

1 AN ACT in relation to 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 3-55 as follows:

6 (35 ILCS 105/3-55) (from Ch. 120, par. 439.3-55)

7 Sec. 3-55. Multistate exemption. The tax imposed by this
8 Act does not apply to the use of tangible personal property
9 in this State under the following circumstances:

10 (a) The use, in this State, of tangible personal
11 property acquired outside this State by a nonresident
12 individual and brought into this State by the individual for
13 his or her own use while temporarily within this State or
14 while passing through this State.

15 (b) The use, in this State, of tangible personal
16 property by an interstate carrier for hire as rolling stock
17 moving in interstate commerce for 3 years from the date of
18 purchase of the tangible personal property or by lessors
19 under a lease of one year or longer executed or in effect at
20 the time of purchase of tangible personal property by
21 interstate carriers for-hire for use as rolling stock moving
22 in interstate commerce. If the tangible personal property is
23 not used as rolling stock in any anniversary year following
24 the purchase of the tangible personal property but is used as
25 rolling stock in another anniversary year or years following
26 the purchase of the tangible personal property, the tangible
27 personal property shall be eligible for a partial rolling
28 stock exemption in an amount equal to the number of
29 qualifying anniversary years in which the tangible personal
30 property was used as rolling stock as the numerator and 3
31 years as the denominator bears in relationship to the

1 purchase price of the tangible personal property. Tangible
2 personal property shall be deemed to have fully qualified for
3 the rolling stock exemption if the tangible personal property
4 is used as rolling stock moving in interstate commerce for 3
5 anniversary years following the purchase of the tangible
6 personal property. The changes made to this subsection (b)
7 by this amendatory Act of the 92nd General Assembly are
8 exempt from the provisions of Section 3-90.

9 (b-1) The use, in this State, of tangible personal
10 property as long as so used by the interstate carriers
11 for hire, and equipment operated by a telecommunications
12 provider, licensed as a common carrier by the Federal
13 Communications Commission, which is permanently installed in
14 or affixed to aircraft moving in interstate commerce.

15 (c) The use, in this State, by owners, lessors, or
16 shippers of tangible personal property that is utilized by
17 interstate carriers for hire for use as rolling stock moving
18 in interstate commerce as long as so used by the interstate
19 carriers for hire, and equipment operated by a
20 telecommunications provider, licensed as a common carrier by
21 the Federal Communications Commission, which is permanently
22 installed in or affixed to aircraft moving in interstate
23 commerce.

24 (d) The use, in this State, of tangible personal
25 property that is acquired outside this State and caused to be
26 brought into this State by a person who has already paid a
27 tax in another State in respect to the sale, purchase, or use
28 of that property, to the extent of the amount of the tax
29 properly due and paid in the other State.

30 (e) The temporary storage, in this State, of tangible
31 personal property that is acquired outside this State and
32 that, after being brought into this State and stored here
33 temporarily, is used solely outside this State or is
34 physically attached to or incorporated into other tangible

1 personal property that is used solely outside this State, or
2 is altered by converting, fabricating, manufacturing,
3 printing, processing, or shaping, and, as altered, is used
4 solely outside this State.

5 (f) The temporary storage in this State of building
6 materials and fixtures that are acquired either in this State
7 or outside this State by an Illinois registered combination
8 retailer and construction contractor, and that the purchaser
9 thereafter uses outside this State by incorporating that
10 property into real estate located outside this State.

11 (g) The use or purchase of tangible personal property by
12 a common carrier by rail or motor that receives the physical
13 possession of the property in Illinois, and that transports
14 the property, or shares with another common carrier in the
15 transportation of the property, out of Illinois on a standard
16 uniform bill of lading showing the seller of the property as
17 the shipper or consignor of the property to a destination
18 outside Illinois, for use outside Illinois.

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

31 (i) Beginning July 1, 1999, the use, in this State, of
32 fuel acquired outside this State and brought into this State
33 in the fuel supply tanks of locomotives engaged in freight
34 hauling and passenger service for interstate commerce. This

1 subsection is exempt from the provisions of Section 3-90.
2 (Source: P.A. 90-519, eff. 6-1-98; 90-552, eff. 12-12-97;
3 91-51, eff. 6-30-99; 91-313, eff. 7-29-99; 91-587, eff.
4 8-14-99; revised 9-29-99.)

5 Section 10. The Service Use Tax Act is amended by
6 changing Section 3-45 as follows:

7 (35 ILCS 110/3-45) (from Ch. 120, par. 439.33-45)

8 Sec. 3-45. Multistate exemption. The tax imposed by this
9 Act does not apply to the use of tangible personal property
10 in this State under the following circumstances:

11 (a) The use, in this State, of property acquired outside
12 this State by a nonresident individual and brought into this
13 State by the individual for his or her own use while
14 temporarily within this State or while passing through this
15 State.

16 (b) The use, in this State, of property that is acquired
17 outside this State and that is moved into this State for use
18 as rolling stock moving in interstate commerce for 3 years
19 from the date that the property is first used in this State.
20 If the personal property is not used as rolling stock in any
21 anniversary year following the first use of the property in
22 this State, but it is used as rolling stock in another
23 anniversary year or years of its first use in this State, the
24 personal property shall be eligible for a partial rolling
25 stock exemption in an amount equal to the number of
26 qualifying anniversary years in which the tangible personal
27 property was used as rolling stock in the State as the
28 numerator and 3 years as the denominator bears in
29 relationship to the purchase price of the tangible personal
30 property. Tangible personal property shall be deemed to have
31 fully qualified for the rolling stock exemption if the
32 tangible personal property is used as rolling stock moving in

1 interstate commerce for 3 years following the movement of the
2 property into this State for use as rolling stock moving in
3 interstate commerce. The changes made to this subsection (b)
4 by this amendatory Act of the 92nd General Assembly are
5 exempt from the provisions of Section 3-75.

6 (c) The use, in this State, of property that is acquired
7 outside this State and caused to be brought into this State
8 by a person who has already paid a tax in another state in
9 respect to the sale, purchase, or use of that property, to
10 the extent of the amount of the tax properly due and paid in
11 the other state.

12 (d) The temporary storage, in this State, of property
13 that is acquired outside this State and that after being
14 brought into this State and stored here temporarily, is used
15 solely outside this State or is physically attached to or
16 incorporated into other property that is used solely outside
17 this State, or is altered by converting, fabricating,
18 manufacturing, printing, processing, or shaping, and, as
19 altered, is used solely outside this State.

20 (e) Beginning July 1, 1999, the use, in this State, of
21 fuel acquired outside this State and brought into this State
22 in the fuel supply tanks of locomotives engaged in freight
23 hauling and passenger service for interstate commerce. This
24 subsection is exempt from the provisions of Section 3-75.

25 (Source: P.A. 91-51, eff. 6-30-99; 91-313, eff. 7-29-99;
26 91-587, eff. 8-14-99; revised 9-29-99.)

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.