



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB3651

Introduced 2/9/2024, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:

New Act

630 ILCS 5/10

630 ILCS 5/36 new

5 ILCS 100/5-45.55 new

5 ILCS 100/5-45.56 new

30 ILCS 105/5.1015 new

Creates the Electric Vehicle Charging Tax Act. Provides that a tax is imposed on the privilege of engaging in business as an electric vehicle power provider in this State. Provides that, from January 1, 2025 through January 1, 2026, the rate of tax shall be \$0.06 per kilowatt hour of electric vehicle power. Provides that the rate of tax shall be increased on January 1 of each year by the percentage increase, if any, in the Consumer Price Index. Amends the Public-Private Partnerships for Transportation Act. Creates a dynamic wireless electric vehicle charging pilot program. Amends the Illinois Administrative Procedure Act to provide for emergency rulemaking. Effective January 1, 2025.

LRB103 37107 HLH 69610 b

1 AN ACT concerning electric vehicles.

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

4 Section 1. Short title. This Act may be cited as the
5 Electric Vehicle Charging Tax Act.

6 Section 5. Definitions. As used in this Act:

7 "Consumer Price Index" means the index published by the
8 Bureau of Labor Statistics of the United States Department of
9 Labor that measures the average change in prices of goods and
10 services purchased by all urban consumers, United States city
11 average, all items, 1982-84 = 100.

12 "Department" means the Department of Revenue.

13 "Distribute" means to deliver or transfer electric power
14 into the battery or other energy storage device of an electric
15 vehicle at a location in this State.

16 "Electric vehicle" means any motor vehicle of the first
17 division that is propelled by an electric engine and does not
18 use motor fuel.

19 "Electric vehicle charging station" means any place
20 accessible to general public vehicular traffic, other than a
21 residence, where electric power may be used to charge a
22 battery or other storage device of a licensed electric
23 vehicle.

1 "Electric vehicle power" means electrical energy that is
2 distributed into the battery or other energy storage device of
3 an electric vehicle and that is used to power the vehicle.

4 "Electric vehicle power provider" means a person who owns
5 or leases an electric vehicle charging station.

6 "Person" means any natural individual, firm, trust,
7 estate, partnership, association, joint-stock company, joint
8 venture, corporation, limited liability company, or a
9 receiver, trustee, guardian, or other representative appointed
10 by order of any court.

11 Section 10. Imposition of tax.

12 (a) Beginning on January 1, 2025, a tax is imposed on the
13 privilege of engaging in business as an electric vehicle power
14 provider in this State. From January 1, 2025 through January
15 1, 2026, the tax shall be imposed at the rate of \$0.06 per
16 kilowatt hour of electric vehicle power that is distributed in
17 this State by the electric vehicle power provider for the
18 purpose of charging an electric vehicle. On January 1, 2026,
19 and on January 1 of each subsequent year, the rate of tax
20 imposed in this paragraph shall be increased by an amount
21 equal to the percentage increase, if any, in the Consumer
22 Price Index for the 12 months ending in September of the year
23 in which the increase takes place. The rate shall be rounded to
24 the nearest one-tenth of one cent.

25 (b) The tax shall be added to the selling price charged by

1 the electric vehicle power provider at the electric vehicle
2 charging station on electric vehicle power sold in this State.
3 If there is no selling price at the charging station, then the
4 electric vehicle power provider shall be responsible for
5 paying the tax on the electric power distributed by the
6 electric vehicle charging station.

7 (c) The tax imposed shall be paid by the electric vehicle
8 power provider to the Department. The electric vehicle power
9 provider is liable for the payment of the electric vehicle
10 power tax.

11 Section 15. Collection of tax. The tax imposed by this Act
12 shall be collected from the purchaser by the electric vehicle
13 power provider at the rate stated in Section 10 and shall be
14 remitted to the Department as provided in this Act. All
15 charges for electric vehicle power from an electric vehicle
16 charging station are presumed subject to tax collection.
17 Electric vehicle power providers shall collect the tax from
18 purchasers by adding the tax to the amount of the purchase
19 price received from the purchaser. The tax imposed by the Act
20 shall, when collected, be stated as a distinct item separate
21 and apart from the purchase price of the service subject to tax
22 under this Act. However, where it is not possible to state the
23 tax separately the Department may, by rule, exempt those
24 purchases from this requirement so long as purchasers are
25 notified by language on the invoice or notified by a sign that

1 the tax is included in the purchase price.

2 The proceeds from the tax collected under this Act shall
3 be deposited into the Electric Vehicle Charging Tax Fund.

4 Section 20. Filing of returns. On or before the last day of
5 each calendar month, each electric vehicle power provider that
6 is engaged in the business of providing electric vehicle power
7 during the preceding calendar month shall file a return with
8 the Department, stating:

9 (1) the name of the electric vehicle power provider;

10 (2) the address of the electric vehicle power
11 provider's principal place of business and, if applicable,
12 the address of the principal place of business from which
13 the electric vehicle power provider provides electric
14 vehicle power in this State;

15 (3) the total amount of kilowatt hours distributed by
16 the electric vehicle provider in the preceding calendar
17 month;

18 (4) any deductions from the tax imposed by this Act to
19 which the electric vehicle power provider is entitled;

20 (5) the total amount of receipts received by the
21 electric vehicle power provider during the preceding
22 calendar month from the distribution of electric vehicle
23 power;

24 (6) the amount of tax due; and

25 (7) such other reasonable information as the

1 Department may require.

2 If an electric vehicle power provider ceases to engage in
3 the kind of business that makes it responsible for filing
4 returns under this Act, then that electric vehicle power
5 provider shall file a final return under this Act with the
6 Department on or before the last day of the month after
7 discontinuing that business.

8 All returns required to be filed and payments required to
9 be made under this Act shall be filed and made by electronic
10 means. Taxpayers who demonstrate hardship in filing or paying
11 electronically may petition the Department to waive the
12 electronic filing or payment requirement, or both. The
13 Department may require a separate return for the tax under
14 this Act or combine the return for the tax under this Act with
15 the return for other taxes.

16 If the same person has more than one business registered
17 with the Department under separate registrations under this
18 Act, that person shall not file each return that is due as a
19 single return covering all such registered businesses but
20 shall file separate returns for each such registered business.

21 If the electric vehicle power provider is a corporation,
22 then the return filed on behalf of that corporation shall be
23 signed by at least one of the following:

- 24 (1) the president of the corporation;
25 (2) the vice-president of the corporation;
26 (3) the secretary of the corporation;

1 (4) the treasurer of the corporation; or

2 (5) a properly accredited agent of the corporation.

3 An electric vehicle power provider that files a return
4 under this Act shall, at the time of filing the return, pay to
5 the Department the amount of tax imposed by this Act, less a
6 discount of 1.75%, not to exceed \$1,000 per month, which is
7 allowed to reimburse the electric vehicle power provider for
8 the expenses incurred in keeping records, preparing and filing
9 returns, remitting the tax, and supplying data to the
10 Department on request.

11 If any payment provided for in this Section exceeds the
12 taxpayer's liabilities under this Act, as shown on an original
13 return, the Department may authorize the taxpayer to credit
14 such excess payment against liability subsequently to be
15 remitted to the Department under this Act, in accordance with
16 reasonable rules adopted by the Department. If the Department
17 subsequently determines that all or any part of the credit
18 taken was not actually due to the taxpayer, the taxpayer's
19 discount shall be reduced by an amount equal to the difference
20 between the discount as applied to the credit taken and that
21 actually due, and that taxpayer shall be liable for penalties
22 and interest on such difference.

23 Section 25. Registration of electric vehicle power
24 providers.

25 (a) A person who engages in business as an electric

1 vehicle power provider in this State shall register with the
2 Department. Application for a certificate of registration
3 shall be made to the Department, by electronic means, in the
4 form and manner prescribed by the Department and shall contain
5 any reasonable information the Department may require. Upon
6 receipt of the application for a certificate of registration
7 in proper form and manner, the Department shall issue to the
8 applicant a certificate of registration. Electric vehicle
9 power providers who demonstrate that they do not have access
10 to the Internet or demonstrate hardship in applying
11 electronically may petition the Department to waive the
12 electronic application requirements.

13 (b) The Department may refuse to issue or reissue a
14 certificate of registration to any applicant for the reasons
15 set forth in Section 2505-380 of the Department of Revenue Law
16 of the Civil Administrative Code of Illinois.

17 (c) Any person aggrieved by any decision of the Department
18 under this Section may, within 20 days after notice of such
19 decision, protest and request a hearing, whereupon the
20 Department shall give notice to such person of the time and
21 place fixed for such hearing and shall hold a hearing in
22 conformity with the provisions of this Act and then issue its
23 final administrative decision in the matter to such person. In
24 the absence of such a protest within 20 days, the Department's
25 decision shall become final without any further determination
26 being made or notice given.

1 Section 30. Revocation of certificate of registration.

2 (a) The Department may, after notice and a hearing as
3 provided in this Act, revoke the certificate of registration
4 of an electric vehicle power provider who violates any of the
5 provisions of this Act or any rule adopted under this Act.
6 Before revocation of a certificate of registration, the
7 Department shall, within 90 days after noncompliance and at
8 least 7 days prior to the date of the hearing, give the
9 electric vehicle power provider so accused notice in writing
10 of the charge against him or her, and on the date designated
11 shall conduct a hearing upon this matter. The lapse of such
12 90-day period shall not preclude the Department from
13 conducting revocation proceedings at a later date if
14 necessary. Any hearing held under this Section shall be
15 conducted by the Director or by any officer or employee of the
16 Department designated in writing by the Director.

17 (b) The Department may revoke a certificate of
18 registration for the reasons set forth in Section 2505-380 of
19 the Department of Revenue Law of the Civil Administrative Code
20 of Illinois.

21 (c) Upon the hearing of any such proceeding, the Director
22 or any officer or employee of the Department designated in
23 writing by the Director may administer oaths, and the
24 Department may procure by its subpoena the attendance of
25 witnesses and, by its subpoena duces tecum, the production of

1 relevant books and papers. Any circuit court, upon application
2 either of the electric vehicle power provider or of the
3 Department, may, by order duly entered, require the attendance
4 of witnesses and the production of relevant books and papers
5 before the Department in any hearing relating to the
6 revocation of certificates of registration. Upon refusal or
7 neglect to obey the order of the court, the court may compel
8 obedience with the order by proceedings for contempt.

9 (d) The Department may, by application to any circuit
10 court, obtain an injunction requiring any person who engages
11 in business as an electric vehicle power provider under this
12 Act to obtain a certificate of registration. Upon refusal or
13 neglect to obey the order of the court, the court may compel
14 obedience by proceedings for contempt.

15 Section 35. Electric Vehicle Charging Tax Fund; creation;
16 distribution of proceeds. The Electric Vehicle Charging Tax
17 Fund is hereby created as a special fund in the State treasury.
18 Moneys in the Fund shall be used as provided in this Section:

19 (1) 80% of the moneys in the Electric Vehicle Charging
20 Tax Fund shall be transferred into the Road Fund and shall
21 be used for highway maintenance, highway construction,
22 bridge repair, congestion relief, and other highway needs;

23 (2) 20% of the moneys in the Electric Vehicle Charging
24 Tax Fund shall be used for projects related to public
25 transportation capital needs in the State; of that 20%:

1 (A) 90% shall be transferred to the Regional
2 Transportation Authority Capital Improvement Fund for
3 use by the Regional Transportation Authority; and

4 (B) 10% shall be transferred to the Downstate Mass
5 Transportation Capital Improvement Fund to be used by
6 local mass transit districts other than the Regional
7 Transportation Authority.

8 Section 900. The Public-Private Partnerships for
9 Transportation Act is amended by changing Section 10 and by
10 adding Section 36 as follows:

11 (630 ILCS 5/10)

12 Sec. 10. Definitions. As used in this Act:

13 "Approved proposal" means the proposal that is approved by
14 the responsible public entity pursuant to subsection (j) of
15 Section 20 of this Act.

16 "Approved proposer" means the private entity whose
17 proposal is the approved proposal.

18 "Authority" means the Illinois State Toll Highway
19 Authority.

20 "Contractor" means a private entity that has entered into
21 a public-private agreement with the responsible public entity
22 to provide services to or on behalf of the responsible public
23 entity.

24 "Department" means the Illinois Department of

1 Transportation.

2 "Design-build agreement" means the agreement between the
3 selected private entity and the responsible public entity
4 under which the selected private entity agrees to furnish
5 design, construction, and related services for a
6 transportation facility under this Act.

7 "Develop" or "development" means to do one or more of the
8 following: plan, design, develop, lease, acquire, install,
9 construct, reconstruct, rehabilitate, extend, or expand.

10 "Dynamic wireless charging" means electric vehicle
11 charging by inductive charging, which allows electric vehicles
12 to charge while in motion.

13 "Electric vehicle" means a motor vehicle of the first
14 division that is propelled by an electric engine and does not
15 use motor fuel.

16 "Maintain" or "maintenance" includes ordinary maintenance,
17 repair, rehabilitation, capital maintenance, maintenance
18 replacement, and any other categories of maintenance that may
19 be designated by the responsible public entity.

20 "Operate" or "operation" means to do one or more of the
21 following: maintain, improve, equip, modify, or otherwise
22 operate.

23 "Private entity" means any combination of one or more
24 individuals, corporations, general partnerships, limited
25 liability companies, limited partnerships, joint ventures,
26 business trusts, nonprofit entities, or other business

1 entities that are parties to a proposal for a transportation
2 project or an agreement related to a transportation project. A
3 public agency may provide services to a contractor as a
4 subcontractor or subconsultant without affecting the private
5 status of the private entity and the ability to enter into a
6 public-private agreement. A transportation agency is not a
7 private entity.

8 "Proposal" means all materials and documents prepared by
9 or on behalf of a private entity relating to the proposed
10 development, financing, or operation of a transportation
11 facility as a transportation project.

12 "Proposer" means a private entity that has submitted an
13 unsolicited proposal for a public-private agreement to a
14 responsible public entity under this Act or a proposal or
15 statement of qualifications for a public-private agreement in
16 response to a request for proposals or a request for
17 qualifications issued by a responsible public entity under
18 this Act.

19 "Public-private agreement" means the public-private
20 agreement between the contractor and the responsible public
21 entity relating to one or more of the development, financing,
22 or operation of a transportation project that is entered into
23 under this Act.

24 "Request for information" means all materials and
25 documents prepared by or on behalf of the responsible public
26 entity to solicit information from private entities with

1 respect to transportation projects.

2 "Request for proposals" means all materials and documents
3 prepared by or on behalf of the responsible public entity to
4 solicit proposals from private entities to enter into a
5 public-private agreement.

6 "Request for qualifications" means all materials and
7 documents prepared by or on behalf of the responsible public
8 entity to solicit statements of qualification from private
9 entities to enter into a public-private agreement.

10 "Responsible public entity" means the Department of
11 Transportation, the Illinois State Toll Highway Authority.

12 "Revenues" means all revenues, including any combination
13 of: income; earnings and interest; user fees; lease payments;
14 allocations; federal, State, and local appropriations, grants,
15 loans, lines of credit, and credit guarantees; bond proceeds;
16 equity investments; service payments; or other receipts;
17 arising out of or in connection with a transportation project,
18 including the development, financing, and operation of a
19 transportation project. The term includes money received as
20 grants, loans, lines of credit, credit guarantees, or
21 otherwise in aid of a transportation project from the federal
22 government, the State, a unit of local government, or any
23 agency or instrumentality of the federal government, the
24 State, or a unit of local government.

25 "Shortlist" means the process by which a responsible
26 public entity will review, evaluate, and rank statements of

1 qualifications submitted in response to a request for
2 qualifications and then identify the proposers who are
3 eligible to submit a detailed proposal in response to a
4 request for proposals. The identified proposers constitute the
5 shortlist for the transportation project to which the request
6 for proposals relates.

7 "Transportation agency" means (i) the Department or (ii)
8 the Authority.

9 "Transportation facility" means any new or existing road,
10 highway, toll highway, bridge, tunnel, intermodal facility,
11 intercity or high-speed passenger rail, or other
12 transportation facility or infrastructure, excluding airports,
13 under the jurisdiction of a responsible public entity, except
14 those facilities for the Illiana Expressway. The term
15 "transportation facility" may refer to one or more
16 transportation facilities that are proposed to be developed or
17 operated as part of a single transportation project.

18 "Transportation project" or "project" means any or the
19 combination of the design, development, construction,
20 financing, or operation with respect to all or a portion of any
21 transportation facility under the jurisdiction of the
22 responsible public entity, except those facilities for the
23 Illiana Expressway, undertaken pursuant to this Act.

24 "Unit of local government" has the meaning ascribed to
25 that term in Article VII, Section 1 of the Constitution of the
26 State of Illinois and also means any unit designated as a

1 municipal corporation.

2 "Unsolicited proposal" means a written proposal that is
3 submitted to a responsible public entity on the initiative of
4 the private sector entity or entities for the purpose of
5 developing a partnership, and that is not in response to a
6 formal or informal request issued by a responsible public
7 entity.

8 "User fees" or "tolls" means the rates, tolls, fees, or
9 other charges imposed by the contractor for use of all or a
10 portion of a transportation project under a public-private
11 agreement.

12 (Source: P.A. 103-570, eff. 1-1-24.)

13 (630 ILCS 5/36 new)

14 Sec. 36. Dynamic wireless electric vehicle charging pilot
15 program.

16 (a) Any transportation project undertaken under this Act
17 that includes the design, development, construction, or
18 reconstruction of 20 lane miles or more of a roadway is
19 required to include the construction of one lane mile of
20 dynamic wireless electric vehicle charging within the roadway.

21 The number of land miles shall be calculated by
22 multiplying the number of lanes of roadway by the length of the
23 project.

24 (b) The contractor shall design, fund, evaluate, iterate,
25 test, and implement dynamic vehicle charging along a one-mile

1 stretch of roadway. This will serve as a pilot program for
2 Illinois. The program shall focus on nondisruptive designs
3 that are compatible with existing infrastructure. Dynamic
4 wireless charging lanes shall be compatible with the entire
5 range of electric vehicles, including passenger, electric
6 transit buses, fleet vehicles, and light-duty, medium-duty,
7 and heavy-duty vehicles. The contractor shall consider the
8 performance, safety, electromagnetic compatibility, and
9 interoperability in the development of the dynamic wireless
10 charging lane.

11 (c) The contractor shall work closely with the responsible
12 public agency and the Department throughout the design process
13 and upon implementation to ensure smooth execution of the
14 technology and appropriate communication to the traveling
15 public.

16 (d) After the dynamic wireless charging lane has been in
17 operation for one year, the contractor shall work with the
18 Department and responsible public agency to evaluate the
19 success, failure, and safety of the technology. Special
20 consideration shall be given to the operation of dynamic
21 vehicle charging in a variety of weather conditions and road
22 maintenance activities.

23 Section 905. The Illinois Administrative Procedure Act is
24 amended by adding Sections 5-45.55 and 5-45.56 as follows:

1 (5 ILCS 100/5-45.55 new)

2 Sec. 5-45.55. Emergency rulemaking; Electric Vehicle
3 Charging Tax Act. To provide for the expeditious and timely
4 implementation of the Electric Vehicle Charging Tax Act,
5 emergency rules implementing the Electric Vehicle Charging Tax
6 Act may be adopted in accordance with Section 5-45 by the
7 Department of Revenue. The adoption of emergency rules
8 authorized by Section 5-45 and this Section is deemed to be
9 necessary for the public interest, safety, and welfare.

10 This Section is repealed one year after the effective date
11 of this amendatory Act of the 103rd General Assembly.

12 (5 ILCS 100/5-45.56 new)

13 Sec. 5-45.56. Emergency rulemaking; dynamic wireless
14 electric vehicle charging pilot program. To provide for the
15 expeditious and timely implementation of the dynamic wireless
16 electric vehicle charging pilot program established in Section
17 36 of the Public-Private Partnerships for Transportation Act,
18 emergency rules implementing that program may be adopted in
19 accordance with Section 5-45 by the Department of
20 Transportation. The adoption of emergency rules authorized by
21 Section 5-45 and this Section is deemed to be necessary for the
22 public interest, safety, and welfare.

23 This Section is repealed one year after the effective date
24 of this amendatory Act of the 103rd General Assembly.

1 Section 910. The State Finance Act is amended by adding
2 Section 5.1015 as follows:

3 (30 ILCS 105/5.1015 new)

4 Sec. 5.1015. The Electric Vehicle Charging Tax Fund.

5 Section 999. Effective date. This Act takes effect January
6 1, 2025.