

1 AN ACT in relation to taxation.

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

4 Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

6 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

7 Sec. 6z-18. A portion of the money paid into the Local
8 Government Tax Fund from sales of food for human consumption
9 which is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, soft drinks and food which
11 has been prepared for immediate consumption) and prescription
12 and nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used
14 by diabetics, which occurred in municipalities, shall be
15 distributed to each municipality based upon the sales which
16 occurred in that municipality. The remainder shall be
17 distributed to each county based upon the sales which
18 occurred in the unincorporated area of that county.

19 A portion of the money paid into the Local Government Tax
20 Fund from the 6.25% general use tax rate on the selling price
21 of tangible personal property which is purchased outside
22 Illinois at retail from a retailer and which is titled or
23 registered by any agency of this State's government shall be
24 distributed to municipalities as provided in this paragraph.
25 Each municipality shall receive the amount attributable to
26 sales for which Illinois addresses for titling or
27 registration purposes are given as being in such
28 municipality. The remainder of the money paid into the Local
29 Government Tax Fund from such sales shall be distributed to
30 counties. Each county shall receive the amount attributable
31 to sales for which Illinois addresses for titling or

1 registration purposes are given as being located in the
2 unincorporated area of such county.

3 A portion of the money paid into the Local Government Tax
4 Fund from the 6.25% general rate (and, beginning July 1, 2000
5 and through December 31, 2000, the 1.25% rate on motor fuel
6 and gasohol, and, beginning August 1 and through August 8 of
7 2001 and each year thereafter, the 1.25% rate on "school
8 supplies" as defined in Section 2-10 of the Retailers'
9 Occupation Tax Act) on sales subject to taxation under the
10 Retailers' Occupation Tax Act and the Service Occupation Tax
11 Act, which occurred in municipalities, shall be distributed
12 to each municipality, based upon the sales which occurred in
13 that municipality. The remainder shall be distributed to each
14 county, based upon the sales which occurred in the
15 unincorporated area of such county.

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

25 Whenever the Department determines that a refund of money
26 paid into the Local Government Tax Fund should be made to a
27 claimant instead of issuing a credit memorandum, the
28 Department shall notify the State Comptroller, who shall
29 cause the order to be drawn for the amount specified, and to
30 the person named, in such notification from the Department.
31 Such refund shall be paid by the State Treasurer out of the
32 Local Government Tax Fund.

33 On or before the 25th day of each calendar month, the
34 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named municipalities
2 and counties, the municipalities and counties to be those
3 entitled to distribution of taxes or penalties paid to the
4 Department during the second preceding calendar month. The
5 amount to be paid to each municipality or county shall be the
6 amount (not including credit memoranda) collected during the
7 second preceding calendar month by the Department and paid
8 into the Local Government Tax Fund, plus an amount the
9 Department determines is necessary to offset any amounts
10 which were erroneously paid to a different taxing body, and
11 not including an amount equal to the amount of refunds made
12 during the second preceding calendar month by the Department,
13 and not including any amount which the Department determines
14 is necessary to offset any amounts which are payable to a
15 different taxing body but were erroneously paid to the
16 municipality or county. Within 10 days after receipt, by the
17 Comptroller, of the disbursement certification to the
18 municipalities and counties, provided for in this Section to
19 be given to the Comptroller by the Department, the
20 Comptroller shall cause the orders to be drawn for the
21 respective amounts in accordance with the directions
22 contained in such certification.

23 When certifying the amount of monthly disbursement to a
24 municipality or county under this Section, the Department
25 shall increase or decrease that amount by an amount necessary
26 to offset any misallocation of previous disbursements. The
27 offset amount shall be the amount erroneously disbursed
28 within the 6 months preceding the time a misallocation is
29 discovered.

30 The provisions directing the distributions from the
31 special fund in the State Treasury provided for in this
32 Section shall constitute an irrevocable and continuing
33 appropriation of all amounts as provided herein. The State
34 Treasurer and State Comptroller are hereby authorized to make

1 distributions as provided in this Section.

2 In construing any development, redevelopment, annexation,
3 preannexation or other lawful agreement in effect prior to
4 September 1, 1990, which describes or refers to receipts from
5 a county or municipal retailers' occupation tax, use tax or
6 service occupation tax which now cannot be imposed, such
7 description or reference shall be deemed to include the
8 replacement revenue for such abolished taxes, distributed
9 from the Local Government Tax Fund.

10 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99;
11 91-872, eff. 7-1-00.)

12 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

13 Sec. 6z-20. Of the money received from the 6.25% general
14 rate (and, beginning July 1, 2000 and through December 31,
15 2000, the 1.25% rate on motor fuel and gasohol, and,
16 beginning August 1 and through August 8 of 2001 and each year
17 thereafter, the 1.25% rate on "school supplies" as defined in
18 Section 2-10 of the Retailers' Occupation Tax Act) on sales
19 subject to taxation under the Retailers' Occupation Tax Act
20 and Service Occupation Tax Act and paid into the County and
21 Mass Transit District Fund, distribution to the Regional
22 Transportation Authority tax fund, created pursuant to
23 Section 4.03 of the Regional Transportation Authority Act,
24 for deposit therein shall be made based upon the retail sales
25 occurring in a county having more than 3,000,000 inhabitants.
26 The remainder shall be distributed to each county having
27 3,000,000 or fewer inhabitants based upon the retail sales
28 occurring in each such county.

29 For the purpose of determining allocation to the local
30 government unit, a retail sale by a producer of coal or other
31 mineral mined in Illinois is a sale at retail at the place
32 where the coal or other mineral mined in Illinois is
33 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
3 the sale is exempt under the United States Constitution as a
4 sale in interstate or foreign commerce.

5 Of the money received from the 6.25% general use tax rate
6 on tangible personal property which is purchased outside
7 Illinois at retail from a retailer and which is titled or
8 registered by any agency of this State's government and paid
9 into the County and Mass Transit District Fund, the amount
10 for which Illinois addresses for titling or registration
11 purposes are given as being in each county having more than
12 3,000,000 inhabitants shall be distributed into the Regional
13 Transportation Authority tax fund, created pursuant to
14 Section 4.03 of the Regional Transportation Authority Act.
15 The remainder of the money paid from such sales shall be
16 distributed to each county based on sales for which Illinois
17 addresses for titling or registration purposes are given as
18 being located in the county. Any money paid into the
19 Regional Transportation Authority Occupation and Use Tax
20 Replacement Fund from the County and Mass Transit District
21 Fund prior to January 14, 1991, which has not been paid to
22 the Authority prior to that date, shall be transferred to the
23 Regional Transportation Authority tax fund.

24 Whenever the Department determines that a refund of money
25 paid into the County and Mass Transit District Fund should be
26 made to a claimant instead of issuing a credit memorandum,
27 the Department shall notify the State Comptroller, who shall
28 cause the order to be drawn for the amount specified, and to
29 the person named, in such notification from the Department.
30 Such refund shall be paid by the State Treasurer out of the
31 County and Mass Transit District Fund.

32 On or before the 25th day of each calendar month, the
33 Department shall prepare and certify to the Comptroller the
34 disbursement of stated sums of money to the Regional

1 Transportation Authority and to named counties, the counties
2 to be those entitled to distribution, as hereinabove
3 provided, of taxes or penalties paid to the Department during
4 the second preceding calendar month. The amount to be paid
5 to the Regional Transportation Authority and each county
6 having 3,000,000 or fewer inhabitants shall be the amount
7 (not including credit memoranda) collected during the second
8 preceding calendar month by the Department and paid into the
9 County and Mass Transit District Fund, plus an amount the
10 Department determines is necessary to offset any amounts
11 which were erroneously paid to a different taxing body, and
12 not including an amount equal to the amount of refunds made
13 during the second preceding calendar month by the Department,
14 and not including any amount which the Department determines
15 is necessary to offset any amounts which were payable to a
16 different taxing body but were erroneously paid to the
17 Regional Transportation Authority or county. Within 10 days
18 after receipt, by the Comptroller, of the disbursement
19 certification to the Regional Transportation Authority and
20 counties, provided for in this Section to be given to the
21 Comptroller by the Department, the Comptroller shall cause
22 the orders to be drawn for the respective amounts in
23 accordance with the directions contained in such
24 certification.

25 When certifying the amount of a monthly disbursement to
26 the Regional Transportation Authority or to a county under
27 this Section, the Department shall increase or decrease that
28 amount by an amount necessary to offset any misallocation of
29 previous disbursements. The offset amount shall be the
30 amount erroneously disbursed within the 6 months preceding
31 the time a misallocation is discovered.

32 The provisions directing the distributions from the
33 special fund in the State Treasury provided for in this
34 Section and from the Regional Transportation Authority tax

1 fund created by Section 4.03 of the Regional Transportation
2 Authority Act shall constitute an irrevocable and continuing
3 appropriation of all amounts as provided herein. The State
4 Treasurer and State Comptroller are hereby authorized to make
5 distributions as provided in this Section.

6 In construing any development, redevelopment, annexation,
7 preannexation or other lawful agreement in effect prior to
8 September 1, 1990, which describes or refers to receipts from
9 a county or municipal retailers' occupation tax, use tax or
10 service occupation tax which now cannot be imposed, such
11 description or reference shall be deemed to include the
12 replacement revenue for such abolished taxes, distributed
13 from the County and Mass Transit District Fund or Local
14 Government Distributive Fund, as the case may be.

15 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

16 Section 10. The Use Tax Act is amended by changing
17 Sections 3-10 and 9 as follows:

18 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

19 Sec. 3-10. Rate of tax. Unless otherwise provided in
20 this Section, the tax imposed by this Act is at the rate of
21 6.25% of either the selling price or the fair market value,
22 if any, of the tangible personal property. In all cases
23 where property functionally used or consumed is the same as
24 the property that was purchased at retail, then the tax is
25 imposed on the selling price of the property. In all cases
26 where property functionally used or consumed is a by-product
27 or waste product that has been refined, manufactured, or
28 produced from property purchased at retail, then the tax is
29 imposed on the lower of the fair market value, if any, of the
30 specific property so used in this State or on the selling
31 price of the property purchased at retail. For purposes of
32 this Section "fair market value" means the price at which

1 property would change hands between a willing buyer and a
2 willing seller, neither being under any compulsion to buy or
3 sell and both having reasonable knowledge of the relevant
4 facts. The fair market value shall be established by Illinois
5 sales by the taxpayer of the same property as that
6 functionally used or consumed, or if there are no such sales
7 by the taxpayer, then comparable sales or purchases of
8 property of like kind and character in Illinois.

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

13 Beginning on August 1 and through August 8 of 2001 and
14 each year thereafter, with respect to "school supplies" as
15 defined in Section 2-10 of the Retailers' Occupation Tax Act,
16 the tax is imposed at the rate of 1.25%. The changes made by
17 this amendatory Act of the 92nd General Assembly are exempt
18 from the provisions of Section 3-90.

19 With respect to gasohol, the tax imposed by this Act
20 applies to 70% of the proceeds of sales made on or after
21 January 1, 1990, and before July 1, 2003, and to 100% of the
22 proceeds of sales made thereafter.

23 With respect to food for human consumption that is to be
24 consumed off the premises where it is sold (other than
25 alcoholic beverages, soft drinks, and food that has been
26 prepared for immediate consumption) and prescription and
27 nonprescription medicines, drugs, medical appliances,
28 modifications to a motor vehicle for the purpose of rendering
29 it usable by a disabled person, and insulin, urine testing
30 materials, syringes, and needles used by diabetics, for human
31 use, the tax is imposed at the rate of 1%. For the purposes
32 of this Section, the term "soft drinks" means any complete,
33 finished, ready-to-use, non-alcoholic drink, whether
34 carbonated or not, including but not limited to soda water,

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

9 Notwithstanding any other provisions of this Act, "food
10 for human consumption that is to be consumed off the premises
11 where it is sold" includes all food sold through a vending
12 machine, except soft drinks and food products that are
13 dispensed hot from a vending machine, regardless of the
14 location of the vending machine.

15 If the property that is purchased at retail from a
16 retailer is acquired outside Illinois and used outside
17 Illinois before being brought to Illinois for use here and is
18 taxable under this Act, the "selling price" on which the tax
19 is computed shall be reduced by an amount that represents a
20 reasonable allowance for depreciation for the period of prior
21 out-of-state use.

22 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
23 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

24 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

25 Sec. 9. Except as to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered
27 with an agency of this State, each retailer required or
28 authorized to collect the tax imposed by this Act shall pay
29 to the Department the amount of such tax (except as otherwise
30 provided) at the time when he is required to file his return
31 for the period during which such tax was collected, less a
32 discount of 2.1% prior to January 1, 1990, and 1.75% on and
33 after January 1, 1990, or \$5 per calendar year, whichever is

1 greater, which is allowed to reimburse the retailer for
2 expenses incurred in collecting the tax, keeping records,
3 preparing and filing returns, remitting the tax and supplying
4 data to the Department on request. In the case of retailers
5 who report and pay the tax on a transaction by transaction
6 basis, as provided in this Section, such discount shall be
7 taken with each such tax remittance instead of when such
8 retailer files his periodic return. A retailer need not
9 remit that part of any tax collected by him to the extent
10 that he is required to remit and does remit the tax imposed
11 by the Retailers' Occupation Tax Act, with respect to the
12 sale of the same property.

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

23 Except as provided in this Section, on or before the
24 twentieth day of each calendar month, such retailer shall
25 file a return for the preceding calendar month. Such return
26 shall be filed on forms prescribed by the Department and
27 shall furnish such information as the Department may
28 reasonably require.

29 The Department may require returns to be filed on a
30 quarterly basis. If so required, a return for each calendar
31 quarter shall be filed on or before the twentieth day of the
32 calendar month following the end of such calendar quarter.
33 The taxpayer shall also file a return with the Department for
34 each of the first two months of each calendar quarter, on or

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

- 3 1. The name of the seller;
- 4 2. The address of the principal place of business
5 from which he engages in the business of selling tangible
6 personal property at retail in this State;
- 7 3. The total amount of taxable receipts received by
8 him during the preceding calendar month from sales of
9 tangible personal property by him during such preceding
10 calendar month, including receipts from charge and time
11 sales, but less all deductions allowed by law;
- 12 4. The amount of credit provided in Section 2d of
13 this Act;
- 14 5. The amount of tax due;
- 15 5-5. The signature of the taxpayer; and
- 16 6. Such other reasonable information as the
17 Department may require.

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

22 Beginning October 1, 1993, a taxpayer who has an average
23 monthly tax liability of \$150,000 or more shall make all
24 payments required by rules of the Department by electronic
25 funds transfer. Beginning October 1, 1994, a taxpayer who has
26 an average monthly tax liability of \$100,000 or more shall
27 make all payments required by rules of the Department by
28 electronic funds transfer. Beginning October 1, 1995, a
29 taxpayer who has an average monthly tax liability of \$50,000
30 or more shall make all payments required by rules of the
31 Department by electronic funds transfer. Beginning October 1,
32 2000, a taxpayer who has an annual tax liability of \$200,000
33 or more shall make all payments required by rules of the
34 Department by electronic funds transfer. The term "annual

1 tax liability" shall be the sum of the taxpayer's liabilities
2 under this Act, and under all other State and local
3 occupation and use tax laws administered by the Department,
4 for the immediately preceding calendar year. The term
5 "average monthly tax liability" means the sum of the
6 taxpayer's liabilities under this Act, and under all other
7 State and local occupation and use tax laws administered by
8 the Department, for the immediately preceding calendar year
9 divided by 12.

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

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

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

23 The Department shall adopt such rules as are necessary to
24 effectuate a program of electronic funds transfer and the
25 requirements of this Section.

26 Before October 1, 2000, if the taxpayer's average monthly
27 tax liability to the Department under this Act, the
28 Retailers' Occupation Tax Act, the Service Occupation Tax
29 Act, the Service Use Tax Act was \$10,000 or more during the
30 preceding 4 complete calendar quarters, he shall file a
31 return with the Department each month by the 20th day of the
32 month next following the month during which such tax
33 liability is incurred and shall make payments to the
34 Department on or before the 7th, 15th, 22nd and last day of

1 the month during which such liability is incurred. On and
2 after October 1, 2000, if the taxpayer's average monthly tax
3 liability to the Department under this Act, the Retailers'
4 Occupation Tax Act, the Service Occupation Tax Act, and the
5 Service Use Tax Act was \$20,000 or more during the preceding
6 4 complete calendar quarters, he shall file a return with the
7 Department each month by the 20th day of the month next
8 following the month during which such tax liability is
9 incurred and shall make payment to the Department on or
10 before the 7th, 15th, 22nd and last day of the month during
11 which such liability is incurred. If the month during which
12 such tax liability is incurred began prior to January 1,
13 1985, each payment shall be in an amount equal to 1/4 of the
14 taxpayer's actual liability for the month or an amount set by
15 the Department not to exceed 1/4 of the average monthly
16 liability of the taxpayer to the Department for the preceding
17 4 complete calendar quarters (excluding the month of highest
18 liability and the month of lowest liability in such 4 quarter
19 period). If the month during which such tax liability is
20 incurred begins on or after January 1, 1985, and prior to
21 January 1, 1987, each payment shall be in an amount equal to
22 22.5% of the taxpayer's actual liability for the month or
23 27.5% of the taxpayer's liability for the same calendar month
24 of the preceding year. If the month during which such tax
25 liability is incurred begins on or after January 1, 1987, and
26 prior to January 1, 1988, each payment shall be in an amount
27 equal to 22.5% of the taxpayer's actual liability for the
28 month or 26.25% of the taxpayer's liability for the same
29 calendar month of the preceding year. If the month during
30 which such tax liability is incurred begins on or after
31 January 1, 1988, and prior to January 1, 1989, or begins on
32 or after January 1, 1996, each payment shall be in an amount
33 equal to 22.5% of the taxpayer's actual liability for the
34 month or 25% of the taxpayer's liability for the same

1 calendar month of the preceding year. If the month during
2 which such tax liability is incurred begins on or after
3 January 1, 1989, and prior to January 1, 1996, each payment
4 shall be in an amount equal to 22.5% of the taxpayer's actual
5 liability for the month or 25% of the taxpayer's liability
6 for the same calendar month of the preceding year or 100% of
7 the taxpayer's actual liability for the quarter monthly
8 reporting period. The amount of such quarter monthly
9 payments shall be credited against the final tax liability of
10 the taxpayer's return for that month. Before October 1,
11 2000, once applicable, the requirement of the making of
12 quarter monthly payments to the Department shall continue
13 until such taxpayer's average monthly liability to the
14 Department during the preceding 4 complete calendar quarters
15 (excluding the month of highest liability and the month of
16 lowest liability) is less than \$9,000, or until such
17 taxpayer's average monthly liability to the Department as
18 computed for each calendar quarter of the 4 preceding
19 complete calendar quarter period is less than \$10,000.
20 However, if a taxpayer can show the Department that a
21 substantial change in the taxpayer's business has occurred
22 which causes the taxpayer to anticipate that his average
23 monthly tax liability for the reasonably foreseeable future
24 will fall below the \$10,000 threshold stated above, then such
25 taxpayer may petition the Department for change in such
26 taxpayer's reporting status. On and after October 1, 2000,
27 once applicable, the requirement of the making of quarter
28 monthly payments to the Department shall continue until such
29 taxpayer's average monthly liability to the Department during
30 the preceding 4 complete calendar quarters (excluding the
31 month of highest liability and the month of lowest liability)
32 is less than \$19,000 or until such taxpayer's average monthly
33 liability to the Department as computed for each calendar
34 quarter of the 4 preceding complete calendar quarter period

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

22 If any such payment provided for in this Section exceeds
23 the taxpayer's liabilities under this Act, the Retailers'
24 Occupation Tax Act, the Service Occupation Tax Act and the
25 Service Use Tax Act, as shown by an original monthly return,
26 the Department shall issue to the taxpayer a credit
27 memorandum no later than 30 days after the date of payment,
28 which memorandum may be submitted by the taxpayer to the
29 Department in payment of tax liability subsequently to be
30 remitted by the taxpayer to the Department or be assigned by
31 the taxpayer to a similar taxpayer under this Act, the
32 Retailers' Occupation Tax Act, the Service Occupation Tax Act
33 or the Service Use Tax Act, in accordance with reasonable
34 rules and regulations to be prescribed by the Department,

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

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

27 If the retailer is otherwise required to file a monthly
28 or quarterly return and if the retailer's average monthly tax
29 liability to the Department does not exceed \$50, the
30 Department may authorize his returns to be filed on an annual
31 basis, with the return for a given year being due by January
32 20 of the following year.

33 Such quarter annual and annual returns, as to form and
34 substance, shall be subject to the same requirements as

1 monthly returns.

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

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

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

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

19 The transaction reporting return in the case of
20 watercraft and aircraft must show the name and address of the
21 seller; the name and address of the purchaser; the amount of
22 the selling price including the amount allowed by the
23 retailer for traded-in property, if any; the amount allowed
24 by the retailer for the traded-in tangible personal property,
25 if any, to the extent to which Section 2 of this Act allows
26 an exemption for the value of traded-in property; the balance
27 payable after deducting such trade-in allowance from the
28 total selling price; the amount of tax due from the retailer
29 with respect to such transaction; the amount of tax collected
30 from the purchaser by the retailer on such transaction (or
31 satisfactory evidence that such tax is not due in that
32 particular instance, if that is claimed to be the fact); the
33 place and date of the sale, a sufficient identification of
34 the property sold, and such other information as the

1 Department may reasonably require.

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

14 With each such transaction reporting return, the retailer
15 shall remit the proper amount of tax due (or shall submit
16 satisfactory evidence that the sale is not taxable if that is
17 the case), to the Department or its agents, whereupon the
18 Department shall issue, in the purchaser's name, a tax
19 receipt (or a certificate of exemption if the Department is
20 satisfied that the particular sale is tax exempt) which such
21 purchaser may submit to the agency with which, or State
22 officer with whom, he must title or register the tangible
23 personal property that is involved (if titling or
24 registration is required) in support of such purchaser's
25 application for an Illinois certificate or other evidence of
26 title or registration to such tangible personal property.

27 No retailer's failure or refusal to remit tax under this
28 Act precludes a user, who has paid the proper tax to the
29 retailer, from obtaining his certificate of title or other
30 evidence of title or registration (if titling or registration
31 is required) upon satisfying the Department that such user
32 has paid the proper tax (if tax is due) to the retailer. The
33 Department shall adopt appropriate rules to carry out the
34 mandate of this paragraph.

1 If the user who would otherwise pay tax to the retailer
2 wants the transaction reporting return filed and the payment
3 of tax or proof of exemption made to the Department before
4 the retailer is willing to take these actions and such user
5 has not paid the tax to the retailer, such user may certify
6 to the fact of such delay by the retailer, and may (upon the
7 Department being satisfied of the truth of such
8 certification) transmit the information required by the
9 transaction reporting return and the remittance for tax or
10 proof of exemption directly to the Department and obtain his
11 tax receipt or exemption determination, in which event the
12 transaction reporting return and tax remittance (if a tax
13 payment was required) shall be credited by the Department to
14 the proper retailer's account with the Department, but
15 without the 2.1% or 1.75% discount provided for in this
16 Section being allowed. When the user pays the tax directly
17 to the Department, he shall pay the tax in the same amount
18 and in the same form in which it would be remitted if the tax
19 had been remitted to the Department by the retailer.

20 Where a retailer collects the tax with respect to the
21 selling price of tangible personal property which he sells
22 and the purchaser thereafter returns such tangible personal
23 property and the retailer refunds the selling price thereof
24 to the purchaser, such retailer shall also refund, to the
25 purchaser, the tax so collected from the purchaser. When
26 filing his return for the period in which he refunds such tax
27 to the purchaser, the retailer may deduct the amount of the
28 tax so refunded by him to the purchaser from any other use
29 tax which such retailer may be required to pay or remit to
30 the Department, as shown by such return, if the amount of the
31 tax to be deducted was previously remitted to the Department
32 by such retailer. If the retailer has not previously
33 remitted the amount of such tax to the Department, he is
34 entitled to no deduction under this Act upon refunding such

1 tax to the purchaser.

2 Any retailer filing a return under this Section shall
3 also include (for the purpose of paying tax thereon) the
4 total tax covered by such return upon the selling price of
5 tangible personal property purchased by him at retail from a
6 retailer, but as to which the tax imposed by this Act was not
7 collected from the retailer filing such return, and such
8 retailer shall remit the amount of such tax to the Department
9 when filing such return.

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

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

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

33 Beginning January 1, 1990, each month the Department
34 shall pay into the County and Mass Transit District Fund 4%

1 of the net revenue realized for the preceding month from the
2 6.25% general rate on the selling price of tangible personal
3 property which is purchased outside Illinois at retail from a
4 retailer and which is titled or registered by an agency of
5 this State's government.

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

14 Beginning August 1, 2000, each month the Department shall
15 pay into the State and Local Sales Tax Reform Fund 100% of
16 the net revenue realized for the preceding month from the
17 1.25% rate on the selling price of motor fuel and gasohol.

18 Each September the Department shall pay into the State
19 and Local Sales Tax Reform Fund 100% of the net revenue
20 realized for the preceding month from the 1.25% rate on
21 "school supplies" as defined in Section 2-10 of the
22 Retailers' Occupation Tax Act.

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

30 Of the remainder of the moneys received by the Department
31 pursuant to this Act, (a) 1.75% thereof shall be paid into
32 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
33 and on and after July 1, 1989, 3.8% thereof shall be paid
34 into the Build Illinois Fund; provided, however, that if in

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

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

28 Subject to payment of amounts into the Build Illinois
29 Fund as provided in the preceding paragraph or in any
30 amendment thereto hereafter enacted, the following specified
31 monthly installment of the amount requested in the
32 certificate of the Chairman of the Metropolitan Pier and
33 Exposition Authority provided under Section 8.25f of the
34 State Finance Act, but not in excess of the sums designated

1 as "Total Deposit", shall be deposited in the aggregate from
 2 collections under Section 9 of the Use Tax Act, Section 9 of
 3 the Service Use Tax Act, Section 9 of the Service Occupation
 4 Tax Act, and Section 3 of the Retailers' Occupation Tax Act
 5 into the McCormick Place Expansion Project Fund in the
 6 specified fiscal years.

7	Fiscal Year	Total Deposit
8	1993	\$0
9	1994	53,000,000
10	1995	58,000,000
11	1996	61,000,000
12	1997	64,000,000
13	1998	68,000,000
14	1999	71,000,000
15	2000	75,000,000
16	2001	80,000,000
17	2002	84,000,000
18	2003	89,000,000
19	2004	93,000,000
20	2005	97,000,000
21	2006	102,000,000
22	2007	108,000,000
23	2008	115,000,000
24	2009	120,000,000
25	2010	126,000,000
26	2011	132,000,000
27	2012	138,000,000
28	2013 and	145,000,000

29 each fiscal year
 30 thereafter that bonds
 31 are outstanding under
 32 Section 13.2 of the
 33 Metropolitan Pier and
 34 Exposition Authority

1 Act, but not after fiscal year 2029.

2 Beginning July 20, 1993 and in each month of each fiscal
3 year thereafter, one-eighth of the amount requested in the
4 certificate of the Chairman of the Metropolitan Pier and
5 Exposition Authority for that fiscal year, less the amount
6 deposited into the McCormick Place Expansion Project Fund by
7 the State Treasurer in the respective month under subsection
8 (g) of Section 13 of the Metropolitan Pier and Exposition
9 Authority Act, plus cumulative deficiencies in the deposits
10 required under this Section for previous months and years,
11 shall be deposited into the McCormick Place Expansion Project
12 Fund, until the full amount requested for the fiscal year,
13 but not in excess of the amount specified above as "Total
14 Deposit", has been deposited.

15 Subject to payment of amounts into the Build Illinois
16 Fund and the McCormick Place Expansion Project Fund pursuant
17 to the preceding paragraphs or in any amendment thereto
18 hereafter enacted, each month the Department shall pay into
19 the Local Government Distributive Fund .4% of the net revenue
20 realized for the preceding month from the 5% general rate, or
21 .4% of 80% of the net revenue realized for the preceding
22 month from the 6.25% general rate, as the case may be, on the
23 selling price of tangible personal property which amount
24 shall, subject to appropriation, be distributed as provided
25 in Section 2 of the State Revenue Sharing Act. No payments or
26 distributions pursuant to this paragraph shall be made if the
27 tax imposed by this Act on photoprocessing products is
28 declared unconstitutional, or if the proceeds from such tax
29 are unavailable for distribution because of litigation.

30 Subject to payment of amounts into the Build Illinois
31 Fund, the McCormick Place Expansion Project Fund, and the
32 Local Government Distributive Fund pursuant to the preceding
33 paragraphs or in any amendments thereto hereafter enacted,
34 beginning July 1, 1993, the Department shall each month pay

1 into the Illinois Tax Increment Fund 0.27% of 80% of the net
2 revenue realized for the preceding month from the 6.25%
3 general rate on the selling price of tangible personal
4 property.

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

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

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

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

30 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;
31 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.
32 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,
33 eff. 1-1-01; revised 8-30-00.)

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

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

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

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

15 With respect to gasohol, as defined in the Use Tax Act,
16 the tax imposed by this Act applies to 70% of the selling
17 price of property transferred as an incident to the sale of
18 service on or after January 1, 1990, and before July 1, 2003,
19 and to 100% of the selling price thereafter.

20 Beginning on August 1 and through August 8 of 2001 and
21 each year thereafter, with respect to "school supplies" as
22 defined in Section 2-10 of the Retailers' Occupation Tax Act,
23 the tax is imposed at the rate of 1.25%. The changes made by
24 this amendatory Act of the 92nd General Assembly are exempt
25 from the provisions of Section 3-75.

26 At the election of any registered serviceman made for
27 each fiscal year, sales of service in which the aggregate
28 annual cost price of tangible personal property transferred
29 as an incident to the sales of service is less than 35%, or
30 75% in the case of servicemen transferring prescription drugs
31 or servicemen engaged in graphic arts production, of the
32 aggregate annual total gross receipts from all sales of
33 service, the tax imposed by this Act shall be based on the

1 serviceman's cost price of the tangible personal property
2 transferred as an incident to the sale of those services.

3 The tax shall be imposed at the rate of 1% on food
4 prepared for immediate consumption and transferred incident
5 to a sale of service subject to this Act or the Service
6 Occupation Tax Act by an entity licensed under the Hospital
7 Licensing Act, the Nursing Home Care Act, or the Child Care
8 Act of 1969. The tax shall also be imposed at the rate of 1%
9 on food for human consumption that is to be consumed off the
10 premises where it is sold (other than alcoholic beverages,
11 soft drinks, and food that has been prepared for immediate
12 consumption and is not otherwise included in this paragraph)
13 and prescription and nonprescription medicines, drugs,
14 medical appliances, modifications to a motor vehicle for the
15 purpose of rendering it usable by a disabled person, and
16 insulin, urine testing materials, syringes, and needles used
17 by diabetics, for human use. For the purposes of this
18 Section, the term "soft drinks" means any complete, finished,
19 ready-to-use, non-alcoholic drink, whether carbonated or not,
20 including but not limited to soda water, cola, fruit juice,
21 vegetable juice, carbonated water, and all other preparations
22 commonly known as soft drinks of whatever kind or description
23 that are contained in any closed or sealed bottle, can,
24 carton, or container, regardless of size. "Soft drinks" does
25 not include coffee, tea, non-carbonated water, infant
26 formula, milk or milk products as defined in the Grade A
27 Pasteurized Milk and Milk Products Act, or drinks containing
28 50% or more natural fruit or vegetable juice.

29 Notwithstanding any other provisions of this Act, "food
30 for human consumption that is to be consumed off the premises
31 where it is sold" includes all food sold through a vending
32 machine, except soft drinks and food products that are
33 dispensed hot from a vending machine, regardless of the
34 location of the vending machine.

1 If the property that is acquired from a serviceman is
2 acquired outside Illinois and used outside Illinois before
3 being brought to Illinois for use here and is taxable under
4 this Act, the "selling price" on which the tax is computed
5 shall be reduced by an amount that represents a reasonable
6 allowance for depreciation for the period of prior
7 out-of-state use.

8 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
9 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff.
10 7-1-00.)

11 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

12 Sec. 9. Each serviceman required or authorized to
13 collect the tax herein imposed shall pay to the Department
14 the amount of such tax (except as otherwise provided) at the
15 time when he is required to file his return for the period
16 during which such tax was collected, less a discount of 2.1%
17 prior to January 1, 1990 and 1.75% on and after January 1,
18 1990, or \$5 per calendar year, whichever is greater, which is
19 allowed to reimburse the serviceman for expenses incurred in
20 collecting the tax, keeping records, preparing and filing
21 returns, remitting the tax and supplying data to the
22 Department on request. A serviceman need not remit that part
23 of any tax collected by him to the extent that he is required
24 to pay and does pay the tax imposed by the Service Occupation
25 Tax Act with respect to his sale of service involving the
26 incidental transfer by him of the same property.

27 Except as provided hereinafter in this Section, on or
28 before the twentieth day of each calendar month, such
29 serviceman shall file a return for the preceding calendar
30 month in accordance with reasonable Rules and Regulations to
31 be promulgated by the Department. Such return shall be filed
32 on a form prescribed by the Department and shall contain such
33 information as the Department may reasonably require.

1 The Department may require returns to be filed on a
2 quarterly basis. If so required, a return for each calendar
3 quarter shall be filed on or before the twentieth day of the
4 calendar month following the end of such calendar quarter.
5 The taxpayer shall also file a return with the Department for
6 each of the first two months of each calendar quarter, on or
7 before the twentieth day of the following calendar month,
8 stating:

- 9 1. The name of the seller;
- 10 2. The address of the principal place of business
11 from which he engages in business as a serviceman in this
12 State;
- 13 3. The total amount of taxable receipts received by
14 him during the preceding calendar month, including
15 receipts from charge and time sales, but less all
16 deductions allowed by law;
- 17 4. The amount of credit provided in Section 2d of
18 this Act;
- 19 5. The amount of tax due;
- 20 5-5. The signature of the taxpayer; and
- 21 6. Such other reasonable information as the
22 Department may require.

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

27 Beginning October 1, 1993, a taxpayer who has an average
28 monthly tax liability of \$150,000 or more shall make all
29 payments required by rules of the Department by electronic
30 funds transfer. Beginning October 1, 1994, a taxpayer who
31 has an average monthly tax liability of \$100,000 or more
32 shall make all payments required by rules of the Department
33 by electronic funds transfer. Beginning October 1, 1995, a
34 taxpayer who has an average monthly tax liability of \$50,000

1 or more shall make all payments required by rules of the
2 Department by electronic funds transfer. Beginning October 1,
3 2000, a taxpayer who has an annual tax liability of \$200,000
4 or more shall make all payments required by rules of the
5 Department by electronic funds transfer. The term "annual
6 tax liability" shall be the sum of the taxpayer's liabilities
7 under this Act, and under all other State and local
8 occupation and use tax laws administered by the Department,
9 for the immediately preceding calendar year. The term
10 "average monthly tax liability" means the sum of the
11 taxpayer's liabilities under this Act, and under all other
12 State and local occupation and use tax laws administered by
13 the Department, for the immediately preceding calendar year
14 divided by 12.

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

21 Any taxpayer not required to make payments by electronic
22 funds transfer may make payments by electronic funds transfer
23 with the permission of the Department.

24 All taxpayers required to make payment by electronic
25 funds transfer and any taxpayers authorized to voluntarily
26 make payments by electronic funds transfer shall make those
27 payments in the manner authorized by the Department.

28 The Department shall adopt such rules as are necessary to
29 effectuate a program of electronic funds transfer and the
30 requirements of this Section.

31 If the serviceman is otherwise required to file a monthly
32 return and if the serviceman's average monthly tax liability
33 to the Department does not exceed \$200, the Department may
34 authorize his returns to be filed on a quarter annual basis,

1 with the return for January, February and March of a given
2 year being due by April 20 of such year; with the return for
3 April, May and June of a given year being due by July 20 of
4 such year; with the return for July, August and September of
5 a given year being due by October 20 of such year, and with
6 the return for October, November and December of a given year
7 being due by January 20 of the following year.

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

14 Such quarter annual and annual returns, as to form and
15 substance, shall be subject to the same requirements as
16 monthly returns.

17 Notwithstanding any other provision in this Act
18 concerning the time within which a serviceman may file his
19 return, in the case of any serviceman who ceases to engage in
20 a kind of business which makes him responsible for filing
21 returns under this Act, such serviceman shall file a final
22 return under this Act with the Department not more than 1
23 month after discontinuing such business.

24 Where a serviceman collects the tax with respect to the
25 selling price of property which he sells and the purchaser
26 thereafter returns such property and the serviceman refunds
27 the selling price thereof to the purchaser, such serviceman
28 shall also refund, to the purchaser, the tax so collected
29 from the purchaser. When filing his return for the period in
30 which he refunds such tax to the purchaser, the serviceman
31 may deduct the amount of the tax so refunded by him to the
32 purchaser from any other Service Use Tax, Service Occupation
33 Tax, retailers' occupation tax or use tax which such
34 serviceman may be required to pay or remit to the Department,

1 as shown by such return, provided that the amount of the tax
2 to be deducted shall previously have been remitted to the
3 Department by such serviceman. If the serviceman shall not
4 previously have remitted the amount of such tax to the
5 Department, he shall be entitled to no deduction hereunder
6 upon refunding such tax to the purchaser.

7 Any serviceman filing a return hereunder shall also
8 include the total tax upon the selling price of tangible
9 personal property purchased for use by him as an incident to
10 a sale of service, and such serviceman shall remit the amount
11 of such tax to the Department when filing such return.

12 If experience indicates such action to be practicable,
13 the Department may prescribe and furnish a combination or
14 joint return which will enable servicemen, who are required
15 to file returns hereunder and also under the Service
16 Occupation Tax Act, to furnish all the return information
17 required by both Acts on the one form.

18 Where the serviceman has more than one business
19 registered with the Department under separate registration
20 hereunder, such serviceman shall not file each return that is
21 due as a single return covering all such registered
22 businesses, but shall file separate returns for each such
23 registered business.

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

34 Beginning January 1, 1990, each month the Department

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

8 Beginning August 1, 2000, each month the Department shall
9 pay into the State and Local Sales Tax Reform Fund 100% of
10 the net revenue realized for the preceding month from the
11 1.25% rate on the selling price of motor fuel and gasohol.

12 Each September the Department shall pay into the State
13 and Local Sales Tax Reform Fund 100% of the net revenue
14 realized for the preceding month from the 1.25% rate on
15 "school supplies" as defined in Section 2-10 of the
16 Retailers' Occupation Tax Act.

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, (a) 1.75% thereof shall be paid into
19 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
20 and on and after July 1, 1989, 3.8% thereof shall be paid
21 into the Build Illinois Fund; provided, however, that if in
22 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
23 as the case may be, of the moneys received by the Department
24 and required to be paid into the Build Illinois Fund pursuant
25 to Section 3 of the Retailers' Occupation Tax Act, Section 9
26 of the Use Tax Act, Section 9 of the Service Use Tax Act, and
27 Section 9 of the Service Occupation Tax Act, such Acts being
28 hereinafter called the "Tax Acts" and such aggregate of 2.2%
29 or 3.8%, as the case may be, of moneys being hereinafter
30 called the "Tax Act Amount", and (2) the amount transferred
31 to the Build Illinois Fund from the State and Local Sales Tax
32 Reform Fund shall be less than the Annual Specified Amount
33 (as defined in Section 3 of the Retailers' Occupation Tax
34 Act), an amount equal to the difference shall be immediately

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

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

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

28	Fiscal Year	Total Deposit
29	1993	\$0
30	1994	53,000,000
31	1995	58,000,000
32	1996	61,000,000
33	1997	64,000,000
34	1998	68,000,000

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	84,000,000
5	2003	89,000,000
6	2004	93,000,000
7	2005	97,000,000
8	2006	102,000,000
9	2007	108,000,000
10	2008	115,000,000
11	2009	120,000,000
12	2010	126,000,000
13	2011	132,000,000
14	2012	138,000,000
15	2013 and	145,000,000

16 each fiscal year
17 thereafter that bonds
18 are outstanding under
19 Section 13.2 of the
20 Metropolitan Pier and
21 Exposition Authority Act,
22 but not after fiscal year 2029.

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount
27 deposited into the McCormick Place Expansion Project Fund by
28 the State Treasurer in the respective month under subsection
29 (g) of Section 13 of the Metropolitan Pier and Exposition
30 Authority Act, plus cumulative deficiencies in the deposits
31 required under this Section for previous months and years,
32 shall be deposited into the McCormick Place Expansion Project
33 Fund, until the full amount requested for the fiscal year,
34 but not in excess of the amount specified above as "Total

1 Deposit", has been deposited.

2 Subject to payment of amounts into the Build Illinois
3 Fund and the McCormick Place Expansion Project Fund pursuant
4 to the preceding paragraphs or in any amendment thereto
5 hereafter enacted, each month the Department shall pay into
6 the Local Government Distributive Fund 0.4% of the net
7 revenue realized for the preceding month from the 5% general
8 rate or 0.4% of 80% of the net revenue realized for the
9 preceding month from the 6.25% general rate, as the case may
10 be, on the selling price of tangible personal property which
11 amount shall, subject to appropriation, be distributed as
12 provided in Section 2 of the State Revenue Sharing Act. No
13 payments or distributions pursuant to this paragraph shall be
14 made if the tax imposed by this Act on photo processing
15 products is declared unconstitutional, or if the proceeds
16 from such tax are unavailable for distribution because of
17 litigation.

18 Subject to payment of amounts into the Build Illinois
19 Fund, the McCormick Place Expansion Project Fund, and the
20 Local Government Distributive Fund pursuant to the preceding
21 paragraphs or in any amendments thereto hereafter enacted,
22 beginning July 1, 1993, the Department shall each month pay
23 into the Illinois Tax Increment Fund 0.27% of 80% of the net
24 revenue realized for the preceding month from the 6.25%
25 general rate on the selling price of tangible personal
26 property.

27 All remaining moneys received by the Department pursuant
28 to this Act shall be paid into the General Revenue Fund of
29 the State Treasury.

30 As soon as possible after the first day of each month,
31 upon certification of the Department of Revenue, the
32 Comptroller shall order transferred and the Treasurer shall
33 transfer from the General Revenue Fund to the Motor Fuel Tax
34 Fund an amount equal to 1.7% of 80% of the net revenue

1 realized under this Act for the second preceding month.
2 Beginning April 1, 2000, this transfer is no longer required
3 and shall not be made.

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

8 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,
9 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;
10 91-872, eff. 7-1-00.)

11 Section 20. The Service Occupation Tax Act is amended by
12 changing Sections 3-10 and 9 as follows:

13 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

14 Sec. 3-10. Rate of tax. Unless otherwise provided in
15 this Section, the tax imposed by this Act is at the rate of
16 6.25% of the "selling price", as defined in Section 2 of the
17 Service Use Tax Act, of the tangible personal property. For
18 the purpose of computing this tax, in no event shall the
19 "selling price" be less than the cost price to the serviceman
20 of the tangible personal property transferred. The selling
21 price of each item of tangible personal property transferred
22 as an incident of a sale of service may be shown as a
23 distinct and separate item on the serviceman's billing to the
24 service customer. If the selling price is not so shown, the
25 selling price of the tangible personal property is deemed to
26 be 50% of the serviceman's entire billing to the service
27 customer. When, however, a serviceman contracts to design,
28 develop, and produce special order machinery or equipment,
29 the tax imposed by this Act shall be based on the
30 serviceman's cost price of the tangible personal property
31 transferred incident to the completion of the contract.

32 Beginning on July 1, 2000 and through December 31, 2000,

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

4 With respect to gasohol, as defined in the Use Tax Act,
5 the tax imposed by this Act shall apply to 70% of the cost
6 price of property transferred as an incident to the sale of
7 service on or after January 1, 1990, and before July 1, 2003,
8 and to 100% of the cost price thereafter.

9 Beginning on August 1 and through August 8 of 2001 and
10 each year thereafter, with respect to "school supplies" as
11 defined in Section 2-10 of the Retailers' Occupation Tax Act,
12 the tax is imposed at the rate of 1.25%. The changes made by
13 this amendatory Act of the 92nd General Assembly are exempt
14 from the provisions of Section 3-55.

15 At the election of any registered serviceman made for
16 each fiscal year, sales of service in which the aggregate
17 annual cost price of tangible personal property transferred
18 as an incident to the sales of service is less than 35%, or
19 75% in the case of servicemen transferring prescription drugs
20 or servicemen engaged in graphic arts production, of the
21 aggregate annual total gross receipts from all sales of
22 service, the tax imposed by this Act shall be based on the
23 serviceman's cost price of the tangible personal property
24 transferred incident to the sale of those services.

25 The tax shall be imposed at the rate of 1% on food
26 prepared for immediate consumption and transferred incident
27 to a sale of service subject to this Act or the Service
28 Occupation Tax Act by an entity licensed under the Hospital
29 Licensing Act, the Nursing Home Care Act, or the Child Care
30 Act of 1969. The tax shall also be imposed at the rate of 1%
31 on food for human consumption that is to be consumed off the
32 premises where it is sold (other than alcoholic beverages,
33 soft drinks, and food that has been prepared for immediate
34 consumption and is not otherwise included in this paragraph)

1 and prescription and nonprescription medicines, drugs,
2 medical appliances, modifications to a motor vehicle for the
3 purpose of rendering it usable by a disabled person, and
4 insulin, urine testing materials, syringes, and needles used
5 by diabetics, for human use. For the purposes of this
6 Section, the term "soft drinks" means any complete, finished,
7 ready-to-use, non-alcoholic drink, whether carbonated or not,
8 including but not limited to soda water, cola, fruit juice,
9 vegetable juice, carbonated water, and all other preparations
10 commonly known as soft drinks of whatever kind or description
11 that are contained in any closed or sealed can, carton, or
12 container, regardless of size. "Soft drinks" does not
13 include coffee, tea, non-carbonated water, infant formula,
14 milk or milk products as defined in the Grade A Pasteurized
15 Milk and Milk Products Act, or drinks containing 50% or more
16 natural fruit or vegetable juice.

17 Notwithstanding any other provisions of this Act, "food
18 for human consumption that is to be consumed off the premises
19 where it is sold" includes all food sold through a vending
20 machine, except soft drinks and food products that are
21 dispensed hot from a vending machine, regardless of the
22 location of the vending machine.

23 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
24 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

25 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

26 Sec. 9. Each serviceman required or authorized to
27 collect the tax herein imposed shall pay to the Department
28 the amount of such tax at the time when he is required to
29 file his return for the period during which such tax was
30 collectible, less a discount of 2.1% prior to January 1,
31 1990, and 1.75% on and after January 1, 1990, or \$5 per
32 calendar year, whichever is greater, which is allowed to
33 reimburse the serviceman for expenses incurred in collecting

1 the tax, keeping records, preparing and filing returns,
2 remitting the tax and supplying data to the Department on
3 request.

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

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

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

- 28 1. The name of the seller;
- 29 2. The address of the principal place of business
30 from which he engages in business as a serviceman in this
31 State;
- 32 3. The total amount of taxable receipts received by
33 him during the preceding calendar month, including
34 receipts from charge and time sales, but less all

1 deductions allowed by law;

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

4 5. The amount of tax due;

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

6 6. Such other reasonable information as the
7 Department may require.

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

12 A serviceman may accept a Manufacturer's Purchase Credit
13 certification from a purchaser in satisfaction of Service Use
14 Tax as provided in Section 3-70 of the Service Use Tax Act if
15 the purchaser provides the appropriate documentation as
16 required by Section 3-70 of the Service Use Tax Act. A
17 Manufacturer's Purchase Credit certification, accepted by a
18 serviceman as provided in Section 3-70 of the Service Use Tax
19 Act, may be used by that serviceman to satisfy Service
20 Occupation Tax liability in the amount claimed in the
21 certification, not to exceed 6.25% of the receipts subject to
22 tax from a qualifying purchase.

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

33 If the serviceman's average monthly tax liability to the
34 Department does not exceed \$50, the Department may authorize

1 his returns to be filed on an annual basis, with the return
2 for a given year being due by January 20 of the following
3 year.

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

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

14 Beginning October 1, 1993, a taxpayer who has an average
15 monthly tax liability of \$150,000 or more shall make all
16 payments required by rules of the Department by electronic
17 funds transfer. Beginning October 1, 1994, a taxpayer who
18 has an average monthly tax liability of \$100,000 or more
19 shall make all payments required by rules of the Department
20 by electronic funds transfer. Beginning October 1, 1995, a
21 taxpayer who has an average monthly tax liability of \$50,000
22 or more shall make all payments required by rules of the
23 Department by electronic funds transfer. Beginning October
24 1, 2000, a taxpayer who has an annual tax liability of
25 \$200,000 or more shall make all payments required by rules of
26 the Department by electronic funds transfer. The term
27 "annual tax liability" shall be the sum of the taxpayer's
28 liabilities under this Act, and under all other State and
29 local occupation and use tax laws administered by the
30 Department, for the immediately preceding calendar year. The
31 term "average monthly tax liability" means the sum of the
32 taxpayer's liabilities under this Act, and under all other
33 State and local occupation and use tax laws administered by
34 the Department, for the immediately preceding calendar year

1 divided by 12.

2 Before August 1 of each year beginning in 1993, the
3 Department shall notify all taxpayers required to make
4 payments by electronic funds transfer. All taxpayers
5 required to make payments by electronic funds transfer shall
6 make those payments for a minimum of one year beginning on
7 October 1.

8 Any taxpayer not required to make payments by electronic
9 funds transfer may make payments by electronic funds transfer
10 with the permission of the Department.

11 All taxpayers required to make payment by electronic
12 funds transfer and any taxpayers authorized to voluntarily
13 make payments by electronic funds transfer shall make those
14 payments in the manner authorized by the Department.

15 The Department shall adopt such rules as are necessary to
16 effectuate a program of electronic funds transfer and the
17 requirements of this Section.

18 Where a serviceman collects the tax with respect to the
19 selling price of tangible personal property which he sells
20 and the purchaser thereafter returns such tangible personal
21 property and the serviceman refunds the selling price thereof
22 to the purchaser, such serviceman shall also refund, to the
23 purchaser, the tax so collected from the purchaser. When
24 filing his return for the period in which he refunds such tax
25 to the purchaser, the serviceman may deduct the amount of the
26 tax so refunded by him to the purchaser from any other
27 Service Occupation Tax, Service Use Tax, Retailers'
28 Occupation Tax or Use Tax which such serviceman may be
29 required to pay or remit to the Department, as shown by such
30 return, provided that the amount of the tax to be deducted
31 shall previously have been remitted to the Department by such
32 serviceman. If the serviceman shall not previously have
33 remitted the amount of such tax to the Department, he shall
34 be entitled to no deduction hereunder upon refunding such tax

1 to the purchaser.

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

9 Where the serviceman has more than one business
10 registered with the Department under separate registrations
11 hereunder, such serviceman shall file separate returns for
12 each registered business.

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

22 Beginning January 1, 1990, each month the Department
23 shall pay into the County and Mass Transit District Fund 4%
24 of the revenue realized for the preceding month from the
25 6.25% general rate.

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

30 Each September the Department shall pay into the County
31 and Mass Transit District Fund 20% of the net revenue
32 realized for the preceding month from the 1.25% rate on
33 "school supplies" as defined in Section 2-10 of the
34 Retailers' Occupation Tax Act.

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

5 Beginning August 1, 2000, each month the Department shall
6 pay into the Local Government Tax Fund 80% of the net revenue
7 realized for the preceding month from the 1.25% rate on the
8 selling price of motor fuel and gasohol.

9 Each September the Department shall pay into the Local
10 Government Tax Fund 80% of the net revenue realized for the
11 preceding month from the 1.25% rate on "school supplies" as
12 defined in Section 2-10 of the Retailers' Occupation Tax Act.

13 Of the remainder of the moneys received by the Department
14 pursuant to this Act, (a) 1.75% thereof shall be paid into
15 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
16 and on and after July 1, 1989, 3.8% thereof shall be paid
17 into the Build Illinois Fund; provided, however, that if in
18 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
19 as the case may be, of the moneys received by the Department
20 and required to be paid into the Build Illinois Fund pursuant
21 to Section 3 of the Retailers' Occupation Tax Act, Section 9
22 of the Use Tax Act, Section 9 of the Service Use Tax Act, and
23 Section 9 of the Service Occupation Tax Act, such Acts being
24 hereinafter called the "Tax Acts" and such aggregate of 2.2%
25 or 3.8%, as the case may be, of moneys being hereinafter
26 called the "Tax Act Amount", and (2) the amount transferred
27 to the Build Illinois Fund from the State and Local Sales Tax
28 Reform Fund shall be less than the Annual Specified Amount
29 (as defined in Section 3 of the Retailers' Occupation Tax
30 Act), an amount equal to the difference shall be immediately
31 paid into the Build Illinois Fund from other moneys received
32 by the Department pursuant to the Tax Acts; and further
33 provided, that if on the last business day of any month the
34 sum of (1) the Tax Act Amount required to be deposited into

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

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

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

24	Fiscal Year	Total Deposit
25	1993	\$0
26	1994	53,000,000
27	1995	58,000,000
28	1996	61,000,000
29	1997	64,000,000
30	1998	68,000,000
31	1999	71,000,000
32	2000	75,000,000
33	2001	80,000,000
34	2002	84,000,000

1	2003	89,000,000
2	2004	93,000,000
3	2005	97,000,000
4	2006	102,000,000
5	2007	108,000,000
6	2008	115,000,000
7	2009	120,000,000
8	2010	126,000,000
9	2011	132,000,000
10	2012	138,000,000
11	2013 and	145,000,000

12 each fiscal year
13 thereafter that bonds
14 are outstanding under
15 Section 13.2 of the
16 Metropolitan Pier and
17 Exposition Authority
18 Act, but not after fiscal year 2029.

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

32 Subject to payment of amounts into the Build Illinois
33 Fund and the McCormick Place Expansion Project Fund pursuant
34 to the preceding paragraphs or in any amendment thereto

1 hereafter enacted, each month the Department shall pay into
2 the Local Government Distributive Fund 0.4% of the net
3 revenue realized for the preceding month from the 5% general
4 rate or 0.4% of 80% of the net revenue realized for the
5 preceding month from the 6.25% general rate, as the case may
6 be, on the selling price of tangible personal property which
7 amount shall, subject to appropriation, be distributed as
8 provided in Section 2 of the State Revenue Sharing Act. No
9 payments or distributions pursuant to this paragraph shall be
10 made if the tax imposed by this Act on photoprocessing
11 products is declared unconstitutional, or if the proceeds
12 from such tax are unavailable for distribution because of
13 litigation.

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

23 Remaining moneys received by the Department pursuant to
24 this Act shall be paid into the General Revenue Fund of the
25 State Treasury.

26 The Department may, upon separate written notice to a
27 taxpayer, require the taxpayer to prepare and file with the
28 Department on a form prescribed by the Department within not
29 less than 60 days after receipt of the notice an annual
30 information return for the tax year specified in the notice.
31 Such annual return to the Department shall include a
32 statement of gross receipts as shown by the taxpayer's last
33 Federal income tax return. If the total receipts of the
34 business as reported in the Federal income tax return do not

1 agree with the gross receipts reported to the Department of
2 Revenue for the same period, the taxpayer shall attach to his
3 annual return a schedule showing a reconciliation of the 2
4 amounts and the reasons for the difference. The taxpayer's
5 annual return to the Department shall also disclose the cost
6 of goods sold by the taxpayer during the year covered by such
7 return, opening and closing inventories of such goods for
8 such year, cost of goods used from stock or taken from stock
9 and given away by the taxpayer during such year, pay roll
10 information of the taxpayer's business during such year and
11 any additional reasonable information which the Department
12 deems would be helpful in determining the accuracy of the
13 monthly, quarterly or annual returns filed by such taxpayer
14 as hereinbefore provided for in this Section.

15 If the annual information return required by this Section
16 is not filed when and as required, the taxpayer shall be
17 liable as follows:

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

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

28 The chief executive officer, proprietor, owner or highest
29 ranking manager shall sign the annual return to certify the
30 accuracy of the information contained therein. Any person
31 who willfully signs the annual return containing false or
32 inaccurate information shall be guilty of perjury and
33 punished accordingly. The annual return form prescribed by
34 the Department shall include a warning that the person

1 signing the return may be liable for perjury.

2 The foregoing portion of this Section concerning the
3 filing of an annual information return shall not apply to a
4 serviceman who is not required to file an income tax return
5 with the United States Government.

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

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

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

26 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,
27 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;
28 91-872, eff. 7-1-00.)

29 Section 25. The Retailers' Occupation Tax Act is amended
30 by changing Sections 2-10 and 3 as follows:

31 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

32 Sec. 2-10. Rate of tax. Unless otherwise provided in

1 this Section, the tax imposed by this Act is at the rate of
2 6.25% of gross receipts from sales of tangible personal
3 property made in the course of business.

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

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

23 With respect to gasohol, as defined in the Use Tax Act,
24 the tax imposed by this Act applies to 70% of the proceeds of
25 sales made on or after January 1, 1990, and before July 1,
26 2003, and to 100% of the proceeds of sales made thereafter.

27 Beginning on August 1 and through August 8 of 2001 and
28 each year thereafter, with respect to "school supplies", the
29 tax is imposed at the rate of 1.25%. "School supplies" means
30 (i) clothing having a selling price of \$100 or less, (ii)
31 wallets having a selling price of \$100 or less, (iii) bags
32 having a selling price of \$100 or less, (iv) supplies used by
33 students for school purposes, except calculators, having a
34 selling price of \$10 or less, and (v) calculators having a

1 selling price of \$100 or less. For purposes of "school
2 supplies": "clothing" means any article of wearing apparel,
3 including all footwear, except skis, swim fins, roller
4 blades, and skates, intended to be worn on or about the human
5 body, but does not include watches, watchbands, jewelry,
6 umbrellas, or handkerchiefs; "bags" includes handbags,
7 backpacks, and fanny packs, but does not include briefcases,
8 suitcases, and other garment bags; and "supplies used by
9 students for school purposes" means pens, pencils, erasers,
10 crayons, notebooks, notebook filler paper, legal pads,
11 composition books, poster paper, scissors, cellophane tape,
12 glue or paste, rulers, protractors, compasses, and
13 calculators. "School supplies" that are normally sold as a
14 unit must continue to be sold in that manner and cannot be
15 priced separately and sold as individual items in order to be
16 subject to the tax holiday. Any discount, coupon, or other
17 credit offered either by the retailer or by a vendor of the
18 retailer to reduce the final price to the customer shall be
19 taken into account in determining the selling price of
20 "school supplies" for purposes of this tax holiday. "School
21 supplies" do not include sales within a theme park or
22 entertainment complex, or within a public lodging
23 establishment. The changes made by this amendatory Act of
24 the 92nd General Assembly are exempt from the provisions of
25 Section 2-70.

26 With respect to food for human consumption that is to be
27 consumed off the premises where it is sold (other than
28 alcoholic beverages, soft drinks, and food that has been
29 prepared for immediate consumption) and prescription and
30 nonprescription medicines, drugs, medical appliances,
31 modifications to a motor vehicle for the purpose of rendering
32 it usable by a disabled person, and insulin, urine testing
33 materials, syringes, and needles used by diabetics, for human
34 use, the tax is imposed at the rate of 1%. For the purposes

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

12 Notwithstanding any other provisions of this Act, "food
13 for human consumption that is to be consumed off the premises
14 where it is sold" includes all food sold through a vending
15 machine, except soft drinks and food products that are
16 dispensed hot from a vending machine, regardless of the
17 location of the vending machine.

18 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
19 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

20 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

- 26 1. The name of the seller;
- 27 2. His residence address and the address of his
28 principal place of business and the address of the
29 principal place of business (if that is a different
30 address) from which he engages in the business of selling
31 tangible personal property at retail in this State;
- 32 3. Total amount of receipts received by him during
33 the preceding calendar month or quarter, as the case may

1 be, from sales of tangible personal property, and from
2 services furnished, by him during such preceding calendar
3 month or quarter;

4 4. Total amount received by him during the
5 preceding calendar month or quarter on charge and time
6 sales of tangible personal property, and from services
7 furnished, by him prior to the month or quarter for which
8 the return is filed;

9 5. Deductions allowed by law;

10 6. Gross receipts which were received by him during
11 the preceding calendar month or quarter and upon the
12 basis of which the tax is imposed;

13 7. The amount of credit provided in Section 2d of
14 this Act;

15 8. The amount of tax due;

16 9. The signature of the taxpayer; and

17 10. Such other reasonable information as the
18 Department may require.

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

23 Each return shall be accompanied by the statement of
24 prepaid tax issued pursuant to Section 2e for which credit is
25 claimed.

26 A retailer may accept a Manufacturer's Purchase Credit
27 certification from a purchaser in satisfaction of Use Tax as
28 provided in Section 3-85 of the Use Tax Act if the purchaser
29 provides the appropriate documentation as required by Section
30 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
31 certification, accepted by a retailer as provided in Section
32 3-85 of the Use Tax Act, may be used by that retailer to
33 satisfy Retailers' Occupation Tax liability in the amount
34 claimed in the certification, not to exceed 6.25% of the

1 receipts subject to tax from a qualifying purchase.

2 The Department may require returns to be filed on a
3 quarterly basis. If so required, a return for each calendar
4 quarter shall be filed on or before the twentieth day of the
5 calendar month following the end of such calendar quarter.
6 The taxpayer shall also file a return with the Department for
7 each of the first two months of each calendar quarter, on or
8 before the twentieth day of the following calendar month,
9 stating:

- 10 1. The name of the seller;
- 11 2. The address of the principal place of business
12 from which he engages in the business of selling tangible
13 personal property at retail in this State;
- 14 3. The total amount of taxable receipts received by
15 him during the preceding calendar month from sales of
16 tangible personal property by him during such preceding
17 calendar month, including receipts from charge and time
18 sales, but less all deductions allowed by law;
- 19 4. The amount of credit provided in Section 2d of
20 this Act;
- 21 5. The amount of tax due; and
- 22 6. Such other reasonable information as the
23 Department may require.

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

28 Beginning October 1, 1993, a taxpayer who has an average
29 monthly tax liability of \$150,000 or more shall make all
30 payments required by rules of the Department by electronic
31 funds transfer. Beginning October 1, 1994, a taxpayer who
32 has an average monthly tax liability of \$100,000 or more
33 shall make all payments required by rules of the Department
34 by electronic funds transfer. Beginning October 1, 1995, a

1 taxpayer who has an average monthly tax liability of \$50,000
2 or more shall make all payments required by rules of the
3 Department by electronic funds transfer. Beginning October
4 1, 2000, a taxpayer who has an annual tax liability of
5 \$200,000 or more shall make all payments required by rules of
6 the Department by electronic funds transfer. The term
7 "annual tax liability" shall be the sum of the taxpayer's
8 liabilities under this Act, and under all other State and
9 local occupation and use tax laws administered by the
10 Department, for the immediately preceding calendar year. The
11 term "average monthly tax liability" shall be the sum of the
12 taxpayer's liabilities under this Act, and under all other
13 State and local occupation and use tax laws administered by
14 the Department, for the immediately preceding calendar year
15 divided by 12.

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

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

25 All taxpayers required to make payment by electronic
26 funds transfer and any taxpayers authorized to voluntarily
27 make payments by electronic funds transfer shall make those
28 payments in the manner authorized by the Department.

29 The Department shall adopt such rules as are necessary to
30 effectuate a program of electronic funds transfer and the
31 requirements of this Section.

32 Any amount which is required to be shown or reported on
33 any return or other document under this Act shall, if such
34 amount is not a whole-dollar amount, be increased to the

1 nearest whole-dollar amount in any case where the fractional
2 part of a dollar is 50 cents or more, and decreased to the
3 nearest whole-dollar amount where the fractional part of a
4 dollar is less than 50 cents.

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

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

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as
24 monthly returns.

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

32 Where the same person has more than one business
33 registered with the Department under separate registrations
34 under this Act, such person may not file each return that is

1 due as a single return covering all such registered
2 businesses, but shall file separate returns for each such
3 registered business.

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

28 Any retailer who sells only motor vehicles, watercraft,
29 aircraft, or trailers that are required to be registered with
30 an agency of this State, so that all retailers' occupation
31 tax liability is required to be reported, and is reported, on
32 such transaction reporting returns and who is not otherwise
33 required to file monthly or quarterly returns, need not file
34 monthly or quarterly returns. However, those retailers shall

1 be required to file returns on an annual basis.

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

23 The transaction reporting return in the case of
24 watercraft or aircraft must show the name and address of the
25 seller; the name and address of the purchaser; the amount of
26 the selling price including the amount allowed by the
27 retailer for traded-in property, if any; the amount allowed
28 by the retailer for the traded-in tangible personal property,
29 if any, to the extent to which Section 1 of this Act allows
30 an exemption for the value of traded-in property; the balance
31 payable after deducting such trade-in allowance from the
32 total selling price; the amount of tax due from the retailer
33 with respect to such transaction; the amount of tax collected
34 from the purchaser by the retailer on such transaction (or

1 satisfactory evidence that such tax is not due in that
2 particular instance, if that is claimed to be the fact); the
3 place and date of the sale, a sufficient identification of
4 the property sold, and such other information as the
5 Department may reasonably require.

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

18 With each such transaction reporting return, the retailer
19 shall remit the proper amount of tax due (or shall submit
20 satisfactory evidence that the sale is not taxable if that is
21 the case), to the Department or its agents, whereupon the
22 Department shall issue, in the purchaser's name, a use tax
23 receipt (or a certificate of exemption if the Department is
24 satisfied that the particular sale is tax exempt) which such
25 purchaser may submit to the agency with which, or State
26 officer with whom, he must title or register the tangible
27 personal property that is involved (if titling or
28 registration is required) in support of such purchaser's
29 application for an Illinois certificate or other evidence of
30 title or registration to such tangible personal property.

31 No retailer's failure or refusal to remit tax under this
32 Act precludes a user, who has paid the proper tax to the
33 retailer, from obtaining his certificate of title or other
34 evidence of title or registration (if titling or registration

1 is required) upon satisfying the Department that such user
2 has paid the proper tax (if tax is due) to the retailer. The
3 Department shall adopt appropriate rules to carry out the
4 mandate of this paragraph.

5 If the user who would otherwise pay tax to the retailer
6 wants the transaction reporting return filed and the payment
7 of the tax or proof of exemption made to the Department
8 before the retailer is willing to take these actions and such
9 user has not paid the tax to the retailer, such user may
10 certify to the fact of such delay by the retailer and may
11 (upon the Department being satisfied of the truth of such
12 certification) transmit the information required by the
13 transaction reporting return and the remittance for tax or
14 proof of exemption directly to the Department and obtain his
15 tax receipt or exemption determination, in which event the
16 transaction reporting return and tax remittance (if a tax
17 payment was required) shall be credited by the Department to
18 the proper retailer's account with the Department, but
19 without the 2.1% or 1.75% discount provided for in this
20 Section being allowed. When the user pays the tax directly
21 to the Department, he shall pay the tax in the same amount
22 and in the same form in which it would be remitted if the tax
23 had been remitted to the Department by the retailer.

24 Refunds made by the seller during the preceding return
25 period to purchasers, on account of tangible personal
26 property returned to the seller, shall be allowed as a
27 deduction under subdivision 5 of his monthly or quarterly
28 return, as the case may be, in case the seller had
29 theretofore included the receipts from the sale of such
30 tangible personal property in a return filed by him and had
31 paid the tax imposed by this Act with respect to such
32 receipts.

33 Where the seller is a corporation, the return filed on
34 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly
2 accredited agent of such corporation.

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

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

23 Before October 1, 2000, if the taxpayer's average monthly
24 tax liability to the Department under this Act, the Use Tax
25 Act, the Service Occupation Tax Act, and the Service Use Tax
26 Act, excluding any liability for prepaid sales tax to be
27 remitted in accordance with Section 2d of this Act, was
28 \$10,000 or more during the preceding 4 complete calendar
29 quarters, he shall file a return with the Department each
30 month by the 20th day of the month next following the month
31 during which such tax liability is incurred and shall make
32 payments to the Department on or before the 7th, 15th, 22nd
33 and last day of the month during which such liability is
34 incurred. On and after October 1, 2000, if the taxpayer's

1 average monthly tax liability to the Department under this
2 Act, the Use Tax Act, the Service Occupation Tax Act, and the
3 Service Use Tax Act, excluding any liability for prepaid
4 sales tax to be remitted in accordance with Section 2d of
5 this Act, was \$20,000 or more during the preceding 4 complete
6 calendar quarters, he shall file a return with the Department
7 each month by the 20th day of the month next following the
8 month during which such tax liability is incurred and shall
9 make payment to the Department on or before the 7th, 15th,
10 22nd and last day of the month during which such liability is
11 incurred. If the month during which such tax liability is
12 incurred began prior to January 1, 1985, each payment shall
13 be in an amount equal to 1/4 of the taxpayer's actual
14 liability for the month or an amount set by the Department
15 not to exceed 1/4 of the average monthly liability of the
16 taxpayer to the Department for the preceding 4 complete
17 calendar quarters (excluding the month of highest liability
18 and the month of lowest liability in such 4 quarter period).
19 If the month during which such tax liability is incurred
20 begins on or after January 1, 1985 and prior to January 1,
21 1987, each payment shall be in an amount equal to 22.5% of
22 the taxpayer's actual liability for the month or 27.5% of the
23 taxpayer's liability for the same calendar month of the
24 preceding year. If the month during which such tax liability
25 is incurred begins on or after January 1, 1987 and prior to
26 January 1, 1988, each payment shall be in an amount equal to
27 22.5% of the taxpayer's actual liability for the month or
28 26.25% of the taxpayer's liability for the same calendar
29 month of the preceding year. If the month during which such
30 tax liability is incurred begins on or after January 1, 1988,
31 and prior to January 1, 1989, or begins on or after January
32 1, 1996, each payment shall be in an amount equal to 22.5% of
33 the taxpayer's actual liability for the month or 25% of the
34 taxpayer's liability for the same calendar month of the

1 preceding year. If the month during which such tax liability
2 is incurred begins on or after January 1, 1989, and prior to
3 January 1, 1996, each payment shall be in an amount equal to
4 22.5% of the taxpayer's actual liability for the month or 25%
5 of the taxpayer's liability for the same calendar month of
6 the preceding year or 100% of the taxpayer's actual liability
7 for the quarter monthly reporting period. The amount of such
8 quarter monthly payments shall be credited against the final
9 tax liability of the taxpayer's return for that month.
10 Before October 1, 2000, once applicable, the requirement of
11 the making of quarter monthly payments to the Department by
12 taxpayers having an average monthly tax liability of \$10,000
13 or more as determined in the manner provided above shall
14 continue until such taxpayer's average monthly liability to
15 the Department during the preceding 4 complete calendar
16 quarters (excluding the month of highest liability and the
17 month of lowest liability) is less than \$9,000, or until such
18 taxpayer's average monthly liability to the Department as
19 computed for each calendar quarter of the 4 preceding
20 complete calendar quarter period is less than \$10,000.
21 However, if a taxpayer can show the Department that a
22 substantial change in the taxpayer's business has occurred
23 which causes the taxpayer to anticipate that his average
24 monthly tax liability for the reasonably foreseeable future
25 will fall below the \$10,000 threshold stated above, then such
26 taxpayer may petition the Department for a change in such
27 taxpayer's reporting status. On and after October 1, 2000,
28 once applicable, the requirement of the making of quarter
29 monthly payments to the Department by taxpayers having an
30 average monthly tax liability of \$20,000 or more as
31 determined in the manner provided above shall continue until
32 such taxpayer's average monthly liability to the Department
33 during the preceding 4 complete calendar quarters (excluding
34 the month of highest liability and the month of lowest

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

25 Without regard to whether a taxpayer is required to make
26 quarter monthly payments as specified above, any taxpayer who
27 is required by Section 2d of this Act to collect and remit
28 prepaid taxes and has collected prepaid taxes which average
29 in excess of \$25,000 per month during the preceding 2
30 complete calendar quarters, shall file a return with the
31 Department as required by Section 2f and shall make payments
32 to the Department on or before the 7th, 15th, 22nd and last
33 day of the month during which such liability is incurred. If
34 the month during which such tax liability is incurred began

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

27 If any payment provided for in this Section exceeds the
28 taxpayer's liabilities under this Act, the Use Tax Act, the
29 Service Occupation Tax Act and the Service Use Tax Act, as
30 shown on an original monthly return, the Department shall, if
31 requested by the taxpayer, issue to the taxpayer a credit
32 memorandum no later than 30 days after the date of payment.
33 The credit evidenced by such credit memorandum may be
34 assigned by the taxpayer to a similar taxpayer under this

1 Act, the Use Tax Act, the Service Occupation Tax Act or the
2 Service Use Tax Act, in accordance with reasonable rules and
3 regulations to be prescribed by the Department. If no such
4 request is made, the taxpayer may credit such excess payment
5 against tax liability subsequently to be remitted to the
6 Department under this Act, the Use Tax Act, the Service
7 Occupation Tax Act or the Service Use Tax Act, in accordance
8 with reasonable rules and regulations prescribed by the
9 Department. If the Department subsequently determined that
10 all or any part of the credit taken was not actually due to
11 the taxpayer, the taxpayer's 2.1% and 1.75% vendor's discount
12 shall be reduced by 2.1% or 1.75% of the difference between
13 the credit taken and that actually due, and that taxpayer
14 shall be liable for penalties and interest on such
15 difference.

16 If a retailer of motor fuel is entitled to a credit under
17 Section 2d of this Act which exceeds the taxpayer's liability
18 to the Department under this Act for the month which the
19 taxpayer is filing a return, the Department shall issue the
20 taxpayer a credit memorandum for the excess.

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

31 Beginning January 1, 1990, each month the Department
32 shall pay into the County and Mass Transit District Fund, a
33 special fund in the State treasury which is hereby created,
34 4% of the net revenue realized for the preceding month from

1 the 6.25% general rate.

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

6 Each September the Department shall pay into the County
7 and Mass Transit District Fund 20% of the net revenue
8 realized for the preceding month from the 1.25% rate on
9 "school supplies" as defined in Section 2-10 this Act.

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

15 Beginning August 1, 2000, each month the Department shall
16 pay into the Local Government Tax Fund 80% of the net revenue
17 realized for the preceding month from the 1.25% rate on the
18 selling price of motor fuel and gasohol.

19 Each September the Department shall pay into the Local
20 Government Tax Fund 80% of the net revenue realized for the
21 preceding month from the 1.25% rate on "school supplies" as
22 defined in Section 2-10 of this Act.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, (a) 1.75% thereof shall be paid into
25 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
26 and on and after July 1, 1989, 3.8% thereof shall be paid
27 into the Build Illinois Fund; provided, however, that if in
28 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
29 as the case may be, of the moneys received by the Department
30 and required to be paid into the Build Illinois Fund pursuant
31 to this Act, Section 9 of the Use Tax Act, Section 9 of the
32 Service Use Tax Act, and Section 9 of the Service Occupation
33 Tax Act, such Acts being hereinafter called the "Tax Acts"
34 and such aggregate of 2.2% or 3.8%, as the case may be, of

1 moneys being hereinafter called the "Tax Act Amount", and (2)
 2 the amount transferred to the Build Illinois Fund from the
 3 State and Local Sales Tax Reform Fund shall be less than the
 4 Annual Specified Amount (as hereinafter defined), an amount
 5 equal to the difference shall be immediately paid into the
 6 Build Illinois Fund from other moneys received by the
 7 Department pursuant to the Tax Acts; the "Annual Specified
 8 Amount" means the amounts specified below for fiscal years
 9 1986 through 1993:

10	Fiscal Year	Annual Specified Amount
11	1986	\$54,800,000
12	1987	\$76,650,000
13	1988	\$80,480,000
14	1989	\$88,510,000
15	1990	\$115,330,000
16	1991	\$145,470,000
17	1992	\$182,730,000
18	1993	\$206,520,000;

19 and means the Certified Annual Debt Service Requirement (as
 20 defined in Section 13 of the Build Illinois Bond Act) or the
 21 Tax Act Amount, whichever is greater, for fiscal year 1994
 22 and each fiscal year thereafter; and further provided, that
 23 if on the last business day of any month the sum of (1) the
 24 Tax Act Amount required to be deposited into the Build
 25 Illinois Bond Account in the Build Illinois Fund during such
 26 month and (2) the amount transferred to the Build Illinois
 27 Fund from the State and Local Sales Tax Reform Fund shall
 28 have been less than 1/12 of the Annual Specified Amount, an
 29 amount equal to the difference shall be immediately paid into
 30 the Build Illinois Fund from other moneys received by the
 31 Department pursuant to the Tax Acts; and, further provided,
 32 that in no event shall the payments required under the
 33 preceding proviso result in aggregate payments into the Build
 34 Illinois Fund pursuant to this clause (b) for any fiscal year

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

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

14	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	84,000,000
25	2003	89,000,000
26	2004	93,000,000
27	2005	97,000,000
28	2006	102,000,000
29	2007	108,000,000
30	2008	115,000,000
31	2009	120,000,000
32	2010	126,000,000
33	2011	132,000,000
34	2012	138,000,000

1 2013 and 145,000,000
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority
8 Act, but not after fiscal year 2029.

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

22 Subject to payment of amounts into the Build Illinois
23 Fund and the McCormick Place Expansion Project Fund pursuant
24 to the preceding paragraphs or in any amendment thereto
25 hereafter enacted, each month the Department shall pay into
26 the Local Government Distributive Fund 0.4% of the net
27 revenue realized for the preceding month from the 5% general
28 rate or 0.4% of 80% of the net revenue realized for the
29 preceding month from the 6.25% general rate, as the case may
30 be, on the selling price of tangible personal property which
31 amount shall, subject to appropriation, be distributed as
32 provided in Section 2 of the State Revenue Sharing Act. No
33 payments or distributions pursuant to this paragraph shall be
34 made if the tax imposed by this Act on photoprocessing

1 products is declared unconstitutional, or if the proceeds
2 from such tax are unavailable for distribution because of
3 litigation.

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

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

18 The Department may, upon separate written notice to a
19 taxpayer, require the taxpayer to prepare and file with the
20 Department on a form prescribed by the Department within not
21 less than 60 days after receipt of the notice an annual
22 information return for the tax year specified in the notice.
23 Such annual return to the Department shall include a
24 statement of gross receipts as shown by the retailer's last
25 Federal income tax return. If the total receipts of the
26 business as reported in the Federal income tax return do not
27 agree with the gross receipts reported to the Department of
28 Revenue for the same period, the retailer shall attach to his
29 annual return a schedule showing a reconciliation of the 2
30 amounts and the reasons for the difference. The retailer's
31 annual return to the Department shall also disclose the cost
32 of goods sold by the retailer during the year covered by such
33 return, opening and closing inventories of such goods for
34 such year, costs of goods used from stock or taken from stock

1 and given away by the retailer during such year, payroll
2 information of the retailer's business during such year and
3 any additional reasonable information which the Department
4 deems would be helpful in determining the accuracy of the
5 monthly, quarterly or annual returns filed by such retailer
6 as provided for in this Section.

7 If the annual information return required by this Section
8 is not filed when and as required, the taxpayer shall be
9 liable as follows:

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

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

20 The chief executive officer, proprietor, owner or highest
21 ranking manager shall sign the annual return to certify the
22 accuracy of the information contained therein. Any person
23 who willfully signs the annual return containing false or
24 inaccurate information shall be guilty of perjury and
25 punished accordingly. The annual return form prescribed by
26 the Department shall include a warning that the person
27 signing the return may be liable for perjury.

28 The provisions of this Section concerning the filing of
29 an annual information return do not apply to a retailer who
30 is not required to file an income tax return with the United
31 States Government.

32 As soon as possible after the first day of each month,
33 upon certification of the Department of Revenue, the
34 Comptroller shall order transferred and the Treasurer shall

1 transfer from the General Revenue Fund to the Motor Fuel Tax
2 Fund an amount equal to 1.7% of 80% of the net revenue
3 realized under this Act for the second preceding month.
4 Beginning April 1, 2000, this transfer is no longer required
5 and shall not be made.

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

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

17 Any person who promotes, organizes, provides retail
18 selling space for concessionaires or other types of sellers
19 at the Illinois State Fair, DuQuoin State Fair, county fairs,
20 local fairs, art shows, flea markets and similar exhibitions
21 or events, including any transient merchant as defined by
22 Section 2 of the Transient Merchant Act of 1987, is required
23 to file a report with the Department providing the name of
24 the merchant's business, the name of the person or persons
25 engaged in merchant's business, the permanent address and
26 Illinois Retailers Occupation Tax Registration Number of the
27 merchant, the dates and location of the event and other
28 reasonable information that the Department may require. The
29 report must be filed not later than the 20th day of the month
30 next following the month during which the event with retail
31 sales was held. Any person who fails to file a report
32 required by this Section commits a business offense and is
33 subject to a fine not to exceed \$250.

34 Any person engaged in the business of selling tangible

1 personal property at retail as a concessionaire or other type
2 of seller at the Illinois State Fair, county fairs, art
3 shows, flea markets and similar exhibitions or events, or any
4 transient merchants, as defined by Section 2 of the Transient
5 Merchant Act of 1987, may be required to make a daily report
6 of the amount of such sales to the Department and to make a
7 daily payment of the full amount of tax due. The Department
8 shall impose this requirement when it finds that there is a
9 significant risk of loss of revenue to the State at such an
10 exhibition or event. Such a finding shall be based on
11 evidence that a substantial number of concessionaires or
12 other sellers who are not residents of Illinois will be
13 engaging in the business of selling tangible personal
14 property at retail at the exhibition or event, or other
15 evidence of a significant risk of loss of revenue to the
16 State. The Department shall notify concessionaires and other
17 sellers affected by the imposition of this requirement. In
18 the absence of notification by the Department, the
19 concessionaires and other sellers shall file their returns as
20 otherwise required in this Section.

21 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;
22 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.
23 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,
24 eff. 1-1-01; revised 8-30-00.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.