



Sen. Chris Nybo

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10000SB3224sam001

LRB100 20669 HLH 39025 a

1 AMENDMENT TO SENATE BILL 3224

2 AMENDMENT NO. _____. Amend Senate Bill 3224 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Motor Fuel Tax Law is amended by changing
5 Sections 1.1, 1.2, 1.6, 1.14, 1.20, 3, 12, 12a, 13, 15, and 16
6 and by adding Sections 1.3a, 1.30, 3d, 3e, 3f, and 3g as
7 follows:

8 (35 ILCS 505/1.1) (from Ch. 120, par. 417.1)

9 Sec. 1.1. "Motor Fuel" means all volatile and inflammable
10 liquids, volatile and inflammable gases, or any other products,
11 now known or hereafter developed, that are produced, blended or
12 compounded for the purpose of, or which are suitable or
13 practicable for, operating motor vehicles. Among other things,
14 "Motor Fuel" includes "Special Fuel" as defined in Section 1.13
15 of this Act and "alternative fuel" as defined in Section 1.3a
16 of this Act.

1 (Source: Laws 1963, p. 1557.)

2 (35 ILCS 505/1.2) (from Ch. 120, par. 417.2)

3 Sec. 1.2. Distributor. "Distributor" means a person, other
4 than a licensed alternative fuel supplier, who either (i)
5 produces, refines, ~~blends,~~ compounds or manufactures motor
6 fuel, other than alternative fuel, in this State, or (ii)
7 transports motor fuel, other than alternative fuel, into this
8 State, or (iii) exports motor fuel, other than alternative
9 fuel, out of this State, or (iv) engages in the distribution of
10 motor fuel, other than alternative fuel, primarily by tank car
11 or tank truck, or both, and who operates an Illinois bulk plant
12 where he or she has active bulk storage capacity of not less
13 than 30,000 gallons for gasoline as defined in item (A) of
14 Section 5 of this Law. A person licensed as a distributor under
15 this Law is also authorized to distribute alternative fuel. A
16 person licensed as a distributor under this Law is also
17 authorized to engage in blending. Any person who, on April 1,
18 2018, possesses a license as a distributor under this Law based
19 solely on his or her status as a blender and who, as a result of
20 the changes made by this amendatory Act of the 100th General
21 Assembly, no longer qualifies as a distributor, may continue to
22 be licensed as a distributor for so long as he or she continues
23 his or her blending operations and continues to meet all other
24 requirements for licensure as a distributor under this Law.

25 "Distributor" does not, however, include a person who

1 receives or transports into this State and sells or uses motor
2 fuel under such circumstances as preclude the collection of the
3 tax herein imposed, by reason of the provisions of the
4 constitution and statutes of the United States. However, a
5 person operating a motor vehicle into the State, may transport
6 motor fuel in the ordinary fuel tank attached to the motor
7 vehicle for the operation of the motor vehicle, without being
8 considered a distributor. Any railroad registered under
9 Section 18c-7201 of the Illinois Vehicle Code may deliver
10 special fuel directly into the fuel supply tank of a locomotive
11 owned, operated, or controlled by any other railroad registered
12 under Section 18c-7201 of the Illinois Vehicle Code without
13 being considered a distributor or supplier.

14 (Source: P.A. 96-1384, eff. 7-29-10.)

15 (35 ILCS 505/1.3a new)

16 Sec. 1.3a. Alternative fuel. "Alternative fuel" means: (i)
17 compressed natural gas, liquefied natural gas and liquefied
18 petroleum gas, when sold or used for operating motor vehicles
19 on public highways or recreational-type watercraft upon the
20 waters of this State; or (ii) any product, other than gasoline
21 or diesel fuel, that is used or purchased for the purpose of
22 blending with gasoline or diesel fuel to produce a product that
23 is sold or used for operating motor vehicles on public highways
24 and recreational-type watercraft upon the waters of this State.
25 Products purchased or used for the purpose of blending include,

1 but are not limited to, ethanol, butane, alcohol, and soy oil.

2 (35 ILCS 505/1.6) (from Ch. 120, par. 417.6)

3 Sec. 1.6. "Blender" means any person, other than a licensed
4 distributor, supplier, receiver, or private biodiesel fuel
5 producer under Section 2d, who engages in the practice of
6 blending as herein defined.

7 (Source: Laws 1961, p. 3653.)

8 (35 ILCS 505/1.14) (from Ch. 120, par. 417.14)

9 Sec. 1.14. Supplier. "Supplier" means any person other than
10 a licensed distributor or licensed alternative fuel supplier
11 who (i) transports special fuel, other than alternative fuel,
12 into this State; (ii) exports special fuel, other than
13 alternative fuel, out of this State; or (iii) engages in the
14 distribution of special fuel, other than alternative fuel,
15 primarily by tank car or tank truck, or both, and who operates
16 an Illinois bulk plant where he has active bulk storage
17 capacity of not less than 30,000 gallons for special fuel,
18 other than alternative fuel, as defined in Section 1.13 of this
19 Law.

20 "Supplier" does not, however, include a person who receives
21 or transports into this State and sells or uses special fuel
22 under such circumstances as preclude the collection of the tax
23 herein imposed, by reason of the provisions of the Constitution
24 and laws of the United States. However, a person operating a

1 motor vehicle into the State, may transport special fuel in the
2 ordinary fuel tank attached to the motor vehicle for the
3 operation of the motor vehicle without being considered a
4 supplier. Any railroad licensed as a bulk user and registered
5 under Section 18c-7201 of the Illinois Vehicle Code may deliver
6 special fuel directly into the fuel supply tank of a locomotive
7 owned, operated, or controlled by any other railroad registered
8 under Section 18c-7201 of the Illinois Vehicle Code without
9 being considered a supplier. A person licensed as a supplier
10 under this Law is also authorized to supply alternative fuel. A
11 person licensed as a supplier under this Law is also authorized
12 to engage in blending. Any person who, on April 1, 2018,
13 possesses a license as a supplier under this Law based solely
14 on his or her status as a blender and who, as a result of the
15 changes made by this amendatory Act of the 100th General
16 Assembly, no longer qualifies as a supplier, may continue to be
17 licensed as a supplier for so long as he or she continues his
18 or her blending operations and continues to meet all other
19 requirements for licensure as a supplier under this Law.

20 (Source: P.A. 96-1384, eff. 7-29-10.)

21 (35 ILCS 505/1.20) (from Ch. 120, par. 417.20)

22 Sec. 1.20. "Receiver" means a person, other than a licensed
23 alternative fuel supplier, who either produces, refines,
24 ~~blends,~~ compounds or manufactures fuel, other than alternative
25 fuel, in this State, or transports fuel, other than alternative

1 fuel, into this State or receives fuel, other than alternative
2 fuel, transported to him from without the State or exports
3 fuel, other than alternative fuel, out of this State, or who is
4 engaged in distribution of fuel, other than alternative fuel,
5 primarily by tank car or tank truck, or both, and who operates
6 an Illinois bulk plant where he has active fuel, other than
7 alternative fuel, bulk storage capacity of not less than 30,000
8 gallons. A person licensed as a receiver under this Law is also
9 authorized to receive alternative fuel. A person licensed as a
10 receiver under this Law is also authorized to engage in
11 blending.

12 (Source: P.A. 86-125; 86-958.)

13 (35 ILCS 505/1.30 new)

14 Sec. 1.30. Alternative fuel supplier. "Alternative fuel
15 supplier" means any person who does not qualify as a licensed
16 distributor, supplier, or receiver, but who sells alternative
17 fuel: (i) to persons for the purpose of blending motor fuel
18 that will be sold or used by such persons for the purpose of
19 operating motor vehicles upon the public highways and
20 recreational-type watercraft upon the waters of this State;
21 (ii) to persons for the purpose of retail sale as motor fuel
22 that will be used for the purpose of operating motor vehicles
23 upon the public highways and recreational-type watercraft upon
24 the waters of this State; or (iii) to persons for use by such
25 persons in operating motor vehicles on the public highways and

1 recreational-type watercraft upon the waters of this State. A
2 person licensed as an alternative fuel supplier under this Law
3 is also authorized to engage in blending.

4 (35 ILCS 505/3) (from Ch. 120, par. 419)

5 Sec. 3. No person shall act as a distributor of motor fuel
6 within this State without first securing a license to act as a
7 distributor of motor fuel from the Department. Application for
8 such license shall be made to the Department upon blanks
9 furnished by it. The application shall be signed and verified,
10 and shall contain such information as the Department deems
11 necessary. ~~A blender shall, in addition to securing a~~
12 ~~distributor's license, make application to the Department for a~~
13 ~~blender's permit, setting forth in the application such~~
14 ~~information as the Department deems necessary.~~ The applicant
15 for a distributor's license shall also file with the Department
16 a bond on a form to be approved by and with a surety or sureties
17 satisfactory to the Department conditioned upon such applicant
18 paying to the State of Illinois all monies becoming due by
19 reason of the sale, export, or use of motor fuel by the
20 applicant, together with all penalties and interest thereon.
21 The Department shall fix the penalty of such bond in each case
22 taking into consideration the amount of motor fuel expected to
23 be sold, distributed, exported, and used by such applicant and
24 the penalty fixed by the Department shall be such, as in its
25 opinion, will protect the State of Illinois against failure to

1 pay the amount hereinafter provided on motor fuel sold,
2 distributed, exported, and used, but the amount of the penalty
3 fixed by the Department shall not exceed twice the monthly
4 amount that would be collectable as a tax in the event of a
5 sale on all the motor fuel sold, distributed, exported, and
6 used by the distributor inclusive of tax-free sales, exports,
7 use, or distribution. Upon receipt of the application and bond
8 in proper form, the Department shall issue to the applicant a
9 license to act as a distributor. No person who is in default to
10 the State for monies due under this Act for the sale,
11 distribution, export, or use of motor fuel shall receive a
12 license to act as a distributor.

13 A license shall not be granted to any person whose
14 principal place of business is in a state other than Illinois,
15 unless such person is licensed for motor fuel distribution or
16 export in the state in which the principal place of business is
17 located and that such person is not in default to that State
18 for any monies due for the sale, distribution, export, or use
19 of motor fuel.

20 (Source: P.A. 96-1384, eff. 7-29-10.)

21 (35 ILCS 505/3d new)

22 Sec. 3d. Alternative fuel supplier license. No person
23 shall act as an alternative fuel supplier in this State without
24 first securing a license as an alternative fuel supplier.
25 Application for an alternative fuel supplier's license shall be

1 made in the form and manner required by the Department. The
2 application shall be signed and verified and shall contain such
3 information as the Department deems necessary.

4 The Department shall require an applicant to post a bond on
5 a form to be approved by and with a surety or sureties
6 satisfactory to the Department conditioned upon such applicant
7 paying to the State of Illinois all monies becoming due by
8 reason of the sale or use of alternative fuel by the applicant,
9 together with all penalties and interest thereon. The
10 Department shall fix the penalty of such bond, in each case
11 taking into consideration the amount of alternative fuel
12 expected to be sold or used by such applicant and the penalty
13 fixed by the Department shall be such as, in its opinion, will
14 protect the State of Illinois against failure to pay the amount
15 hereinafter provided on alternative fuel sold or used. The
16 amount of the penalty fixed by the Department shall not exceed
17 twice the monthly amount of tax liability that would be
18 collectible as a tax in the event of a taxable sale on all the
19 alternative fuel sold or used by the alternative fuel supplier,
20 inclusive of tax-free sales or uses. No person who is in
21 default to the State for moneys due under this Act for the sale
22 or use of motor fuel shall receive a license to act as an
23 alternative fuel supplier.

24 A license shall not be granted to any person whose
25 principal place of business is in a state other than Illinois,
26 unless such person is licensed for motor fuel distribution,

1 export or blending in the State in which the principal place of
2 business is located and that other State requires such license
3 and that such person is not in default to that State for any
4 monies due for the sale, distribution, export, blending or use
5 of motor fuel.

6 (35 ILCS 505/3e new)

7 Sec. 3e. Tax on purchases of alternative fuel; payment to
8 alternative fuel suppliers; self-assessment of tax. Persons,
9 other than licensed distributors, suppliers, receivers, and
10 alternative fuel suppliers that purchase alternative fuel for
11 the purpose of (i) blending motor fuel that will be sold or
12 used by such persons for the purpose of operating motor
13 vehicles upon the public highways and recreational-type
14 watercraft upon the waters of this State; (ii) sale to
15 purchasers as motor fuel that will be used for the purpose of
16 operating motor vehicles upon the public highways and
17 recreational-type watercraft upon the waters of this State; or
18 (iii) use by such persons in operating motor vehicles on the
19 public highways and recreational-type watercraft upon the
20 waters of this State shall pay the tax imposed under Sections 2
21 and 2a to licensed alternative fuel suppliers. Any person,
22 other than a licensed distributor, supplier, receiver, or
23 alternative fuel supplier, purchasing alternative fuel subject
24 to tax under this Act as to which there has been no charge made
25 to him of the tax imposed by Section 2 or 2a, or both, shall

1 make payment to the Department of the tax imposed by Sections 2
2 and 2a on such alternative fuel. Any licensed alternative fuel
3 supplier who blends alternative fuel subject to tax under this
4 Law, including alternative fuel that he or she produces (and to
5 which there has been no charge made to him of the tax imposed
6 by Section 2 or 2a, or both) with gasoline or diesel fuel,
7 shall make payment to the Department of the tax imposed by
8 Sections 2 and 2a on such alternative fuel. Such payment shall
9 be made to the Department no later than the 20th day of the
10 month following the month in which the alternative fuel was
11 purchased or blended, as applicable, and shall be reported on
12 the return required by Section 3f of the Law.

13 (35 ILCS 505/3f new)

14 Sec. 3f. Alternative fuel suppliers; returns. A person
15 holding a valid unrevoked license to act as an alternative fuel
16 supplier shall, between the 1st and 20th days of each calendar
17 month, make return to the Department, showing, for the
18 preceding calendar month, an itemized statement of the number
19 of gallons of motor fuel, other than gasoline or diesel fuel,
20 purchased, acquired, imported, or produced, without regard to
21 whether the motor fuel is intended to be used, or blended to be
22 used, for the operation of motor vehicles on the public
23 highways and waters and the number of invoiced gallons of
24 alternative fuel (i) sold to persons for the purpose of
25 blending motor fuel that will be sold or used by such persons

1 for the purpose of operating motor vehicles upon the public
2 highways and recreational-type watercraft upon the waters of
3 this State; (ii) sold to persons for the purpose of retail sale
4 as motor fuel that will be used for the purpose of operating
5 motor vehicles upon the public highways and recreational-type
6 watercraft upon the waters of this State; (iii) sold to persons
7 for use by such persons in operating motor vehicles upon public
8 highways and recreational-type watercraft upon the waters of
9 this State; (iv) used by the alternative fuel supplier for
10 operating motor vehicles upon public highways and
11 recreational-type watercraft upon the waters of this State; (v)
12 blended with gasoline or diesel fuel to be sold or used for the
13 purpose of operating motor vehicles upon the public highways
14 and recreational-type watercraft upon the waters of this State;
15 and (vi) sold tax-exempt under items (1) through (6) in Section
16 3g. The return shall also include the amount of alternative
17 fuel that is lost or destroyed and such other reasonable
18 information as required by the Department.

19 If an alternative fuel supplier's only activities with
20 respect to alternative fuel are either: (1) production of
21 alcohol in quantities of less than 10,000 proof gallons per
22 year or (2) blending alcohol in quantities of less than 10,000
23 proof gallons per year which such alternative fuel supplier has
24 produced, he or she shall file returns on an annual basis with
25 the return for a given year being due by January 20 of the
26 following year. Alternative fuel suppliers whose total

1 production of alcohol (whether blended or not) exceeds 10,000
2 proof gallons per year, based on production during the
3 preceding (calendar) year or as reasonably projected by the
4 Department if one calendar year's record of production cannot
5 be established, shall file returns between the 1st and 20th
6 days of each calendar month as hereinabove provided.

7 A person whose license to act as an alternative fuel
8 supplier has been revoked shall make a return to the Department
9 covering the period from the date of the last return to the
10 date of the revocation of the license, which return shall be
11 delivered to the Department not later than 10 days from the
12 date of the revocation or termination of the license of such
13 alternative fuel supplier; the return shall in all other
14 respects be subject to the same provisions and conditions as
15 returns by alternative fuel suppliers licensed under the
16 provisions of this Act.

17 If the Department has reason to believe and does believe
18 that the amount shown on the return as sold, used, lost or
19 destroyed is incorrect, the Department shall fix an amount for
20 such sale, use, loss or destruction according to its best
21 judgment and information, which amount so fixed by the
22 Department shall be prima facie correct. All returns shall be
23 in the form and manner required by the Department, and shall
24 contain such other information as the Department may reasonably
25 require. The return must be accompanied by supporting schedule
26 data in the form required by the Department. All licensed

1 alternative fuel suppliers shall report all losses of
2 alternative fuel that are sustained on account of fire, theft,
3 spillage, spoilage, leakage, or any other provable cause when
4 filing the return for the period during which the loss
5 occurred. If the alternative fuel supplier reports losses due
6 to fire or theft, then the alternative fuel supplier must
7 include fire department or police department reports and any
8 other documentation that the Department may require. The mere
9 making of the report does not assure the allowance of the loss
10 as a reduction in tax liability.

11 (35 ILCS 505/3g new)

12 Sec. 3g. Alternative fuel suppliers; payment of tax.
13 Alternative fuel suppliers, when filing a return required by
14 Section 3f, shall report to the Department the amount of tax
15 imposed under this Act on all alternative fuels required to be
16 reported under Section 3f. At the time of making a return, an
17 alternative fuel supplier shall pay to the Department all taxes
18 due, less a discount of 1.75%, but not to exceed \$1,000 per
19 return period, which is allowed to reimburse the alternative
20 fuel supplier for the expenses incurred in keeping records,
21 preparing and filing returns, remitting tax and supplying data
22 to the Department on request. The discount shall not be allowed
23 for amounts remitted for alternative fuels used by the
24 alternative fuel supplier for operating motor vehicles upon the
25 public highways and recreational-type watercraft upon the

1 waters of this State. The discount shall only be applicable to
2 the amount of tax payment which accompanies a return which is
3 filed timely in accordance with Section 3f of the Law. However,
4 no payment shall be made based upon alternative fuels that were
5 sold and used for the purpose of blending with special fuel to
6 produce dyed diesel fuel. An alternative fuel supplier shall
7 not be liable for tax on the sale of alternative fuel, to the
8 extent to which such sale or use of blended motor fuel may not,
9 under the constitution and statutes of the United States, be
10 made the subject of taxation by this State. A person whose
11 license to act as an alternative fuel supplier has been revoked
12 shall, at the time of making a return, also pay to the
13 Department an amount equal to the amount that would be due as a
14 tax in the event of a sale thereof on all alternative fuels,
15 which he is required by Section 3f to report to the Department
16 in making a return, and which he had on hand on the date on
17 which the license was revoked, and with respect to which no tax
18 had been previously paid under this Act.

19 An alternative fuel supplier is not liable for tax on
20 alternative fuels which he is otherwise required to remit to
21 the Department, only as specified in the following items (1)
22 through (6).

23 (1) When the sale of the alternative fuel is made to a
24 person holding a valid unrevoked license as an alternative
25 fuel supplier, distributor, supplier, or receiver by
26 making a specific notation thereof on invoices or sales

1 slips covering each sale.

2 (2) When the sale of the alternative fuel is made with
3 delivery to a purchaser outside of this State.

4 (3) When the sale of the alternative fuel is made to
5 the Federal Government or its instrumentalities.

6 (4) When the sale of the alternative fuel is made to a
7 municipal corporation owning and operating a local
8 transportation system for public service in this State when
9 an official certificate of exemption is obtained in lieu of
10 the tax.

11 (5) When the sale of the alternative fuel is made to a
12 privately owned public utility owning and operating 2 axle
13 vehicles designed and used for transporting more than 7
14 passengers, which vehicles are used as common carriers in
15 general transportation of passengers, are not devoted to
16 any specialized purpose and are operated entirely within
17 the territorial limits of a single municipality or of any
18 group of contiguous municipalities, or in a close radius
19 thereof, and the operations of which are subject to the
20 regulations of the Illinois Commerce Commission, when an
21 official certificate of exemption is obtained in lieu of
22 the tax.

23 (6) When a sale of alternative fuel is made to someone
24 other than a licensed distributor, licensed supplier,
25 licensed receiver, or licensed alternative fuel supplier
26 for any purpose other than operating motor vehicles upon

1 the public highways or recreational-type watercraft upon
2 the waters of this State. A specific notation is required
3 on the invoice or sales slip covering such sales, and any
4 supporting documentation that may be required by the
5 Department must be obtained by the alternative fuel
6 supplier. The alternative fuel supplier shall obtain and
7 keep the supporting documentation in such form as the
8 Department may require by rule for all exempt sales.

9 (35 ILCS 505/12) (from Ch. 120, par. 428)

10 Sec. 12. It is the duty of every distributor, receiver, ~~and~~
11 supplier, and alternative fuel supplier under this Act to keep
12 within this State or at some office outside this State for any
13 period for which the Department is authorized to issue a Notice
14 of Tax Liability to the distributor, receiver, ~~or~~ supplier, or
15 alternative fuel supplier records and books showing all
16 purchases, receipts, losses through any cause, sales,
17 distribution and use of motor fuel, aviation fuels, home
18 heating oils, and kerosene, and products used for the purpose
19 of blending to produce motor fuel, which records and books
20 shall, at all times during business hours of the day, be
21 subject to inspection by the Department, or its duly authorized
22 agents and employees. For purposes of this Section, "records"
23 means all data maintained by the taxpayer including data on
24 paper, microfilm, microfiche or any type of machine-sensible
25 data compilation. The Department may, in its discretion,

1 prescribe reasonable and uniform methods for keeping of records
2 and books by licensees and that set forth requirements for the
3 form and format of records that must be maintained in order to
4 comply with any recordkeeping requirement under this Act.

5 (Source: P.A. 91-173, eff. 1-1-00.)

6 (35 ILCS 505/12a) (from Ch. 120, par. 428a)

7 Sec. 12a. (a) Any duly authorized agent or employee of the
8 Department shall have authority to enter in or upon the
9 premises of any manufacturer, vendor, dealer, retailer,
10 distributor, receiver, supplier, alternative fuel supplier, or
11 user of motor fuel or special fuels during the regular business
12 hours in order to examine books, records, invoices, storage
13 tanks, and any other applicable equipment pertaining to motor
14 fuel, alternative fuel, aviation fuels, home heating oils,
15 kerosene, or special fuels, to determine whether or not the
16 taxes imposed by this Act have been paid.

17 (b) Any duly authorized agent of the Department, upon
18 presenting appropriate credentials and a written notice to the
19 person who owns, operates, or controls the place to be
20 inspected, shall have the authority to enter any place and to
21 conduct inspections in accordance with subsections (b) through
22 (g) of this Section.

23 (c) Inspections will be performed in a reasonable manner
24 and at times that are reasonable under the circumstances,
25 taking into consideration the normal business hours of the

1 place to be entered.

2 (d) Inspections may be at any place at which taxable motor
3 fuel is or may be produced or stored or at any inspection site
4 where evidence of the following activities may be discovered:

5 (1) Where any dyed diesel fuel is sold or held for sale
6 by any person for any use which the person knows or has
7 reason to know is not a nontaxable use of such fuel.

8 (2) Where any dyed diesel fuel is held for use or used
9 by any person for a use other than a nontaxable use and the
10 person knew, or had reason to know, that the fuel was dyed
11 according to Section 4d.

12 (3) Where any person willfully alters, or attempts to
13 alter, the strength or composition of any dye or marking
14 done pursuant to Section 4d of this Law.

15 The places may include, but are not limited to, the
16 following:

17 (1) Any terminal.

18 (2) Any fuel storage facility that is not a terminal.

19 (3) Any retail fuel facility.

20 (4) Any designated inspection site.

21 (e) Duly authorized agents of the Department may physically
22 inspect, examine, or otherwise search any tank, reservoir, or
23 other container that can or may be used for the production,
24 storage, or transportation of fuel, fuel dyes, or fuel markers.
25 Inspection may also be made of any equipment used for, or in
26 connection with, production, storage, or transportation of

1 fuel, fuel dyes, or fuel markers. This includes any equipment
2 used for the dyeing or marking of fuel. This also includes
3 books and records, if any, that are maintained at the place of
4 inspection and are kept to determine tax liability under this
5 Law.

6 (f) Duly authorized agents of the Department may detain any
7 motor vehicle, train, barge, ship, or vessel for the purpose of
8 inspecting its fuel tanks and storage tanks. Detainment will be
9 either on the premises under inspection or at a designated
10 inspection site. Detainment may continue for a reasonable
11 period of time as is necessary to determine the amount and
12 composition of the fuel.

13 (g) Duly authorized agents of the Department may take and
14 remove samples of fuel in quantities as are reasonably
15 necessary to determine the composition of the fuel.

16 (h) (1) Any person that refuses to allow an inspection
17 shall pay a \$1,000 penalty for each refusal. This penalty
18 is in addition to any other penalty or tax that may be
19 imposed upon that person or any other person liable for tax
20 under this Law. All penalties received under this
21 subsection shall be deposited into the Tax Compliance and
22 Administration Fund. Any person aggrieved by any action of
23 the Department under this subsection (h) (1) may protest the
24 action by making a written request for a hearing within 60
25 days of the original action. If the hearing is not
26 requested in writing within 60 days, the original action is

1 final.

2 (2) In addition, any licensee who refuses to allow an
3 inspection shall be subject to license revocation as
4 provided by Section 16 of this Law.

5 (Source: P.A. 91-173, eff. 1-1-00.)

6 (35 ILCS 505/13) (from Ch. 120, par. 429)

7 Sec. 13. Refund of tax paid. Any person other than a
8 licensed distributor ~~or~~ supplier, or alternative fuel
9 supplier, who loses motor fuel through any cause or uses motor
10 fuel (upon which he has paid the amount required to be
11 collected under Section 2 of this Act) for any purpose other
12 than operating a motor vehicle upon the public highways or
13 waters, shall be reimbursed and repaid the amount so paid.

14 Any person who purchases motor fuel in Illinois and uses
15 that motor fuel in another state and that other state imposes a
16 tax on the use of such motor fuel shall be reimbursed and
17 repaid the amount of Illinois tax paid under Section 2 of this
18 Act on the motor fuel used in such other state. Reimbursement
19 and repayment shall be made by the Department upon receipt of
20 adequate proof of taxes directly paid to another state and the
21 amount of motor fuel used in that state.

22 Claims based in whole or in part on taxes paid to another
23 state shall include (i) a certified copy of the tax return
24 filed with such other state by the claimant; (ii) a copy of
25 either the cancelled check paying the tax due on such return,

1 or a receipt acknowledging payment of the tax due on such tax
2 return; and (iii) such other information as the Department may
3 reasonably require. This paragraph shall not apply to taxes
4 paid on returns filed under Section 13a.3 of this Act.

5 Any person who purchases motor fuel use tax decals as
6 required by Section 13a.4 and pays an amount of fees for such
7 decals that exceeds the amount due shall be reimbursed and
8 repaid the amount of the decal fees that are deemed by the
9 department to be in excess of the amount due.

10 Claims for such reimbursement must be made to the
11 Department of Revenue, duly verified by the claimant (or by the
12 claimant's legal representative if the claimant has died or
13 become a person under legal disability), upon forms prescribed
14 by the Department. The claim must state such facts relating to
15 the purchase, importation, manufacture or production of the
16 motor fuel by the claimant as the Department may deem
17 necessary, and the time when, and the circumstances of its loss
18 or the specific purpose for which it was used (as the case may
19 be), together with such other information as the Department may
20 reasonably require. No claim based upon idle time shall be
21 allowed. Claims for reimbursement for overpayment of decal fees
22 shall be made to the Department of Revenue, duly verified by
23 the claimant (or by the claimant's legal representative if the
24 claimant has died or become a person under legal disability),
25 upon forms prescribed by the Department. The claim shall state
26 facts relating to the overpayment of decal fees, together with

1 such other information as the Department may reasonably
2 require. Claims for reimbursement of overpayment of decal fees
3 paid on or after January 1, 2011 must be filed not later than
4 one year after the date on which the fees were paid by the
5 claimant. If it is determined that the Department should
6 reimburse a claimant for overpayment of decal fees, the
7 Department shall first apply the amount of such refund against
8 any tax or penalty or interest due by the claimant under
9 Section 13a of this Act.

10 Claims for full reimbursement for taxes paid on or before
11 December 31, 1999 must be filed not later than one year after
12 the date on which the tax was paid by the claimant. If,
13 however, a claim for such reimbursement otherwise meeting the
14 requirements of this Section is filed more than one year but
15 less than 2 years after that date, the claimant shall be
16 reimbursed at the rate of 80% of the amount to which he would
17 have been entitled if his claim had been timely filed.

18 Claims for full reimbursement for taxes paid on or after
19 January 1, 2000 must be filed not later than 2 years after the
20 date on which the tax was paid by the claimant.

21 The Department may make such investigation of the
22 correctness of the facts stated in such claims as it deems
23 necessary. When the Department has approved any such claim, it
24 shall pay to the claimant (or to the claimant's legal
25 representative, as such if the claimant has died or become a
26 person under legal disability) the reimbursement provided in

1 this Section, out of any moneys appropriated to it for that
2 purpose.

3 Any distributor, ~~or~~ supplier, or alternative fuel supplier
4 who has paid the tax imposed by Section 2 of this Act upon
5 motor fuel that is lost or used by such distributor, ~~or~~
6 supplier, or alternative fuel supplier for any purpose other
7 than operating a motor vehicle upon the public highways or
8 recreational-type watercraft upon the waters of this State may
9 file a claim for credit or refund to recover the amount so
10 paid. Such claims shall be filed on forms prescribed by the
11 Department. Such claims shall be made to the Department, duly
12 verified by the claimant (or by the claimant's legal
13 representative if the claimant has died or become a person
14 under legal disability), upon forms prescribed by the
15 Department. The claim shall state such facts relating to the
16 purchase, importation, manufacture or production of the motor
17 fuel by the claimant as the Department may deem necessary and
18 the time when the loss or nontaxable use occurred, and the
19 circumstances of its loss or the specific purpose for which it
20 was used (as the case may be), together with such other
21 information as the Department may reasonably require. Claims
22 must be filed not later than one year after the date on which
23 the tax was paid by the claimant.

24 The Department may make such investigation of the
25 correctness of the facts stated in such claims as it deems
26 necessary. When the Department approves a claim, the Department

1 shall issue a refund or credit memorandum as requested by the
2 taxpayer, to the distributor, ~~or~~ supplier, or alternative fuel
3 supplier who made the payment for which the refund or credit is
4 being given or, if the distributor, ~~or~~ supplier, or alternative
5 fuel supplier has died or become incompetent, to such
6 distributor's, ~~or~~ supplier's, or alternative fuel supplier
7 legal representative, as such. The amount of such credit
8 memorandum shall be credited against any tax due or to become
9 due under this Act from the distributor, ~~or~~ supplier, or
10 alternative fuel supplier who made the payment for which credit
11 has been given.

12 Any credit or refund that is allowed under this Section
13 shall bear interest at the rate and in the manner specified in
14 the Uniform Penalty and Interest Act.

15 In case the distributor or supplier requests and the
16 Department determines that the claimant is entitled to a
17 refund, such refund shall be made only from such appropriation
18 as may be available for that purpose. If it appears unlikely
19 that the amount appropriated would permit everyone having a
20 claim allowed during the period covered by such appropriation
21 to elect to receive a cash refund, the Department, by rule or
22 regulation, shall provide for the payment of refunds in
23 hardship cases and shall define what types of cases qualify as
24 hardship cases.

25 In any case in which there has been an erroneous refund of
26 tax or fees payable under this Section, a notice of tax

1 liability may be issued at any time within 3 years from the
2 making of that refund, or within 5 years from the making of
3 that refund if it appears that any part of the refund was
4 induced by fraud or the misrepresentation of material fact. The
5 amount of any proposed assessment set forth by the Department
6 shall be limited to the amount of the erroneous refund.

7 If no tax is due and no proceeding is pending to determine
8 whether such distributor, ~~or~~ supplier, or alternative fuel
9 supplier is indebted to the Department for tax, the credit
10 memorandum so issued may be assigned and set over by the lawful
11 holder thereof, subject to reasonable rules of the Department,
12 to any other licensed distributor, ~~or~~ supplier, or alternative
13 fuel supplier who is subject to this Act, and the amount
14 thereof applied by the Department against any tax due or to
15 become due under this Act from such assignee.

16 If the payment for which the distributor's, ~~or~~ supplier's,
17 or alternative fuel supplier's claim is filed is held in the
18 protest fund of the State Treasury during the pendency of the
19 claim for credit proceedings pursuant to the order of the court
20 in accordance with Section 2a of the State Officers and
21 Employees Money Disposition Act and if it is determined by the
22 Department or by the final order of a reviewing court under the
23 Administrative Review Law that the claimant is entitled to all
24 or a part of the credit claimed, the claimant, instead of
25 receiving a credit memorandum from the Department, shall
26 receive a cash refund from the protest fund as provided for in

1 Section 2a of the State Officers and Employees Money
2 Disposition Act.

3 If any person ceases to be licensed as a distributor, ~~or~~
4 supplier, or alternative fuel supplier while still holding an
5 unused credit memorandum issued under this Act, such person
6 may, at his election (instead of assigning the credit
7 memorandum to a licensed distributor, ~~or~~ licensed supplier, or
8 licensed alternative fuel supplier under this Act), surrender
9 such unused credit memorandum to the Department and receive a
10 refund of the amount to which such person is entitled.

11 For claims based upon taxes paid on or before December 31,
12 2000, a claim based upon the use of undyed diesel fuel shall
13 not be allowed except (i) if allowed under the following
14 paragraph or (ii) for undyed diesel fuel used by a commercial
15 vehicle, as that term is defined in Section 1-111.8 of the
16 Illinois Vehicle Code, for any purpose other than operating the
17 commercial vehicle upon the public highways and unlicensed
18 commercial vehicles operating on private property. Claims
19 shall be limited to commercial vehicles that are operated for
20 both highway purposes and any purposes other than operating
21 such vehicles upon the public highways.

22 For claims based upon taxes paid on or after January 1,
23 2000, a claim based upon the use of undyed diesel fuel shall
24 not be allowed except (i) if allowed under the preceding
25 paragraph or (ii) for claims for the following:

26 (1) Undyed diesel fuel used (i) in a manufacturing

1 process, as defined in Section 2-45 of the Retailers'
2 Occupation Tax Act, wherein the undyed diesel fuel becomes
3 a component part of a product or by-product, other than
4 fuel or motor fuel, when the use of dyed diesel fuel in
5 that manufacturing process results in a product that is
6 unsuitable for its intended use or (ii) for testing
7 machinery and equipment in a manufacturing process, as
8 defined in Section 2-45 of the Retailers' Occupation Tax
9 Act, wherein the testing takes place on private property.

10 (2) Undyed diesel fuel used by a manufacturer on
11 private property in the research and development, as
12 defined in Section 1.29, of machinery or equipment intended
13 for manufacture.

14 (3) Undyed diesel fuel used by a single unit
15 self-propelled agricultural fertilizer implement, designed
16 for on and off road use, equipped with flotation tires and
17 specially adapted for the application of plant food
18 materials or agricultural chemicals.

19 (4) Undyed diesel fuel used by a commercial motor
20 vehicle for any purpose other than operating the commercial
21 motor vehicle upon the public highways. Claims shall be
22 limited to commercial motor vehicles that are operated for
23 both highway purposes and any purposes other than operating
24 such vehicles upon the public highways.

25 (5) Undyed diesel fuel used by a unit of local
26 government in its operation of an airport if the undyed

1 diesel fuel is used directly in airport operations on
2 airport property.

3 (6) Undyed diesel fuel used by refrigeration units that
4 are permanently mounted to a semitrailer, as defined in
5 Section 1.28 of this Law, wherein the refrigeration units
6 have a fuel supply system dedicated solely for the
7 operation of the refrigeration units.

8 (7) Undyed diesel fuel used by power take-off equipment
9 as defined in Section 1.27 of this Law.

10 (8) Beginning on the effective date of this amendatory
11 Act of the 94th General Assembly, undyed diesel fuel used
12 by tugs and spotter equipment to shift vehicles or parcels
13 on both private and airport property. Any claim under this
14 item (8) may be made only by a claimant that owns tugs and
15 spotter equipment and operates that equipment on both
16 private and airport property. The aggregate of all credits
17 or refunds resulting from claims filed under this item (8)
18 by a claimant in any calendar year may not exceed \$100,000.
19 A claim may not be made under this item (8) by the same
20 claimant more often than once each quarter. For the
21 purposes of this item (8), "tug" means a vehicle designed
22 for use on airport property that shifts custom-designed
23 containers of parcels from loading docks to aircraft, and
24 "spotter equipment" means a vehicle designed for use on
25 both private and airport property that shifts trailers
26 containing parcels between staging areas and loading

1 docks.

2 Any person who has paid the tax imposed by Section 2 of
3 this Law upon undyed diesel fuel that is unintentionally mixed
4 with dyed diesel fuel and who owns or controls the mixture of
5 undyed diesel fuel and dyed diesel fuel may file a claim for
6 refund to recover the amount paid. The amount of undyed diesel
7 fuel unintentionally mixed must equal 500 gallons or more. Any
8 claim for refund of unintentionally mixed undyed diesel fuel
9 and dyed diesel fuel shall be supported by documentation
10 showing the date and location of the unintentional mixing, the
11 number of gallons involved, the disposition of the mixed diesel
12 fuel, and any other information that the Department may
13 reasonably require. Any unintentional mixture of undyed diesel
14 fuel and dyed diesel fuel shall be sold or used only for
15 non-highway purposes.

16 The Department shall promulgate regulations establishing
17 specific limits on the amount of undyed diesel fuel that may be
18 claimed for refund.

19 For purposes of claims for refund, "loss" means the
20 reduction of motor fuel resulting from fire, theft, spillage,
21 spoilage, leakage, or any other provable cause, but does not
22 include a reduction resulting from evaporation, or shrinkage
23 due to temperature variations. In the case of losses due to
24 fire or theft, the claimant must include fire department or
25 police department reports and any other documentation that the
26 Department may require.

1 (Source: P.A. 96-1384, eff. 7-29-10.)

2 (35 ILCS 505/15) (from Ch. 120, par. 431)

3 Sec. 15. 1. Any person who knowingly acts as a distributor
4 of motor fuel, ~~or~~ supplier of special fuel, ~~or~~ receiver of
5 fuel, or alternative fuel supplier without having a license so
6 to do, or who knowingly fails or refuses to file a return with
7 the Department as provided in Section 2b, Section 3f, Section
8 5, or Section 5a of this Act, or who knowingly fails or refuses
9 to make payment to the Department as provided either in Section
10 2b, 3g, Section 6, Section 6a, or Section 7 of this Act, shall
11 be guilty of a Class 3 felony. Each day any person knowingly
12 acts as a distributor of motor fuel, supplier of special fuel,
13 ~~or~~ receiver of fuel fuel, or alternative fuel supplier without
14 having a license so to do or after such a license has been
15 revoked, constitutes a separate offense.

16 2. Any person who acts as a motor carrier without having a
17 valid motor fuel use tax license, issued by the Department or
18 by a member jurisdiction under the provisions of the
19 International Fuel Tax Agreement, or a valid single trip permit
20 is guilty of a Class A misdemeanor for a first offense and is
21 guilty of a Class 4 felony for each subsequent offense. Any
22 person (i) who fails or refuses to make payment to the
23 Department as provided in Section 13a.1 of this Act or in the
24 International Fuel Tax Agreement referenced in Section 14a, or
25 (ii) who fails or refuses to make the quarterly return as

1 provided in Section 13a.3 is guilty of a Class 4 felony; and
2 for each subsequent offense, such person is guilty of a Class 3
3 felony.

4 3. In case such person acting as a distributor, receiver,
5 supplier, alternative fuel supplier or motor carrier is a
6 corporation, then the officer or officers, agent or agents,
7 employee or employees, of such corporation responsible for any
8 act of such corporation, or failure of such corporation to act,
9 which acts or failure to act constitutes a violation of any of
10 the provisions of this Act as enumerated in paragraphs 1 and 2
11 of this Section, shall be punished by such fine or
12 imprisonment, or by both such fine and imprisonment as provided
13 in those paragraphs.

14 3.5. Any person who knowingly enters false information on
15 any supporting documentation required to be kept by Section 6
16 or 6a of this Act is guilty of a Class 3 felony.

17 3.7. Any person who knowingly attempts in any manner to
18 evade or defeat any tax imposed by this Act or the payment of
19 any tax imposed by this Act is guilty of a Class 2 felony.

20 4. Any person who refuses, upon demand, to submit for
21 inspection, books and records, or who fails or refuses to keep
22 books and records in violation of Section 12 of this Act, or
23 any distributor, receiver, ~~or~~ supplier, or alternative fuel
24 supplier who violates any reasonable rule or regulation adopted
25 by the Department for the enforcement of this Act is guilty of
26 a Class A misdemeanor. Any person who ~~acts as a blender in~~

1 ~~violation of Section 3 of this Act or who~~ having transported
2 reportable motor fuel within Section 7b of this Act fails to
3 make the return required by that Section, is guilty of a Class
4 4 felony.

5 5. Any person licensed under Section 13a.4, 13a.5, or the
6 International Fuel Tax Agreement who: (a) fails or refuses to
7 keep records and books, as provided in Section 13a.2 or as
8 required by the terms of the International Fuel Tax Agreement,
9 (b) refuses upon demand by the Department to submit for
10 inspection and examination the records required by Section
11 13a.2 of this Act or by the terms of the International Fuel Tax
12 Agreement, or (c) violates any reasonable rule or regulation
13 adopted by the Department for the enforcement of this Act, is
14 guilty of a Class A misdemeanor.

15 6. Any person who makes any false return or report to the
16 Department as to any material fact required by Sections 2b, 3f,
17 5, 5a, 7, 13, or 13a.3 of this Act or by the International Fuel
18 Tax Agreement is guilty of a Class 2 felony.

19 7. A prosecution for any violation of this Section may be
20 commenced anytime within 5 years of the commission of that
21 violation. A prosecution for tax evasion as set forth in
22 paragraph 3.7 of this Section may be prosecuted any time within
23 5 years of the commission of the last act in furtherance of
24 evasion. The running of the period of limitations under this
25 Section shall be suspended while any proceeding or appeal from
26 any proceeding relating to the quashing or enforcement of any

1 grand jury or administrative subpoena issued in connection with
2 an investigation of the violation of any provision of this Act
3 is pending.

4 8. Any person who provides false documentation required by
5 any Section of this Act is guilty of a Class 4 felony.

6 9. Any person filing a fraudulent application or order form
7 under any provision of this Act is guilty of a Class A
8 misdemeanor. For each subsequent offense, the person is guilty
9 of a Class 4 felony.

10 10. Any person who acts as a motor carrier and who fails to
11 carry a manifest as provided in Section 5.5 is guilty of a
12 Class A misdemeanor. For each subsequent offense, the person is
13 guilty of a Class 4 felony.

14 11. Any person who knowingly sells or attempts to sell dyed
15 diesel fuel for highway use or for use by recreational-type
16 watercraft on the waters of this State is guilty of a Class 4
17 felony. For each subsequent offense, the person is guilty of a
18 Class 2 felony.

19 12. Any person who knowingly possesses dyed diesel fuel for
20 highway use or for use by recreational-type watercraft on the
21 waters of this State is guilty of a Class A misdemeanor. For
22 each subsequent offense, the person is guilty of a Class 4
23 felony.

24 13. Any person who sells or transports dyed diesel fuel
25 without the notice required by Section 4e shall pay the
26 following penalty:

1 First occurrence \$ 500
 2 Second and each occurrence thereafter \$1,000

3 14. Any person who owns, operates, or controls any
 4 container, storage tank, or facility used to store or
 5 distribute dyed diesel fuel without the notice required by
 6 Section 4f shall pay the following penalty:

7 First occurrence \$ 500
 8 Second and each occurrence thereafter \$1,000

9 15. If a motor vehicle required to be registered for
 10 highway purposes is found to have dyed diesel fuel within the
 11 ordinary fuel tanks attached to the motor vehicle or if a
 12 recreational-type watercraft on the waters of this State is
 13 found to have dyed diesel fuel within the ordinary fuel tanks
 14 attached to the watercraft, the operator shall pay the
 15 following penalty:

16 First occurrence \$1,000
 17 Second and each occurrence thereafter \$5,000

18 16. Any licensed motor fuel distributor or licensed
 19 supplier, or licensed alternative fuel supplier who sells or
 20 attempts to sell dyed diesel fuel for highway use or for use by
 21 recreational-type watercraft on the waters of this State shall
 22 pay the following penalty:

23 First occurrence \$1,000
 24 Second and each occurrence thereafter \$5,000

25 17. Any person who knowingly sells or distributes dyed
 26 diesel fuel without the notice required by Section 4e is guilty

1 of a petty offense. For each subsequent offense, the person is
2 guilty of a Class A misdemeanor.

3 18. Any person who knowingly owns, operates, or controls
4 any container, storage tank, or facility used to store or
5 distribute dyed diesel fuel without the notice required by
6 Section 4f is guilty of a petty offense. For each subsequent
7 offense the person is guilty of a Class A misdemeanor.

8 For purposes of this Section, dyed diesel fuel means any
9 dyed diesel fuel whether or not dyed pursuant to Section 4d of
10 this Law.

11 Any person aggrieved by any action of the Department under
12 item 13, 14, 15, or 16 of this Section may protest the action
13 by making a written request for a hearing within 60 days of the
14 original action. If the hearing is not requested in writing
15 within 60 days, the original action is final.

16 All penalties received under items 13, 14, 15, and 16 of
17 this Section shall be deposited into the Tax Compliance and
18 Administration Fund.

19 (Source: P.A. 96-1384, eff. 7-29-10.)

20 (35 ILCS 505/16) (from Ch. 120, par. 432)

21 Sec. 16. The Department may, after 5 days' notice, revoke
22 the distributor's, receiver's, or supplier's, or alternative
23 fuel supplier's license ~~or permit~~ of any person (1) who does
24 not operate as a distributor, receiver, alternative fuel
25 supplier, or supplier ~~(a)~~ under Sections 1.2, 1.14, or 1.20,

1 1.30 or (2) who violates any provision of this Act or any rule
2 or regulation promulgated by the Department under Section 14 of
3 this Act, or (3) who refuses to allow any inspection or test
4 authorized by this Law.

5 Any person whose returns for 2 or more consecutive months
6 do not show sufficient taxable sales to indicate an active
7 business as a distributor, receiver, ~~or~~ supplier, or
8 alternative fuel supplier shall be deemed to not be operating
9 as a distributor, receiver, ~~or~~ supplier, or alternative fuel
10 supplier as defined in Sections 1.2, 1.14, ~~or~~ 1.20, 1.30.

11 The Department may, after 5 days notice, revoke any
12 distributor's, receiver's, or supplier's license of a person
13 who is registered as a reseller of motor fuel pursuant to
14 Section 2a or 2c of the Retailers' Occupation Tax Act and who
15 fails to collect such prepaid tax on invoiced gallons of motor
16 fuel sold or who fails to deliver a statement of tax paid to
17 the purchaser or to the Department as required by Sections 2d
18 and 2e of the Retailers' Occupation Tax Act.

19 ~~The Department may, on notice given by registered mail,~~
20 ~~cancel a Blender's Permit for any violation of any provisions~~
21 ~~of this Act or for noncompliance with any rule or regulation~~
22 ~~made by the Department under Section 14 of this Act.~~

23 The Department, upon complaint filed in the circuit court,
24 may, by injunction, restrain any person who fails or refuses to
25 comply with the provisions of this Act from acting as a ~~blender~~
26 ~~or~~ distributor of motor fuel, supplier of special fuel, ~~or~~

1 receiver of fuel, or alternative fuel supplier in this State.

2 The Department may revoke the motor fuel use tax license of
3 a motor carrier registered under Section 13a.4, or that is
4 required to be registered under the terms of the International
5 Fuel Tax Agreement, that violates any provision of this Act or
6 any rule promulgated by the Department under Sections 14 or 14a
7 of this Act. Motor fuel use tax licenses that have been revoked
8 are subject to a \$100 reinstatement fee.

9 Licensees registered or required to be registered under
10 Section 13a.4, or persons required to obtain single trip
11 permits under Section 13a.5, may protest any action or audit
12 finding made by the Department by making a written request for
13 a hearing within 30 days after service of the notice of the
14 original action or finding. If the hearing is not requested
15 within 30 days in writing, the original finding or action is
16 final. Once a hearing has been properly requested, the
17 Department shall give at least 20 days written notice of the
18 time and place of the hearing.

19 (Source: P.A. 94-1074, eff. 12-26-06.)

20 Section 10. The Retailers' Occupation Tax Act is amended by
21 changing Section 2d as follows:

22 (35 ILCS 120/2d) (from Ch. 120, par. 441d)

23 Sec. 2d. Tax prepayment by motor fuel retailer.

24 (a) Any person engaged in the business of selling motor

1 fuel at retail, as defined in the Motor Fuel Tax Law, and who
2 is not a licensed distributor or supplier, as defined in the
3 Motor Fuel Tax Law, shall prepay to his or her distributor,
4 supplier, or other reseller of motor fuel a portion of the tax
5 imposed by this Act if the distributor, supplier, or other
6 reseller of motor fuel is registered under Section 2a or
7 Section 2c of this Act. The prepayment requirement provided for
8 in this Section does not apply to alternative fuel, as defined
9 in Section 1.3a of the Motor Fuel Tax Law ~~liquid propane gas~~.

10 (b) Beginning on July 1, 2000 and through December 31,
11 2000, the Retailers' Occupation Tax paid to the distributor,
12 supplier, or other reseller shall be an amount equal to \$0.01
13 per gallon of the motor fuel, except gasohol as defined in
14 Section 2-10 of this Act which shall be an amount equal to
15 \$0.01 per gallon, purchased from the distributor, supplier, or
16 other reseller.

17 (c) Before July 1, 2000 and then beginning on January 1,
18 2001 and through June 30, 2003, the Retailers' Occupation Tax
19 paid to the distributor, supplier, or other reseller shall be
20 an amount equal to \$0.04 per gallon of the motor fuel, except
21 gasohol as defined in Section 2-10 of this Act which shall be
22 an amount equal to \$0.03 per gallon, purchased from the
23 distributor, supplier, or other reseller.

24 (d) Beginning July 1, 2003 and through December 31, 2010,
25 the Retailers' Occupation Tax paid to the distributor,
26 supplier, or other reseller shall be an amount equal to \$0.06

1 per gallon of the motor fuel, except gasohol as defined in
2 Section 2-10 of this Act which shall be an amount equal to
3 \$0.05 per gallon, purchased from the distributor, supplier, or
4 other reseller.

5 (e) Beginning on January 1, 2011 and thereafter, the
6 Retailers' Occupation Tax paid to the distributor, supplier, or
7 other reseller shall be at the rate established by the
8 Department under this subsection. The rate shall be established
9 by the Department on January 1 and July 1 of each year using
10 the average selling price, as defined in Section 1 of this Act,
11 per gallon of motor fuel sold in the State during the previous
12 6 months and multiplying that amount by 6.25% to determine the
13 cents per gallon rate. In the case of biodiesel blends, as
14 defined in Section 3-42 of the Use Tax Act, with no less than
15 1% and no more than 10% biodiesel, and in the case of gasohol,
16 as defined in Section 3-40 of the Use Tax Act, the rate shall
17 be 80% of the rate established by the Department under this
18 subsection for motor fuel. The Department shall provide persons
19 subject to this Section notice of the rate established under
20 this subsection at least 20 days prior to each January 1 and
21 July 1. Publication of the established rate on the Department's
22 internet website shall constitute sufficient notice under this
23 Section. The Department may use data derived from independent
24 surveys conducted or accumulated by third parties to determine
25 the average selling price per gallon of motor fuel sold in the
26 State.

1 (f) Any person engaged in the business of selling motor
2 fuel at retail shall be entitled to a credit against tax due
3 under this Act in an amount equal to the tax paid to the
4 distributor, supplier, or other reseller.

5 (g) Every distributor, supplier, or other reseller
6 registered as provided in Section 2a or Section 2c of this Act
7 shall remit the prepaid tax on all motor fuel that is due from
8 any person engaged in the business of selling at retail motor
9 fuel with the returns filed under Section 2f or Section 3 of
10 this Act, but the vendors discount provided in Section 3 shall
11 not apply to the amount of prepaid tax that is remitted. Any
12 distributor or supplier who fails to properly collect and remit
13 the tax shall be liable for the tax. For purposes of this
14 Section, the prepaid tax is due on invoiced gallons sold during
15 a month by the 20th day of the following month.

16 (Source: P.A. 96-1384, eff. 7-29-10.)

17 Section 99. Effective date. This Act takes effect on
18 January 1, 2019."