



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4112

Introduced 09/20/05, by Rep. Bill Mitchell

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-11-1.9 new  
65 ILCS 5/8-11-15

from Ch. 24, par. 8-11-15

Amends the Illinois Municipal Code. Provides that if a municipality has imposed a municipal occupation tax, then the corporate authorities of that municipality may, by ordinance, provide that the tax does not apply with respect to the sale of motor fuel or specific types of motor fuel, and a referendum is not required to reimpose the tax at the same or at a lower rate with respect to that motor fuel. Provides that if a municipality imposes a motor-fuel tax, the corporate authorities may, by ordinance, discontinue or lower the rate of the tax, and a referendum is not required to reimpose the tax at the same rate or at a lower rate.

LRB094 14133 BDD 49032 b

FISCAL NOTE ACT  
MAY APPLY

HOME RULE NOTE  
ACT MAY APPLY

1 AN ACT concerning municipalities.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 8-11-15 and by adding Section 8-11-1.9 as  
6 follows:

7 (65 ILCS 5/8-11-1.9 new)

8 Sec. 8-11-1.9. Optional occupation-tax exemption for motor  
9 fuel. If a non-home rule municipality imposes a tax under  
10 Sections 8-11-1.6 or 8-11-1.7 or if a home rule municipality  
11 imposes a tax under Sections 8-11-1 or 8-11-5, then the  
12 corporate authorities of that municipality may, by ordinance,  
13 provide that the tax does not apply with respect to the sale of  
14 motor fuel or specific types of motor fuel. If the corporate  
15 authorities provide that the tax does not apply with respect to  
16 the sale of motor fuel or specific types of motor fuel, then a  
17 referendum is not required to reimpose the tax at the same or  
18 at a lower rate with respect to that motor fuel.

19 (65 ILCS 5/8-11-15) (from Ch. 24, par. 8-11-15)

20 Sec. 8-11-15. Municipal motor-fuel tax.

21 (a) The corporate authorities of a municipality of over  
22 100,000 inhabitants may, upon approval of the electors of the  
23 municipality pursuant to subsection (b), impose a tax of one  
24 cent per gallon on motor fuel sold at retail within such  
25 municipality. A tax imposed pursuant to this Section shall be  
26 paid in addition to any other taxes on such motor fuel.

27 (b) The corporate authorities of the municipality may by  
28 resolution call for the submission to the electors of the  
29 municipality of the question of whether the municipality shall  
30 impose such tax. Such question shall be certified by the  
31 municipal clerk to the election authority in accordance with

1 Section 28-5 of The Election Code. The question shall be in  
2 substantially the following form:

3 -----  
4 Shall the city (village or  
5 incorporated town) of ..... YES  
6 impose a tax of one cent per -----  
7 gallon on motor fuel sold at NO  
8 retail within its boundaries?  
9 -----

10 If a majority of the electors in the municipality voting  
11 upon the question vote in the affirmative, such tax shall be  
12 imposed.

13 (c) The purchaser of the motor fuel shall be liable for  
14 payment of a tax imposed pursuant to this Section. This Section  
15 shall not be construed to impose a tax on the occupation of  
16 persons engaged in the sale of motor fuel.

17 If a municipality imposes a tax on motor fuel pursuant to  
18 this Section, it shall be the duty of any person engaged in the  
19 retail sale of motor fuel within such municipality to collect  
20 such tax from the purchaser at the same time he collects the  
21 purchase price of the motor fuel and to pay over such tax to  
22 the municipality as prescribed by the ordinance of the  
23 municipality imposing such tax.

24 (d) For purposes of this Section, "motor fuel" shall have  
25 the same meaning as provided in the "Motor Fuel Tax Law".

26 (e) If a municipality imposes a tax under this Section, the  
27 corporate authorities may, by ordinance, discontinue or lower  
28 the rate of the tax. If the corporate authorities lower the tax  
29 rate or discontinue the tax, then a referendum is not required  
30 to reimpose the tax at the same rate or at a lower rate.

31 (Source: P.A. 84-1099.)