

1 AN ACT concerning taxes.

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 on January 1, 2002 and through December
26 31, 2004, the sale and installation of storage tanks for
27 propane used by retailers or wholesalers. A propane storage
28 tank is eligible for the exemption under this paragraph only
29 if it increases the retailer's or wholesaler's capacity to
30 store propane. The exemption under this paragraph does not
31 apply to propane storage tanks used for residential purposes.

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

1 eff. 8-20-99; 91-901, eff. 1-1-01.)

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

4 (35 ILCS 110/3-5) (from Ch. 120, par. 439.33-5)

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

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

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

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

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

32 (5) Graphic arts machinery and equipment, including

1 repair and replacement parts, both new and used, and
2 including that manufactured on special order or purchased for
3 lease, certified by the purchaser to be used primarily for
4 graphic arts production.

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

8 (7) 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 (7). 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 (7) is exempt
8 from the provisions of Section 3-75.

9 (8) 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 (9) Proceeds of mandatory service charges separately
17 stated on customers' bills for the purchase and consumption
18 of food and beverages acquired as an incident to the purchase
19 of a service from a serviceman, to the extent that the
20 proceeds of the service charge are in fact turned over as
21 tips or as a substitute for tips to the employees who
22 participate directly in preparing, serving, hosting or
23 cleaning up the food or beverage function with respect to
24 which the service charge is imposed.

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

34 (11) Proceeds from the sale of photoprocessing machinery

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

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

11 (13) Semen used for artificial insemination of livestock
12 for direct agricultural production.

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

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

1 tax imposed by this Act or the Use Tax Act, as the case may
2 be, if the tax has not been paid by the lessor. If a lessor
3 improperly collects any such amount from the lessee, the
4 lessee shall have a legal right to claim a refund of that
5 amount from the lessor. If, however, that amount is not
6 refunded to the lessee for any reason, the lessor is liable
7 to pay that amount to the Department.

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

29 (17) Beginning with taxable years ending on or after
30 December 31, 1995 and ending with taxable years ending on or
31 before December 31, 2004, personal property that is donated
32 for disaster relief to be used in a State or federally
33 declared disaster area in Illinois or bordering Illinois by a
34 manufacturer or retailer that is registered in this State to

1 a corporation, society, association, foundation, or
2 institution that has been issued a sales tax exemption
3 identification number by the Department that assists victims
4 of the disaster who reside within the declared disaster area.

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

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

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

1 schools and that compare favorably in their scope and
2 intensity with the course of study presented in tax-supported
3 schools, and vocational or technical schools or institutes
4 organized and operated exclusively to provide a course of
5 study of not less than 6 weeks duration and designed to
6 prepare individuals to follow a trade or to pursue a manual,
7 technical, mechanical, industrial, business, or commercial
8 occupation.

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

23 (22) ~~(19)~~ Beginning January 1, 2000, new or used
24 automatic vending machines that prepare and serve hot food
25 and beverages, including coffee, soup, and other items, and
26 replacement parts for these machines. This paragraph is
27 exempt from the provisions of Section 3-75.

28 (23) Beginning on January 1, 2002 and through December
29 31, 2004, the sale and installation of storage tanks for
30 propane used by retailers or wholesalers. A propane storage
31 tank is eligible for the exemption under this paragraph only
32 if it increases the retailer's or wholesaler's capacity to
33 store propane. The exemption under this paragraph does not
34 apply to propane storage tanks used for residential purposes.

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; revised 9-29-99.)

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

7 (35 ILCS 115/3-5) (from Ch. 120, par. 439.103-5)

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

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

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

20 (3) Personal property purchased by any not-for-profit
 21 arts or cultural organization that establishes, by proof
 22 required by the Department by rule, that it has received an
 23 exemption under Section 501(c)(3) of the Internal Revenue
 24 Code and that is organized and operated for the presentation
 25 or support of arts or cultural programming, activities, or
 26 services. These organizations include, but are not limited
 27 to, music and dramatic arts organizations such as symphony
 28 orchestras and theatrical groups, arts and cultural service
 29 organizations, local arts councils, visual arts
 30 organizations, and media 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 sold by 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 3-55.

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, to the extent that the proceeds of the
22 service charge are in fact turned over as tips or as a
23 substitute for tips to the employees who participate directly
24 in preparing, serving, hosting or cleaning up the food or
25 beverage function with respect to which the service charge is
26 imposed.

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

1 required to be registered under the Illinois Vehicle Code.

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

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

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

23 (14) Semen used for artificial insemination of livestock
24 for direct agricultural production.

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

31 (16) Computers and communications equipment utilized for
32 any hospital purpose and equipment used in the diagnosis,
33 analysis, or treatment of hospital patients sold to a lessor
34 who leases the equipment, under a lease of one year or longer

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

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

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

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

34 (20) Beginning July 1, 1999, game or game birds sold at

1 a "game breeding and hunting preserve area" or an "exotic
2 game hunting area" as those terms are used in the Wildlife
3 Code or at a hunting enclosure approved through rules adopted
4 by the Department of Natural Resources. This paragraph is
5 exempt from the provisions of Section 3-55.

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

25 (22) ~~(21)~~ Beginning January 1, 2000, personal property,
26 including food, purchased through fundraising events for the
27 benefit of a public or private elementary or secondary
28 school, a group of those schools, or one or more school
29 districts if the events are sponsored by an entity recognized
30 by the school district that consists primarily of volunteers
31 and includes parents and teachers of the school children.
32 This paragraph does not apply to fundraising events (i) for
33 the benefit of private home instruction or (ii) for which the
34 fundraising entity purchases the personal property sold at

1 the events from another individual or entity that sold the
 2 property for the purpose of resale by the fundraising entity
 3 and that profits from the sale to the fundraising entity.
 4 This paragraph is exempt from the provisions of Section 3-55.

5 (23) ~~(20)~~ Beginning January 1, 2000, new or used
 6 automatic vending machines that prepare and serve hot food
 7 and beverages, including coffee, soup, and other items, and
 8 replacement parts for these machines. This paragraph is
 9 exempt from the provisions of Section 3-55.

10 (24) Beginning on January 1, 2002 and through December
 11 31, 2004, the sale and installation of storage tanks for
 12 propane used by retailers or wholesalers. A propane storage
 13 tank is eligible for the exemption under this paragraph only
 14 if it increases the retailer's or wholesaler's capacity to
 15 store propane. The exemption under this paragraph does not
 16 apply to propane storage tanks used for residential purposes.

17 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;
 18 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.
 19 7-20-99; 91-439, eff. 8-6-99; 91-533, eff. 8-13-99; 91-637,
 20 eff. 8-20-99; 91-644, eff. 8-20-99; revised 9-29-99.)

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

23 (35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

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

- 27 (1) Farm chemicals.
- 28 (2) Farm machinery and equipment, both new and used,
 29 including that manufactured on special order, certified by
 30 the purchaser to be used primarily for production agriculture
 31 or State or federal agricultural programs, including
 32 individual replacement parts for the machinery and equipment,

1 including machinery and equipment purchased for lease, and
2 including implements of husbandry defined in Section 1-130 of
3 the Illinois Vehicle Code, farm machinery and agricultural
4 chemical and fertilizer spreaders, and nurse wagons required
5 to be registered under Section 3-809 of the Illinois Vehicle
6 Code, but excluding other motor vehicles required to be
7 registered under the Illinois Vehicle Code. Horticultural
8 polyhouses or hoop houses used for propagating, growing, or
9 overwintering plants shall be considered farm machinery and
10 equipment under this item (2). Agricultural chemical tender
11 tanks and dry boxes shall include units sold separately from
12 a motor vehicle required to be licensed and units sold
13 mounted on a motor vehicle required to be licensed, if the
14 selling price of the tender is separately stated.

15 Farm machinery and equipment shall include precision
16 farming equipment that is installed or purchased to be
17 installed on farm machinery and equipment including, but not
18 limited to, tractors, harvesters, sprayers, planters,
19 seeders, or spreaders. Precision farming equipment includes,
20 but is not limited to, soil testing sensors, computers,
21 monitors, software, global positioning and mapping systems,
22 and other such equipment.

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

31 (3) Distillation machinery and equipment, sold as a unit
32 or kit, assembled or installed by the retailer, certified by
33 the user to be used only for the production of ethyl alcohol
34 that will be used for consumption as motor fuel or as a

1 component of motor fuel for the personal use of the user, and
2 not subject to sale or resale.

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

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

22 (7) Proceeds of that portion of the selling price of a
23 passenger car the sale of which is subject to the Replacement
24 Vehicle Tax.

25 (8) Personal property sold to an Illinois county fair
26 association for use in conducting, operating, or promoting
27 the county fair.

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

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

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

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

26 (12) Personal property sold to interstate carriers for
27 hire for use as rolling stock moving in interstate commerce
28 or to lessors under leases of one year or longer executed or
29 in effect at the time of purchase by interstate carriers for
30 hire for use as rolling stock moving in interstate commerce
31 and equipment operated by a telecommunications provider,
32 licensed as a common carrier by the Federal Communications
33 Commission, which is permanently installed in or affixed to
34 aircraft moving in interstate commerce.

1 (13) Proceeds from sales to owners, lessors, or shippers
2 of tangible personal property that is utilized by interstate
3 carriers for hire for use as rolling stock moving in
4 interstate commerce and equipment operated by a
5 telecommunications provider, licensed as a common carrier by
6 the Federal Communications Commission, which is permanently
7 installed in or affixed to aircraft moving in interstate
8 commerce.

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

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

29 (16) Petroleum products sold to a purchaser if the
30 seller is prohibited by federal law from charging tax to the
31 purchaser.

32 (17) Tangible personal property sold to a common carrier
33 by rail or motor that receives the physical possession of the
34 property in Illinois and that transports the property, or

1 shares with another common carrier in the transportation of
2 the property, out of Illinois on a standard uniform bill of
3 lading showing the seller of the property as the shipper or
4 consignor of the property to a destination outside Illinois,
5 for use outside Illinois.

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

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

19 (20) Photoprocessing machinery and equipment, including
20 repair and replacement parts, both new and used, including
21 that manufactured on special order, certified by the
22 purchaser to be used primarily for photoprocessing, and
23 including photoprocessing machinery and equipment purchased
24 for lease.

25 (21) Coal exploration, mining, offhighway hauling,
26 processing, maintenance, and reclamation equipment, including
27 replacement parts and equipment, and including equipment
28 purchased for lease, but excluding motor vehicles required to
29 be registered under the Illinois Vehicle Code.

30 (22) Fuel and petroleum products sold to or used by an
31 air carrier, certified by the carrier to be used for
32 consumption, shipment, or storage in the conduct of its
33 business as an air common carrier, for a flight destined for
34 or returning from a location or locations outside the United

1 States without regard to previous or subsequent domestic
2 stopovers.

3 (23) A transaction in which the purchase order is
4 received by a florist who is located outside Illinois, but
5 who has a florist located in Illinois deliver the property to
6 the purchaser or the purchaser's donee in Illinois.

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

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

24 (26) Semen used for artificial insemination of livestock
25 for direct agricultural production.

26 (27) Horses, or interests in horses, registered with and
27 meeting the requirements of any of the Arabian Horse Club
28 Registry of America, Appaloosa Horse Club, American Quarter
29 Horse Association, United States Trotting Association, or
30 Jockey Club, as appropriate, used for purposes of breeding or
31 racing for prizes.

32 (28) Computers and communications equipment utilized for
33 any hospital purpose and equipment used in the diagnosis,
34 analysis, or treatment of hospital patients sold to a lessor

1 who leases the equipment, under a lease of one year or longer
2 executed or in effect at the time of the purchase, to a
3 hospital that has been issued an active tax exemption
4 identification number by the Department under Section 1g of
5 this Act.

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

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

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

34 (32) Beginning July 1, 1999, game or game birds sold at

1 a "game breeding and hunting preserve area" or an "exotic
2 game hunting area" as those terms are used in the Wildlife
3 Code or at a hunting enclosure approved through rules adopted
4 by the Department of Natural Resources. This paragraph is
5 exempt from the provisions of Section 2-70.

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

25 (34) ~~(33)~~ Beginning January 1, 2000, personal property,
26 including food, purchased through fundraising events for the
27 benefit of a public or private elementary or secondary
28 school, a group of those schools, or one or more school
29 districts if the events are sponsored by an entity recognized
30 by the school district that consists primarily of volunteers
31 and includes parents and teachers of the school children.
32 This paragraph does not apply to fundraising events (i) for
33 the benefit of private home instruction or (ii) for which the
34 fundraising entity purchases the personal property sold at

1 the events from another individual or entity that sold the
 2 property for the purpose of resale by the fundraising entity
 3 and that profits from the sale to the fundraising entity.
 4 This paragraph is exempt from the provisions of Section 2-70.

5 (35) ~~(32)~~ Beginning January 1, 2000, new or used
 6 automatic vending machines that prepare and serve hot food
 7 and beverages, including coffee, soup, and other items, and
 8 replacement parts for these machines. This paragraph is
 9 exempt from the provisions of Section 2-70.

10 (36) Beginning on January 1, 2002 and through December
 11 31, 2004, the sale and installation of storage tanks for
 12 propane used by retailers or wholesalers. A propane storage
 13 tank is eligible for the exemption under this paragraph only
 14 if it increases the retailer's or wholesaler's capacity to
 15 store propane. The exemption under this paragraph does not
 16 apply to propane storage tanks used for residential purposes.

17 (Source: P.A. 90-14, eff. 7-1-97; 90-519, eff. 6-1-98;
 18 90-552, eff. 12-12-97; 90-605, eff. 6-30-98; 91-51, eff.
 19 6-30-99; 91-200, eff. 7-20-99; 91-439, eff. 8-6-99; 91-533,
 20 eff. 8-13-99; 91-637, eff. 8-20-99; 91-644, eff. 8-20-99;
 21 revised 9-28-99.)

22 Section 99. Effective date. This Act takes effect upon
 23 becoming law.