

1 AN ACT concerning 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, new or used automatic
11 vending machines that prepare and serve hot food and
12 beverages, including coffee, soup, and other items, and
13 replacement parts for these machines. This paragraph is
14 exempt from the provisions of Section 3-90.

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

25 (31) Beginning January 1, 2002, tangible personal
26 property and its component parts purchased by a
27 telecommunications carrier if the property and parts are used
28 directly and primarily in transmitting, receiving, switching,
29 or recording any interactive, two-way electromagnetic
30 communications, including voice, image, data, and
31 information, through the use of any medium, including, but
32 not limited to, poles, wires, cables, switching equipment,
33 computers, and record storage devices and media. This
34 paragraph is exempt from the provisions of Section 3-90.

1 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;
2 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.
3 7-20-99; 91-439, eff. 8-6-99; 91-637, eff. 8-20-99; 91-644,
4 eff. 8-20-99; 91-901, eff. 1-1-01.)

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

7 (35 ILCS 110/3-5) (from Ch. 120, par. 439.33-5)

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

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

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

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

31 (4) Legal tender, currency, medallions, or gold or
32 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 (5) Graphic arts machinery and equipment, including
4 repair and replacement parts, both new and used, and
5 including that manufactured on special order or purchased for
6 lease, certified by the purchaser to be used primarily for
7 graphic arts production.

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

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

30 Farm machinery and equipment shall include precision
31 farming equipment that is installed or purchased to be
32 installed on farm machinery and equipment including, but not
33 limited to, tractors, harvesters, sprayers, planters,
34 seeders, or spreaders. Precision farming equipment includes,

1 but is not limited to, soil testing sensors, computers,
2 monitors, software, global positioning and mapping systems,
3 and other such equipment.

4 Farm machinery and equipment also includes computers,
5 sensors, software, and related equipment used primarily in
6 the computer-assisted operation of production agriculture
7 facilities, equipment, and activities such as, but not
8 limited to, the collection, monitoring, and correlation of
9 animal and crop data for the purpose of formulating animal
10 diets and agricultural chemicals. This item (7) is exempt
11 from the provisions of Section 3-75.

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

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

28 (10) Oil field exploration, drilling, and production
29 equipment, including (i) rigs and parts of rigs, rotary rigs,
30 cable tool rigs, and workover rigs, (ii) pipe and tubular
31 goods, including casing and drill strings, (iii) pumps and
32 pump-jack units, (iv) storage tanks and flow lines, (v) any
33 individual replacement part for oil field exploration,
34 drilling, and production equipment, and (vi) machinery and

1 equipment purchased for lease; but excluding motor vehicles
2 required to be registered under the Illinois Vehicle Code.

3 (11) Proceeds from the sale of photoprocessing machinery
4 and equipment, including repair and replacement parts, both
5 new and used, including that manufactured on special order,
6 certified by the purchaser to be used primarily for
7 photoprocessing, and including photoprocessing machinery and
8 equipment purchased for lease.

9 (12) Coal exploration, mining, offhighway hauling,
10 processing, maintenance, and reclamation equipment, including
11 replacement parts and equipment, and including equipment
12 purchased for lease, but excluding motor vehicles required to
13 be registered under the Illinois Vehicle Code.

14 (13) Semen used for artificial insemination of livestock
15 for direct agricultural production.

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

22 (15) Computers and communications equipment utilized for
23 any hospital purpose and equipment used in the diagnosis,
24 analysis, or treatment of hospital patients purchased by a
25 lessor who leases the equipment, under a lease of one year or
26 longer executed or in effect at the time the lessor would
27 otherwise be subject to the tax imposed by this Act, to a
28 hospital that has been issued an active tax exemption
29 identification number by the Department under Section 1g of
30 the Retailers' Occupation Tax Act. If the equipment is leased
31 in a manner that does not qualify for this exemption or is
32 used in any other non-exempt manner, the lessor shall be
33 liable for the tax imposed under this Act or the Use Tax Act,
34 as the case may be, based on the fair market value of the

1 property at the time the non-qualifying use occurs. No
2 lessor shall collect or attempt to collect an amount (however
3 designated) that purports to reimburse that lessor for the
4 tax imposed by this Act or the Use Tax Act, as the case may
5 be, if the tax has not been paid by the lessor. If a lessor
6 improperly collects any such amount from the lessee, the
7 lessee shall have a legal right to claim a refund of that
8 amount from the lessor. If, however, that amount is not
9 refunded to the lessee for any reason, the lessor is liable
10 to pay that amount to the Department.

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

32 (17) Beginning with taxable years ending on or after
33 December 31, 1995 and ending with taxable years ending on or
34 before December 31, 2004, personal property that is donated

1 for disaster relief to be used in a State or federally
2 declared disaster area in Illinois or bordering Illinois by a
3 manufacturer or retailer that is registered in this State to
4 a corporation, society, association, foundation, or
5 institution that has been issued a sales tax exemption
6 identification number by the Department that assists victims
7 of the disaster who reside within the declared disaster area.

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

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

27 (20) ~~(19)~~ A motor vehicle, as that term is defined in
28 Section 1-146 of the Illinois Vehicle Code, that is donated
29 to a corporation, limited liability company, society,
30 association, foundation, or institution that is determined by
31 the Department to be organized and operated exclusively for
32 educational purposes. For purposes of this exemption, "a
33 corporation, limited liability company, society, association,
34 foundation, or institution organized and operated exclusively

1 for educational purposes" means all tax-supported public
 2 schools, private schools that offer systematic instruction in
 3 useful branches of learning by methods common to public
 4 schools and that compare favorably in their scope and
 5 intensity with the course of study presented in tax-supported
 6 schools, and vocational or technical schools or institutes
 7 organized and operated exclusively to provide a course of
 8 study of not less than 6 weeks duration and designed to
 9 prepare individuals to follow a trade or to pursue a manual,
 10 technical, mechanical, industrial, business, or commercial
 11 occupation.

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

26 (22) ~~(19)~~ Beginning January 1, 2000, new or used
 27 automatic vending machines that prepare and serve hot food
 28 and beverages, including coffee, soup, and other items, and
 29 replacement parts for these machines. This paragraph is
 30 exempt from the provisions of Section 3-75.

31 (23) Beginning January 1, 2002, tangible personal
 32 property and its component parts purchased by a
 33 telecommunications carrier if the property and parts are used
 34 directly and primarily in transmitting, receiving, switching,

1 or recording any interactive, two-way electromagnetic
2 communications, including voice, image, data, and
3 information, through the use of any medium, including, but
4 not limited to, poles, wires, cables, switching equipment,
5 computers, and record storage devices and media. This
6 paragraph is exempt from the provisions of Section 3-75.

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

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

13 (35 ILCS 115/3-5) (from Ch. 120, par. 439.103-5)

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

16 (1) Personal property sold by a corporation, society,
17 association, foundation, institution, or organization, other
18 than a limited liability company, that is organized and
19 operated as a not-for-profit service enterprise for the
20 benefit of persons 65 years of age or older if the personal
21 property was not purchased by the enterprise for the purpose
22 of resale by the enterprise.

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

26 (3) Personal property purchased by any not-for-profit
27 arts or cultural organization that establishes, by proof
28 required by the Department by rule, that it has received an
29 exemption under Section 501(c)(3) of the Internal Revenue
30 Code and that is organized and operated for the presentation
31 or support of arts or cultural programming, activities, or
32 services. These organizations include, but are not limited

1 to, music and dramatic arts organizations such as symphony
2 orchestras and theatrical groups, arts and cultural service
3 organizations, local arts councils, visual arts
4 organizations, and media arts organizations.

5 (4) Legal tender, currency, medallions, or gold or
6 silver coinage issued by the State of Illinois, the
7 government of the United States of America, or the government
8 of any foreign country, and bullion.

9 (5) Graphic arts machinery and equipment, including
10 repair and replacement parts, both new and used, and
11 including that manufactured on special order or purchased for
12 lease, certified by the purchaser to be used primarily for
13 graphic arts production.

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

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

1 selling price of the tender is separately stated.

2 Farm machinery and equipment shall include precision
3 farming equipment that is installed or purchased to be
4 installed on farm machinery and equipment including, but not
5 limited to, tractors, harvesters, sprayers, planters,
6 seeders, or spreaders. Precision farming equipment includes,
7 but is not limited to, soil testing sensors, computers,
8 monitors, software, global positioning and mapping systems,
9 and other such equipment.

10 Farm machinery and equipment also includes computers,
11 sensors, software, and related equipment used primarily in
12 the computer-assisted operation of production agriculture
13 facilities, equipment, and activities such as, but not
14 limited to, the collection, monitoring, and correlation of
15 animal and crop data for the purpose of formulating animal
16 diets and agricultural chemicals. This item (7) is exempt
17 from the provisions of Section 3-55.

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

25 (9) Proceeds of mandatory service charges separately
26 stated on customers' bills for the purchase and consumption
27 of food and beverages, to the extent that the proceeds of the
28 service charge are in fact turned over as tips or as a
29 substitute for tips to the employees who participate directly
30 in preparing, serving, hosting or cleaning up the food or
31 beverage function with respect to which the service charge is
32 imposed.

33 (10) Oil field exploration, drilling, and production
34 equipment, including (i) rigs and parts of rigs, rotary rigs,

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

8 (11) Photoprocessing machinery and equipment, including
9 repair and replacement parts, both new and used, including
10 that manufactured on special order, certified by the
11 purchaser to be used primarily for photoprocessing, and
12 including photoprocessing machinery and equipment purchased
13 for lease.

14 (12) Coal exploration, mining, offhighway hauling,
15 processing, maintenance, and reclamation equipment, including
16 replacement parts and equipment, and including equipment
17 purchased for lease, but excluding motor vehicles required to
18 be registered under the Illinois Vehicle Code.

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

29 (14) Semen used for artificial insemination of livestock
30 for direct agricultural production.

31 (15) Horses, or interests in horses, registered with and
32 meeting the requirements of any of the Arabian Horse Club
33 Registry of America, Appaloosa Horse Club, American Quarter
34 Horse Association, United States Trotting Association, or

1 Jockey Club, as appropriate, used for purposes of breeding or
2 racing for prizes.

3 (16) Computers and communications equipment utilized for
4 any hospital purpose and equipment used in the diagnosis,
5 analysis, or treatment of hospital patients sold to a lessor
6 who leases the equipment, under a lease of one year or longer
7 executed or in effect at the time of the purchase, to a
8 hospital that has been issued an active tax exemption
9 identification number by the Department under Section 1g of
10 the Retailers' Occupation Tax Act.

11 (17) Personal property sold to a lessor who leases the
12 property, under a lease of one year or longer executed or in
13 effect at the time of the purchase, to a governmental body
14 that has been issued an active tax exemption identification
15 number by the Department under Section 1g of the Retailers'
16 Occupation Tax Act.

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

27 (19) 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 used in
30 the performance of infrastructure repairs in this State,
31 including but not limited to municipal roads and streets,
32 access roads, bridges, sidewalks, waste disposal systems,
33 water and sewer line extensions, water distribution and
34 purification facilities, storm water drainage and retention

1 facilities, and sewage treatment facilities, resulting from a
2 State or federally declared disaster in Illinois or bordering
3 Illinois when such repairs are initiated on facilities
4 located in the declared disaster area within 6 months after
5 the disaster.

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

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

31 (22) ~~(21)~~ Beginning January 1, 2000, personal property,
32 including food, purchased through fundraising events for the
33 benefit of a public or private elementary or secondary
34 school, a group of those schools, or one or more school

1 districts if the events are sponsored by an entity recognized
 2 by the school district that consists primarily of volunteers
 3 and includes parents and teachers of the school children.
 4 This paragraph does not apply to fundraising events (i) for
 5 the benefit of private home instruction or (ii) for which the
 6 fundraising entity purchases the personal property sold at
 7 the events from another individual or entity that sold the
 8 property for the purpose of resale by the fundraising entity
 9 and that profits from the sale to the fundraising entity.
 10 This paragraph is exempt from the provisions of Section 3-55.

11 (23) ~~(20)~~ Beginning January 1, 2000, new or used
 12 automatic vending machines that prepare and serve hot food
 13 and beverages, including coffee, soup, and other items, and
 14 replacement parts for these machines. This paragraph is
 15 exempt from the provisions of Section 3-55.

16 (24) Beginning January 1, 2002, tangible personal
 17 property and its component parts purchased by a
 18 telecommunications carrier if the property and parts are used
 19 directly and primarily in transmitting, receiving, switching,
 20 or recording any interactive, two-way electromagnetic
 21 communications, including voice, image, data, and
 22 information, through the use of any medium, including, but
 23 not limited to, poles, wires, cables, switching equipment,
 24 computers, and record storage devices and media. This
 25 paragraph is exempt from the provisions of Section 3-55.

26 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;
 27 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.
 28 7-20-99; 91-439, eff. 8-6-99; 91-533, eff. 8-13-99; 91-637,
 29 eff. 8-20-99; 91-644, eff. 8-20-99; revised 9-29-99.)

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

32 (35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

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

4 (1) Farm chemicals.

5 (2) Farm machinery and equipment, both new and used,
6 including that manufactured on special order, certified by
7 the purchaser to be used primarily for production agriculture
8 or State or federal agricultural programs, including
9 individual replacement parts for the machinery and equipment,
10 including machinery and equipment purchased for lease, and
11 including implements of husbandry defined in Section 1-130 of
12 the Illinois Vehicle Code, farm machinery and agricultural
13 chemical and fertilizer spreaders, and nurse wagons required
14 to be registered under Section 3-809 of the Illinois Vehicle
15 Code, but excluding other motor vehicles required to be
16 registered under the Illinois Vehicle Code. Horticultural
17 polyhouses or hoop houses used for propagating, growing, or
18 overwintering plants shall be considered farm machinery and
19 equipment under this item (2). Agricultural chemical tender
20 tanks and dry boxes shall include units sold separately from
21 a motor vehicle required to be licensed and units sold
22 mounted on a motor vehicle required to be licensed, if the
23 selling price of the tender is separately stated.

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

32 Farm machinery and equipment also includes computers,
33 sensors, software, and related equipment used primarily in
34 the computer-assisted operation of production agriculture

1 facilities, equipment, and activities such as, but not
2 limited to, the collection, monitoring, and correlation of
3 animal and crop data for the purpose of formulating animal
4 diets and agricultural chemicals. This item (7) is exempt
5 from the provisions of Section 2-70.

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

12 (4) Graphic arts machinery and equipment, including
13 repair and replacement parts, both new and used, and
14 including that manufactured on special order or purchased for
15 lease, certified by the purchaser to be used primarily for
16 graphic arts production.

17 (5) A motor vehicle of the first division, a motor
18 vehicle of the second division that is a self-contained motor
19 vehicle designed or permanently converted to provide living
20 quarters for recreational, camping, or travel use, with
21 direct walk through access to the living quarters from the
22 driver's seat, or a motor vehicle of the second division that
23 is of the van configuration designed for the transportation
24 of not less than 7 nor more than 16 passengers, as defined in
25 Section 1-146 of the Illinois Vehicle Code, that is used for
26 automobile renting, as defined in the Automobile Renting
27 Occupation and Use Tax Act.

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

31 (7) Proceeds of that portion of the selling price of a
32 passenger car the sale of which is subject to the Replacement
33 Vehicle Tax.

34 (8) Personal property sold to an Illinois county fair

1 association for use in conducting, operating, or promoting
2 the county fair.

3 (9) Personal property sold to a not-for-profit arts or
4 cultural organization that establishes, by proof required by
5 the Department by rule, that it has received an exemption
6 under Section 501(c)(3) of the Internal Revenue Code and that
7 is organized and operated for the presentation or support of
8 arts or cultural programming, activities, or services. These
9 organizations include, but are not limited to, music and
10 dramatic arts organizations such as symphony orchestras and
11 theatrical groups, arts and cultural service organizations,
12 local arts councils, visual arts organizations, and media
13 arts organizations.

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

21 (11) Personal property sold to a governmental body, to a
22 corporation, society, association, foundation, or institution
23 organized and operated exclusively for charitable, religious,
24 or educational purposes, or to a not-for-profit corporation,
25 society, association, foundation, institution, or
26 organization that has no compensated officers or employees
27 and that is organized and operated primarily for the
28 recreation of persons 55 years of age or older. A limited
29 liability company may qualify for the exemption under this
30 paragraph only if the limited liability company is organized
31 and operated exclusively for educational purposes. On and
32 after July 1, 1987, however, no entity otherwise eligible for
33 this exemption shall make tax-free purchases unless it has an
34 active identification number issued by the Department.

1 (12) Personal property sold to interstate carriers for
2 hire for use as rolling stock moving in interstate commerce
3 or to lessors under leases of one year or longer executed or
4 in effect at the time of purchase by interstate carriers for
5 hire for use as rolling stock moving in interstate commerce
6 and equipment operated by a telecommunications provider,
7 licensed as a common carrier by the Federal Communications
8 Commission, which is permanently installed in or affixed to
9 aircraft moving in interstate commerce.

10 (13) Proceeds from sales to owners, lessors, or shippers
11 of tangible personal property that is utilized by interstate
12 carriers for hire for use as rolling stock moving in
13 interstate commerce and equipment operated by a
14 telecommunications provider, licensed as a common carrier by
15 the Federal Communications Commission, which is permanently
16 installed in or affixed to aircraft moving in interstate
17 commerce.

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

30 (15) Proceeds of mandatory service charges separately
31 stated on customers' bills for purchase and consumption of
32 food and beverages, to the extent that the proceeds of the
33 service charge are in fact turned over as tips or as a
34 substitute for tips to the employees who participate directly

1 in preparing, serving, hosting or cleaning up the food or
2 beverage function with respect to which the service charge is
3 imposed.

4 (16) Petroleum products sold to a purchaser if the
5 seller is prohibited by federal law from charging tax to the
6 purchaser.

7 (17) Tangible personal property sold to a common carrier
8 by rail or motor that receives the physical possession of the
9 property in Illinois and that transports the property, or
10 shares with another common carrier in the transportation of
11 the property, out of Illinois on a standard uniform bill of
12 lading showing the seller of the property as the shipper or
13 consignor of the property to a destination outside Illinois,
14 for use outside Illinois.

15 (18) Legal tender, currency, medallions, or gold or
16 silver coinage issued by the State of Illinois, the
17 government of the United States of America, or the government
18 of any foreign country, and bullion.

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

28 (20) Photoprocessing machinery and equipment, including
29 repair and replacement parts, both new and used, including
30 that manufactured on special order, certified by the
31 purchaser to be used primarily for photoprocessing, and
32 including photoprocessing machinery and equipment purchased
33 for lease.

34 (21) Coal exploration, mining, offhighway hauling,

1 processing, maintenance, and reclamation equipment, including
2 replacement parts and equipment, and including equipment
3 purchased for lease, but excluding motor vehicles required to
4 be registered under the Illinois Vehicle Code.

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

12 (23) A transaction in which the purchase order is
13 received by a florist who is located outside Illinois, but
14 who has a florist located in Illinois deliver the property to
15 the purchaser or the purchaser's donee in Illinois.

16 (24) Fuel consumed or used in the operation of ships,
17 barges, or vessels that are used primarily in or for the
18 transportation of property or the conveyance of persons for
19 hire on rivers bordering on this State if the fuel is
20 delivered by the seller to the purchaser's barge, ship, or
21 vessel while it is afloat upon that bordering river.

22 (25) A motor vehicle sold in this State to a nonresident
23 even though the motor vehicle is delivered to the nonresident
24 in this State, if the motor vehicle is not to be titled in
25 this State, and if a driveaway decal permit is issued to the
26 motor vehicle as provided in Section 3-603 of the Illinois
27 Vehicle Code or if the nonresident purchaser has vehicle
28 registration plates to transfer to the motor vehicle upon
29 returning to his or her home state. The issuance of the
30 driveaway decal permit or having the out-of-state
31 registration plates to be transferred is prima facie evidence
32 that the motor vehicle will not be titled in this State.

33 (26) Semen used for artificial insemination of livestock
34 for direct agricultural production.

1 (27) Horses, or interests in horses, registered with and
2 meeting the requirements of any of the Arabian Horse Club
3 Registry of America, Appaloosa Horse Club, American Quarter
4 Horse Association, United States Trotting Association, or
5 Jockey Club, as appropriate, used for purposes of breeding or
6 racing for prizes.

7 (28) Computers and communications equipment utilized for
8 any hospital purpose and equipment used in the diagnosis,
9 analysis, or treatment of hospital patients sold to a lessor
10 who leases the equipment, under a lease of one year or longer
11 executed or in effect at the time of the purchase, to a
12 hospital that has been issued an active tax exemption
13 identification number by the Department under Section 1g of
14 this Act.

15 (29) Personal property sold to a lessor who leases the
16 property, under a lease of one year or longer executed or in
17 effect at the time of the purchase, to a governmental body
18 that has been issued an active tax exemption identification
19 number by the Department under Section 1g of this Act.

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

30 (31) Beginning with taxable years ending on or after
31 December 31, 1995 and ending with taxable years ending on or
32 before December 31, 2004, personal property that is used in
33 the performance of infrastructure repairs in this State,
34 including but not limited to municipal roads and streets,

1 access roads, bridges, sidewalks, waste disposal systems,
2 water and sewer line extensions, water distribution and
3 purification facilities, storm water drainage and retention
4 facilities, and sewage treatment facilities, resulting from a
5 State or federally declared disaster in Illinois or bordering
6 Illinois when such repairs are initiated on facilities
7 located in the declared disaster area within 6 months after
8 the disaster.

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

15 (33) ~~(32)~~ A motor vehicle, as that term is defined in
16 Section 1-146 of the Illinois Vehicle Code, that is donated
17 to a corporation, limited liability company, society,
18 association, foundation, or institution that is determined by
19 the Department to be organized and operated exclusively for
20 educational purposes. For purposes of this exemption, "a
21 corporation, limited liability company, society, association,
22 foundation, or institution organized and operated exclusively
23 for educational purposes" means all tax-supported public
24 schools, private schools that offer systematic instruction in
25 useful branches of learning by methods common to public
26 schools and that compare favorably in their scope and
27 intensity with the course of study presented in tax-supported
28 schools, and vocational or technical schools or institutes
29 organized and operated exclusively to provide a course of
30 study of not less than 6 weeks duration and designed to
31 prepare individuals to follow a trade or to pursue a manual,
32 technical, mechanical, industrial, business, or commercial
33 occupation.

34 (34) ~~(33)~~ Beginning January 1, 2000, personal property,

1 including food, purchased through fundraising events for the
 2 benefit of a public or private elementary or secondary
 3 school, a group of those schools, or one or more school
 4 districts if the events are sponsored by an entity recognized
 5 by the school district that consists primarily of volunteers
 6 and includes parents and teachers of the school children.
 7 This paragraph does not apply to fundraising events (i) for
 8 the benefit of private home instruction or (ii) for which the
 9 fundraising entity purchases the personal property sold at
 10 the events from another individual or entity that sold the
 11 property for the purpose of resale by the fundraising entity
 12 and that profits from the sale to the fundraising entity.
 13 This paragraph is exempt from the provisions of Section 2-70.

14 (35) ~~(32)~~ Beginning January 1, 2000, new or used
 15 automatic vending machines that prepare and serve hot food
 16 and beverages, including coffee, soup, and other items, and
 17 replacement parts for these machines. This paragraph is
 18 exempt from the provisions of Section 2-70.

19 (36) Beginning January 1, 2002, tangible personal
 20 property and its component parts purchased by a
 21 telecommunications carrier if the property and parts are used
 22 directly and primarily in transmitting, receiving, switching,
 23 or recording any interactive, two-way electromagnetic
 24 communications, including voice, image, data, and
 25 information, through the use of any medium, including, but
 26 not limited to, poles, wires, cables, switching equipment,
 27 computers, and record storage devices and media. This
 28 paragraph is exempt from the provisions of Section 2-70.

29 (Source: P.A. 90-14, eff. 7-1-97; 90-519, eff. 6-1-98;
 30 90-552, eff. 12-12-97; 90-605, eff. 6-30-98; 91-51, eff.
 31 6-30-99; 91-200, eff. 7-20-99; 91-439, eff. 8-6-99; 91-533,
 32 eff. 8-13-99; 91-637, eff. 8-20-99; 91-644, eff. 8-20-99;
 33 revised 9-28-99.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.25 as follows:

3 (30 ILCS 805/8.25 new)

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

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