**Section 850.110 Definitions**

*"Audit" means an agreed-upon procedures engagement in accordance with Statements on Standards for Attestation Engagements (AICPA Professional Standards, AT-C Section 315 (Compliance Attestation)).*

*"Certification program" means an instructional curriculum, examination, and process for certification, recertification, and revocation of certification of certified public accountants that is administered by the Department with the assistance of the Illinois CPA Society and that is officially approved by the Department to ensure that a certified public accountant possesses the necessary skills and abilities to successfully perform an attestation engagement for a limited-scope tax compliance review in a certified audit project under this Act.*

"Certified Public Accountant" or "CPA" means any person who has been issued a certificate as a certified public accountant from the Illinois Board of Examiners and holds a license issued by the Illinois Department of Financial and Professional Regulation. (See 225 ILCS 450/0.03).

*"Department" means the Department of Revenue.*

*"Family member" means the following, whether by whole blood, half-blood, or adoption:*

*a parent or step-parent;*

*a child or step-child;*

*a grandparent or step-grandparent;*

*an aunt, uncle, great-aunt, or great-uncle;*

*a niece, nephew, great-niece, or great-nephew;*

*a sibling;*

*a spouse or domestic partner; and*

*the spouse or domestic partner of any person referenced in* this definition.[50 ILCS 355/10-15]

*"Financial information"* means *the information provided to the municipality or county by the Department under Section 11 of the Retailers' Occupation Tax Act that is reported to the Department by a business located in a given municipality or county.* Financial information is *limited to:*

*the business name;*

*the business address;*

*the standard classification number assigned to the business;*

*net revenue distributed to the municipality or county that is directly related to the municipality's or county's local share of the proceeds under the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act distributed from the Local Government Tax Fund, and, if applicable, any locally imposed retailers' occupation tax or service occupation tax; and*

*a listing of all businesses within the municipality or county by account identification number and address.* [35 ILCS 120/11]

*"Misallocation" means tax paid by the taxpayer and allocated to one unit of local government that should have been allocated to a different unit of local government. This includes misallocations discovered by a unit of local government through the tax location verification process under Section 8-11-16 of the Illinois Municipal Code and misallocations discovered by the Department other than through an audit of the taxpayer. "Misallocation" does not, however, include any amount reported by a taxpayer on an amended return or any amount discovered in an audit of the taxpayer by the Department or discovered in an audit of the taxpayer by a qualified practitioner under Article 10 of this Act. "Misallocation" also does not include amounts overpaid by the taxpayer and therefore not owed to any unit of local government, nor amounts underpaid by the taxpayer and therefore not previously allocated to any unit of local government.* [50 ILCS 355/10-15]

*"Monitoring disbursements" means keeping track of payments from the Department by a municipality, county, or third party for the limited purpose of tracking previous misallocations.* [50 ILCS 355/5-5]

*"Participating taxpayer" means any person subject to the revenue laws administered by the Department who is the subject of a tax compliance referral by a municipality, county, or third party, who enters into an engagement with a qualified practitioner for a limited-scope tax compliance review under this Act, and who is approved by the Department under the local government revenue recapture certified audit pilot project.* [50 ILCS 355/10-15]

*"Person" means an individual, sole proprietorship, corporation, registered limited liability partnership, limited liability company, partnership, professional service corporation, or any other form of organization.* [50 ILCS 355/5-5]

*"Qualified practitioner" means a certified public accountant who is licensed or registered to perform accountancy activities in Illinois under Section 8.05 of the Illinois Public Accounting Act and who has met all requirements for the local government revenue recapture certified audit training course, achieved the required score on the certification test as approved by the Department, and been certified by the Department. "Qualified practitioner" does not include a third party, as defined by Section 5-5 of this Act, or any employee, contractual employee, officer, manager, or director thereof, any person or persons owning in the aggregate more than 5% of such third party, or a person who is a family member of any person who is employed by or is an appointed or elected member of any corporate authorities, as defined in the Illinois Municipal Code.* [50 ILCS 355/10-15]

*"Third party" means a person, partnership, corporation, or other entity or individual registered to do business in Illinois who contracts with a municipality or county to review financial information related to the disbursement of local taxes by the Department to the municipality or county.* [50 ILCS 355/5-5]

For purposes of this definition, "contracts with a municipality or county to review financial information related to the disbursement of local taxes by the Department to the municipality or county" means that the true object of the contract is to ensure that the municipality or county receives the correct disbursement from the Department and to monitor disbursements.