

1 AN ACT concerning taxes.

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

4 Section 5. The Motor Fuel Tax Law is amended by changing  
5 Section 8 as follows:

6 (35 ILCS 505/8) (from Ch. 120, par. 424)

7 Sec. 8. Except as provided in Section 8a, subdivision  
8 (h)(1) of Section 12a, Section 13a.6, and items 13, 14, 15, and  
9 16 of Section 15, all money received by the Department under  
10 this Act, including payments made to the Department by member  
11 jurisdictions participating in the International Fuel Tax  
12 Agreement, shall be deposited in a special fund in the State  
13 treasury, to be known as the "Motor Fuel Tax Fund", and shall  
14 be used as follows:

15 (a) 2 1/2 cents per gallon of the tax collected on special  
16 fuel under paragraph (b) of Section 2 and Section 13a of this  
17 Act shall be transferred to the State Construction Account Fund  
18 in the State Treasury;

19 (b) \$420,000 shall be transferred each month to the State  
20 Boating Act Fund to be used by the Department of Natural  
21 Resources for the purposes specified in Article X of the Boat  
22 Registration and Safety Act;

23 (c) \$2,250,000 shall be transferred each month to the Grade  
24 Crossing Protection Fund to be used as follows: not less than  
25 \$6,000,000 each fiscal year shall be used for the construction  
26 or reconstruction of rail highway grade separation structures;  
27 \$2,250,000 in fiscal year 2004 and each fiscal year thereafter  
28 shall be transferred to the Transportation Regulatory Fund and  
29 shall be accounted for as part of the rail carrier portion of  
30 such funds and shall be used to pay the cost of administration  
31 of the Illinois Commerce Commission's railroad safety program  
32 in connection with its duties under subsection (3) of Section

1 18c-7401 of the Illinois Vehicle Code, with the remainder to be  
2 used by the Department of Transportation upon order of the  
3 Illinois Commerce Commission, to pay that part of the cost  
4 apportioned by such Commission to the State to cover the  
5 interest of the public in the use of highways, roads, streets,  
6 or pedestrian walkways in the county highway system, township  
7 and district road system, or municipal street system as defined  
8 in the Illinois Highway Code, as the same may from time to time  
9 be amended, for separation of grades, for installation,  
10 construction or reconstruction of crossing protection or  
11 reconstruction, alteration, relocation including construction  
12 or improvement of any existing highway necessary for access to  
13 property or improvement of any grade crossing including the  
14 necessary highway approaches thereto of any railroad across the  
15 highway or public road, or for the installation, construction,  
16 reconstruction, or maintenance of a pedestrian walkway over or  
17 under a railroad right-of-way, as provided for in and in  
18 accordance with Section 18c-7401 of the Illinois Vehicle Code.  
19 The Commission shall not order more than \$2,000,000 per year in  
20 Grade Crossing Protection Fund moneys for pedestrian walkways.  
21 In entering orders for projects for which payments from the  
22 Grade Crossing Protection Fund will be made, the Commission  
23 shall account for expenditures authorized by the orders on a  
24 cash rather than an accrual basis. For purposes of this  
25 requirement an "accrual basis" assumes that the total cost of  
26 the project is expended in the fiscal year in which the order  
27 is entered, while a "cash basis" allocates the cost of the  
28 project among fiscal years as expenditures are actually made.  
29 To meet the requirements of this subsection, the Illinois  
30 Commerce Commission shall develop annual and 5-year project  
31 plans of rail crossing capital improvements that will be paid  
32 for with moneys from the Grade Crossing Protection Fund. The  
33 annual project plan shall identify projects for the succeeding  
34 fiscal year and the 5-year project plan shall identify projects  
35 for the 5 directly succeeding fiscal years. The Commission  
36 shall submit the annual and 5-year project plans for this Fund

1 to the Governor, the President of the Senate, the Senate  
2 Minority Leader, the Speaker of the House of Representatives,  
3 and the Minority Leader of the House of Representatives on the  
4 first Wednesday in April of each year;

5 (d) of the amount remaining after allocations provided for  
6 in subsections (a), (b) and (c), a sufficient amount shall be  
7 reserved to pay all of the following:

8 (1) the costs of the Department of Revenue in  
9 administering this Act;

10 (2) the costs of the Department of Transportation in  
11 performing its duties imposed by the Illinois Highway Code  
12 for supervising the use of motor fuel tax funds apportioned  
13 to municipalities, counties and road districts;

14 (3) refunds provided for in Section 13 of this Act and  
15 under the terms of the International Fuel Tax Agreement  
16 referenced in Section 14a;

17 (4) from October 1, 1985 until June 30, 1994, the  
18 administration of the Vehicle Emissions Inspection Law,  
19 which amount shall be certified monthly by the  
20 Environmental Protection Agency to the State Comptroller  
21 and shall promptly be transferred by the State Comptroller  
22 and Treasurer from the Motor Fuel Tax Fund to the Vehicle  
23 Inspection Fund, and for the period July 1, 1994 through  
24 June 30, 2000, one-twelfth of \$25,000,000 each month, for  
25 the period July 1, 2000 through June 30, 2003, one-twelfth  
26 of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,  
27 and \$15,000,000 on January 1 and \$15,000,000 on July 1 of  
28 each calendar year for the period January 1, 2004 through  
29 June 30, 2006, for the administration of the Vehicle  
30 Emissions Inspection Law of 1995, to be transferred by the  
31 State Comptroller and Treasurer from the Motor Fuel Tax  
32 Fund into the Vehicle Inspection Fund;

33 (5) amounts ordered paid by the Court of Claims; and

34 (6) payment of motor fuel use taxes due to member  
35 jurisdictions under the terms of the International Fuel Tax  
36 Agreement. The Department shall certify these amounts to

1 the Comptroller by the 15th day of each month; the  
2 Comptroller shall cause orders to be drawn for such  
3 amounts, and the Treasurer shall administer those amounts  
4 on or before the last day of each month;

5 (e) after allocations for the purposes set forth in  
6 subsections (a), (b), (c) and (d), the remaining amount shall  
7 be apportioned as follows:

8 (1) Until January 1, 2000, 58.4%, and beginning January  
9 1, 2000, 45.6% shall be deposited as follows:

10 (A) 37% into the State Construction Account Fund,  
11 and

12 (B) 63% into the Road Fund, \$1,250,000 of which  
13 shall be reserved each month for the Department of  
14 Transportation to be used in accordance with the  
15 provisions of Sections 6-901 through 6-906 of the  
16 Illinois Highway Code;

17 (2) Until January 1, 2000, 41.6%, and beginning January  
18 1, 2000, 54.4% shall be transferred to the Department of  
19 Transportation to be distributed as follows:

20 (A) 49.10% to the municipalities of the State,

21 (B) 16.74% to the counties of the State having  
22 1,000,000 or more inhabitants,

23 (C) 18.27% to the counties of the State having less  
24 than 1,000,000 inhabitants,

25 (D) 15.89% to the road districts of the State.

26 As soon as may be after the first day of each month the  
27 Department of Transportation shall allot to each municipality  
28 its share of the amount apportioned to the several  
29 municipalities which shall be in proportion to the population  
30 of such municipalities as determined by the last preceding  
31 municipal census if conducted by the Federal Government or  
32 Federal census. If territory is annexed to any municipality  
33 subsequent to the time of the last preceding census the  
34 corporate authorities of such municipality may cause a census  
35 to be taken of such annexed territory and the population so  
36 ascertained for such territory shall be added to the population

1 of the municipality as determined by the last preceding census  
2 for the purpose of determining the allotment for that  
3 municipality. If the population of any municipality was not  
4 determined by the last Federal census preceding any  
5 apportionment, the apportionment to such municipality shall be  
6 in accordance with any census taken by such municipality. Any  
7 municipal census used in accordance with this Section shall be  
8 certified to the Department of Transportation by the clerk of  
9 such municipality, and the accuracy thereof shall be subject to  
10 approval of the Department which may make such corrections as  
11 it ascertains to be necessary.

12 As soon as may be after the first day of each month the  
13 Department of Transportation shall allot to each county its  
14 share of the amount apportioned to the several counties of the  
15 State as herein provided. Each allotment to the several  
16 counties having less than 1,000,000 inhabitants shall be in  
17 proportion to the amount of motor vehicle license fees received  
18 from the residents of such counties, respectively, during the  
19 preceding calendar year. The Secretary of State shall, on or  
20 before April 15 of each year, transmit to the Department of  
21 Transportation a full and complete report showing the amount of  
22 motor vehicle license fees received from the residents of each  
23 county, respectively, during the preceding calendar year. The  
24 Department of Transportation shall, each month, use for  
25 allotment purposes the last such report received from the  
26 Secretary of State.

27 As soon as may be after the first day of each month, the  
28 Department of Transportation shall allot to the several  
29 counties their share of the amount apportioned for the use of  
30 road districts. The allotment shall be apportioned among the  
31 several counties in the State in the proportion which the total  
32 mileage of township or district roads in the respective  
33 counties bears to the total mileage of all township and  
34 district roads in the State. Funds allotted to the respective  
35 counties for the use of road districts therein shall be  
36 allocated to the several road districts in the county in the

1 proportion which the total mileage of such township or district  
2 roads in the respective road districts bears to the total  
3 mileage of all such township or district roads in the county.

4 After July 1 of any year prior to 2004, no allocation shall  
5 be made for any road district unless it levied a tax for road  
6 and bridge purposes in an amount which will require the  
7 extension of such tax against the taxable property in any such  
8 road district at a rate of not less than either .08% of the  
9 value thereof, based upon the assessment for the year  
10 immediately prior to the year in which such tax was levied and  
11 as equalized by the Department of Revenue or, in DuPage County,  
12 an amount equal to or greater than \$12,000 per mile of road  
13 under the jurisdiction of the road district, whichever is less.  
14 Beginning July 1, 2004 and each July 1 thereafter, an  
15 allocation shall be made for any road district if it levied a  
16 tax for road and bridge purposes. If the amount of the tax  
17 levy, however, requires the extension of the tax against the  
18 taxable property in the road district at a rate that is less  
19 than .08% of the value thereof, based upon the assessment for  
20 the year immediately prior to the year in which the tax was  
21 levied and as equalized by the Department of Revenue, then the  
22 amount of the allocation for the road district shall be a  
23 percentage of the maximum allocation equal to the percentage  
24 obtained by dividing the rate extended by the district by  
25 0.08%. In DuPage County, however, no allocation shall be made  
26 for any road district unless it levied a tax for road and  
27 bridge purposes in an amount which will require the extension  
28 of such tax against the taxable property in any such road  
29 district (i) at a rate of not less than either .08% of the  
30 value thereof, based upon the assessment for the year  
31 immediately prior to the year in which such tax was levied and  
32 as equalized by the Department of Revenue, or (ii) an amount  
33 equal to or greater than \$12,000 per mile of road under the  
34 jurisdiction of the road district, whichever is less.

35 Prior to 2004, if ~~if~~ any road district has levied a special  
36 tax for road purposes pursuant to Sections 6-601, 6-602 and

1 6-603 of the Illinois Highway Code, and such tax was levied in  
2 an amount which would require extension at a rate of not less  
3 than .08% of the value of the taxable property thereof, as  
4 equalized or assessed by the Department of Revenue, or, in  
5 DuPage County, an amount equal to or greater than \$12,000 per  
6 mile of road under the jurisdiction of the road district,  
7 whichever is less, such levy shall, however, be deemed a proper  
8 compliance with this Section and shall qualify such road  
9 district for an allotment under this Section. Beginning in 2004  
10 and thereafter, if any road district has levied a special tax  
11 for road purposes under Sections 6-601, 6-602, and 6-603 of the  
12 Illinois Highway Code, and the tax was levied in an amount that  
13 would require extension at a rate of not less than .08% of the  
14 value of the taxable property thereof, as equalized or assessed  
15 by the Department of Revenue or, in DuPage County, an amount  
16 equal to or greater than \$12,000 per mile of road under the  
17 jurisdiction of the road district, whichever is less, that levy  
18 shall be deemed a proper compliance with this Section and shall  
19 qualify such road district for a full, rather than  
20 proportionate, allotment under this Section. Except in DuPage  
21 County, if the levy for the special tax is less than 0.08% of  
22 the value of the taxable property and if the levy for the  
23 special tax is more than any other levy for road and bridge  
24 purposes, then the levy for the special tax qualifies the road  
25 district for a proportionate, rather than full, allotment under  
26 this Section. If the levy for the special tax is equal to or  
27 less than any other levy for road and bridge purposes, then any  
28 allotment under this Section shall be determined by the other  
29 levy for road and bridge purposes.

30 Prior to 2004, if ~~if~~ a township has transferred to the road  
31 and bridge fund money which, when added to the amount of any  
32 tax levy of the road district would be the equivalent of a tax  
33 levy requiring extension at a rate of at least .08%, or, in  
34 DuPage County, an amount equal to or greater than \$12,000 per  
35 mile of road under the jurisdiction of the road district,  
36 whichever is less, such transfer, together with any such tax

1 levy, shall be deemed a proper compliance with this Section and  
2 shall qualify the road district for an allotment under this  
3 Section. Beginning in 2004 and thereafter, if a township has  
4 transferred to the road and bridge fund money which, when added  
5 to the amount of any tax levy of the road district would be the  
6 equivalent of a tax levy requiring extension at a rate of at  
7 least .08% or, in DuPage County, an amount equal to or greater  
8 than \$12,000 per mile of road under the jurisdiction of the  
9 road district, whichever is less, then the transfer, together  
10 with any such tax levy, shall be deemed a proper compliance  
11 with this Section and shall qualify the road district for a  
12 full, rather than proportionate, allotment under this Section.

13 In counties in which a property tax extension limitation is  
14 imposed under the Property Tax Extension Limitation Law, road  
15 districts may retain their entitlement to a motor fuel tax  
16 allotment or, beginning in 2004, their entitlement to a full  
17 allotment if, at the time the property tax extension limitation  
18 was imposed, the road district was levying a road and bridge  
19 tax at a rate sufficient to entitle it to a motor fuel tax  
20 allotment and continues to levy the maximum allowable amount  
21 after the imposition of the property tax extension limitation.  
22 Any road district may in all circumstances retain its  
23 entitlement to a motor fuel tax allotment or, beginning in  
24 2004, its entitlement to a full allotment if it levied a road  
25 and bridge tax in an amount that will require the extension of  
26 the tax against the taxable property in the road district at a  
27 rate of not less than 0.08% of the assessed value of the  
28 property, based upon the assessment for the year immediately  
29 preceding the year in which the tax was levied and as equalized  
30 by the Department of Revenue or, in DuPage County, an amount  
31 equal to or greater than \$12,000 per mile of road under the  
32 jurisdiction of the road district, whichever is less.

33 As used in this Section the term "road district" means any  
34 road district, including a county unit road district, provided  
35 for by the Illinois Highway Code; and the term "township or  
36 district road" means any road in the township and district road



1 system as defined in the Illinois Highway Code. For the  
2 purposes of this Section, "road district" also includes park  
3 districts, forest preserve districts and conservation  
4 districts organized under Illinois law and "township or  
5 district road" also includes such roads as are maintained by  
6 park districts, forest preserve districts and conservation  
7 districts. The Department of Transportation shall determine  
8 the mileage of all township and district roads for the purposes  
9 of making allotments and allocations of motor fuel tax funds  
10 for use in road districts.

11 Payment of motor fuel tax moneys to municipalities and  
12 counties shall be made as soon as possible after the allotment  
13 is made. The treasurer of the municipality or county may invest  
14 these funds until their use is required and the interest earned  
15 by these investments shall be limited to the same uses as the  
16 principal funds.

17 (Source: P.A. 92-16, eff. 6-28-01; 92-30, eff. 7-1-01; 93-32,  
18 eff. 6-20-03.)

19 Section 99. Effective date. This Act takes effect on July  
20 1, 2004.