AN ACT concerning government.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

ARTICLE 1.

SHORT TITLE

Section 1-1. Short title. This Act may be cited as the Economic Development Act of 2013.

ARTICLE 2.

PUBLIC-PRIVATE AGREEMENTS FOR THE SOUTH SUBURBAN AIRPORT ACT

Section 2-1. Short title. This Article may be cited as the Public-Private Agreements for the South Suburban Airport Act. References in this Article to "this Act" mean this Article.

Section 2-5. Legislative findings.

(a) Providing facilities for air travel to and from the State of Illinois through the South Suburban Airport is essential for the health and welfare of the people of the State of Illinois and economic development of the State of Illinois.

(b) Airport development has significant regional impacts with regard to economic development, public infrastructure requirements, traffic, noise, and other concerns.

(c) The South Suburban Airport will promote development and investment in the State of Illinois and serve as a critical transportation hub in the region.

(d) Existing requirements of procurement and financing of airports by the Department impose limitations on the methods by which airports may be developed and operated within the State.

(e) Public-private agreements between the State of Illinois and one or more private entities to develop, finance, construct, manage, operate, maintain, or any combination thereof, the South Suburban Airport have the potential of maximizing value and benefit to the People of the State of Illinois and the public at large.

(f) Public-private agreements may enable the South Suburban Airport to be developed, financed, constructed, managed, operated, and maintained in an entrepreneurial and business-like manner.

(g) In the event that the State of Illinois enters into one or more public-private agreements to develop, finance, construct, manage, operate, or maintain the South Suburban Airport, the private parties to the agreements should be accountable to the People of Illinois through a comprehensive system of oversight, regulation, auditing, and reporting.

(h) It is the intent of this Act to use Illinois design professionals, construction companies, and workers to the greatest extent permitted by law by offering them the right to compete for this work.

(i) It is the intent of this Act for the Department to collaborate with affected municipalities, counties, citizens, elected officials, interest groups, and other stakeholders to foster economic development around the South Suburban Airport and the region, and to insure that the communities near the South Suburban Airport have an ongoing opportunity to provide input on the development and operation of the South Suburban Airport.

Section 2-10. Definitions. As used in this Act:

"Agreement" means a public-private agreement.

"Airport" means a facility for all types of air service, including, without limitation, landing fields, taxiways, aprons, runways, runway clear areas, heliports, hangars, aircraft service facilities, approaches, navigational aids, air traffic control facilities, terminals, inspection facilities, security facilities, parking, internal transit facilities, fueling facilities, cargo handling facilities, concessions, rapid transit and roadway access, land and interests in land, public waters, submerged land under public waters and reclaimed land located on previously submerged land under public waters, and all other property and appurtenances necessary or useful for development, ownership, and operation of any such facilities. "Airport" includes commercial or industrial facilities related to the functioning of the airport or to providing services to users of the airport.

"Contractor" means a person that has been selected to enter or has entered into a public-private agreement with the Department on behalf of the State for the development, financing, construction, management, or operation of the South Suburban Airport under this Act.

"Department" means the Illinois Department of Transportation.

"Inaugural airport" means all airport facilities, equipment, property, and appurtenances necessary or useful to the development and operation of the South Suburban Airport that are constructed, developed, installed, or acquired as of the commencement of public operations of the South Suburban Airport.

"Inaugural airport boundary" means the property limits of the inaugural airport as determined by the Department, as may be adjusted and reconfigured from time to time.

"Maintain" or "maintenance" includes ordinary maintenance, repair, rehabilitation, capital maintenance, maintenance replacement, and any other categories of maintenance that may be designated by the Department.

"Metropolitan planning organization" means a metropolitan planning organization designated under 23 U.S.C. Section 134.

"Offeror" means a person that responds to a request for proposals under this Act.

"Operate" or "operation" means to do one or more of the following: maintain, improve, equip, modify, or otherwise

operate.

"Person" means any individual, firm, association, joint venture, partnership, estate, trust, syndicate, fiduciary, corporation, or any other legal entity, group, or combination thereof.

"Public-private agreement" means an agreement or contract between the Department on behalf of the State and all schedules, exhibits, and attachments thereto, entered into pursuant to a competitive request for proposals process governed by this Act, for the development, financing, construction, management, or operation of the South Suburban Airport under this Act.

"Revenues" means all revenues, including any combination of, but not limited to: income; user fees; earnings; interest; lease payments; allocations; moneys from the federal government, the State, and units of local government, including but not limited to federal, State, and local appropriations, grants, loans, lines of credit, and credit guarantees; bond proceeds; equity investments; service payments; or other receipts arising out of or in connection with the financing, development, construction, management, or operation of the South Suburban Airport.

"State" means the State of Illinois.

"Secretary" means the Secretary of the Illinois Department of Transportation.

"South Suburban Airport" means the airport to be developed

on a site located in Will County and approved by the Federal Aviation Administration in the Record of Decision for Tier 1: FAA Site Approval And Land Acquisition By The State Of Illinois, Proposed South Suburban Airport, Will County, Illinois, dated July 2002, and all property within the inaugural airport boundary and the ultimate airport boundary.

"Ultimate airport boundary" means the development and property limits of the South Suburban Airport beyond the inaugural airport boundary as determined by the Department, as may be adjusted and reconfigured from time to time.

"Unit of local government" has the meaning ascribed to that term in Article VII, Section 1 of the Constitution of the State of Illinois, and, for purposes of this Act, includes school districts.

"User fees" means the rates, fees, or other charges imposed by the State or the contractor for use of all or a portion of the South Suburban Airport under a public-private agreement.

Section 2-15. General airport powers.

(a) The Department has the power to plan, develop, secure permits, licenses, and approvals for, acquire, develop, construct, equip, own, and operate the South Suburban Airport. The Department also has the power to own, operate, acquire facilities for, construct, improve, repair, maintain, renovate, and expand the South Suburban Airport, including any facilities located on the site of the South Suburban Airport

for use by any individual or entity other than the Department. The development of the South Suburban Airport shall also include all land, highways, waterways, mass transit facilities, and other infrastructure that, in the determination of the Department, are necessary or appropriate in connection with the development or operation of the South Suburban Airport. The development of the South Suburban Airport also includes acquisition and development of any land or facilities for (i) relocation of persons, including providing replacement housing or facilities for persons and entities displaced by that development, (ii) protecting or reclaiming the environment with respect to the South Suburban Airport, (iii) providing substitute or replacement property or facilities, including without limitation, for areas of recreation, conservation, open space, and wetlands, (iv) providing navigational aids, or (v) utilities to serve the airport, whether or not located on the site of the South Suburban Airport.

(b) The Department shall have the authority to undertake and complete all ongoing projects related to the South Suburban Airport, including the South Suburban Airport Master Plan, and assisting the Federal Aviation Administration in preparing and approving the Environmental Impact Statement and Record of Decision.

(c) The Department has the power to enter into all contracts useful for carrying out its purposes and powers,

including, without limitation, public-private agreements pursuant to the provisions of this Act; leases of any of its property or facilities, use agreements with airlines or other airport users relating to the South Suburban Airport, agreements with South Suburban Airport concessionaires, and franchise agreements for use of or access to South Suburban Airport facilities.

(d) The Department has the power to apply to the proper authorities of the United States, the State of Illinois, and other governmental entities, as permitted or authorized by applicable law, to obtain any licenses, approvals, or permits reasonably necessary to achieve the purposes of this Act. All applications to the Federal Aviation Administration, or any successor agency, shall be made by the Department.

(e) The Department may take all steps consistent with applicable laws to maximize funding for the costs of the South Suburban Airport from grants by the Federal Aviation Administration or any successor agency, or any other federal governmental agency.

(f) The Department has the power to apply to the proper authorities of the United States pursuant to appropriate law for permission to establish, operate, maintain, and lease foreign trade zones and sub-zones within the areas of the South Suburban Airport and to establish, operate, maintain, and lease foreign trade zones and sub-zones.

(g) The Department may publicize, advertise, and promote

the activities of the South Suburban Airport, including, to make known the advantages, facilities, resources, products, attractions, and attributes of the South Suburban Airport.

(h) The Department may, at any time, acquire any land, any interests in land, other property, and interests in property needed for the South Suburban Airport or necessary to carry out the Department's powers and functions under this Act, including by exercise of the power of eminent domain pursuant to Section 2-100 of this Act. The Department shall also have the power to dispose of any such lands, interests, and property upon terms it deems appropriate.

(i) The Department may adopt any reasonable rules for the administration of this Act in accordance with the Illinois Administrative Procedure Act.

Section 2-20. Public-private agreement authorized.

(a) Notwithstanding any provision of law to the contrary, the Department may, on behalf of the State, and pursuant to a competitive request for proposals process governed by Section 2-30 of this Act, enter into one or more public-private agreements with one or more contractors to develop, finance, construct, manage, operate, or maintain, or any combination thereof, the South Suburban Airport. Pursuant to those agreements, the contractors may receive the right to certain revenues including user fees in consideration of the payment of moneys to the State for that right.

(b) Before taking any action in connection with the development, financing, operation, or maintenance of the South Suburban Airport that is not authorized by an interim agreement under Section 2-40 of this Act, a contractor shall enter into a public-private agreement.

(c) The term of a public-private agreement, including all extensions, shall be no more than 75 years.

(d) The term of a public-private agreement may be extended, but only if the extension is specifically authorized by the General Assembly by law.

Section 2-25. Prequalification to enter into public-private agreements. The Department may establish a process for prequalification of offerors. If the Department creates a prequalification process, it shall: (i) provide a public notice of the prequalification at least 30 days before the date on which applications are due; (ii) set forth requirements and evaluation criteria in order to become prequalified; (iii) determine which offerors that have submitted prequalification applications, if any, meet the requirements and evaluation criteria; and (iv) allow only those offerors that have been prequalified to respond to the request for proposals.

Section 2-30. Request for proposals process to enter into public-private agreements.

(a) Notwithstanding any provisions of the Illinois Procurement Code, the Department, on behalf of the State, shall select a contractor through a competitive request for proposals process governed by Section 2-30 of this Act. The Department will consult with the chief procurement officer for construction or construction-related activities designated pursuant to clause (2) of Section 1-15.15 of the Illinois Procurement Code on the competitive request for proposals process, and the Secretary will determine, in consultation with the chief procurement officer, which procedures to adopt and apply to the competitive request for proposals process in order to ensure an open, transparent, and efficient process that accomplishes the purposes of this Act.

(b) The competitive request for proposals process shall, at a minimum, solicit statements of qualification and proposals from offerors.

(c) The competitive request for proposals process shall, at a minimum, take into account the following criteria:

(1) the offeror's plans for the South Suburban Airport project;

(2) the offeror's current and past business practices;

(3) the offeror's poor or inadequate past performance in developing, financing, constructing, managing, or operating airports or other public assets;

(4) the offeror's ability to meet the utilization goals for business enterprises established in the Business

Enterprise for Minorities, Females, and Persons with Disabilities Act;

(5) the offeror's ability to comply with Section 2-105 of the Illinois Human Rights Act; and

(6) the offeror's plans to comply with the Business Enterprise for Minorities, Females, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

(d) The Department shall retain the services of an advisor or advisors with significant experience in the development, financing, construction, management, or operation of public assets to assist in the preparation of the request for proposals.

(e) The Department shall not include terms in the request for proposals that provide an advantage, whether directly or indirectly, to any contractor presently providing goods, services, or equipment to the Department.

(f) The Department shall select one or more offerors as finalists. The Department shall submit the offeror's statements of qualification and proposals to the Commission on Government Forecasting and Accountability and the Procurement Policy Board, which shall, within 30 days after the submission, complete a review of the statements of qualification and proposals and, jointly or separately, report on, at a minimum, the satisfaction of the criteria contained in the request for proposals, the qualifications of the offerors, and the value of

the proposals to the State. The Department shall not select an offeror as the contractor for the South Suburban Airport project until it has received and considered the findings of the Commission on Government Forecasting and Accountability and the Procurement Policy Board as set forth in their respective reports.

(g) Before awarding a public-private agreement to an offeror, the Department shall schedule and hold a public hearing or hearings on the proposed public-private agreement and publish notice of the hearing or hearings at least 7 days before the hearing. The notice shall include the following:

(1) the date, time, and place of the hearing and the address of the Department;

(2) the subject matter of the hearing;

(3) a description of the agreement that may be awarded; and

(4) the recommendation that has been made to select an offeror as the contractor for the South Suburban Airport project.

At the hearing, the Department shall allow the public to be heard on the subject of the hearing.

(h) After the procedures required in this Section have been completed, the Department shall make a determination as to whether the offeror should be designated as the contractor for the South Suburban Airport project and shall submit the decision to the Governor and to the Governor's Office of

Management and Budget. After review of the Department's determination, the Governor may accept or reject the determination. If the Governor accepts the determination of the Department, the Governor shall designate the offeror for the South Suburban Airport project.

Section 2-35. Provisions of the public-private agreement.

(a) The public-private agreement shall include all of the following:

(1) the term of the public-private agreement that is consistent with Section 2-20 of this Act;

(2) the powers, duties, responsibilities, obligations, and functions of the Department and the contractor;

(3) compensation or payments to the Department;

(4) compensation or payments to the contractor;

(5) a provision specifying that the Department has:

(A) ready access to information regarding the contractor's powers, duties, responsibilities, obligations, and functions under the public-private agreement;

(B) the right to demand and receive information from the contractor concerning any aspect of the contractor's powers, duties, responsibilities, obligations, and functions under the public-private agreement; and

(C) the authority to direct or countermand

decisions by the contractor at any time;

(6) a provision imposing an affirmative duty on the contractor to provide the Department with any information the Department reasonably would want to know or would need to know to enable the Department to exercise its powers, carry out its duties, responsibilities, and obligations, and perform its functions under this Act or the public-private agreement or as otherwise required by law;

(7) a provision requiring the contractor to provide the Department with advance written notice of any decision that bears significantly on the public interest so the Department has a reasonable opportunity to evaluate and countermand that decision under this Section;

(8) a requirement that the Department monitor and oversee the contractor's practices and take action that the Department considers appropriate to ensure that the contractor is in compliance with the terms of the public-private agreement;

(9) the authority of the Department to enter into contracts with third parties pursuant to Section 2-65 of this Act;

(10) a provision governing the contractor's authority to negotiate and execute subcontracts with third parties;

(11) the authority of the contractor to impose user fees and the amounts of those fees;

(12) a provision governing the deposit and allocation

of revenues including user fees;

(13) a provision governing rights to real and personal property of the State, the Department, the contractor, and other third parties;

(14) a provision stating that the contractor shall, pursuant to Section 2-85 of this Act, pay the costs of an independent audit if the construction costs under the contract exceed $50,000,000;

(15) a provision regarding the implementation and delivery of a comprehensive system of internal audits;

(16) a provision regarding the implementation and delivery of reports, which shall include a requirement that the contractor file with the Department, at least on an annual basis, financial statements containing information required by generally accepted accounting principles (GAAP);

(17) procedural requirements for obtaining the prior approval of the Department when rights that are the subject of the agreement, including, but not limited to development rights, construction rights, property rights, and rights to certain revenues, are sold, assigned, transferred, or pledged as collateral to secure financing or for any other reason;

(18) grounds for termination of the agreement by the Department or the contractor and a restatement of the Department's rights under Section 2-45 of this Act;

(19) a requirement that the contractor enter into a project labor agreement under Section 2-120 of this Act;

(20) a provision stating that construction contractors shall comply with Section 2-120 of this Act;

(21) timelines, deadlines, and scheduling;

(22) review of plans, including development, financing, construction, management, operations, or maintenance plans, by the Department;

(23) a provision regarding inspections by the Department, including inspections of construction work and improvements;

(24) rights and remedies of the Department in the event that the contractor defaults or otherwise fails to comply with the terms of the public-private agreement;

(25) a code of ethics for the contractor's officers and employees; and

(26) procedures for amendment to the agreement.

(b) The public-private agreement may include any or all of the following:

(1) a provision regarding the extension of the agreement that is consistent with Section 2-20 of this Act;

(2) provisions leasing to the contractor all or any portion of the South Suburban Airport, provided that the lease may not extend beyond the term of the public-private agreement.

(3) cash reserves requirements;

(4) delivery of performance and payment bonds or other performance security in a form and amount that is satisfactory to the Department;

(5) maintenance of public liability insurance;

(6) maintenance of self-insurance;

(7) provisions governing grants and loans, pursuant to which the Department may agree to make grants or loans for the development, financing, construction, management, or operation of the South Suburban Airport project from time to time from amounts received from the federal government or any agency or instrumentality of the federal government or from any State or local agency;

(8) reimbursements to the Department for work performed and goods, services, and equipment provided by the Department;

(9) provisions allowing the Department to submit any contractual disputes with the contractor relating to the public-private agreement to non-binding alternative dispute resolution proceedings; and

(10) any other terms, conditions, and provisions acceptable to the Department that the Department deems necessary and proper and in the public interest.

Section 2-40. Interim agreements.

(a) Prior to or in connection with the negotiation of the public-private agreement, the Department may enter into an

interim agreement with the contractor.

(b) The interim agreement may not authorize the contractor to perform construction work prior to the execution of the public-private agreement.

(c) The interim agreement may include any or all of the following:

(1) timelines, deadlines, and scheduling;

(2) compensation including the payment of costs and fees in the event the Department terminates the interim agreement or declines to proceed with negotiation of the public-private agreement;

(3) a provision governing the contractor's authority to commence activities related to the South Suburban Airport project including, but not limited to, project planning, advance property acquisition, design and engineering, environmental analysis and mitigation, surveying, conducting studies including revenue and transportation studies, and ascertaining the availability of financing;

(4) procurement procedures;

(5) a provision governing rights to real and personal property of the State, the Department, the contractor, and other third parties;

(6) all other terms, conditions, and provisions acceptable to the Department that the Department deems necessary and proper and in the public interest.

(d) The Department may enter into one or more interim agreements with one or more contractors if the Department determines in writing that it is in the public interest to do so.

Section 2-45. Termination of the public-private agreement. The Department may terminate a public-private agreement or interim agreement entered into by the Department under Section 2-40 of this Act if the contractor or any executive employee of the contractor is found guilty of any criminal offense related to the conduct of its business or the regulation thereof in any jurisdiction. For purposes of this Section, an "executive employee" is the President, Chairman, Chief Executive Officer, or Chief Financial Officer; any employee with executive decision-making authority over the long-term or day-to-day affairs of the contractor; or any employee whose compensation or evaluation is determined in whole or in part by the award of the public-private agreement.

Section 2-50. Public-private agreement proceeds. After the payment of all transaction costs, including payments for legal, accounting, financial, consultation, and other professional services, all moneys received by the State as compensation for the public-private agreement shall be deposited into the South Suburban Airport Improvement Fund, which is hereby created as a special fund in the State treasury. Expenditures may be made

from the South Suburban Airport Improvement Fund only in the manner as appropriated by the General Assembly by law.

Section 2-55. User fees. No user fees may be imposed by the contractor except as set forth in the public-private agreement.

Section 2-60. Selection of professional design firms. Notwithstanding any provision of law to the contrary, the selection of professional design firms by the Department for South Suburban Airport projects, other than the selection of a contractor for a public-private agreement or interim agreement, shall comply with the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

Section 2-65. Other contracts. Except as otherwise provided in a public-private agreement entered into pursuant to this Act, the Department may, pursuant to the Illinois Procurement Code and its rules, award contracts for goods, services, or equipment, or lease all or any portion of the South Suburban Airport.

Section 2-70. Planning for the South Suburban Airport project. The South Suburban Airport project shall be subject to all applicable planning requirements otherwise required by law, including land use planning, regional planning, transportation planning, and environmental compliance

requirements.

Section 2-75. Illinois Department of Transportation reporting requirements and information requests.

(a) The Department shall submit written progress reports to the Procurement Policy Board and the General Assembly on the South Suburban Airport project. These progress reports shall be provided quarterly prior to the commencement of the construction of the South Suburban Airport, and shall be provided monthly thereafter until construction is complete. The reports shall include the status of any public-private agreements or other contracting and any ongoing or completed studies. The Procurement Policy Board may determine the format for the written progress reports.

(b) Upon request, the Department shall appear and testify before the Procurement Policy Board and produce information requested by the Procurement Policy Board.

(c) At least 30 days prior to the beginning of the Department's fiscal year, the Department shall prepare an annual written progress report on the South Suburban Airport project. The report shall include the status of any public-private agreements or other contracting and any ongoing or completed studies. The report shall be delivered to the Procurement Policy Board and each county, municipality, and metropolitan planning organization whose territory includes or lies within 5 miles from the ultimate airport boundary.

Section 2-80. Illinois Department of Transportation publication requirements.

(a) The Department shall publish a notice of the execution of the public-private agreement on its website and in a newspaper of general circulation within the county or counties whose territory includes or lies within 5 miles of the ultimate airport boundary.

(b) The Department shall publish the full text of the public-private agreement on its website.

Section 2-85. Independent audits. If the public-private agreement provides for the construction of all or part of the South Suburban Airport project and the estimated construction costs under the public-private agreement exceed $50,000,000, the Department shall also require the contractor to pay the costs for an independent audit of any and all cost estimates associated with the public-private agreement as well as a review of all public costs and potential liabilities to which taxpayers could be exposed (including improvements to other transportation facilities that may be needed as a result of the public-private agreement, failure by the contractor to reimburse the Department for services provided, and potential risk and liability in the event of default on the agreement or default on other types of financing). The independent audit shall be conducted by an independent consultant selected by the

Department.

Section 2-90. Establishment of planning boundaries.

(a) The Department shall establish and provide public notice of the approximate location of the inaugural airport boundary and the ultimate airport boundary to inform the public and prevent costly and conflicting development of the land involved. The Department shall hold a public hearing when it desires to formally provide public notice of the approximate locations of the inaugural airport boundary and the ultimate airport boundary. The hearing shall be held in Will County and notice of the hearing shall be published in a newspaper or newspapers of general circulation in Will County. Any interested person or his representative shall be heard. The Department shall evaluate the testimony given at the hearing. The Department shall make a survey and prepare maps showing the location of the inaugural airport boundary and the ultimate airport boundary. The maps shall show the property lines and owners of record of all land within the inaugural airport boundary and the ultimate airport boundary and all other pertinent information. Approval of the maps with any changes resulting from the hearing shall be indicated in the record of the hearing and a notice of the approval and a copy of the maps shall be filed in the office of the recorder for Will County. Public notice of the approval and filing shall be given in newspapers of general circulation in Will County and shall be

served by registered mail within 60 days thereafter on all owners of record of the land needed for future additions.

(b) The Department may approve changes in the maps of the inaugural airport boundary and the ultimate airport boundary from time to time. The changes shall be filed and notice given in the manner provided for the original maps. After the maps are filed and notice thereof given to the owners of record of the land needed for future additions, no one shall incur development costs or place improvements in, upon, or under the land involved, nor rebuild, alter, or add to any existing structure without first giving 60 days' notice by registered mail to the Department. This prohibition shall not apply to any normal or emergency repairs to existing structures. The Department has 45 days after receipt of that notice to inform the owner of the Department's intention to acquire the land involved. After informing the owner, the Department shall have 120 days to acquire the land by purchase or to initiate action to acquire the land through the exercise of the right of eminent domain. When the land is acquired by the State no compensation shall be allowed for any construction, alteration, or addition in violation of this Section unless the Department has failed to acquire the land by purchase or has abandoned an eminent domain proceeding initiated under the provisions of this paragraph. Any land needed for modifications to the inaugural airport boundary or the ultimate airport boundary may be acquired at any time by the State. The time of

determination of the value of the property to be taken under this Section for additions to the South Suburban Airport shall be the date of the actual taking, if the property is acquired by purchase, or the date of the filing of a complaint for condemnation or as established by Section 10-5-60 of the Eminent Domain Act, if the property is acquired through the exercise of the right of eminent domain, rather than the date when the maps of the inaugural airport boundary or the ultimate airport boundary were filed of record.

Section 2-95. Relocation. The Department has the power to provide for the relocation of all persons and entities displaced by the development of the South Suburban Airport. Except when federal funds are available for the payment of direct financial assistance to persons displaced by the acquisition of their real property, the Department shall pay to displaced persons reimbursement for their reasonable relocation costs, determined in the same manner as under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and as implemented by rules adopted under that Act.

Section 2-100. Property acquisition.

(a) In addition to any other powers the Department may have under Sections 72 and 74 of the Illinois Aeronautics Act or any other applicable law, and notwithstanding any other law to the

contrary, the Department may acquire by gift, grant, lease, purchase, condemnation, or otherwise, any right, title, or interest in any private property, property held in the name of or belonging to any public body or unit of government, or any property devoted to a public use, or any other rights or easements, including any property, rights, or easements owned by the State, units of local government, or school districts, including forest preserve districts, for purposes related to the South Suburban Airport. The powers given to the Department under this Section include the power to acquire, by condemnation or otherwise, any property used for cemetery purposes within or outside of inaugural airport boundary, and to require that the cemetery be removed to a different location. The powers given to the Department under this Section include the power to condemn or otherwise acquire, and to convey, substitute property when the Department reasonably determines that monetary compensation will not be sufficient or practical just compensation for property acquired by the Department in connection with the South Suburban Airport. The acquisition of substitute property is declared to be for public use. The powers given by this Section to the Department to condemn property include the power of condemnation by quick-take under Article 20 of the Eminent Domain Act. Property acquired under this Section includes property that the Department reasonably determines will be necessary for future use, regardless of whether final regulatory or funding

decisions have been made; provided, however, that quick-take of such property is subject to Section 25-5-45 of the Eminent Domain Act.

(b) With respect to any land acquired or sought to be acquired by the Department by condemnation for the South Suburban Airport pursuant to the powers granted by Section 72 or 74 of the Aeronautics Act, the phrase "within the limitation of available appropriations" shall be deemed to require that the Department have, on the date of filing the condemnation complaint, unexpended appropriations equal to the amount of the Department's most recent offer to purchase the property.

(c) No property owned by the Department may be subject to taking by condemnation or otherwise by any unit of local government, any other airport authority, or by any agency, instrumentality, or political subdivision of the State.

Section 2-105. Rights of the Illinois Department of Transportation upon expiration or termination of the agreement.

(a) Upon the termination or expiration of the public-private agreement, including a termination for default, the Department shall have the right to take over the South Suburban Airport project and to succeed to all of the right, title, and interest in the South Suburban Airport project, subject to any liens on revenues previously granted by the contractor to any person providing financing for the South

Suburban Airport project.

(b) If the Department elects to take over the South Suburban Airport project as provided in subsection (a) of this Section, the Department may, without limitation, do the following:

(1) develop, finance, construct, maintain, or operate the project, including through another public-private agreement entered into in accordance with this Act; or

(2) impose, collect, retain, and use user fees, if any, for the project.

(c) If the Department elects to take over the South Suburban Airport project as provided in subsection (a) of this Section, the Department may, without limitation, use the revenues, if any, for any lawful purpose, including to:

(1) make payments to individuals or entities in connection with any financing of the South Suburban Airport project;

(2) permit a contractor or third party to receive some or all of the revenues under the public-private agreement entered into under this Act;

(3) pay development costs of the South Suburban Airport;

(4) pay current operation costs of the South Suburban Airport; and

(5) pay the contractor for any compensation or payment owing upon termination.

(d) All real property acquired as a part of the South Suburban Airport shall be held in the name of the State of Illinois upon termination of the South Suburban Airport project.

(e) The full faith and credit of the State or any political subdivision of the State or the Department is not pledged to secure any financing of the contractor by the election to take over the South Suburban Airport project. Assumption of development, operation, or both, of the South Suburban Airport project does not obligate the State or any political subdivision of the State or the Department to pay any obligation of the contractor.

Section 2-110. Standards for the South Suburban Airport project. The plans and specifications for the South Suburban Airport project shall comply with the following:

(1) the Department's standards for other projects of a similar nature or as otherwise provided in the public-private agreement;

(2) the Professional Engineering Practice Act of 1989, the Structural Engineering Practice Act of 1989, the Illinois Architecture Practice Act of 1989, and the Illinois Professional Land Surveyor Act of 1989; and

(3) any other applicable State or federal standards.

Section 2-115. Financial arrangements.

(a) The Department may apply for, execute, or endorse applications submitted by contractors and other third parties to obtain federal, State, or local credit assistance to develop, finance, maintain, or operate the South Suburban Airport project.

(b) The Department may take any action to obtain federal, State, or local assistance for the South Suburban Airport project that serves the public purpose of this Act and may enter into any contracts required to receive the federal assistance. The Department may determine that it serves the public purpose of this Act for all or any portion of the costs of the South Suburban Airport project to be paid, directly or indirectly, from the proceeds of a grant or loan, line of credit, or loan guarantee made by a local, State, or federal government or any agency or instrumentality of a local, State, or federal government. This assistance may include, but not be limited to, federal credit assistance under the Transportation Infrastructure Finance and Innovation Act (TIFIA).

(c) The Department may agree to make grants or loans for the development, financing, construction, management, operation, or maintenance of the South Suburban Airport project from time to time, from amounts received from the federal, State, or local government or any agency or instrumentality of the federal, State, or local government.

(d) Any financing of the South Suburban Airport project may

be in the amounts and subject to the terms and conditions contained in the public-private agreement.

(e) For the purpose of financing the South Suburban Airport project, the contractor and the Department may do the following:

(1) propose to use any and all revenues that may be available to them;

(2) enter into grant agreements;

(3) access any other funds available to the Department; and

(4) accept grants from any public or private agency or entity.

(f) For the purpose of financing the South Suburban Airport project, public funds may be used, mixed, and aggregated with funds provided by or on behalf of the contractor or other private entities.

(g) For the purpose of financing the South Suburban Airport project, the Department is authorized to apply for, execute, or endorse applications for an allocation of tax-exempt bond financing authorization provided by Section 142(m) of the United States Internal Revenue Code, as well as financing available under any other federal law or program.

(h) Any bonds, debt, other securities, or other financing issued or incurred by the contractor for the purposes of this Act shall not be deemed to constitute a debt of the State or any political subdivision of the State or a pledge of the faith

and credit of the State or any political subdivision of the State.

Section 2-120. Labor.

(a) The public-private agreement shall require the contractor to enter into a project labor agreement.

(b) The public-private agreement shall require all construction contractors to comply with the requirements of Section 30-22 of the Illinois Procurement Code as they apply to responsible bidders and to present satisfactory evidence of that compliance to the Department, unless the South Suburban Airport project is federally funded and the application of those requirements would jeopardize the receipt or use of federal funds in support of the South Suburban Airport project.

Section 2-125. Law enforcement.

(a) All law enforcement officers of the State and of each affected local jurisdiction have the same powers and jurisdiction within the boundaries of the South Suburban Airport as they have in their respective areas of jurisdiction.

(b) Law enforcement officers shall have access to the South Suburban Airport at any time for the purpose of exercising the law enforcement officers' powers and jurisdiction.

Section 2-130. Term of agreement; reversion of property to the Department.

(a) The Department shall terminate the contractor's authority and duties under the public-private agreement on the date set forth in the public-private agreement.

(b) Upon termination of the public-private agreement, the authority and duties of the contractor under this Act cease, except for those duties and obligations that extend beyond the termination, as set forth in the public-private agreement, and all interests in the South Suburban Airport shall revert to the Department.

Section 2-135. Additional powers of the Department with respect to the South Suburban Airport.

(a) The Department may exercise any powers provided under this Act in participation or cooperation with any governmental entity and enter into any contracts to facilitate that participation or cooperation. The Department shall cooperate with other governmental entities under this Act.

(b) The Department may make and enter into all contracts and agreements necessary or incidental to the performance of the Department's duties and the execution of the Department's powers under this Act. Except as otherwise required by law, these contracts or agreements are not subject to any approvals other than the approval of the Department, Governor, or federal agencies and may contain any terms that are considered reasonable by the Department and not in conflict with any provisions of this Act or other statutes, rules, or laws.

(c) The Department may pay the costs incurred under the public-private agreement entered into under this Act from any funds available to the Department for the purpose of the South Suburban Airport under this Act or any other statute.

(d) The Department and other State agencies shall not take any action that would impair the public-private agreement entered into under this Act, except as provided by law.

(e) The Department may enter into an agreement between and among the contractor, the Department, and the Department of State Police concerning the provision of law enforcement assistance with respect to the South Suburban Airport under this Act.

(f) The Department is authorized to enter into arrangements with the Illinois State Police related to costs incurred in providing law enforcement assistance under this Act.

Section 2-140. Prohibited local action; home rule. A unit of local government, including a home rule unit, may not take any action that would have the effect of impairing the development, construction management operation, or maintenance of the South Suburban Airport pursuant to the public-private agreement authorized under this Act. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

Section 2-145. Powers liberally construed. The powers conferred by this Act shall be liberally construed in order to accomplish their purposes and shall be in addition and supplemental to the powers conferred to the Department by any other law. If any other law or rule is inconsistent with this Act, this Act is controlling as to the authority of the Department and any public-private agreement entered into under this Act.

Section 2-150. Full and complete authority. This Act contains full and complete authority for (i) agreements and leases with private entities to carry out the activities described in this Act and (ii) the Department to take any and all actions authorized by this Act. Notwithstanding any provision of any other law to the contrary, no procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the Department or any other State or local agency or official are required to enter into an agreement or lease.

Section 2-155. Prior actions. Nothing in this Act shall be deemed to invalidate any actions previously taken or commenced by the Department prior to the adoption of this Act that relate to the development of the South Suburban Airport or any acquisition of property related thereto.

ARTICLE 3.

BROWNFIELDS REDEVELOPMENT AND INTERMODAL PROMOTION ACT

Section 3-1. Short title. This Article may be cited as the Brownfields Redevelopment and Intermodal Promotion Act. References in this Article to "this Act" mean this Article.

Section 3-5. Findings. The General Assembly has determined that it is in the interest of the State of Illinois to facilitate remediation and productive re-use of brownfield sites located within specified areas and communities in Illinois; to capitalize on current trends in international trade routes by encouraging the redevelopment of brownfield sites located near existing freight assets into scattered site logistics parks and related facilities and businesses; and furthermore that it is in the interest of the State to encourage the hiring of minority and other historically disadvantaged individuals in new businesses or facilities developed with State assistance, and especially to encourage the hiring of individuals who reside in high-unemployment communities where such businesses or facilities are developed.

Section 3-10. Definitions. As used in this Act:

"Affected Municipality" means a municipality whose boundaries are partially or completely within the Brownfields Redevelopment Zone and where an Eligible Project will take

place.

"Developer Agreement" means the agreement between an eligible developer or eligible employer and the Department under this Act.

"Brownfield" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant; for the purposes of this Act, a property will be considered a brownfield if a prospective purchaser seeking financing from a private financial institution is required by that institution to conduct a Phase I Environmental Site Assessment (ESA), as defined by ASTM Standard E-1527-05 ("Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process").

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of the Department of Commerce and Economic Opportunity.

"Eligible Developer" means an individual, partnership, corporation, or other entity, currently and actively engaged in the development of logistics, warehousing, distribution, or light manufacturing facilities in North America, including the Managing Partner of the South Suburban Brownfields Redevelopment Zone, that owns, options, or otherwise directly controls a parcel of land that is included in a South Suburban Brownfields Redevelopment Zone Project.

"Eligible employer" means an individual, partnership, corporation, or other entity that employs or will employ full-time employees at finished facilities on property that is within the South Suburban Brownfields Redevelopment Zone.

"Employment goal" means the goal of achieving a minimum percentage of labor hours to be performed by employees who are a member of a minority group and who reside in one of the municipalities containing property that is part of the South Suburban Brownfields Redevelopment Zone.

"Full-time employee" means an individual who is employed for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization is a full-time employee if employed in the service of the eligible employer for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment.

"Eligible Project" means those projects described in Section 3-35 of this Act.

"Incremental income tax" means the total amount withheld from the compensation of new employees under Article 7 of the Illinois Income Tax Act arising from employment by an eligible employer.

"Infrastructure" means roads and streets, bridges,

sidewalks, street lights, water and sewer line extensions or improvements, storm water drainage and retention facilities, gas and electric utility line extensions or improvements, and rail improvements including signalization and siding construction or repair, on publicly owned land or other public improvements that are essential to the development of a Redevelopment Zone Project.

"Intermodal" means a type of international freight system that permits transshipping among sea, highway, rail and air modes of transportation through use of ANSI/International Organization for Standardization containers, line haul assets, and handling equipment.

"Intermodal terminal" means an integrated facility where trailers and containers are transferred between intermodal railcars and highway carriers, including domestic and international container shipments; or an integrated facility where dry or liquid bulk and packaged commodities are transferred between conventional railroad freight cars and highway carriers.

"Managing Partner" means a representative of Cook County appointed by the President of the Board of Commissioners of Cook County or a duly created instrumentality of the County which enters into an agreement with the Department as described in subsection (c) of Section 3-30 of this Act regarding the overall management and use of Increment Funds and which is authorized by the County to undertake, or to enter into

Development agreements with third parties to undertake, activities necessary for the redevelopment of parcels designated under this Act as part of a South Suburban Brownfields Redevelopment Zone. For the purposes of this definition, a "duly created instrumentality of the county" is a company that:

(1) is licensed to conduct business in the State of Illinois;

(2) has (i) executed industrial developments of the type described as "eligible projects" in Section 3-35 and duly met all of its financial obligations entailed in those projects and (ii) managed each of the types of tasks described in Section 3-45 of this Act as "eligible activities", performing those activities with results that met or exceeded the objectives of the project, or otherwise possesses the business experience described in this item (2);

(3) is selected through a competitive Request for Proposals process conducted according to rules and standards generally applicable to the selection of professional service contractors by the government of Cook County.

"Minority" means a person who is a citizen or lawful permanent resident of the United States and who is:

(i) African American, meaning a person whose origins are in any of the Black racial groups of Africa, and who

has historically and consistently identified himself or herself as being such a person;

(ii) Hispanic American or Latino American, meaning a person whose origins are in Mexico, Central or South America, or any of the Spanish speaking islands of the Caribbean (for example Cuba and Puerto Rico), regardless of race, and who has historically and consistently identified himself or herself as being such a person;

(iii) Asian or Pacific Islander American, meaning a person whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas, or the Indian Subcontinent, and who has historically and consistently identified himself or herself as being such a person; or

(iv) Native American, meaning a person having origins in any of the original peoples of North America, and who maintain tribal affiliation or demonstrate at least one-quarter descent from such groups, and who has historically and consistently identified himself or herself as being such a person.

"New employee" means a full-time employee first employed by an eligible employer for a project that is the subject of an agreement between the Managing Partner and an eligible developer or eligible employer and who is hired after the eligible developer enters into the agreement, but does not include:

(1) an employee of the eligible employer who performs a job that (i) existed for at least 6 months before the employee was hired and (ii) was previously performed by another employee;

(2) an employee of the eligible employer who was previously employed in Illinois by a related member of the eligible employer and whose employment was shifted to the eligible employer after the eligible employer entered into the agreement; or

(3) a child, grandchild, parent, or spouse, other than a spouse who is legally separated from the individual, of any individual who has a direct or an indirect ownership interest of at least 5% in the profits, capital, or value of the eligible employer.

Notwithstanding item (2) of this definition, an employee may be considered a new employee under the agreement if the employee performs a job that was previously performed by an employee who was: (i) treated under the agreement as a new employee and (ii) promoted by the eligible employer to another job.

"Professional Employer Organization" means an employee leasing company, as defined in Section 206.1(A)(2) of the Unemployment Insurance Act.

"Related member" means a person or entity that, with respect to the eligible employer during any portion of the taxable year, is any one of the following:

(1) an individual stockholder, if the stockholder and the members of the stockholder's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the eligible employer's outstanding stock;

(2) a partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust, and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or value of the eligible employer;

(3) a corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns directly, indirectly, beneficially, or constructively at least 50% of the value of the corporation's outstanding stock;

(4) a corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own in the

aggregate at least 50% of the profits, capital, stock, or value of the eligible employer; or

(5) a person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code, except, for purposes of determining whether a person is a related member under this definition, 20% shall be substituted for 5% wherever 5% appears in Section 1563(e) of the Internal Revenue Code.

"South Suburban Brownfields Advisory Council" or "Advisory Council" means a body comprised of representatives of Affected Municipalities, along with experts appointed by the President of the Cook County Board of Commissioners and the Governor of Illinois, created to guide development within the South Suburban Brownfields Redevelopment Zone.

"South Suburban Brownfields Redevelopment Zone Project" or "Project" means an Eligible Project, as described in Section 3-35, to coordinate the redevelopment and re-use of industrial sites within the South Suburban Brownfields Redevelopment Zone in southern Cook County.

"South Suburban Brownfields Redevelopment Zone", "Brownfields Redevelopment Zone" or "Zone" means the area fully encompassing all properties, acreage, and structures, including sites that conform to the Environmental Protection Agency definition of Brownfield Industrial Sites, that are zoned for industrial uses by the applicable local zoning agency and which are located within the following South Suburban Cook

County municipalities that surround the Canadian National and Union Pacific intermodal freight terminals in Harvey and Dolton, Illinois respectively: Dixmoor, Dolton, East Hazelcrest, Harvey, Hazelcrest, Homewood, Markham, Phoenix, Posen, Riverdale, South Holland and Thornton. The South Suburban Brownfields Advisory Council shall advise the Managing Partner in regard to the selection of Projects. The composition of the Advisory Council is determined as set forth in subsection (a) of Section 3-30 of this Act.

Section 3-15. South Suburban Brownfields Redevelopment Zone Fund. The South Suburban Brownfields Redevelopment Zone Fund is created as a special fund in the State treasury. Upon certification of the Department of Revenue following review of the amounts contained in the quarter-annual report required under paragraph 4 of Section 3-50 of this Act and subject to the limits set forth in Section 3-25 of this Act, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the South Suburban Brownfields Redevelopment Fund an amount equal to the incremental income tax for the previous month attributable to new employees at finished facilities on property that was redeveloped as part of the South Suburban Brownfields Redevelopment Zone. These revenues may be used to pay the Managing Partner for its administrative expenses pursuant to Section 3-45 of this Act or to reimburse Eligible Developers or

Eligible Employers for the cost of the activities detailed under Section 3-45 of this Act for Projects being undertaken within the South Suburban Brownfields Redevelopment Zone.

Section 3-20. South Suburban Brownfields Redevelopment Fund; eligible projects. In State fiscal years 2015 through 2021, all moneys in the South Suburban Brownfields Redevelopment Zone Fund shall be held solely to fund eligible projects undertaken pursuant to the provisions of Section 3-35 of this Act and performed either directly by Cook County through a development agreement with the Department, by an entity designated by Cook County through a development agreement with the Department to perform specific tasks, or by an Eligible Developer or an Eligible Employer through a development agreement. All Eligible Projects are subject to review and approval by the Managing Partner and by the Department. The life span of the Fund may be extended past 2026 by law.

Section 3-25. Limitation on amounts for eligible projects. The total amount of tax increment to be transferred to the South Suburban Increment Fund shall not exceed $3,000,000 in each State fiscal year. Any increment generated in a given State fiscal year in excess of $3,000,000 shall be retained by the State. Any revenues in the South Suburban Brownfields Redevelopment Fund not used in a given fiscal year may be

rolled over into subsequent fiscal years. Use of the Fund to pay or reimburse eligible expenses shall not preclude the receipt of benefits from any Enterprise Zone, Tax Increment Finance District, property tax abatement program, or other business development program of a federal, State, or local economic development program that may be available to the project, and any brownfield site included in an agreement with an eligible developer or eligible employer shall remain fully eligible for all State and Federal tax incentives and grants specifically related to brownfield remediation.

Section 3-30. Managing Partner; Advisory Council; responsibilities.

(a) The Managing Partner shall report its recommendations to the Advisory Council. The Advisory Council consists of two members appointed by the Governor of the State of Illinois, two members appointed by the President of the Cook County Board of Commissioners and five members selected by the Affected Municipalities to represent them. All members shall serve for a term of 3 years. Upon expiration of each member's term, a successor shall be appointed for a term of 3 years. Vacancies on the Advisory Council shall be filled in the same manner as the original appointments and any members so appointed shall serve during the remainder of the term for which the vacancy occurred. The appointments shall be made within 90 days of the effective date of this Act. Five members shall constitute a

quorum. The Council shall elect a Chairperson amongst its members by simple majority vote. Members shall serve without compensation and accurate minutes shall be kept of all meetings of the Advisory Council. The Advisory Council shall meet no less frequently than quarterly and a meeting may be called by the Chairperson or any four members of the Board. The relationship between the Managing Partner and the Advisory Council shall be set forth in an agreement among the parties.

(b) The Managing Partner is responsible for ensuring that, in consultation with the Advisory Board, the acreage designated as part of the Zone is redeveloped to simultaneously maximize the following:

(1) Protection and improvement of the natural environment and the remediation of brownfield industrial property within the Brownfield Redevelopment Zone.

(2) Restoration of industrially zoned land to its best and highest use, defined here as the highest possible number of new jobs in logistics or manufacturing operations and the highest levels of new business revenues.

(3) Employment of local low and moderate income residents of the Zone and minority residents of the Zone and contracting with local minority-owned firms, to the extent consistent with Cook County policies and existing law.

(c) In order to fulfill the responsibilities set forth in subsection (b) of this Section, the Managing Partner has the

following powers and duties, which shall collectively comprise its program administration tasks:

(1) Create, gain approval from the Director for, and regularly update, a master plan for the redevelopment of properties and the use of the Fund, for review by the Advisory Board and the Director, including the following elements:

(A) An explanation of how the features of the master plan allow the Managing Partner to fulfill the broad responsibility outlined in this Section.

(B) The tasks that the Managing Partner will undertake, directly or through assistance in the negotiation of development agreements with eligible developers or eligible employers, to acquire, assemble, remediate, prepare for development, redevelop, or market parcels that are part of the Zone.

(C) The criteria by which the Managing Partner will evaluate and select from among potential eligible projects to carry out its basic responsibilities as outlined in this Section, including criteria that will fulfill the following programmatic goals: (i) at least 30% of labor hours must be performed by members of minority groups who reside in the municipalities where the Zone operates, and (ii) at least 20% of the dollar value of contracts and subcontracts must be held by minority-owned firms that are based in the

municipalities where the Zone operates.

(D) Methods the Managing Partner employed to receive and incorporate input on the master plan from a broad range of residents and stakeholders within the municipalities where the Zone operates, and methods it will employ to publicize the master plan so that it is constantly available for public review.

(E) Documentation of the master plan's consistency with the applicable metropolitan planning organization's current regional comprehensive plan and regional Transportation Improvement Plan (TIP), and with the current State Transportation Improvement Plan (STIP).

(2) Develop and maintain a current database or set of databases with detailed information including:

(A) All industrially zoned real estate properties that are part of the Zone, including information concerning each property's ownership; current or delinquent tax status; proximity to major elements of freight infrastructure; status as a potential or designated brownfield; and any other information to support the marketing and redevelopment of properties that are part of the Zone.

(B) All major elements of infrastructure that serve the properties that are part of the Zone, including the capacity and state of repair of rail

lines and spurs, roadways, water, sewage, and power systems.

(C) Names of minority-owned contracting firms that are based in municipalities containing property that is included in the Zone and wish to be hired by eligible developers or eligible employers, including the qualifications and contact information for these contractors.

(D) Names of individuals who are residents of municipalities containing property that is part of the Zone and are members of a minority group, who wish to be employed by eligible developers or eligible employers, including the qualifications and contact information for these residents.

(3) Execute its master plan through a series of eligible activities as outlined in Section 3-45 of this Act, governed by agreements.

(4) Evaluate project proposals to determine their appropriateness and priority for funding based on the evaluation criteria defined in the master plan.

(5) Negotiate and monitor agreements with Affected Municipalities, eligible developers and eligible employers.

(6) Maintain records of activities and financial transactions including regular reports to the Department and an annual certified public audit.

(7) Publish and make publicly available an annual report detailing local minority hiring and contracting that has resulted from the use of revenues in the Fund, to include the following: (A) the total number of labor hours performed by new employees who work at finished facilities located on property that is part of the Zone and who (i) are members of a minority group, and (ii) reside in one of the municipalities containing property that is part of the Zone; (B) the total number of labor hours performed by all new employees who work at finished facilities located on property that is part of the Zone; (C) the total dollar value of contracted or subcontracted services reimbursed with revenues from the Fund and that were performed by firms that are (i) minority-owned, and (ii) based in one of the municipalities containing property that is part of the Zone; (D) the total dollar value of contracted or subcontracted services reimbursed with revenues from the Fund; and (E) an explanation of concrete steps that will be taken if these values do not meet the programmatic goals that (i) at least 30% of labor hours must be performed by members of local minority groups, and (ii) at least 20% of the dollar value of contracts and subcontracts must be held by local minority-owned firms.

(8) Report to the Director quarterly on the progress of executing the master plan and eligible activities.

(d) The Department shall manage and allocate all South

Suburban Brownfields Redevelopment Fund revenues subject to the Director's finding that funds are being used to execute the master plan for redevelopment of properties that are part of the Zone.

The Managing Partner may, at its discretion, contract with an entity of its choosing to support these program administration tasks.

Section 3-35. Eligible projects. Funds may be used only for projects that are necessary for the establishment of a facility classified under the current edition of the Urban Land Institute's "Guide to Classifying Industrial Property" in one of the following primary categories: warehouse distribution, manufacturing (light or metal fabrication), or freight forwarding; where the secondary categories under warehouse distribution include regional, bulk, and rack-supported warehouses as well as both heavy and refrigerated distribution facilities; and where the secondary categories under manufacturing include parts assembly or packaging plants, food processing plants, and metal working plants that fashion complete products or components of machinery, transportation equipment, appliances, or construction elements and where the secondary category under freight forwarding includes truck terminals. Projects must adhere to applicable local and regional zoning regulations. Projects may consist of new construction or expansion of existing facilities so long as the

expansion results in the creation of new jobs. Projects must consist of a set of activities undertaken as part of an agreement to bring back into productive use a brownfield property that is part of the Zone, including activities defined as eligible purposes of funds in Section 3-45 of this Act.

Section 3-40. Prohibited projects. Funds shall not be used to support projects that create the following types of permanent facilities and structures:

(i) any type or kind of processing, handling, or sorting facility for any kind of municipal or private liquid or solid waste;

(ii) any type or kind of intermodal or multimodal transfer station for any kind of municipal or private liquid or solid waste; or

(iii) container storage yards that are not part of a larger facility whose primary function is the maintenance, repair, and rebuilding of transportation equipment including intermodal containers and trailers, container chassis, mechanical lift equipment, hoisting tractors, and over-the-road tractors.

Temporary or short-term processing or transfer facilities specifically used as part of an approved environmental remediation plan for a specific site or parcel under an agreement are permitted.

Section 3-45. Eligible activities. Funds held in the South

Suburban Brownfields Redevelopment Fund may be expended for the following purposes:

(1) Payment of costs undertaken directly by the Managing Partner or reimbursement of costs incurred by an eligible developer or eligible employer as part of the execution of an agreement, any of which services may be subcontracted out to third parties for the following activities:

(A) environmental site assessments, site investigations, remediation action plans, and remediation of brownfield sites located on property where any portion of an eligible project is taking place;

(B) land acquisition and site assembly, site development plans, and demolition of derelict or outdated structures.

(C) recruiting and training of individuals who are both (i) members of a minority group, and (ii) residing in one of the municipalities containing property that is part of the Zone, for employment in logistics or light manufacturing, such as through pre-employment services, pre-apprenticeship training, apprenticeship training, and skills training; expenditures for these recruiting or training activities shall not exceed 20% of the total dollars transferred to the South Suburban Increment Fund in any fiscal year or 15% of the total

dollars transferred to this Fund during the entire period of the Fund's existence.

(2) Payment of the costs of repairing or upgrading public infrastructure on publicly owned land within the Zone, including rights of way, provided such infrastructure is on public property that is either included within the Brownfields Redevelopment Zone or which is essential to the development of a Project.

In agreements with for-profit eligible developers and employers governing redevelopment of privately held land, reimbursements must first and foremost prioritize the activities described in item (A).

(3) Program administration costs. The Managing Partner may request up to a total of 15% of amounts in the Fund over the course of the fiscal year to support its responsibilities in that fiscal year or in prior years as detailed in Section 3-30 of this Act. The Managing Partner must find additional funds for any program administration costs not covered by the 15%. Subject to the Department's approval, the Managing Partner may impose a reasonable fee upon eligible developers and eligible employers who submit proposals, for purposes of processing these applications and performing such due diligence as may be necessary to assess overall feasibility of the proposed projects and their consistency with the development objectives of this Act and the Zone Master Plan as discussed in Section 3-30

of this Act. Those fees may not exceed 2% of the dollar amount requested from the Fund for the proposed project, and the Managing Partner may use these fees to support program administration. The income to the Managing Partner generated by those fees shall be counted as part of the 15% of total transfers to the Fund permitted for the Managing Partner's compensation.

Section 3-50. Agreements with Eligible Developers and Affected Municipalities. Prior to the expenditure of any amounts from the Fund (except for administration costs of the Managing Partner which may be requested periodically), the Department and the Affected Municipality shall enter into an agreement which has been recommended by the Managing Partner with an Eligible Developer or Eligible Employer who is seeking reimbursement under this Act. The agreement must contain all of the following:

(1) A detailed description of the project that is the subject of the agreement, including the location of the project, the expected number of jobs to be created by the project, and a list of the costs incurred or to be incurred by the eligible developer or employer for eligible activities, excluding any amounts that are to be funded through other public sources.

(2) A requirement that the eligible developer or eligible employer maintain operations at the project

location, stated as a minimum number of years not to exceed 10 years.

(3) A specific method for determining the number of new employees attributable to the project.

(4) A requirement that the eligible developer or eligible employer report on a quarterly basis to the Managing Partner, the Department, and the Department of Revenue the number of new employees and the incremental income tax withheld in connection with the new employees.

(5) A provision authorizing the Department to verify with the Department of Revenue the amounts reported under paragraph (4) and to report this information to the Managing Partner.

(6) A provision authorizing the Department of Revenue to audit the information reported under paragraph (4).

(7) A plan for how the eligible developer or eligible employer will encourage local low and moderate income and minority hiring and minority contracting, including specific employment and contracting goals; plans for recruiting, training, and retaining local minority employees; plans for identifying and soliciting bids from local minority-owned firms for contracted or subcontracted services; a list of two or more community organizations that it plans to work with to achieve those goals and plans; and a specific method for determining and reporting on the fulfillment of local minority and low and moderate

income hiring and minority contracting goals.

(8) A commitment from the eligible developer or eligible employer to work with the City-County Office of Workforce Employment and to consider referrals of trained workers from such Office on a timely and non-discriminatory basis.

(9) Documentation that any road improvements that are part of the agreement are consistent with the current regional Transportation Improvement Plan (TIP) and the State Transportation Improvement Plan (STIP).

(10) Evidence of approval of the Eligible Project by the Affected Municipality or Municipalities following such public hearings and public notice as may be required by Illinois law in regard to such Eligible Projects.

Section 3-55. Rules. The Department and the Department of Revenue may promulgate rules necessary to implement this Act.

ARTICLE 4.

SOUTH SUBURBAN AIRPORT AMENDATORY PROVISIONS

Section 4-5. The Department of Transportation Law of the Civil Administrative Code of Illinois is amended by changing Section 2705-220 as follows:

(20 ILCS 2705/2705-220)

Sec. 2705-220. Public private partnerships for transportation. The Department may exercise all powers granted to it under the Public Private Agreements for the Illiana Expressway Act and the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 96-913, eff. 6-9-10.)

Section 4-10. The Archaeological and Paleontological Resources Protection Act is amended by adding Section 1.75 as follows:

(20 ILCS 3435/1.75 new)

Sec. 1.75. South Suburban Airport. The Illinois Department of Transportation, and any person acting on its behalf under a public-private agreement entered into in accordance with the Public-Private Agreements for the South Suburban Airport Act, is exempt from the permit requirements of this Act, provided that the Illinois Department of Transportation, or any such person, takes reasonable steps to comply with the provisions of this Act so long as compliance does not interfere with the design, development, operation, or maintenance of the South Suburban Airport or the exercise of their powers under the Public-Private Agreements for the South Suburban Airport Act.

Section 4-15. The Human Skeletal Remains Protection Act is amended by adding Section 4.75 as follows:

(20 ILCS 3440/4.75 new)

Sec. 4.75. South Suburban Airport. The Illinois Department of Transportation, and any person acting on its behalf under a public-private agreement entered into in accordance with the Public-Private Agreements for the South Suburban Airport Act, is exempt from the permit requirements of this Act, provided that the Illinois Department of Transportation, or any such person, takes reasonable steps to comply with the provisions of this Act so long as compliance does not interfere with the design, development, operation, or maintenance of the South Suburban Airport or the exercise of their powers under the Public-Private Agreements for the South Suburban Airport Act.

Section 4-20. The Illinois Finance Authority Act is amended by adding Section 825-106.5 as follows:

(20 ILCS 3501/825-106.5 new)

Sec. 825-106.5. South Suburban Airport financing. For the purpose of financing the South Suburban Airport under the Public-Private Agreements for the South Suburban Airport Act, the Authority is authorized to apply for an allocation of tax-exempt bond financing authorization provided by Section 142(m) of the United States Internal Revenue Code, as well as financing available under any other federal law or program.

Section 4-25. The State Finance Act is amended by adding Section 5.826 as follows:

(30 ILCS 105/5.826 new)

Sec. 5.826. The South Suburban Airport Improvement Fund.

Section 4-30. The Public Construction Bond Act is amended by changing Section 1.5 as follows:

(30 ILCS 550/1.5)

Sec. 1.5. Public private agreements. This Act applies to any public private agreement entered into under the Public Private Agreements for the Illiana Expressway Act or the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 96-913, eff. 6-9-10.)

Section 4-35. The Employment of Illinois Workers on Public Works Act is amended by changing Section 2.5 as follows:

(30 ILCS 570/2.5)

Sec. 2.5. Public private agreements. This Act applies to any public private agreement entered into under the Public Private Agreements for the Illiana Expressway Act and the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 96-913, eff. 6-9-10.)

Section 4-40. The Business Enterprise for Minorities, Females, and Persons with Disabilities Act is amended by changing Section 2.5 as follows:

(30 ILCS 575/2.5)

(Section scheduled to be repealed on June 30, 2016)

Sec. 2.5. Public private agreements. This Act applies to any public private agreement entered into under the Public Private Agreements for the Illiana Expressway Act and the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 96-913, eff. 6-9-10.)

Section 4-45. The Retailers' Occupation Tax Act is amended by adding Section 1s as follows:

(35 ILCS 120/1s new)

Sec. 1s. Building materials exemption; South Suburban Airport public-private partnership.

(a) Each retailer that makes a qualified sale of building materials to be incorporated into the South Suburban Airport as defined in the Public-Private Agreements for the South Suburban Airport Act, by remodeling, rehabilitating, or new construction, may deduct receipts from those sales when calculating the tax imposed by this Act.

(b) As used in this Section, "qualified sale" means a sale of building materials that will be incorporated into the South

Suburban Airport for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the Illinois Department of Transportation, which has authority over the project.

(c) To document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the Illinois Department of Transportation, which has jurisdiction over the project into which the building materials will be incorporated is located. The Certificate of Eligibility for Sales Tax Exemption must contain all of the following:

(1) statement that the project identified in the Certificate meets all the requirements of the Illinois Department of Transportation;

(2) the location or address of the project; and

(3) the signature of the Secretary of the Illinois Department of Transportation, which has authority over the South Suburban Airport or the Secretary's delegate.

(d) In addition to meeting the requirements of subsection (c) of this Act, the retailer must obtain a certificate from the purchaser that contains all of the following:

(1) a statement that the building materials are being purchased for incorporation into the South Suburban Airport in accordance with the Public-Private Agreements for the South Suburban Airport Act;

(2) the location or address of the project into which the building materials will be incorporated;

(3) the name of the project;

(4) a description of the building materials being purchased; and

(5) the purchaser's signature and date of purchase.

(e) This Section is exempt from Section 2-70 of this Act.

Section 4-50. The Property Tax Code is amended by changing Section 15-55 as follows:

(35 ILCS 200/15-55)

Sec. 15-55. State property.

(a) All property belonging to the State of Illinois is exempt. However, the State agency holding title shall file the certificate of ownership and use required by Section 15-10, together with a copy of any written lease or agreement, in effect on March 30 of the assessment year, concerning parcels of 1 acre or more, or an explanation of the terms of any oral agreement under which the property is leased, subleased or rented.

The leased property shall be assessed to the lessee and the taxes thereon extended and billed to the lessee, and collected in the same manner as for property which is not exempt. The lessee shall be liable for the taxes and no lien shall attach to the property of the State.

For the purposes of this Section, the word "leases" includes licenses, franchises, operating agreements and other

arrangements under which private individuals, associations or corporations are granted the right to use property of the Illinois State Toll Highway Authority and includes all property of the Authority used by others without regard to the size of the leased parcel.

(b) However, all property of every kind belonging to the State of Illinois, which is or may hereafter be leased to the Illinois Prairie Path Corporation, shall be exempt from all assessments, taxation or collection, despite the making of any such lease, if it is used for:

(1) conservation, nature trail or any other charitable, scientific, educational or recreational purposes with public benefit, including the preserving and aiding in the preservation of natural areas, objects, flora, fauna or biotic communities;

(2) the establishment of footpaths, trails and other protected areas;

(3) the conservation of the proper use of natural resources or the promotion of the study of plant and animal communities and of other phases of ecology, natural history and conservation;

(4) the promotion of education in the fields of nature, preservation and conservation; or

(5) similar public recreational activities conducted by the Illinois Prairie Path Corporation.

No lien shall attach to the property of the State. No tax

liability shall become the obligation of or be enforceable against Illinois Prairie Path Corporation.

(c) If the State sells the James R. Thompson Center or the Elgin Mental Health Center and surrounding land located at 750 S. State Street, Elgin, Illinois, as provided in subdivision (a)(2) of Section 7.4 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State shall remain exempt under this Section. For the property to remain exempt under this subsection (c), the State must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the State.

If the property has been conveyed as described in this subsection (c), the property is no longer exempt pursuant to this Section as of the date when:

(1) the right of the State to use, control, and possess the property has been terminated; or

(2) the State no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the State within the limitations period for reverters.

Pursuant to Sections 15-15 and 15-20 of this Code, the State shall notify the chief county assessment officer of any

transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(c-1) If the Illinois State Toll Highway Authority sells the Illinois State Toll Highway Authority headquarters building and surrounding land, located at 2700 Ogden Avenue, Downers Grove, Illinois as provided in subdivision (a)(2) of Section 7.5 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State or the Illinois State Toll Highway Authority a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State or the Authority shall remain exempt under this Section. For the property to remain exempt under this subsection (c), the Authority must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the Authority.

If the property has been conveyed as described in this subsection (c), the property is no longer exempt pursuant to

this Section as of the date when:

(1) the right of the State or the Authority to use, control, and possess the property has been terminated; or

(2) the Authority no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the Authority within the limitations period for reverters.

Pursuant to Sections 15-15 and 15-20 of this Code, the Authority shall notify the chief county assessment officer of any transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(d) The fair market rent of each parcel of real property in Will County owned by the State of Illinois for the purpose of developing an airport by the Department of Transportation shall include the assessed value of leasehold tax. The lessee of each parcel of real property in Will County owned by the State of Illinois for the purpose of developing an airport by the Department of Transportation shall not be liable for the taxes thereon. In order for the State to compensate taxing districts

for the leasehold tax under this paragraph the Will County Supervisor of Assessments shall certify, in writing, to the Department of Transportation, the amount of leasehold taxes extended for the 2002 property tax year for each such exempt parcel. The Department of Transportation shall pay to the Will County Treasurer, from the Tax Recovery Fund, on or before July 1 of each year, the amount of leasehold taxes for each such exempt parcel as certified by the Will County Supervisor of Assessments. The tax compensation shall terminate on December 31, 2020. It is the duty of the Department of Transportation to file with the Office of the Will County Supervisor of Assessments an affidavit stating the termination date for rental of each such parcel due to airport construction. The affidavit shall include the property identification number for each such parcel. In no instance shall tax compensation for property owned by the State be deemed delinquent or bear interest. In no instance shall a lien attach to the property of the State. In no instance shall the State be required to pay leasehold tax compensation in excess of the Tax Recovery Fund's balance.

(e) Public Act 81-1026 applies to all leases or agreements entered into or renewed on or after September 24, 1979.

(f) Notwithstanding anything to the contrary in this Code, all property owned by the State that is the Illiana Expressway, as defined in the Public Private Agreements for the Illiana Expressway Act, and that is used for transportation purposes

and that is leased for those purposes to another entity whose property is not exempt shall remain exempt, and any leasehold interest in the property shall not be subject to taxation under Section 9-195 of this Act.

(g) Notwithstanding anything to the contrary in this Section, all property owned by the State or the Illinois State Toll Highway Authority that is defined as a transportation project under the Public-Private Partnerships for Transportation Act and that is used for transportation purposes and that is leased for those purposes to another entity whose property is not exempt shall remain exempt, and any leasehold interest in the property shall not be subject to taxation under Section 9-195 of this Act.

(h) Notwithstanding anything to the contrary in this Code, all property owned by the State that is the South Suburban Airport, as defined in the Public-Private Agreements for the South Suburban Airport Act, and that is used for airport purposes and that is leased for those purposes to another entity whose property is not exempt shall remain exempt, and any leasehold interest in the property shall not be subject to taxation under Section 9-195 of this Act.

(Source: P.A. 96-192, eff. 8-10-09; 96-913, eff. 6-9-10; 97-502, eff. 8-23-11.)

Section 4-55. The Foreign Trade Zones Act is amended by changing Section 1 as follows:

(50 ILCS 40/1) (from Ch. 24, par. 1361)

Sec. 1. Each of the following units of State or local government and public or private corporations shall have the power to apply to proper authorities of the United States of America pursuant to appropriate law for the right to establish, operate, maintain and lease foreign trade zones and sub-zones within its corporate limits or within limits established pursuant to agreement with proper authorities of the United States of America, as the case may be, and to establish, operate, maintain and lease such foreign trade zones and sub-zones:

(a) The City of East St. Louis.

(b) The Bi-State Authority, Lawrenceville - Vincennes Airport.

(c) The Waukegan Port district.

(d) The Illinois Valley Regional Port District.

(e) The Economic Development Council, Inc. located in the area of the United States Customs Port of Entry for Peoria, pursuant to authorization granted by the county boards in the geographic area served by the proposed foreign trade zone.

(f) The Greater Rockford Airport Authority.

(f-5) The Illinois Department of Transportation, with respect to the South Suburban Airport.

(g) After the effective date of this amendatory Act of 1984, any county, city, village or town within the State or a

public or private corporation authorized or licensed to do business in the State or any combination thereof may apply to the Foreign Trade Zones Board, United States Department of Commerce, for the right to establish, operate and maintain a foreign trade zone and sub-zones. For the purposes of this Section, such foreign trade zone or sub-zones may be incorporated outside the corporate boundaries or be made up of areas from adjoining counties or states.

(h) No foreign trade zone may be established within 50 miles of an existing zone situated in a county with 3,000,000 or more inhabitants or within 35 miles of an existing zone situated in a county with less than 3,000,000 inhabitants, such zones having been created pursuant to this Act without the permission of the authorities which established the existing zone.

(Source: P.A. 85-471.)

Section 4-60. The Downstate Forest Preserve District Act is amended by changing Section 5e as follows:

(70 ILCS 805/5e) (from Ch. 96 1/2, par. 6308e)

Sec. 5e. Property owned by a forest preserve district and property in which a forest preserve district is the grantee of a conservation easement or the grantee of a conservation right as defined in Section 1(a) of the Real Property Conservation Rights Act shall not be subject to eminent domain or

condemnation proceedings, except as otherwise provided in Section 15 of the O'Hare Modernization Act and Section 2-100 of the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 95-111, eff. 8-13-07.)

Section 4-65. The Vital Records Act is amended by changing Section 21 as follows:

(410 ILCS 535/21) (from Ch. 111 1/2, par. 73-21)

Sec. 21. (1) The funeral director or person acting as such who first assumes custody of a dead body or fetus shall make a written report to the registrar of the district in which death occurred or in which the body or fetus was found within 24 hours after taking custody of the body or fetus on a form prescribed and furnished by the State Registrar and in accordance with the rules promulgated by the State Registrar. Except as specified in paragraph (2) of this Section, the written report shall serve as a permit to transport, bury or entomb the body or fetus within this State, provided that the funeral director or person acting as such shall certify that the physician in charge of the patient's care for the illness or condition which resulted in death has been contacted and has affirmatively stated that he will sign the medical certificate of death or the fetal death certificate. If a funeral director fails to file written reports under this Section in a timely

manner, the local registrar may suspend the funeral director's privilege of filing written reports by mail. In a county with a population greater than 3,000,000, if a funeral director or person acting as such inters or entombs a dead body without having previously certified that the physician in charge of the patient's care for the illness or condition that resulted in death has been contacted and has affirmatively stated that he or she will sign the medical certificate of death, then that funeral director or person acting as such is responsible for payment of the specific costs incurred by the county medical examiner in disinterring and reinterring or reentombing the dead body.

(2) The written report as specified in paragraph (1) of this Section shall not serve as a permit to:

(a) Remove body or fetus from this State;

(b) Cremate the body or fetus; or

(c) Make disposal of any body or fetus in any manner when death is subject to the coroner's or medical examiner's investigation.

(3) In accordance with the provisions of paragraph (2) of this Section the funeral director or person acting as such who first assumes custody of a dead body or fetus shall obtain a permit for disposition of such dead human body prior to final disposition or removal from the State of the body or fetus. Such permit shall be issued by the registrar of the district where death occurred or the body or fetus was found. No such

permit shall be issued until a properly completed certificate of death has been filed with the registrar. The registrar shall insure the issuance of a permit for disposition within an expedited period of time to accommodate Sunday or holiday burials of decedents whose time of death and religious tenets or beliefs necessitate Sunday or holiday burials.

(4) A permit which accompanies a dead body or fetus brought into this State shall be authority for final disposition of the body or fetus in this State, except in municipalities where local ordinance requires the issuance of a local permit prior to disposition.

(5) A permit for disposition of a dead human body shall be required prior to disinterment of a dead body or fetus, and when the disinterred body is to be shipped by a common carrier. Such permit shall be issued to a licensed funeral director or person acting as such, upon proper application, by the local registrar of the district in which disinterment is to be made. In the case of disinterment, proper application shall include a statement providing the name and address of any surviving spouse of the deceased, or, if none, any surviving children of the deceased, or if no surviving spouse or children, a parent, brother, or sister of the deceased. The application shall indicate whether the applicant is one of these parties and, if so, whether the applicant is a surviving spouse or a surviving child. Prior to the issuance of a permit for disinterment, the local registrar shall, by certified mail, notify the surviving

spouse, unless he or she is the applicant, or if there is no surviving spouse, all surviving children except for the applicant, of the application for the permit. The person or persons notified shall have 30 days from the mailing of the notice to object by obtaining an injunction enjoining the issuance of the permit. After the 30-day period has expired, the local registrar shall issue the permit unless he or she has been enjoined from doing so or there are other statutory grounds for refusal. The notice to the spouse or surviving children shall inform the person or persons being notified of the right to seek an injunction within 30 days. Notwithstanding any other provision of this subsection (5), a court may order issuance of a permit for disinterment without notice or prior to the expiration of the 30-day period where the petition is made by an agency of any governmental unit and good cause is shown for disinterment without notice or for the early order. Nothing in this subsection (5) limits the authority of the City of Chicago to acquire property or otherwise exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this subsection (5) when exercising powers under the O'Hare Modernization Act. <u>The Illinois Department of Transportation, and any person acting on its behalf under a public-private agreement entered into in accordance with the Public-Private Agreements for the South Suburban Airport Act, is exempt from this subsection (5), provided that the Illinois</u>

Department of Transportation, or any such person, takes reasonable steps to comply with the provisions of this subsection (5) so long as compliance does not interfere with the design, development, operation, or maintenance of the South Suburban Airport or the exercise of their powers under the Public-Private Agreements for the South Suburban Airport Act.

(Source: P.A. 93-450, eff. 8-6-03.)

Section 4-70. The Eminent Domain Act is amended by changing Section 10-5-10 and by adding Sections 15-5-47 and 25-5-45 as follows:

(735 ILCS 30/10-5-10) (was 735 ILCS 5/7-102)

Sec. 10-5-10. Parties.

(a) When the right (i) to take private property for public use, without the owner's consent, (ii) to construct or maintain any public road, railroad, plankroad, turnpike road, canal, or other public work or improvement, or (iii) to damage property not actually taken has been or is conferred by general law or special charter upon any corporate or municipal authority, public body, officer or agent, person, commissioner, or corporation and when (i) the compensation to be paid for or in respect of the property sought to be appropriated or damaged for the purposes mentioned cannot be agreed upon by the parties interested, (ii) the owner of the property is incapable of consenting, (iii) the owner's name or residence is unknown, or

(iv) the owner is a nonresident of the State, then the party authorized to take or damage the property so required, or to construct, operate, and maintain any public road, railroad, plankroad, turnpike road, canal, or other public work or improvement, may apply to the circuit court of the county where the property or any part of the property is situated, by filing with the clerk a complaint. The complaint shall set forth, by reference, (i) the complainant's authority in the premises, (ii) the purpose for which the property is sought to be taken or damaged, (iii) a description of the property, and (iv) the names of all persons interested in the property as owners or otherwise, as appearing of record, if known, or if not known stating that fact; and shall pray the court to cause the compensation to be paid to the owner to be assessed.

(b) If it appears that any person not in being, upon coming into being, is, or may become or may claim to be, entitled to any interest in the property sought to be appropriated or damaged, the court shall appoint some competent and disinterested person as guardian ad litem to appear for and represent that interest in the proceeding and to defend the proceeding on behalf of the person not in being. Any judgment entered in the proceeding shall be as effectual for all purposes as though the person was in being and was a party to the proceeding.

(c) If the proceeding seeks to affect the property of persons under guardianship, the guardians shall be made parties

defendant.

(d) Any interested persons whose names are unknown may be made parties defendant by the same descriptions and in the same manner as provided in other civil cases.

(e) When the property to be taken or damaged is a common element of property subject to a declaration of condominium ownership, pursuant to the Condominium Property Act, or of a common interest community, the complaint shall name the unit owners' association in lieu of naming the individual unit owners and lienholders on individual units. Unit owners, mortgagees, and other lienholders may intervene as parties defendant. For the purposes of this Section, "common interest community" has the same meaning as set forth in subsection (c) of Section 9-102 of the Code of Civil Procedure. "Unit owners' association" or "association" shall refer to both the definition contained in Section 2 of the Condominium Property Act and subsection (c) of Section 9-102 of the Code of Civil Procedure.

(f) When the property is sought to be taken or damaged by the State for the purposes of establishing, operating, or maintaining any State house or State charitable or other institutions or improvements, the complaint shall be signed by the Governor, or the Governor's designee, or as otherwise provided by law.

(g) No property, except property described in Section 3 of the Sports Stadium Act, property to be acquired in furtherance

of actions under Article 11, Divisions 124, 126, 128, 130, 135, 136, and 139, of the Illinois Municipal Code, property to be acquired in furtherance of actions under Section 3.1 of the Intergovernmental Cooperation Act, property to be acquired that is a water system or waterworks pursuant to the home rule powers of a unit of local government, and property described as Site B in Section 2 of the Metropolitan Pier and Exposition Authority Act, and property that may be taken as provided in the Public-Private Agreements for the South Suburban Airport Act belonging to a railroad or other public utility subject to the jurisdiction of the Illinois Commerce Commission may be taken or damaged, pursuant to the provisions of this Act, without the prior approval of the Illinois Commerce Commission. (Source: P.A. 94-1055, eff. 1-1-07; incorporates P.A. 94-1007, eff. 1-1-07; 95-331, eff. 8-21-07.)

(735 ILCS 30/15-5-47 new)

Sec. 15-5-47. Eminent domain powers in new Acts. The following provisions of law may include express grants of the power to acquire property by condemnation or eminent domain:

Public-Private Agreements for the South Suburban Airport Act; Department of Transportation; for South Suburban Airport purposes.

(735 ILCS 30/25-5-45 new)

Sec. 25-5-45. Quick-take; South Suburban Airport. Quick-take proceedings under Article 20 may be used by the Department of Transportation for the purpose of development of the South Suburban Airport within the boundaries designated on the map filed with the Secretary of State on May 28, 2013 and known as file number 98-GA-D01.

Section 4-75. The Religious Freedom Restoration Act is amended by changing Section 30 as follows:

(775 ILCS 35/30)

Sec. 30. O'Hare Modernization and South Suburban Airport. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act, or the Department of Transportation to exercise its powers under the Public-Private Agreements for the South Suburban Airport Act, for the purposes of relocation of cemeteries or the graves located therein.

(Source: P.A. 93-450, eff. 8-6-03.)

ARTICLE 5.

AMENDATORY PROVISIONS

Section 5-5. The Illinois Enterprise Zone Act is amended by changing Sections 4.1, 5.2, 5.2.1, 5.3, 5.5, 8.1, and 8.2 as follows:

(20 ILCS 655/4.1)

Sec. 4.1. Department recommendations.

(a) For all applications that qualify under Section 4 of this Act, the Department shall issue recommendations by assigning a score to each applicant. The scores will be determined by the Department, based on the extent to which an applicant meets the criteria points under subsection (f) of Section 4 of this Act. Scores will be determined using the following scoring system:

(1) Up to 50 points for the extent to which the applicant meets or exceeds the criteria in item (1) of subsection (f) of Section 4 of this Act, with points awarded according to the severity of the unemployment.

(2) Up to 50 points for the extent to which the applicant meets or exceeds the criteria in item (2) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the number of jobs created and the aggregate amount of investment promised.

(3) Up to 40 points for the extent to which the applicant meets or exceeds the criteria in item (3) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the severity of the unemployment rate according to the latest federal decennial census.

(4) Up to 30 points for the extent to which the applicant meets or exceeds the criteria in item (4) of

subsection (f) of Section 4 of this Act, with points awarded in accordance with the severity of the environmental impact of the abandoned coal mine, brownfield, or federal disaster area.

(5) Up to 50 points for the extent to which the applicant meets or exceeds the criteria in item (5) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the severity of the applicable facility closures or downsizing.

(6) Up to 40 points for the extent to which the applicant meets or exceeds the criteria in item (6) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the severity and extent of the high floor vacancy or deterioration.

(7) Up to 30 points for the extent to which the applicant meets or exceeds the criteria in item (7) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the extent to which the application addresses a plan to improve the State and local government tax base.

(8) Up to 50 points for the extent to which the applicant meets or exceeds the criteria in item (8) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the existence of significant public infrastructure.

(9) Up to 40 points for the extent to which the

applicant meets or exceeds the criteria in item (9) of subsection (f) of Section 4 of this Act, with points awarded in accordance with the extent to which educational programs exist for career preparation.

(10) Up to 40 points for the extent to which the applicant meets or exceeds the criteria in item (10) of subsection (f) of Section 4 of this Act, with points awarded according to the severity of the change in equalized assessed valuation.

(b) After assigning a score for each of the individual criteria using the point system as described in subsection (a), the Department shall then take the sum of the scores for each applicant and assign a final score. The Department shall then submit this information to the Board, as required in subsection (c) of Section 5.2, as its recommendation.

(Source: P.A. 97-905, eff. 8-7-12.)

(20 ILCS 655/5.2) (from Ch. 67 1/2, par. 607)

Sec. 5.2. Department Review of Enterprise Zone Applications.

(a) All applications which are to be considered and acted upon by the Department during a calendar year must be received by the Department no later than December 31 of the preceding calendar year.

Any application received after December 31 of any calendar year shall be held by the Department for consideration and

action during the following calendar year.

Each enterprise zone application shall include a specific definition of the applicant's local labor market area.

(a-5) The Department shall, no later than July ~~March~~ 31, 2013, develop an application process for an enterprise zone application. The Department has emergency rulemaking authority for the purpose of application development only until 12 ~~9~~ months after the effective date of this amendatory Act of the 97th General Assembly.

(b) Upon receipt of an application from a county or municipality the Department shall review the application to determine whether the designated area qualifies as an enterprise zone under Section 4 of this Act.

(c) No later than June 30, the Department shall notify all applicant municipalities and counties of the Department's determination of the qualification of their respective designated enterprise zone areas, and shall send qualifying applications, including the applicant's scores for items (1) through (10) of subsection (a) of Section 4.1 and the applicant's final score under that Section, to the Board for the Board's consideration, along with supporting documentation of the basis for the Department's decision.

(d) If any such designated area is found to be qualified to be an enterprise zone by the Department under subsection (c) of this Section, the Department shall, no later than July 15, send a letter of notification to each member of the General Assembly

whose legislative district or representative district contains all or part of the designated area and publish a notice in at least one newspaper of general circulation within the proposed zone area to notify the general public of the application and their opportunity to comment. Such notice shall include a description of the area and a brief summary of the application and shall indicate locations where the applicant has provided copies of the application for public inspection. The notice shall also indicate appropriate procedures for the filing of written comments from zone residents, business, civic and other organizations and property owners to the Department.

(e) (Blank).

(f) (Blank).

(g) (Blank).

(h) (Blank).

(Source: P.A. 97-905, eff. 8-7-12.)

(20 ILCS 655/5.2.1)

Sec. 5.2.1. Enterprise Zone Board.

(a) An Enterprise Zone Board is hereby created within the Department.

(b) The Board shall consist of the following 5 members:

(1) the Director of Commerce and Economic Opportunity, or his or her designee, who shall serve as chairperson;

(2) the Director of Revenue, or his or her designee; and

(3) three members appointed by the Governor, with the advice and consent of the Senate.

Board members shall serve without compensation but may be reimbursed for necessary expenses incurred in the performance of their duties.

(c) Each member appointed under item (3) of subsection (b) shall have at least 5 years of experience in business, economic development, or site location. Of the members appointed under item (3) of subsection (b): one member shall reside in Cook County; one member shall reside in DuPage, Kane, Lake, McHenry, or Will County; and one member shall reside in a county other than Cook, DuPage, Kane, Lake, McHenry, or Will.

(d) Of the initial members appointed under item (3) of subsection (b): one member shall serve for a term of 2 years; one member shall serve for a term of 3 years; and one member shall serve for a term of 4 years. Thereafter, all members appointed under item (3) of subsection (b) shall serve for terms of 4 years. Members appointed under item (3) of subsection (b) may be reappointed. The Governor may remove a member appointed under item (3) of subsection (b) for incompetence, neglect of duty, or malfeasance in office.

(e) By September 30, 2015 ~~2014~~, and September 30 of each year thereafter, all applications filed by December 31 of the preceding calendar year and deemed qualified by the Department shall be approved or denied by the Board. If such application is not approved by September 30, the application shall be

considered denied. If an application is denied, the Board shall inform the applicant of the specific reasons for the denial.

(f) A majority of the Board will determine whether an application is approved or denied. The Board is not, at any time, required to designate an enterprise zone.

(g) In determining which designated areas shall be approved and certified as enterprise zones, the Board shall give preference to the extent to which the area meets the criteria set forth in Section 4.

(Source: P.A. 97-905, eff. 8-7-12.)

(20 ILCS 655/5.3) (from Ch. 67 1/2, par. 608)

Sec. 5.3. Certification of Enterprise Zones; Effective date.

(a) Certification of Board-approved designated Enterprise Zones shall be made by the Department by certification of the designating ordinance. The Department shall promptly issue a certificate for each Enterprise Zone upon approval by the Board. The certificate shall be signed by the Director of the Department, shall make specific reference to the designating ordinance, which shall be attached thereto, and shall be filed in the office of the Secretary of State. A certified copy of the Enterprise Zone Certificate, or a duplicate original thereof, shall be recorded in the office of recorder of deeds of the county in which the Enterprise Zone lies.

(b) An Enterprise Zone shall be effective on January 1 of

the first calendar year after Department certification. The Department shall transmit a copy of the certification to the Department of Revenue, and to the designating municipality or county.

Upon certification of an Enterprise Zone, the terms and provisions of the designating ordinance shall be in effect, and may not be amended or repealed except in accordance with Section 5.4.

(c) With the exception of Enterprise Zones scheduled to expire before December 31, 2018, an Enterprise Zone designated before the effective date of this amendatory Act of the 97th General Assembly shall be in effect for 30 calendar years, or for a lesser number of years specified in the certified designating ordinance. Notwithstanding the foregoing, any Enterprise Zone in existence on the effective date of this amendatory Act of the 98th General Assembly that has a term of 20 calendar years may be extended for an additional 10 calendar years upon amendment of the designating ordinance by the designating municipality or county and submission of the ordinance to the Department. The amended ordinance must be properly recorded in the Office of Recorder of Deeds of each county in which the Enterprise Zone lies. Each Enterprise Zone in existence on the effective date of this amendatory Act of the 97th General Assembly that is scheduled to expire before July 1, 2016 may ~~will~~ have its termination date extended until July 1, 2016 upon amendment of the designating ordinance by the

designating municipality or county extending the termination date to July 1, 2016 and submission of the ordinance to the Department. The amended ordinance must be properly recorded in the Office of Recorder of Deeds of each county in which the Enterprise Zone lies. An Enterprise Zone designated on or after the effective date of this amendatory Act of the 97th General Assembly shall be in effect for a term of 15 calendar years, or for a lesser number of years specified in the certified designating ordinance. An enterprise zone designated on or after the effective date of this amendatory Act of the 97th General Assembly shall be subject to review by the Board after 13 years for an additional 10-year designation beginning on the expiration date of the enterprise zone. During the review process, the Board shall consider the costs incurred by the State and units of local government as a result of tax benefits received by the enterprise zone. Enterprise Zones shall terminate at midnight of December 31 of the final calendar year of the certified term, except as provided in Section 5.4.

(d) No more than 12 Enterprise Zones may be certified by the Department in calendar year 1984, no more than 12 Enterprise Zones may be certified by the Department in calendar year 1985, no more than 13 Enterprise Zones may be certified by the Department in calendar year 1986, no more than 15 Enterprise Zones may be certified by the Department in calendar year 1987, and no more than 20 Enterprise Zones may be certified by the Department in calendar year 1990. In other

calendar years, no more than 13 Enterprise Zones may be certified by the Department. The Department may also designate up to 8 additional Enterprise Zones outside the regular application cycle if warranted by the extreme economic circumstances as determined by the Department. The Department may also designate one additional Enterprise Zone outside the regular application cycle if an aircraft manufacturer agrees to locate an aircraft manufacturing facility in the proposed Enterprise Zone. Notwithstanding any other provision of this Act, no more than 89 Enterprise Zones may be certified by the Department for the 10 calendar years commencing with 1983. The 7 additional Enterprise Zones authorized by Public Act 86-15 shall not lie within municipalities or unincorporated areas of counties that abut or are contiguous to Enterprise Zones certified pursuant to this Section prior to June 30, 1989. The 7 additional Enterprise Zones (excluding the additional Enterprise Zone which may be designated outside the regular application cycle) authorized by Public Act 86-1030 shall not lie within municipalities or unincorporated areas of counties that abut or are contiguous to Enterprise Zones certified pursuant to this Section prior to February 28, 1990. Beginning in calendar year 2004 and until December 31, 2008, one additional enterprise zone may be certified by the Department. In any calendar year, the Department may not certify more than 3 Zones located within the same municipality. The Department may certify Enterprise Zones in each of the 10 calendar years

commencing with 1983. The Department may not certify more than a total of 18 Enterprise Zones located within the same county (whether within municipalities or within unincorporated territory) for the 10 calendar years commencing with 1983. Thereafter, the Department may not certify any additional Enterprise Zones, but may amend and rescind certifications of existing Enterprise Zones in accordance with Section 5.4.

(e) Notwithstanding any other provision of law, if (i) the county board of any county in which a current military base is located, in part or in whole, or in which a military base that has been closed within 20 years of the effective date of this amendatory Act of 1998 is located, in part or in whole, adopts a designating ordinance in accordance with Section 5 of this Act to designate the military base in that county as an enterprise zone and (ii) the property otherwise meets the qualifications for an enterprise zone as prescribed in Section 4 of this Act, then the Department may certify the designating ordinance or ordinances, as the case may be.

(f) Applications for Enterprise Zones that are scheduled to expire in 2016~~, 2017, or 2018~~, including Enterprise Zones that have been extended until 2016 by this amendatory Act of the 97th General Assembly, shall be submitted to the Department no later than December 31, 2014 ~~the date established by the Department by rule pursuant to Section 5.2~~. At that time, the Zone becomes available for either the previously designated area or a different area to compete for designation. No

preference for designation as a Zone will be given to the previously designated area.

For Enterprise Zones that are scheduled to expire on or after January 1, 2017 ~~2019~~, an application process shall begin 2 years prior to the year in which the Zone expires. At that time, the Zone becomes available for either the previously designated area or a different area to compete for designation. No preference for designation as a Zone will be given to the previously designated area.

Each Enterprise Zone that reapplies for certification but does not receive a new certification shall expire on its scheduled termination date.

(Source: P.A. 97-905, eff. 8-7-12.)

(20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

Sec. 5.5. High Impact Business.

(a) In order to respond to unique opportunities to assist in the encouragement, development, growth and expansion of the private sector through large scale investment and development projects, the Department is authorized to receive and approve applications for the designation of "High Impact Businesses" in Illinois subject to the following conditions:

(1) such applications may be submitted at any time during the year;

(2) such business is not located, at the time of designation, in an enterprise zone designated pursuant to

this Act;

(3) the business intends to do one or more of the following:

(A) the business intends to make a minimum investment of $12,000,000 which will be placed in service in qualified property and intends to create 500 full-time equivalent jobs at a designated location in Illinois or intends to make a minimum investment of $30,000,000 which will be placed in service in qualified property and intends to retain 1,500 full-time retained jobs at a designated location in Illinois. The business must certify in writing that the investments would not be placed in service in qualified property and the job creation or job retention would not occur without the tax credits and exemptions set forth in subsection (b) of this Section. The terms "placed in service" and "qualified property" have the same meanings as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B) the business intends to establish a new electric generating facility at a designated location in Illinois. "New electric generating facility", for purposes of this Section, means a newly-constructed electric generation plant or a newly-constructed generation capacity expansion at an existing electric generation plant, including the transmission lines and

associated equipment that transfers electricity from points of supply to points of delivery, and for which such new foundation construction commenced not sooner than July 1, 2001. Such facility shall be designed to provide baseload electric generation and shall operate on a continuous basis throughout the year; and (i) shall have an aggregate rated generating capacity of at least 1,000 megawatts for all new units at one site if it uses natural gas as its primary fuel and foundation construction of the facility is commenced on or before December 31, 2004, or shall have an aggregate rated generating capacity of at least 400 megawatts for all new units at one site if it uses coal or gases derived from coal as its primary fuel and shall support the creation of at least 150 new Illinois coal mining jobs, or (ii) shall be funded through a federal Department of Energy grant before December 31, 2010 and shall support the creation of Illinois coal-mining jobs, or (iii) shall use coal gasification or integrated gasification-combined cycle units that generate electricity or chemicals, or both, and shall support the creation of Illinois coal-mining jobs. The business must certify in writing that the investments necessary to establish a new electric generating facility would not be placed in service and the job creation in the case of a coal-fueled plant would not

occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B-5) the business intends to establish a new gasification facility at a designated location in Illinois. As used in this Section, "new gasification facility" means a newly constructed coal gasification facility that generates chemical feedstocks or transportation fuels derived from coal (which may include, but are not limited to, methane, methanol, and nitrogen fertilizer), that supports the creation or retention of Illinois coal-mining jobs, and that qualifies for financial assistance from the Department before December 31, 2010. A new gasification facility does not include a pilot project located within Jefferson County or within a county adjacent to Jefferson County for synthetic natural gas from coal; or

(C) the business intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production at an existing coal mine at a designated location in Illinois not sooner than July 1, 2001; provided that the production operations result in the creation of 150

new Illinois coal mining jobs as described in subdivision (a)(3)(B) of this Section, and further provided that the coal extracted from such mine is utilized as the predominant source for a new electric generating facility. The business must certify in writing that the investments necessary to establish a new, expanded, or reopened coal mine would not be placed in service and the job creation would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(D) the business intends to construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois, for which construction commenced not sooner than July 1, 2001. For the purposes of this Section, "transmission facilities" means transmission lines with a voltage rating of 115 kilovolts or above, including associated equipment, that transfer electricity from points of supply to points of delivery and that transmit a majority of the electricity generated by a new electric generating facility designated as a High Impact Business in accordance with this Section. The business must certify in writing that

the investments necessary to construct new transmission facilities or upgrade existing transmission facilities would not be placed in service without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(E) the business intends to establish a new wind power facility at a designated location in Illinois. For purposes of this Section, "new wind power facility" means a newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2009, that generates electricity using wind energy devices, and such facility shall be deemed to include all associated transmission lines, substations, and other equipment related to the generation of electricity from wind energy devices. For purposes of this Section, "wind energy device" means any device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electricity; or ~~and~~

(F) the business commits to (i) make a minimum investment of $500,000,000, which will be placed in

service in a qualified property, (ii) create 125 full-time equivalent jobs at a designated location in Illinois, (iii) establish a fertilizer plant at a designated location in Illinois that complies with the set-back standards as described in Table 1: Initial Isolation and Protective Action Distances in the 2012 Emergency Response Guidebook published by the United States Department of Transportation, (iv) pay a prevailing wage for employees at that location who are engaged in construction activities, and (v) secure an appropriate level of general liability insurance to protect against catastrophic failure of the fertilizer plant or any of its constituent systems; in addition, the business must agree to enter into a construction project labor agreement including provisions establishing wages, benefits, and other compensation for employees performing work under the project labor agreement at that location; for the purposes of this Section, "fertilizer plant" means a newly constructed or upgraded plant utilizing gas used in the production of anhydrous ammonia and downstream nitrogen fertilizer products for resale; for the purposes of this Section, "prevailing wage" means the hourly cash wages plus fringe benefits for training and apprenticeship programs approved by the U.S. Department of Labor, Bureau of Apprenticeship and

Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works; this paragraph (F) applies only to businesses that submit an application to the Department within 60 days after the effective date of this amendatory Act of the 98th General Assembly; and

(4) no later than 90 days after an application is submitted, the Department shall notify the applicant of the Department's determination of the qualification of the proposed High Impact Business under this Section.

(b) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(A) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 9-222 and Section 9-222.1A of the Public Utilities Act, subsection (h) of Section 201 of the Illinois Income Tax Act, and Section 1d of the Retailers' Occupation Tax Act; provided that these credits and exemptions described in these Acts shall not be authorized until the minimum investments set forth in subdivision (a)(3)(A) of this Section have been placed in service in qualified properties and, in the case of the exemptions described in the Public Utilities Act and Section 1d of the Retailers' Occupation Tax Act, the minimum full-time equivalent jobs or full-time retained jobs set forth in subdivision (a)(3)(A) of this Section have been created or

retained. Businesses designated as High Impact Businesses under this Section shall also qualify for the exemption described in Section 5l of the Retailers' Occupation Tax Act. The credit provided in subsection (h) of Section 201 of the Illinois Income Tax Act shall be applicable to investments in qualified property as set forth in subdivision (a)(3)(A) of this Section.

(b-5) Businesses designated as High Impact Businesses pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C), and (a)(3)(D) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 51 of the Retailers' Occupation Tax Act, Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act; however, the credits and exemptions authorized under Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act shall not be authorized until the new electric generating facility, the new gasification facility, the new transmission facility, or the new, expanded, or reopened coal mine is operational, except that a new electric generating facility whose primary fuel source is natural gas is eligible only for the exemption under Section 5l of the Retailers' Occupation Tax Act.

(b-6) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(E) of this Section shall qualify for the exemptions described in Section 5l of the Retailers'

Occupation Tax Act; any business so designated as a High Impact Business being, for purposes of this Section, a "Wind Energy Business".

(c) High Impact Businesses located in federally designated foreign trade zones or sub-zones are also eligible for additional credits, exemptions and deductions as described in the following Acts: Section 9-221 and Section 9-222.1 of the Public Utilities Act; and subsection (g) of Section 201, and Section 203 of the Illinois Income Tax Act.

(d) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, existing Illinois businesses which apply for designation as a High Impact Business must provide the Department with the prospective plan for which 1,500 full-time retained jobs would be eliminated in the event that the business is not designated.

(e) Except for new wind power facilities contemplated under subdivision (a)(3)(E) of this Section, new proposed facilities which apply for designation as High Impact Business must provide the Department with proof of alternative non-Illinois sites which would receive the proposed investment and job creation in the event that the business is not designated as a High Impact Business.

(f) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, in the event that a business is designated a High Impact Business and it is later determined after reasonable notice and an opportunity for a hearing as

provided under the Illinois Administrative Procedure Act, that the business would have placed in service in qualified property the investments and created or retained the requisite number of jobs without the benefits of the High Impact Business designation, the Department shall be required to immediately revoke the designation and notify the Director of the Department of Revenue who shall begin proceedings to recover all wrongfully exempted State taxes with interest. The business shall also be ineligible for all State funded Department programs for a period of 10 years.

(g) The Department shall revoke a High Impact Business designation if the participating business fails to comply with the terms and conditions of the designation. However, the penalties for new wind power facilities or Wind Energy Businesses for failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act shall be only those penalties identified in the Illinois Prevailing Wage Act, and the Department shall not revoke a High Impact Business designation as a result of the failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act in relation to a new wind power facility or a Wind Energy Business.

(h) Prior to designating a business, the Department shall provide the members of the General Assembly and Commission on Government Forecasting and Accountability with a report setting forth the terms and conditions of the designation and

guarantees that have been received by the Department in relation to the proposed business being designated.

(Source: P.A. 96-28, eff. 7-1-09; 97-905, eff. 8-7-12.)

(20 ILCS 655/8.1)

Sec. 8.1. Accounting.

(a) Any business receiving tax incentives due to its location within an Enterprise Zone or its designation as a High Impact Business must annually report to the Department of Revenue information reasonably required by the Department of Revenue to enable the Department to verify and calculate the total Enterprise Zone or High Impact Business tax benefits for property taxes and taxes imposed by the State that are received by the business, broken down by incentive category and enterprise zone, if applicable~~, annually to the Department of Revenue~~. Reports will be due no later than May 31 ~~March 30~~ of each year and shall cover the previous calendar year. The first report will be for the 2012 calendar year and will be due no later than May 31, 2013 ~~March 30, 2013~~. Failure to report data may ~~shall~~ result in ineligibility to receive incentives. To the extent that a business receiving tax incentives has obtained an Enterprise Zone Building Materials Exemption Certificate or a High Impact Business Building Materials Exemption Certificate, that business is required to report those building materials exemption benefits only under subsection (a-5) of this Section. No additional reporting for those building materials exemption

benefits is required under this subsection (a). The Department, in consultation with the Department of Revenue, is authorized to adopt rules governing ineligibility to receive exemptions, including the length of ineligibility. Factors to be considered in determining whether a business is ineligible shall include, but are not limited to, prior compliance with the reporting requirements, cooperation in discontinuing and correcting violations, the extent of the violation, and whether the violation was willful or inadvertent ~~For the first offense, a business shall be given 60 days to comply~~.

(a-5) Each contractor or other entity that has been issued an Enterprise Zone Building Materials Exemption Certificate under Section 5k of the Retailers' Occupation Tax Act or a High Impact Business Building Materials Exemption Certificate under Section 5l of the Retailers' Occupation Tax Act shall annually report to the Department of Revenue the total value of the Enterprise Zone or High Impact Business building materials exemption from State taxes. Reports shall contain information reasonably required by the Department of Revenue to enable it to verify and calculate the total tax benefits for taxes imposed by the State, and shall be broken down by Enterprise Zone. Reports are due no later than May 31 of each year and shall cover the previous calendar year. The first report will be for the 2013 calendar year and will be due no later than May 31, 2014. Failure to report data may result in revocation of the Enterprise Zone Building Materials Exemption Certificate

or High Impact Business Building Materials Exemption Certificate issued to the contractor or other entity.

The Department of Revenue is authorized to adopt rules governing revocation determinations, including the length of revocation. Factors to be considered in revocations shall include, but are not limited to, prior compliance with the reporting requirements, cooperation in discontinuing and correcting violations, and whether the certificate was used unlawfully during the preceding year.

(b) Each person required to file a return under the Gas Revenue Tax Act, the Gas Use Tax Act, the Electricity Excise Tax Act, or the Telecommunications Excise Tax Act shall file, on or before May 31 ~~March 30~~ of each year, a report with the Department of Revenue, in the manner and form required by the Department of Revenue, containing information reasonably required by the Department of Revenue to enable the Department of Revenue to calculate ~~itemizing~~ the amount of the deduction for taxes imposed by the State that is taken under each Act, respectively, due to the location of a business in an Enterprise Zone or its designation as a High Impact Business. The report shall be itemized by business and the business location address.

(c) Employers shall report their job creation, retention, and capital investment numbers within the zone annually to the ~~administrator, which will compile the information and report it to the~~ Department of Revenue no later than May 31 ~~March 30~~ of

each calendar year. High Impact Businesses shall report their job creation, retention, and capital investment numbers ~~directly~~ to the Department of Revenue no later than May 31 ~~March 30~~ of each year.

(d) The Department of Revenue will aggregate and collect the tax, job, and capital investment data by Enterprise Zone and High Impact Business and report this information, formatted to exclude company-specific proprietary information, to the Department and the Board by August ~~May~~ 1, 2013, and by August ~~May~~ 1 of every calendar year thereafter. The Department will include this information in their required reports under Section 6 of this Act. The Board shall consider this information during the reviews required under subsection (d-5) of Section 5.4 of this Act and subsection (c) of Section 5.3 of this Act.

(e) The Department of Revenue, in its discretion, may require that the reports filed under this Section be submitted electronically.

(f) The Department of Revenue shall have the authority to adopt rules as are reasonable and necessary to implement the provisions of this Section.

(Source: P.A. 97-905, eff. 8-7-12.)

(20 ILCS 655/8.2)

Sec. 8.2. Zone Administrator.

(a) Each Zone Administrator designated under Section 8 of

this Act shall post a copy of the boundaries of the Enterprise Zone on its official Internet website and shall provide an electronic copy to the Department. The Department shall post each copy of the boundaries of an Enterprise Zone that it receives from a Zone Administrator on its official Internet website.

(b) The Zone Administrator shall collect and aggregate the following information:

(1) the estimated cost of each building project, broken down into labor and materials; and

(2) within 60 days after the end of the project, the estimated cost of each building project, broken down into labor and materials.

(c) By April 1 of each year, each Zone Administrator shall file a copy of its fee schedule with the Department, and the Department shall post the fee schedule on its website ~~review and approve the fee schedule~~. Zone Administrators shall charge no more than 0.5% of the cost of building materials of the project associated with the specific Enterprise Zone, with a maximum fee of no more than $50,000.

(Source: P.A. 97-905, eff. 8-7-12.)

Section 5-10. The Corporate Accountability for Tax Expenditures Act is amended by changing Section 25 as follows:

(20 ILCS 715/25)

Sec. 25. Recapture.

(a) All development assistance agreements shall contain, at a minimum, the following recapture provisions:

(1) The recipient must (i) make the level of capital investment in the economic development project specified in the development assistance agreement; (ii) create or retain, or both, the requisite number of jobs, paying not less than specified wages for the created and retained jobs, within and for the duration of the time period specified in the legislation authorizing, or the administrative rules implementing, the development assistance programs and the development assistance agreement.

(2) If the recipient fails to create or retain the requisite number of jobs within and for the time period specified, in the legislation authorizing, or the administrative rules implementing, the development assistance programs and the development assistance agreement, the recipient shall be deemed to no longer qualify for the State economic assistance and the applicable recapture provisions shall take effect.

(3) If the recipient receives State economic assistance in the form of a High Impact Business designation pursuant to Section 5.5 of the Illinois Enterprise Zone Act and the business receives the benefit of the exemption authorized under Section 5l of the

Retailers' Occupation Tax Act (for the sale of building materials incorporated into a High Impact Business location) or the utility tax exemption authorized under Section 9-222.1A of the Public Utilities Act and the recipient fails to create or retain the requisite number of jobs, as determined by the legislation authorizing the development assistance programs or the administrative rules implementing such legislation, or both, within the requisite period of time, the recipient shall be required to pay to the State the full amount of both the State tax exemption and the utility tax exemption that it received as a result of the High Impact Business designation.

(4) If the recipient receives a grant or loan pursuant to the Large Business Development Program, the Business Development Public Infrastructure Program, or the Industrial Training Program and the recipient fails to create or retain the requisite number of jobs for the requisite time period, as provided in the legislation authorizing the development assistance programs or the administrative rules implementing such legislation, or both, or in the development assistance agreement, the recipient shall be required to repay to the State a pro rata amount of the grant; that amount shall reflect the percentage of the deficiency between the requisite number of jobs to be created or retained by the recipient and the actual number of such jobs in existence as of the date the

Department determines the recipient is in breach of the job creation or retention covenants contained in the development assistance agreement. If the recipient of development assistance under the Large Business Development Program, the Business Development Public Infrastructure Program, or the Industrial Training Program ceases operations at the specific project site, during the 5-year period commencing on the date of assistance, the recipient shall be required to repay the entire amount of the grant or to accelerate repayment of the loan back to the State.

(5) If the recipient receives a tax credit under the Economic Development for a Growing Economy tax credit program, the development assistance agreement must provide that (i) if the number of new or retained employees falls below the requisite number set forth in the development assistance agreement, the allowance of the credit shall be automatically suspended until the number of new and retained employees equals or exceeds the requisite number in the development assistance agreement; (ii) if the recipient discontinues operations at the specific project site during the 5-year period after the beginning of the first tax year for which the Department issues a tax credit certificate, the recipient shall forfeit all credits taken by the recipient during such 5-year period; and (iii) in the event of a revocation or suspension of the credit, the

Department shall contact the Director of Revenue to initiate proceedings against the recipient to recover wrongfully exempted Illinois State income taxes and the recipient shall promptly repay to the Department of Revenue any wrongfully exempted Illinois State income taxes. The forfeited amount of credits shall be deemed assessed on the date the Department contacts the Department of Revenue and the recipient shall promptly repay to the Department of Revenue any wrongfully exempted Illinois State income taxes.

(b) The Director may elect to waive enforcement of any contractual provision arising out of the development assistance agreement required by this Act based on a finding that the waiver is necessary to avert an imminent and demonstrable hardship to the recipient that may result in such recipient's insolvency or discharge of workers. If a waiver is granted, the recipient must agree to a contractual modification, including recapture provisions, to the development assistance agreement. The existence of any waiver granted pursuant to this subsection (b) ~~(c)~~, the date of the granting of such waiver, and a brief summary of the reasons supporting the granting of such waiver shall be disclosed consistent with the provisions of Section 25 of this Act.

(b-5) The Department shall post, on its website, (i) the identity of each recipient from whom amounts were recaptured under this Section on or after the effective date of this

amendatory Act of the 97th General Assembly, (ii) the date of the recapture, (iii) a summary of the reasons supporting the recapture, and (iv) the amount recaptured from those recipients.

(c) Beginning June 1, 2004, the Department shall annually compile a report on the outcomes and effectiveness of recapture provisions by program, including but not limited to: (i) the total number of companies that receive development assistance as defined in this Act; (ii) the total number of recipients in violation of development agreements with the Department; (iii) the total number of completed recapture efforts; (iv) the total number of recapture efforts initiated; and (v) the number of waivers granted. This report shall be disclosed consistent with the provisions of Section 20 of this Act.

(d) For the purposes of this Act, recapture provisions do not include the Illinois Department of Transportation Economic Development Program, any grants under the Industrial Training Program that are not given as an incentive to a recipient business organization, or any successor programs as described in the term "development assistance" in Section 5 of this Act. (Source: P.A. 97-2, eff. 5-6-11; 97-721, eff. 6-29-12; revised 10-10-12.)

Section 5-20. The State Finance Act is amended by adding Section 5.827 and 5.829 as follows:

(30 ILCS 105/5.827 new)

Sec. 5.827. The South Suburban Brownfields Redevelopment Fund.

(30 ILCS 105/5.829 new)

Sec. 5.829. The Riverfront Development Fund.

Section 5-25. The Project Labor Agreements Act is amended by changing Section 10 as follows:

(30 ILCS 571/10)

Sec. 10. Public works projects. On a project-by-project basis, a State department, agency, authority, board, or instrumentality that is under the control of the Governor shall include a project labor agreement on a public works project when that department, agency, authority, board, or instrumentality has determined that the agreement advances the State's interests of cost, efficiency, quality, safety, timeliness, skilled labor force, labor stability, or the State's policy to advance minority-owned and women-owned businesses and minority and female employment. For purposes of this Act, any corrective action performed pursuant to Title XVI of the Environmental Protection Act for which payment from the Underground Storage Tank Fund is requested shall be considered a public works project.

(Source: P.A. 97-199, eff. 7-27-11.)

Section 5-30. The Illinois Income Tax Act is amended by changing Section 201 as follows:

(35 ILCS 5/201) (from Ch. 120, par. 2-201)

Sec. 201. Tax Imposed.

(a) In general. A tax measured by net income is hereby imposed on every individual, corporation, trust and estate for each taxable year ending after July 31, 1969 on the privilege of earning or receiving income in or as a resident of this State. Such tax shall be in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(b) Rates. The tax imposed by subsection (a) of this Section shall be determined as follows, except as adjusted by subsection (d-1):

(1) In the case of an individual, trust or estate, for taxable years ending prior to July 1, 1989, an amount equal to 2 1/2% of the taxpayer's net income for the taxable year.

(2) In the case of an individual, trust or estate, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 2 1/2% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 3% of the taxpayer's net income for the period after June

30, 1989, as calculated under Section 202.3.

(3) In the case of an individual, trust or estate, for taxable years beginning after June 30, 1989, and ending prior to January 1, 2011, an amount equal to 3% of the taxpayer's net income for the taxable year.

(4) In the case of an individual, trust, or estate, for taxable years beginning prior to January 1, 2011, and ending after December 31, 2010, an amount equal to the sum of (i) 3% of the taxpayer's net income for the period prior to January 1, 2011, as calculated under Section 202.5, and (ii) 5% of the taxpayer's net income for the period after December 31, 2010, as calculated under Section 202.5.

(5) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2011, and ending prior to January 1, 2015, an amount equal to 5% of the taxpayer's net income for the taxable year.

(5.1) In the case of an individual, trust, or estate, for taxable years beginning prior to January 1, 2015, and ending after December 31, 2014, an amount equal to the sum of (i) 5% of the taxpayer's net income for the period prior to January 1, 2015, as calculated under Section 202.5, and (ii) 3.75% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(5.2) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2015, and ending prior to January 1, 2025, an amount equal to

3.75% of the taxpayer's net income for the taxable year.

(5.3) In the case of an individual, trust, or estate, for taxable years beginning prior to January 1, 2025, and ending after December 31, 2024, an amount equal to the sum of (i) 3.75% of the taxpayer's net income for the period prior to January 1, 2025, as calculated under Section 202.5, and (ii) 3.25% of the taxpayer's net income for the period after December 31, 2024, as calculated under Section 202.5.

(5.4) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2025, an amount equal to 3.25% of the taxpayer's net income for the taxable year.

(6) In the case of a corporation, for taxable years ending prior to July 1, 1989, an amount equal to 4% of the taxpayer's net income for the taxable year.

(7) In the case of a corporation, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 4% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 4.8% of the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(8) In the case of a corporation, for taxable years beginning after June 30, 1989, and ending prior to January 1, 2011, an amount equal to 4.8% of the taxpayer's net

income for the taxable year.

(9) In the case of a corporation, for taxable years beginning prior to January 1, 2011, and ending after December 31, 2010, an amount equal to the sum of (i) 4.8% of the taxpayer's net income for the period prior to January 1, 2011, as calculated under Section 202.5, and (ii) 7% of the taxpayer's net income for the period after December 31, 2010, as calculated under Section 202.5.

(10) In the case of a corporation, for taxable years beginning on or after January 1, 2011, and ending prior to January 1, 2015, an amount equal to 7% of the taxpayer's net income for the taxable year.

(11) In the case of a corporation, for taxable years beginning prior to January 1, 2015, and ending after December 31, 2014, an amount equal to the sum of (i) 7% of the taxpayer's net income for the period prior to January 1, 2015, as calculated under Section 202.5, and (ii) 5.25% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(12) In the case of a corporation, for taxable years beginning on or after January 1, 2015, and ending prior to January 1, 2025, an amount equal to 5.25% of the taxpayer's net income for the taxable year.

(13) In the case of a corporation, for taxable years beginning prior to January 1, 2025, and ending after December 31, 2024, an amount equal to the sum of (i) 5.25%

of the taxpayer's net income for the period prior to January 1, 2025, as calculated under Section 202.5, and (ii) 4.8% of the taxpayer's net income for the period after December 31, 2024, as calculated under Section 202.5.

(14) In the case of a corporation, for taxable years beginning on or after January 1, 2025, an amount equal to 4.8% of the taxpayer's net income for the taxable year.

The rates under this subsection (b) are subject to the provisions of Section 201.5.

(c) Personal Property Tax Replacement Income Tax. Beginning on July 1, 1979 and thereafter, in addition to such income tax, there is also hereby imposed the Personal Property Tax Replacement Income Tax measured by net income on every corporation (including Subchapter S corporations), partnership and trust, for each taxable year ending after June 30, 1979. Such taxes are imposed on the privilege of earning or receiving income in or as a resident of this State. The Personal Property Tax Replacement Income Tax shall be in addition to the income tax imposed by subsections (a) and (b) of this Section and in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(d) Additional Personal Property Tax Replacement Income Tax Rates. The personal property tax replacement income tax imposed by this subsection and subsection (c) of this Section in the case of a corporation, other than a Subchapter S

corporation and except as adjusted by subsection (d-1), shall be an additional amount equal to 2.85% of such taxpayer's net income for the taxable year, except that beginning on January 1, 1981, and thereafter, the rate of 2.85% specified in this subsection shall be reduced to 2.5%, and in the case of a partnership, trust or a Subchapter S corporation shall be an additional amount equal to 1.5% of such taxpayer's net income for the taxable year.

(d-1) Rate reduction for certain foreign insurers. In the case of a foreign insurer, as defined by Section 35A-5 of the Illinois Insurance Code, whose state or country of domicile imposes on insurers domiciled in Illinois a retaliatory tax (excluding any insurer whose premiums from reinsurance assumed are 50% or more of its total insurance premiums as determined under paragraph (2) of subsection (b) of Section 304, except that for purposes of this determination premiums from reinsurance do not include premiums from inter-affiliate reinsurance arrangements), beginning with taxable years ending on or after December 31, 1999, the sum of the rates of tax imposed by subsections (b) and (d) shall be reduced (but not increased) to the rate at which the total amount of tax imposed under this Act, net of all credits allowed under this Act, shall equal (i) the total amount of tax that would be imposed on the foreign insurer's net income allocable to Illinois for the taxable year by such foreign insurer's state or country of domicile if that net income were subject to all income taxes

and taxes measured by net income imposed by such foreign insurer's state or country of domicile, net of all credits allowed or (ii) a rate of zero if no such tax is imposed on such income by the foreign insurer's state of domicile. For the purposes of this subsection (d-1), an inter-affiliate includes a mutual insurer under common management.

(1) For the purposes of subsection (d-1), in no event shall the sum of the rates of tax imposed by subsections (b) and (d) be reduced below the rate at which the sum of:

(A) the total amount of tax imposed on such foreign insurer under this Act for a taxable year, net of all credits allowed under this Act, plus

(B) the privilege tax imposed by Section 409 of the Illinois Insurance Code, the fire insurance company tax imposed by Section 12 of the Fire Investigation Act, and the fire department taxes imposed under Section 11-10-1 of the Illinois Municipal Code,

equals 1.25% for taxable years ending prior to December 31, 2003, or 1.75% for taxable years ending on or after December 31, 2003, of the net taxable premiums written for the taxable year, as described by subsection (1) of Section 409 of the Illinois Insurance Code. This paragraph will in no event increase the rates imposed under subsections (b) and (d).

(2) Any reduction in the rates of tax imposed by this subsection shall be applied first against the rates imposed

by subsection (b) and only after the tax imposed by subsection (a) net of all credits allowed under this Section other than the credit allowed under subsection (i) has been reduced to zero, against the rates imposed by subsection (d).

This subsection (d-1) is exempt from the provisions of Section 250.

(e) Investment credit. A taxpayer shall be allowed a credit against the Personal Property Tax Replacement Income Tax for investment in qualified property.

(1) A taxpayer shall be allowed a credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1984. There shall be allowed an additional credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1986, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. The provisions added to this Section by Public Act 85-1200 (and restored by Public

Act 87-895) shall be construed as declaratory of existing law and not as a new enactment. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is .5% and the denominator of which is 1%, but shall not exceed .5%. The investment credit shall not be allowed to the extent that it would reduce a taxpayer's liability in any tax year below zero, nor may any credit for qualified property be allowed for any year other than the year in which the property was placed in service in Illinois. For tax years ending on or after December 31, 1987, and on or before December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years if the taxpayer (i) makes investments which cause the creation of a minimum of 2,000 full-time equivalent jobs in Illinois, (ii) is located in an enterprise zone established pursuant to the Illinois Enterprise Zone Act and (iii) is certified by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) as

complying with the requirements specified in clause (i) and (ii) by July 1, 1986. The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall notify the Department of Revenue of all such certifications immediately. For tax years ending after December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.

(2) The term "qualified property" means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings and signs that are real property, but not including land or improvements to real property that are not a structural component of a building such as landscaping, sewer lines, local access roads, fencing, parking lots, and other appurtenances;

(B) is depreciable pursuant to Section 167 of the

Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (e);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in Illinois by a taxpayer who is primarily engaged in manufacturing, or in mining coal or fluorite, or in retailing, or was placed in service on or after July 1, 2006 in a River Edge Redevelopment Zone established pursuant to the River Edge Redevelopment Zone Act; and

(E) has not previously been used in Illinois in such a manner and by such a person as would qualify for the credit provided by this subsection (e) or subsection (f).

(3) For purposes of this subsection (e), "manufacturing" means the material staging and production of tangible personal property by procedures commonly regarded as manufacturing, processing, fabrication, or assembling which changes some existing material into new shapes, new qualities, or new combinations. For purposes of this subsection (e) the term "mining" shall have the same meaning as the term "mining" in Section 613(c) of the Internal Revenue Code. For purposes of this subsection (e), the term "retailing" means the sale of tangible personal

property for use or consumption and not for resale, or services rendered in conjunction with the sale of tangible personal property for use or consumption and not for resale. For purposes of this subsection (e), "tangible personal property" has the same meaning as when that term is used in the Retailers' Occupation Tax Act, and, for taxable years ending after December 31, 2008, does not include the generation, transmission, or distribution of electricity.

(4) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(5) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(6) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(7) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the Personal Property Tax Replacement Income Tax for such taxable year shall be increased. Such increase shall be determined by (i)

recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation and, (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (7), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(8) Unless the investment credit is extended by law, the basis of qualified property shall not include costs incurred after December 31, 2018, except for costs incurred pursuant to a binding contract entered into on or before December 31, 2018.

(9) Each taxable year ending before December 31, 2000, a partnership may elect to pass through to its partners the credits to which the partnership is entitled under this subsection (e) for the taxable year. A partner may use the credit allocated to him or her under this paragraph only against the tax imposed in subsections (c) and (d) of this Section. If the partnership makes that election, those credits shall be allocated among the partners in the partnership in accordance with the rules set forth in Section 704(b) of the Internal Revenue Code, and the rules promulgated under that Section, and the allocated amount of the credits shall be allowed to the partners for that

taxable year. The partnership shall make this election on its Personal Property Tax Replacement Income Tax return for that taxable year. The election to pass through the credits shall be irrevocable.

For taxable years ending on or after December 31, 2000, a partner that qualifies its partnership for a subtraction under subparagraph (I) of paragraph (2) of subsection (d) of Section 203 or a shareholder that qualifies a Subchapter S corporation for a subtraction under subparagraph (S) of paragraph (2) of subsection (b) of Section 203 shall be allowed a credit under this subsection (e) equal to its share of the credit earned under this subsection (e) during the taxable year by the partnership or Subchapter S corporation, determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. This paragraph is exempt from the provisions of Section 250.

(f) Investment credit; Enterprise Zone; River Edge Redevelopment Zone.

(1) A taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service in an Enterprise Zone created pursuant to the Illinois Enterprise Zone Act or, for property placed in service on or after July 1, 2006, a River Edge Redevelopment Zone

established pursuant to the River Edge Redevelopment Zone Act. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (f) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. The credit shall be .5% of the basis for such property. The credit shall be available only in the taxable year in which the property is placed in service in the Enterprise Zone or River Edge Redevelopment Zone and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1985, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit

accruing first in time shall be applied first.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (f);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in the Enterprise Zone or River Edge Redevelopment Zone by the taxpayer; and

(E) has not been previously used in Illinois in such a manner and by such a person as would qualify for the credit provided by this subsection (f) or subsection (e).

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in the Enterprise Zone or River Edge Redevelopment Zone by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside the Enterprise Zone or River Edge Redevelopment Zone within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(7) There shall be allowed an additional credit equal to 0.5% of the basis of qualified property placed in service during the taxable year in a River Edge Redevelopment Zone, provided such property is placed in service on or after July 1, 2006, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's

employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is 0.5% and the denominator of which is 1%, but shall not exceed 0.5%.

(g) (Blank). ~~Jobs Tax Credit; River Edge Redevelopment Zone and Foreign Trade Zone or Sub-Zone.~~

~~(1) A taxpayer conducting a trade or business, for taxable years ending on or after December 31, 2006, in a River Edge Redevelopment Zone or conducting a trade or business in a federally designated Foreign Trade Zone or Sub Zone shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section in the amount of $500 per eligible employee hired to work in the zone during the taxable year.~~

~~(2) To qualify for the credit:~~

~~(A) the taxpayer must hire 5 or more eligible employees to work in a River Edge Redevelopment Zone or federally designated Foreign Trade Zone or Sub-Zone during the taxable year;~~

~~(B) the taxpayer's total employment within the~~

~~River Edge Redevelopment Zone or federally designated Foreign Trade Zone or Sub-Zone must increase by 5 or more full-time employees beyond the total employed in that zone at the end of the previous tax year for which a jobs tax credit under this Section was taken, or beyond the total employed by the taxpayer as of December 31, 1985, whichever is later; and~~

~~(C) the eligible employees must be employed 180 consecutive days in order to be deemed hired for purposes of this subsection.~~

~~(3) An "eligible employee" means an employee who is:~~

~~(A) Certified by the Department of Commerce and Economic Opportunity as "eligible for services" pursuant to regulations promulgated in accordance with Title II of the Job Training Partnership Act, Training Services for the Disadvantaged or Title III of the Job Training Partnership Act, Employment and Training Assistance for Dislocated Workers Program.~~

~~(B) Hired after the River Edge Redevelopment Zone or federally designated Foreign Trade Zone or Sub-Zone was designated or the trade or business was located in that zone, whichever is later.~~

~~(C) Employed in the River Edge Redevelopment Zone or Foreign Trade Zone or Sub-Zone. An employee is employed in a federally designated Foreign Trade Zone or Sub Zone if his services are rendered there or it is~~

~~the base of operations for the services performed.~~

~~(D) A full-time employee working 30 or more hours per week.~~

~~(4) For tax years ending on or after December 31, 1985 and prior to December 31, 1988, the credit shall be allowed for the tax year in which the eligible employees are hired. For tax years ending on or after December 31, 1988, the credit shall be allowed for the tax year immediately following the tax year in which the eligible employees are hired. If the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.~~

~~(5) The Department of Revenue shall promulgate such rules and regulations as may be deemed necessary to carry out the purposes of this subsection (g).~~

~~(6) The credit shall be available for eligible employees hired on or after January 1, 1986.~~

(h) Investment credit; High Impact Business.

(1) Subject to subsections (b) and (b-5) of Section 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall be

allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service by a Department of Commerce and Economic Opportunity designated High Impact Business. The credit shall be .5% of the basis for such property. The credit shall not be available (i) until the minimum investments in qualified property set forth in subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act have been satisfied or (ii) until the time authorized in subsection (b-5) of the Illinois Enterprise Zone Act for entities designated as High Impact Businesses under subdivisions (a)(3)(B), (a)(3)(C), and (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone Act, and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. The credit applicable to such investments shall be taken in the taxable year in which such investments have been completed. The credit for additional investments beyond the minimum investment by a designated high impact business authorized under subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act shall be available only in the taxable year in which the property is placed in service and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending

on or after December 31, 1987, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit accruing first in time shall be applied first.

Changes made in this subdivision (h)(1) by Public Act 88-670 restore changes made by Public Act 85-1182 and reflect existing law.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (h);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code; and

(D) is not eligible for the Enterprise Zone Investment Credit provided by subsection (f) of this

Section.

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in a federally designated Foreign Trade Zone or Sub-Zone located in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year ending on or before December 31, 1996, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the

basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(7) Beginning with tax years ending after December 31, 1996, if a taxpayer qualifies for the credit under this subsection (h) and thereby is granted a tax abatement and the taxpayer relocates its entire facility in violation of the explicit terms and length of the contract under Section 18-183 of the Property Tax Code, the tax imposed under subsections (a) and (b) of this Section shall be increased for the taxable year in which the taxpayer relocated its facility by an amount equal to the amount of credit received by the taxpayer under this subsection (h).

(i) Credit for Personal Property Tax Replacement Income Tax. For tax years ending prior to December 31, 2003, a credit shall be allowed against the tax imposed by subsections (a) and (b) of this Section for the tax imposed by subsections (c) and (d) of this Section. This credit shall be computed by multiplying the tax imposed by subsections (c) and (d) of this Section by a fraction, the numerator of which is base income allocable to Illinois and the denominator of which is Illinois base income, and further multiplying the product by the tax rate imposed by subsections (a) and (b) of this Section.

Any credit earned on or after December 31, 1986 under this subsection which is unused in the year the credit is computed

because it exceeds the tax liability imposed by subsections (a) and (b) for that year (whether it exceeds the original liability or the liability as later amended) may be carried forward and applied to the tax liability imposed by subsections (a) and (b) of the 5 taxable years following the excess credit year, provided that no credit may be carried forward to any year ending on or after December 31, 2003. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability the earliest credit arising under this subsection shall be applied first.

If, during any taxable year ending on or after December 31, 1986, the tax imposed by subsections (c) and (d) of this Section for which a taxpayer has claimed a credit under this subsection (i) is reduced, the amount of credit for such tax shall also be reduced. Such reduction shall be determined by recomputing the credit to take into account the reduced tax imposed by subsections (c) and (d). If any portion of the reduced amount of credit has been carried to a different taxable year, an amended return shall be filed for such taxable year to reduce the amount of credit claimed.

(j) Training expense credit. Beginning with tax years ending on or after December 31, 1986 and prior to December 31, 2003, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) under this Section for all

amounts paid or accrued, on behalf of all persons employed by the taxpayer in Illinois or Illinois residents employed outside of Illinois by a taxpayer, for educational or vocational training in semi-technical or technical fields or semi-skilled or skilled fields, which were deducted from gross income in the computation of taxable income. The credit against the tax imposed by subsections (a) and (b) shall be 1.6% of such training expenses. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (j) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

Any credit allowed under this subsection which is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first computed until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability the earliest credit arising under this subsection shall be applied first. No carryforward credit may be claimed in any tax year ending on or after December 31, 2003.

(k) Research and development credit. For tax years ending

after July 1, 1990 and prior to December 31, 2003, and beginning again for tax years ending on or after December 31, 2004, and ending prior to January 1, 2016, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for increasing research activities in this State. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 6 1/2% of the qualifying expenditures for increasing research activities in this State. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

For purposes of this subsection, "qualifying expenditures" means the qualifying expenditures as defined for the federal credit for increasing research activities which would be allowable under Section 41 of the Internal Revenue Code and which are conducted in this State, "qualifying expenditures for increasing research activities in this State" means the excess of qualifying expenditures for the taxable year in which incurred over qualifying expenditures for the base period, "qualifying expenditures for the base period" means the average of the qualifying expenditures for each year in the base

period, and "base period" means the 3 taxable years immediately preceding the taxable year for which the determination is being made.

Any credit in excess of the tax liability for the taxable year may be carried forward. A taxpayer may elect to have the unused credit shown on its final completed return carried over as a credit against the tax liability for the following 5 taxable years or until it has been fully used, whichever occurs first; provided that no credit earned in a tax year ending prior to December 31, 2003 may be carried forward to any year ending on or after December 31, 2003.

If an unused credit is carried forward to a given year from 2 or more earlier years, that credit arising in the earliest year will be applied first against the tax liability for the given year. If a tax liability for the given year still remains, the credit from the next earliest year will then be applied, and so on, until all credits have been used or no tax liability for the given year remains. Any remaining unused credit or credits then will be carried forward to the next following year in which a tax liability is incurred, except that no credit can be carried forward to a year which is more than 5 years after the year in which the expense for which the credit is given was incurred.

No inference shall be drawn from this amendatory Act of the 91st General Assembly in construing this Section for taxable years beginning before January 1, 1999.

(l) Environmental Remediation Tax Credit.

(i) For tax years ending after December 31, 1997 and on or before December 31, 2001, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14 of the Environmental Protection Act that were paid in performing environmental remediation at a site for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. After the Pollution Control Board rules are adopted pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act, determinations as to credit availability

for purposes of this Section shall be made consistent with those rules. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site, except that the $100,000 threshold shall not apply to any site contained in an enterprise zone as determined by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity). The total credit allowed shall not exceed $40,000 per year with a maximum total of $150,000 per site. For partners and shareholders of subchapter S corporations, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. The

term "unused credit" does not include any amounts of unreimbursed eligible remediation costs in excess of the maximum credit per site authorized under paragraph (i). This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(m) Education expense credit. Beginning with tax years ending after December 31, 1999, a taxpayer who is the custodian

of one or more qualifying pupils shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for qualified education expenses incurred on behalf of the qualifying pupils. The credit shall be equal to 25% of qualified education expenses, but in no event may the total credit under this subsection claimed by a family that is the custodian of qualifying pupils exceed $500. In no event shall a credit under this subsection reduce the taxpayer's liability under this Act to less than zero. This subsection is exempt from the provisions of Section 250 of this Act.

For purposes of this subsection:

"Qualifying pupils" means individuals who (i) are residents of the State of Illinois, (ii) are under the age of 21 at the close of the school year for which a credit is sought, and (iii) during the school year for which a credit is sought were full-time pupils enrolled in a kindergarten through twelfth grade education program at any school, as defined in this subsection.

"Qualified education expense" means the amount incurred on behalf of a qualifying pupil in excess of $250 for tuition, book fees, and lab fees at the school in which the pupil is enrolled during the regular school year.

"School" means any public or nonpublic elementary or secondary school in Illinois that is in compliance with Title VI of the Civil Rights Act of 1964 and attendance at which satisfies the requirements of Section 26-1 of the School Code,

except that nothing shall be construed to require a child to attend any particular public or nonpublic school to qualify for the credit under this Section.

"Custodian" means, with respect to qualifying pupils, an Illinois resident who is a parent, the parents, a legal guardian, or the legal guardians of the qualifying pupils.

(n) River Edge Redevelopment Zone site remediation tax credit.

(i) For tax years ending on or after December 31, 2006, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14a of the Environmental Protection Act that were paid in performing environmental remediation at a site within a River Edge Redevelopment Zone for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under

the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. Determinations as to credit availability for purposes of this Section shall be made consistent with rules adopted by the Pollution Control Board pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this

subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(Source: P.A. 96-115, eff. 7-31-09; 96-116, eff. 7-31-09; 96-937, eff. 6-23-10; 96-1000, eff. 7-2-10; 96-1496, eff. 1-13-11; 97-2, eff. 5-6-11; 97-636, eff. 6-1-12; 97-905, eff. 8-7-12.)

Section 5-33. The Use Tax Act is amended by changing Section 9 as follows:

(35 ILCS 105/9) (from Ch. 120, par. 439.9)

Sec. 9. Except as to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State, each retailer required or authorized to collect the tax imposed by this Act shall pay to the Department the amount of such tax (except as otherwise provided) at the time when he is required to file his return for the period during which such tax was collected, less a discount of 2.1% prior to January 1, 1990, and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the retailer for expenses incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. In the case of retailers who report and pay the tax on a transaction by transaction basis, as provided in this Section, such discount shall be taken with each such tax remittance instead of when such retailer files his periodic return. A retailer need not remit that part of any tax collected by him to the extent that he is required to remit and does remit the tax imposed by the Retailers' Occupation Tax Act, with respect to the sale of the same property.

Where such tangible personal property is sold under a conditional sales contract, or under any other form of sale wherein the payment of the principal sum, or a part thereof, is extended beyond the close of the period for which the return is filed, the retailer, in collecting the tax (except as to motor vehicles, watercraft, aircraft, and trailers that are required

to be registered with an agency of this State), may collect for each tax return period, only the tax applicable to that part of the selling price actually received during such tax return period.

Except as provided in this Section, on or before the twentieth day of each calendar month, such retailer shall file a return for the preceding calendar month. Such return shall be filed on forms prescribed by the Department and shall furnish such information as the Department may reasonably require.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in the business of selling tangible personal property at retail in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month from sales of tangible personal property by him during such preceding calendar month, including receipts from charge and time sales, but less all deductions allowed by law;

4. The amount of credit provided in Section 2d of this

Act;

5. The amount of tax due;

5-5. The signature of the taxpayer; and

6. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

Beginning October 1, 1993, a taxpayer who has an average monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" means the sum of the

taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

Before October 1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Service

Use Tax Act was $10,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payments to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. On and after October 1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act, and the Service Use Tax Act was $20,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payment to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. If the month during which such tax liability is incurred began prior to January 1, 1985, each payment shall be in an amount equal to 1/4 of the taxpayer's actual liability for the month or an amount set by the Department not to exceed 1/4 of the average monthly liability of the taxpayer to the Department for the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability in such 4 quarter period). If the month during which such tax liability is incurred begins on or after January 1, 1985, and prior to January 1, 1987, each payment shall be in an amount equal to 22.5% of the taxpayer's

actual liability for the month or 27.5% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1987, and prior to January 1, 1988, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 26.25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1988, and prior to January 1, 1989, or begins on or after January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1989, and prior to January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year or 100% of the taxpayer's actual liability for the quarter monthly reporting period. The amount of such quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month. Before October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest

liability and the month of lowest liability) is less than $9,000, or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete calendar quarter period is less than $10,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $10,000 threshold stated above, then such taxpayer may petition the Department for change in such taxpayer's reporting status. On and after October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $19,000 or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete calendar quarter period is less than $20,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $20,000 threshold stated above, then such taxpayer may petition the Department for a change in such taxpayer's reporting status. The Department shall change such

taxpayer's reporting status unless it finds that such change is seasonal in nature and not likely to be long term. If any such quarter monthly payment is not paid at the time or in the amount required by this Section, then the taxpayer shall be liable for penalties and interest on the difference between the minimum amount due and the amount of such quarter monthly payment actually and timely paid, except insofar as the taxpayer has previously made payments for that month to the Department in excess of the minimum payments previously due as provided in this Section. The Department shall make reasonable rules and regulations to govern the quarter monthly payment amount and quarter monthly payment dates for taxpayers who file on other than a calendar monthly basis.

If any such payment provided for in this Section exceeds the taxpayer's liabilities under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act and the Service Use Tax Act, as shown by an original monthly return, the Department shall issue to the taxpayer a credit memorandum no later than 30 days after the date of payment, which memorandum may be submitted by the taxpayer to the Department in payment of tax liability subsequently to be remitted by the taxpayer to the Department or be assigned by the taxpayer to a similar taxpayer under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations to be prescribed by the Department, except that if such excess

payment is shown on an original monthly return and is made after December 31, 1986, no credit memorandum shall be issued, unless requested by the taxpayer. If no such request is made, the taxpayer may credit such excess payment against tax liability subsequently to be remitted by the taxpayer to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations prescribed by the Department. If the Department subsequently determines that all or any part of the credit taken was not actually due to the taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall be reduced by 2.1% or 1.75% of the difference between the credit taken and that actually due, and the taxpayer shall be liable for penalties and interest on such difference.

If the retailer is otherwise required to file a monthly return and if the retailer's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February, and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the retailer is otherwise required to file a monthly or

quarterly return and if the retailer's average monthly tax liability to the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a retailer may file his return, in the case of any retailer who ceases to engage in a kind of business which makes him responsible for filing returns under this Act, such retailer shall file a final return under this Act with the Department not more than one month after discontinuing such business.

In addition, with respect to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State, every retailer selling this kind of tangible personal property shall file, with the Department, upon a form to be prescribed and supplied by the Department, a separate return for each such item of tangible personal property which the retailer sells, except that if, in the same transaction, (i) a retailer of aircraft, watercraft, motor vehicles or trailers transfers more than one aircraft, watercraft, motor vehicle or trailer to another aircraft, watercraft, motor vehicle or trailer retailer for the purpose

of resale or (ii) a retailer of aircraft, watercraft, motor vehicles, or trailers transfers more than one aircraft, watercraft, motor vehicle, or trailer to a purchaser for use as a qualifying rolling stock as provided in Section 3-55 of this Act, then that seller may report the transfer of all the aircraft, watercraft, motor vehicles or trailers involved in that transaction to the Department on the same uniform invoice-transaction reporting return form. For purposes of this Section, "watercraft" means a Class 2, Class 3, or Class 4 watercraft as defined in Section 3-2 of the Boat Registration and Safety Act, a personal watercraft, or any boat equipped with an inboard motor.

The transaction reporting return in the case of motor vehicles or trailers that are required to be registered with an agency of this State, shall be the same document as the Uniform Invoice referred to in Section 5-402 of the Illinois Vehicle Code and must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer for the traded-in tangible personal property, if any, to the extent to which Section 2 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price; the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on

such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale; a sufficient identification of the property sold; such other information as is required in Section 5-402 of the Illinois Vehicle Code, and such other information as the Department may reasonably require.

The transaction reporting return in the case of watercraft and aircraft must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer for the traded-in tangible personal property, if any, to the extent to which Section 2 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price; the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale, a sufficient identification of the property sold, and such other information as the Department may reasonably require.

Such transaction reporting return shall be filed not later than 20 days after the date of delivery of the item that is being sold, but may be filed by the retailer at any time sooner

than that if he chooses to do so. The transaction reporting return and tax remittance or proof of exemption from the tax that is imposed by this Act may be transmitted to the Department by way of the State agency with which, or State officer with whom, the tangible personal property must be titled or registered (if titling or registration is required) if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration.

With each such transaction reporting return, the retailer shall remit the proper amount of tax due (or shall submit satisfactory evidence that the sale is not taxable if that is the case), to the Department or its agents, whereupon the Department shall issue, in the purchaser's name, a tax receipt (or a certificate of exemption if the Department is satisfied that the particular sale is tax exempt) which such purchaser may submit to the agency with which, or State officer with whom, he must title or register the tangible personal property that is involved (if titling or registration is required) in support of such purchaser's application for an Illinois certificate or other evidence of title or registration to such tangible personal property.

No retailer's failure or refusal to remit tax under this Act precludes a user, who has paid the proper tax to the retailer, from obtaining his certificate of title or other evidence of title or registration (if titling or registration

is required) upon satisfying the Department that such user has paid the proper tax (if tax is due) to the retailer. The Department shall adopt appropriate rules to carry out the mandate of this paragraph.

If the user who would otherwise pay tax to the retailer wants the transaction reporting return filed and the payment of tax or proof of exemption made to the Department before the retailer is willing to take these actions and such user has not paid the tax to the retailer, such user may certify to the fact of such delay by the retailer, and may (upon the Department being satisfied of the truth of such certification) transmit the information required by the transaction reporting return and the remittance for tax or proof of exemption directly to the Department and obtain his tax receipt or exemption determination, in which event the transaction reporting return and tax remittance (if a tax payment was required) shall be credited by the Department to the proper retailer's account with the Department, but without the 2.1% or 1.75% discount provided for in this Section being allowed. When the user pays the tax directly to the Department, he shall pay the tax in the same amount and in the same form in which it would be remitted if the tax had been remitted to the Department by the retailer.

Where a retailer collects the tax with respect to the selling price of tangible personal property which he sells and the purchaser thereafter returns such tangible personal property and the retailer refunds the selling price thereof to

the purchaser, such retailer shall also refund, to the purchaser, the tax so collected from the purchaser. When filing his return for the period in which he refunds such tax to the purchaser, the retailer may deduct the amount of the tax so refunded by him to the purchaser from any other use tax which such retailer may be required to pay or remit to the Department, as shown by such return, if the amount of the tax to be deducted was previously remitted to the Department by such retailer. If the retailer has not previously remitted the amount of such tax to the Department, he is entitled to no deduction under this Act upon refunding such tax to the purchaser.

Any retailer filing a return under this Section shall also include (for the purpose of paying tax thereon) the total tax covered by such return upon the selling price of tangible personal property purchased by him at retail from a retailer, but as to which the tax imposed by this Act was not collected from the retailer filing such return, and such retailer shall remit the amount of such tax to the Department when filing such return.

If experience indicates such action to be practicable, the Department may prescribe and furnish a combination or joint return which will enable retailers, who are required to file returns hereunder and also under the Retailers' Occupation Tax Act, to furnish all the return information required by both Acts on the one form.

Where the retailer has more than one business registered with the Department under separate registration under this Act, such retailer may not file each return that is due as a single return covering all such registered businesses, but shall file separate returns for each such registered business.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund, a special fund in the State Treasury which is hereby created, the net revenue realized for the preceding month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

Beginning January 1, 1990, each month the Department shall pay into the County and Mass Transit District Fund 4% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund, a special fund in the State Treasury, 20% of the net revenue realized for the preceding month from the 6.25% general rate on the selling

price of tangible personal property, other than tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning August 1, 2000, each month the Department shall pay into the State and Local Sales Tax Reform Fund 100% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol. Beginning September 1, 2010, each month the Department shall pay into the State and Local Sales Tax Reform Fund 100% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of sales tax holiday items.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund 16% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning October 1, 2009, each month the Department shall pay into the Capital Projects Fund an amount that is equal to an amount estimated by the Department to represent 80% of the net revenue realized for the preceding month from the sale of candy, grooming and hygiene products, and soft drinks that had been taxed at a rate of 1% prior to September 1, 2009 but that is now taxed at 6.25%.

Beginning July 1, 2011, each month the Department shall pay into the Clean Air Act (CAA) Permit Fund 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of sorbents used in Illinois in the process of sorbent injection as used to comply with the Environmental Protection Act or the federal Clean Air Act, but the total payment into the Clean Air Act (CAA) Permit Fund under this Act and the Retailers' Occupation Tax Act shall not exceed $2,000,000 in any fiscal year.

Beginning July 1, 2013, each month the Department shall pay into the Underground Storage Tank Fund from the proceeds collected under this Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act an amount equal to the average monthly deficit in the Underground Storage Tank Fund during the prior year, as certified annually by the Illinois Environmental Protection Agency, but the total payment into the Underground Storage Tank Fund under this Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act shall not exceed $18,000,000 in any State fiscal year. As used in this paragraph, the "average monthly deficit" shall be equal to the difference between the average monthly claims for payment by the fund and the average monthly revenues deposited into the fund, excluding payments made pursuant to this paragraph.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the

Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be less than the Annual Specified Amount (as defined in Section 3 of the Retailers' Occupation Tax Act), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund during such month and (2) the amount transferred during such month to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department

pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year; and, further provided, that the amounts payable into the Build Illinois Fund under this clause (b) shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing Bonds issued and outstanding pursuant to the Build Illinois Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget). If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of the moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred in such month from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency

shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the preceding sentence and shall reduce the amount otherwise payable for such fiscal year pursuant to clause (b) of the preceding sentence. The moneys received by the Department pursuant to this Act and required to be deposited into the Build Illinois Fund are subject to the pledge, claim and charge set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of the sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000

1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000
2001	80,000,000
2002	93,000,000
2003	99,000,000
2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000
2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000
2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000

2021	246,000,000
2022	260,000,000
2023	275,000,000
2024	275,000,000
2025	275,000,000
2026	279,000,000
2027	292,000,000
2028	307,000,000
2029	322,000,000
2030	338,000,000
2031	350,000,000
2032	350,000,000
and	
each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act, but not after fiscal year 2060.	

Beginning July 20, 1993 and in each month of each fiscal year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection

(g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of

the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

Of the remainder of the moneys received by the Department pursuant to this Act, 75% thereof shall be paid into the State Treasury and 25% shall be reserved in a special account and used only for the transfer to the Common School Fund as part of the monthly transfer from the General Revenue Fund in accordance with Section 8a of the State Finance Act.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

For greater simplicity of administration, manufacturers, importers and wholesalers whose products are sold at retail in Illinois by numerous retailers, and who wish to do so, may assume the responsibility for accounting and paying to the Department all tax accruing under this Act with respect to such sales, if the retailers who are affected do not make written objection to the Department to this arrangement.

(Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898, eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11; 97-333, eff. 8-12-11.)

Section 5-35. The Service Use Tax Act is amended by changing Section 9 as follows:

(35 ILCS 110/9) (from Ch. 120, par. 439.39)

Sec. 9. Each serviceman required or authorized to collect the tax herein imposed shall pay to the Department the amount of such tax (except as otherwise provided) at the time when he is required to file his return for the period during which such tax was collected, less a discount of 2.1% prior to January 1, 1990 and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the serviceman for expenses incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. A serviceman need not remit that part of any tax collected by him to the extent that he is required to pay and does pay the tax imposed by the Service Occupation Tax Act with respect to his sale of service involving the incidental transfer by him of the same property.

Except as provided hereinafter in this Section, on or before the twentieth day of each calendar month, such serviceman shall file a return for the preceding calendar month in accordance with reasonable Rules and Regulations to be

promulgated by the Department. Such return shall be filed on a form prescribed by the Department and shall contain such information as the Department may reasonably require.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in business as a serviceman in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month, including receipts from charge and time sales, but less all deductions allowed by law;

4. The amount of credit provided in Section 2d of this Act;

5. The amount of tax due;

5-5. The signature of the taxpayer; and

6. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be

due on the return shall be deemed assessed.

Beginning October 1, 1993, a taxpayer who has an average monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" means the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

If the serviceman is otherwise required to file a monthly return and if the serviceman's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the serviceman is otherwise required to file a monthly or quarterly return and if the serviceman's average monthly tax liability to the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a serviceman may file his return, in the case of any serviceman who ceases to engage in a kind of business which makes him responsible for filing returns under this Act, such serviceman shall file a final return under this Act with the Department not more than 1 month after discontinuing such business.

Where a serviceman collects the tax with respect to the selling price of property which he sells and the purchaser thereafter returns such property and the serviceman refunds the selling price thereof to the purchaser, such serviceman shall also refund, to the purchaser, the tax so collected from the purchaser. When filing his return for the period in which he refunds such tax to the purchaser, the serviceman may deduct the amount of the tax so refunded by him to the purchaser from any other Service Use Tax, Service Occupation Tax, retailers' occupation tax or use tax which such serviceman may be required

to pay or remit to the Department, as shown by such return, provided that the amount of the tax to be deducted shall previously have been remitted to the Department by such serviceman. If the serviceman shall not previously have remitted the amount of such tax to the Department, he shall be entitled to no deduction hereunder upon refunding such tax to the purchaser.

Any serviceman filing a return hereunder shall also include the total tax upon the selling price of tangible personal property purchased for use by him as an incident to a sale of service, and such serviceman shall remit the amount of such tax to the Department when filing such return.

If experience indicates such action to be practicable, the Department may prescribe and furnish a combination or joint return which will enable servicemen, who are required to file returns hereunder and also under the Service Occupation Tax Act, to furnish all the return information required by both Acts on the one form.

Where the serviceman has more than one business registered with the Department under separate registration hereunder, such serviceman shall not file each return that is due as a single return covering all such registered businesses, but shall file separate returns for each such registered business.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Tax Reform Fund, a special fund in the State Treasury, the net revenue realized for the preceding

month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund 20% of the net revenue realized for the preceding month from the 6.25% general rate on transfers of tangible personal property, other than tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning August 1, 2000, each month the Department shall pay into the State and Local Sales Tax Reform Fund 100% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol.

Beginning October 1, 2009, each month the Department shall pay into the Capital Projects Fund an amount that is equal to an amount estimated by the Department to represent 80% of the net revenue realized for the preceding month from the sale of candy, grooming and hygiene products, and soft drinks that had been taxed at a rate of 1% prior to September 1, 2009 but that is now taxed at 6.25%.

Beginning July 1, 2013, each month the Department shall pay

into the Underground Storage Tank Fund from the proceeds collected under this Act, the Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act an amount equal to the average monthly deficit in the Underground Storage Tank Fund during the prior year, as certified annually by the Illinois Environmental Protection Agency, but the total payment into the Underground Storage Tank Fund under this Act, the Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act shall not exceed $18,000,000 in any State fiscal year. As used in this paragraph, the "average monthly deficit" shall be equal to the difference between the average monthly claims for payment by the fund and the average monthly revenues deposited into the fund, excluding payments made pursuant to this paragraph.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case

may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be less than the Annual Specified Amount (as defined in Section 3 of the Retailers' Occupation Tax Act), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund during such month and (2) the amount transferred during such month to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year; and, further provided, that the amounts payable into the Build Illinois Fund under this clause (b) shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing Bonds issued and outstanding pursuant to the Build Illinois

Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget). If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of the moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred in such month from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the preceding sentence and shall reduce the amount otherwise payable for such fiscal year pursuant to clause (b) of the preceding sentence. The moneys received by the Department pursuant to this Act and required to be deposited into the Build Illinois Fund are subject to the pledge, claim and charge

set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of the sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000
2001	80,000,000
2002	93,000,000
2003	99,000,000

2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000
2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000
2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000
2021	246,000,000
2022	260,000,000
2023	275,000,000
2024	275,000,000
2025	275,000,000
2026	279,000,000
2027	292,000,000
2028	307,000,000
2029	322,000,000

2030	338,000,000
2031	350,000,000
2032	350,000,000
and	
each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act, but not after fiscal year 2060.	

Beginning July 20, 1993 and in each month of each fiscal year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection (g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the

preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

All remaining moneys received by the Department pursuant to this Act shall be paid into the General Revenue Fund of the State Treasury.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount

equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

(Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898, eff. 5-27-10.)

Section 5-37. The Service Occupation Tax Act is amended by changing Section 9 as follows:

(35 ILCS 115/9) (from Ch. 120, par. 439.109)

Sec. 9. Each serviceman required or authorized to collect the tax herein imposed shall pay to the Department the amount of such tax at the time when he is required to file his return for the period during which such tax was collectible, less a discount of 2.1% prior to January 1, 1990, and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the serviceman for expenses incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request.

Where such tangible personal property is sold under a conditional sales contract, or under any other form of sale

wherein the payment of the principal sum, or a part thereof, is extended beyond the close of the period for which the return is filed, the serviceman, in collecting the tax may collect, for each tax return period, only the tax applicable to the part of the selling price actually received during such tax return period.

Except as provided hereinafter in this Section, on or before the twentieth day of each calendar month, such serviceman shall file a return for the preceding calendar month in accordance with reasonable rules and regulations to be promulgated by the Department of Revenue. Such return shall be filed on a form prescribed by the Department and shall contain such information as the Department may reasonably require.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in business as a serviceman in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month, including receipts from charge and time sales, but less all deductions allowed

by law;

4. The amount of credit provided in Section 2d of this Act;

5. The amount of tax due;

5-5. The signature of the taxpayer; and

6. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

Prior to October 1, 2003, and on and after September 1, 2004 a serviceman may accept a Manufacturer's Purchase Credit certification from a purchaser in satisfaction of Service Use Tax as provided in Section 3-70 of the Service Use Tax Act if the purchaser provides the appropriate documentation as required by Section 3-70 of the Service Use Tax Act. A Manufacturer's Purchase Credit certification, accepted prior to October 1, 2003 or on or after September 1, 2004 by a serviceman as provided in Section 3-70 of the Service Use Tax Act, may be used by that serviceman to satisfy Service Occupation Tax liability in the amount claimed in the certification, not to exceed 6.25% of the receipts subject to tax from a qualifying purchase. A Manufacturer's Purchase Credit reported on any original or amended return filed under this Act after October 20, 2003 for reporting periods prior to

September 1, 2004 shall be disallowed. Manufacturer's Purchase Credit reported on annual returns due on or after January 1, 2005 will be disallowed for periods prior to September 1, 2004. No Manufacturer's Purchase Credit may be used after September 30, 2003 through August 31, 2004 to satisfy any tax liability imposed under this Act, including any audit liability.

If the serviceman's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the serviceman's average monthly tax liability to the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a serviceman may file his return, in the case of any serviceman who ceases to engage in a kind of

business which makes him responsible for filing returns under this Act, such serviceman shall file a final return under this Act with the Department not more than 1 month after discontinuing such business.

Beginning October 1, 1993, a taxpayer who has an average monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" means the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of

Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

Where a serviceman collects the tax with respect to the selling price of tangible personal property which he sells and the purchaser thereafter returns such tangible personal property and the serviceman refunds the selling price thereof to the purchaser, such serviceman shall also refund, to the purchaser, the tax so collected from the purchaser. When filing his return for the period in which he refunds such tax to the purchaser, the serviceman may deduct the amount of the tax so

refunded by him to the purchaser from any other Service Occupation Tax, Service Use Tax, Retailers' Occupation Tax or Use Tax which such serviceman may be required to pay or remit to the Department, as shown by such return, provided that the amount of the tax to be deducted shall previously have been remitted to the Department by such serviceman. If the serviceman shall not previously have remitted the amount of such tax to the Department, he shall be entitled to no deduction hereunder upon refunding such tax to the purchaser.

If experience indicates such action to be practicable, the Department may prescribe and furnish a combination or joint return which will enable servicemen, who are required to file returns hereunder and also under the Retailers' Occupation Tax Act, the Use Tax Act or the Service Use Tax Act, to furnish all the return information required by all said Acts on the one form.

Where the serviceman has more than one business registered with the Department under separate registrations hereunder, such serviceman shall file separate returns for each registered business.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund the revenue realized for the preceding month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and

prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

Beginning January 1, 1990, each month the Department shall pay into the County and Mass Transit District Fund 4% of the revenue realized for the preceding month from the 6.25% general rate.

Beginning August 1, 2000, each month the Department shall pay into the County and Mass Transit District Fund 20% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund 16% of the revenue realized for the preceding month from the 6.25% general rate on transfers of tangible personal property.

Beginning August 1, 2000, each month the Department shall pay into the Local Government Tax Fund 80% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol.

Beginning October 1, 2009, each month the Department shall pay into the Capital Projects Fund an amount that is equal to an amount estimated by the Department to represent 80% of the net revenue realized for the preceding month from the sale of candy, grooming and hygiene products, and soft drinks that had been taxed at a rate of 1% prior to September 1, 2009 but that is now taxed at 6.25%.

Beginning July 1, 2013, each month the Department shall pay into the Underground Storage Tank Fund from the proceeds collected under this Act, the Use Tax Act, the Service Use Tax Act, and the Retailers' Occupation Tax Act an amount equal to the average monthly deficit in the Underground Storage Tank Fund during the prior year, as certified annually by the Illinois Environmental Protection Agency, but the total payment into the Underground Storage Tank Fund under this Act, the Use Tax Act, the Service Use Tax Act, and the Retailers' Occupation Tax Act shall not exceed $18,000,000 in any State fiscal year. As used in this paragraph, the "average monthly deficit" shall be equal to the difference between the average monthly claims for payment by the fund and the average monthly revenues deposited into the fund, excluding payments made pursuant to this paragraph.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called

the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be less than the Annual Specified Amount (as defined in Section 3 of the Retailers' Occupation Tax Act), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Account in the Build Illinois Fund during such month and (2) the amount transferred during such month to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year; and, further provided, that the amounts payable into the Build Illinois Fund under this clause (b) shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing

Bonds issued and outstanding pursuant to the Build Illinois Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget). If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of the moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred in such month from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the preceding sentence and shall reduce the amount otherwise payable for such fiscal year pursuant to clause (b) of the preceding sentence. The moneys received by the Department pursuant to this Act and required to be deposited into the

Build Illinois Fund are subject to the pledge, claim and charge set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of the sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000
2001	80,000,000
2002	93,000,000

2003	99,000,000
2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000
2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000
2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000
2021	246,000,000
2022	260,000,000
2023	275,000,000
2024	275,000,000
2025	275,000,000
2026	279,000,000
2027	292,000,000
2028	307,000,000

2029	322,000,000
2030	338,000,000
2031	350,000,000
2032	350,000,000
and	
each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act,	

but not after fiscal year 2060.

Beginning July 20, 1993 and in each month of each fiscal year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection (g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund

and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

Remaining moneys received by the Department pursuant to this Act shall be paid into the General Revenue Fund of the State Treasury.

The Department may, upon separate written notice to a taxpayer, require the taxpayer to prepare and file with the Department on a form prescribed by the Department within not

less than 60 days after receipt of the notice an annual information return for the tax year specified in the notice. Such annual return to the Department shall include a statement of gross receipts as shown by the taxpayer's last Federal income tax return. If the total receipts of the business as reported in the Federal income tax return do not agree with the gross receipts reported to the Department of Revenue for the same period, the taxpayer shall attach to his annual return a schedule showing a reconciliation of the 2 amounts and the reasons for the difference. The taxpayer's annual return to the Department shall also disclose the cost of goods sold by the taxpayer during the year covered by such return, opening and closing inventories of such goods for such year, cost of goods used from stock or taken from stock and given away by the taxpayer during such year, pay roll information of the taxpayer's business during such year and any additional reasonable information which the Department deems would be helpful in determining the accuracy of the monthly, quarterly or annual returns filed by such taxpayer as hereinbefore provided for in this Section.

If the annual information return required by this Section is not filed when and as required, the taxpayer shall be liable as follows:

(i) Until January 1, 1994, the taxpayer shall be liable for a penalty equal to 1/6 of 1% of the tax due from such taxpayer under this Act during the period to be covered by

the annual return for each month or fraction of a month until such return is filed as required, the penalty to be assessed and collected in the same manner as any other penalty provided for in this Act.

(ii) On and after January 1, 1994, the taxpayer shall be liable for a penalty as described in Section 3-4 of the Uniform Penalty and Interest Act.

The chief executive officer, proprietor, owner or highest ranking manager shall sign the annual return to certify the accuracy of the information contained therein. Any person who willfully signs the annual return containing false or inaccurate information shall be guilty of perjury and punished accordingly. The annual return form prescribed by the Department shall include a warning that the person signing the return may be liable for perjury.

The foregoing portion of this Section concerning the filing of an annual information return shall not apply to a serviceman who is not required to file an income tax return with the United States Government.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

For greater simplicity of administration, it shall be permissible for manufacturers, importers and wholesalers whose products are sold by numerous servicemen in Illinois, and who wish to do so, to assume the responsibility for accounting and paying to the Department all tax accruing under this Act with respect to such sales, if the servicemen who are affected do not make written objection to the Department to this arrangement.

(Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898, eff. 5-27-10.)

Section 5-40. The Retailers' Occupation Tax Act is amended by changing Sections 2-54, 3, 5k, 5l, and 9 as follows:

(35 ILCS 120/2-54)

Sec. 2-54. Building materials exemption; River Edge Redevelopment Zones.

(a) Each retailer that makes a qualified sale of building materials to be incorporated into real estate within a River Edge Redevelopment Zone in accordance with the River Edge Redevelopment Zone Act by remodeling, rehabilitating, or new construction may deduct receipts from those sales when

calculating the tax imposed by this Act. For purposes of this Section, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of an industrial or commercial project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the corporate authorities of the municipality in which the building project is located.

(b) Before July 1, 2013, to ~~To~~ document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the corporate authorities of the municipality in which the real estate into which the building materials will be incorporated is located. The Certificate of Eligibility for Sales Tax Exemption must contain all of the following:

(1) A statement that the commercial or industrial project identified in the Certificate meets all the requirements of the jurisdiction in which the project is located.

(2) The location or address of the building project.

(3) The signature of the chief executive officer of the municipality in which the building project is located, or the chief executive officer's delegate.

(c) Before July 1, 2013, in ~~In~~ addition, the retailer must obtain a certificate from the purchaser that contains all of the following:

(1) A statement that the building materials are being purchased for incorporation into real estate located in a River Edge Redevelopment Zone included in a redevelopment project area in accordance with River Edge Redevelopment Zone Act.

(2) The location or address of the real estate into which the building materials will be incorporated.

(3) The name of the River Edge Redevelopment Zone in which that real estate is located.

(4) A description of the building materials being purchased.

(5) The purchaser's signature and date of purchase.

(d) On and after July 1, 2013, to document the exemption allowed under this Section the retailer must obtain from the purchaser the purchaser's River Edge Building Materials Exemption Certificate number issued by the Department. A construction contractor or other entity shall not make tax-free purchases unless it has an active Exemption Certificate issued by the Department at the time of purchase.

Upon request from the corporate authorities of the municipality in which the building project is located, the Department shall issue a River Edge Building Materials Exemption Certificate for each construction contractor or other entity identified by the corporate authorities of the municipality in which the building project is located. The Department shall make the Exemption Certificates available to

the corporate authorities of the municipality in which the building project is located and each construction contractor or other entity. The request for River Edge Building Materials Exemption Certificates from the corporate authorities of the municipality in which the building project is located to the Department must include the following information:

(1) the name and address of the construction contractor or other entity;

(2) the name and number of the River Edge Redevelopment Zone in which the building project is located;

(3) the name and location or address of the building project in the River Edge Redevelopment Zone;

(4) the estimated amount of the exemption for each construction contractor or other entity for which a request for Exemption Certificate is made, based on a stated estimated average tax rate and the percentage of the contract that consists of materials;

(5) the period of time over which supplies for the project are expected to be purchased; and

(6) other reasonable information as the Department may require, including but not limited to FEIN numbers, to determine if the contractor or other entity, or any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity, is or has been the owner, a partner, a corporate officer, and in the case of a

limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department.

The Department shall issue the River Edge Building Materials Exemption Certificates within 3 business days after receipt of request from the corporate authorities of the municipality in which the building project is located. This requirement does not apply in circumstances where the Department, for reasonable cause, is unable to issue the Exemption Certificate within 3 business days. The Department may refuse to issue an Exemption Certificate if the owner, any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity is or has been the owner, a partner, a corporate officer, and in the case of a limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department. The River Edge Building Materials Exemption Certificate shall contain language stating that, if the construction contractor or other entity who is issued the Exemption Certificate makes a tax-exempt purchase as described in this Section that is not eligible for exemption under this Section, or allows another person to make a tax-exempt purchase, as described in this Section, that is not eligible for exemption under this Section,

then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as well as any applicable local retailers' occupation tax on the purchase that is not eligible for the exemption.

The Department, in its discretion, may require that the request for River Edge Building Materials Exemption Certificates be submitted electronically. The Department may, in its discretion, issue the Exemption Certificates electronically. The River Edge Building Materials Exemption Certificate number shall be designed in such a way that the Department can identify from the unique number on the Exemption Certificate issued to a given construction contractor or other entity, the name of the River Edge Redevelopment Zone in which the building project is located, the project for which the Exemption Certificate is issued, and the construction contractor or other entity to whom the Exemption Certificate is issued. The Exemption Certificate shall contain an expiration date, which shall be no more than 2 years after the date of issuance. At the request of the corporate authorities of the municipality in which the building project is located, the Department may renew an Exemption Certificate. After the Department issues Exemption Certificates for a given River Edge building project, the corporate authorities of the municipality in which the building project is located may

notify the Department of additional construction contractors or other entities eligible for a River Edge Building Materials Exemption Certificate. Upon notification by the corporate authorities of the municipality in which the building project is located, and subject to the other provisions of this subsection (d), the Department shall issue a River Edge Building Materials Exemption Certificate to each additional construction contractor or other entity identified by the corporate authorities of the municipality in which the building project is located. The corporate authorities of the municipality in which the building project is located may notify the Department to rescind a Building Materials Exemption Certificate previously issued by the Department but that has not yet expired. Upon notification by the corporate authorities of the municipality in which the building project is located, and subject to the other provisions of this subsection (d), the Department shall issue the rescission of the River Edge Building Materials Exemption Certificate to the construction contractor or other entity identified by the corporate authorities of the municipality in which the building project is located and provide a copy to the corporate authorities of the municipality in which the building project is located.

If the Department of Revenue determines that a construction contractor or other entity that was issued an Exemption Certificate under this subsection (d) made a tax-exempt purchase, as described in this Section, that was not eligible

for exemption under this Section, or allowed another person to make a tax-exempt purchase, as described in this Section, that was not eligible for exemption under this Section, then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as well as any applicable local retailers' occupation tax on the purchase that was not eligible for the exemption.

Notwithstanding anything to the contrary in this Section, for River Edge building projects already in existence and for which construction contracts are already in place on July 1, 2013, the request for River Edge Building Materials Exemption Certificates from the corporate authorities of the municipality in which the building project is located to the Department for these pre-existing construction contractors and other entities must include the information required under subsection (d), but not including the information listed in items (4) and (5). For any new construction contract entered into on or after July 1, 2013, however, all of the information in this subsection (d) must be provided.

(e) The provisions of this Section are exempt from Section 2-70.

(Source: P.A. 94-1021, eff. 7-12-06.)

(35 ILCS 120/3) (from Ch. 120, par. 442)

Sec. 3. Except as provided in this Section, on or before

the twentieth day of each calendar month, every person engaged in the business of selling tangible personal property at retail in this State during the preceding calendar month shall file a return with the Department, stating:

1. The name of the seller;

2. His residence address and the address of his principal place of business and the address of the principal place of business (if that is a different address) from which he engages in the business of selling tangible personal property at retail in this State;

3. Total amount of receipts received by him during the preceding calendar month or quarter, as the case may be, from sales of tangible personal property, and from services furnished, by him during such preceding calendar month or quarter;

4. Total amount received by him during the preceding calendar month or quarter on charge and time sales of tangible personal property, and from services furnished, by him prior to the month or quarter for which the return is filed;

5. Deductions allowed by law;

6. Gross receipts which were received by him during the preceding calendar month or quarter and upon the basis of which the tax is imposed;

7. The amount of credit provided in Section 2d of this Act;

8. The amount of tax due;

9. The signature of the taxpayer; and

10. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

Each return shall be accompanied by the statement of prepaid tax issued pursuant to Section 2e for which credit is claimed.

Prior to October 1, 2003, and on and after September 1, 2004 a retailer may accept a Manufacturer's Purchase Credit certification from a purchaser in satisfaction of Use Tax as provided in Section 3-85 of the Use Tax Act if the purchaser provides the appropriate documentation as required by Section 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit certification, accepted by a retailer prior to October 1, 2003 and on and after September 1, 2004 as provided in Section 3-85 of the Use Tax Act, may be used by that retailer to satisfy Retailers' Occupation Tax liability in the amount claimed in the certification, not to exceed 6.25% of the receipts subject to tax from a qualifying purchase. A Manufacturer's Purchase Credit reported on any original or amended return filed under this Act after October 20, 2003 for reporting periods prior to September 1, 2004 shall be disallowed. Manufacturer's

Purchaser Credit reported on annual returns due on or after January 1, 2005 will be disallowed for periods prior to September 1, 2004. No Manufacturer's Purchase Credit may be used after September 30, 2003 through August 31, 2004 to satisfy any tax liability imposed under this Act, including any audit liability.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in the business of selling tangible personal property at retail in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month from sales of tangible personal property by him during such preceding calendar month, including receipts from charge and time sales, but less all deductions allowed by law;

4. The amount of credit provided in Section 2d of this Act;

5. The amount of tax due; and

6. Such other reasonable information as the Department

may require.

Beginning on October 1, 2003, any person who is not a licensed distributor, importing distributor, or manufacturer, as defined in the Liquor Control Act of 1934, but is engaged in the business of selling, at retail, alcoholic liquor shall file a statement with the Department of Revenue, in a format and at a time prescribed by the Department, showing the total amount paid for alcoholic liquor purchased during the preceding month and such other information as is reasonably required by the Department. The Department may adopt rules to require that this statement be filed in an electronic or telephonic format. Such rules may provide for exceptions from the filing requirements of this paragraph. For the purposes of this paragraph, the term "alcoholic liquor" shall have the meaning prescribed in the Liquor Control Act of 1934.

Beginning on October 1, 2003, every distributor, importing distributor, and manufacturer of alcoholic liquor as defined in the Liquor Control Act of 1934, shall file a statement with the Department of Revenue, no later than the 10th day of the month for the preceding month during which transactions occurred, by electronic means, showing the total amount of gross receipts from the sale of alcoholic liquor sold or distributed during the preceding month to purchasers; identifying the purchaser to whom it was sold or distributed; the purchaser's tax registration number; and such other information reasonably required by the Department. A distributor, importing

distributor, or manufacturer of alcoholic liquor must personally deliver, mail, or provide by electronic means to each retailer listed on the monthly statement a report containing a cumulative total of that distributor's, importing distributor's, or manufacturer's total sales of alcoholic liquor to that retailer no later than the 10th day of the month for the preceding month during which the transaction occurred. The distributor, importing distributor, or manufacturer shall notify the retailer as to the method by which the distributor, importing distributor, or manufacturer will provide the sales information. If the retailer is unable to receive the sales information by electronic means, the distributor, importing distributor, or manufacturer shall furnish the sales information by personal delivery or by mail. For purposes of this paragraph, the term "electronic means" includes, but is not limited to, the use of a secure Internet website, e-mail, or facsimile.

If a total amount of less than $1 is payable, refundable or creditable, such amount shall be disregarded if it is less than 50 cents and shall be increased to $1 if it is 50 cents or more.

Beginning October 1, 1993, a taxpayer who has an average monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic

funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer

with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

Any amount which is required to be shown or reported on any return or other document under this Act shall, if such amount is not a whole-dollar amount, be increased to the nearest whole-dollar amount in any case where the fractional part of a dollar is 50 cents or more, and decreased to the nearest whole-dollar amount where the fractional part of a dollar is less than 50 cents.

If the retailer is otherwise required to file a monthly return and if the retailer's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the retailer is otherwise required to file a monthly or quarterly return and if the retailer's average monthly tax liability with the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a retailer may file his return, in the case of any retailer who ceases to engage in a kind of business which makes him responsible for filing returns under this Act, such retailer shall file a final return under this Act with the Department not more than one month after discontinuing such business.

Where the same person has more than one business registered with the Department under separate registrations under this Act, such person may not file each return that is due as a single return covering all such registered businesses, but shall file separate returns for each such registered business.

In addition, with respect to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State, every retailer selling this kind of tangible personal property shall file, with the Department, upon a form to be prescribed and supplied by the Department, a

separate return for each such item of tangible personal property which the retailer sells, except that if, in the same transaction, (i) a retailer of aircraft, watercraft, motor vehicles or trailers transfers more than one aircraft, watercraft, motor vehicle or trailer to another aircraft, watercraft, motor vehicle retailer or trailer retailer for the purpose of resale or (ii) a retailer of aircraft, watercraft, motor vehicles, or trailers transfers more than one aircraft, watercraft, motor vehicle, or trailer to a purchaser for use as a qualifying rolling stock as provided in Section 2-5 of this Act, then that seller may report the transfer of all aircraft, watercraft, motor vehicles or trailers involved in that transaction to the Department on the same uniform invoice-transaction reporting return form. For purposes of this Section, "watercraft" means a Class 2, Class 3, or Class 4 watercraft as defined in Section 3-2 of the Boat Registration and Safety Act, a personal watercraft, or any boat equipped with an inboard motor.

Any retailer who sells only motor vehicles, watercraft, aircraft, or trailers that are required to be registered with an agency of this State, so that all retailers' occupation tax liability is required to be reported, and is reported, on such transaction reporting returns and who is not otherwise required to file monthly or quarterly returns, need not file monthly or quarterly returns. However, those retailers shall be required to file returns on an annual basis.

The transaction reporting return, in the case of motor vehicles or trailers that are required to be registered with an agency of this State, shall be the same document as the Uniform Invoice referred to in Section 5-402 of The Illinois Vehicle Code and must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer for the traded-in tangible personal property, if any, to the extent to which Section 1 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price; the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale; a sufficient identification of the property sold; such other information as is required in Section 5-402 of The Illinois Vehicle Code, and such other information as the Department may reasonably require.

The transaction reporting return in the case of watercraft or aircraft must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer

for the traded-in tangible personal property, if any, to the extent to which Section 1 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price; the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale, a sufficient identification of the property sold, and such other information as the Department may reasonably require.

Such transaction reporting return shall be filed not later than 20 days after the day of delivery of the item that is being sold, but may be filed by the retailer at any time sooner than that if he chooses to do so. The transaction reporting return and tax remittance or proof of exemption from the Illinois use tax may be transmitted to the Department by way of the State agency with which, or State officer with whom the tangible personal property must be titled or registered (if titling or registration is required) if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration.

With each such transaction reporting return, the retailer shall remit the proper amount of tax due (or shall submit satisfactory evidence that the sale is not taxable if that is

the case), to the Department or its agents, whereupon the Department shall issue, in the purchaser's name, a use tax receipt (or a certificate of exemption if the Department is satisfied that the particular sale is tax exempt) which such purchaser may submit to the agency with which, or State officer with whom, he must title or register the tangible personal property that is involved (if titling or registration is required) in support of such purchaser's application for an Illinois certificate or other evidence of title or registration to such tangible personal property.

No retailer's failure or refusal to remit tax under this Act precludes a user, who has paid the proper tax to the retailer, from obtaining his certificate of title or other evidence of title or registration (if titling or registration is required) upon satisfying the Department that such user has paid the proper tax (if tax is due) to the retailer. The Department shall adopt appropriate rules to carry out the mandate of this paragraph.

If the user who would otherwise pay tax to the retailer wants the transaction reporting return filed and the payment of the tax or proof of exemption made to the Department before the retailer is willing to take these actions and such user has not paid the tax to the retailer, such user may certify to the fact of such delay by the retailer and may (upon the Department being satisfied of the truth of such certification) transmit the information required by the transaction reporting return

and the remittance for tax or proof of exemption directly to the Department and obtain his tax receipt or exemption determination, in which event the transaction reporting return and tax remittance (if a tax payment was required) shall be credited by the Department to the proper retailer's account with the Department, but without the 2.1% or 1.75% discount provided for in this Section being allowed. When the user pays the tax directly to the Department, he shall pay the tax in the same amount and in the same form in which it would be remitted if the tax had been remitted to the Department by the retailer.

Refunds made by the seller during the preceding return period to purchasers, on account of tangible personal property returned to the seller, shall be allowed as a deduction under subdivision 5 of his monthly or quarterly return, as the case may be, in case the seller had theretofore included the receipts from the sale of such tangible personal property in a return filed by him and had paid the tax imposed by this Act with respect to such receipts.

Where the seller is a corporation, the return filed on behalf of such corporation shall be signed by the president, vice-president, secretary or treasurer or by the properly accredited agent of such corporation.

Where the seller is a limited liability company, the return filed on behalf of the limited liability company shall be signed by a manager, member, or properly accredited agent of the limited liability company.

Except as provided in this Section, the retailer filing the return under this Section shall, at the time of filing such return, pay to the Department the amount of tax imposed by this Act less a discount of 2.1% prior to January 1, 1990 and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the retailer for the expenses incurred in keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. Any prepayment made pursuant to Section 2d of this Act shall be included in the amount on which such 2.1% or 1.75% discount is computed. In the case of retailers who report and pay the tax on a transaction by transaction basis, as provided in this Section, such discount shall be taken with each such tax remittance instead of when such retailer files his periodic return.

Before October 1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Use Tax Act, the Service Occupation Tax Act, and the Service Use Tax Act, excluding any liability for prepaid sales tax to be remitted in accordance with Section 2d of this Act, was $10,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payments to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. On and after October

1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Use Tax Act, the Service Occupation Tax Act, and the Service Use Tax Act, excluding any liability for prepaid sales tax to be remitted in accordance with Section 2d of this Act, was $20,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payment to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. If the month during which such tax liability is incurred began prior to January 1, 1985, each payment shall be in an amount equal to 1/4 of the taxpayer's actual liability for the month or an amount set by the Department not to exceed 1/4 of the average monthly liability of the taxpayer to the Department for the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability in such 4 quarter period). If the month during which such tax liability is incurred begins on or after January 1, 1985 and prior to January 1, 1987, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 27.5% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1987 and prior to January 1, 1988, each payment shall be in an amount equal to 22.5% of the taxpayer's

actual liability for the month or 26.25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1988, and prior to January 1, 1989, or begins on or after January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1989, and prior to January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year or 100% of the taxpayer's actual liability for the quarter monthly reporting period. The amount of such quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month. Before October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department by taxpayers having an average monthly tax liability of $10,000 or more as determined in the manner provided above shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $9,000, or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete

calendar quarter period is less than $10,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $10,000 threshold stated above, then such taxpayer may petition the Department for a change in such taxpayer's reporting status. On and after October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department by taxpayers having an average monthly tax liability of $20,000 or more as determined in the manner provided above shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $19,000 or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete calendar quarter period is less than $20,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $20,000 threshold stated above, then such taxpayer may petition the Department for a change in such taxpayer's reporting status. The Department shall change such taxpayer's reporting status unless it finds that such change is seasonal in nature and not likely to be

long term. If any such quarter monthly payment is not paid at the time or in the amount required by this Section, then the taxpayer shall be liable for penalties and interest on the difference between the minimum amount due as a payment and the amount of such quarter monthly payment actually and timely paid, except insofar as the taxpayer has previously made payments for that month to the Department in excess of the minimum payments previously due as provided in this Section. The Department shall make reasonable rules and regulations to govern the quarter monthly payment amount and quarter monthly payment dates for taxpayers who file on other than a calendar monthly basis.

The provisions of this paragraph apply before October 1, 2001. Without regard to whether a taxpayer is required to make quarter monthly payments as specified above, any taxpayer who is required by Section 2d of this Act to collect and remit prepaid taxes and has collected prepaid taxes which average in excess of $25,000 per month during the preceding 2 complete calendar quarters, shall file a return with the Department as required by Section 2f and shall make payments to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. If the month during which such tax liability is incurred began prior to the effective date of this amendatory Act of 1985, each payment shall be in an amount not less than 22.5% of the taxpayer's actual liability under Section 2d. If the month during which

such tax liability is incurred begins on or after January 1, 1986, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 27.5% of the taxpayer's liability for the same calendar month of the preceding calendar year. If the month during which such tax liability is incurred begins on or after January 1, 1987, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 26.25% of the taxpayer's liability for the same calendar month of the preceding year. The amount of such quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month filed under this Section or Section 2f, as the case may be. Once applicable, the requirement of the making of quarter monthly payments to the Department pursuant to this paragraph shall continue until such taxpayer's average monthly prepaid tax collections during the preceding 2 complete calendar quarters is $25,000 or less. If any such quarter monthly payment is not paid at the time or in the amount required, the taxpayer shall be liable for penalties and interest on such difference, except insofar as the taxpayer has previously made payments for that month in excess of the minimum payments previously due.

The provisions of this paragraph apply on and after October 1, 2001. Without regard to whether a taxpayer is required to make quarter monthly payments as specified above, any taxpayer who is required by Section 2d of this Act to collect and remit

prepaid taxes and has collected prepaid taxes that average in excess of $20,000 per month during the preceding 4 complete calendar quarters shall file a return with the Department as required by Section 2f and shall make payments to the Department on or before the 7th, 15th, 22nd and last day of the month during which the liability is incurred. Each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year. The amount of the quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month filed under this Section or Section 2f, as the case may be. Once applicable, the requirement of the making of quarter monthly payments to the Department pursuant to this paragraph shall continue until the taxpayer's average monthly prepaid tax collections during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $19,000 or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete calendar quarters is less than $20,000. If any such quarter monthly payment is not paid at the time or in the amount required, the taxpayer shall be liable for penalties and interest on such difference, except insofar as the taxpayer has previously made payments for that month in excess of the minimum payments previously due.

If any payment provided for in this Section exceeds the taxpayer's liabilities under this Act, the Use Tax Act, the Service Occupation Tax Act and the Service Use Tax Act, as shown on an original monthly return, the Department shall, if requested by the taxpayer, issue to the taxpayer a credit memorandum no later than 30 days after the date of payment. The credit evidenced by such credit memorandum may be assigned by the taxpayer to a similar taxpayer under this Act, the Use Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations to be prescribed by the Department. If no such request is made, the taxpayer may credit such excess payment against tax liability subsequently to be remitted to the Department under this Act, the Use Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations prescribed by the Department. If the Department subsequently determined that all or any part of the credit taken was not actually due to the taxpayer, the taxpayer's 2.1% and 1.75% vendor's discount shall be reduced by 2.1% or 1.75% of the difference between the credit taken and that actually due, and that taxpayer shall be liable for penalties and interest on such difference.

If a retailer of motor fuel is entitled to a credit under Section 2d of this Act which exceeds the taxpayer's liability to the Department under this Act for the month which the taxpayer is filing a return, the Department shall issue the

taxpayer a credit memorandum for the excess.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund, a special fund in the State treasury which is hereby created, the net revenue realized for the preceding month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

Beginning January 1, 1990, each month the Department shall pay into the County and Mass Transit District Fund, a special fund in the State treasury which is hereby created, 4% of the net revenue realized for the preceding month from the 6.25% general rate.

Beginning August 1, 2000, each month the Department shall pay into the County and Mass Transit District Fund 20% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol. Beginning September 1, 2010, each month the Department shall pay into the County and Mass Transit District Fund 20% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of sales tax holiday items.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund 16% of the net revenue

realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Beginning August 1, 2000, each month the Department shall pay into the Local Government Tax Fund 80% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol. Beginning September 1, 2010, each month the Department shall pay into the Local Government Tax Fund 80% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of sales tax holiday items.

Beginning October 1, 2009, each month the Department shall pay into the Capital Projects Fund an amount that is equal to an amount estimated by the Department to represent 80% of the net revenue realized for the preceding month from the sale of candy, grooming and hygiene products, and soft drinks that had been taxed at a rate of 1% prior to September 1, 2009 but that is now taxed at 6.25%.

Beginning July 1, 2011, each month the Department shall pay into the Clean Air Act (CAA) Permit Fund 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of sorbents used in Illinois in the process of sorbent injection as used to comply with the Environmental Protection Act or the federal Clean Air Act, but the total payment into the Clean Air Act (CAA) Permit Fund under this Act and the Use Tax Act shall not exceed $2,000,000 in any fiscal year.

Beginning July 1, 2013, each month the Department shall pay into the Underground Storage Tank Fund from the proceeds collected under this Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act an amount equal to the average monthly deficit in the Underground Storage Tank Fund during the prior year, as certified annually by the Illinois Environmental Protection Agency, but the total payment into the Underground Storage Tank Fund under this Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act shall not exceed $18,000,000 in any State fiscal year. As used in this paragraph, the "average monthly deficit" shall be equal to the difference between the average monthly claims for payment by the fund and the average monthly revenues deposited into the fund, excluding payments made pursuant to this paragraph.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to this Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called the "Tax Acts" and such aggregate of

2.2% or 3.8%, as the case may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be less than the Annual Specified Amount (as hereinafter defined), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; the "Annual Specified Amount" means the amounts specified below for fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	$54,800,000
1987	$76,650,000
1988	$80,480,000
1989	$88,510,000
1990	$115,330,000
1991	$145,470,000
1992	$182,730,000
1993	$206,520,000;

and means the Certified Annual Debt Service Requirement (as defined in Section 13 of the Build Illinois Bond Act) or the Tax Act Amount, whichever is greater, for fiscal year 1994 and each fiscal year thereafter; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund during such month and (2) the amount transferred to the Build Illinois Fund from the

State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year. The amounts payable into the Build Illinois Fund under clause (b) of the first sentence in this paragraph shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing Bonds issued and outstanding pursuant to the Build Illinois Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget). If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred

in such month from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the first sentence of this paragraph and shall reduce the amount otherwise payable for such fiscal year pursuant to that clause (b). The moneys received by the Department pursuant to this Act and required to be deposited into the Build Illinois Fund are subject to the pledge, claim and charge set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place

Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000
2001	80,000,000
2002	93,000,000
2003	99,000,000
2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000
2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000

2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000
2021	246,000,000
2022	260,000,000
2023	275,000,000
2024	275,000,000
2025	275,000,000
2026	279,000,000
2027	292,000,000
2028	307,000,000
2029	322,000,000
2030	338,000,000
2031	350,000,000
2032	350,000,000
and	
each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act,	

but not after fiscal year 2060.

Beginning July 20, 1993 and in each month of each fiscal

year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection (g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy

Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

Of the remainder of the moneys received by the Department pursuant to this Act, 75% thereof shall be paid into the State Treasury and 25% shall be reserved in a special account and used only for the transfer to the Common School Fund as part of the monthly transfer from the General Revenue Fund in accordance with Section 8a of the State Finance Act.

The Department may, upon separate written notice to a taxpayer, require the taxpayer to prepare and file with the Department on a form prescribed by the Department within not less than 60 days after receipt of the notice an annual information return for the tax year specified in the notice. Such annual return to the Department shall include a statement of gross receipts as shown by the retailer's last Federal income tax return. If the total receipts of the business as reported in the Federal income tax return do not agree with the gross receipts reported to the Department of Revenue for the same period, the retailer shall attach to his annual return a schedule showing a reconciliation of the 2 amounts and the reasons for the difference. The retailer's annual return to the

Department shall also disclose the cost of goods sold by the retailer during the year covered by such return, opening and closing inventories of such goods for such year, costs of goods used from stock or taken from stock and given away by the retailer during such year, payroll information of the retailer's business during such year and any additional reasonable information which the Department deems would be helpful in determining the accuracy of the monthly, quarterly or annual returns filed by such retailer as provided for in this Section.

If the annual information return required by this Section is not filed when and as required, the taxpayer shall be liable as follows:

(i) Until January 1, 1994, the taxpayer shall be liable for a penalty equal to 1/6 of 1% of the tax due from such taxpayer under this Act during the period to be covered by the annual return for each month or fraction of a month until such return is filed as required, the penalty to be assessed and collected in the same manner as any other penalty provided for in this Act.

(ii) On and after January 1, 1994, the taxpayer shall be liable for a penalty as described in Section 3-4 of the Uniform Penalty and Interest Act.

The chief executive officer, proprietor, owner or highest ranking manager shall sign the annual return to certify the accuracy of the information contained therein. Any person who

willfully signs the annual return containing false or inaccurate information shall be guilty of perjury and punished accordingly. The annual return form prescribed by the Department shall include a warning that the person signing the return may be liable for perjury.

The provisions of this Section concerning the filing of an annual information return do not apply to a retailer who is not required to file an income tax return with the United States Government.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

For greater simplicity of administration, manufacturers, importers and wholesalers whose products are sold at retail in Illinois by numerous retailers, and who wish to do so, may assume the responsibility for accounting and paying to the Department all tax accruing under this Act with respect to such sales, if the retailers who are affected do not make written

objection to the Department to this arrangement.

Any person who promotes, organizes, provides retail selling space for concessionaires or other types of sellers at the Illinois State Fair, DuQuoin State Fair, county fairs, local fairs, art shows, flea markets and similar exhibitions or events, including any transient merchant as defined by Section 2 of the Transient Merchant Act of 1987, is required to file a report with the Department providing the name of the merchant's business, the name of the person or persons engaged in merchant's business, the permanent address and Illinois Retailers Occupation Tax Registration Number of the merchant, the dates and location of the event and other reasonable information that the Department may require. The report must be filed not later than the 20th day of the month next following the month during which the event with retail sales was held. Any person who fails to file a report required by this Section commits a business offense and is subject to a fine not to exceed $250.

Any person engaged in the business of selling tangible personal property at retail as a concessionaire or other type of seller at the Illinois State Fair, county fairs, art shows, flea markets and similar exhibitions or events, or any transient merchants, as defined by Section 2 of the Transient Merchant Act of 1987, may be required to make a daily report of the amount of such sales to the Department and to make a daily payment of the full amount of tax due. The Department shall

impose this requirement when it finds that there is a significant risk of loss of revenue to the State at such an exhibition or event. Such a finding shall be based on evidence that a substantial number of concessionaires or other sellers who are not residents of Illinois will be engaging in the business of selling tangible personal property at retail at the exhibition or event, or other evidence of a significant risk of loss of revenue to the State. The Department shall notify concessionaires and other sellers affected by the imposition of this requirement. In the absence of notification by the Department, the concessionaires and other sellers shall file their returns as otherwise required in this Section.

(Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898, eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11; 97-333, eff. 8-12-11.)

(35 ILCS 120/5k) (from Ch. 120, par. 444k)

Sec. 5k. Building materials exemption; enterprise zone.

(a) Each retailer who makes a qualified sale of building materials to be incorporated into real estate in an enterprise zone established by a county or municipality under the Illinois Enterprise Zone Act by remodeling, rehabilitation or new construction, may deduct receipts from such sales when calculating the tax imposed by this Act. For purposes of this Section, before July 1, 2013, "qualified sale" means a sale of building materials that will be incorporated into real estate

as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the administrator of the enterprise zone in which the building project is located, and on and after July 1, 2013, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which an Enterprise Zone Building Materials Exemption Certificate has been issued to the purchaser by the Department. A construction contractor or other entity shall not make tax-free purchases unless it has an active Exemption Certificate issued by the Department at the time of the purchase.

(b) Before July 1, 2013, to document the exemption allowed under this Section, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator of the enterprise zone into which the building materials will be incorporated. On and after July 1, 2013, to document the exemption allowed under this Section, the retailer must obtain from the purchaser the certification required under subsection (c), which must contain the Enterprise Zone Building Materials Exemption Certificate number issued to the purchaser by the Department. Upon request from the enterprise zone administrator, the Department shall issue an Enterprise Zone Building Materials Exemption Certificate for each construction contractor or other entity identified by the enterprise zone administrator.

The Department shall make ~~issue~~ the Exemption Certificates available directly to each enterprise zone administrator, construction contractor, or other entity. ~~The Department shall also provide the enterprise zone administrator with a copy of each Exemption Certificate issued.~~ The request for Enterprise Zone Building Materials Exemption Certificates from the enterprise zone administrator to the Department must include the following information:

(1) the name and address of the construction contractor or other entity;

(2) the name and number of the enterprise zone;

(3) the name and location or address of the building project in the enterprise zone;

(4) the estimated amount of the exemption for each construction contractor or other entity for which a request for Exemption Certificate is made, based on a stated estimated average tax rate and the percentage of the contract that consists of materials;

(5) the period of time over which supplies for the project are expected to be purchased; and

(6) other reasonable information as the Department may require, including, but not limited to FEIN numbers, to determine if the contractor or other entity, or any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity, is or has been the

owner, a partner, a corporate officer, and in the case of a limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department.

The Department shall issue the Enterprise Zone Building Materials Exemption Certificates within 3 business days after receipt of request from the zone administrator. This requirement does not apply in circumstances where the Department, for reasonable cause, is unable to issue the Exemption Certificate within 3 business days. The Department may refuse to issue an Exemption Certificate if the owner, any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity is or has been the owner, a partner, a corporate officer, and in the case of a limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department. The Enterprise Zone Building Materials Exemption Certificate shall contain language stating that if the construction contractor or other entity who is issued the Exemption Certificate makes a tax-exempt purchase, as described in this Section, that is not eligible for exemption under this Section or allows another person to make a tax-exempt purchase, as described in this Section, that is not eligible for exemption under this Section,

then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as well as any applicable local retailers' occupation tax on the purchase that is not eligible for the exemption.

The Department, in its discretion, may require that the request for Enterprise Zone Building Materials Exemption Certificates be submitted electronically. The Department may, in its discretion, issue the Exemption Certificates electronically. The Enterprise Zone Building Materials Exemption Certificate number shall be designed in such a way that the Department can identify from the unique number on the Exemption Certificate issued to a given construction contractor or other entity, the name of the Enterprise Zone, the project for which the Exemption Certificate is issued, and the construction contractor or other entity to whom the Exemption Certificate is issued. The Exemption Certificate shall contain an expiration date, which shall be no more than 2 years after the date of issuance. At the request of the zone administrator, the Department may renew an Exemption Certificate. After the Department issues Exemption Certificates for a given enterprise zone project, the enterprise zone administrator may notify the Department of additional construction contractors or other entities eligible for an Enterprise Zone Building Materials Exemption

Certificate. Upon notification by the enterprise zone administrator and subject to the other provisions of this subsection (b), the Department shall issue an Enterprise Zone Building Materials Exemption Certificate to each additional construction contractor or other entity identified by the enterprise zone administrator. An enterprise zone administrator may notify the Department to rescind an Enterprise Zone Building Materials Exemption Certificate previously issued by the Department but that has not yet expired. Upon notification by the enterprise zone administrator and subject to the other provisions of this subsection (b), the Department shall issue the rescission of the Enterprise Zone Building Materials Exemption Certificate to the construction contractor or other entity identified by the enterprise zone administrator and provide a copy to the enterprise zone administrator.

If the Department of Revenue determines that a construction contractor or other entity that was issued an Exemption Certificate under this subsection (b) made a tax-exempt purchase, as described in this Section, that was not eligible for exemption under this Section or allowed another person to make a tax-exempt purchase, as described in this Section, that was not eligible for exemption under this Section, then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as

well as any applicable local retailers' occupation tax on the purchase that was not eligible for the exemption.

(c) In addition, the retailer must obtain certification from the purchaser that contains:

(1) a statement that the building materials are being purchased for incorporation into real estate located in an Illinois enterprise zone;

(2) the location or address of the real estate into which the building materials will be incorporated;

(3) the name of the enterprise zone in which that real estate is located;

(4) a description of the building materials being purchased;

(5) on and after July 1, 2013, the purchaser's Enterprise Zone Building Materials Exemption Certificate number issued by the Department; and

(6) the purchaser's signature and date of purchase.

(d) The deduction allowed by this Section for the sale of building materials may be limited, to the extent authorized by ordinance, adopted after the effective date of this amendatory Act of 1992, by the municipality or county that created the enterprise zone into which the building materials will be incorporated. The ordinance, however, may neither require nor prohibit the purchase of building materials from any retailer or class of retailers in order to qualify for the exemption allowed under this Section. The provisions of this Section are

exempt from Section 2-70.

(e) Notwithstanding anything to the contrary in this Section, for enterprise zone projects already in existence and for which construction contracts are already in place on July 1, 2013, the request for Enterprise Zone Building Materials Exemption Certificates from the enterprise zone administrator to the Department for these pre-existing construction contractors and other entities must include the information required under subsection (b), but not including the information listed in items (4) and (5). For any new construction contract entered into on or after July 1, 2013, however, all of the information in subsection (b) must be provided.

(Source: P.A. 97-905, eff. 8-7-12.)

(35 ILCS 120/5l) (from Ch. 120, par. 444l)

Sec. 5l. Building materials exemption; High Impact Business.

(a) Beginning January 1, 1995, each retailer who makes a sale of building materials that will be incorporated into a High Impact Business location as designated by the Department of Commerce and Economic Opportunity under Section 5.5 of the Illinois Enterprise Zone Act may deduct receipts from such sales when calculating only the 6.25% State rate of tax imposed by this Act. Beginning on the effective date of this amendatory Act of 1995, a retailer may also deduct receipts from such

sales when calculating any applicable local taxes. However, until the effective date of this amendatory Act of 1995, a retailer may file claims for credit or refund to recover the amount of any applicable local tax paid on such sales. No retailer who is eligible for the deduction or credit under Section 5k of this Act for making a sale of building materials to be incorporated into real estate in an enterprise zone by rehabilitation, remodeling or new construction shall be eligible for the deduction or credit authorized under this Section.

(b) On and after July 1, 2013, in ~~In~~ addition to any other requirements to document the exemption allowed under this Section, the retailer must obtain from the purchaser the purchaser's High Impact Business Building Materials Exemption Certificate number issued by the Department. A construction contractor or other entity shall not make tax-free purchases unless it has an active Exemption Certificate issued by the Department at the time of purchase.

Upon request from the designated High Impact Business, the Department shall issue a High Impact Business Building Materials Exemption Certificate for each construction contractor or other entity identified by the designated High Impact Business. The Department shall make ~~issue~~ the Exemption Certificates available ~~directly~~ to each construction contractor or other entity and the designated High Impact Business. ~~The Department shall also provide the designated High~~

~~Impact Business with a copy of each Exemption Certificate issued.~~ The request for Building Materials Exemption Certificates from the designated High Impact Business to the Department must include the following information:

(1) the name and address of the construction contractor or other entity;

(2) the name and location or address of the designated High Impact Business;

(3) the estimated amount of the exemption for each construction contractor or other entity for which a request for Exemption Certificate is made, based on a stated estimated average tax rate and the percentage of the contract that consists of materials;

(4) the period of time over which supplies for the project are expected to be purchased; and

(5) other reasonable information as the Department may require, including but not limited to FEIN numbers, to determine if the contractor or other entity, or any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity, is or has been the owner, a partner, a corporate officer, and in the case of a limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department.

The Department shall issue the High Impact Business Building Materials Exemption Certificates within 3 business days after receipt of request from the designated High Impact Business. This requirement does not apply in circumstances where the Department, for reasonable cause, is unable to issue the Exemption Certificate within 3 business days. The Department may refuse to issue an Exemption Certificate if the owner, any partner, or a corporate officer, and in the case of a limited liability company, any manager or member, of the construction contractor or other entity is or has been the owner, a partner, a corporate officer, and in the case of a limited liability company, a manager or member, of a person that is in default for moneys due to the Department under this Act or any other tax or fee Act administered by the Department. The High Impact Business Building Materials Exemption Certificate shall contain language stating that if the construction contractor or other entity who is issued the Exemption Certificate makes a tax-exempt purchase, as described in this Section, that is not eligible for exemption under this Section or allows another person to make a tax-exempt purchase, as described in this Section, that is not eligible for exemption under this Section, then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as well as any applicable local retailers' occupation tax on the purchase

that is not eligible for the exemption.

The Department, in its discretion, may require that the request for High Impact Business Building Materials Exemption Certificates be submitted electronically. The Department may, in its discretion, issue the Exemption Certificates electronically. The High Impact Business Building Materials Exemption Certificate number shall be designed in such a way that the Department can identify from the unique number on the Exemption Certificate issued to a given construction contractor or other entity, the name of the designated High Impact Business and the construction contractor or other entity to whom the Exemption Certificate is issued. The Exemption Certificate shall contain an expiration date, which shall be no more than 2 years after the date of issuance. At the request of the designated High Impact Business, the Department may renew an Exemption Certificate. After the Department issues Exemption Certificates for a given designated High Impact Business, the designated High Impact Business may notify the Department of additional construction contractors or other entities eligible for a Building Materials Exemption Certificate. Upon notification by the designated High Impact Business and subject to the other provisions of this subsection (b), the Department shall issue a High Impact Business Building Materials Exemption Certificate to each additional construction contractor or other entity identified by the designated High Impact Business. A designated High Impact

Business may notify the Department to rescind a Building Materials Exemption Certificate previously issued by the Department but that has not yet expired. Upon notification by the designated High Impact Business and subject to the other provisions of this subsection (b), the Department shall issue the rescission of the Building Materials Exemption Certificate to the construction contractor or other entity identified by the designated High Impact Business and provide a copy to the designated High Impact Business.

If the Department of Revenue determines that a construction contractor or other entity that was issued an Exemption Certificate under this subsection (b) made a tax-exempt purchase, as described in this Section, that was not eligible for exemption under this Section or allowed another person to make a tax-exempt purchase, as described in this Section, that was not eligible for exemption under this Section, then, in addition to any tax or other penalty imposed, the construction contractor or other entity is subject to a penalty equal to the tax that would have been paid by the retailer under this Act as well as any applicable local retailers' occupation tax on the purchase that was not eligible for the exemption.

(c) Notwithstanding anything to the contrary in this Section, for High Impact Businesses for which projects are already in existence and for which construction contracts are already in place on July 1, 2013, the request for High Impact Business Building Materials Exemption Certificates from the

High Impact Business to the Department for these pre-existing construction contractors and other entities must include the information required under subsection (b), but not including the information listed in items (3) and (4). For any new construction contract entered into on or after July 1, 2013, however, all of the information in subsection (b) must be provided.

(Source: P.A. 97-905, eff. 8-7-12.)

Section 5-50. The Property Tax Code is amended by changing Sections 10-115 and 18-165 as follows:

(35 ILCS 200/10-115)

Sec. 10-115. Department guidelines and valuations for farmland. The Department shall issue guidelines and recommendations for the valuation of farmland to achieve equitable assessment within and between counties.

The Director of Revenue shall appoint a five-person Farmland Assessment Technical Advisory Board, consisting of technical experts from the colleges or schools of agriculture of the State universities and State and federal agricultural agencies, to advise in and provide data and technical information needed for implementation of this Section.

By May 1 of each year, the Department shall certify to each chief county assessment officer the following, calculated from data provided by the Farmland Technical Advisory Board, on a

per acre basis by soil productivity index for harvested cropland, using moving averages for the most recent 5-year period for which data are available:

(a) gross income, estimated by using yields per acre as assigned to soil productivity indices, the crop mix for each soil productivity index as determined by the College of Agriculture of the University of Illinois and average prices received by farmers for principal crops as published by the Illinois Crop Reporting Service;

(b) production costs, other than land costs, provided by the College of Agriculture of the University of Illinois;

(c) net return to land, which shall be the difference between (a) and (b) above;

(d) a proposed agricultural economic value determined by dividing the net return to land by the moving average of the Federal Land Bank farmland mortgage interest rate as calculated by the Department;

(e) the equalized assessed value per acre of farmland for each soil productivity index, which shall be 33-1/3% of the agricultural economic value, or the percentage as provided under Section 17-5; but any increase or decrease in the equalized assessed value per acre by soil productivity index shall not exceed 10% from the immediate preceding year's soil productivity index certified assessed value <u>of the median cropped soil; in tax year 2015</u>

only, that 10% limitation shall be reduced by $5 per acre;

(f) a proposed average equalized assessed value per acre of cropland for each individual county, weighted by the distribution of soils by productivity index in the county; and

(g) a proposed average equalized assessed value per acre for all farmland in each county, weighted (i) to consider the proportions of all farmland acres in the county which are cropland, permanent pasture, and other farmland, and (ii) to reflect the valuations for those types of land and debasements for slope and erosion as required by Section 10-125.

(Source: P.A. 91-357, eff. 7-29-99.)

(35 ILCS 200/18-165)

Sec. 18-165. Abatement of taxes.

(a) Any taxing district, upon a majority vote of its governing authority, may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following types of property:

(1) Commercial and industrial.

(A) The property of any commercial or industrial firm, including but not limited to the property of (i) any firm that is used for collecting, separating, storing, or processing recyclable materials, locating

within the taxing district during the immediately preceding year from another state, territory, or country, or having been newly created within this State during the immediately preceding year, or expanding an existing facility, or (ii) any firm that is used for the generation and transmission of electricity locating within the taxing district during the immediately preceding year or expanding its presence within the taxing district during the immediately preceding year by construction of a new electric generating facility that uses natural gas as its fuel, or any firm that is used for production operations at a new, expanded, or reopened coal mine within the taxing district, that has been certified as a High Impact Business by the Illinois Department of Commerce and Economic Opportunity. The property of any firm used for the generation and transmission of electricity shall include all property of the firm used for transmission facilities as defined in Section 5.5 of the Illinois Enterprise Zone Act. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $4,000,000.

(A-5) Any property in the taxing district of a new electric generating facility, as defined in Section 605-332 of the Department of Commerce and Economic

Opportunity Law of the Civil Administrative Code of Illinois. The abatement shall not exceed a period of 10 years. The abatement shall be subject to the following limitations:

(i) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $25,000,000 but less than $50,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 5% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 20% of the taxing district's taxes from the new electric generating facility;

(ii) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $50,000,000 but less than $75,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 10% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 35% of the taxing district's taxes from the new electric generating facility;

(iii) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $75,000,000 but less than $100,000,000, then the abatement may not exceed

(i) over the entire term of the abatement, 20% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 50% of the taxing district's taxes from the new electric generating facility;

(iv) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $100,000,000 but less than $125,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 30% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(v) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $125,000,000 but less than $150,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 40% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(vi) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $150,000,000, then the abatement may

not exceed (i) over the entire term of the abatement, 50% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility.

The abatement is not effective unless the owner of the new electric generating facility agrees to repay to the taxing district all amounts previously abated, together with interest computed at the rate and in the manner provided for delinquent taxes, in the event that the owner of the new electric generating facility closes the new electric generating facility before the expiration of the entire term of the abatement.

The authorization of taxing districts to abate taxes under this subdivision (a)(1)(A-5) expires on January 1, 2010.

(B) The property of any commercial or industrial development of at least <u>(i)</u> 500 acres <u>or (ii) 225 acres in the case of a commercial or industrial development that applies for and is granted designation as a High Impact Business under paragraph (F) of item (3) of subsection (a) of Section 5.5 of the Illinois Enterprise Zone Act,</u> having been created within the taxing district. The abatement shall not exceed a period of 20 years and the aggregate amount of abated

taxes for all taxing districts combined shall not exceed $12,000,000.

(C) The property of any commercial or industrial firm currently located in the taxing district that expands a facility or its number of employees. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $4,000,000. The abatement period may be renewed at the option of the taxing districts.

(2) Horse racing. Any property in the taxing district which is used for the racing of horses and upon which capital improvements consisting of expansion, improvement or replacement of existing facilities have been made since July 1, 1987. The combined abatements for such property from all taxing districts in any county shall not exceed $5,000,000 annually and shall not exceed a period of 10 years.

(3) Auto racing. Any property designed exclusively for the racing of motor vehicles. Such abatement shall not exceed a period of 10 years.

(4) Academic or research institute. The property of any academic or research institute in the taxing district that (i) is an exempt organization under paragraph (3) of Section 501(c) of the Internal Revenue Code, (ii) operates for the benefit of the public by actually and exclusively

performing scientific research and making the results of the research available to the interested public on a non-discriminatory basis, and (iii) employs more than 100 employees. An abatement granted under this paragraph shall be for at least 15 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $5,000,000.

(5) Housing for older persons. Any property in the taxing district that is devoted exclusively to affordable housing for older households. For purposes of this paragraph, "older households" means those households (i) living in housing provided under any State or federal program that the Department of Human Rights determines is specifically designed and operated to assist elderly persons and is solely occupied by persons 55 years of age or older and (ii) whose annual income does not exceed 80% of the area gross median income, adjusted for family size, as such gross income and median income are determined from time to time by the United States Department of Housing and Urban Development. The abatement shall not exceed a period of 15 years, and the aggregate amount of abated taxes for all taxing districts shall not exceed $3,000,000.

(6) Historical society. For assessment years 1998 through 2018, the property of an historical society qualifying as an exempt organization under Section 501(c)(3) of the federal Internal Revenue Code.

(7) Recreational facilities. Any property in the taxing district (i) that is used for a municipal airport, (ii) that is subject to a leasehold assessment under Section 9-195 of this Code and (iii) which is sublet from a park district that is leasing the property from a municipality, but only if the property is used exclusively for recreational facilities or for parking lots used exclusively for those facilities. The abatement shall not exceed a period of 10 years.

(8) Relocated corporate headquarters. If approval occurs within 5 years after the effective date of this amendatory Act of the 92nd General Assembly, any property or a portion of any property in a taxing district that is used by an eligible business for a corporate headquarters as defined in the Corporate Headquarters Relocation Act. Instead of an abatement under this paragraph (8), a taxing district may enter into an agreement with an eligible business to make annual payments to that eligible business in an amount not to exceed the property taxes paid directly or indirectly by that eligible business to the taxing district and any other taxing districts for premises occupied pursuant to a written lease and may make those payments without the need for an annual appropriation. No school district, however, may enter into an agreement with, or abate taxes for, an eligible business unless the municipality in which the corporate headquarters is

located agrees to provide funding to the school district in an amount equal to the amount abated or paid by the school district as provided in this paragraph (8). Any abatement ordered or agreement entered into under this paragraph (8) may be effective for the entire term specified by the taxing district, except the term of the abatement or annual payments may not exceed 20 years.

(9) United States Military Public/Private Residential Developments. Each building, structure, or other improvement designed, financed, constructed, renovated, managed, operated, or maintained after January 1, 2006 under a "PPV Lease", as set forth under Division 14 of Article 10, and any such PPV Lease.

(10) Property located in a business corridor that qualifies for an abatement under Section 18-184.10.

(b) Upon a majority vote of its governing authority, any municipality may, after the determination of the assessed valuation of its property, order the county clerk to abate any portion of its taxes on any property that is located within the corporate limits of the municipality in accordance with Section 8-3-18 of the Illinois Municipal Code.

(Source: P.A. 96-1136, eff. 7-21-10; 97-577, eff. 1-1-12; 97-636, eff. 6-1-12.)

Section 5-55. The County Economic Development Project Area Property Tax Allocation Act is amended by changing Section 3 as

follows:

(55 ILCS 85/3) (from Ch. 34, par. 7003)

Sec. 3. Definitions. In this Act, words or terms shall have the following meanings unless the context usage clearly indicates that another meaning is intended.

(a) "Department" means the Department of Commerce and Economic Opportunity.

(b) "Economic development plan" means the written plan of a county which sets forth an economic development program for an economic development project area. Each economic development plan shall include but not be limited to (1) estimated economic development project costs, (2) the sources of funds to pay such costs, (3) the nature and term of any obligations to be issued by the county to pay such costs, (4) the most recent equalized assessed valuation of the economic development project area, (5) an estimate of the equalized assessed valuation of the economic development project area after completion of the economic development plan, (6) the estimated date of completion of any economic development project proposed to be undertaken, (7) a general description of any proposed developer, user, or tenant of any property to be located or improved within the economic development project area, (8) a description of the type, structure and general character of the facilities to be developed or improved in the economic development project area, (9) a description of the general land uses to apply in the

economic development project area, (10) a description of the type, class and number of employees to be employed in the operation of the facilities to be developed or improved in the economic development project area and (11) a commitment by the county to fair employment practices and an affirmative action plan with respect to any economic development program to be undertaken by the county. The economic development plan for an economic development project area authorized by subsection (a-15) of Section 4 of this Act must additionally include (1) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be subject to such growth and development without the assistance provided through the implementation of the economic development plan and (2) evidence that portions of the economic development project area have incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the project area.

(c) "Economic development project" means any development

project in furtherance of the objectives of this Act.

(d) "Economic development project area" means any improved or vacant area which is located within the corporate limits of a county and which (1) is within the unincorporated area of such county, or, with the consent of any affected municipality, is located partially within the unincorporated area of such county and partially within one or more municipalities, (2) is contiguous, (3) is not less in the aggregate than 100 acres and, for an economic development project area authorized by subsection (a-15) of Section 4 of this Act, not more than 2,000 acres, (4) is suitable for siting by any commercial, manufacturing, industrial, research or transportation enterprise of facilities to include but not be limited to commercial businesses, offices, factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial or commercial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or transportation facilities, whether or not such area has been used at any time for such facilities and whether or not the area has been used or is suitable for such facilities and whether or not the area has been used or is suitable for other uses, including commercial agricultural purposes, and (5) which has been certified by the Department pursuant to this Act.

(e) "Economic development project costs" means and includes the sum total of all reasonable or necessary costs

incurred by a county incidental to an economic development project, including, without limitation, the following:

(1) Costs of studies, surveys, development of plans and specifications, implementation and administration of an economic development plan, personnel and professional service costs for architectural, engineering, legal, marketing, financial, planning, sheriff, fire, public works or other services, provided that no charges for professional services may be based on a percentage of incremental tax revenue;

(2) Property assembly costs within an economic development project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other non-governmental persons as reimbursement for property assembly costs incurred by such developer or other non-governmental person;

(3) Site preparation costs, including but not limited to clearance of any area within an economic development project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; site improvement addressing ground level or below ground environmental contamination; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site

improvements within or without an economic development project area which are essential to the preparation of the economic development project area for use in accordance with an economic development plan; and specifically including payments to developers or other non-governmental persons as reimbursement for site preparation costs incurred by such developer or non-governmental person;

(4) Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of any existing buildings, improvements, and fixtures within an economic development project area, and specifically including payments to developers or other non-governmental persons as reimbursement for such costs incurred by such developer or non-governmental person;

(5) Costs of construction within an economic development project area of public improvements, including but not limited to, buildings, structures, works, improvements, utilities or fixtures;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued hereunder which accrues during the estimated period of construction of any economic development project for which such obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of such obligations;

(7) All or a portion of a taxing district's capital costs resulting from an economic development project necessarily incurred or estimated to be incurred by a taxing district in the furtherance of the objectives of an economic development project, to the extent that the county by written agreement accepts, approves and agrees to incur or to reimburse such costs;

(8) Relocation costs to the extent that a county determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law;

(9) The estimated tax revenues from real property in an economic development project area acquired by a county which, according to the economic development plan, is to be used for a private use and which any taxing district would have received had the county not adopted property tax allocation financing for an economic development project area and which would result from such taxing district's levies made after the time of the adoption by the county of property tax allocation financing to the time the current equalized assessed value of real property in the economic development project area exceeds the total initial equalized value of real property in that area;

(10) Costs of rebating ad valorem taxes paid by any developer or other nongovernmental person in whose name the general taxes were paid for the last preceding year on any

lot, block, tract or parcel of land in the economic development project area, provided that:

(i) such economic development project area is located in an enterprise zone created pursuant to the Illinois Enterprise Zone Act; beginning on the effective date of this amendatory Act of the 98th General Assembly and ending on the date occurring 3 years later, compliance with this provision (i) is not required in Grundy County;

(ii) such ad valorem taxes shall be rebated only in such amounts and for such tax year or years as the county and any one or more affected taxing districts shall have agreed by prior written agreement; beginning on the effective date of this amendatory Act of the 98th General Assembly and ending on the date occurring 3 years later, compliance with this provision (ii) is not required in Grundy County if the county receives approval from 2/3 of the taxing districts representing no less than 75% of the aggregate tax levy for all of the affected taxing districts for the levy year;

(iii) any amount of rebate of taxes shall not exceed the portion, if any, of taxes levied by the county or such taxing district or districts which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or

parcel of real property in the economic development project area over and above the initial equalized assessed value of each property existing at the time property tax allocation financing was adopted for said economic development project area; and

(iv) costs of rebating ad valorem taxes shall be paid by a county solely from the special tax allocation fund established pursuant to this Act and shall be paid from the proceeds of any obligations issued by a county.

(11) Costs of job training, advanced vocational education or career education programs, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in an economic development project area, and further provided, that when such costs are incurred by a taxing district or taxing districts other than the county, they shall be set forth in a written agreement by or among the county and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of

employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20 and 10-23.3a of the School Code;

(12) Private financing costs incurred by developers or other non-governmental persons in connection with an economic development project, and specifically including payments to developers or other non-governmental persons as reimbursement for such costs incurred by such developer or other non-governmental persons provided that:

(A) private financing costs shall be paid or reimbursed by a county only pursuant to the prior official action of the county evidencing an intent to pay such private financing costs;

(B) except as provided in subparagraph (D) of this Section, the aggregate amount of such costs paid or reimbursed by a county in any one year shall not exceed 30% of such costs paid or incurred by such developer or other non-governmental person in that year;

(C) private financing costs shall be paid or reimbursed by a county solely from the special tax

allocation fund established pursuant to this Act and shall not be paid or reimbursed from the proceeds of any obligations issued by a county;

(D) if there are not sufficient funds available in the special tax allocation fund in any year to make such payment or reimbursement in full, any amount of such private financing costs remaining to be paid or reimbursed by a county shall accrue and be payable when funds are available in the special tax allocation fund to make such payment; and

(E) in connection with its approval and certification of an economic development project pursuant to Section 5 of this Act, the Department shall review any agreement authorizing the payment or reimbursement by a county of private financing costs in its consideration of the impact on the revenues of the county and the affected taxing districts of the use of property tax allocation financing.

(f) "Obligations" means any instrument evidencing the obligation of a county to pay money, including without limitation, bonds, notes, installment or financing contracts, certificates, tax anticipation warrants or notes, vouchers, and any other evidence of indebtedness.

(g) "Taxing districts" means municipalities, townships, counties, and school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection,

river conservancy, tuberculosis sanitarium and any other county corporations or districts with the power to levy taxes on real property.

(Source: P.A. 96-1262, eff. 7-26-10.)

Section 5-60. The Illinois Municipal Code is amended by changing Sections 11-65-10 and 11-74.4-3.5 as follows:

(65 ILCS 5/11-65-10)

Sec. 11-65-10. Public-facilities corporations authorized.

(a) Each municipality referenced in Section 11-65-2 is authorized to incorporate a public-facilities corporation to exercise, as business agent of the municipality, the powers of the municipality set forth in Section 11-65-2, Section 11-65-6, and Section 11-65-7, and also the power of the municipality to acquire by dedication, gift, lease, contract, or purchase all property and rights, necessary or proper, within the corporate limits of the municipality, for municipal convention hall purposes.

(b) In this Division 65, unless the context otherwise requires, a "public-facilities corporation" means an Illinois not-for-profit corporation whose purpose is charitable and civic, organized solely for the purpose of (i) acquiring a site or sites appropriate for a municipal convention hall; (ii) constructing, building, and equipping thereon a municipal convention hall; and (iii) collecting the revenues therefrom,

entirely without profit to the public-facilities corporation, its officers, or directors. A public-facilities corporation shall assist the municipality it serves in the municipality's essential governmental purposes.

(c) The municipality shall retain control of the public-facilities corporation by means of the municipality's expressed legal right, set forth in the articles of incorporation of the public-facilities corporation, to appoint, remove, and replace the members of the board of directors of the public-facilities corporation. The directors and officers of the public-facilities corporation shall serve without compensation but may be reimbursed for their reasonable expenses that are incurred on behalf of the public-facilities corporation. Upon retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall, the legal title to the municipal convention hall shall be transferred to the municipality without any further consideration by or on behalf of the municipality.

(d) The municipality may designate a public-facilities corporation to include a facility that operates for the benefit of multiple units of local government through a management board created by a duly executed intergovernmental cooperation agreement and ratified by each duly elected board.

(Source: P.A. 95-672, eff. 10-11-07.)

(65 ILCS 5/11-74.4-3.5)

Sec. 11-74.4-3.5. Completion dates for redevelopment projects.

(a) Unless otherwise stated in this Section, the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7) may not be later than December 31 of the year in which the payment to the municipal treasurer, as provided in subsection (b) of Section 11-74.4-8 of this Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the redevelopment project area was adopted if the ordinance was adopted on or after January 15, 1981.

(b) The estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7) may not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the 32nd calendar year after the year in which the ordinance approving the redevelopment project area was adopted~~,~~ if the ordinance was adopted on September 9, 1999 by the Village of Downs.

The estimated dates of completion of the redevelopment project and retirement of obligations issued to finance

redevelopment project costs (including refunding bonds under Section 11-74.4-7) may not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the 33rd calendar year after the year in which the ordinance approving the redevelopment project area was adopted~~,~~ if the ordinance was adopted on May 20, 1985 by the Village of Wheeling.

The estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7) may not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the 28th calendar year after the year in which the ordinance approving the redevelopment project area was adopted~~,~~ if the ordinance was adopted on October 12, 1989 by the City of Lawrenceville.

(c) The estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7) may not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the 35th calendar year after the year in which the ordinance approving

the redevelopment project area was adopted:

(1) if the ordinance was adopted before January 15, 1981;

(2) if the ordinance was adopted in December 1983, April 1984, July 1985, or December 1989;

(3) if the ordinance was adopted in December 1987 and the redevelopment project is located within one mile of Midway Airport;

(4) if the ordinance was adopted before January 1, 1987 by a municipality in Mason County;

(5) if the municipality is subject to the Local Government Financial Planning and Supervision Act or the Financially Distressed City Law;

(6) if the ordinance was adopted in December 1984 by the Village of Rosemont;

(7) if the ordinance was adopted on December 31, 1986 by a municipality located in Clinton County for which at least $250,000 of tax increment bonds were authorized on June 17, 1997, or if the ordinance was adopted on December 31, 1986 by a municipality with a population in 1990 of less than 3,600 that is located in a county with a population in 1990 of less than 34,000 and for which at least $250,000 of tax increment bonds were authorized on June 17, 1997;

(8) if the ordinance was adopted on October 5, 1982 by the City of Kankakee, or if the ordinance was adopted on

December 29, 1986 by East St. Louis;

(9) if the ordinance was adopted on November 12, 1991 by the Village of Sauget;

(10) if the ordinance was adopted on February 11, 1985 by the City of Rock Island;

(11) if the ordinance was adopted before December 18, 1986 by the City of Moline;

(12) if the ordinance was adopted in September 1988 by Sauk Village;

(13) if the ordinance was adopted in October 1993 by Sauk Village;

(14) if the ordinance was adopted on December 29, 1986 by the City of Galva;

(15) if the ordinance was adopted in March 1991 by the City of Centreville;

(16) if the ordinance was adopted on January 23, 1991 by the City of East St. Louis;

(17) if the ordinance was adopted on December 22, 1986 by the City of Aledo;

(18) if the ordinance was adopted on February 5, 1990 by the City of Clinton;

(19) if the ordinance was adopted on September 6, 1994 by the City of Freeport;

(20) if the ordinance was adopted on December 22, 1986 by the City of Tuscola;

(21) if the ordinance was adopted on December 23, 1986

by the City of Sparta;

(22) if the ordinance was adopted on December 23, 1986 by the City of Beardstown;

(23) if the ordinance was adopted on April 27, 1981, October 21, 1985, or December 30, 1986 by the City of Belleville;

(24) if the ordinance was adopted on December 29, 1986 by the City of Collinsville;

(25) if the ordinance was adopted on September 14, 1994 by the City of Alton;

(26) if the ordinance was adopted on November 11, 1996 by the City of Lexington;

(27) if the ordinance was adopted on November 5, 1984 by the City of LeRoy;

(28) if the ordinance was adopted on April 3, 1991 or June 3, 1992 by the City of Markham;

(29) if the ordinance was adopted on November 11, 1986 by the City of Pekin;

(30) if the ordinance was adopted on December 15, 1981 by the City of Champaign;

(31) if the ordinance was adopted on December 15, 1986 by the City of Urbana;

(32) if the ordinance was adopted on December 15, 1986 by the Village of Heyworth;

(33) if the ordinance was adopted on February 24, 1992 by the Village of Heyworth;

(34) if the ordinance was adopted on March 16, 1995 by the Village of Heyworth;

(35) if the ordinance was adopted on December 23, 1986 by the Town of Cicero;

(36) if the ordinance was adopted on December 30, 1986 by the City of Effingham;

(37) if the ordinance was adopted on May 9, 1991 by the Village of Tilton;

(38) if the ordinance was adopted on October 20, 1986 by the City of Elmhurst;

(39) if the ordinance was adopted on January 19, 1988 by the City of Waukegan;

(40) if the ordinance was adopted on September 21, 1998 by the City of Waukegan;

(41) if the ordinance was adopted on December 31, 1986 by the City of Sullivan;

(42) if the ordinance was adopted on December 23, 1991 by the City of Sullivan;

(43) if the ordinance was adopted on December 31, 1986 by the City of Oglesby;

(44) if the ordinance was adopted on July 28, 1987 by the City of Marion;

(45) if the ordinance was adopted on April 23, 1990 by the City of Marion;

(46) if the ordinance was adopted on August 20, 1985 by the Village of Mount Prospect;

(47) if the ordinance was adopted on February 2, 1998 by the Village of Woodhull;

(48) if the ordinance was adopted on April 20, 1993 by the Village of Princeville;

(49) if the ordinance was adopted on July 1, 1986 by the City of Granite City;

(50) if the ordinance was adopted on February 2, 1989 by the Village of Lombard;

(51) if the ordinance was adopted on December 29, 1986 by the Village of Gardner;

(52) if the ordinance was adopted on July 14, 1999 by the Village of Paw Paw;

(53) if the ordinance was adopted on November 17, 1986 by the Village of Franklin Park;

(54) if the ordinance was adopted on November 20, 1989 by the Village of South Holland;

(55) if the ordinance was adopted on July 14, 1992 by the Village of Riverdale;

(56) if the ordinance was adopted on December 29, 1986 by the City of Galesburg;

(57) if the ordinance was adopted on April 1, 1985 by the City of Galesburg;

(58) if the ordinance was adopted on May 21, 1990 by the City of West Chicago;

(59) if the ordinance was adopted on December 16, 1986 by the City of Oak Forest;

(60) if the ordinance was adopted in 1999 by the City of Villa Grove;

(61) if the ordinance was adopted on January 13, 1987 by the Village of Mt. Zion;

(62) if the ordinance was adopted on December 30, 1986 by the Village of Manteno;

(63) if the ordinance was adopted on April 3, 1989 by the City of Chicago Heights;

(64) if the ordinance was adopted on January 6, 1999 by the Village of Rosemont;

(65) if the ordinance was adopted on December 19, 2000 by the Village of Stone Park;

(66) if the ordinance was adopted on December 22, 1986 by the City of DeKalb;

(67) if the ordinance was adopted on December 2, 1986 by the City of Aurora;

(68) if the ordinance was adopted on December 31, 1986 by the Village of Milan;

(69) if the ordinance was adopted on September 8, 1994 by the City of West Frankfort;

(70) if the ordinance was adopted on December 23, 1986 by the Village of Libertyville;

(71) if the ordinance was adopted on December 22, 1986 by the Village of Hoffman Estates;

(72) if the ordinance was adopted on September 17, 1986 by the Village of Sherman;

(73) if the ordinance was adopted on December 16, 1986 by the City of Macomb;

(74) if the ordinance was adopted on June 11, 2002 by the City of East Peoria to create the West Washington Street TIF;

(75) if the ordinance was adopted on June 11, 2002 by the City of East Peoria to create the Camp Street TIF;

(76) if the ordinance was adopted on August 7, 2000 by the City of Des Plaines;

(77) if the ordinance was adopted on December 22, 1986 by the City of Washington to create the Washington Square TIF #2;

(78) if the ordinance was adopted on December 29, 1986 by the City of Morris;

(79) if the ordinance was adopted on July 6, 1998 by the Village of Steeleville;

(80) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF I (the Main St TIF);

(81) if the ordinance was adopted on December 29, 1986 by the City of Pontiac to create TIF II (the Interstate TIF);

(82) if the ordinance was adopted on November 6, 2002 by the City of Chicago to create the Madden/Wells TIF District;

(83) if the ordinance was adopted on November 4, 1998 by the City of Chicago to create the Roosevelt/Racine TIF

District;

(84) if the ordinance was adopted on June 10, 1998 by the City of Chicago to create the Stony Island Commercial/Burnside Industrial Corridors TIF District;

(85) if the ordinance was adopted on November 29, 1989 by the City of Chicago to create the Englewood Mall TIF District;

(86) if the ordinance was adopted on December 27, 1986 by the City of Mendota;

(87) if the ordinance was adopted on December 31, 1986 by the Village of Cahokia;

(88) if the ordinance was adopted on September 20, 1999 by the City of Belleville;

(89) if the ordinance was adopted on December 30, 1986 by the Village of Bellevue to create the Bellevue TIF District 1;

(90) if the ordinance was adopted on December 13, 1993 by the Village of Crete;

(91) if the ordinance was adopted on February 12, 2001 by the Village of Crete;

(92) if the ordinance was adopted on April 23, 2001 by the Village of Crete;

(93) if the ordinance was adopted on December 16, 1986 by the City of Champaign;

(94) if the ordinance was adopted on December 20, 1986 by the City of Charleston;

(95) if the ordinance was adopted on June 6, 1989 by the Village of Romeoville;

(96) if the ordinance was adopted on October 14, 1993 and amended on August 2, 2010 by the City of Venice;

(97) if the ordinance was adopted on June 1, 1994 by the City of Markham;

(98) if the ordinance was adopted on May 19, 1998 by the Village of Bensenville;

(99) if the ordinance was adopted on November 12, 1987 by the City of Dixon;

(100) if the ordinance was adopted on December 20, 1988 by the Village of Lansing;

(101) if the ordinance was adopted on October 27, 1998 by the City of Moline; ~~or~~

(102) if the ordinance was adopted on May 21, 1991 by the Village of Glenwood; ~~.~~

(103) ~~(102)~~ if the ordinance was adopted on January 28, 1992 by the City of East Peoria; ~~or~~

(104) ~~(103)~~ if the ordinance was adopted on December 14, 1998 by the City of Carlyle; ~~.~~

(105) if the ordinance was adopted on May 17, 2000, as subsequently amended, by the City of Chicago to create the Midwest Redevelopment TIF District; or

(106) if the ordinance was adopted on September 13, 1989 by the City of Chicago to create the Michigan/Cermak Area TIF District.

(d) For redevelopment project areas for which bonds were issued before July 29, 1991, or for which contracts were entered into before June 1, 1988, in connection with a redevelopment project in the area within the State Sales Tax Boundary, the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7) may be extended by municipal ordinance to December 31, 2013. The termination procedures of subsection (b) of Section 11-74.4-8 are not required for these redevelopment project areas in 2009 but are required in 2013. The extension allowed by Public Act 87-1272 shall not apply to real property tax increment allocation financing under Section 11-74.4-8.

(e) Those dates, for purposes of real property tax increment allocation financing pursuant to Section 11-74.4-8 only, shall be not more than 35 years for redevelopment project areas that were adopted on or after December 16, 1986 and for which at least $8 million worth of municipal bonds were authorized on or after December 19, 1989 but before January 1, 1990; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

(f) Those dates, for purposes of real property tax

increment allocation financing pursuant to Section 11-74.4-8 only, shall be not more than 35 years for redevelopment project areas that were established on or after December 1, 1981 but before January 1, 1982 and for which at least $1,500,000 worth of tax increment revenue bonds were authorized on or after September 30, 1990 but before July 1, 1991; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

(g) In consolidating the material relating to completion dates from Sections 11-74.4-3 and 11-74.4-7 into this Section, it is not the intent of the General Assembly to make any substantive change in the law, except for the extension of the completion dates for the City of Aurora, the Village of Milan, the City of West Frankfort, the Village of Libertyville, and the Village of Hoffman Estates set forth under items (67), (68), (69), (70), and (71) of subsection (c) of this Section.
(Source: P.A. 96-127, eff. 8-4-09; 96-182, eff. 8-10-09; 96-208, eff. 8-10-09; 96-209, eff. 1-1-10; 96-213, eff. 8-10-09; 96-264, eff. 8-11-09; 96-328, eff. 8-11-09; 96-439, eff. 8-14-09; 96-454, eff. 8-14-09; 96-722, eff. 8-25-09; 96-773, eff. 8-28-09; 96-830, eff. 12-4-09; 96-837, eff. 12-16-09; 96-1000, eff. 7-2-10; 96-1359, eff. 7-28-10;

96-1494, eff. 12-30-10; 96-1514, eff. 2-4-11; 96-1552, eff. 3-10-11; 97-93, eff. 1-1-12; 97-372, eff. 8-15-11; 97-600, eff. 8-26-11; 97-633, eff. 12-16-11; 97-635, eff. 12-16-11; 97-807, eff. 7-13-12; 97-1114, eff. 8-27-12; revised 9-20-12.)

Section 5-65. The River Edge Redevelopment Zone Act is amended by changing Section 10-10.2 and by adding Section 10-15 as follows:

(65 ILCS 115/10-10.2)

Sec. 10-10.2. Accounting.

(a) Any business receiving tax incentives due to its location within a River Edge Redevelopment Zone must annually report to the Department of Revenue information reasonably required by the Department to enable the Department of Revenue to verify and calculate the total tax benefits for property taxes and taxes imposed by the State that are received by the business, broken down by incentive category~~, annually to the Department of Revenue~~. To the extent that a business receiving tax incentives has obtained a River Edge Building Materials Exemption Certificate, that business is required to report those building materials exemption benefits only under subsection (a-5) of this Section. No additional reporting for those building materials exemption benefits is required under this subsection (a). Reports will be due no later than May 31 ~~March 30~~ of each year and shall cover the previous calendar

year. The first report will be for the 2012 calendar year and will be due no later than May 31 ~~March 30~~, 2013. Failure to report data may ~~shall~~ result in ineligibility to receive incentives. The Department, in consultation with the Department of Revenue, is authorized to adopt rules governing ineligibility to receive exemptions, including the length of ineligibility. Factors to be considered in determining whether a business is ineligible shall include, but are not limited to, prior compliance with the reporting requirements, cooperation in discontinuing and correcting violations, the extent of the violation, and whether the violation was willful or inadvertent ~~For the first offense, a business shall be given 60 days to comply~~.

(a-5) Each contractor or other entity that has been issued a River Edge Building Materials Exemption Certificate under Section 2-54 of the Retailers' Occupation Tax Act shall annually report to the Department of Revenue the total tax benefits for taxes imposed by the State that are received under River Edge building materials exemption. Reports shall contain information reasonably required by the Department of Revenue to enable it to verify and calculate the total tax benefits for taxes imposed by the State, and shall be broken down by River Edge Redevelopment Zone. Reports are due no later than May 31 of each year and shall cover the previous calendar year. The first report will be for the 2013 calendar year and will be due no later than May 31, 2014. Failure to report data may result

in revocation of the River Edge Building Materials Exemption Certificate issued to the contractor or other entity. The Department of Revenue is authorized to adopt rules governing revocation determinations, including the length of revocations. Factors to be considered in revocations shall include, but are not limited to, prior compliance with the reporting requirements, cooperation in discontinuing and correcting violations, and whether the certificate was used unlawfully during the preceding year.

(b) Each person required to file a return under the Gas Revenue Tax Act, the Gas Use Tax Act, the Electricity Excise Tax Act, or the Telecommunications Excise Tax Act shall file, on or before May 31 ~~March 30~~ of each year, a report with the Department of Revenue, in the manner and form required by the Department of Revenue, containing information reasonably required by the Department of Revenue to enable the Department of Revenue to verify and calculate ~~itemizing~~ the amount of the deduction for taxes imposed by the State that is taken under each Act, respectively, due to the location of a business in a River Edge Redevelopment Zone. The report shall be itemized by business and the business location address.

(c) Employers shall report their job creation, retention, and capital investment numbers within the River Edge Redevelopment Zone annually to the ~~administrator which will compile the information and report it to the~~ Department of Revenue no later than May 31 ~~March 30~~ of each calendar year.

(d) The Department of Revenue will aggregate and collect the tax, job, and capital investment data by River Edge Redevelopment Zone and report this information, formatted to exclude company-specific proprietary information, to the Department by August ~~May~~ 1, 2013, and by August ~~May~~ 1 of every calendar year thereafter. The Department will include this information in their required reports under Section 6 of this Act.

(e) The Department of Revenue, in its discretion, may require that the reports filed under this Section be submitted electronically.

(f) The Department of Revenue shall have the authority to adopt rules as are reasonable and necessary to implement the provisions of this Section.

(Source: P.A. 97-905, eff. 8-7-12.)

(65 ILCS 115/10-15 new)

Sec. 10-15. Riverfront Development Fund.

(a) Purpose. The General Assembly has determined that it is in the interest of the State of Illinois to promote development that will protect, promote, and improve the riverfront areas of a financially distressed city designated under the Financially Distressed City Law.

(b) Definitions. As used in this Section:

"Agreement" means the agreement between an eligible employer and the Department under the provisions of

subsection (f) of this Section.

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of Commerce and Economic Opportunity.

"Eligible developer" means an individual, partnership, corporation, or other entity that develops within a river edge redevelopment zone that is located within a municipality designated as a financially distressed city.

"Eligible employer" means an individual, partnership, corporation, or other entity that employs full-time employees within a river edge redevelopment zone that is located within a municipality designated as a financially distressed city.

"Full-time employee" means an individual who is employed for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization (PEO) is a full-time employee if employed in the service of the eligible employer for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment.

"Incremental income tax" means the total amount

withheld from the compensation of new employees under Article 7 of the Illinois Income Tax Act arising from employment by an eligible employer.

"Infrastructure" means roads, access roads, streets, bridges, sidewalks, water and sewer line extensions, water distribution and purification facilities, waste disposal systems, sewage treatment facilities, stormwater drainage and retention facilities, gas and electric utility line extensions, or other improvements that are essential to the development of the project that is the subject of an agreement.

"New employee" means a full-time employee first employed by an eligible employer in the project that is the subject of an agreement between the Department and an eligible developer and who is hired after the eligible developer enters into the agreement, but does not include:

(1) an employee of the eligible employer who performs a job that (i) existed for at least 6 months before the employee was hired and (ii) was previously performed by another employee;

(2) an employee of the eligible employer who was previously employed in Illinois by a related member of the eligible employer and whose employment was shifted to the eligible employer after the eligible employer entered into the agreement; or

(3) a child, grandchild, parent, or spouse, other

than a spouse who is legally separated from the individual, of any individual who has a direct or an indirect ownership interest of at least 5% in the profits, capital, or value of the eligible employer.

Notwithstanding item (2) of this definition, an employee may be considered a new employee under the agreement if the employee performs a job that was previously performed by an employee who was:

(A) treated under the agreement as a new employee; and

(B) promoted by the eligible employer to another job.

"Professional Employer Organization" (PEO) means an employee leasing company, as defined in Section 206.1(A)(2) of the Illinois Unemployment Insurance Act.

"Related member" means a person or entity that, with respect to the eligible employer during any portion of the taxable year, is any one of the following:

(1) an individual stockholder, if the stockholder and the members of the stockholder's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the eligible employer's outstanding stock;

(2) a partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust,

and its partners or beneficiaries own directly, indirectly, or beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or value of the eligible employer;

(3) a corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns directly, indirectly, beneficially, or constructively at least 50% of the value of the corporation's outstanding stock;

(4) a corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own in the aggregate at least 50% of the profits, capital, stock, or value of the eligible employer; or

(5) a person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code, except, for purposes of determining whether a person is a related member under

this definition, 20% shall be substituted for 5% wherever 5% appears in Section 1563(e) of the Internal Revenue Code.

(c) The Riverfront Development Fund. The Riverfront Development Fund is created as a special fund in the State treasury. As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Riverfront Development Fund an amount equal to the incremental income tax for the previous month attributable to a project that is the subject of an agreement. The total amount transferred under this subsection may not exceed $3,000,000 in any State fiscal year.

(d) Grants from the Riverfront Development Fund. In State fiscal years 2015 through 2021, all moneys in the Riverfront Development Fund, held solely for the benefit of eligible developers, shall be appropriated to the Department to make infrastructure grants to eligible developers pursuant to agreements.

(e) Limitation on grant amounts. The total aggregate amount of grants awarded to all eligible developers shall not exceed $3,000,000 in each State fiscal year. The total amount of a grant awarded to an eligible developer shall not exceed the total amount of infrastructure costs incurred by that eligible developer with respect to a project that is the subject of an

agreement. No eligible developer shall receive moneys that are attributable to a project that is not the subject of the developer's agreement with the Department.

(f) Agreements with applicants. The Department shall enter into an agreement with an eligible developer who is entitled to grants under this Section. The agreement must include all of the following:

(1) A detailed description of the project that is the subject of the agreement, including the location of the project, the number of jobs created by the project, and project costs. For purposes of this subsection, "project costs" includes the costs of the project incurred or to be incurred by the eligible developer, including infrastructure costs, but excludes the value of State or local incentives, including tax increment financing and deductions, credits, or exemptions afforded to an employer located in an enterprise zone.

(2) A requirement that the eligible developer shall maintain operations at the project location, stated as a minimum number of years not to exceed 10 years.

(3) A specific method for determining the number of new employees attributable to the project.

(4) A requirement that the eligible developer shall report monthly to the Department and the Department of Revenue the number of new employees and the incremental income tax withheld in connection with the new employees.

(5) A requirement that the Department is authorized to verify with the Department of Revenue the amounts reported under paragraph (4).

Section 5-67. The Metropolitan Pier and Exposition Authority Act is amended by changing Sections 5, 5.4, and 13.2 as follows:

(70 ILCS 210/5) (from Ch. 85, par. 1225)

Sec. 5. The Metropolitan Pier and Exposition Authority shall also have the following rights and powers:

(a) To accept from Chicago Park Fair, a corporation, an assignment of whatever sums of money it may have received from the Fair and Exposition Fund, allocated by the Department of Agriculture of the State of Illinois, and Chicago Park Fair is hereby authorized to assign, set over and transfer any of those funds to the Metropolitan Pier and Exposition Authority. The Authority has the right and power hereafter to receive sums as may be distributed to it by the Department of Agriculture of the State of Illinois from the Fair and Exposition Fund pursuant to the provisions of Sections 5, 6i, and 28 of the State Finance Act. All sums received by the Authority shall be held in the sole custody of the secretary-treasurer of the Metropolitan Pier and Exposition Board.

(b) To accept the assignment of, assume and execute any

contracts heretofore entered into by Chicago Park Fair.

(c) To acquire, own, construct, equip, lease, operate and maintain grounds, buildings and facilities to carry out its corporate purposes and duties, and to carry out or otherwise provide for the recreational, cultural, commercial or residential development of Navy Pier, and to fix and collect just, reasonable and nondiscriminatory charges for the use thereof. The charges so collected shall be made available to defray the reasonable expenses of the Authority and to pay the principal of and the interest upon any revenue bonds issued by the Authority. The Authority shall be subject to and comply with the Lake Michigan and Chicago Lakefront Protection Ordinance, the Chicago Building Code, the Chicago Zoning Ordinance, and all ordinances and regulations of the City of Chicago contained in the following Titles of the Municipal Code of Chicago: Businesses, Occupations and Consumer Protection; Health and Safety; Fire Prevention; Public Peace, Morals and Welfare; Utilities and Environmental Protection; Streets, Public Ways, Parks, Airports and Harbors; Electrical Equipment and Installation; Housing and Economic Development (only Chapter 5-4 thereof); and Revenue and Finance (only so far as such Title pertains to the Authority's duty to collect taxes on behalf of the City of Chicago).

(d) To enter into contracts treating in any manner with

the objects and purposes of this Act.

(e) To lease any buildings to the Adjutant General of the State of Illinois for the use of the Illinois National Guard or the Illinois Naval Militia.

(f) To exercise the right of eminent domain by condemnation proceedings in the manner provided by the Eminent Domain Act, including, with respect to Site B only, the authority to exercise quick take condemnation by immediate vesting of title under Article 20 of the Eminent Domain Act, to acquire any privately owned real or personal property and, with respect to Site B only, public property used for rail transportation purposes (but no such taking of such public property shall, in the reasonable judgment of the owner, interfere with such rail transportation) for the lawful purposes of the Authority in Site A, at Navy Pier, and at Site B. Just compensation for property taken or acquired under this paragraph shall be paid in money or, notwithstanding any other provision of this Act and with the agreement of the owner of the property to be taken or acquired, the Authority may convey substitute property or interests in property or enter into agreements with the property owner, including leases, licenses, or concessions, with respect to any property owned by the Authority, or may provide for other lawful forms of just compensation to the owner. Any property acquired in condemnation proceedings shall be used only as provided in

this Act. Except as otherwise provided by law, the City of Chicago shall have a right of first refusal prior to any sale of any such property by the Authority to a third party other than substitute property. The Authority shall develop and implement a relocation plan for businesses displaced as a result of the Authority's acquisition of property. The relocation plan shall be substantially similar to provisions of the Uniform Relocation Assistance and Real Property Acquisition Act and regulations promulgated under that Act relating to assistance to displaced businesses. To implement the relocation plan the Authority may acquire property by purchase or gift or may exercise the powers authorized in this subsection (f), except the immediate vesting of title under Article 20 of the Eminent Domain Act, to acquire substitute private property within one mile of Site B for the benefit of displaced businesses located on property being acquired by the Authority. However, no such substitute property may be acquired by the Authority unless the mayor of the municipality in which the property is located certifies in writing that the acquisition is consistent with the municipality's land use and economic development policies and goals. The acquisition of substitute property is declared to be for public use. In exercising the powers authorized in this subsection (f), the Authority shall use its best efforts to relocate businesses within the area of

McCormick Place or, failing that, within the City of Chicago.

(g) To enter into contracts relating to construction projects which provide for the delivery by the contractor of a completed project, structure, improvement, or specific portion thereof, for a fixed maximum price, which contract may provide that the delivery of the project, structure, improvement, or specific portion thereof, for the fixed maximum price is insured or guaranteed by a third party capable of completing the construction.

(h) To enter into agreements with any person with respect to the use and occupancy of the grounds, buildings, and facilities of the Authority, including concession, license, and lease agreements on terms and conditions as the Authority determines. Notwithstanding Section 24, agreements with respect to the use and occupancy of the grounds, buildings, and facilities of the Authority for a term of more than one year shall be entered into in accordance with the procurement process provided for in Section 25.1.

(i) To enter into agreements with any person with respect to the operation and management of the grounds, buildings, and facilities of the Authority or the provision of goods and services on terms and conditions as the Authority determines.

(j) After conducting the procurement process provided

for in Section 25.1, to enter into one or more contracts to provide for the design and construction of all or part of the Authority's Expansion Project grounds, buildings, and facilities. Any contract for design and construction of the Expansion Project shall be in the form authorized by subsection (g), shall be for a fixed maximum price not in excess of the funds that are authorized to be made available for those purposes during the term of the contract, and shall be entered into before commencement of construction.

(k) To enter into agreements, including project agreements with labor unions, that the Authority deems necessary to complete the Expansion Project or any other construction or improvement project in the most timely and efficient manner and without strikes, picketing, or other actions that might cause disruption or delay and thereby add to the cost of the project.

(l) To provide incentives to organizations and entities that agree to make use of the grounds, buildings, and facilities of the Authority for conventions, meetings, or trade shows. The incentives may take the form of discounts from regular fees charged by the Authority, subsidies for or assumption of the costs incurred with respect to the convention, meeting, or trade show, or other inducements. The Authority shall award incentives to attract large conventions, meetings, and trade shows to its

facilities under the terms set forth in this subsection (l) from amounts appropriated to the Authority from the Metropolitan Pier and Exposition Authority Incentive Fund for this purpose.

No later than May 15 of each year, the Chief Executive Officer of the Metropolitan Pier and Exposition Authority shall certify to the State Comptroller and the State Treasurer the amounts of incentive grant funds used during the current fiscal year to provide incentives for conventions, meetings, or trade shows that (i) have been approved by the Authority, in consultation with an organization meeting the qualifications set out in Section 5.6 of this Act, provided the Authority has entered into a marketing agreement with such an organization, (ii) demonstrate registered attendance in excess of 5,000 individuals or in excess of 10,000 individuals, as appropriate, and (iii) but for the incentive, would not have used the facilities of the Authority for the convention, meeting, or trade show. The State Comptroller may request that the Auditor General conduct an audit of the accuracy of the certification. If the State Comptroller determines by this process of certification that incentive funds, in whole or in part, were disbursed by the Authority by means other than in accordance with the standards of this subsection (l), then any amount transferred to the Metropolitan Pier and Exposition Authority Incentive Fund

shall be reduced during the next subsequent transfer in direct proportion to that amount determined to be in violation of the terms set forth in this subsection (l).

On July 15, 2012, the Comptroller shall order transferred, and the Treasurer shall transfer, into the Metropolitan Pier and Exposition Authority Incentive Fund from the General Revenue Fund the sum of $7,500,000 plus an amount equal to the incentive grant funds certified by the Chief Executive Officer as having been lawfully paid under the provisions of this Section in the previous 2 fiscal years that have not otherwise been transferred into the Metropolitan Pier and Exposition Authority Incentive Fund, provided that transfers in excess of $15,000,000 shall not be made in any fiscal year.

On July 15, 2013, the Comptroller shall order transferred, and the Treasurer shall transfer, into the Metropolitan Pier and Exposition Authority Incentive Fund from the General Revenue Fund the sum of $7,500,000 plus an amount equal to the incentive grant funds certified by the Chief Executive Officer as having been lawfully paid under the provisions of this Section in the previous fiscal year that have not otherwise been transferred into the Metropolitan Pier and Exposition Authority Incentive Fund, provided that transfers in excess of $15,000,000 shall not be made in any fiscal year.

On July 15, 2014, and every year thereafter, the

Comptroller shall order transferred, and the Treasurer shall transfer, into the Metropolitan Pier and Exposition Authority Incentive Fund from the General Revenue Fund an amount equal to the incentive grant funds certified by the Chief Executive Officer as having been lawfully paid under the provisions of this Section in the previous fiscal year that have not otherwise been transferred into the Metropolitan Pier and Exposition Authority Incentive Fund, provided that transfers in excess of $15,000,000 shall not be made in any fiscal year.

After a transfer has been made under this subsection (l), the Chief Executive Officer shall file a request for payment with the Comptroller evidencing that the incentive grants have been made and the Comptroller shall thereafter order paid, and the Treasurer shall pay, the requested amounts to the Metropolitan Pier and Exposition Authority.

In no case shall more than $5,000,000 be used in any one year by the Authority for incentives granted conventions, meetings, or trade shows with a registered attendance of more than 5,000 and less than 10,000. Amounts in the Metropolitan Pier and Exposition Authority Incentive Fund shall only be used by the Authority for incentives paid to attract large conventions, meetings, and trade shows to its facilities as provided in this subsection (l).

(l-5) The Village of Rosemont shall provide incentives

from amounts transferred into the Convention Center Support Fund to retain and attract conventions, meetings, or trade shows to the Donald E. Stephens Convention Center under the terms set forth in this subsection (l-5).

No later than May 15 of each year, the Mayor of the Village of Rosemont or his or her designee shall certify to the State Comptroller and the State Treasurer the amounts of incentive grant funds used during the previous fiscal year to provide incentives for conventions, meetings, or trade shows that (1) have been approved by the Village, (2) demonstrate registered attendance in excess of 5,000 individuals, and (3) but for the incentive, would not have used the Donald E. Stephens Convention Center facilities for the convention, meeting, or trade show. The State Comptroller may request that the Auditor General conduct an audit of the accuracy of the certification.

If the State Comptroller determines by this process of certification that incentive funds, in whole or in part, were disbursed by the Village by means other than in accordance with the standards of this subsection (l-5), then the amount transferred to the Convention Center Support Fund shall be reduced during the next subsequent transfer in direct proportion to that amount determined to be in violation of the terms set forth in this subsection (l-5).

On July 15, 2012, and each year thereafter, the

Comptroller shall order transferred, and the Treasurer shall transfer, into the Convention Center Support Fund from the General Revenue Fund the amount of $5,000,000 for (i) incentives to attract large conventions, meetings, and trade shows to the Donald E. Stephens Convention Center, and (ii) to be used by the Village of Rosemont for the repair, maintenance, and improvement of the Donald E. Stephens Convention Center and for debt service on debt instruments issued for those purposes by the village. No later than 30 days after the transfer, the Comptroller shall order paid, and the Treasurer shall pay, to the Village of Rosemont the amounts transferred.

(m) To enter into contracts with any person conveying the naming rights or other intellectual property rights with respect to the grounds, buildings, and facilities of the Authority.

(n) To enter into grant agreements with the Chicago Convention and Tourism Bureau providing for the marketing of the convention facilities to large and small conventions, meetings, and trade shows and the promotion of the travel industry in the City of Chicago, provided such agreements meet the requirements of Section 5.6 of this Act. Receipts of the Authority from the increase in the airport departure tax authorized by Section 13(f) of this amendatory Act of the 96th General Assembly and, subject to appropriation to the Authority, funds deposited in the

Chicago Travel Industry Promotion Fund pursuant to Section 6 of the Hotel Operators' Occupation Tax Act shall be granted to the Bureau for such purposes.

Nothing in this Act shall be construed to authorize the Authority to spend the proceeds of any bonds or notes issued under Section 13.2 or any taxes levied under Section 13 to construct a stadium to be leased to or used by professional sports teams.

(Source: P.A. 96-739, eff. 1-1-10; 96-898, eff. 5-27-10; 97-617, eff. 10-26-11.)

(70 ILCS 210/5.4)

Sec. 5.4. Exhibitor rights and work rule reforms.

(a) Legislative findings.

(1) The Authority is a political subdivision of the State of Illinois subject to the plenary authority of the General Assembly and was created for the benefit of the general public to promote business, industry, commerce, and tourism within the City of Chicago and the State of Illinois.

(2) The Authority owns and operates McCormick Place and Navy Pier, which have collectively 2.8 million square feet of exhibit hall space, 700,000 square feet of meeting room space.

(3) The Authority is a vital economic engine that

annually generates 65,000 jobs and $8 billion of economic activity for the State of Illinois through the trade shows, conventions, and other meetings held and attended at McCormick Place and Navy Pier.

(4) The Authority supports the operation of McCormick Place and Navy Pier through not only fees on the rental of exhibit and meeting room space, electrical and utility service, food and beverage services, and parking, but also hotel room rates paid by persons staying at the Authority-owned hotel.

(5) The Authority has a compelling and proprietary interest in the success, competitiveness, and continued viability of McCormick Place and Navy Pier as the owner and operator of the convention facilities and its obligation to ensure that these facilities produce sufficient operating revenues.

(6) The Authority's convention facilities were constructed and renovated through the issuance of public bonds that are directly repaid by State hotel, auto rental, food and beverage, and airport and departure taxes paid principally by persons who attend, work at, exhibit, and provide goods and services to conventions, shows, exhibitions, and meetings at McCormick Place and Navy Pier.

(7) State law also dedicates State occupation and use tax revenues to fulfill debt service obligations on these bonds should State hotel, auto rental, food and beverage,

and airport and departure taxes fail to generate sufficient revenue.

(8) Through fiscal year 2010, $55 million in State occupation and use taxes will have been allocated to make debt service payments on the Authority's bonds due to shortfalls in State hotel, auto rental, food and beverage, and airport and departure taxes. These shortfalls are expected to continue in future fiscal years and would require the annual dedication of approximately $40 million in State occupation and use taxes to fulfill debt service payments.

(9) In 2009, managers of the International Plastics Showcase announced that 2009 was the last year they would host their exhibition at McCormick Place, as they had since 1971, because union labor work rules and electric and food service costs make it uneconomical for the show managers and exhibitors to use McCormick Place as a convention venue as compared to convention facilities in Orlando, Florida and Las Vegas, Nevada. The exhibition used over 740,000 square feet of exhibit space, attracted over 43,000 attendees, generated $4.8 million of revenues to McCormick Place, and raised over $200,000 in taxes to pay debt service on convention facility bonds.

(10) After the International Plastics Showcase exhibition announced its departure, other conventions and exhibitions managers and exhibitors also stated that they

would not return to McCormick Place and Navy Pier for the same reasons cited by the International Plastics Showcase exhibition. In addition, still other managers and exhibitors stated that they would not select McCormick Place as a convention venue unless the union labor work rules and electrical and food service costs were made competitive with those in Orlando and Las Vegas.

(11) The General Assembly created the Joint Committee on the Metropolitan Pier and Exposition Authority to conduct hearings and obtain facts to determine how union labor work rules and electrical and food service costs make McCormick Place and Navy Pier uneconomical as a convention venue.

(12) Witness testimony and fact-gathering revealed that while the skilled labor provided by trade unions at McCormick Place and Navy Pier is second to none and is actually "exported" to work on conventions and exhibitions held in Orlando and Las Vegas, restrictive work rules on the activities show exhibitors may perform present exhibitors and show managers with an uninviting atmosphere and result in significantly higher costs than competing convention facilities.

(13) Witness testimony and fact-gathering also revealed that the mark-up on electrical and food service imposed by the Authority to generate operating revenue for McCormick Place and Navy Pier also substantially increased

exhibitor and show organizer costs to the point of excess when compared to competing convention facilities.

(14) Witness testimony and fact-gathering further revealed that the additional departure of conventions, exhibitions, and trade shows from Authority facilities threatens the continued economic viability of these facilities and the stability of sufficient tax revenues necessary to support debt service.

(15) In order to safeguard the Authority's and State of Illinois' shared compelling and proprietary interests in McCormick Place and Navy Pier and in response to local economic needs, the provisions contained in this Section set forth mandated changes and reforms to restore and ensure that (i) the Authority's facilities remain economically competitive with other convention venues and (ii) conventions, exhibitions, trade shows, and other meetings are attracted to and retained at Authority facilities by producing an exhibitor-friendly environment and by reducing costs for exhibitors and show managers.

(16) The provisions set forth in this Section are reasonable, necessary, and narrowly tailored to safeguard the Authority's and State of Illinois' shared and compelling proprietary interests and respond to local economic needs as compared to the available alternative set forth in House Bill 4900 of the 96th General Assembly and proposals submitted to the Joint Committee on the

Metropolitan Pier and Exposition Authority. Action by the State offers the only comprehensive means to remedy the circumstances set forth in these findings, despite the concerted and laudable voluntary efforts of the Authority, labor unions, show contractors, show managers, and exhibitors.

(b) Definitions. As used in this Section:

"Booth" means the demarcated exhibit space of an exhibitor on Authority premises.

"Contractor" or "show contractor" means any person who contracts with the Authority, an exhibitor, or with the manager of a show to provide any services related to drayage, rigging, carpentry, decorating, electrical, maintenance, mechanical, and food and beverage services or related trades and duties for shows on Authority premises.

"Exhibitor" or "show exhibitor" means any person who contracts with the Authority or with a manager or contractor of a show held or to be held on Authority premises.

"Exhibitor employee" means any person who has been employed by the exhibitor as a full-time employee for a minimum of 6 months before the show's opening date.

"Hand tools" means cordless tools, power tools, and other tools as determined by the Authority.

"Licensee" means any entity that uses the Authority's

premises.

"Manager" or "show manager" means any person that owns or manages a show held or to be held on Authority premises.

"Personally owned vehicles" means the vehicles owned by show exhibitors or the show management, excluding commercially registered trucks, vans, and other vehicles as determined by the Authority.

"Premises" means grounds, buildings, and facilities of the Authority.

"Show" means a convention, exposition, trade show, event, or meeting held on Authority premises by a show manager or show contractor on behalf of a show manager.

"2011 Settlement Agreement" means the agreement that the Authority made and entered into with the Chicago Regional Council of Carpenters, not including any revisions or amendments, and filed with the Illinois Secretary of State Index Department and designated as 97-GA-A01.

"Union employees" means workers represented by a labor organization, as defined in the National Labor Relations Act, providing skilled labor services to exhibitors, a show manager, or a show contractor on Authority premises.

(c) Exhibitor rights.

In order to control costs, increase the competitiveness, and promote and provide for the economic

stability of Authority premises, all Authority contracts with exhibitors, contractors, and managers shall include the following minimum terms and conditions:

(1) Consistent with safety and the skills and training necessary to perform the task, as determined by the Authority, an exhibitor and exhibitor employees are permitted in a booth of any size with the use of the exhibitor's ladders and hand tools to:

(i) set-up and dismantle exhibits displayed on Authority premises;

(ii) assemble and disassemble materials, machinery, or equipment on Authority premises; and

(iii) install all signs, graphics, props, balloons, other decorative items, and the exhibitor's own drapery, including the skirting of exhibitor tables, on the Authority's premises.

(2) An exhibitor and exhibitor employees are permitted in a booth of any size to deliver, set-up, plug in, interconnect, and operate an exhibitor's electrical equipment, computers, audio-visual devices, and other equipment.

(3) An exhibitor and exhibitor employees are permitted in a booth of any size to skid, position, and re-skid all exhibitor material, machinery, and equipment on Authority premises.

(4) An exhibitor and exhibitor employees are

prohibited at any time from using scooters, forklifts, pallet jacks, condors, scissors lifts, motorized dollies, or similar motorized or hydraulic equipment on Authority premises.

(5) The Authority shall designate areas, in its discretion, where exhibitors may unload and load exhibitor materials from privately owned vehicles at Authority premises with the use of non-motorized hand trucks and dollies.

(6) On Monday through Friday for any consecutive 8-hour period during the hours of 6:00 a.m. and 10:00 p.m., union employees on Authority premises shall be paid straight-time hourly wages plus fringe benefits. Union employees shall be paid straight-time and a half hourly wages plus fringe benefits for labor services provided after any consecutive 8-hour period; provided, however, that between the hours of midnight and 6:00 a.m. union employees shall be paid double straight-time wages plus fringe benefits for labor services.

(7) On Monday through Friday for any consecutive 8-hour period during the hours of 6:00 a.m. and 10:00 p.m., a show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises based on straight-time hourly wages plus fringe benefits along with a reasonable mark-up. After any consecutive 8-hour period, a show manager or contractor

shall charge an exhibitor only for labor services provided by union employees based on straight-time and a half hourly wages plus fringe benefits along with a reasonable mark-up; provided, however, that between the hours of midnight and 6:00 a.m. a show manager or contractor shall charge an exhibitor only for labor services provided by union employees based on double straight-time wages plus fringe benefits along with a reasonable mark-up.

(8) (Blank).

(9) (Blank).

(10) (Blank).

(11) (Blank).

(12) The Authority has the power to determine, after consultation with the Advisory Council, the work jurisdiction and scope of work of union employees on Authority premises during the move-in, move-out, and run of a show, provided that any affected labor organization may contest the Authority's determination through a binding decision of an independent, third-party arbitrator. When making the determination, the Authority or arbitrator, as the case may be, shall consider the training and skills required to perform the task, past practices on Authority premises, safety, and the need for efficiency and exhibitor satisfaction. These factors shall be considered in their totality and not in isolation. The Authority's determination must be made in writing, set forth an

explanation and statement of the reason or reasons supporting the determination, and be provided to each affected labor organization. The changes in this item (12) by this amendatory Act of the 97th General Assembly are declarative of existing law and shall not be construed as a new enactment. Nothing in this item permits the Authority to eliminate any labor organization representing union employees that provide labor services on the move-in, move-out, and run of the show as of the effective date of this amendatory Act of the 96th General Assembly.

(13) (Blank).

(14) An exhibitor or show manager may request by name specific union employees to provide labor services on Authority premises consistent with all State and federal laws. Union employees requested by an exhibitor shall take priority over union employees requested by a show manager.

(15) A show manager or show contractor on behalf of a show manager may retain an electrical contractor approved by the Authority or Authority-provisioned electrical services to provide electrical services on the premises. If a show manager or show contractor on behalf of a show manager retains Authority-provisioned electrical services, then the Authority shall offer these services at a rate not to exceed the cost of providing those services.

(16) Crew sizes for any task or operation shall not exceed 2 persons unless, after consultation with the

Advisory Council, the Authority determines otherwise based on the task, skills, and training required to perform the task and on safety.

(17) An exhibitor may bring food and beverages on the premises of the Authority for personal consumption.

(18) Show managers and contractors shall comply with any audit performed under subsection (e) of this Section.

(19) A show manager or contractor shall charge an exhibitor only for labor services provided by union employees on Authority premises on a minimum half-hour basis.

The Authority has the power to implement, enforce, and administer the exhibitor rights set forth in this subsection, including the promulgation of rules. The Authority also has the power to determine violations of this subsection and implement appropriate remedies, including, but not limited to, barring violators from Authority premises. The provisions set forth in this Section are binding and equally applicable to any show conducted at Navy Pier, and this statement of the law is declarative of existing law and shall not be construed as a new enactment. The Authority may waive the applicability of only item (6) of this subsection (c) to the extent necessary and required to comply with paragraph 1 of Section F of the 2011 Settlement Agreement, as set forth on Page 12 of that Agreement.

(d) Advisory Council.

(1) An Advisory Council is hereby established to ensure an active and productive dialogue between all affected stakeholders to ensure exhibitor satisfaction for conventions, exhibitions, trade shows, and meetings held on Authority premises.

(2) The composition of the Council shall be determined by the Authority consistent with its existing practice for labor-management relations.

(3) The Council shall hold meetings no less than once every 90 days.

(e) Audit of exhibitor rights.

The Authority shall retain the services of a person to complete, at least once ~~twice~~ per calendar year, a financial statement audit and compliance attestation engagement that may consist of an examination or an agreed-upon procedures engagement that, in the opinion of the licensed public accounting firm selected by the Authority in accordance with the provisions of this Act and with the concurrence of the Authority, is better suited to determine and verify compliance with the exhibitor rights set forth in this Section, and that cost reductions or other efficiencies resulting from the exhibitor rights have been fairly passed along to exhibitors. In the event an agreed-upon procedures engagement is performed, the Authority shall first consult with the Advisory Committee

and solicit its suggestions and advice with respect to the specific procedures to be agreed upon in the engagement. Thereafter, the public accounting firm and the Authority shall agree upon the specific procedures to be followed in the engagement. It is intended that the design of the engagement and the procedures to be followed shall allow for flexibility in targeting specific areas for examination and to revise the procedures where appropriate for achieving the purpose of the engagement ~~examination to determine and verify that the exhibitor rights set forth in this Section have produced cost reductions for exhibitors and those cost reductions have been fairly passed along to exhibitors~~. The financial statement audit shall be performed in accordance with generally accepted auditing standards. The compliance attestation engagement ~~examination~~ shall be (i) performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and shall examine the compliance with the requirements set forth in this Section and (ii) conducted by a licensed public accounting firm, selected by the Authority from a list of firms prequalified to do business with the Illinois Auditor General. Upon request, a show contractor or manager shall provide the Authority or person retained to provide attestation ~~auditing~~ services with any information and other documentation reasonably necessary to perform the obligations set forth in this subsection. Upon completion, the report shall be submitted to the Authority and made publicly

available on the Authority's website.

Within 30 days of the next regularly scheduled meeting of the Advisory Committee following the effective date of this amendatory Act of the 98th General Assembly, the Authority, in conjunction with the Advisory Committee, shall adopt a uniform set of procedures to expeditiously investigate and address exhibitor complaints and concerns. The procedures shall require full disclosure and cooperation among the Authority, show managers, show contractors, exhibitor-appointed contractors, professional service providers, and labor unions.

(f) Exhibitor service reforms. The Authority shall make every effort to substantially reduce exhibitor's costs for participating in shows.

(1) Any contract to provide food or beverage services in the buildings and facilities of the Authority, except Navy Pier, shall be provided at a rate not to exceed the cost established in the contract. The Board shall periodically review all food and beverage contracts.

(2) A department or unit of the Authority shall not serve as the exclusive provider of electrical services.

(3) Exhibitors shall receive a detailed statement of all costs associated with utility services, including the cost of labor, equipment, and materials.

(g) Severability. If any provision of this Section or its

application to any person or circumstance is held invalid, the invalidity of that provision or application does not affect other provisions or applications of this Section that can be given effect without the invalid provision or application. (Source: P.A. 96-898, eff. 5-27-10; 96-899, eff. 5-28-10; 97-629, eff. 11-30-11.)

(70 ILCS 210/13.2) (from Ch. 85, par. 1233.2)

Sec. 13.2. The McCormick Place Expansion Project Fund is created in the State Treasury. All moneys in the McCormick Place Expansion Project Fund are allocated to and shall be appropriated and used only for the purposes authorized by and subject to the limitations and conditions of this Section. Those amounts may be appropriated by law to the Authority for the purposes of paying the debt service requirements on all bonds and notes, including bonds and notes issued to refund or advance refund bonds and notes issued under this Section, Section 13.1, or issued to refund or advance refund bonds and notes otherwise issued under this Act, (collectively referred to as "bonds") to be issued by the Authority under this Section in an aggregate original principal amount (excluding the amount of any bonds and notes issued to refund or advance refund bonds or notes issued under this Section and Section 13.1) not to exceed $2,557,000,000 for the purposes of carrying out and performing its duties and exercising its powers under this Act. The increased debt authorization provided by this amendatory

Act of the 96th General Assembly shall be used solely for the purpose of: (i) hotel construction and related necessary capital improvements; (ii) ~~and~~ other needed capital improvements to existing facilities; and (iii) land acquisition for and construction of one multi-use facility on property bounded by East Cermak Road on the south, East 21st Street on the north, South Indiana Avenue on the west, and South Prairie Avenue on the east in the City of Chicago, Cook County, Illinois. No bonds issued to refund or advance refund bonds issued under this Section may mature later than 40 years from the date of issuance of the refunding or advance refunding bonds. After the aggregate original principal amount of bonds authorized in this Section has been issued, the payment of any principal amount of such bonds does not authorize the issuance of additional bonds (except refunding bonds). Any bonds and notes issued under this Section in any year in which there is an outstanding "post-2010 deficiency amount" as that term is defined in Section 13 (g)(3) of this Act shall provide for the payment to the State Treasurer of the amount of that deficiency.

On the first day of each month commencing after July 1, 1993, amounts, if any, on deposit in the McCormick Place Expansion Project Fund shall, subject to appropriation, be paid in full to the Authority or, upon its direction, to the trustee or trustees for bondholders of bonds that by their terms are payable from the moneys received from the McCormick Place

Expansion Project Fund, until an amount equal to 100% of the aggregate amount of the principal and interest in the fiscal year, including that pursuant to sinking fund requirements, has been so paid and deficiencies in reserves shall have been remedied.

The State of Illinois pledges to and agrees with the holders of the bonds of the Metropolitan Pier and Exposition Authority issued under this Section that the State will not limit or alter the rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with those holders or in any way impair the rights and remedies of those holders until the bonds, together with interest thereon, interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of those holders are fully met and discharged; provided that any increase in the Tax Act Amounts specified in Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund pursuant to any law hereafter enacted shall not be deemed to impair the rights of such holders so long as the increase does not result in the aggregate debt service payable in the current or any future fiscal year of the State on all bonds issued pursuant to the Build Illinois Bond Act and the Metropolitan Pier and

Exposition Authority Act and payable from tax revenues specified in Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act exceeding 33 1/3% of such tax revenues for the most recently completed fiscal year of the State at the time of such increase. In addition, the State pledges to and agrees with the holders of the bonds of the Authority issued under this Section that the State will not limit or alter the basis on which State funds are to be paid to the Authority as provided in this Act or the use of those funds so as to impair the terms of any such contract; provided that any increase in the Tax Act Amounts specified in Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund pursuant to any law hereafter enacted shall not be deemed to impair the terms of any such contract so long as the increase does not result in the aggregate debt service payable in the current or any future fiscal year of the State on all bonds issued pursuant to the Build Illinois Bond Act and the Metropolitan Pier and Exposition Authority Act and payable from tax revenues specified in Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act exceeding 33 1/3% of such tax revenues for

the most recently completed fiscal year of the State at the time of such increase. The Authority is authorized to include these pledges and agreements with the State in any contract with the holders of bonds issued under this Section.

The State shall not be liable on bonds of the Authority issued under this Section those bonds shall not be a debt of the State, and this Act shall not be construed as a guarantee by the State of the debts of the Authority. The bonds shall contain a statement to this effect on the face of the bonds.
(Source: P.A. 96-898, eff. 5-27-10.)

Section 5-70. The Public Utilities Act is amended by changing Section 9-222.1A as follows:

(220 ILCS 5/9-222.1A)

Sec. 9-222.1A. High impact business. Beginning on August 1, 1998 and thereafter, a business enterprise that is certified as a High Impact Business by the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs) is exempt from the tax imposed by Section 2-4 of the Electricity Excise Tax Law, if the High Impact Business is registered to self-assess that tax, and is exempt from any additional charges added to the business enterprise's utility bills as a pass-on of State utility taxes under Section 9-222 of this Act, to the extent the tax or charges are exempted by the percentage specified by the Department of

Commerce and Economic Opportunity for State utility taxes, provided the business enterprise meets the following criteria:

(1) (A) it intends either (i) to make a minimum eligible investment of $12,000,000 that will be placed in service in qualified property in Illinois and is intended to create at least 500 full-time equivalent jobs at a designated location in Illinois; or (ii) to make a minimum eligible investment of $30,000,000 that will be placed in service in qualified property in Illinois and is intended to retain at least 1,500 full-time equivalent jobs at a designated location in Illinois; or

(B) it meets the criteria of subdivision (a)(3)(B), (a)(3)(C), ~~or~~ (a)(3)(D)<u>, or (a)(3)(F)</u> of Section 5.5 of the Illinois Enterprise Zone Act;

(2) it is designated as a High Impact Business by the Department of Commerce and Economic Opportunity; and

(3) it is certified by the Department of Commerce and Economic Opportunity as complying with the requirements specified in clauses (1) and (2) of this Section.

The Department of Commerce and Economic Opportunity shall determine the period during which the exemption from the Electricity Excise Tax Law and the charges imposed under Section 9-222 are in effect, which shall not exceed 20 years from the date of initial certification, and shall specify the percentage of the exemption from those taxes or additional

charges.

The Department of Commerce and Economic Opportunity is authorized to promulgate rules and regulations to carry out the provisions of this Section, including procedures for complying with the requirements specified in clauses (1) and (2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the amounts and types of eligible investments that business enterprises must make in order to receive State utility tax exemptions or exemptions from the additional charges imposed under Section 9-222 and this Section; to approve such utility tax exemptions for business enterprises whose investments are not yet placed in service; and to require that business enterprises granted tax exemptions or exemptions from additional charges under Section 9-222 repay the exempted amount if the business enterprise fails to comply with the terms and conditions of the certification.

Upon certification of the business enterprises by the Department of Commerce and Economic Opportunity, the Department of Commerce and Economic Opportunity shall notify the Department of Revenue of the certification. The Department of Revenue shall notify the public utilities of the exemption status of business enterprises from the tax or pass-on charges of State utility taxes. The exemption status shall take effect within 3 months after certification of the business enterprise. (Source: P.A. 94-793, eff. 5-19-06.)

Section 5-73. The Environmental Protection Act is amended by changing Sections 57.7, 57.8, and 57.11 as follows:

(415 ILCS 5/57.7)

Sec. 57.7. Leaking underground storage tanks; site investigation and corrective action.

(a) Site investigation.

(1) For any site investigation activities required by statute or rule, the owner or operator shall submit to the Agency for approval a site investigation plan designed to determine the nature, concentration, direction of movement, rate of movement, and extent of the contamination as well as the significant physical features of the site and surrounding area that may affect contaminant transport and risk to human health and safety and the environment.

(2) Any owner or operator intending to seek payment from the Fund shall submit to the Agency for approval a site investigation budget that includes, but is not limited to, an accounting of all costs associated with the implementation and completion of the site investigation plan.

(3) Remediation objectives for the applicable indicator contaminants shall be determined using the tiered approach to corrective action objectives rules adopted by the Board pursuant to this Title and Title XVII

of this Act. For the purposes of this Title, "Contaminant of Concern" or "Regulated Substance of Concern" in the rules means the applicable indicator contaminants set forth in subsection (d) of this Section and the rules adopted thereunder.

(4) Upon the Agency's approval of a site investigation plan, or as otherwise directed by the Agency, the owner or operator shall conduct a site investigation in accordance with the plan.

(5) Within 30 days after completing the site investigation, the owner or operator shall submit to the Agency for approval a site investigation completion report. At a minimum the report shall include all of the following:

(A) Executive summary.

(B) Site history.

(C) Site-specific sampling methods and results.

(D) Documentation of all field activities, including quality assurance.

(E) Documentation regarding the development of proposed remediation objectives.

(F) Interpretation of results.

(G) Conclusions.

(b) Corrective action.

(1) If the site investigation confirms none of the applicable indicator contaminants exceed the proposed

remediation objectives, within 30 days after completing the site investigation the owner or operator shall submit to the Agency for approval a corrective action completion report in accordance with this Section.

(2) If any of the applicable indicator contaminants exceed the remediation objectives approved for the site, within 30 days after the Agency approves the site investigation completion report the owner or operator shall submit to the Agency for approval a corrective action plan designed to mitigate any threat to human health, human safety, or the environment resulting from the underground storage tank release. The plan shall describe the selected remedy and evaluate its ability and effectiveness to achieve the remediation objectives approved for the site. At a minimum, the report shall include all of the following:

(A) Executive summary.

(B) Statement of remediation objectives.

(C) Remedial technologies selected.

(D) Confirmation sampling plan.

(E) Current and projected future use of the property.

(F) Applicable preventive, engineering, and institutional controls including long-term reliability, operating, and maintenance plans, and monitoring procedures.

(G) A schedule for implementation and completion of the plan.

(3) Any owner or operator intending to seek payment from the Fund shall submit to the Agency for approval a corrective action budget that includes, but is not limited to, an accounting of all costs associated with the implementation and completion of the corrective action plan.

(4) Upon the Agency's approval of a corrective action plan, or as otherwise directed by the Agency, the owner or operator shall proceed with corrective action in accordance with the plan.

(5) Within 30 days after the completion of a corrective action plan that achieves applicable remediation objectives the owner or operator shall submit to the Agency for approval a corrective action completion report. The report shall demonstrate whether corrective action was completed in accordance with the approved corrective action plan and whether the remediation objectives approved for the site, as well as any other requirements of the plan, have been achieved.

(6) If within 4 years after the approval of any corrective action plan the applicable remediation objectives have not been achieved and the owner or operator has not submitted a corrective action completion report, the owner or operator must submit a status report for

Agency review. The status report must include, but is not limited to, a description of the remediation activities taken to date, the effectiveness of the method of remediation being used, the likelihood of meeting the applicable remediation objectives using the current method of remediation, and the date the applicable remediation objectives are expected to be achieved.

(7) If the Agency determines any approved corrective action plan will not achieve applicable remediation objectives within a reasonable time, based upon the method of remediation and site specific circumstances, the Agency may require the owner or operator to submit to the Agency for approval a revised corrective action plan. If the owner or operator intends to seek payment from the Fund, the owner or operator must also submit a revised budget.

(c) Agency review and approval.

(1) Agency approval of any plan and associated budget, as described in this subsection (c), shall be considered final approval for purposes of seeking and obtaining payment from the Underground Storage Tank Fund if the costs associated with the completion of any such plan are less than or equal to the amounts approved in such budget.

(2) In the event the Agency fails to approve, disapprove, or modify any plan or report submitted pursuant to this Title in writing within 120 days of the receipt by the Agency, the plan or report shall be considered to be

rejected by operation of law for purposes of this Title and rejected for purposes of payment from the Underground Storage Tank Fund.

(A) For purposes of those plans as identified in paragraph (5) of this subsection (c), the Agency's review may be an audit procedure. Such review or audit shall be consistent with the procedure for such review or audit as promulgated by the Board under Section 57.14. The Agency has the authority to establish an auditing program to verify compliance of such plans with the provisions of this Title.

(B) For purposes of corrective action plans submitted pursuant to subsection (b) of this Section for which payment from the Fund is not being sought, the Agency need not take action on such plan until 120 days after it receives the corrective action completion report required under subsection (b) of this Section. In the event the Agency approved the plan, it shall proceed under the provisions of this subsection (c).

(3) In approving any plan submitted pursuant to subsection (a) or (b) of this Section, the Agency shall determine, by a procedure promulgated by the Board under Section 57.14, that the costs associated with the plan are reasonable, will be incurred in the performance of site investigation or corrective action, and will not be used

for site investigation or corrective action activities in excess of those required to meet the minimum requirements of this Title. The Agency shall also determine, pursuant to the Project Labor Agreements Act, whether the corrective action shall include a project labor agreement if payment from the Underground Storage Tank Fund is to be requested.

(A) For purposes of payment from the Fund, corrective action activities required to meet the minimum requirements of this Title shall include, but not be limited to, the following use of the Board's Tiered Approach to Corrective Action Objectives rules adopted under Title XVII of this Act:

(i) For the site where the release occurred, the use of Tier 2 remediation objectives that are no more stringent than Tier 1 remediation objectives.

(ii) The use of industrial/commercial property remediation objectives, unless the owner or operator demonstrates that the property being remediated is residential property or being developed into residential property.

(iii) The use of groundwater ordinances as institutional controls in accordance with Board rules.

(iv) The use of on-site groundwater use restrictions as institutional controls in

accordance with Board rules.

(B) Any bidding process adopted under Board rules to determine the reasonableness of costs of corrective action must provide for a publicly-noticed, competitive, and sealed bidding process that includes, at a minimum, the following:

(i) The owner or operator must issue invitations for bids that include, at a minimum, a description of the work being bid and applicable contractual terms and conditions. The criteria on which the bids will be evaluated must be set forth in the invitation for bids. The criteria may include, but shall not be limited to, criteria for determining acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Criteria that will affect the bid price and be considered in the evaluation of a bid, such as discounts, shall be objectively measurable.

(ii) At least 14 days prior to the date set in the invitation for the opening of bids, public notice of the invitation for bids must be published in a local paper of general circulation for the area in which the site is located.

(iii) Bids must be opened publicly in the presence of one or more witnesses at the time and

place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information as specified in Board rules must be recorded and submitted to the Agency in the applicable budget. After selection of the winning bid, the winning bid and the record of each unsuccessful bid shall be open to public inspection.

(iv) Bids must be unconditionally accepted without alteration or correction. Bids must be evaluated based on the requirements set forth in the invitation for bids, which may include criteria for determining acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Criteria that will affect the bid price and be considered in the evaluation of a bid, such as discounts, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.

(v) Correction or withdrawal of inadvertently erroneous bids before or after selection of the winning bid, or cancellation of winning bids based on bid mistakes, shall be allowed in accordance with Board rules. After bid opening, no changes in bid prices or other provisions of bids prejudicial

to the owner or operator or fair competition shall be allowed. All decisions to allow the correction or withdrawal of bids based on bid mistakes shall be supported by a written determination made by the owner or operator.

(vi) The owner or operator shall select the winning bid with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids. The winning bid and other relevant information as specified in Board rules must be recorded and submitted to the Agency in the applicable budget.

(vii) All bidding documentation must be retained by the owner or operator for a minimum of 3 years after the costs bid are submitted in an application for payment, except that documentation relating to an appeal, litigation, or other disputed claim must be maintained until at least 3 years after the date of the final disposition of the appeal, litigation, or other disputed claim. All bidding documentation must be made available to the Agency for inspection and copying during normal business hours.

(C) Any bidding process adopted under Board rules to determine the reasonableness of costs of corrective

action shall (i) be optional and (ii) allow bidding only if the owner or operator demonstrates that corrective action cannot be performed for amounts less than or equal to maximum payment amounts adopted by the Board.

(4) For any plan or report received after June 24, 2002, any action by the Agency to disapprove or modify a plan submitted pursuant to this Title shall be provided to the owner or operator in writing within 120 days of the receipt by the Agency or, in the case of a site investigation plan or corrective action plan for which payment is not being sought, within 120 days of receipt of the site investigation completion report or corrective action completion report, respectively, and shall be accompanied by:

(A) an explanation of the Sections of this Act which may be violated if the plans were approved;

(B) an explanation of the provisions of the regulations, promulgated under this Act, which may be violated if the plan were approved;

(C) an explanation of the specific type of information, if any, which the Agency deems the applicant did not provide the Agency; and

(D) a statement of specific reasons why the Act and the regulations might not be met if the plan were approved.

Any action by the Agency to disapprove or modify a plan or report or the rejection of any plan or report by operation of law shall be subject to appeal to the Board in accordance with the procedures of Section 40. If the owner or operator elects to incorporate modifications required by the Agency rather than appeal, an amended plan shall be submitted to the Agency within 35 days of receipt of the Agency's written notification.

(5) For purposes of this Title, the term "plan" shall include:

(A) Any site investigation plan submitted pursuant to subsection (a) of this Section;

(B) Any site investigation budget submitted pursuant to subsection (a) of this Section;

(C) Any corrective action plan submitted pursuant to subsection (b) of this Section; or

(D) Any corrective action plan budget submitted pursuant to subsection (b) of this Section.

(d) For purposes of this Title, the term "indicator contaminant" shall mean, unless and until the Board promulgates regulations to the contrary, the following: (i) if an underground storage tank contains gasoline, the indicator parameter shall be BTEX and Benzene; (ii) if the tank contained petroleum products consisting of middle distillate or heavy ends, then the indicator parameter shall be determined by a scan of PNA's taken from the location where contamination is

most likely to be present; and (iii) if the tank contained used oil, then the indicator contaminant shall be those chemical constituents which indicate the type of petroleum stored in an underground storage tank. All references in this Title to groundwater objectives shall mean Class I groundwater standards or objectives as applicable.

(e) (1) Notwithstanding the provisions of this Section, an owner or operator may proceed to conduct site investigation or corrective action prior to the submittal or approval of an otherwise required plan. If the owner or operator elects to so proceed, an applicable plan shall be filed with the Agency at any time. Such plan shall detail the steps taken to determine the type of site investigation or corrective action which was necessary at the site along with the site investigation or corrective action taken or to be taken, in addition to costs associated with activities to date and anticipated costs.

(2) Upon receipt of a plan submitted after activities have commenced at a site, the Agency shall proceed to review in the same manner as required under this Title. In the event the Agency disapproves all or part of the costs, the owner or operator may appeal such decision to the Board. The owner or operator shall not be eligible to be reimbursed for such disapproved costs unless and until the Board determines that such costs were eligible for payment.

(f) All investigations, plans, and reports conducted or

prepared under this Section shall be conducted or prepared under the supervision of a licensed professional engineer and in accordance with the requirements of this Title.

(Source: P.A. 95-331, eff. 8-21-07; 96-908, eff. 6-8-10.)

(415 ILCS 5/57.8)

Sec. 57.8. Underground Storage Tank Fund; payment; options for State payment; deferred correction election to commence corrective action upon availability of funds. If an owner or operator is eligible to access the Underground Storage Tank Fund pursuant to an Office of State Fire Marshal eligibility/deductible final determination letter issued in accordance with Section 57.9, the owner or operator may submit a complete application for final or partial payment to the Agency for activities taken in response to a confirmed release. An owner or operator may submit a request for partial or final payment regarding a site no more frequently than once every 90 days.

(a) Payment after completion of corrective action measures. The owner or operator may submit an application for payment for activities performed at a site after completion of the requirements of Sections 57.6 and 57.7, or after completion of any other required activities at the underground storage tank site.

(1) In the case of any approved plan and budget for which payment is being sought, the Agency shall make a

payment determination within 120 days of receipt of the application. Such determination shall be considered a final decision. The Agency's review shall be limited to generally accepted auditing and accounting practices. In no case shall the Agency conduct additional review of any plan which was completed within the budget, beyond auditing for adherence to the corrective action measures in the proposal. If the Agency fails to approve the payment application within 120 days, such application shall be deemed approved by operation of law and the Agency shall proceed to reimburse the owner or operator the amount requested in the payment application. However, in no event shall the Agency reimburse the owner or operator an amount greater than the amount approved in the plan.

(2) If sufficient funds are available in the Underground Storage Tank Fund, the Agency shall, within 60 days, forward to the Office of the State Comptroller a voucher in the amount approved under the payment application.

(3) In the case of insufficient funds, the Agency shall form a priority list for payment and shall notify persons in such priority list monthly of the availability of funds and when payment shall be made. Payment shall be made to the owner or operator at such time as sufficient funds become available for the costs associated with site investigation and corrective action and costs expended for

activities performed where no proposal is required, if applicable. Such priority list shall be available to any owner or operator upon request. Priority for payment shall be determined by the date the Agency receives a complete request for partial or final payment. Upon receipt of notification from the Agency that the requirements of this Title have been met, the Comptroller shall make payment to the owner or operator of the amount approved by the Agency, if sufficient money exists in the Fund. If there is insufficient money in the Fund, then payment shall not be made. If the owner or operator appeals a final Agency payment determination and it is determined that the owner or operator is eligible for payment or additional payment, the priority date for the payment or additional payment shall be the same as the priority date assigned to the original request for partial or final payment.

(4) Any deductible, as determined pursuant to the Office of the State Fire Marshal's eligibility and deductibility final determination in accordance with Section 57.9, shall be subtracted from any payment invoice paid to an eligible owner or operator. Only one deductible shall apply per underground storage tank site.

(5) In the event that costs are or will be incurred in addition to those approved by the Agency, or after payment, the owner or operator may submit successive plans containing amended budgets. The requirements of Section

57.7 shall apply to any amended plans.

(6) For purposes of this Section, a complete application shall consist of:

(A) A certification from a Licensed Professional Engineer or Licensed Professional Geologist as required under this Title and acknowledged by the owner or operator.

(B) A statement of the amounts approved in the budget and the amounts actually sought for payment along with a certified statement by the owner or operator that the amounts so sought were expended in conformance with the approved budget.

(C) A copy of the Office of the State Fire Marshal's eligibility and deductibility determination.

(D) Proof that approval of the payment requested will not result in the limitations set forth in subsection (g) of this Section being exceeded.

(E) A federal taxpayer identification number and legal status disclosure certification on a form prescribed and provided by the Agency.

(F) If the Agency determined under subsection (c)(3) of Section 57.7 of this Act that corrective action must include a project labor agreement, a certification from the owner or operator that the corrective action was (i) performed under a project labor agreement that meets the requirements of Section

25 of the Project Labor Agreements Act and (ii) implemented in a manner consistent with the terms and conditions of the Project Labor Agreements Act and in full compliance with all statutes, regulations, and Executive Orders as required under that Act and the Prevailing Wage Act.

(b) Commencement of site investigation or corrective action upon availability of funds. The Board shall adopt regulations setting forth procedures based on risk to human health or the environment under which the owner or operator who has received approval for any budget plan submitted pursuant to Section 57.7, and who is eligible for payment from the Underground Storage Tank Fund pursuant to an Office of the State Fire Marshal eligibility and deductibility determination, may elect to defer site investigation or corrective action activities until funds are available in an amount equal to the amount approved in the budget. The regulations shall establish criteria based on risk to human health or the environment to be used for determining on a site-by-site basis whether deferral is appropriate. The regulations also shall establish the minimum investigatory requirements for determining whether the risk based criteria are present at a site considering deferral and procedures for the notification of owners or operators of insufficient funds, Agency review of request for deferral, notification of Agency final decisions, returning deferred sites to active status, and

earmarking of funds for payment.

(c) When the owner or operator requests indemnification for payment of costs incurred as a result of a release of petroleum from an underground storage tank, if the owner or operator has satisfied the requirements of subsection (a) of this Section, the Agency shall forward a copy of the request to the Attorney General. The Attorney General shall review and approve the request for indemnification if:

(1) there is a legally enforceable judgment entered against the owner or operator and such judgment was entered due to harm caused by a release of petroleum from an underground storage tank and such judgment was not entered as a result of fraud; or

(2) a settlement with a third party due to a release of petroleum from an underground storage tank is reasonable.

(d) Notwithstanding any other provision of this Title, the Agency shall not approve payment to an owner or operator from the Fund for costs of corrective action or indemnification incurred during a calendar year in excess of the following aggregate amounts based on the number of petroleum underground storage tanks owned or operated by such owner or operator in Illinois.

Amount	Number of Tanks
$2,000,000	fewer than 101
$3,000,000	101 or more

(1) Costs incurred in excess of the aggregate amounts

set forth in paragraph (1) of this subsection shall not be eligible for payment in subsequent years.

(2) For purposes of this subsection, requests submitted by any of the agencies, departments, boards, committees or commissions of the State of Illinois shall be acted upon as claims from a single owner or operator.

(3) For purposes of this subsection, owner or operator includes (i) any subsidiary, parent, or joint stock company of the owner or operator and (ii) any company owned by any parent, subsidiary, or joint stock company of the owner or operator.

(e) Costs of corrective action or indemnification incurred by an owner or operator which have been paid to an owner or operator under a policy of insurance, another written agreement, or a court order are not eligible for payment under this Section. An owner or operator who receives payment under a policy of insurance, another written agreement, or a court order shall reimburse the State to the extent such payment covers costs for which payment was received from the Fund. Any monies received by the State under this subsection (e) shall be deposited into the Fund.

(f) (Blank.)

(g) The Agency shall not approve any payment from the Fund to pay an owner or operator:

(1) for costs of corrective action incurred by such owner or operator in an amount in excess of $1,500,000 per

occurrence; and

(2) for costs of indemnification of such owner or operator in an amount in excess of $1,500,000 per occurrence.

(h) Payment of any amount from the Fund for corrective action or indemnification shall be subject to the State acquiring by subrogation the rights of any owner, operator, or other person to recover the costs of corrective action or indemnification for which the Fund has compensated such owner, operator, or person from the person responsible or liable for the release.

(i) If the Agency refuses to pay or authorizes only a partial payment, the affected owner or operator may petition the Board for a hearing in the manner provided for the review of permit decisions in Section 40 of this Act.

(j) Costs of corrective action or indemnification incurred by an owner or operator prior to July 28, 1989, shall not be eligible for payment or reimbursement under this Section.

(k) The Agency shall not pay costs of corrective action or indemnification incurred before providing notification of the release of petroleum in accordance with the provisions of this Title.

(l) Corrective action does not include legal defense costs. Legal defense costs include legal costs for seeking payment under this Title unless the owner or operator prevails before the Board in which case the Board may authorize payment of

legal fees.

(m) The Agency may apportion payment of costs for plans submitted under Section 57.7 if:

(1) the owner or operator was deemed eligible to access the Fund for payment of corrective action costs for some, but not all, of the underground storage tanks at the site; and

(2) the owner or operator failed to justify all costs attributable to each underground storage tank at the site.

(n) The Agency shall not pay costs associated with a corrective action plan incurred after the Agency provides notification to the owner or operator pursuant to item (7) of subsection (b) of Section 57.7 that a revised corrective action plan is required. Costs associated with any subsequently approved corrective action plan shall be eligible for reimbursement if they meet the requirements of this Title.

(Source: P.A. 95-331, eff. 8-21-07.)

(415 ILCS 5/57.11)

Sec. 57.11. Underground Storage Tank Fund; creation.

(a) There is hereby created in the State Treasury a special fund to be known as the Underground Storage Tank Fund. There shall be deposited into the Underground Storage Tank Fund all monies received by the Office of the State Fire Marshal as fees for underground storage tanks under Sections 4 and 5 of the Gasoline Storage Act, ~~and as~~ fees pursuant to the Motor Fuel

Tax Law, and beginning July 1, 2013, payments pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. All amounts held in the Underground Storage Tank Fund shall be invested at interest by the State Treasurer. All income earned from the investments shall be deposited into the Underground Storage Tank Fund no less frequently than quarterly. Moneys in the Underground Storage Tank Fund, pursuant to appropriation, may be used by the Agency and the Office of the State Fire Marshal for the following purposes:

(1) To take action authorized under Section 57.12 to recover costs under Section 57.12.

(2) To assist in the reduction and mitigation of damage caused by leaks from underground storage tanks, including but not limited to, providing alternative water supplies to persons whose drinking water has become contaminated as a result of those leaks.

(3) To be used as a matching amount towards federal assistance relative to the release of petroleum from underground storage tanks.

(4) For the costs of administering activities of the Agency and the Office of the State Fire Marshal relative to the Underground Storage Tank Fund.

(5) For payment of costs of corrective action incurred by and indemnification to operators of underground storage tanks as provided in this Title.

(6) For a total of 2 demonstration projects in amounts in excess of a $10,000 deductible charge designed to assess the viability of corrective action projects at sites which have experienced contamination from petroleum releases. Such demonstration projects shall be conducted in accordance with the provision of this Title.

(7) Subject to appropriation, moneys in the Underground Storage Tank Fund may also be used by the Department of Revenue for the costs of administering its activities relative to the Fund and for refunds provided for in Section 13a.8 of the Motor Fuel Tax Act.

(b) Moneys in the Underground Storage Tank Fund may, pursuant to appropriation, be used by the Office of the State Fire Marshal or the Agency to take whatever emergency action is necessary or appropriate to assure that the public health or safety is not threatened whenever there is a release or substantial threat of a release of petroleum from an underground storage tank and for the costs of administering its activities relative to the Underground Storage Tank Fund.

(c) Beginning July 1, 1993, the Governor shall certify to the State Comptroller and State Treasurer the monthly amount necessary to pay debt service on State obligations issued pursuant to Section 6 of the General Obligation Bond Act. On the last day of each month, the Comptroller shall order transferred and the Treasurer shall transfer from the Underground Storage Tank Fund to the General Obligation Bond

Retirement and Interest Fund the amount certified by the Governor, plus any cumulative deficiency in those transfers for prior months.

(d) Except as provided in subsection (c) of this Section, the Underground Storage Tank Fund is not subject to administrative charges authorized under Section 8h of the State Finance Act that would in any way transfer any funds from the Underground Storage Tank Fund into any other fund of the State.

(e) Each fiscal year, subject to appropriation, the Agency may commit up to $10,000,000 of the moneys in the Underground Storage Tank Fund to the payment of corrective action costs for legacy sites that meet one or more of the following criteria as a result of the underground storage tank release: (i) the presence of free product, (ii) contamination within a regulated recharge area, a wellhead protection area, or the setback zone of a potable water supply well, (iii) contamination extending beyond the boundaries of the site where the release occurred, or (iv) such other criteria as may be adopted in Agency rules.

(1) Fund moneys committed under this subsection (e) shall be held in the Fund for payment of the corrective action costs for which the moneys were committed.

(2) The Agency may adopt rules governing the commitment of Fund moneys under this subsection (e).

(3) This subsection (e) does not limit the use of Fund moneys at legacy sites as otherwise provided under this Title.

(4) For the purposes of this subsection (e), the term "legacy site" means a site for which (i) an underground storage tank release was reported prior to January 1, 2005, (ii) the owner or operator has been determined eligible to receive payment from the Fund for corrective action costs, and (iii) the Agency did not receive any applications for payment prior to January 1, 2010.

(f) Beginning July 1, 2013, if the amounts deposited into the Fund from moneys received by the Office of the State Fire Marshal as fees for underground storage tanks under Sections 4 and 5 of the Gasoline Storage Act and as fees pursuant to the Motor Fuel Tax Law during a State fiscal year are sufficient to pay all claims for payment by the fund received during that State fiscal year, then the amount of any payments into the fund pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act during that State fiscal year shall be deposited as follows: 75% thereof shall be paid into the State treasury and 25% shall be reserved in a special account and used only for the transfer to the Common School Fund as part of the monthly transfer from the General Revenue Fund in accordance with Section 8a of the State Finance Act.

(Source: P.A. 96-34, eff. 7-13-09; 96-908, eff. 6-8-10.)

Section 5-75. The Prevailing Wage Act is amended by changing Section 2 as follows:

(820 ILCS 130/2) (from Ch. 48, par. 39s-2)

Sec. 2. This Act applies to the wages of laborers, mechanics and other workers employed in any public works, as hereinafter defined, by any public body and to anyone under contracts for public works. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

As used in this Act, unless the context indicates otherwise:

"Public works" means all fixed works constructed or demolished by any public body, or paid for wholly or in part out of public funds. "Public works" as defined herein includes all projects financed in whole or in part with bonds, grants, loans, or other funds made available by or through the State or any of its political subdivisions, including but not limited to: bonds issued under the Industrial Project Revenue Bond Act (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue Bond Act, the Illinois Finance Authority Act, the Illinois Sports Facilities Authority Act, or the Build Illinois Bond Act; loans or other funds made available pursuant to the Build Illinois Act; <u>loans or other funds made available pursuant to the Riverfront Development Fund under Section 10-15 of the River Edge Redevelopment Zone Act;</u> or funds from the Fund for Illinois' Future under Section 6z-47 of the State Finance Act, funds for school construction

under Section 5 of the General Obligation Bond Act, funds authorized under Section 3 of the School Construction Bond Act, funds for school infrastructure under Section 6z-45 of the State Finance Act, and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" also includes (i) all projects financed in whole or in part with funds from the Department of Commerce and Economic Opportunity under the Illinois Renewable Fuels Development Program Act for which there is no project labor agreement; (ii) all work performed pursuant to a public private agreement under the Public Private Agreements for the Illiana Expressway Act or the Public-Private Agreements for the South Suburban Airport Act; and (iii) all projects undertaken under a public-private agreement under the Public-Private Partnerships for Transportation Act. "Public works" also includes all projects at leased facility property used for airport purposes under Section 35 of the Local Government Facility Lease Act. "Public works" also includes the construction of a new wind power facility by a business designated as a High Impact Business under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone Act. "Public works" does not include work done directly by any public utility company, whether or not done under public supervision or direction, or paid for wholly or in part out of public funds. "Public works" also includes any corrective action performed pursuant to Title XVI of the Environmental Protection Act for which payment from the Underground Storage

Tank Fund is requested. "Public works" does not include projects undertaken by the owner at an owner-occupied single-family residence or at an owner-occupied unit of a multi-family residence.

"Construction" means all work on public works involving laborers, workers or mechanics. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility,

reclamation improvement or other district and every other political subdivision, district or municipality of the state whether such political subdivision, municipality or district operates under a special charter or not.

The terms "general prevailing rate of hourly wages", "general prevailing rate of wages" or "prevailing rate of wages" when used in this Act mean the hourly cash wages plus fringe benefits for training and apprenticeship programs approved by the U.S. Department of Labor, Bureau of Apprenticeship and Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works.

(Source: P.A. 96-28, eff. 7-1-09; 96-58, eff. 1-1-10; 96-186, eff. 1-1-10; 96-913, eff. 6-9-10; 96-1000, eff. 7-2-10; 97-502, eff. 8-23-11.)

ARTICLE 99.

EFFECTIVE DATE AND SEVERABILITY

Section 99-97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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