

1 AN ACT concerning municipal utility taxes.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 adding Section 8-11-21 as follows:

6 (65 ILCS 5/8-11-21 new)

7 Sec. 8-11-21. School district exemptions.

8 (a) No tax may be imposed or collected by a municipality  
9 under this Division 11 or by virtue of any home rule power  
10 with respect to electricity used or consumed by a school  
11 district subject to the School Code.

12 (b) No tax may be imposed or collected by a municipality  
13 under this Division 11 or by virtue of any home rule power on  
14 gross receipts from the business of transmitting messages or  
15 distributing, supplying, furnishing, or selling gas or water  
16 to a school district subject to the School Code.

17 (c) No tax may be imposed or collected by a municipality  
18 under this Division 11 or by virtue of any home rule power  
19 with respect to telecommunications originated or received by  
20 a school district subject to the School Code.

21 (d) A business entity must reflect the tax exemptions  
22 under this Section by equivalent reductions in amounts  
23 charged to school districts subject to the School Code.

24 (e) This Section is a denial and limitation under  
25 subsection (g) of Section 6 of Article VII of the Illinois  
26 Constitution of a home rule municipality's power to tax.

27 Section 10. The Public Utilities Act is amended by  
28 changing Section 9-221 as follows:

29 (220 ILCS 5/9-221) (from Ch. 111 2/3, par. 9-221)

1           Sec. 9-221. Whenever a municipality pursuant to Section  
2   8-11-2 of the Illinois Municipal Code, as heretofore and  
3   hereafter amended, imposes a tax on any public utility, such  
4   utility may charge its customers, other than customers who  
5   are certified business enterprises under paragraph (e) of  
6   Section 8-11-2 of the Illinois Municipal Code or are exempted  
7   from those taxes under paragraph (f) of that Section or under  
8   Section 8-11-21 of the Illinois Municipal Code, to the extent  
9   of such exemption and during the period in which such  
10  exemption is in effect, in addition to any rate authorized by  
11  this Act, an additional charge equal to the sum of (1) an  
12  amount equal to such municipal tax, or any part thereof (2)  
13  3% of such tax, or any part thereof, as the case may be, to  
14  cover costs of accounting, and (3) an amount equal to the  
15  increase in taxes and other payments to governmental bodies  
16  resulting from the amount of such additional charge. Such  
17  utility shall file with the Commission a true and correct  
18  copy of the municipal ordinance imposing such tax; and also  
19  shall file with the Commission a supplemental schedule  
20  applicable to such municipality which shall specify such  
21  additional charge and which shall become effective upon  
22  filing without further notice. Such additional charge shall  
23  be shown separately on the utility bill to each customer.  
24  The Commission shall have power to investigate whether or not  
25  such supplemental schedule correctly specifies such  
26  additional charge, but shall have no power to suspend such  
27  supplemental schedule. If the Commission finds, after a  
28  hearing, that such supplemental schedule does not correctly  
29  specify such additional charge, it shall by order require a  
30  refund to the appropriate customers of the excess, if any,  
31  with interest, in such manner as it shall deem just and  
32  reasonable, and in and by such order shall require the  
33  utility to file an amended supplemental schedule  
34  corresponding to the finding and order of the Commission.

1 (Source: P.A. 87-895; 88-132.)

2 Section 95. The State Mandates Act is amended by adding  
3 Section 8.25 as follows:

4 (30 ILCS 805/8.25 new)

5 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6  
6 and 8 of this Act, no reimbursement by the State is required  
7 for the implementation of any mandate created by this  
8 amendatory Act of the 92nd General Assembly.

9 Section 99. Effective date. This Act takes effect on  
10 July 1, 2001.