

# THE FLINN REPORT

ILLINOIS GENERAL ASSEMBLY  
JOINT COMMITTEE ON ADMINISTRATIVE RULES

Elaine Spencer, Editor

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The Flinn Report is a weekly summary of regulatory actions of State agencies published in the *Illinois Register* and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules (JCAR). The Flinn Report honors founding JCAR member Representative Monroe Flinn, and is designed to inform and involve the public in changes taking place in agency administration.

## Proposed Rulemakings

### ▪ SALES & USE TAXES

The DEPARTMENT OF REVENUE proposed amendments to Retailers' Occupation Tax (86 IAC 130; 50 Ill Reg 7448), Leveling the Playing Field for Illinois Retail Act (86 IAC 131; 50 Ill Reg 7482), Use Tax (86 IAC 150; 50 Ill Reg 7558) and Service Use Tax (86 IAC 160; 50 Ill Reg 7578). The Part 130 rulemaking implements statutory provisions for "destination sourced" sales to an Illinois location for which the taxpayer failed to provide DOR with the documentation necessary to determine the location and the applicable tax rate. Instead of imposing a penalty for an unprocessable return in these instances, DOR will impose a 15% tax on such sales. A taxpayer who receives a Notice of Tax Liability for the 15% tax has 60 days to either provide documentation of the sales location so that DOR can adjust the tax rate, or file a protest and request a hearing. If the taxpayer does not act within 60 days

of the notice, the 15% assessment will become final. This rulemaking also removes obsolete text. Amendments to Part 131 extend the rules applicable to sales of merchandise handled by marketplace facilitators (e.g., Amazon, eBay) to servicepersons who maintain a place of business in Illinois and to marketplace facilitators who handle these sales. Examples of when service

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taxes apply are included. Amendments to Parts 150 and 160 update the definition of "maintaining a place of business in this State" by removing the 200-transaction threshold and reflecting PA 103-592 by extending use taxes and service use taxes to cover leases of tangible personal property, including leases incident to a sale of service. Businesses subject to Illinois sales and use taxes are affected.

*Questions/requests for copies/comments on the 4 DOR rulemakings through 7/13/26: Alexis K. Overstreet, DOR, 101 W. Jefferson St., Springfield IL 62702, 217-782-7055, [REV.GCO@illinois.gov](mailto:REV.GCO@illinois.gov)*

### ▪ SUPPORTIVE HOUSING

The DEPARTMENT OF HUMAN SERVICES proposed amendments to the Part titled Permanent Supportive Housing & Bridge Subsidy Model for Persons With Mental Illnesses (59 IAC 145; 50 Ill Reg 7442) that adopt and incorporate by reference the federal Department of Housing and Urban Development's National Standards for the Physical Inspection of Real Estate. These standards replace the inspection criteria currently listed in rule. Owners and managers of housing units enrolled in the Permanent Supportive Housing Bridge Subsidy program are affected.

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**ADOPTED RULES:** Rules adopted by agencies this week. **EMERGENCY RULES:** Temporary rules adopted for no more than 150 days.  
**PROPOSED RULEMAKINGS:** Rules proposed by agencies this week, commencing a First Notice public comment period of at least 45 days.  
**PEREMPTORY RULES:** Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.  
▪ - Designates rules of special interest to small businesses, small municipalities and/or non-profit organizations. Agencies must consider comments from these groups and attempt to minimize regulatory burdens on them.  
**QUESTIONS/COMMENTS:** Submit mail, e-mail or phone calls to the agency personnel listed below each summary.  
**RULE TEXT:** First Notice proposed text, emergency rule and peremptory rule text is available at the Secretary of State website (<https://www.ilsos.gov/departments/index/register/home.html>) or at the Illinois General Assembly website (<http://www.ilga.gov>) under "Illinois Register". Second Notice text for proposed rulemakings (original version with any changes made by the agency during First Notice included) is available at the JCAR website.

# Proposed Rulemakings

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*Questions/requests for copies/comments through 7/13/26: Tracie Drew, DHS, 100 S. Grand Ave. East, Harris Building, 3<sup>rd</sup> Floor, Springfield IL 62762, 217-785-9772, [DHS.AdministrativeRules@illinois.gov](mailto:DHS.AdministrativeRules@illinois.gov)*

## SOS RULE WITHDRAWAL

The SECRETARY OF STATE has withdrawn proposed amendments to Public Use of the Capitol Complex and Springfield Facilities (71 IAC 2005; 49 Ill Reg 15062) in response to a JCAR Objection. These amendments, published in the 12/1/25 Illinois Register, concerned various aspects of SOS' rules for public entry, gatherings, displays and demonstrations on the premises of the Capitol and other State buildings. SOS states that it will continue working with JCAR staff to clarify the proposed language and eliminate confusion on the part of those impacted by the rulemaking.

## Adopted Rule

### • DEER HUNTING

The DEPARTMENT OF NATURAL RESOURCES adopted an amendment to Landowner Permits (17 IAC 528; proposed at 49 Ill Reg 15037) effective 5/14/26 at 50 Ill Reg 7591, to comply with Public Act 104-59. The

rulemaking reduces the amount of land required to qualify for a free landowner deer hunting permit from 40 acres to 20 acres if the land is in a county where Chronic Wasting Disease (CWD) has been identified in deer. Landowners in counties with CWD cases are affected.

*Questions/requests for copies: John Fischer, DNR, One Natural Resources Way, Springfield IL 62702-1271, 217-782-1809, [dnr.rules@illinois.gov](mailto:dnr.rules@illinois.gov)*

## DOR Public Hearing

### • INCOME TAX

The DEPARTMENT OF REVENUE will hold a public hearing on proposed amendments to Income Tax (86 IAC 100; 50 Ill Reg 5569) **Friday, June 5, at 10 a.m.** via Webex.

The link to this hearing will be posted on the DOR website at <https://tax.illinois.gov/research/legalinformation/proposedrules.html>.

Those wishing to testify at this hearing must register in advance by sending an e-mail to [REV.GCO@illinois.gov](mailto:REV.GCO@illinois.gov) by 5 p.m. on Wednesday, June 3.

This hearing concerns a rulemaking published in the 4/24/26 Illinois Register that reflects statutory changes from Public Act 104-6. The rulemaking affects how interest expense deductions for certain types of business entities are calculated and applied. For taxpayers whose interest expense deduction is limited under the provisions of the federal Internal Revenue Code Section 163(j), any disallowed interest deduction will be treated as relating first to interest paid to unrelated parties.

The PA and this Part also repeal two of the available exceptions to the addition modification for interest and one of the exceptions for intangible expenses. Businesses claiming the deductions listed in this rulemaking are affected.

*Questions concerning this rulemaking or the public hearing: Brian Stocker, DOR, 101 W. Jefferson St., Springfield IL 62702, [REV.GCO@illinois.gov](mailto:REV.GCO@illinois.gov)*

## Second Notices

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The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. These rulemakings will be considered at the June 16, 2026, meeting in Chicago. Other items not listed in the Illinois Register or The Flinn Report may also be considered. Further comments concerning these rulemakings should be addressed to JCAR at [jcar@ilga.gov](mailto:jcar@ilga.gov).

### DEPT OF CHILDREN AND FAMILY SERVICES

Licensing Standards for Group Homes (89 IAC 403; 49 Ill Reg 9883) proposed 8/1/25

Licensing Standards for Child Care Institutions and Maternity Centers (89 IAC 404; 49 Ill Reg 9896) proposed 8/1/25

### DEPT OF FINANCIAL AND PROFESSIONAL REGULATION

Real Estate License Act of 2000 (68 IAC 1450; 50 Ill Reg 4600) proposed 3/27/26

### DEPT OF INNOVATION AND TECHNOLOGY

Department of Innovation and Technology Funds (74 IAC 1400; 50 Ill Reg 2308) proposed 2/20/26

### DEPT OF TRANSPORTATION

Illinois Cycle Rider Safety Training Program (92 IAC 455; 50 Ill Reg 4743) proposed 3/27/26

Vending Machines in Rest Areas (Repealer) (92 IAC 534; 50 Ill Reg 5072) proposed 4/3/26

Vending Machines in Rest Areas (New Part) (92 IAC 534; 50 Ill Reg 5080) proposed 4/3/26

### **Next JCAR Meeting: Tuesday, June 16, 11 a.m.**

Room C-600, Bilandic Bldg., 160 N. LaSalle St., Chicago

Meeting will be live streamed on the JCAR website

### **Joint Committee on Administrative Rules**

Senator Bill Cunningham, Co-Chair

Senator Cristina Castro

Senator Donald DeWitte

Senator Dale Fowler

Senator Napoleon Harris, III

Senator Sally Turner

Representative Ryan Spain, Co-Chair

Representative Eva-Dina Delgado

Representative Jackie Haas

Representative Steven Reick

Representative Curtis Tarver, II

Representative Dave Vella

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