

AN ACT concerning revenue.

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

Section 5. The Use Tax Act is amended by changing Section 14 as follows:

(35 ILCS 105/14) (from Ch. 120, par. 439.14)

Sec. 14. When the amount due is under \$300, any person subject to the provisions hereof who fails to file a return, or who violates any other provision of Section 9 or Section 10 hereof, or who fails to keep books and records as required herein, or who files a fraudulent return, or who wilfully violates any rule or regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation or manager, member, or agent of a limited liability company subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, or any person who violates any of the provisions of Sections 3, 5 or 7 hereof, or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a

resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 4 felony.

Any person who violates any provision of Section 6 hereof, or who engages in the business of selling tangible personal property at retail after his Certificate of Registration under this Act has been revoked in accordance with Section 12 of this Act, is guilty of a Class 4 felony. Each day any such person is engaged in business in violation of Section 6, or after his Certificate of Registration under this Act has been revoked, constitutes a separate offense.

When the amount due is under \$300, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such payment to the Department when due is guilty of a Class 4 felony. Any such person who purports to make such payment by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

When the amount due is \$300 or more any person subject to the provisions hereof who fails to file a return or who

violates any other provision of Section 9 or Section 10 hereof or who fails to keep books and records as required herein or who files a fraudulent return, or who wilfully violates any rule or regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation or manager, member, or agent of a limited liability company subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act or any person who violates any of the provisions of Sections 3, 5 or 7 hereof or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 3 felony.

When the amount due is \$300 or more any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such payment to the Department when due is guilty of a Class 3 felony. Any such person who purports to make such payment by

issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

Any seller who collects or attempts to collect use tax measured by receipts which such seller knows are not subject to use tax, or any seller who knowingly over-collects or attempts to over-collect use tax in a transaction which is subject to the tax that is imposed by this Act, shall be guilty of a Class 4 felony for each such offense. This paragraph does not apply to an amount collected by the seller as use tax on receipts which are subject to tax under this Act as long as such collection is made in compliance with the tax collection brackets prescribed by the Department in its Rules and Regulations.

Any taxpayer or agent of a taxpayer who with the intent to defraud purports to make a payment due to the Department by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

Any person who knowingly sells, purchases, installs, transfers, possesses, uses, or accesses any automated sales suppression device, zapper, or phantom-ware in this State is

guilty of a Class 3 felony.

For the purposes of this Section:

"Automated sales suppression device" or "zapper" means a software program that falsifies the electronic records of an electronic cash register or other point-of-sale system, including, but not limited to, transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an Internet link to the software program.

"Phantom-ware" means a hidden programming option embedded in the operating system of an electronic cash register or hardwired into an electronic cash register that can be used to create a second set of records or that can eliminate or manipulate transaction records in an electronic cash register.

"Electronic cash register" means a device that keeps a register or supporting documents through the use of an electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.

"Transaction data" includes: items purchased by a customer; the price of each item; a taxability determination for each item; a segregated tax amount for each taxed item; the amount of cash or credit tendered; the net amount returned to the customer in change; the date and time of the purchase; the name, address, and identification number of the vendor; and the receipt or invoice number of the transaction.

"Transaction report" means a report that documents, without limitation, the sales, taxes, or fees collected, media totals, and discount voids at an electronic cash register and that is printed on a cash register tape at the end of a day or shift, or a report that documents every action at an electronic cash register and is stored electronically.

A prosecution for any act in violation of this Section may be commenced at any time within 3 years of the commission of that Act.

This Section does not apply if the violation in a particular case also constitutes a criminal violation of the Retailers' Occupation Tax Act.

(Source: P.A. 97-1150, eff. 1-25-13.)

Section 10. The Service Use Tax Act is amended by changing Section 15 as follows:

(35 ILCS 110/15) (from Ch. 120, par. 439.45)

Sec. 15. When the amount due is under \$300, any person subject to the provisions hereof who fails to file a return, or who violates any other provision of Section 9 or Section 10 hereof, or who fails to keep books and records as required herein, or who files a fraudulent return, or who wilfully violates any Rule or Regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation, or manager, member, or agent

of a limited liability company, subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, or any person who violates any of the provisions of Sections 3 and 5 hereof, or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 4 felony.

Any person who violates any provision of Section 6 hereof, or who engages in the business of making sales of service after his Certificate of Registration under this Act has been revoked in accordance with Section 12 of this Act, is guilty of a Class 4 felony. Each day any such person is engaged in business in violation of Section 6, or after his Certificate of Registration under this Act has been revoked, constitutes a separate offense.

When the amount due is under \$300, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such

payment to the Department when due is guilty of a Class 4 felony. Any such person who purports to make such payment by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

When the amount due is \$300 or more, any person subject to the provisions hereof who fails to file a return, or who violates any other provision of Section 9 or Section 10 hereof, or who fails to keep books and records as required herein or who files a fraudulent return, or who willfully violates any rule or regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation, or manager, member, or agent of a limited liability company, subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, or any person who violates any of the provisions of Sections 3 and 5 hereof, or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe

that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 3 felony.

When the amount due is \$300 or more, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such payment to the Department when due is guilty of a Class 3 felony. Any such person who purports to make such payment by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

Any serviceman who collects or attempts to collect Service Use Tax measured by receipts or selling prices which such serviceman knows are not subject to Service Use Tax, or any serviceman who knowingly over-collects or attempts to over-collect Service Use Tax in a transaction which is subject to the tax that is imposed by this Act, shall be guilty of a Class 4 felony for each offense. This paragraph does not apply to an amount collected by the serviceman as Service Use Tax on receipts or selling prices which are subject to tax under this Act as long as such collection is made in compliance with the tax collection brackets prescribed by the Department in its Rules and Regulations.

Any taxpayer or agent of a taxpayer who with the intent to defraud purports to make a payment due to the Department by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

Any person who knowingly sells, purchases, installs, transfers, possesses, uses, or accesses any automated sales suppression device, zapper, or phantom-ware in this State is guilty of a Class 3 felony.

For the purposes of this Section:

"Automated sales suppression device" or "zapper" means a software program that falsifies the electronic records of an electronic cash register or other point-of-sale system, including, but not limited to, transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an Internet link to the software program.

"Phantom-ware" means a hidden programming option embedded in the operating system of an electronic cash register or hardwired into an electronic cash register that can be used to create a second set of records or that can eliminate or manipulate transaction records in an electronic cash register.

"Electronic cash register" means a device that keeps a register or supporting documents through the use of an

electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.

"Transaction data" includes: items purchased by a customer; the price of each item; a taxability determination for each item; a segregated tax amount for each taxed item; the amount of cash or credit tendered; the net amount returned to the customer in change; the date and time of the purchase; the name, address, and identification number of the vendor; and the receipt or invoice number of the transaction.

"Transaction report" means a report that documents, without limitation, the sales, taxes, or fees collected, media totals, and discount voids at an electronic cash register and that is printed on a cash register tape at the end of a day or shift, or a report that documents every action at an electronic cash register and is stored electronically.

A prosecution for any Act in violation of this Section may be commenced at any time within 3 years of the commission of that Act.

This Section does not apply if the violation in a particular case also constitutes a criminal violation of the Retailers' Occupation Tax Act, the Use Tax Act or the Service Occupation Tax Act.

(Source: P.A. 97-1150, eff. 1-25-13.)

Section 15. The Service Occupation Tax Act is amended by

changing Section 15 as follows:

(35 ILCS 115/15) (from Ch. 120, par. 439.115)

Sec. 15. When the amount due is under \$300, any person subject to the provisions hereof who fails to file a return, or who violates any other provision of Section 9 or Section 10 hereof, or who fails to keep books and records as required herein, or who files a fraudulent return, or who wilfully violates any Rule or Regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation, or manager, member, or agent of a limited liability company, subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, or any person who violates any of the provisions of Sections 3, 5 or 7 hereof, or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 4 felony.

Any person who violates any provision of Section 6 hereof,

or who engages in the business of making sales of service after his Certificate of Registration under this Act has been revoked in accordance with Section 12 of this Act, is guilty of a Class 4 felony. Each day any such person is engaged in business in violation of Section 6, or after his Certificate of Registration under this Act has been revoked, constitutes a separate offense.

When the amount due is under \$300, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such payment to the Department when due is guilty of a Class 4 felony. Any such person who purports to make such payment by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

When the amount due is \$300 or more, any person subject to the provisions hereof who fails to file a return, or who violates any other provision of Section 9 or Section 10 hereof, or who fails to keep books and records as required herein, or who files a fraudulent return, or who wilfully violates any rule or regulation of the Department for the administration and enforcement of the provisions hereof, or any officer or agent of a corporation, or manager, member, or agent of a limited

liability company, subject hereto who signs a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, or any person who violates any of the provisions of Sections 3, 5 or 7 hereof, or any purchaser who obtains a registration number or resale number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case, is guilty of a Class 3 felony.

When the amount due is \$300 or more, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department but who fails to remit such payment to the Department when due is guilty of a Class 3 felony. Any such person who purports to make such payment by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

Any serviceman who collects or attempts to collect Service

Occupation Tax, measured by receipts which such serviceman knows are not subject to Service Occupation Tax, or any serviceman who collects or attempts to collect an amount (however designated) which purports to reimburse such serviceman for Service Occupation Tax liability measured by receipts or selling prices which such serviceman knows are not subject to Service Occupation Tax, or any serviceman who knowingly over-collects or attempts to over-collect Service Occupation Tax or an amount purporting to be reimbursement for Service Occupation Tax liability in a transaction which is subject to the tax that is imposed by this Act, shall be guilty of a Class 4 felony for each such offense. This paragraph does not apply to an amount collected by the serviceman as reimbursement for the serviceman's Service Occupation Tax liability on receipts or selling prices which are subject to tax under this Act, as long as such collection is made in compliance with the tax collection brackets prescribed by the Department in its Rules and Regulations.

Any person who knowingly sells, purchases, installs, transfers, possesses, uses, or accesses any automated sales suppression device, zapper, or phantom-ware in this State is guilty of a Class 3 felony.

For the purposes of this Section:

"Automated sales suppression device" or "zapper" means a software program that falsifies the electronic records of an electronic cash register or other point-of-sale system,

including, but not limited to, transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an Internet link to the software program.

"Phantom-ware" means a hidden programming option embedded in the operating system of an electronic cash register or hardwired into an electronic cash register that can be used to create a second set of records or that can eliminate or manipulate transaction records in an electronic cash register.

"Electronic cash register" means a device that keeps a register or supporting documents through the use of an electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.

"Transaction data" includes: items purchased by a customer; the price of each item; a taxability determination for each item; a segregated tax amount for each taxed item; the amount of cash or credit tendered; the net amount returned to the customer in change; the date and time of the purchase; the name, address, and identification number of the vendor; and the receipt or invoice number of the transaction.

"Transaction report" means a report that documents, without limitation, the sales, taxes, or fees collected, media totals, and discount voids at an electronic cash register and that is printed on a cash register tape at the end of a day or shift, or a report that documents every action at an electronic

cash register and is stored electronically.

A prosecution for any act in violation of this Section may be commenced at any time within 3 years of the commission of that act.

This Section does not apply if the violation in a particular case also constitutes a criminal violation of the Retailers' Occupation Tax Act or the Use Tax Act.

(Source: P.A. 97-1150, eff. 1-25-13.)

Section 20. The Retailers' Occupation Tax Act is amended by changing Section 13 as follows:

(35 ILCS 120/13) (from Ch. 120, par. 452)

Sec. 13. Criminal penalties.

(a) When the amount due is under \$300, any person engaged in the business of selling tangible personal property at retail in this State who fails to file a return, or who files a fraudulent return, or any officer, employee or agent of a corporation, member, employee or agent of a partnership, or manager, member, agent, or employee of a limited liability company engaged in the business of selling tangible personal property at retail in this State who, as such officer, employee, agent, manager, or member is under a duty to file a return, or any officer, agent or employee of a corporation, member, agent, or employee of a partnership, or manager, member, agent, or employee of a limited liability company

engaged in the business of selling tangible personal property at retail in this State who files or causes to be filed or signs or causes to be signed a fraudulent return filed on behalf of such corporation or limited liability company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act, is guilty of a Class 4 felony.

Any person who or any officer or director of any corporation, partner or member of any partnership, or manager or member of a limited liability company that: (a) violates Section 2a of this Act or (b) fails to keep books and records, or fails to produce books and records as required by Section 7 or (c) willfully violates a rule or regulation of the Department for the administration and enforcement of this Act is guilty of a Class A misdemeanor. Any person, manager or member of a limited liability company, or officer or director of any corporation who engages in the business of selling tangible personal property at retail after the certificate of registration of that person, corporation, limited liability company, or partnership has been revoked is guilty of a Class A misdemeanor. Each day such person, corporation, or partnership is engaged in business without a certificate of registration or after the certificate of registration of that person, corporation, or partnership has been revoked constitutes a separate offense.

Any purchaser who obtains a registration number or resale

number from the Department through misrepresentation, or who represents to a seller that such purchaser has a registration number or a resale number from the Department when he knows that he does not, or who uses his registration number or resale number to make a seller believe that he is buying tangible personal property for resale when such purchaser in fact knows that this is not the case is guilty of a Class 4 felony.

Any distributor, supplier or other reseller of motor fuel registered pursuant to Section 2a or 2c of this Act who fails to collect the prepaid tax on invoiced gallons of motor fuel sold or who fails to deliver a statement of tax paid to the purchaser or to the Department as required by Sections 2d and 2e of this Act, respectively, shall be guilty of a Class A misdemeanor if the amount due is under \$300, and a Class 4 felony if the amount due is \$300 or more.

When the amount due is under \$300, any person who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make the payment to the Department, but who fails to remit such payment to the Department when due is guilty of a Class 4 felony.

Any seller who collects or attempts to collect an amount (however designated) which purports to reimburse such seller for retailers' occupation tax liability measured by receipts which such seller knows are not subject to retailers' occupation tax, or any seller who knowingly over-collects or

attempts to over-collect an amount purporting to reimburse such seller for retailers' occupation tax liability in a transaction which is subject to the tax that is imposed by this Act, shall be guilty of a Class 4 felony for each such offense. This paragraph does not apply to an amount collected by the seller as reimbursement for the seller's retailers' occupation tax liability on receipts which are subject to tax under this Act as long as such collection is made in compliance with the tax collection brackets prescribed by the Department in its Rules and Regulations.

When the amount due is \$300 or more, any person engaged in the business of selling tangible personal property at retail in this State who fails to file a return, or who files a fraudulent return, or any officer, employee or agent of a corporation, member, employee or agent of a partnership, or manager, member, agent, or employee of a limited liability company engaged in the business of selling tangible personal property at retail in this State who, as such officer, employee, agent, manager, or member is under a duty to file a return and who fails to file such return or any officer, agent, or employee of a corporation, member, agent or employee of a partnership, or manager, member, agent, or employee of a limited liability company engaged in the business of selling tangible personal property at retail in this State who files or causes to be filed or signs or causes to be signed a fraudulent return filed on behalf of such corporation or limited liability

company, or any accountant or other agent who knowingly enters false information on the return of any taxpayer under this Act is guilty of a Class 3 felony.

When the amount due is \$300 or more, any person engaged in the business of selling tangible personal property at retail in this State who accepts money that is due to the Department under this Act from a taxpayer for the purpose of acting as the taxpayer's agent to make payment to the Department but fails to remit such payment to the Department when due, is guilty of a Class 3 felony.

Any person whose principal place of business is in this State and who is charged with a violation under this Section shall be tried in the county where his principal place of business is located unless he asserts a right to be tried in another venue.

Any taxpayer or agent of a taxpayer who with the intent to defraud purports to make a payment due to the Department by issuing or delivering a check or other order upon a real or fictitious depository for the payment of money, knowing that it will not be paid by the depository, shall be guilty of a deceptive practice in violation of Section 17-1 of the Criminal Code of 2012.

(b) A person commits the offense of sales tax evasion under this Act when he knowingly attempts in any manner to evade or defeat the tax imposed on him or on any other person, or the payment thereof, and he commits an affirmative act in

furtherance of the evasion. For purposes of this Section, an "affirmative act in furtherance of the evasion" means an act designed in whole or in part to (i) conceal, misrepresent, falsify, or manipulate any material fact or (ii) tamper with or destroy documents or materials related to a person's tax liability under this Act. Two or more acts of sales tax evasion may be charged as a single count in any indictment, information, or complaint and the amount of tax deficiency may be aggregated for purposes of determining the amount of tax which is attempted to be or is evaded and the period between the first and last acts may be alleged as the date of the offense.

(1) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is less than \$500 a person is guilty of a Class 4 felony.

(2) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is \$500 or more but less than \$10,000, a person is guilty of a Class 3 felony.

(3) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is \$10,000 or more but less than \$100,000, a person is guilty of a Class 2 felony.

(4) When the amount of tax, the assessment or payment of which is attempted to be or is evaded is \$100,000 or more, a person is guilty of a Class 1 felony.

Any person who knowingly sells, purchases, installs, transfers, possesses, uses, or accesses any automated sales suppression device, zapper, or phantom-ware in this State is guilty of a Class 3 felony.

For the purposes of this Section:

"Automated sales suppression device" or "zapper" means a software program that falsifies the electronic records of an electronic cash register or other point-of-sale system, including, but not limited to, transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an Internet link to the software program.

"Phantom-ware" means a hidden programming option embedded in the operating system of an electronic cash register or hardwired into an electronic cash register that can be used to create a second set of records or that can eliminate or manipulate transaction records in an electronic cash register.

"Electronic cash register" means a device that keeps a register or supporting documents through the use of an electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.

"Transaction data" includes: items purchased by a customer; the price of each item; a taxability determination for each item; a segregated tax amount for each taxed item; the amount of cash or credit tendered; the net amount returned to

the customer in change; the date and time of the purchase; the name, address, and identification number of the vendor; and the receipt or invoice number of the transaction.

"Transaction report" means a report that documents, without limitation, the sales, taxes, or fees collected, media totals, and discount voids at an electronic cash register and that is printed on a cash register tape at the end of a day or shift, or a report that documents every action at an electronic cash register and is stored electronically.

(c) A prosecution for any act in violation of this Section may be commenced at any time within 5 years of the commission of that act.

(Source: P.A. 97-1074, eff. 1-1-13; 97-1150, eff. 1-25-13.)