

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.