

1 AN ACT concerning income taxes.

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

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 901 and by adding Section 517 as follows:

6 (35 ILCS 5/517 new)

7 Sec. 517. Capital punishment objector.

8 (a) Certification. If an individual taxpayer objects to
9 capital punishment, the taxpayer may apply to the Department
10 for certification as a capital punishment objector. The
11 Department must make application forms available for
12 taxpayers to apply for certification as capital punishment
13 objectors.

14 In determining whether to certify an applicant as a
15 capital punishment objector, the Department must determine
16 whether the applicant is conscientiously opposed to capital
17 punishment. The applicant's objection may be based (i) on
18 strictly religious beliefs or (ii) on personal beliefs that
19 are purely ethical or moral in source or content and occupy
20 in the life of an applicant a place parallel to that filled
21 by belief in a Supreme Being for those holding more
22 traditionally religious views. An applicant's objection must
23 be sincere.

24 The Department must adopt rules governing the
25 certification procedure in compliance with this Section and
26 must use the standards set forth in 32 CFR Part 1636
27 (classification of a person as a conscientious objector by
28 units of the Armed Forces) as a basis for establishing
29 standards for certification as a capital punishment objector.
30 The Department must also adopt rules governing the revocation
31 of certification.

1 (b) Transfer into Common School Fund. An amount equal to
 2 the amount of income taxes paid by an individual taxpayer who
 3 is a certified capital punishment objector must be
 4 transferred from the General Revenue Fund into the Common
 5 School Fund as provided in subsection (f) of Section 901.

6 (c) This Section applies to income taxes paid for
 7 taxable years ending on or after December 31, 2001.

8 (35 ILCS 5/901) (from Ch. 120, par. 9-901)
 9 Sec. 901. Collection Authority.

10 (a) In general.

11 The Department shall collect the taxes imposed by this
 12 Act. The Department shall collect certified past due child
 13 support amounts under Section 2505-650 of the Department of
 14 Revenue Law (20 ILCS 2505/2505-650). Except as provided in
 15 subsections (c) and (e) of this Section, money collected
 16 pursuant to subsections (a) and (b) of Section 201 of this
 17 Act shall be paid into the General Revenue Fund in the State
 18 treasury; money collected pursuant to subsections (c) and (d)
 19 of Section 201 of this Act shall be paid into the Personal
 20 Property Tax Replacement Fund, a special fund in the State
 21 Treasury; and money collected under Section 2505-650 of the
 22 Department of Revenue Law (20 ILCS 2505/2505-650) shall be
 23 paid into the Child Support Enforcement Trust Fund, a special
 24 fund outside the State Treasury, or to the State Disbursement
 25 Unit established under Section 10-26 of the Illinois Public
 26 Aid Code, as directed by the Department of Public Aid.

27 (b) Local Governmental Distributive Fund.

28 Beginning August 1, 1969, and continuing through June 30,
 29 1994, the Treasurer shall transfer each month from the
 30 General Revenue Fund to a special fund in the State treasury,
 31 to be known as the "Local Government Distributive Fund", an
 32 amount equal to 1/12 of the net revenue realized from the tax
 33 imposed by subsections (a) and (b) of Section 201 of this Act

1 during the preceding month. Beginning July 1, 1994, and
2 continuing through June 30, 1995, the Treasurer shall
3 transfer each month from the General Revenue Fund to the
4 Local Government Distributive Fund an amount equal to 1/11 of
5 the net revenue realized from the tax imposed by subsections
6 (a) and (b) of Section 201 of this Act during the preceding
7 month. Beginning July 1, 1995, the Treasurer shall transfer
8 each month from the General Revenue Fund to the Local
9 Government Distributive Fund an amount equal to 1/10 of the
10 net revenue realized from the tax imposed by subsections (a)
11 and (b) of Section 201 of the Illinois Income Tax Act during
12 the preceding month. Net revenue realized for a month shall
13 be defined as the revenue from the tax imposed by subsections
14 (a) and (b) of Section 201 of this Act which is deposited in
15 the General Revenue Fund, the Educational Assistance Fund and
16 the Income Tax Surcharge Local Government Distributive Fund
17 during the month minus the amount paid out of the General
18 Revenue Fund in State warrants during that same month as
19 refunds to taxpayers for overpayment of liability under the
20 tax imposed by subsections (a) and (b) of Section 201 of this
21 Act.

22 (c) Deposits Into Income Tax Refund Fund.

23 (1) Beginning on January 1, 1989 and thereafter,
24 the Department shall deposit a percentage of the amounts
25 collected pursuant to subsections (a) and (b)(1), (2),
26 and (3), of Section 201 of this Act into a fund in the
27 State treasury known as the Income Tax Refund Fund. The
28 Department shall deposit 6% of such amounts during the
29 period beginning January 1, 1989 and ending on June 30,
30 1989. Beginning with State fiscal year 1990 and for each
31 fiscal year thereafter, the percentage deposited into the
32 Income Tax Refund Fund during a fiscal year shall be the
33 Annual Percentage. For fiscal years 1999 through 2001,
34 the Annual Percentage shall be 7.1%. For all other

1 fiscal years, the Annual Percentage shall be calculated
2 as a fraction, the numerator of which shall be the amount
3 of refunds approved for payment by the Department during
4 the preceding fiscal year as a result of overpayment of
5 tax liability under subsections (a) and (b)(1), (2), and
6 (3) of Section 201 of this Act plus the amount of such
7 refunds remaining approved but unpaid at the end of the
8 preceding fiscal year, the denominator of which shall be
9 the amounts which will be collected pursuant to
10 subsections (a) and (b)(1), (2), and (3) of Section 201
11 of this Act during the preceding fiscal year. The
12 Director of Revenue shall certify the Annual Percentage
13 to the Comptroller on the last business day of the fiscal
14 year immediately preceding the fiscal year for which it
15 is to be effective.

16 (2) Beginning on January 1, 1989 and thereafter,
17 the Department shall deposit a percentage of the amounts
18 collected pursuant to subsections (a) and (b)(6), (7),
19 and (8), (c) and (d) of Section 201 of this Act into a
20 fund in the State treasury known as the Income Tax Refund
21 Fund. The Department shall deposit 18% of such amounts
22 during the period beginning January 1, 1989 and ending on
23 June 30, 1989. Beginning with State fiscal year 1990 and
24 for each fiscal year thereafter, the percentage deposited
25 into the Income Tax Refund Fund during a fiscal year
26 shall be the Annual Percentage. For fiscal years 1999,
27 2000, and 2001, the Annual Percentage shall be 19%. For
28 all other fiscal years, the Annual Percentage shall be
29 calculated as a fraction, the numerator of which shall be
30 the amount of refunds approved for payment by the
31 Department during the preceding fiscal year as a result
32 of overpayment of tax liability under subsections (a) and
33 (b)(6), (7), and (8), (c) and (d) of Section 201 of this
34 Act plus the amount of such refunds remaining approved

1 but unpaid at the end of the preceding fiscal year, the
2 denominator of which shall be the amounts which will be
3 collected pursuant to subsections (a) and (b)(6), (7),
4 and (8), (c) and (d) of Section 201 of this Act during
5 the preceding fiscal year. The Director of Revenue shall
6 certify the Annual Percentage to the Comptroller on the
7 last business day of the fiscal year immediately
8 preceding the fiscal year for which it is to be
9 effective.

10 (3) The Comptroller shall order transferred and the
11 Treasurer shall transfer from the Tobacco Settlement
12 Recovery Fund to the Income Tax Refund Fund (i)
13 \$35,000,000 in January, 2001, (ii) \$35,000,000 in
14 January, 2002, and (iii) \$35,000,000 in January, 2003.

15 (d) Expenditures from Income Tax Refund Fund.

16 (1) Beginning January 1, 1989, money in the Income
17 Tax Refund Fund shall be expended exclusively for the
18 purpose of paying refunds resulting from overpayment of
19 tax liability under Section 201 of this Act, for paying
20 rebates under Section 208.1 in the event that the amounts
21 in the Homeowners' Tax Relief Fund are insufficient for
22 that purpose, and for making transfers pursuant to this
23 subsection (d).

24 (2) The Director shall order payment of refunds
25 resulting from overpayment of tax liability under Section
26 201 of this Act from the Income Tax Refund Fund only to
27 the extent that amounts collected pursuant to Section 201
28 of this Act and transfers pursuant to this subsection (d)
29 and item (3) of subsection (c) have been deposited and
30 retained in the Fund.

31 (3) As soon as possible after the end of each
32 fiscal year, the Director shall order transferred and the
33 State Treasurer and State Comptroller shall transfer from
34 the Income Tax Refund Fund to the Personal Property Tax

1 Replacement Fund an amount, certified by the Director to
2 the Comptroller, equal to the excess of the amount
3 collected pursuant to subsections (c) and (d) of Section
4 201 of this Act deposited into the Income Tax Refund Fund
5 during the fiscal year over the amount of refunds
6 resulting from overpayment of tax liability under
7 subsections (c) and (d) of Section 201 of this Act paid
8 from the Income Tax Refund Fund during the fiscal year.

9 (4) As soon as possible after the end of each
10 fiscal year, the Director shall order transferred and the
11 State Treasurer and State Comptroller shall transfer from
12 the Personal Property Tax Replacement Fund to the Income
13 Tax Refund Fund an amount, certified by the Director to
14 the Comptroller, equal to the excess of the amount of
15 refunds resulting from overpayment of tax liability under
16 subsections (c) and (d) of Section 201 of this Act paid
17 from the Income Tax Refund Fund during the fiscal year
18 over the amount collected pursuant to subsections (c) and
19 (d) of Section 201 of this Act deposited into the Income
20 Tax Refund Fund during the fiscal year.

21 (4.5) As soon as possible after the end of fiscal
22 year 1999 and of each fiscal year thereafter, the
23 Director shall order transferred and the State Treasurer
24 and State Comptroller shall transfer from the Income Tax
25 Refund Fund to the General Revenue Fund any surplus
26 remaining in the Income Tax Refund Fund as of the end of
27 such fiscal year; excluding for fiscal years 2000, 2001,
28 and 2002 amounts attributable to transfers under item (3)
29 of subsection (c) less refunds resulting from the earned
30 income tax credit.

31 (5) This Act shall constitute an irrevocable and
32 continuing appropriation from the Income Tax Refund Fund
33 for the purpose of paying refunds upon the order of the
34 Director in accordance with the provisions of this

1 Section.

2 (e) Deposits into the Education Assistance Fund and the
3 Income Tax Surcharge Local Government Distributive Fund.

4 On July 1, 1991, and thereafter, of the amounts collected
5 pursuant to subsections (a) and (b) of Section 201 of this
6 Act, minus deposits into the Income Tax Refund Fund, the
7 Department shall deposit 7.3% into the Education Assistance
8 Fund in the State Treasury. Beginning July 1, 1991, and
9 continuing through January 31, 1993, of the amounts collected
10 pursuant to subsections (a) and (b) of Section 201 of the
11 Illinois Income Tax Act, minus deposits into the Income Tax
12 Refund Fund, the Department shall deposit 3.0% into the
13 Income Tax Surcharge Local Government Distributive Fund in
14 the State Treasury. Beginning February 1, 1993 and
15 continuing through June 30, 1993, of the amounts collected
16 pursuant to subsections (a) and (b) of Section 201 of the
17 Illinois Income Tax Act, minus deposits into the Income Tax
18 Refund Fund, the Department shall deposit 4.4% into the
19 Income Tax Surcharge Local Government Distributive Fund in
20 the State Treasury. Beginning July 1, 1993, and continuing
21 through June 30, 1994, of the amounts collected under
22 subsections (a) and (b) of Section 201 of this Act, minus
23 deposits into the Income Tax Refund Fund, the Department
24 shall deposit 1.475% into the Income Tax Surcharge Local
25 Government Distributive Fund in the State Treasury.

26 (f) Transfers into the Common School Fund. On or before
27 the last day of each calendar month, the Department shall
28 certify to the Comptroller an amount to be transferred from
29 the General Revenue Fund to the Common School Fund. That
30 amount shall be the amount collected under this Section
31 during the second preceding calendar month by the Department
32 from individual taxpayers who are certified by the Department
33 as capital punishment objectors under Section 517, less any
34 amounts determined by the Department to be necessary for

1 payment of refunds. Within 10 days after receipt by the
2 Comptroller of the Department's certification, the
3 Comptroller shall order transferred and the Treasurer shall
4 transfer the amount certified.

5 (Source: P.A. 90-613, eff. 7-9-98; 90-655, eff. 7-30-98;
6 91-212, eff. 7-20-99; 91-239, eff. 1-1-00; 91-700, eff.
7 5-11-00; 91-704, eff. 7-1-00; 91-712, eff. 7-1-00; revised
8 6-28-00.)

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