



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 2/6/2004, by James A. DeLeo

SYNOPSIS AS INTRODUCED:

35 ILCS 505/8

from Ch. 120, par. 424

Amends the Motor Fuel Tax Law. In provisions concerning the distribution of proceeds of the tax, changes references to counties of the State having 3,000,000 (instead of 1,000,000) or more inhabitants or less than 3,000,000 (instead of 1,000,000) inhabitants. Effective January 1, 2005.

LRB093 21200 SJM 47286 b

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 3,000,000 ~~1,000,000~~ or more inhabitants,

23 (C) 18.27% to the counties of the State having less
24 than 3,000,000 ~~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 3,000,000 ~~1,000,000~~ inhabitants
17 shall be in proportion to the amount of motor vehicle license
18 fees received from the residents of such counties,
19 respectively, during the preceding calendar year. The
20 Secretary of State shall, on or before April 15 of each year,
21 transmit to the Department of Transportation a full and
22 complete report showing the amount of motor vehicle license
23 fees received from the residents of each county, respectively,
24 during the preceding calendar year. The Department of
25 Transportation shall, each month, use for allotment purposes
26 the last such report received from the 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, no allocation shall be made for any
5 road district unless it levied a tax for road and bridge
6 purposes in an amount which will require the extension of such
7 tax against the taxable property in any such road district at a
8 rate of not less than either .08% of the value thereof, based
9 upon the assessment for the year immediately prior to the year
10 in which such tax was levied and as equalized by the Department
11 of Revenue or, in DuPage County, an amount equal to or greater
12 than \$12,000 per mile of road under the jurisdiction of the
13 road district, whichever is less. If any road district has
14 levied a special tax for road purposes pursuant to Sections
15 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such
16 tax was levied in an amount which would require extension at a
17 rate of not less than .08% of the value of the taxable property
18 thereof, as equalized or assessed by the Department of Revenue,
19 or, in DuPage County, an amount equal to or greater than
20 \$12,000 per mile of road under the jurisdiction of the road
21 district, whichever is less, such levy shall, however, be
22 deemed a proper compliance with this Section and shall qualify
23 such road district for an allotment under this Section. If a
24 township has transferred to the road and bridge fund money
25 which, when added to the amount of any tax levy of the road
26 district would be the equivalent of a tax levy requiring
27 extension at a rate of at least .08%, or, in DuPage County, an
28 amount equal to or greater than \$12,000 per mile of road under
29 the jurisdiction of the road district, whichever is less, such
30 transfer, together with any such tax levy, shall be deemed a
31 proper compliance with this Section and shall qualify the road
32 district for an allotment under this Section.

33 In counties in which a property tax extension limitation is
34 imposed under the Property Tax Extension Limitation Law, road
35 districts may retain their entitlement to a motor fuel tax
36 allotment if, at the time the property tax extension limitation

1 was imposed, the road district was levying a road and bridge
2 tax at a rate sufficient to entitle it to a motor fuel tax
3 allotment and continues to levy the maximum allowable amount
4 after the imposition of the property tax extension limitation.
5 Any road district may in all circumstances retain its
6 entitlement to a motor fuel tax allotment if it levied a road
7 and bridge tax in an amount that will require the extension of
8 the tax against the taxable property in the road district at a
9 rate of not less than 0.08% of the assessed value of the
10 property, based upon the assessment for the year immediately
11 preceding the year in which the tax was levied and as equalized
12 by the Department of Revenue or, in DuPage County, an amount
13 equal to or greater than \$12,000 per mile of road under the
14 jurisdiction of the road district, whichever is less.

15 As used in this Section the term "road district" means any
16 road district, including a county unit road district, provided
17 for by the Illinois Highway Code; and the term "township or
18 district road" means any road in the township and district road
19 system as defined in the Illinois Highway Code. For the
20 purposes of this Section, "road district" also includes park
21 districts, forest preserve districts and conservation
22 districts organized under Illinois law and "township or
23 district road" also includes such roads as are maintained by
24 park districts, forest preserve districts and conservation
25 districts. The Department of Transportation shall determine
26 the mileage of all township and district roads for the purposes
27 of making allotments and allocations of motor fuel tax funds
28 for use in road districts.

29 Payment of motor fuel tax moneys to municipalities and
30 counties shall be made as soon as possible after the allotment
31 is made. The treasurer of the municipality or county may invest
32 these funds until their use is required and the interest earned
33 by these investments shall be limited to the same uses as the
34 principal funds.

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

1 Section 99. Effective date. This Act takes effect January
2 1, 2005.