



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5475

Introduced 1/31/2022, by Rep. Amy Elik

SYNOPSIS AS INTRODUCED:

625 ILCS 5/3-803.1 new
625 ILCS 5/3-1001

from Ch. 95 1/2, par. 3-1001

Amends the Illinois Vehicle Code. Provides that, from July 1, 2022 through June 30, 2023, the registration fees imposed under this Article shall be reduced by 50%. Provides for transfers from the General Revenue Fund to the Road Fund. Provides that the vehicle use tax shall be suspended from July 1, 2022 through June 30, 2023. Effective immediately.

LRB102 25066 HLH 34326 b

1 AN ACT concerning revenue.

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

4 Section 25. The Illinois Vehicle Code is amended by
5 changing Section 3-1001 by adding Section 3-803.1 as follows:

6 (625 ILCS 5/3-803.1 new)

7 Sec. 3-803.1. Registration fees. Notwithstanding any other
8 provision of law, from July 1, 2022 through June 30, 2023, the
9 registration fees imposed under this Article shall be reduced
10 by 50%. No later than June 30, 2023, the Secretary of State
11 shall certify to the State Comptroller and the State Treasurer
12 the amount that would have been deposited into the Road Fund
13 under this Article if the fees had been imposed. As soon as
14 possible after receiving that certification, the State
15 Comptroller shall order transferred and the State Treasurer
16 shall transfer from the General Revenue Fund to the Road Fund
17 an amount equal to the amount so certified.

18 (625 ILCS 5/3-1001) (from Ch. 95 1/2, par. 3-1001)

19 Sec. 3-1001. A tax is hereby imposed on the privilege of
20 using, in this State, any motor vehicle as defined in Section
21 1-146 of this Code acquired by gift, transfer, or purchase,
22 and having a year model designation preceding the year of

1 application for title by 5 or fewer years prior to October 1,
2 1985 and 10 or fewer years on and after October 1, 1985 and
3 prior to January 1, 1988. On and after January 1, 1988, the tax
4 shall apply to all motor vehicles without regard to model
5 year. Except that the tax shall not apply

6 (i) if the use of the motor vehicle is otherwise taxed
7 under the Use Tax Act;

8 (ii) if the motor vehicle is bought and used by a
9 governmental agency or a society, association, foundation
10 or institution organized and operated exclusively for
11 charitable, religious or educational purposes;

12 (iii) if the use of the motor vehicle is not subject to
13 the Use Tax Act by reason of subsection (a), (b), (c), (d),
14 (e) or (f) of Section 3-55 of that Act dealing with the
15 prevention of actual or likely multistate taxation;

16 (iv) to implements of husbandry;

17 (v) when a junking certificate is issued pursuant to
18 Section 3-117(a) of this Code;

19 (vi) when a vehicle is subject to the replacement
20 vehicle tax imposed by Section 3-2001 of this Act;

21 (vii) when the transfer is a gift to a beneficiary in
22 the administration of an estate and the beneficiary is a
23 surviving spouse.

24 Prior to January 1, 1988, the rate of tax shall be 5% of
25 the selling price for each purchase of a motor vehicle covered
26 by Section 3-1001 of this Code. Except as hereinafter

1 provided, beginning January 1, 1988 and until January 1, 2022,
 2 the rate of tax shall be as follows for transactions in which
 3 the selling price of the motor vehicle is less than \$15,000:

Number of Years Transpired After Model Year of Motor Vehicle	Applicable Tax
1 or less	\$390
2	290
3	215
4	165
5	115
6	90
7	80
8	65
9	50
10	40
over 10	25

17 Except as hereinafter provided, beginning January 1, 1988 and
 18 until January 1, 2022, the rate of tax shall be as follows for
 19 transactions in which the selling price of the motor vehicle
 20 is \$15,000 or more:

Selling Price	Applicable Tax
\$15,000 - \$19,999	\$ 750
\$20,000 - \$24,999	\$1,000
\$25,000 - \$29,999	\$1,250
\$30,000 and over	\$1,500

26 Except as hereinafter provided, beginning on January 1,

1 2022, the rate of tax shall be as follows for transactions in
2 which the selling price of the motor vehicle is less than
3 \$15,000:

4 (1) if one year or less has transpired after the model
5 year of the vehicle, then the applicable tax is \$465;

6 (2) if 2 years have transpired after the model year of
7 the motor vehicle, then the applicable tax is \$365;

8 (3) if 3 years have transpired after the model year of
9 the motor vehicle, then the applicable tax is \$290;

10 (4) if 4 years have transpired after the model year of
11 the motor vehicle, then the applicable tax is \$240;

12 (5) if 5 years have transpired after the model year of
13 the motor vehicle, then the applicable tax is \$190;

14 (6) if 6 years have transpired after the model year of
15 the motor vehicle, then the applicable tax is \$165;

16 (7) if 7 years have transpired after the model year of
17 the motor vehicle, then the applicable tax is \$155;

18 (8) if 8 years have transpired after the model year of
19 the motor vehicle, then the applicable tax is \$140;

20 (9) if 9 years have transpired after the model year of
21 the motor vehicle, then the applicable tax is \$125;

22 (10) if 10 years have transpired after the model year
23 of the motor vehicle, then the applicable tax is \$115; and

24 (11) if more than 10 years have transpired after the
25 model year of the motor vehicle, then the applicable tax
26 is \$100.

1 Except as hereinafter provided, beginning on January 1,
2 2022, the rate of tax shall be as follows for transactions in
3 which the selling price of the motor vehicle is \$15,000 or
4 more:

5 (1) if the selling price is \$15,000 or more, but less
6 than \$20,000, then the applicable tax shall be \$850;

7 (2) if the selling price is \$20,000 or more, but less
8 than \$25,000, then the applicable tax shall be \$1,100;

9 (3) if the selling price is \$25,000 or more, but less
10 than \$30,000, then the applicable tax shall be \$1,350;

11 (4) if the selling price is \$30,000 or more, but less
12 than \$50,000, then the applicable tax shall be \$1,600;

13 (5) if the selling price is \$50,000 or more, but less
14 than \$100,000, then the applicable tax shall be \$2,600;

15 (6) if the selling price is \$100,000 or more, but less
16 than \$1,000,000, then the applicable tax shall be \$5,100;

17 and

18 (7) if the selling price is \$1,000,000 or more, then
19 the applicable tax shall be \$10,100.

20 For the following transactions, the tax rate shall be \$15 for
21 each motor vehicle acquired in such transaction:

22 (i) when the transferee or purchaser is the spouse,
23 mother, father, brother, sister or child of the
24 transferor;

25 (ii) when the transfer is a gift to a beneficiary in
26 the administration of an estate and the beneficiary is not

1 a surviving spouse;

2 (iii) when a motor vehicle which has once been
3 subjected to the Illinois retailers' occupation tax or use
4 tax is transferred in connection with the organization,
5 reorganization, dissolution or partial liquidation of an
6 incorporated or unincorporated business wherein the
7 beneficial ownership is not changed.

8 A claim that the transaction is taxable under subparagraph
9 (i) shall be supported by such proof of family relationship as
10 provided by rules of the Department.

11 For a transaction in which a motorcycle, motor driven
12 cycle or moped is acquired the tax rate shall be \$25.

13 On and after October 1, 1985 and until January 1, 2022,
14 1/12 of \$5,000,000 of the moneys received by the Department of
15 Revenue pursuant to this Section shall be paid each month into
16 the Build Illinois Fund; on and after January 1, 2022, 1/12 of
17 \$40,000,000 of the moneys received by the Department of
18 Revenue pursuant to this Section shall be paid each month into
19 the Build Illinois Fund; and the remainder shall be paid into
20 the General Revenue Fund.

21 The tax imposed by this Section shall be abated and no
22 longer imposed when the amount deposited to secure the bonds
23 issued pursuant to the Build Illinois Bond Act is sufficient
24 to provide for the payment of the principal of, and interest
25 and premium, if any, on the bonds, as certified to the State
26 Comptroller and the Director of Revenue by the Director of the

1 Governor's Office of Management and Budget.

2 Notwithstanding any other provision of law, the tax under
3 this Section shall be suspended from July 1, 2022 through July
4 1, 2023.

5 (Source: P.A. 102-353, eff. 1-1-22.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.