

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 Use Tax Act is amended by changing  
5 Section 3-5 as follows:

6 (35 ILCS 105/3-5) (from Ch. 120, par. 439.3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible  
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,  
10 society, association, foundation, institution, or  
11 organization, other than a limited liability company, that is  
12 organized and operated as a not-for-profit service enterprise  
13 for the benefit of persons 65 years of age or older if the  
14 personal property was not purchased by the enterprise for the  
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit  
17 Illinois county fair association for use in conducting,  
18 operating, or promoting the county fair.

19 (3) Personal property purchased by a not-for-profit arts  
20 or cultural organization that establishes, by proof required  
21 by the Department by rule, that it has received an exemption  
22 under Section 501(c)(3) of the Internal Revenue Code and that  
23 is organized and operated for the presentation or support of  
24 arts or cultural programming, activities, or services. These  
25 organizations include, but are not limited to, music and  
26 dramatic arts organizations such as symphony orchestras and  
27 theatrical groups, arts and cultural service organizations,  
28 local arts councils, visual arts organizations, and media  
29 arts organizations.

30 (4) Personal property purchased by a governmental body,  
31 by a corporation, society, association, foundation, or

1 institution organized and operated exclusively for  
2 charitable, religious, or educational purposes, or by a  
3 not-for-profit corporation, society, association, foundation,  
4 institution, or organization that has no compensated officers  
5 or employees and that is organized and operated primarily for  
6 the recreation of persons 55 years of age or older. A limited  
7 liability company may qualify for the exemption under this  
8 paragraph only if the limited liability company is organized  
9 and operated exclusively for educational purposes. On and  
10 after July 1, 1987, however, no entity otherwise eligible for  
11 this exemption shall make tax-free purchases unless it has an  
12 active exemption identification number issued by the  
13 Department.

14 (5) A passenger car that is a replacement vehicle to the  
15 extent that the purchase price of the car is subject to the  
16 Replacement Vehicle Tax.

17 (6) Graphic arts machinery and equipment, including  
18 repair and replacement parts, both new and used, and  
19 including that manufactured on special order, certified by  
20 the purchaser to be used primarily for graphic arts  
21 production, and including machinery and equipment purchased  
22 for lease.

23 (7) Farm chemicals.

24 (8) Legal tender, currency, medallions, or gold or  
25 silver coinage issued by the State of Illinois, the  
26 government of the United States of America, or the government  
27 of any foreign country, and bullion.

28 (9) Personal property purchased from a teacher-sponsored  
29 student organization affiliated with an elementary or  
30 secondary school located in Illinois.

31 (10) A motor vehicle of the first division, a motor  
32 vehicle of the second division that is a self-contained motor  
33 vehicle designed or permanently converted to provide living  
34 quarters for recreational, camping, or travel use, with

1 direct walk through to the living quarters from the driver's  
2 seat, or a motor vehicle of the second division that is of  
3 the van configuration designed for the transportation of not  
4 less than 7 nor more than 16 passengers, as defined in  
5 Section 1-146 of the Illinois Vehicle Code, that is used for  
6 automobile renting, as defined in the Automobile Renting  
7 Occupation and Use Tax Act.

8 (11) Farm machinery and equipment, both new and used,  
9 including that manufactured on special order, certified by  
10 the purchaser to be used primarily for production agriculture  
11 or State or federal agricultural programs, including  
12 individual replacement parts for the machinery and equipment,  
13 including machinery and equipment purchased for lease, and  
14 including implements of husbandry defined in Section 1-130 of  
15 the Illinois Vehicle Code, farm machinery and agricultural  
16 chemical and fertilizer spreaders, and nurse wagons required  
17 to be registered under Section 3-809 of the Illinois Vehicle  
18 Code, but excluding other motor vehicles required to be  
19 registered under the Illinois Vehicle Code. Horticultural  
20 polyhouses or hoop houses used for propagating, growing, or  
21 overwintering plants shall be considered farm machinery and  
22 equipment under this item (11). Agricultural chemical tender  
23 tanks and dry boxes shall include units sold separately from  
24 a motor vehicle required to be licensed and units sold  
25 mounted on a motor vehicle required to be licensed if the  
26 selling price of the tender is separately stated.

27 Farm machinery and equipment shall include precision  
28 farming equipment that is installed or purchased to be  
29 installed on farm machinery and equipment including, but not  
30 limited to, tractors, harvesters, sprayers, planters,  
31 seeders, or spreaders. Precision farming equipment includes,  
32 but is not limited to, soil testing sensors, computers,  
33 monitors, software, global positioning and mapping systems,  
34 and other such equipment.

1 Farm machinery and equipment also includes computers,  
2 sensors, software, and related equipment used primarily in  
3 the computer-assisted operation of production agriculture  
4 facilities, equipment, and activities such as, but not  
5 limited to, the collection, monitoring, and correlation of  
6 animal and crop data for the purpose of formulating animal  
7 diets and agricultural chemicals. This item (11) is exempt  
8 from the provisions of Section 3-90.

9 (12) Fuel and petroleum products sold to or used by an  
10 air common carrier, certified by the carrier to be used for  
11 consumption, shipment, or storage in the conduct of its  
12 business as an air common carrier, for a flight destined for  
13 or returning from a location or locations outside the United  
14 States without regard to previous or subsequent domestic  
15 stopovers.

16 (13) Proceeds of mandatory service charges separately  
17 stated on customers' bills for the purchase and consumption  
18 of food and beverages purchased at retail from a retailer, to  
19 the extent that the proceeds of the service charge are in  
20 fact turned over as tips or as a substitute for tips to the  
21 employees who participate directly in preparing, serving,  
22 hosting or cleaning up the food or beverage function with  
23 respect to which the service charge is imposed.

24 (14) Oil field exploration, drilling, and production  
25 equipment, including (i) rigs and parts of rigs, rotary rigs,  
26 cable tool rigs, and workover rigs, (ii) pipe and tubular  
27 goods, including casing and drill strings, (iii) pumps and  
28 pump-jack units, (iv) storage tanks and flow lines, (v) any  
29 individual replacement part for oil field exploration,  
30 drilling, and production equipment, and (vi) machinery and  
31 equipment purchased for lease; but excluding motor vehicles  
32 required to be registered under the Illinois Vehicle Code.

33 (15) Photoprocessing machinery and equipment, including  
34 repair and replacement parts, both new and used, including

1 that manufactured on special order, certified by the  
2 purchaser to be used primarily for photoprocessing, and  
3 including photoprocessing machinery and equipment purchased  
4 for lease.

5 (16) Coal exploration, mining, offhighway hauling,  
6 processing, maintenance, and reclamation equipment, including  
7 replacement parts and equipment, and including equipment  
8 purchased for lease, but excluding motor vehicles required to  
9 be registered under the Illinois Vehicle Code.

10 (17) Distillation machinery and equipment, sold as a  
11 unit or kit, assembled or installed by the retailer,  
12 certified by the user to be used only for the production of  
13 ethyl alcohol that will be used for consumption as motor fuel  
14 or as a component of motor fuel for the personal use of the  
15 user, and not subject to sale or resale.

16 (18) Manufacturing and assembling machinery and  
17 equipment used primarily in the process of manufacturing or  
18 assembling tangible personal property for wholesale or retail  
19 sale or lease, whether that sale or lease is made directly by  
20 the manufacturer or by some other person, whether the  
21 materials used in the process are owned by the manufacturer  
22 or some other person, or whether that sale or lease is made  
23 apart from or as an incident to the seller's engaging in the  
24 service occupation of producing machines, tools, dies, jigs,  
25 patterns, gauges, or other similar items of no commercial  
26 value on special order for a particular purchaser.

27 (19) Personal property delivered to a purchaser or  
28 purchaser's donee inside Illinois when the purchase order for  
29 that personal property was received by a florist located  
30 outside Illinois who has a florist located inside Illinois  
31 deliver the personal property.

32 (20) Semen used for artificial insemination of livestock  
33 for direct agricultural production.

34 (21) Horses, or interests in horses, registered with and

1 meeting the requirements of any of the Arabian Horse Club  
2 Registry of America, Appaloosa Horse Club, American Quarter  
3 Horse Association, United States Trotting Association, or  
4 Jockey Club, as appropriate, used for purposes of breeding or  
5 racing for prizes.

6 (22) Computers and communications equipment utilized for  
7 any hospital purpose and equipment used in the diagnosis,  
8 analysis, or treatment of hospital patients purchased by a  
9 lessor who leases the equipment, under a lease of one year or  
10 longer executed or in effect at the time the lessor would  
11 otherwise be subject to the tax imposed by this Act, to a  
12 hospital that has been issued an active tax exemption  
13 identification number by the Department under Section 1g of  
14 the Retailers' Occupation Tax Act. If the equipment is  
15 leased in a manner that does not qualify for this exemption  
16 or is used in any other non-exempt manner, the lessor shall  
17 be liable for the tax imposed under this Act or the Service  
18 Use Tax Act, as the case may be, based on the fair market  
19 value of the property at the time the non-qualifying use  
20 occurs. No lessor shall collect or attempt to collect an  
21 amount (however designated) that purports to reimburse that  
22 lessor for the tax imposed by this Act or the Service Use Tax  
23 Act, as the case may be, if the tax has not been paid by the  
24 lessor. If a lessor improperly collects any such amount from  
25 the lessee, the lessee shall have a legal right to claim a  
26 refund of that amount from the lessor. If, however, that  
27 amount is not refunded to the lessee for any reason, the  
28 lessor is liable to pay that amount to the Department.

29 (23) Personal property purchased by a lessor who leases  
30 the property, under a lease of one year or longer executed  
31 or in effect at the time the lessor would otherwise be  
32 subject to the tax imposed by this Act, to a governmental  
33 body that has been issued an active sales tax exemption  
34 identification number by the Department under Section 1g of

1 the Retailers' Occupation Tax Act. If the property is leased  
2 in a manner that does not qualify for this exemption or used  
3 in any other non-exempt manner, the lessor shall be liable  
4 for the tax imposed under this Act or the Service Use Tax  
5 Act, as the case may be, based on the fair market value of  
6 the property at the time the non-qualifying use occurs. No  
7 lessor shall collect or attempt to collect an amount (however  
8 designated) that purports to reimburse that lessor for the  
9 tax imposed by this Act or the Service Use Tax Act, as the  
10 case may be, if the tax has not been paid by the lessor. If  
11 a lessor improperly collects any such amount from the lessee,  
12 the lessee shall have a legal right to claim a refund of that  
13 amount from the lessor. If, however, that amount is not  
14 refunded to the lessee for any reason, the lessor is liable  
15 to pay that amount to the Department.

16 (24) Beginning with taxable years ending on or after  
17 December 31, 1995 and ending with taxable years ending on or  
18 before December 31, 2004, personal property that is donated  
19 for disaster relief to be used in a State or federally  
20 declared disaster area in Illinois or bordering Illinois by a  
21 manufacturer or retailer that is registered in this State to  
22 a corporation, society, association, foundation, or  
23 institution that has been issued a sales tax exemption  
24 identification number by the Department that assists victims  
25 of the disaster who reside within the declared disaster area.

26 (25) Beginning with taxable years ending on or after  
27 December 31, 1995 and ending with taxable years ending on or  
28 before December 31, 2004, personal property that is used in  
29 the performance of infrastructure repairs in this State,  
30 including but not limited to municipal roads and streets,  
31 access roads, bridges, sidewalks, waste disposal systems,  
32 water and sewer line extensions, water distribution and  
33 purification facilities, storm water drainage and retention  
34 facilities, and sewage treatment facilities, resulting from a

1 State or federally declared disaster in Illinois or bordering  
2 Illinois when such repairs are initiated on facilities  
3 located in the declared disaster area within 6 months after  
4 the disaster.

5 (26) Beginning July 1, 1999, game or game birds  
6 purchased at a "game breeding and hunting preserve area" or  
7 an "exotic game hunting area" as those terms are used in the  
8 Wildlife Code or at a hunting enclosure approved through  
9 rules adopted by the Department of Natural Resources. This  
10 paragraph is exempt from the provisions of Section 3-90.

11 (27) A motor vehicle, as that term is defined in Section  
12 1-146 of the Illinois Vehicle Code, that is donated to a  
13 corporation, limited liability company, society, association,  
14 foundation, or institution that is determined by the  
15 Department to be organized and operated exclusively for  
16 educational purposes. For purposes of this exemption, "a  
17 corporation, limited liability company, society, association,  
18 foundation, or institution organized and operated exclusively  
19 for educational purposes" means all tax-supported public  
20 schools, private schools that offer systematic instruction in  
21 useful branches of learning by methods common to public  
22 schools and that compare favorably in their scope and  
23 intensity with the course of study presented in tax-supported  
24 schools, and vocational or technical schools or institutes  
25 organized and operated exclusively to provide a course of  
26 study of not less than 6 weeks duration and designed to  
27 prepare individuals to follow a trade or to pursue a manual,  
28 technical, mechanical, industrial, business, or commercial  
29 occupation.

30 (28) Beginning January 1, 2000, personal property,  
31 including food, purchased through fundraising events for the  
32 benefit of a public or private elementary or secondary  
33 school, a group of those schools, or one or more school  
34 districts if the events are sponsored by an entity recognized



1 by the school district that consists primarily of volunteers  
2 and includes parents and teachers of the school children.  
3 This paragraph does not apply to fundraising events (i) for  
4 the benefit of private home instruction or (ii) for which the  
5 fundraising entity purchases the personal property sold at  
6 the events from another individual or entity that sold the  
7 property for the purpose of resale by the fundraising entity  
8 and that profits from the sale to the fundraising entity.  
9 This paragraph is exempt from the provisions of Section 3-90.

10 (29) Beginning January 1, 2000 and through December 31,  
11 2001, new or used automatic vending machines that prepare and  
12 serve hot food and beverages, including coffee, soup, and  
13 other items, and replacement parts for these machines.  
14 Beginning January 1, 2002, machines and parts for machines  
15 used in commercial, coin-operated amusement and vending  
16 business if a use or occupation tax is paid on the gross  
17 receipts derived from the use of the commercial,  
18 coin-operated amusement and vending machines. This paragraph  
19 is exempt from the provisions of Section 3-90.

20 (30) Food for human consumption that is to be consumed  
21 off the premises where it is sold (other than alcoholic  
22 beverages, soft drinks, and food that has been prepared for  
23 immediate consumption) and prescription and nonprescription  
24 medicines, drugs, medical appliances, and insulin, urine  
25 testing materials, syringes, and needles used by diabetics,  
26 for human use, when purchased for use by a person receiving  
27 medical assistance under Article 5 of the Illinois Public Aid  
28 Code who resides in a licensed long-term care facility, as  
29 defined in the Nursing Home Care Act.

30 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
31 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
32 7-20-99; 91-439, eff. 8-6-99; 91-637, eff. 8-20-99; 91-644,  
33 eff. 8-20-99; 91-901, eff. 1-1-01.)

1 Section 10. The Service Use Tax Act is amended by  
2 changing Section 3-5 as follows:

3 (35 ILCS 110/3-5) (from Ch. 120, par. 439.33-5)

4 Sec. 3-5. Exemptions. Use of the following tangible  
5 personal property is exempt from the tax imposed by this Act:

6 (1) Personal property purchased from a corporation,  
7 society, association, foundation, institution, or  
8 organization, other than a limited liability company, that is  
9 organized and operated as a not-for-profit service enterprise  
10 for the benefit of persons 65 years of age or older if the  
11 personal property was not purchased by the enterprise for the  
12 purpose of resale by the enterprise.

13 (2) Personal property purchased by a non-profit Illinois  
14 county fair association for use in conducting, operating, or  
15 promoting the county fair.

16 (3) Personal property purchased by a not-for-profit arts  
17 or cultural organization that establishes, by proof required  
18 by the Department by rule, that it has received an exemption  
19 under Section 501(c)(3) of the Internal Revenue Code and that  
20 is organized and operated for the presentation or support of  
21 arts or cultural programming, activities, or services. These  
22 organizations include, but are not limited to, music and  
23 dramatic arts organizations such as symphony orchestras and  
24 theatrical groups, arts and cultural service organizations,  
25 local arts councils, visual arts organizations, and media  
26 arts organizations.

27 (4) Legal tender, currency, medallions, or gold or  
28 silver coinage issued by the State of Illinois, the  
29 government of the United States of America, or the government  
30 of any foreign country, and bullion.

31 (5) Graphic arts machinery and equipment, including  
32 repair and replacement parts, both new and used, and  
33 including that manufactured on special order or purchased for

1 lease, certified by the purchaser to be used primarily for  
2 graphic arts production.

3 (6) Personal property purchased from a teacher-sponsored  
4 student organization affiliated with an elementary or  
5 secondary school located in Illinois.

6 (7) Farm machinery and equipment, both new and used,  
7 including that manufactured on special order, certified by  
8 the purchaser to be used primarily for production agriculture  
9 or State or federal agricultural programs, including  
10 individual replacement parts for the machinery and equipment,  
11 including machinery and equipment purchased for lease, and  
12 including implements of husbandry defined in Section 1-130 of  
13 the Illinois Vehicle Code, farm machinery and agricultural  
14 chemical and fertilizer spreaders, and nurse wagons required  
15 to be registered under Section 3-809 of the Illinois Vehicle  
16 Code, but excluding other motor vehicles required to be  
17 registered under the Illinois Vehicle Code. Horticultural  
18 polyhouses or hoop houses used for propagating, growing, or  
19 overwintering plants shall be considered farm machinery and  
20 equipment under this item (7). Agricultural chemical tender  
21 tanks and dry boxes shall include units sold separately from  
22 a motor vehicle required to be licensed and units sold  
23 mounted on a motor vehicle required to be licensed if the  
24 selling price of the tender is separately stated.

25 Farm machinery and equipment shall include precision  
26 farming equipment that is installed or purchased to be  
27 installed on farm machinery and equipment including, but not  
28 limited to, tractors, harvesters, sprayers, planters,  
29 seeders, or spreaders. Precision farming equipment includes,  
30 but is not limited to, soil testing sensors, computers,  
31 monitors, software, global positioning and mapping systems,  
32 and other such equipment.

33 Farm machinery and equipment also includes computers,  
34 sensors, software, and related equipment used primarily in

1 the computer-assisted operation of production agriculture  
2 facilities, equipment, and activities such as, but not  
3 limited to, the collection, monitoring, and correlation of  
4 animal and crop data for the purpose of formulating animal  
5 diets and agricultural chemicals. This item (7) is exempt  
6 from the provisions of Section 3-75.

7 (8) Fuel and petroleum products sold to or used by an  
8 air common carrier, certified by the carrier to be used for  
9 consumption, shipment, or storage in the conduct of its  
10 business as an air common carrier, for a flight destined for  
11 or returning from a location or locations outside the United  
12 States without regard to previous or subsequent domestic  
13 stopovers.

14 (9) Proceeds of mandatory service charges separately  
15 stated on customers' bills for the purchase and consumption  
16 of food and beverages acquired as an incident to the purchase  
17 of a service from a serviceman, to the extent that the  
18 proceeds of the service charge are in fact turned over as  
19 tips or as a substitute for tips to the employees who  
20 participate directly in preparing, serving, hosting or  
21 cleaning up the food or beverage function with respect to  
22 which the service charge is imposed.

23 (10) Oil field exploration, drilling, and production  
24 equipment, including (i) rigs and parts of rigs, rotary rigs,  
25 cable tool rigs, and workover rigs, (ii) pipe and tubular  
26 goods, including casing and drill strings, (iii) pumps and  
27 pump-jack units, (iv) storage tanks and flow lines, (v) any  
28 individual replacement part for oil field exploration,  
29 drilling, and production equipment, and (vi) machinery and  
30 equipment purchased for lease; but excluding motor vehicles  
31 required to be registered under the Illinois Vehicle Code.

32 (11) Proceeds from the sale of photoprocessing machinery  
33 and equipment, including repair and replacement parts, both  
34 new and used, including that manufactured on special order,

1 certified by the purchaser to be used primarily for  
2 photoprocessing, and including photoprocessing machinery and  
3 equipment purchased for lease.

4 (12) Coal exploration, mining, offhighway hauling,  
5 processing, maintenance, and reclamation equipment, including  
6 replacement parts and equipment, and including equipment  
7 purchased for lease, but excluding motor vehicles required to  
8 be registered under the Illinois Vehicle Code.

9 (13) Semen used for artificial insemination of livestock  
10 for direct agricultural production.

11 (14) Horses, or interests in horses, registered with and  
12 meeting the requirements of any of the Arabian Horse Club  
13 Registry of America, Appaloosa Horse Club, American Quarter  
14 Horse Association, United States Trotting Association, or  
15 Jockey Club, as appropriate, used for purposes of breeding or  
16 racing for prizes.

17 (15) Computers and communications equipment utilized for  
18 any hospital purpose and equipment used in the diagnosis,  
19 analysis, or treatment of hospital patients purchased by a  
20 lessor who leases the equipment, under a lease of one year or  
21 longer executed or in effect at the time the lessor would  
22 otherwise be subject to the tax imposed by this Act, to a  
23 hospital that has been issued an active tax exemption  
24 identification number by the Department under Section 1g of  
25 the Retailers' Occupation Tax Act. If the equipment is leased  
26 in a manner that does not qualify for this exemption or is  
27 used in any other non-exempt manner, the lessor shall be  
28 liable for the tax imposed under this Act or the Use Tax Act,  
29 as the case may be, based on the fair market value of the  
30 property at the time the non-qualifying use occurs. No  
31 lessor shall collect or attempt to collect an amount (however  
32 designated) that purports to reimburse that lessor for the  
33 tax imposed by this Act or the Use Tax Act, as the case may  
34 be, if the tax has not been paid by the lessor. If a lessor

1     improperly collects any such amount from the lessee, the  
2     lessee shall have a legal right to claim a refund of that  
3     amount from the lessor. If, however, that amount is not  
4     refunded to the lessee for any reason, the lessor is liable  
5     to pay that amount to the Department.

6           (16) Personal property purchased by a lessor who leases  
7     the property, under a lease of one year or longer executed or  
8     in effect at the time the lessor would otherwise be subject  
9     to the tax imposed by this Act, to a governmental body that  
10    has been issued an active tax exemption identification number  
11    by the Department under Section 1g of the Retailers'  
12    Occupation Tax Act. If the property is leased in a manner  
13    that does not qualify for this exemption or is used in any  
14    other non-exempt manner, the lessor shall be liable for the  
15    tax imposed under this Act or the Use Tax Act, as the case  
16    may be, based on the fair market value of the property at the  
17    time the non-qualifying use occurs. No lessor shall collect  
18    or attempt to collect an amount (however designated) that  
19    purports to reimburse that lessor for the tax imposed by this  
20    Act or the Use Tax Act, as the case may be, if the tax has  
21    not been paid by the lessor. If a lessor improperly collects  
22    any such amount from the lessee, the lessee shall have a  
23    legal right to claim a refund of that amount from the lessor.  
24    If, however, that amount is not refunded to the lessee for  
25    any reason, the lessor is liable to pay that amount to the  
26    Department.

27           (17) Beginning with taxable years ending on or after  
28    December 31, 1995 and ending with taxable years ending on or  
29    before December 31, 2004, personal property that is donated  
30    for disaster relief to be used in a State or federally  
31    declared disaster area in Illinois or bordering Illinois by a  
32    manufacturer or retailer that is registered in this State to  
33    a corporation, society, association, foundation, or  
34    institution that has been issued a sales tax exemption

1 identification number by the Department that assists victims  
2 of the disaster who reside within the declared disaster area.

3 (18) Beginning with taxable years ending on or after  
4 December 31, 1995 and ending with taxable years ending on or  
5 before December 31, 2004, personal property that is used in  
6 the performance of infrastructure repairs in this State,  
7 including but not limited to municipal roads and streets,  
8 access roads, bridges, sidewalks, waste disposal systems,  
9 water and sewer line extensions, water distribution and  
10 purification facilities, storm water drainage and retention  
11 facilities, and sewage treatment facilities, resulting from a  
12 State or federally declared disaster in Illinois or bordering  
13 Illinois when such repairs are initiated on facilities  
14 located in the declared disaster area within 6 months after  
15 the disaster.

16 (19) Beginning July 1, 1999, game or game birds  
17 purchased at a "game breeding and hunting preserve area" or  
18 an "exotic game hunting area" as those terms are used in the  
19 Wildlife Code or at a hunting enclosure approved through  
20 rules adopted by the Department of Natural Resources. This  
21 paragraph is exempt from the provisions of Section 3-75.

22 (20) ~~(19)~~ A motor vehicle, as that term is defined in  
23 Section 1-146 of the Illinois Vehicle Code, that is donated  
24 to a corporation, limited liability company, society,  
25 association, foundation, or institution that is determined by  
26 the Department to be organized and operated exclusively for  
27 educational purposes. For purposes of this exemption, "a  
28 corporation, limited liability company, society, association,  
29 foundation, or institution organized and operated exclusively  
30 for educational purposes" means all tax-supported public  
31 schools, private schools that offer systematic instruction in  
32 useful branches of learning by methods common to public  
33 schools and that compare favorably in their scope and  
34 intensity with the course of study presented in tax-supported

1 schools, and vocational or technical schools or institutes  
2 organized and operated exclusively to provide a course of  
3 study of not less than 6 weeks duration and designed to  
4 prepare individuals to follow a trade or to pursue a manual,  
5 technical, mechanical, industrial, business, or commercial  
6 occupation.

7 (21) ~~(20)~~ Beginning January 1, 2000, personal property,  
8 including food, purchased through fundraising events for the  
9 benefit of a public or private elementary or secondary  
10 school, a group of those schools, or one or more school  
11 districts if the events are sponsored by an entity recognized  
12 by the school district that consists primarily of volunteers  
13 and includes parents and teachers of the school children.  
14 This paragraph does not apply to fundraising events (i) for  
15 the benefit of private home instruction or (ii) for which the  
16 fundraising entity purchases the personal property sold at  
17 the events from another individual or entity that sold the  
18 property for the purpose of resale by the fundraising entity  
19 and that profits from the sale to the fundraising entity.  
20 This paragraph is exempt from the provisions of Section 3-75.

21 (22) ~~(19)~~ Beginning January 1, 2000 and through December  
22 31, 2001, new or used automatic vending machines that prepare  
23 and serve hot food and beverages, including coffee, soup, and  
24 other items, and replacement parts for these machines.  
25 Beginning January 1, 2002, machines and parts for machines  
26 used in commercial, coin-operated amusement and vending  
27 business if a use or occupation tax is paid on the gross  
28 receipts derived from the use of the commercial,  
29 coin-operated amusement and vending machines. This paragraph  
30 is exempt from the provisions of Section 3-75.

31 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
32 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
33 7-20-99; 91-439, eff. 8-6-99; 91-637, eff. 8-20-99; 91-644,  
34 eff. 8-20-99; revised 9-29-99.)



1 Section 15. The Service Occupation Tax Act is amended by  
2 changing Section 3-5 as follows:

3 (35 ILCS 115/3-5) (from Ch. 120, par. 439.103-5)

4 Sec. 3-5. Exemptions. The following tangible personal  
5 property is exempt from the tax imposed by this Act:

6 (1) Personal property sold by a corporation, society,  
7 association, foundation, institution, or organization, other  
8 than a limited liability company, that is organized and  
9 operated as a not-for-profit service enterprise for the  
10 benefit of persons 65 years of age or older if the personal  
11 property was not purchased by the enterprise for the purpose  
12 of resale by the enterprise.

13 (2) Personal property purchased by a not-for-profit  
14 Illinois county fair association for use in conducting,  
15 operating, or promoting the county fair.

16 (3) Personal property purchased by any not-for-profit  
17 arts or cultural organization that establishes, by proof  
18 required by the Department by rule, that it has received an  
19 exemption under Section 501(c)(3) of the Internal Revenue  
20 Code and that is organized and operated for the presentation  
21 or support of arts or cultural programming, activities, or  
22 services. These organizations include, but are not limited  
23 to, music and dramatic arts organizations such as symphony  
24 orchestras and theatrical groups, arts and cultural service  
25 organizations, local arts councils, visual arts  
26 organizations, and media arts organizations.

27 (4) Legal tender, currency, medallions, or gold or  
28 silver coinage issued by the State of Illinois, the  
29 government of the United States of America, or the government  
30 of any foreign country, and bullion.

31 (5) Graphic arts machinery and equipment, including  
32 repair and replacement parts, both new and used, and  
33 including that manufactured on special order or purchased for

1 lease, certified by the purchaser to be used primarily for  
2 graphic arts production.

3 (6) Personal property sold by a teacher-sponsored  
4 student organization affiliated with an elementary or  
5 secondary school located in Illinois.

6 (7) Farm machinery and equipment, both new and used,  
7 including that manufactured on special order, certified by  
8 the purchaser to be used primarily for production agriculture  
9 or State or federal agricultural programs, including  
10 individual replacement parts for the machinery and equipment,  
11 including machinery and equipment purchased for lease, and  
12 including implements of husbandry defined in Section 1-130 of  
13 the Illinois Vehicle Code, farm machinery and agricultural  
14 chemical and fertilizer spreaders, and nurse wagons required  
15 to be registered under Section 3-809 of the Illinois Vehicle  
16 Code, but excluding other motor vehicles required to be  
17 registered under the Illinois Vehicle Code. Horticultural  
18 polyhouses or hoop houses used for propagating, growing, or  
19 overwintering plants shall be considered farm machinery and  
20 equipment under this item (7). Agricultural chemical tender  
21 tanks and dry boxes shall include units sold separately from  
22 a motor vehicle required to be licensed and units sold  
23 mounted on a motor vehicle required to be licensed if the  
24 selling price of the tender is separately stated.

25 Farm machinery and equipment shall include precision  
26 farming equipment that is installed or purchased to be  
27 installed on farm machinery and equipment including, but not  
28 limited to, tractors, harvesters, sprayers, planters,  
29 seeders, or spreaders. Precision farming equipment includes,  
30 but is not limited to, soil testing sensors, computers,  
31 monitors, software, global positioning and mapping systems,  
32 and other such equipment.

33 Farm machinery and equipment also includes computers,  
34 sensors, software, and related equipment used primarily in

1 the computer-assisted operation of production agriculture  
2 facilities, equipment, and activities such as, but not  
3 limited to, the collection, monitoring, and correlation of  
4 animal and crop data for the purpose of formulating animal  
5 diets and agricultural chemicals. This item (7) is exempt  
6 from the provisions of Section 3-55.

7 (8) Fuel and petroleum products sold to or used by an  
8 air common carrier, certified by the carrier to be used for  
9 consumption, shipment, or storage in the conduct of its  
10 business as an air common carrier, for a flight destined for  
11 or returning from a location or locations outside the United  
12 States without regard to previous or subsequent domestic  
13 stopovers.

14 (9) Proceeds of mandatory service charges separately  
15 stated on customers' bills for the purchase and consumption  
16 of food and beverages, to the extent that the proceeds of the  
17 service charge are in fact turned over as tips or as a  
18 substitute for tips to the employees who participate directly  
19 in preparing, serving, hosting or cleaning up the food or  
20 beverage function with respect to which the service charge is  
21 imposed.

22 (10) Oil field exploration, drilling, and production  
23 equipment, including (i) rigs and parts of rigs, rotary rigs,  
24 cable tool rigs, and workover rigs, (ii) pipe and tubular  
25 goods, including casing and drill strings, (iii) pumps and  
26 pump-jack units, (iv) storage tanks and flow lines, (v) any  
27 individual replacement part for oil field exploration,  
28 drilling, and production equipment, and (vi) machinery and  
29 equipment purchased for lease; but excluding motor vehicles  
30 required to be registered under the Illinois Vehicle Code.

31 (11) Photoprocessing machinery and equipment, including  
32 repair and replacement parts, both new and used, including  
33 that manufactured on special order, certified by the  
34 purchaser to be used primarily for photoprocessing, and

1 including photoprocessing machinery and equipment purchased  
2 for lease.

3 (12) Coal exploration, mining, offhighway hauling,  
4 processing, maintenance, and reclamation equipment, including  
5 replacement parts and equipment, and including equipment  
6 purchased for lease, but excluding motor vehicles required to  
7 be registered under the Illinois Vehicle Code.

8 (13) Food for human consumption that is to be consumed  
9 off the premises where it is sold (other than alcoholic  
10 beverages, soft drinks and food that has been prepared for  
11 immediate consumption) and prescription and non-prescription  
12 medicines, drugs, medical appliances, and insulin, urine  
13 testing materials, syringes, and needles used by diabetics,  
14 for human use, when purchased for use by a person receiving  
15 medical assistance under Article 5 of the Illinois Public Aid  
16 Code who resides in a licensed long-term care facility, as  
17 defined in the Nursing Home Care Act.

18 (14) Semen used for artificial insemination of livestock  
19 for direct agricultural production.

20 (15) Horses, or interests in horses, registered with and  
21 meeting the requirements of any of the Arabian Horse Club  
22 Registry of America, Appaloosa Horse Club, American Quarter  
23 Horse Association, United States Trotting Association, or  
24 Jockey Club, as appropriate, used for purposes of breeding or  
25 racing for prizes.

26 (16) Computers and communications equipment utilized for  
27 any hospital purpose and equipment used in the diagnosis,  
28 analysis, or treatment of hospital patients sold to a lessor  
29 who leases the equipment, under a lease of one year or longer  
30 executed or in effect at the time of the purchase, to a  
31 hospital that has been issued an active tax exemption  
32 identification number by the Department under Section 1g of  
33 the Retailers' Occupation Tax Act.

34 (17) Personal property sold to a lessor who leases the

1 property, under a lease of one year or longer executed or in  
2 effect at the time of the purchase, to a governmental body  
3 that has been issued an active tax exemption identification  
4 number by the Department under Section 1g of the Retailers'  
5 Occupation Tax Act.

6 (18) Beginning with taxable years ending on or after  
7 December 31, 1995 and ending with taxable years ending on or  
8 before December 31, 2004, personal property that is donated  
9 for disaster relief to be used in a State or federally  
10 declared disaster area in Illinois or bordering Illinois by a  
11 manufacturer or retailer that is registered in this State to  
12 a corporation, society, association, foundation, or  
13 institution that has been issued a sales tax exemption  
14 identification number by the Department that assists victims  
15 of the disaster who reside within the declared disaster area.

16 (19) Beginning with taxable years ending on or after  
17 December 31, 1995 and ending with taxable years ending on or  
18 before December 31, 2004, personal property that is used in  
19 the performance of infrastructure repairs in this State,  
20 including but not limited to municipal roads and streets,  
21 access roads, bridges, sidewalks, waste disposal systems,  
22 water and sewer line extensions, water distribution and  
23 purification facilities, storm water drainage and retention  
24 facilities, and sewage treatment facilities, resulting from a  
25 State or federally declared disaster in Illinois or bordering  
26 Illinois when such repairs are initiated on facilities  
27 located in the declared disaster area within 6 months after  
28 the disaster.

29 (20) Beginning July 1, 1999, game or game birds sold at  
30 a "game breeding and hunting preserve area" or an "exotic  
31 game hunting area" as those terms are used in the Wildlife  
32 Code or at a hunting enclosure approved through rules adopted  
33 by the Department of Natural Resources. This paragraph is  
34 exempt from the provisions of Section 3-55.

1           (21) (20) A motor vehicle, as that term is defined in  
2 Section 1-146 of the Illinois Vehicle Code, that is donated  
3 to a corporation, limited liability company, society,  
4 association, foundation, or institution that is determined by  
5 the Department to be organized and operated exclusively for  
6 educational purposes. For purposes of this exemption, "a  
7 corporation, limited liability company, society, association,  
8 foundation, or institution organized and operated exclusively  
9 for educational purposes" means all tax-supported public  
10 schools, private schools that offer systematic instruction in  
11 useful branches of learning by methods common to public  
12 schools and that compare favorably in their scope and  
13 intensity with the course of study presented in tax-supported  
14 schools, and vocational or technical schools or institutes  
15 organized and operated exclusively to provide a course of  
16 study of not less than 6 weeks duration and designed to  
17 prepare individuals to follow a trade or to pursue a manual,  
18 technical, mechanical, industrial, business, or commercial  
19 occupation.

20           (22) (21) Beginning January 1, 2000, personal property,  
21 including food, purchased through fundraising events for the  
22 benefit of a public or private elementary or secondary  
23 school, a group of those schools, or one or more school  
24 districts if the events are sponsored by an entity recognized  
25 by the school district that consists primarily of volunteers  
26 and includes parents and teachers of the school children.  
27 This paragraph does not apply to fundraising events (i) for  
28 the benefit of private home instruction or (ii) for which the  
29 fundraising entity purchases the personal property sold at  
30 the events from another individual or entity that sold the  
31 property for the purpose of resale by the fundraising entity  
32 and that profits from the sale to the fundraising entity.  
33 This paragraph is exempt from the provisions of Section 3-55.

34           (23) (20) Beginning January 1, 2000 and through December

1     31, 2001, new or used automatic vending machines that prepare  
2     and serve hot food and beverages, including coffee, soup, and  
3     other items, and replacement parts for these machines.  
4     Beginning January 1, 2002, machines and parts for machines  
5     used in commercial, coin-operated amusement and vending  
6     business if a use or occupation tax is paid on the gross  
7     receipts derived from the use of the commercial,  
8     coin-operated amusement and vending machines. This paragraph  
9     is exempt from the provisions of Section 3-55.

10    (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
11    90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
12    7-20-99; 91-439, eff. 8-6-99; 91-533, eff. 8-13-99; 91-637,  
13    eff. 8-20-99; 91-644, eff. 8-20-99; revised 9-29-99.)

14           Section 20. The Retailers' Occupation Tax Act is amended  
15    by changing Section 2-5 as follows:

16           (35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

17           Sec. 2-5. Exemptions. Gross receipts from proceeds from  
18    the sale of the following tangible personal property are  
19    exempt from the tax imposed by this Act:

20           (1) Farm chemicals.

21           (2) Farm machinery and equipment, both new and used,  
22    including that manufactured on special order, certified by  
23    the purchaser to be used primarily for production agriculture  
24    or State or federal agricultural programs, including  
25    individual replacement parts for the machinery and equipment,  
26    including machinery and equipment purchased for lease, and  
27    including implements of husbandry defined in Section 1-130 of  
28    the Illinois Vehicle Code, farm machinery and agricultural  
29    chemical and fertilizer spreaders, and nurse wagons required  
30    to be registered under Section 3-809 of the Illinois Vehicle  
31    Code, but excluding other motor vehicles required to be  
32    registered under the Illinois Vehicle Code. Horticultural

1 polyhouses or hoop houses used for propagating, growing, or  
2 overwintering plants shall be considered farm machinery and  
3 equipment under this item (2). Agricultural chemical tender  
4 tanks and dry boxes shall include units sold separately from  
5 a motor vehicle required to be licensed and units sold  
6 mounted on a motor vehicle required to be licensed, if the  
7 selling price of the tender is separately stated.

8 Farm machinery and equipment shall include precision  
9 farming equipment that is installed or purchased to be  
10 installed on farm machinery and equipment including, but not  
11 limited to, tractors, harvesters, sprayers, planters,  
12 seeders, or spreaders. Precision farming equipment includes,  
13 but is not limited to, soil testing sensors, computers,  
14 monitors, software, global positioning and mapping systems,  
15 and other such equipment.

16 Farm machinery and equipment also includes computers,  
17 sensors, software, and related equipment used primarily in  
18 the computer-assisted operation of production agriculture  
19 facilities, equipment, and activities such as, but not  
20 limited to, the collection, monitoring, and correlation of  
21 animal and crop data for the purpose of formulating animal  
22 diets and agricultural chemicals. This item (7) is exempt  
23 from the provisions of Section 2-70.

24 (3) Distillation machinery and equipment, sold as a unit  
25 or kit, assembled or installed by the retailer, certified by  
26 the user to be used only for the production of ethyl alcohol  
27 that will be used for consumption as motor fuel or as a  
28 component of motor fuel for the personal use of the user, and  
29 not subject to sale or resale.

30 (4) Graphic arts machinery and equipment, including  
31 repair and replacement parts, both new and used, and  
32 including that manufactured on special order or purchased for  
33 lease, certified by the purchaser to be used primarily for  
34 graphic arts production.



1           (5) A motor vehicle of the first division, a motor  
2 vehicle of the second division that is a self-contained motor  
3 vehicle designed or permanently converted to provide living  
4 quarters for recreational, camping, or travel use, with  
5 direct walk through access to the living quarters from the  
6 driver's seat, or a motor vehicle of the second division that  
7 is of the van configuration designed for the transportation  
8 of not less than 7 nor more than 16 passengers, as defined in  
9 Section 1-146 of the Illinois Vehicle Code, that is used for  
10 automobile renting, as defined in the Automobile Renting  
11 Occupation and Use Tax Act.

12           (6) Personal property sold by a teacher-sponsored  
13 student organization affiliated with an elementary or  
14 secondary school located in Illinois.

15           (7) Proceeds of that portion of the selling price of a  
16 passenger car the sale of which is subject to the Replacement  
17 Vehicle Tax.

18           (8) Personal property sold to an Illinois county fair  
19 association for use in conducting, operating, or promoting  
20 the county fair.

21           (9) Personal property sold to a not-for-profit arts or  
22 cultural organization that establishes, by proof required by  
23 the Department by rule, that it has received an exemption  
24 under Section 501(c)(3) of the Internal Revenue Code and that  
25 is organized and operated for the presentation or support of  
26 arts or cultural programming, activities, or services. These  
27 organizations include, but are not limited to, music and  
28 dramatic arts organizations such as symphony orchestras and  
29 theatrical groups, arts and cultural service organizations,  
30 local arts councils, visual arts organizations, and media  
31 arts organizations.

32           (10) Personal property sold by a corporation, society,  
33 association, foundation, institution, or organization, other  
34 than a limited liability company, that is organized and

1 operated as a not-for-profit service enterprise for the  
2 benefit of persons 65 years of age or older if the personal  
3 property was not purchased by the enterprise for the purpose  
4 of resale by the enterprise.

5 (11) Personal property sold to a governmental body, to a  
6 corporation, society, association, foundation, or institution  
7 organized and operated exclusively for charitable, religious,  
8 or educational purposes, or to a not-for-profit corporation,  
9 society, association, foundation, institution, or  
10 organization that has no compensated officers or employees  
11 and that is organized and operated primarily for the  
12 recreation of persons 55 years of age or older. A limited  
13 liability company may qualify for the exemption under this  
14 paragraph only if the limited liability company is organized  
15 and operated exclusively for educational purposes. On and  
16 after July 1, 1987, however, no entity otherwise eligible for  
17 this exemption shall make tax-free purchases unless it has an  
18 active identification number issued by the Department.

19 (12) Personal property sold to interstate carriers for  
20 hire for use as rolling stock moving in interstate commerce  
21 or to lessors under leases of one year or longer executed or  
22 in effect at the time of purchase by interstate carriers for  
23 hire for use as rolling stock moving in interstate commerce  
24 and equipment operated by a telecommunications provider,  
25 licensed as a common carrier by the Federal Communications  
26 Commission, which is permanently installed in or affixed to  
27 aircraft moving in interstate commerce.

28 (13) Proceeds from sales to owners, lessors, or shippers  
29 of tangible personal property that is utilized by interstate  
30 carriers for hire for use as rolling stock moving in  
31 interstate commerce and equipment operated by a  
32 telecommunications provider, licensed as a common carrier by  
33 the Federal Communications Commission, which is permanently  
34 installed in or affixed to aircraft moving in interstate

1 commerce.

2 (14) Machinery and equipment that will be used by the  
3 purchaser, or a lessee of the purchaser, primarily in the  
4 process of manufacturing or assembling tangible personal  
5 property for wholesale or retail sale or lease, whether the  
6 sale or lease is made directly by the manufacturer or by some  
7 other person, whether the materials used in the process are  
8 owned by the manufacturer or some other person, or whether  
9 the sale or lease is made apart from or as an incident to the  
10 seller's engaging in the service occupation of producing  
11 machines, tools, dies, jigs, patterns, gauges, or other  
12 similar items of no commercial value on special order for a  
13 particular purchaser.

14 (15) Proceeds of mandatory service charges separately  
15 stated on customers' bills for purchase and consumption of  
16 food and beverages, to the extent that the proceeds of the  
17 service charge are in fact turned over as tips or as a  
18 substitute for tips to the employees who participate directly  
19 in preparing, serving, hosting or cleaning up the food or  
20 beverage function with respect to which the service charge is  
21 imposed.

22 (16) Petroleum products sold to a purchaser if the  
23 seller is prohibited by federal law from charging tax to the  
24 purchaser.

25 (17) Tangible personal property sold to a common carrier  
26 by rail or motor that receives the physical possession of the  
27 property in Illinois and that transports the property, or  
28 shares with another common carrier in the transportation of  
29 the property, out of Illinois on a standard uniform bill of  
30 lading showing the seller of the property as the shipper or  
31 consignor of the property to a destination outside Illinois,  
32 for use outside Illinois.

33 (18) Legal tender, currency, medallions, or gold or  
34 silver coinage issued by the State of Illinois, the

1 government of the United States of America, or the government  
2 of any foreign country, and bullion.

3 (19) Oil field exploration, drilling, and production  
4 equipment, including (i) rigs and parts of rigs, rotary rigs,  
5 cable tool rigs, and workover rigs, (ii) pipe and tubular  
6 goods, including casing and drill strings, (iii) pumps and  
7 pump-jack units, (iv) storage tanks and flow lines, (v) any  
8 individual replacement part for oil field exploration,  
9 drilling, and production equipment, and (vi) machinery and  
10 equipment purchased for lease; but excluding motor vehicles  
11 required to be registered under the Illinois Vehicle Code.

12 (20) Photoprocessing machinery and equipment, including  
13 repair and replacement parts, both new and used, including  
14 that manufactured on special order, certified by the  
15 purchaser to be used primarily for photoprocessing, and  
16 including photoprocessing machinery and equipment purchased  
17 for lease.

18 (21) Coal exploration, mining, offhighway hauling,  
19 processing, maintenance, and reclamation equipment, including  
20 replacement parts and equipment, and including equipment  
21 purchased for lease, but excluding motor vehicles required to  
22 be registered under the Illinois Vehicle Code.

23 (22) Fuel and petroleum products sold to or used by an  
24 air carrier, certified by the carrier to be used for  
25 consumption, shipment, or storage in the conduct of its  
26 business as an air common carrier, for a flight destined for  
27 or returning from a location or locations outside the United  
28 States without regard to previous or subsequent domestic  
29 stopovers.

30 (23) A transaction in which the purchase order is  
31 received by a florist who is located outside Illinois, but  
32 who has a florist located in Illinois deliver the property to  
33 the purchaser or the purchaser's donee in Illinois.

34 (24) Fuel consumed or used in the operation of ships,

1 barges, or vessels that are used primarily in or for the  
2 transportation of property or the conveyance of persons for  
3 hire on rivers bordering on this State if the fuel is  
4 delivered by the seller to the purchaser's barge, ship, or  
5 vessel while it is afloat upon that bordering river.

6 (25) A motor vehicle sold in this State to a nonresident  
7 even though the motor vehicle is delivered to the nonresident  
8 in this State, if the motor vehicle is not to be titled in  
9 this State, and if a driveaway decal permit is issued to the  
10 motor vehicle as provided in Section 3-603 of the Illinois  
11 Vehicle Code or if the nonresident purchaser has vehicle  
12 registration plates to transfer to the motor vehicle upon  
13 returning to his or her home state. The issuance of the  
14 driveaway decal permit or having the out-of-state  
15 registration plates to be transferred is prima facie evidence  
16 that the motor vehicle will not be titled in this State.

17 (26) Semen used for artificial insemination of livestock  
18 for direct agricultural production.

19 (27) Horses, or interests in horses, registered with and  
20 meeting the requirements of any of the Arabian Horse Club  
21 Registry of America, Appaloosa Horse Club, American Quarter  
22 Horse Association, United States Trotting Association, or  
23 Jockey Club, as appropriate, used for purposes of breeding or  
24 racing for prizes.

25 (28) Computers and communications equipment utilized for  
26 any hospital purpose and equipment used in the diagnosis,  
27 analysis, or treatment of hospital patients sold to a lessor  
28 who leases the equipment, under a lease of one year or longer  
29 executed or in effect at the time of the purchase, to a  
30 hospital that has been issued an active tax exemption  
31 identification number by the Department under Section 1g of  
32 this Act.

33 (29) Personal property sold to a lessor who leases the  
34 property, under a lease of one year or longer executed or in

1 effect at the time of the purchase, to a governmental body  
2 that has been issued an active tax exemption identification  
3 number by the Department under Section 1g of this Act.

4 (30) Beginning with taxable years ending on or after  
5 December 31, 1995 and ending with taxable years ending on or  
6 before December 31, 2004, personal property that is donated  
7 for disaster relief to be used in a State or federally  
8 declared disaster area in Illinois or bordering Illinois by a  
9 manufacturer or retailer that is registered in this State to  
10 a corporation, society, association, foundation, or  
11 institution that has been issued a sales tax exemption  
12 identification number by the Department that assists victims  
13 of the disaster who reside within the declared disaster area.

14 (31) Beginning with taxable years ending on or after  
15 December 31, 1995 and ending with taxable years ending on or  
16 before December 31, 2004, personal property that is used in  
17 the performance of infrastructure repairs in this State,  
18 including but not limited to municipal roads and streets,  
19 access roads, bridges, sidewalks, waste disposal systems,  
20 water and sewer line extensions, water distribution and  
21 purification facilities, storm water drainage and retention  
22 facilities, and sewage treatment facilities, resulting from a  
23 State or federally declared disaster in Illinois or bordering  
24 Illinois when such repairs are initiated on facilities  
25 located in the declared disaster area within 6 months after  
26 the disaster.

27 (32) Beginning July 1, 1999, game or game birds sold at  
28 a "game breeding and hunting preserve area" or an "exotic  
29 game hunting area" as those terms are used in the Wildlife  
30 Code or at a hunting enclosure approved through rules adopted  
31 by the Department of Natural Resources. This paragraph is  
32 exempt from the provisions of Section 2-70.

33 (33) ~~(32)~~ A motor vehicle, as that term is defined in  
34 Section 1-146 of the Illinois Vehicle Code, that is donated

1 to a corporation, limited liability company, society,  
2 association, foundation, or institution that is determined by  
3 the Department to be organized and operated exclusively for  
4 educational purposes. For purposes of this exemption, "a  
5 corporation, limited liability company, society, association,  
6 foundation, or institution organized and operated exclusively  
7 for educational purposes" means all tax-supported public  
8 schools, private schools that offer systematic instruction in  
9 useful branches of learning by methods common to public  
10 schools and that compare favorably in their scope and  
11 intensity with the course of study presented in tax-supported  
12 schools, and vocational or technical schools or institutes  
13 organized and operated exclusively to provide a course of  
14 study of not less than 6 weeks duration and designed to  
15 prepare individuals to follow a trade or to pursue a manual,  
16 technical, mechanical, industrial, business, or commercial  
17 occupation.

18 (34) ~~(33)~~ Beginning January 1, 2000, personal property,  
19 including food, purchased through fundraising events for the  
20 benefit of a public or private elementary or secondary  
21 school, a group of those schools, or one or more school  
22 districts if the events are sponsored by an entity recognized  
23 by the school district that consists primarily of volunteers  
24 and includes parents and teachers of the school children.  
25 This paragraph does not apply to fundraising events (i) for  
26 the benefit of private home instruction or (ii) for which the  
27 fundraising entity purchases the personal property sold at  
28 the events from another individual or entity that sold the  
29 property for the purpose of resale by the fundraising entity  
30 and that profits from the sale to the fundraising entity.  
31 This paragraph is exempt from the provisions of Section 2-70.

32 (35) ~~(32)~~ Beginning January 1, 2000 and through December  
33 31, 2001, new or used automatic vending machines that prepare  
34 and serve hot food and beverages, including coffee, soup, and

1 other items, and replacement parts for these machines.  
2 Beginning January 1, 2002, machines and parts for machines  
3 used in commercial, coin-operated amusement and vending  
4 business if a use or occupation tax is paid on the gross  
5 receipts derived from the use of the commercial,  
6 coin-operated amusement and vending machines. This paragraph  
7 is exempt from the provisions of Section 2-70.

8 (Source: P.A. 90-14, eff. 7-1-97; 90-519, eff. 6-1-98;  
9 90-552, eff. 12-12-97; 90-605, eff. 6-30-98; 91-51, eff.  
10 6-30-99; 91-200, eff. 7-20-99; 91-439, eff. 8-6-99; 91-533,  
11 eff. 8-13-99; 91-637, eff. 8-20-99; 91-644, eff. 8-20-99;  
12 revised 9-28-99.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.