" has the meaning ascribed in Section
18 6z-20.2 of the State Finance Act. Beginning January 1, 2021,
19 this tax is not imposed on sales of aviation fuel for so long
20 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
21 U.S.C. 47133 are binding on the county.

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

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

6 In the administration of and compliance with this
7 subsection, the Department and persons who are subject to this
8 subsection shall (i) have the same rights, remedies,
9 privileges, immunities, powers and duties, (ii) be subject to
10 the same conditions, restrictions, limitations, penalties and
11 definition of terms, and (iii) employ the same modes of
12 procedure as are set forth in Sections 2 (except that that
13 reference to State in the definition of supplier maintaining a
14 place of business in this State means the county), 2a through
15 2d, 3 through 3-50 (in respect to all provisions contained in
16 those Sections other than the State rate of tax), 4 (except
17 that the reference to the State shall be to the county), 5, 7,
18 8 (except that the jurisdiction to which the tax is a debt to
19 the extent indicated in that Section 8 is the county), 9
20 (except as to the disposition of taxes and penalties
21 collected, and except that the retailer's discount is not
22 allowed for taxes paid on aviation fuel that are subject to the
23 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
24 47133), 10, 11, 12 (except the reference therein to Section 2b
25 of the Retailers' Occupation Tax Act), 13 (except that any
26 reference to the State means the county), ~~Section~~ 15, 16, 17,

1 18, 19, and 20 of the Service Occupation Tax Act and all
2 provisions of the Uniform Penalty and Interest Act, as fully
3 as if those provisions were set forth herein.

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

11 (c) The tax under this Section may not be imposed until the
12 question of imposing the tax has been submitted to the
13 electors of the county at a regular election and approved by a
14 majority of the electors voting on the question. For all
15 regular elections held prior to August 23, 2011 (the effective
16 date of Public Act 97-542), upon a resolution by the county
17 board or a resolution by school district boards that represent
18 at least 51% of the student enrollment within the county, the
19 county board must certify the question to the proper election
20 authority in accordance with the Election Code.

21 For all regular elections held prior to August 23, 2011
22 (the effective date of Public Act 97-542), the election
23 authority must submit the question in substantially the
24 following form:

25 Shall (name of county) be authorized to impose a
26 retailers' occupation tax and a service occupation tax

1 (commonly referred to as a "sales tax") at a rate of
2 (insert rate) to be used exclusively for school facility
3 purposes?

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

6 If a majority of the electors voting on the question vote
7 in the affirmative, then the county may, thereafter, impose
8 the tax.

9 For all regular elections held on or after August 23, 2011
10 (the effective date of Public Act 97-542), the regional
11 superintendent of schools for the county must, upon receipt of
12 a resolution or resolutions of school district boards that
13 represent more than 50% of the student enrollment within the
14 county, certify the question to the proper election authority
15 for submission to the electors of the county at the next
16 regular election at which the question lawfully may be
17 submitted to the electors, all in accordance with the Election
18 Code.

19 For all regular elections held on or after August 23, 2011
20 (the effective date of Public Act 97-542) and before August
21 23, 2019 (the effective date of Public Act 101-455), the
22 election authority must submit the question in substantially
23 the following form:

24 Shall a retailers' occupation tax and a service
25 occupation tax (commonly referred to as a "sales tax") be
26 imposed in (name of county) at a rate of (insert rate) to

1 be used exclusively for school facility purposes?

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

4 If a majority of the electors voting on the question vote
5 in the affirmative, then the tax shall be imposed at the rate
6 set forth in the question.

7 For all regular elections held on or after August 23, 2019
8 (the effective date of Public Act 101-455), the election
9 authority must submit the question as follows:

10 (1) If the referendum is to expand the use of revenues
11 from a currently imposed tax exclusively for school
12 facility purposes to include school resource officers and
13 mental health professionals, the question shall be in
14 substantially the following form:

15 In addition to school facility purposes, shall
16 (name of county) school districts be authorized to use
17 revenues from the tax commonly referred to as the
18 school facility sales tax that is currently imposed in
19 (name of county) at a rate of (insert rate) for school
20 resource officers and mental health professionals?

21 (2) If the referendum is to increase the rate of a tax
22 currently imposed exclusively for school facility purposes
23 at less than 1% and dedicate the additional revenues for
24 school resource officers and mental health professionals,
25 the question shall be in substantially the following form:

26 Shall the tax commonly referred to as the school

1 facility sales tax that is currently imposed in (name
2 of county) at the rate of (insert rate) be increased to
3 a rate of (insert rate) with the additional revenues
4 used exclusively for school resource officers and
5 mental health professionals?

6 (3) If the referendum is to impose a tax in a county
7 that has not previously imposed a tax under this Section
8 exclusively for school facility purposes, the question
9 shall be in substantially the following form:

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

15 (4) If the referendum is to impose a tax in a county
16 that has not previously imposed a tax under this Section
17 exclusively for school resource officers and mental health
18 professionals, the question shall be in substantially the
19 following form:

20 Shall a retailers' occupation tax and a service
21 occupation tax (commonly referred to as a sales tax)
22 be imposed in (name of county) at a rate of (insert
23 rate) to be used exclusively for school resource
24 officers and mental health professionals?

25 (5) If the referendum is to impose a tax in a county
26 that has not previously imposed a tax under this Section

1 exclusively for school facility purposes, school resource
2 officers, and mental health professionals, the question
3 shall be in substantially the following form:

4 Shall a retailers' occupation tax and a service
5 occupation tax (commonly referred to as a sales tax)
6 be imposed in (name of county) at a rate of (insert
7 rate) to be used exclusively for school facility
8 purposes, school resource officers, and mental health
9 professionals?

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

12 If a majority of the electors voting on the question vote
13 in the affirmative, then the tax shall be imposed at the rate
14 set forth in the question.

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

20 (d) Except as otherwise provided, the Department shall
21 immediately pay over to the State Treasurer, ex officio, as
22 trustee, all taxes and penalties collected under this Section
23 to be deposited into the School Facility Occupation Tax Fund,
24 which shall be an unappropriated trust fund held outside the
25 State treasury. Taxes and penalties collected on aviation fuel
26 sold on or after December 1, 2019 and through December 31,

1 2020, shall be immediately paid over by the Department to the
2 State Treasurer, ex officio, as trustee, for deposit into the
3 Local Government Aviation Trust Fund. The Department shall
4 only pay moneys into the Local Government Aviation Trust Fund
5 under this Section for so long as the revenue use requirements
6 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
7 county.

8 On or before the 25th day of each calendar month, the
9 Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to the regional
11 superintendents of schools in counties from which retailers or
12 servicemen have paid taxes or penalties to the Department
13 during the second preceding calendar month. The amount to be
14 paid to each regional superintendent of schools and disbursed
15 to him or her in accordance with Section 3-14.31 of the School
16 Code, is equal to the amount (not including credit memoranda
17 and not including taxes and penalties collected on aviation
18 fuel sold on or after December 1, 2019 and through December 31,
19 2020) collected from the county under this Section during the
20 second preceding calendar month by the Department, (i) less 2%
21 of that amount (except the amount collected on aviation fuel
22 sold on or after December 1, 2019 and through December 31,
23 2020), of which 50% shall be deposited into the Tax Compliance
24 and Administration Fund and shall be used by the Department,
25 subject to appropriation, to cover the costs of the Department
26 in administering and enforcing the provisions of this Section,

1 on behalf of the county, and 50% shall be distributed to the
2 regional superintendent of schools to cover the costs in
3 administering and enforcing the provisions of this Section;7
4 (ii) plus an amount that the Department determines is
5 necessary to offset any amounts that were erroneously paid to
6 a different taxing body; (iii) less an amount equal to the
7 amount of refunds made during the second preceding calendar
8 month by the Department on behalf of the county; and (iv) less
9 any amount that the Department determines is necessary to
10 offset any amounts that were payable to a different taxing
11 body but were erroneously paid to the county. When certifying
12 the amount of a monthly disbursement to a regional
13 superintendent of schools under this Section, the Department
14 shall increase or decrease the amounts by an amount necessary
15 to offset any miscalculation of previous disbursements within
16 the previous 6 months from the time a miscalculation is
17 discovered.

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

24 If the Department determines that a refund should be made
25 under this Section to a claimant instead of issuing a credit
26 memorandum, then the Department shall notify the Comptroller,

1 who shall cause the order to be drawn for the amount specified
2 and to the person named in the notification from the
3 Department. The refund shall be paid by the Treasurer out of
4 the School Facility Occupation Tax Fund or the Local
5 Government Aviation Trust Fund, as appropriate.

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

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

19 (g) If a county board imposes a tax under this Section
20 pursuant to a referendum held before August 23, 2011 (the
21 effective date of Public Act 97-542) at a rate below the rate
22 set forth in the question approved by a majority of electors of
23 that county voting on the question as provided in subsection
24 (c), then the county board may, by ordinance, increase the
25 rate of the tax up to the rate set forth in the question
26 approved by a majority of electors of that county voting on the

1 question as provided in subsection (c). If a county board
2 imposes a tax under this Section pursuant to a referendum held
3 before August 23, 2011 (the effective date of Public Act
4 97-542), then the board may, by ordinance, discontinue or
5 reduce the rate of the tax. If a tax is imposed under this
6 Section pursuant to a referendum held on or after August 23,
7 2011 (the effective date of Public Act 97-542) and before
8 August 23, 2019 (the effective date of Public Act 101-455),
9 then the county board may reduce or discontinue the tax, but
10 only in accordance with subsection (h-5) of this Section. If a
11 tax is imposed under this Section pursuant to a referendum
12 held on or after August 23, 2019 (the effective date of Public
13 Act 101-455), then the county board may reduce or discontinue
14 the tax, but only in accordance with subsection (h-10). If,
15 however, a school board issues bonds that are secured by the
16 proceeds of the tax under this Section, then the county board
17 may not reduce the tax rate or discontinue the tax if that rate
18 reduction or discontinuance would adversely affect the school
19 board's ability to pay the principal and interest on those
20 bonds as they become due or necessitate the extension of
21 additional property taxes to pay the principal and interest on
22 those bonds. If the county board reduces the tax rate or
23 discontinues the tax, then a referendum must be held in
24 accordance with subsection (c) of this Section in order to
25 increase the rate of the tax or to reimpose the discontinued
26 tax.

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

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

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

20 (h-5) A county board in a county where a tax has been
21 imposed under this Section pursuant to a referendum held on or
22 after August 23, 2011 (the effective date of Public Act
23 97-542) and before August 23, 2019 (the effective date of
24 Public Act 101-455) may, by ordinance or resolution, submit to
25 the voters of the county the question of reducing or
26 discontinuing the tax. In the ordinance or resolution, the

1 county board shall certify the question to the proper election
2 authority in accordance with the Election Code. The election
3 authority must submit the question in substantially the
4 following form:

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

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

14 (h-10) A county board in a county where a tax has been
15 imposed under this Section pursuant to a referendum held on or
16 after August 23, 2019 (the effective date of Public Act
17 101-455) may, by ordinance or resolution, submit to the voters
18 of the county the question of reducing or discontinuing the
19 tax. In the ordinance or resolution, the county board shall
20 certify the question to the proper election authority in
21 accordance with the Election Code. The election authority must
22 submit the question in substantially the following form:

23 Shall the school facility and resources retailers'
24 occupation tax and service occupation tax (commonly
25 referred to as the school facility and resources sales
26 tax) currently imposed in (name of county) at a rate of

1 (insert rate) be (reduced to (insert rate))
2 (discontinued)?

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

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

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

10 (j) This Section may be cited as the County School
11 Facility and Resources Occupation Tax Law.

12 (Source: P.A. 101-10, eff. 6-5-19; 101-455, eff. 8-23-19;
13 101-604, eff. 12-13-19; 102-700, eff. 4-19-22; 102-1062, eff.
14 7-1-22; revised 8-10-22.)

15 Section 20. The Illinois Municipal Code is amended by
16 changing Sections 8-11-1, 8-11-1.3, and 8-11-6a as follows:

17 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

18 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
19 Act. The corporate authorities of a home rule municipality may
20 impose a tax upon all persons engaged in the business of
21 selling tangible personal property, leasing tangible personal
22 property, or both selling and leasing tangible personal
23 ~~property, other than an item of tangible personal property~~
24 ~~titled or registered with an agency of this State's~~

1 ~~government,~~ at retail in the municipality on the gross
2 receipts from these sales or leases made in the course of such
3 business. The tax shall not be imposed on the sale or lease of:
4 (1) tangible personal property titled or registered with an
5 agency of this State's government; (2) tangible personal
6 property subject to a personal property lease transaction tax
7 paid to the home rule municipality; (3) computer software; or
8 (4) tangible personal property subject to the Rental Purchase
9 Agreement Occupation and Use Tax Act. If imposed, the tax
10 shall only be imposed in 1/4% increments. On and after
11 September 1, 1991, this additional tax may not be imposed on
12 tangible personal property taxed at the 1% rate under the
13 Retailers' Occupation Tax Act (or at the 0% rate imposed under
14 this amendatory Act of the 102nd General Assembly). Beginning
15 December 1, 2019, this tax is not imposed on sales of aviation
16 fuel unless the tax revenue is expended for airport-related
17 purposes. If a municipality does not have an airport-related
18 purpose to which it dedicates aviation fuel tax revenue, then
19 aviation fuel is excluded from the tax. Each municipality must
20 comply with the certification requirements for airport-related
21 purposes under Section 2-22 of the Retailers' Occupation Tax
22 Act. For purposes of this Section, "airport-related purposes"
23 has the meaning ascribed in Section 6z-20.2 of the State
24 Finance Act. This exclusion for aviation fuel only applies for
25 so long as the revenue use requirements of 49 U.S.C. 47107(b)
26 and 49 U.S.C. 47133 are binding on the municipality. The

1 changes made to this Section by this amendatory Act of the
2 101st General Assembly are a denial and limitation of home
3 rule powers and functions under subsection (g) of Section 6 of
4 Article VII of the Illinois Constitution. The tax imposed by a
5 home rule municipality under this Section and all civil
6 penalties that may be assessed as an incident of the tax shall
7 be collected and enforced by the State Department of Revenue.
8 The certificate of registration that is issued by the
9 Department to a retailer under the Retailers' Occupation Tax
10 Act shall permit the retailer to engage in a business that is
11 taxable under any ordinance or resolution enacted pursuant to
12 this Section without registering separately with the
13 Department under such ordinance or resolution or under this
14 Section. The Department shall have full power to administer
15 and enforce this Section; to collect all taxes and penalties
16 due hereunder; to dispose of taxes and penalties so collected
17 in the manner hereinafter provided; and to determine all
18 rights to credit memoranda arising on account of the erroneous
19 payment of tax or penalty hereunder. In the administration of,
20 and compliance with, this Section the Department and persons
21 who are subject to this Section shall have the same rights,
22 remedies, privileges, immunities, powers and duties, and be
23 subject to the same conditions, restrictions, limitations,
24 penalties and definitions of terms, and employ the same modes
25 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,
26 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all

1 provisions therein other than the State rate of tax), 2c, 3
2 (except as to the disposition of taxes and penalties
3 collected, and except that the retailer's discount is not
4 allowed for taxes paid on aviation fuel that are subject to the
5 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
6 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l,
7 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers'
8 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
9 Interest Act, as fully as if those provisions were set forth
10 herein.

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

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

21 Whenever the Department determines that a refund should be
22 made under this Section 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 home rule municipal retailers' occupation
2 tax fund or the Local Government Aviation Trust Fund, as
3 appropriate.

4 Except as otherwise provided in this paragraph, the
5 Department shall immediately pay over to the State Treasurer,
6 ex officio, as trustee, all taxes and penalties collected
7 hereunder for deposit into the Home Rule Municipal Retailers'
8 Occupation Tax Fund. Taxes and penalties collected on aviation
9 fuel sold on or after December 1, 2019, shall be immediately
10 paid over by the Department to the State Treasurer, ex
11 officio, as trustee, for deposit into the Local Government
12 Aviation Trust Fund. The Department shall only pay moneys into
13 the Local Government Aviation Trust Fund under this Section
14 for so long as the revenue use requirements of 49 U.S.C.
15 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

1 disbursement of stated sums of money to named municipalities,
2 the municipalities to be those from which retailers have paid
3 taxes or penalties hereunder to the Department during the
4 second preceding calendar month. The amount to be paid to each
5 municipality shall be the amount (not including credit
6 memoranda and not including taxes and penalties collected on
7 aviation fuel sold on or after December 1, 2019) 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
11 a different taxing body, and not including an amount equal to
12 the amount of refunds made during the second preceding
13 calendar month by the Department on behalf of such
14 municipality, and not including any amount that the Department
15 determines is necessary to offset any amounts that were
16 payable to a different taxing body but were erroneously paid
17 to the municipality, and not including any amounts that are
18 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
19 remainder, which the Department shall transfer into the Tax
20 Compliance and Administration Fund. The Department, at the
21 time of each monthly disbursement to the municipalities, shall
22 prepare and certify to the State Comptroller the amount to be
23 transferred into the Tax Compliance and Administration Fund
24 under this Section. Within 10 days after receipt by the
25 Comptroller of the disbursement certification to the
26 municipalities and the Tax Compliance and Administration Fund

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

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

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

14 For the purpose of determining the local governmental unit
15 whose tax is applicable, a retail sale by a producer of coal or
16 other mineral mined in Illinois is a sale at retail at the
17 place where the coal or other mineral mined in Illinois is
18 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 United States Constitution as a sale
22 in interstate or foreign commerce.

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

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

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

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

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

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

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

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

12 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
13 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

14 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

15 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
16 Occupation Tax Act. The corporate authorities of a non-home
17 rule municipality may impose a tax upon all persons engaged in
18 the business of selling tangible personal property, leasing
19 tangible personal property, or both selling and leasing
20 tangible personal property, other than on an item of tangible
21 personal property which is titled and registered by an agency
22 of this State's Government, at retail in the municipality for
23 expenditure on public infrastructure or for property tax
24 relief or both as defined in Section 8-11-1.2 if approved by
25 referendum as provided in Section 8-11-1.1, of the gross

1 receipts from such sales or leases made in the course of such
2 business. The tax shall not be imposed on the sale or lease of:
3 (1) tangible personal property titled or registered with an
4 agency of this State's government; (2) tangible personal
5 property subject to a personal property lease transaction tax
6 paid to the home rule municipality; (3) computer software; or
7 (4) tangible personal property subject to the Rental Purchase
8 Agreement Occupation and Use Tax Act. If the tax is approved by
9 referendum on or after July 14, 2010 (the effective date of
10 Public Act 96-1057), the corporate authorities of a non-home
11 rule municipality may, until July 1, 2030, use the proceeds of
12 the tax for expenditure on municipal operations, in addition
13 to or in lieu of any expenditure on public infrastructure or
14 for property tax relief. The tax imposed may not be more than
15 1% and may be imposed only in 1/4% increments. The tax may not
16 be imposed on tangible personal property taxed at the 1% rate
17 under the Retailers' Occupation Tax Act (or at the 0% rate
18 imposed under this amendatory Act of the 102nd General
19 Assembly). Beginning December 1, 2019, this tax is not imposed
20 on sales of aviation fuel unless the tax revenue is expended
21 for airport-related purposes. If a municipality does not have
22 an airport-related purpose to which it dedicates aviation fuel
23 tax revenue, then aviation fuel is excluded from the tax. Each
24 municipality must comply with the certification requirements
25 for airport-related purposes under Section 2-22 of the
26 Retailers' Occupation Tax Act. For purposes of this Section,

1 "airport-related purposes" has the meaning ascribed in Section
2 6z-20.2 of the State Finance Act. This exclusion for aviation
3 fuel only applies for so long as the revenue use requirements
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
5 municipality. The tax imposed by a municipality pursuant to
6 this Section and all civil penalties that may be assessed as an
7 incident thereof shall be collected and enforced by the State
8 Department of Revenue. The certificate of registration which
9 is issued by the Department to a retailer under the Retailers'
10 Occupation Tax Act shall permit such retailer to engage in a
11 business which is taxable under any ordinance or resolution
12 enacted pursuant to this Section without registering
13 separately with the Department under such ordinance or
14 resolution or under this Section. The Department shall have
15 full power to administer and enforce this Section; to collect
16 all taxes and penalties due hereunder; to dispose of taxes and
17 penalties so collected in the manner hereinafter provided, and
18 to determine all rights to credit memoranda, arising on
19 account of the erroneous payment of tax or penalty hereunder.
20 In the administration of, and compliance with, this Section,
21 the Department and persons who are subject to this Section
22 shall have the same rights, remedies, privileges, immunities,
23 powers and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties and definitions of terms,
25 and employ the same modes of procedure, as are prescribed in
26 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in

1 respect to all provisions therein other than the State rate of
2 tax), 2c, 3 (except as to the disposition of taxes and
3 penalties collected, and except that the retailer's discount
4 is not allowed for taxes paid on aviation fuel that are subject
5 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
7 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
8 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
9 Penalty and Interest Act as fully as if those provisions were
10 set forth herein.

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

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

21 Whenever the Department determines that a refund should be
22 made under this Section 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 such
26 notification from the Department. Such refund shall be paid by

1 the State Treasurer out of the non-home rule municipal
2 retailers' occupation tax fund or the Local Government
3 Aviation Trust Fund, as appropriate.

4 Except as otherwise provided, the Department shall
5 forthwith pay over to the State Treasurer, ex officio, as
6 trustee, all taxes and penalties collected hereunder for
7 deposit into the Non-Home Rule Municipal Retailers' Occupation
8 Tax Fund. Taxes and penalties collected on aviation fuel sold
9 on or after December 1, 2019, shall be immediately paid over by
10 the Department to the State Treasurer, ex officio, as trustee,
11 for deposit into the Local Government Aviation Trust Fund. The
12 Department shall only pay moneys into the Local Government
13 Aviation Trust Fund under this Section for so long as the
14 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
15 47133 are binding on the municipality.

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

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

1 disbursement of stated sums of money to named municipalities,
2 the municipalities to be those from which retailers have paid
3 taxes or penalties hereunder to the Department during the
4 second preceding calendar month. The amount to be paid to each
5 municipality shall be the amount (not including credit
6 memoranda and not including taxes and penalties collected on
7 aviation fuel sold on or after December 1, 2019) 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 which were erroneously paid to
11 a different taxing body, and not including an amount equal to
12 the amount of refunds made during the second preceding
13 calendar month by the Department on behalf of such
14 municipality, and not including any amount which the
15 Department determines is necessary to offset any amounts which
16 were payable to a different taxing body but were erroneously
17 paid to the municipality, and not including any amounts that
18 are transferred to the STAR Bonds Revenue Fund, less 1.5% of
19 the remainder, which the Department shall transfer into the
20 Tax Compliance and Administration Fund. The Department, at the
21 time of each monthly disbursement to the municipalities, shall
22 prepare and certify to the State Comptroller the amount to be
23 transferred into the Tax Compliance and Administration Fund
24 under this Section. Within 10 days after receipt, by the
25 Comptroller, of the disbursement certification to the
26 municipalities and the Tax Compliance and Administration Fund

1 provided for in this Section to be given to the Comptroller by
2 the Department, the Comptroller shall cause the orders to be
3 drawn for the respective amounts in accordance with the
4 directions contained 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
10 coal or other mineral when it is delivered or shipped by the
11 seller to the purchaser at a point outside Illinois so that the
12 sale 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
23 6 months from the time a misallocation is discovered.

24 The Department of Revenue shall implement Public Act
25 91-649 so as to collect the tax on and after January 1, 2002.

26 As used in this Section, "municipal" and "municipality"

1 mean a city, village, or incorporated town, including an
2 incorporated town which has superseded a civil township.

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

5 (Source: P.A. 101-10, eff. 6-5-19; 101-47, eff. 1-1-20;
6 101-81, eff. 7-12-19; 101-604, eff. 12-13-19; 102-700, eff.
7 4-19-22.)

8 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

9 Sec. 8-11-6a. Home rule municipalities; preemption of
10 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,
11 8-11-6, 8-11-6b, 8-11-6c, 8-11-23, and 11-74.3-6 on and after
12 September 1, 1990, no home rule municipality has the authority
13 to impose, pursuant to its home rule authority, a retailer's
14 occupation tax, service occupation tax, use tax, sales tax or
15 other tax on the use, sale or purchase of tangible personal
16 property based on the gross receipts from such sales or the
17 selling or purchase price of said tangible personal property.
18 Notwithstanding the foregoing, this Section does not preempt
19 any home rule imposed tax such as the following: (1) a tax on
20 alcoholic beverages, whether based on gross receipts, volume
21 sold or any other measurement; (2) a tax based on the number of
22 units of cigarettes or tobacco products (provided, however,
23 that a home rule municipality that has not imposed a tax based
24 on the number of units of cigarettes or tobacco products
25 before July 1, 1993, shall not impose such a tax after that

1 date); (3) a tax, however measured, based on the use of a hotel
2 or motel room or similar facility; (4) a tax, however
3 measured, on the sale or transfer of real property; (5) a tax,
4 however measured, on lease receipts, provided that, on and
5 after the effective date of this amendatory Act of the 103rd
6 General Assembly, no home rule municipality may impose a tax,
7 however measured, on lease receipts that are subject to the
8 tax under the Retailers' Occupation Tax Act, except to the
9 extent that those taxes are authorized by the various
10 locally-imposed retailers' occupation tax provisions of law
11 and are administered and collected by the Department of
12 Revenue; (6) a tax on food prepared for immediate consumption
13 and on alcoholic beverages sold by a business which provides
14 for on premise consumption of said food or alcoholic
15 beverages; or (7) other taxes not based on the selling or
16 purchase price or gross receipts from the use, sale or
17 purchase of tangible personal property. This Section does not
18 preempt a home rule municipality with a population of more
19 than 2,000,000 from imposing a tax, however measured, on the
20 use, for consideration, of a parking lot, garage, or other
21 parking facility. This Section is not intended to affect any
22 existing tax on food and beverages prepared for immediate
23 consumption on the premises where the sale occurs, or any
24 existing tax on alcoholic beverages, or any existing tax
25 imposed on the charge for renting a hotel or motel room, which
26 was in effect January 15, 1988, or any extension of the

1 effective date of such an existing tax by ordinance of the
2 municipality imposing the tax, which extension is hereby
3 authorized, in any non-home rule municipality in which the
4 imposition of such a tax has been upheld by judicial
5 determination, nor is this Section intended to preempt the
6 authority granted by Public Act 85-1006. On and after December
7 1, 2019, no home rule municipality has the authority to
8 impose, pursuant to its home rule authority, a tax, however
9 measured, on sales of aviation fuel, as defined in Section 3 of
10 the Retailers' Occupation Tax Act, unless the tax is not
11 subject to the revenue use requirements of 49 U.S.C. 47107(b)
12 and 49 U.S.C. 47133, or unless the tax revenue is expended for
13 airport-related purposes. For purposes of this Section,
14 "airport-related purposes" has the meaning ascribed in Section
15 6z-20.2 of the State Finance Act. Aviation fuel shall be
16 excluded from tax only if, and for so long as, the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the municipality. This Section is a limitation,
19 pursuant to subsection (g) of Section 6 of Article VII of the
20 Illinois Constitution, on the power of home rule units to tax.
21 The changes made to this Section by Public Act 101-10 are a
22 denial and limitation of home rule powers and functions under
23 subsection (g) of Section 6 of Article VII of the Illinois
24 Constitution.

25 (Source: P.A. 101-10, eff. 6-5-19; 101-27, eff. 6-25-19;
26 101-593, eff. 12-4-19.)

1 Section 25. The Civic Center Code is amended by changing
2 Section 245-12 as follows:

3 (70 ILCS 200/245-12)

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

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

15 "Shall the Salem Civic Center Authority be authorized to
16 impose a retailers' occupation tax, a service occupation
17 tax, and a use tax at the rate of (rate) for the sole
18 purpose of obtaining funds for the support, construction,
19 maintenance, or financing of a facility of the Authority?"
20 Votes shall be recorded as "yes" or "no".

21 If a majority of all votes cast on the proposition are in
22 favor of the proposition, the Authority is authorized to
23 impose the tax.

24 (b) The Authority shall impose the retailers' occupation

1 tax upon all persons engaged in the business of selling
2 tangible personal property, leasing tangible personal
3 property, or both selling and leasing tangible personal
4 property at retail in the metropolitan area, at the rate
5 approved by referendum, on the gross receipts from the sales
6 or leases made in the course of such business within the
7 metropolitan area. The tax shall not be imposed on the sale or
8 lease of: (1) tangible personal property titled or registered
9 with an agency of this State's government; (2) tangible
10 personal property subject to a personal property lease
11 transaction tax paid to the home rule municipality; (3)
12 computer software; or (4) tangible personal property subject
13 to the Rental Purchase Agreement Occupation and Use Tax Act.
14 Beginning December 1, 2019 and through December 31, 2020, this
15 tax is not imposed on sales of aviation fuel unless the tax
16 revenue is expended for airport-related purposes. If the
17 Authority does not have an airport-related purpose to which it
18 dedicates aviation fuel tax revenue, then aviation fuel is
19 excluded from the tax. The Authority must comply with the
20 certification requirements for airport-related purposes under
21 Section 2-22 of the Retailers' Occupation Tax Act. For
22 purposes of this Section, "airport-related purposes" has the
23 meaning ascribed in Section 6z-20.2 of the State Finance Act.
24 Beginning January 1, 2021, this tax is not imposed on sales of
25 aviation fuel for so long as the revenue use requirements of 49
26 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the

1 Authority.

2 The tax imposed under this Section and all civil penalties
3 that may be assessed as an incident thereof shall be collected
4 and enforced by the Department of Revenue. The Department has
5 full power to administer and enforce this Section; to collect
6 all taxes and penalties so collected in the manner provided in
7 this Section; and to determine all rights to credit memoranda
8 arising on account of the erroneous payment of tax or penalty
9 hereunder. In the administration of, and compliance with, this
10 Section, the Department and persons who are subject to this
11 Section shall (i) have the same rights, remedies, privileges,
12 immunities, powers and duties, (ii) be subject to the same
13 conditions, restrictions, limitations, penalties, exclusions,
14 exemptions, and definitions of terms, and (iii) employ the
15 same modes of procedure as are prescribed in Sections 1, 1a,
16 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10
17 (in respect to all provisions therein other than the State
18 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as
19 to the disposition of taxes and penalties collected and
20 provisions related to quarter monthly payments, and except
21 that the retailer's discount is not allowed for taxes paid on
22 aviation fuel that are subject to the revenue use requirements
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
24 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
25 11a, 12, and 13 of the Retailers' Occupation Tax Act and
26 Section 3-7 of the Uniform Penalty and Interest Act, as fully

1 as if those provisions were set forth in this subsection.

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

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

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

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

1 seller to the purchaser at a point outside Illinois so that the
2 sale is exempt under the Federal Constitution as a sale in
3 interstate or foreign commerce.

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

8 (c) If a tax has been imposed under subsection (b), a
9 service occupation tax shall also be imposed at the same rate
10 upon all persons engaged, in the metropolitan area, in the
11 business of making sales of service, who, as an incident to
12 making those sales of service, transfer tangible personal
13 property within the metropolitan area as an incident to a sale
14 of service. The tax imposed under this subsection and all
15 civil penalties that may be assessed as an incident thereof
16 shall be collected and enforced by the Department of Revenue.

17 Beginning December 1, 2019 and through December 31, 2020,
18 this tax is not imposed on sales of aviation fuel unless the
19 tax revenue is expended for airport-related purposes. If the
20 Authority does not have an airport-related purpose to which it
21 dedicates aviation fuel tax revenue, then aviation fuel is
22 excluded from the tax. The Authority must comply with the
23 certification requirements for airport-related purposes under
24 Section 2-22 of the Retailers' Occupation Tax Act. Beginning
25 January 1, 2021, this tax is not imposed on sales of aviation
26 fuel for so long as the revenue use requirements of 49 U.S.C.

1 47107(b) and 49 U.S.C. 47133 are binding on the Authority.

2 The Department has full power to administer and enforce
3 this paragraph; to collect all taxes and penalties due
4 hereunder; to dispose of taxes and penalties so collected in
5 the manner hereinafter provided; and to determine all rights
6 to credit memoranda arising on account of the erroneous
7 payment of tax or penalty hereunder. In the administration of,
8 and compliance with this paragraph, the Department and persons
9 who are subject to this paragraph shall (i) have the same
10 rights, remedies, privileges, immunities, powers, and duties,
11 (ii) be subject to the same conditions, restrictions,
12 limitations, penalties, exclusions, exemptions, and
13 definitions of terms, and (iii) employ the same modes of
14 procedure as are prescribed in Sections 2 (except that the
15 reference to State in the definition of supplier maintaining a
16 place of business in this State shall mean the metropolitan
17 area), 2a, 2b, 3 through 3-55 (in respect to all provisions
18 therein other than the State rate of tax), 4 (except that the
19 reference to the State shall be to the Authority), 5, 7, 8
20 (except that the jurisdiction to which the tax shall be a debt
21 to the extent indicated in that Section 8 shall be the
22 Authority), 9 (except as to the disposition of taxes and
23 penalties collected, and except that the returned merchandise
24 credit for this tax may not be taken against any State tax, and
25 except that the retailer's discount is not allowed for taxes
26 paid on aviation fuel that are subject to the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 11,
2 12 (except the reference therein to Section 2b of the
3 Retailers' Occupation Tax Act), 13 (except that any reference
4 to the State shall mean the Authority), 15, 16, 17, 18, 19 and
5 20 of the Service Occupation Tax Act and Section 3-7 of the
6 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 subsection may reimburse themselves for their
10 serviceman's tax liability by separately stating the tax as an
11 additional charge, which charge may be stated in combination,
12 in a single amount, with State tax that servicemen are
13 authorized to collect under the Service Use Tax Act, in
14 accordance with such bracket schedules as the Department may
15 prescribe.

16 Whenever the Department determines that a refund should be
17 made under this subsection to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the tax fund referenced under paragraph (g)
23 of this Section or the Local Government Aviation Trust Fund,
24 as appropriate.

25 Nothing in this paragraph shall be construed to authorize
26 the Authority to impose a tax upon the privilege of engaging in

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

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

23 The Department has full power to administer and enforce
24 this paragraph; to collect all taxes, penalties and interest
25 due hereunder; to dispose of taxes, penalties and interest so
26 collected in the manner hereinafter provided; and to determine

1 all rights to credit memoranda or refunds arising on account
2 of the erroneous payment of tax, penalty or interest
3 hereunder. In the administration of, and compliance with, this
4 subsection, the Department and persons who are subject to this
5 paragraph shall (i) have the same rights, remedies,
6 privileges, immunities, powers, and duties, (ii) be subject to
7 the same conditions, restrictions, limitations, penalties,
8 exclusions, exemptions, and definitions of terms, and (iii)
9 employ the same modes of procedure as are prescribed in
10 Sections 2 (except the definition of "retailer maintaining a
11 place of business in this State"), 3, 3-5, 3-10, 3-45, 3-55,
12 3-65, 3-70, 3-85, 3a, 4, 6, 7, 8 (except that the jurisdiction
13 to which the tax shall be a debt to the extent indicated in
14 that Section 8 shall be the Authority), 9 (except provisions
15 relating to quarter monthly payments), 10, 11, 12, 12a, 12b,
16 13, 14, 15, 19, 20, 21, and 22 of the Use Tax Act and Section
17 3-7 of the Uniform Penalty and Interest Act, that are not
18 inconsistent with this paragraph, as fully as if those
19 provisions were set forth herein.

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

1 of this Section.

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

11 (f) The results of any election authorizing a proposition
12 to impose a tax under this Section or effecting a change in the
13 rate of tax shall be certified by the proper election
14 authorities and filed with the Illinois Department on or
15 before the first day of April. In addition, an ordinance
16 imposing, discontinuing, or effecting a change in the rate of
17 tax under this Section shall be adopted and a certified copy
18 thereof filed with the Department on or before the first day of
19 April. After proper receipt of such certifications, the
20 Department shall proceed to administer and enforce this
21 Section as of the first day of July next following such
22 adoption and filing.

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

1 and penalties shall be held in a trust fund outside the State
2 Treasury. Taxes and penalties collected on aviation fuel sold
3 on or after December 1, 2019 and through December 31, 2020,
4 shall be immediately paid over by the Department to the State
5 Treasurer, ex officio, as trustee, for deposit into the Local
6 Government Aviation Trust Fund. The Department shall only pay
7 moneys into the Local Government Aviation Trust Fund under
8 this Section for so long as the revenue use requirements of 49
9 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
10 District. On or before the 25th day of each calendar month, the
11 Department of Revenue shall prepare and certify to the
12 Comptroller of the State of Illinois the amount to be paid to
13 the Authority, which shall be the balance in the fund, less any
14 amount determined by the Department to be necessary for the
15 payment of refunds and not including taxes and penalties
16 collected on aviation fuel sold on or after December 1, 2019.
17 Within 10 days after receipt by the Comptroller of the
18 certification of the amount to be paid to the Authority, the
19 Comptroller shall cause an order to be drawn for payment for
20 the amount in accordance with the directions contained in the
21 certification. Amounts received from the tax imposed under
22 this Section shall be used only for the support, construction,
23 maintenance, or financing of a facility of the Authority.

24 (h) When certifying the amount of a monthly disbursement
25 to the Authority under this Section, the Department shall
26 increase or decrease the amounts by an amount necessary to

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

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

7 (Source: P.A. 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

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

10 (70 ILCS 750/25)

11 Sec. 25. Flood prevention retailers' and service
12 occupation taxes.

13 (a) If the Board of Commissioners of a flood prevention
14 district determines that an emergency situation exists
15 regarding levee repair or flood prevention, and upon an
16 ordinance confirming the determination adopted by the
17 affirmative vote of a majority of the members of the county
18 board of the county in which the district is situated, the
19 county may impose a flood prevention retailers' occupation tax
20 upon all persons engaged in the business of selling tangible
21 personal property, leasing tangible personal property, or both
22 selling and leasing tangible personal property at retail
23 within the territory of the district to provide revenue to pay
24 the costs of providing emergency levee repair and flood

1 prevention and to secure the payment of bonds, notes, and
2 other evidences of indebtedness issued under this Act for a
3 period not to exceed 25 years or as required to repay the
4 bonds, notes, and other evidences of indebtedness issued under
5 this Act. The tax shall not be imposed on the sale or lease of:
6 (1) tangible personal property titled or registered with an
7 agency of this State's government; (2) tangible personal
8 property subject to a personal property lease transaction tax
9 paid to the home rule municipality; (3) computer software; or
10 (4) tangible personal property subject to the Rental Purchase
11 Agreement Occupation and Use Tax Act. The tax rate shall be
12 0.25% of the gross receipts from all taxable sales or leases
13 made in the course of that business. Beginning December 1,
14 2019 and through December 31, 2020, this tax is not imposed on
15 sales of aviation fuel unless the tax revenue is expended for
16 airport-related purposes. If the District does not have an
17 airport-related purpose to which it dedicates aviation fuel
18 tax revenue, then aviation fuel is excluded from the tax. The
19 County must comply with the certification requirements for
20 airport-related purposes under Section 2-22 of the Retailers'
21 Occupation Tax Act. The tax imposed under this Section and all
22 civil penalties that may be assessed as an incident thereof
23 shall be collected and enforced by the State Department of
24 Revenue. The Department shall have full power to administer
25 and enforce this Section; to collect all taxes and penalties
26 so collected in the manner hereinafter provided; and to

1 determine all rights to credit memoranda arising on account of
2 the erroneous payment of tax or penalty hereunder.

3 For purposes of this Act, "airport-related purposes" has
4 the meaning ascribed in Section 6z-20.2 of the State Finance
5 Act. Beginning January 1, 2021, this tax is not imposed on
6 sales of aviation fuel for so long as the revenue use
7 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
8 binding on the District.

9 In the administration of and compliance with this
10 subsection, the Department and persons who are subject to this
11 subsection (i) have the same rights, remedies, privileges,
12 immunities, powers, and duties, (ii) are subject to the same
13 conditions, restrictions, limitations, penalties, and
14 definitions of terms, and (iii) shall employ the same modes of
15 procedure as are set forth in Sections 1 through 1o, 2 through
16 2-70 (in respect to all provisions contained in those Sections
17 other than the State rate of tax), 2a through 2h, 3 (except as
18 to the disposition of taxes and penalties collected, and
19 except that the retailer's discount is not allowed for taxes
20 paid on aviation fuel that are subject to the revenue use
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
22 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7,
23 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax
24 Act and all provisions of the Uniform Penalty and Interest Act
25 as if those provisions were set forth in this subsection.

26 Persons subject to any tax imposed under this Section may

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

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

9 (b) If a tax has been imposed under subsection (a), a flood
10 prevention service occupation tax shall also be imposed upon
11 all persons engaged within the territory of the district in
12 the business of making sales of service, who, as an incident to
13 making the sales of service, transfer tangible personal
14 property, either in the form of tangible personal property or
15 in the form of real estate as an incident to a sale of service
16 to provide revenue to pay the costs of providing emergency
17 levee repair and flood prevention and to secure the payment of
18 bonds, notes, and other evidences of indebtedness issued under
19 this Act for a period not to exceed 25 years or as required to
20 repay the bonds, notes, and other evidences of indebtedness.
21 The tax rate shall be 0.25% of the selling price of all
22 tangible personal property transferred. Beginning December 1,
23 2019 and through December 31, 2020, this tax is not imposed on
24 sales of aviation fuel unless the tax revenue is expended for
25 airport-related purposes. If the District does not have an
26 airport-related purpose to which it dedicates aviation fuel

1 tax revenue, then aviation fuel is excluded from the tax. The
2 County must comply with the certification requirements for
3 airport-related purposes under Section 2-22 of the Retailers'
4 Occupation Tax Act. For purposes of this Act, "airport-related
5 purposes" has the meaning ascribed in Section 6z-20.2 of the
6 State Finance Act. Beginning January 1, 2021, this tax is not
7 imposed on sales of aviation fuel for so long as the revenue
8 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
9 binding on the District.

10 The tax imposed under this subsection and all civil
11 penalties that may be assessed as an incident thereof shall be
12 collected and enforced by the State Department of Revenue. The
13 Department shall have full power to administer and enforce
14 this subsection; to collect all taxes and penalties due
15 hereunder; to dispose of taxes and penalties collected in the
16 manner hereinafter provided; and to determine all rights to
17 credit memoranda arising on account of the erroneous payment
18 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 shall (i) have the same rights, remedies,
22 privileges, immunities, powers, and duties, (ii) be subject to
23 the same conditions, restrictions, limitations, penalties, and
24 definitions of terms, and (iii) employ the same modes of
25 procedure as are set forth in Sections 2 (except that the
26 reference to State in the definition of supplier maintaining a

1 place of business in this State means the district), 2a
2 through 2d, 3 through 3-50 (in respect to all provisions
3 contained in those Sections other than the State rate of tax),
4 4 (except that the reference to the State shall be to the
5 district), 5, 7, 8 (except that the jurisdiction to which the
6 tax is a debt to the extent indicated in that Section 8 is the
7 district), 9 (except as to the disposition of taxes and
8 penalties collected, and except that the retailer's discount
9 is not allowed for taxes paid on aviation fuel that are subject
10 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
11 U.S.C. 47133), 10, 11, 12 (except the reference therein to
12 Section 2b of the Retailers' Occupation Tax Act), 13 (except
13 that any reference to the State means the district), Section
14 15, 16, 17, 18, 19, and 20 of the Service Occupation Tax Act
15 and all provisions of the Uniform Penalty and Interest Act, as
16 fully as if those provisions were set forth herein.

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

24 (c) The taxes imposed in subsections (a) and (b) may not be
25 imposed on personal property titled or registered with an
26 agency of the State or on personal property taxed at the 1%

1 rate under the Retailers' Occupation Tax Act and the Service
2 Occupation Tax Act (or at the 0% rate imposed under this
3 amendatory Act of the 102nd General Assembly).

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

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

16 (f) Except as otherwise provided, the Department shall
17 immediately pay over to the State Treasurer, ex officio, as
18 trustee, all taxes and penalties collected under this Section
19 to be deposited into the Flood Prevention Occupation Tax Fund,
20 which shall be an unappropriated trust fund held outside the
21 State treasury. Taxes and penalties collected on aviation fuel
22 sold on or after December 1, 2019 and through December 31,
23 2020, shall be immediately paid over by the Department to the
24 State Treasurer, ex officio, as trustee, for deposit into the
25 Local Government Aviation Trust Fund. The Department shall
26 only pay moneys into the Local Government Aviation Trust Fund

1 under this Act for so long as the revenue use requirements of
2 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
3 District.

4 On or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to the counties from
7 which retailers or servicemen have paid taxes or penalties to
8 the Department during the second preceding calendar month. The
9 amount to be paid to each county is equal to the amount (not
10 including credit memoranda and not including taxes and
11 penalties collected on aviation fuel sold on or after December
12 1, 2019 and through December 31, 2020) collected from the
13 county under this Section during the second preceding calendar
14 month by the Department, (i) less 2% of that amount (except the
15 amount collected on aviation fuel sold on or after December 1,
16 2019 and through December 31, 2020), which shall be deposited
17 into the Tax Compliance and Administration Fund and shall be
18 used by the Department in administering and enforcing the
19 provisions of this Section on behalf of the county, (ii) plus
20 an amount that the Department determines is necessary to
21 offset any amounts that were erroneously paid to a different
22 taxing body; (iii) less an amount equal to the amount of
23 refunds made during the second preceding calendar month by the
24 Department on behalf of the county; and (iv) less any amount
25 that the Department determines is necessary to offset any
26 amounts that were payable to a different taxing body but were

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

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

12 If the Department determines that a refund should be made
13 under this Section to a claimant instead of issuing a credit
14 memorandum, then the Department shall notify the Comptroller,
15 who shall cause the order to be drawn for the amount specified
16 and to the person named in the notification from the
17 Department. The refund shall be paid by the Treasurer out of
18 the Flood Prevention Occupation Tax Fund or the Local
19 Government Aviation Trust Fund, as appropriate.

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

25 (h) Any ordinance imposing the tax under this Section, or
26 any ordinance that discontinues the tax, must be certified by

1 the county clerk and filed with the Illinois Department of
2 Revenue either (i) on or before the first day of April,
3 whereupon the Department shall proceed to administer and
4 enforce the tax or change in the rate as of the first day of
5 July next following the filing; or (ii) on or before the first
6 day of October, whereupon the Department shall proceed to
7 administer and enforce the tax or change in the rate as of the
8 first day of January next following the filing.

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

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

20 (Source: P.A. 101-10, eff. 6-5-19; 101-604, eff. 12-13-19;
21 102-700, eff. 4-19-22.)

22 Section 35. The Local Mass Transit District Act is amended
23 by changing Section 5.01 as follows:

24 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

1 Sec. 5.01. Metro East Mass Transit District; use and
2 occupation taxes.

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

19 (b) The Board may impose a Metro East Mass Transit
20 District Retailers' Occupation Tax upon all persons engaged in
21 the business of selling tangible personal property, leasing
22 tangible personal property, or both selling and leasing
23 tangible personal property at retail in the district at a rate
24 of 1/4 of 1%, or as authorized under subsection (d-5) of this
25 Section, of the gross receipts from the sales or leases made in
26 the course of such business within the district, except that

1 the rate of tax imposed under this Section on sales of aviation
2 fuel on or after December 1, 2019 shall be 0.25% in Madison
3 County unless the Metro-East Mass Transit District in Madison
4 County has an "airport-related purpose" and any additional
5 amount authorized under subsection (d-5) is expended for
6 airport-related purposes. If there is no airport-related
7 purpose to which aviation fuel tax revenue is dedicated, then
8 aviation fuel is excluded from any additional amount
9 authorized under subsection (d-5). The rate in St. Clair
10 County shall be 0.25% unless the Metro-East Mass Transit
11 District in St. Clair County has an "airport-related purpose"
12 and the additional 0.50% of the 0.75% tax on aviation fuel
13 imposed in that County is expended for airport-related
14 purposes. If there is no airport-related purpose to which
15 aviation fuel tax revenue is dedicated, then aviation fuel is
16 excluded from the additional 0.50% of the 0.75% tax. The tax
17 shall not be imposed on the sale or lease of: (1) tangible
18 personal property titled or registered with an agency of this
19 State's government; (2) tangible personal property subject to
20 a personal property lease transaction tax paid to the home
21 rule municipality; (3) computer software; or (4) tangible
22 personal property subject to the Rental Purchase Agreement
23 Occupation and Use Tax Act.

24 The Board must comply with the certification requirements
25 for airport-related purposes under Section 2-22 of the
26 Retailers' Occupation Tax Act. For purposes of this Section,

1 "airport-related purposes" has the meaning ascribed in Section
2 6z-20.2 of the State Finance Act. This exclusion for aviation
3 fuel only applies for so long as the revenue use requirements
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
5 District.

6 The tax imposed under this Section and all civil penalties
7 that may be assessed as an incident thereof shall be collected
8 and enforced by the State Department of Revenue. The
9 Department shall have full power to administer and enforce
10 this Section; to collect all taxes and penalties so collected
11 in the manner hereinafter provided; and to determine all
12 rights to credit memoranda arising on account of the erroneous
13 payment of tax or penalty hereunder. In the administration of,
14 and compliance with, this Section, the Department and persons
15 who are subject to this Section shall have the same rights,
16 remedies, privileges, immunities, powers and duties, and be
17 subject to the same conditions, restrictions, limitations,
18 penalties, exclusions, exemptions and definitions of terms and
19 employ the same modes of procedure, as are prescribed in
20 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
21 (in respect to all provisions therein other than the State
22 rate of tax), 2c, 3 (except as to the disposition of taxes and
23 penalties collected, and except that the retailer's discount
24 is not allowed for taxes paid on aviation fuel that are subject
25 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
26 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,

1 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of the
2 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
3 Penalty and Interest Act, as fully as if those provisions were
4 set forth herein.

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

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

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

23 For the purpose of determining whether a tax authorized
24 under this Section is applicable, a retail sale, by a producer
25 of coal or other mineral mined in Illinois, is a sale at retail
26 at the place where the coal or other mineral mined in Illinois

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

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

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

15 (c) If a tax has been imposed under subsection (b), a Metro
16 East Mass Transit District Service Occupation Tax shall also
17 be imposed upon all persons engaged, in the district, in the
18 business of making sales of service, who, as an incident to
19 making those sales of service, transfer tangible personal
20 property within the District, either in the form of tangible
21 personal property or in the form of real estate as an incident
22 to a sale of service. The tax rate shall be 1/4%, or as
23 authorized under subsection (d-5) of this Section, of the
24 selling price of tangible personal property so transferred
25 within the district, except that the rate of tax imposed in
26 these Counties under this Section on sales of aviation fuel on

1 or after December 1, 2019 shall be 0.25% in Madison County
2 unless the Metro-East Mass Transit District in Madison County
3 has an "airport-related purpose" and any additional amount
4 authorized under subsection (d-5) is expended for
5 airport-related purposes. If there is no airport-related
6 purpose to which aviation fuel tax revenue is dedicated, then
7 aviation fuel is excluded from any additional amount
8 authorized under subsection (d-5). The rate in St. Clair
9 County shall be 0.25% unless the Metro-East Mass Transit
10 District in St. Clair County has an "airport-related purpose"
11 and the additional 0.50% of the 0.75% tax on aviation fuel is
12 expended for airport-related purposes. If there is no
13 airport-related purpose to which aviation fuel tax revenue is
14 dedicated, then aviation fuel is excluded from the additional
15 0.50% of the 0.75% tax.

16 The Board must comply with the certification requirements
17 for airport-related purposes under Section 2-22 of the
18 Retailers' Occupation Tax Act. For purposes of this Section,
19 "airport-related purposes" has the meaning ascribed in Section
20 6z-20.2 of the State Finance Act. This exclusion for aviation
21 fuel only applies for so long as the revenue use requirements
22 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
23 District.

24 The tax imposed under this paragraph and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the State Department of Revenue. The

1 Department shall have full power to administer and enforce
2 this paragraph; to collect all taxes and penalties due
3 hereunder; to dispose of taxes and penalties so collected in
4 the manner hereinafter provided; and to determine all rights
5 to credit memoranda arising on account of the erroneous
6 payment of tax or penalty hereunder. In the administration of,
7 and compliance with this paragraph, the Department and persons
8 who are subject to this paragraph shall have the same rights,
9 remedies, privileges, immunities, powers and duties, and be
10 subject to the same conditions, restrictions, limitations,
11 penalties, exclusions, exemptions and definitions of terms and
12 employ the same modes of procedure as are prescribed in
13 Sections 1a-1, 2 (except that the reference to State in the
14 definition of supplier maintaining a place of business in this
15 State shall mean the Authority), 2a, 3 through 3-50 (in
16 respect to all provisions therein other than the State rate of
17 tax), 4 (except that the reference to the State shall be to the
18 Authority), 5, 7, 8 (except that the jurisdiction to which the
19 tax shall be a debt to the extent indicated in that Section 8
20 shall be the District), 9 (except as to the disposition of
21 taxes and penalties collected, and except that the returned
22 merchandise credit for this tax may not be taken against any
23 State tax, and except that the retailer's discount is not
24 allowed for taxes paid on aviation fuel that are subject to the
25 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
26 47133), 10, 11, 12 (except the reference therein to Section 2b

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

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

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

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

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

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

24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes, penalties and
26 interest due hereunder; to dispose of taxes, penalties and

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

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

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

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

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

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

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

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

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

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

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

25 Name Address, with Street and Number.

26

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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
6 District shall begin imposing the increased rates in the
7 District, and the Department of Revenue shall begin collecting
8 the increased amounts, as provided under this Section. An
9 ordinance imposing or discontinuing a tax hereunder or
10 effecting a change in the rate thereof shall be adopted and a
11 certified copy thereof filed with the Department on or before
12 the first day of October, whereupon the Department shall
13 proceed to administer and enforce this Section as of the first
14 day of January next following the adoption and filing, or on or
15 before the first day of April, whereupon the Department shall
16 proceed to administer and enforce this Section as of the first
17 day of July 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
Department at least 15 days before its effective date. At any

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

1 increase shall be adopted, and a certified copy of that
2 ordinance shall be filed with the Department on or before
3 October 1, whereupon the Department shall administer and
4 enforce this exclusion from the rate increase as of the
5 following January 1, or on or before April 1, whereupon the
6 Department shall administer and enforce this exclusion from
7 the rate increase as of the following July 1. The Board of
8 Trustees of any Metro East Mass Transit District may never
9 reimpose a previously excluded tax rate increase on tangible
10 personal property titled or registered with an agency of this
11 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
16 Board may, by ordinance adopted with the concurrence of
17 two-thirds of the then trustees, impose throughout the
18 District a fee. The fee on the excluded property shall not
19 exceed \$20 per retail transaction or an amount equal to the
20 amount of tax excluded, whichever is less, on tangible
21 personal property that is titled or registered with an agency
22 of this State's government. Beginning July 1, 2004, the fee
23 shall apply only to titled property that is subject to either
24 the Metro East Mass Transit District Retailers' Occupation Tax
25 or the Metro East Mass Transit District Service Occupation
26 Tax. No fee shall be imposed or collected under this

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

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

10 (d-7.1) Beginning July 1, 2004, any fee imposed by the
11 Board of Trustees of any Metro East Mass Transit District
12 under subsection (d-6) and all civil penalties that may be
13 assessed as an incident of the fees shall be collected and
14 enforced by the State Department of Revenue. Reference to
15 "taxes" in this Section shall be construed to apply to the
16 administration, payment, and remittance of all fees under this
17 Section. For purposes of any fee imposed under subsection
18 (d-6), 4% of the fee, penalty, and interest received by the
19 Department in the first 12 months that the fee is collected and
20 enforced by the Department and 2% of the fee, penalty, and
21 interest following the first 12 months (except the amount
22 collected on aviation fuel sold on or after December 1, 2019)
23 shall be deposited into the Tax Compliance and Administration
24 Fund and shall be used by the Department, subject to
25 appropriation, to cover the costs of the Department. No
26 retailers' discount shall apply to any fee imposed under

1 subsection (d-6).

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

6 (d-9) (Blank).

7 (d-10) (Blank).

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

17 (f) (Blank).

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

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

15 (h) Except as provided in subsection (d-7.1), the State
16 Department of Revenue shall, upon collecting any taxes as
17 provided in this Section, pay the taxes over to the State
18 Treasurer as trustee for the District. The taxes shall be held
19 in a trust fund outside the State Treasury. If an
20 airport-related purpose has been certified, taxes and
21 penalties collected in St. Clair County on aviation fuel sold
22 on or after December 1, 2019 from the 0.50% of the 0.75% rate
23 shall be immediately paid over by the Department to the State
24 Treasurer, ex officio, as trustee, for deposit into the Local
25 Government Aviation Trust Fund. The Department shall only pay
26 moneys into the Local Government Aviation Trust Fund under

1 this Act for so long as the revenue use requirements of 49
2 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
3 District.

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

16 After the monthly transfer to the STAR Bonds Revenue Fund,
17 on or before the 25th day of each calendar month, the State
18 Department of Revenue shall prepare and certify to the
19 Comptroller of the State of Illinois the amount to be paid to
20 the District, which shall be the amount (not including credit
21 memoranda and not including taxes and penalties collected on
22 aviation fuel sold on or after December 1, 2019 that are
23 deposited into the Local Government Aviation Trust Fund)
24 collected under this Section during the second preceding
25 calendar month by the Department plus an amount the Department
26 determines is necessary to offset any amounts that were

1 erroneously paid to a different taxing body, and not including
2 any amount equal to the amount of refunds made during the
3 second preceding calendar month by the Department on behalf of
4 the District, and not including any amount that the Department
5 determines is necessary to offset any amounts that were
6 payable to a different taxing body but were erroneously paid
7 to the District, and less any amounts that are transferred to
8 the STAR Bonds Revenue Fund, less 1.5% of the remainder, which
9 the Department shall transfer into the Tax Compliance and
10 Administration Fund. The Department, at the time of each
11 monthly disbursement to the District, shall prepare and
12 certify to the State Comptroller the amount to be transferred
13 into the Tax Compliance and Administration Fund under this
14 subsection. Within 10 days after receipt by the Comptroller of
15 the certification of the amount to be paid to the District and
16 the Tax Compliance and Administration Fund, the Comptroller
17 shall cause an order to be drawn for payment for the amount in
18 accordance with the direction in the certification.

19 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
20 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

21 Section 40. The Regional Transportation Authority Act is
22 amended by changing Section 4.03 as follows:

23 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

24 Sec. 4.03. Taxes.

1 (a) In order to carry out any of the powers or purposes of
2 the Authority, the Board may by ordinance adopted with the
3 concurrence of 12 of the then Directors, impose throughout the
4 metropolitan region any or all of the taxes provided in this
5 Section. Except as otherwise provided in this Act, taxes
6 imposed under this Section and civil penalties imposed
7 incident thereto shall be collected and enforced by the State
8 Department of Revenue. The Department shall have the power to
9 administer and enforce the taxes and to determine all rights
10 for refunds for erroneous payments of the taxes. Nothing in
11 Public Act 95-708 is intended to invalidate any taxes
12 currently imposed by the Authority. The increased vote
13 requirements to impose a tax shall only apply to actions taken
14 after January 1, 2008 (the effective date of Public Act
15 95-708).

16 (b) The Board may impose a public transportation tax upon
17 all persons engaged in the metropolitan region in the business
18 of selling at retail motor fuel for operation of motor
19 vehicles upon public highways. The tax shall be at a rate not
20 to exceed 5% of the gross receipts from the sales of motor fuel
21 in the course of the business. As used in this Act, the term
22 "motor fuel" shall have the same meaning as in the Motor Fuel
23 Tax Law. The Board may provide for details of the tax. The
24 provisions of any tax shall conform, as closely as may be
25 practicable, to the provisions of the Municipal Retailers
26 Occupation Tax Act, including without limitation, conformity

1 to penalties with respect to the tax imposed and as to the
2 powers of the State Department of Revenue to promulgate and
3 enforce rules and regulations relating to the administration
4 and enforcement of the provisions of the tax imposed, except
5 that reference in the Act to any municipality shall refer to
6 the Authority and the tax shall be imposed only with regard to
7 receipts from sales of motor fuel in the metropolitan region,
8 at rates as limited by this Section.

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

16 (d) The Board may impose a motor vehicle parking tax upon
17 the privilege of parking motor vehicles at off-street parking
18 facilities in the metropolitan region at which a fee is
19 charged, and may provide for reasonable classifications in and
20 exemptions to the tax, for administration and enforcement
21 thereof and for civil penalties and refunds thereunder and may
22 provide criminal penalties thereunder, the maximum penalties
23 not to exceed the maximum criminal penalties provided in the
24 Retailers' Occupation Tax Act. The Authority may collect and
25 enforce the tax itself or by contract with any unit of local
26 government. The State Department of Revenue shall have no

1 responsibility for the collection and enforcement unless the
2 Department agrees with the Authority to undertake the
3 collection and enforcement. As used in this paragraph, the
4 term "parking facility" means a parking area or structure
5 having parking spaces for more than 2 vehicles at which motor
6 vehicles are permitted to park in return for an hourly, daily,
7 or other periodic fee, whether publicly or privately owned,
8 but does not include parking spaces on a public street, the use
9 of which is regulated by parking meters.

10 (e) The Board may impose a Regional Transportation
11 Authority Retailers' Occupation Tax upon all persons engaged
12 in the business of selling tangible personal property, leasing
13 tangible personal property, or both selling and leasing
14 tangible personal property at retail in the metropolitan
15 region. In Cook County, the tax rate shall be 1.25% of the
16 gross receipts from sales or leases of tangible personal
17 property taxed at the 1% rate under the Retailers' Occupation
18 Tax Act (or at the 0% rate imposed under this amendatory Act of
19 the 102nd General Assembly), and 1% of the gross receipts from
20 other taxable sales or leases made in the course of that
21 business. In DuPage, Kane, Lake, McHenry, and Will counties,
22 the tax rate shall be 0.75% of the gross receipts from all
23 taxable sales made in the course of that business. The rate of
24 tax imposed in DuPage, Kane, Lake, McHenry, and Will counties
25 under this Section on sales of aviation fuel on or after
26 December 1, 2019 shall, however, be 0.25% unless the Regional

1 Transportation Authority in DuPage, Kane, Lake, McHenry, and
2 Will counties has an "airport-related purpose" and the
3 additional 0.50% of the 0.75% tax on aviation fuel is expended
4 for airport-related purposes. If there is no airport-related
5 purpose to which aviation fuel tax revenue is dedicated, then
6 aviation fuel is excluded from the additional 0.50% of the
7 0.75% tax. The tax shall not be imposed on the sale or lease
8 of: (1) tangible personal property titled or registered with
9 an agency of this State's government; (2) tangible personal
10 property subject to a personal property lease transaction tax
11 paid to the home rule municipality; (3) computer software; or
12 (4) tangible personal property subject to the Rental Purchase
13 Agreement Occupation and Use Tax Act. The tax imposed under
14 this Section and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. The Department shall have full power to
17 administer and enforce this Section; to collect all taxes and
18 penalties so collected in the manner hereinafter provided; and
19 to determine all rights to credit memoranda arising on account
20 of the erroneous payment of tax or penalty hereunder. In the
21 administration of, and compliance with this Section, the
22 Department and persons who are subject to this Section shall
23 have the same rights, remedies, privileges, immunities,
24 powers, and duties, and be subject to the same conditions,
25 restrictions, limitations, penalties, exclusions, exemptions,
26 and definitions of terms, and employ the same modes of

1 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
2 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
3 therein other than the State rate of tax), 2c, 3 (except as to
4 the disposition of taxes and penalties collected, and except
5 that the retailer's discount is not allowed for taxes paid on
6 aviation fuel that are subject to the revenue use requirements
7 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
8 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
9 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and
10 Section 3-7 of the Uniform Penalty and Interest Act, as fully
11 as if those provisions were set forth herein.

12 The Board and DuPage, Kane, Lake, McHenry, and Will
13 counties must comply with the certification requirements for
14 airport-related purposes under Section 2-22 of the Retailers'
15 Occupation Tax Act. For purposes of this Section,
16 "airport-related purposes" has the meaning ascribed in Section
17 6z-20.2 of the State Finance Act. This exclusion for aviation
18 fuel only applies for so long as the revenue use requirements
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
20 Authority.

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 the tax
24 as an additional charge, which charge may be stated in
25 combination in a single amount with State taxes that sellers
26 are required to collect under the Use Tax Act, under any

1 bracket schedules 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 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 Regional Transportation Authority tax
9 fund established under paragraph (n) of this Section or the
10 Local Government Aviation Trust Fund, as appropriate.

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

1 the 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
11 the 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
16 occupation tax by an entity licensed under the Hospital
17 Licensing Act, the Nursing Home Care Act, the Specialized
18 Mental Health Rehabilitation Act of 2013, the ID/DD Community
19 Care Act, or the MC/DD Act that is located in the metropolitan
20 region; (2) 1.25% of the selling price of tangible personal
21 property taxed at the 1% rate under the Service Occupation Tax
22 Act (or at the 0% rate imposed under this amendatory Act of the
23 102nd General Assembly); and (3) 1% of the selling price from
24 other taxable sales of tangible personal property transferred.
25 In DuPage, Kane, Lake, McHenry, and Will counties, the rate
26 shall be 0.75% of the selling price of all tangible personal

1 property transferred. The rate of tax imposed in DuPage, Kane,
2 Lake, McHenry, and Will counties under this Section on sales
3 of aviation fuel on or after December 1, 2019 shall, however,
4 be 0.25% unless the Regional Transportation Authority in
5 DuPage, Kane, Lake, McHenry, and Will counties has an
6 "airport-related purpose" and the additional 0.50% of the
7 0.75% tax on aviation fuel is expended for airport-related
8 purposes. If there is no airport-related purpose to which
9 aviation fuel tax revenue is dedicated, then aviation fuel is
10 excluded from the additional 0.5% of the 0.75% tax.

11 The Board and DuPage, Kane, Lake, McHenry, and Will
12 counties must comply with the certification requirements for
13 airport-related purposes under Section 2-22 of the Retailers'
14 Occupation Tax Act. For purposes of this Section,
15 "airport-related purposes" has the meaning ascribed in Section
16 6z-20.2 of the State Finance Act. This exclusion for aviation
17 fuel only applies for so long as the revenue use requirements
18 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
19 Authority.

20 The tax imposed under this paragraph and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the State Department of Revenue. The
23 Department shall have full power to administer and enforce
24 this paragraph; to collect all taxes and penalties due
25 hereunder; to dispose of taxes and penalties collected in the
26 manner hereinafter provided; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment
2 of tax or penalty hereunder. In the administration of and
3 compliance with this paragraph, the Department and persons who
4 are subject to this paragraph shall have the same rights,
5 remedies, privileges, immunities, powers, and duties, and be
6 subject to the same conditions, restrictions, limitations,
7 penalties, exclusions, exemptions, and definitions of terms,
8 and employ the same modes of procedure, as are prescribed in
9 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
10 provisions therein other than the State rate of tax), 4
11 (except that the reference to the State shall be to the
12 Authority), 5, 7, 8 (except that the jurisdiction to which the
13 tax shall be a debt to the extent indicated in that Section 8
14 shall be the Authority), 9 (except as to the disposition of
15 taxes and penalties collected, and except that the returned
16 merchandise credit for this tax may not be taken against any
17 State tax, and except that the retailer's discount is not
18 allowed for taxes paid on aviation fuel that are subject to the
19 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
20 47133), 10, 11, 12 (except the reference therein to Section 2b
21 of the Retailers' Occupation Tax Act), 13 (except that any
22 reference to the State shall mean the Authority), the first
23 paragraph of Section 15, 16, 17, 18, 19, and 20 of the Service
24 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
25 Interest Act, as fully as if those provisions were set forth
26 herein.

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

8 Whenever the Department determines that a refund should be
9 made under this paragraph to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the Regional Transportation Authority tax
15 fund established under paragraph (n) of this Section or the
16 Local Government Aviation Trust Fund, as appropriate.

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

21 (g) If a tax has been imposed under paragraph (e), a tax
22 shall also be imposed upon the privilege of using in the
23 metropolitan region, any item of tangible personal property
24 that is purchased outside the metropolitan region at retail
25 from a retailer, and that is titled or registered with an
26 agency of this State's government. In Cook County, the tax

1 rate shall be 1% of the selling price of the tangible personal
2 property, as "selling price" is defined in the Use Tax Act. In
3 DuPage, Kane, Lake, McHenry, and Will counties, the tax rate
4 shall be 0.75% of the selling price of the tangible personal
5 property, as "selling price" is defined in the Use Tax Act. The
6 tax shall be collected from persons whose Illinois address for
7 titling or registration purposes is given as being in the
8 metropolitan region. The tax shall be collected by the
9 Department of Revenue for the Regional Transportation
10 Authority. The tax must be paid to the State, or an exemption
11 determination must be obtained from the Department of Revenue,
12 before the title or certificate of registration for the
13 property may be issued. The tax or proof of exemption may be
14 transmitted to the Department by way of the State agency with
15 which, or the State officer with whom, the tangible personal
16 property must be titled or registered if the Department and
17 the State agency or State officer determine that this
18 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 collected in the manner hereinafter provided; and to
24 determine all rights to credit memoranda or refunds arising on
25 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
8 this State"), 3 through 3-80 (except provisions pertaining to
9 the State rate of tax, and except provisions concerning
10 collection or refunding of the tax by retailers), 4, 11, 12,
11 12a, 14, 15, 19 (except the portions pertaining to claims by
12 retailers and except the last paragraph concerning refunds),
13 20, 21, and 22 of the Use Tax Act, and are not inconsistent
14 with this paragraph, as fully as if those provisions were set
15 forth herein.

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

24 (h) The Authority may impose a replacement vehicle tax of
25 \$50 on any passenger car as defined in Section 1-157 of the
26 Illinois Vehicle Code purchased within the metropolitan region

1 by or on behalf of an insurance company to replace a passenger
2 car of an insured person in settlement of a total loss claim.
3 The tax imposed may not become effective before the first day
4 of the month following the passage of the ordinance imposing
5 the tax and receipt of a certified copy of the ordinance by the
6 Department of Revenue. The Department of Revenue shall collect
7 the tax for the Authority in accordance with Sections 3-2002
8 and 3-2003 of the Illinois Vehicle Code.

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

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to the Authority. The
24 amount to be paid to the Authority shall be the amount
25 collected hereunder during the second preceding calendar month
26 by the Department, less any amount determined by the

1 Department to be necessary for the payment of refunds, and
2 less any amounts that are transferred to the STAR Bonds
3 Revenue Fund. Within 10 days after receipt by the Comptroller
4 of the disbursement certification to the Authority provided
5 for in this Section to be given to the Comptroller by the
6 Department, the Comptroller shall cause the orders to be drawn
7 for that amount in accordance with the directions contained in
8 the certification.

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

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

20 (k) The provisions of any tax imposed under paragraph (c)
21 of this Section shall conform as closely as may be practicable
22 to the provisions of the Use Tax Act, including without
23 limitation conformity as to penalties with respect to the tax
24 imposed and as to the powers of the State Department of Revenue
25 to promulgate and enforce rules and regulations relating to
26 the administration and enforcement of the provisions of the

1 tax imposed. The taxes shall be imposed only on use within the
2 metropolitan region and at rates as provided in the paragraph.

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

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

1 proceed to administer and enforce this Section as of the first
2 day of October next following such adoption and filing.
3 Beginning January 1, 1993, an ordinance or resolution
4 imposing, increasing, decreasing, or discontinuing the tax
5 hereunder shall be adopted and a certified copy thereof filed
6 with the Department, whereupon the Department shall proceed to
7 administer and enforce this Section as of the first day of the
8 first month to occur not less than 60 days following such
9 adoption and filing. Any ordinance or resolution of the
10 Authority imposing a tax under this Section and in effect on
11 August 1, 2007 shall remain in full force and effect and shall
12 be administered by the Department of Revenue under the terms
13 and conditions and rates of tax established by such ordinance
14 or resolution until the Department begins administering and
15 enforcing an increased tax under this Section as authorized by
16 Public Act 95-708. The tax rates authorized by Public Act
17 95-708 are effective only if imposed by ordinance of the
18 Authority.

19 (n) Except as otherwise provided in this subsection (n),
20 the State Department of Revenue shall, upon collecting any
21 taxes as provided in this Section, pay the taxes over to the
22 State Treasurer as trustee for the Authority. The taxes shall
23 be held in a trust fund outside the State Treasury. If an
24 airport-related purpose has been certified, taxes and
25 penalties collected in DuPage, Kane, Lake, McHenry and Will
26 counties on aviation fuel sold on or after December 1, 2019

1 from the 0.50% of the 0.75% rate shall be immediately paid over
2 by the Department to the State Treasurer, ex officio, as
3 trustee, for deposit into the Local Government Aviation Trust
4 Fund. The Department shall only pay moneys into the Local
5 Government Aviation Trust Fund under this Act for so long as
6 the revenue use requirements of 49 U.S.C. 47107(b) and 49
7 U.S.C. 47133 are binding on the Authority. On or before the
8 25th day of each calendar month, the State Department of
9 Revenue shall prepare and certify to the Comptroller of the
10 State of Illinois and to the Authority (i) the amount of taxes
11 collected in each county other than Cook County in the
12 metropolitan region, (not including, if an airport-related
13 purpose has been certified, the taxes and penalties collected
14 from the 0.50% of the 0.75% rate on aviation fuel sold on or
15 after December 1, 2019 that are deposited into the Local
16 Government Aviation Trust Fund) (ii) the amount of taxes
17 collected within the City of Chicago, and (iii) the amount
18 collected in that portion of Cook County outside of Chicago,
19 each amount less the amount necessary for the payment of
20 refunds to taxpayers located in those areas described in items
21 (i), (ii), and (iii), and less 1.5% of the remainder, which
22 shall be transferred from the trust fund into the Tax
23 Compliance and Administration Fund. The Department, at the
24 time of each monthly disbursement to the Authority, shall
25 prepare and certify to the State Comptroller the amount to be
26 transferred into the Tax Compliance and Administration Fund

1 under this subsection. Within 10 days after receipt by the
2 Comptroller of the certification of the amounts, the
3 Comptroller shall cause an order to be drawn for the transfer
4 of the amount certified into the Tax Compliance and
5 Administration Fund and the payment of two-thirds of the
6 amounts certified in item (i) of this subsection to the
7 Authority and one-third of the amounts certified in item (i)
8 of this subsection to the respective counties other than Cook
9 County and the amount certified in items (ii) and (iii) of this
10 subsection to the Authority.

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

26 (o) Failure to adopt a budget ordinance or otherwise to

1 comply with Section 4.01 of this Act or to adopt a Five-year
2 Capital Program or otherwise to comply with paragraph (b) of
3 Section 2.01 of this Act shall not affect the validity of any
4 tax imposed by the Authority otherwise in conformity with law.

5 (p) At no time shall a public transportation tax or motor
6 vehicle parking tax authorized under paragraphs (b), (c), and
7 (d) of this Section be in effect at the same time as any
8 retailers' occupation, use or service occupation tax
9 authorized under paragraphs (e), (f), and (g) of this Section
10 is in effect.

11 Any taxes imposed under the authority provided in
12 paragraphs (b), (c), and (d) shall remain in effect only until
13 the time as any tax authorized by paragraph (e), (f), or (g) of
14 this Section are imposed and becomes effective. Once any tax
15 authorized by paragraph (e), (f), or (g) is imposed the Board
16 may not reimpose taxes as authorized in paragraphs (b), (c),
17 and (d) of the Section unless any tax authorized by paragraph
18 (e), (f), or (g) of this Section becomes ineffective by means
19 other than an ordinance of the Board.

20 (q) Any existing rights, remedies and obligations
21 (including enforcement by the Regional Transportation
22 Authority) arising under any tax imposed under paragraph (b),
23 (c), or (d) of this Section shall not be affected by the
24 imposition of a tax under paragraph (e), (f), or (g) of this
25 Section.

26 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;

1 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

2 Section 95. No acceleration or delay. Where this Act makes
3 changes in a statute that is represented in this Act by text
4 that is not yet or no longer in effect (for example, a Section
5 represented by multiple versions), the use of that text does
6 not accelerate or delay the taking effect of (i) the changes
7 made by this Act or (ii) provisions derived from any other
8 Public Act.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.