



December 28, 2012

**NEW LAWS BACKED BY ATTORNEY GENERAL MADIGAN TAKE EFFECT TUESDAY**

**Springfield** — New laws that protect phone customers against bogus charges, crack down on tax cheats and strengthen child sex offender registration requirements are among the measures initiated by Attorney General Lisa Madigan in the 2012 legislative session that will take effect Tuesday, Jan. 1, 2013.

"My office's legislative agenda this past year aimed to strengthen the law in many areas," Madigan said. "With our efforts, Illinois became only the second state in the country to ban phone cramming, establishing the state as a national model. We also enhanced penalties for tax cheats and expanded the crimes for which a child sex offender must register and comply with the statewide registry."

**Ban on Cramming**

House Bill 5211 bans "cramming," a practice whereby third-party vendors add charges to phone bills for products or services that consumers or businesses never requested – and never used. In recent years, cramming has moved online as consumers provided their phone number, among other personal information, for supposed online prize drawings, surveys, or free offers. Weeks or months later, consumers would often find charges on their phone bill for unauthorized services. Reports have shown that telephone companies place at least 300 million third-party charges on their customers' bills each year. According to a U.S. Senate Commerce Committee report, third-party billing generates at least \$2 billion annually. With Madigan's measure going into effect, Illinois becomes only the second state in the nation to ban phone bill cramming on landlines.

**Sales Tax Evasion**

House Bill 5289 adds a tool to the fight against tax fraud in Illinois by creating the crime of Sales Tax Evasion. The new law is the result of an ongoing investigation of gas stations undertaken by Madigan and the Illinois Department of Revenue to recoup sales taxes from hundreds of gas stations statewide that underreported revenues to avoid paying taxes. The measure sets strong penalties and allows for increased prosecutions of Illinois businesses and retailers that willfully evade paying Illinois sales tax. The graduated penalties are based on the amount of sales taxes that were not paid: For sales tax evasion involving less than \$500, the law provides for a Class 4 felony punishable by one to three years in prison; for amounts less than \$10,000, a Class 3 felony punishable by two to five years; for amounts less than \$100,000, a Class 2 felony punishable by three to seven years; and for more than \$100,000, a Class 1 felony punishable by four to 15 years in prison.

**Child Luring**

House Bill 5280 expands the list of crimes that require an offender to register with the statewide sex offender registry. The new measure requires a convicted criminal to register as a sexual predator upon a first conviction for the charge "luring of a minor." Prior to House Bill 5280, registration was not required until after the person was convicted of the charge a second time.

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