



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5014

by Rep. George Scully, Jr.

SYNOPSIS AS INTRODUCED:

35 ILCS 615/2

from Ch. 120, par. 467.17

Amends the Gas Revenue Tax Act. Provides that each July 1, beginning on July 1, 2008, the rate of the tax imposed for gas that is distributed, supplied, furnished, sold, or transported to a residential customer is reduced by \$0.006 per therm until the rate of the tax is zero, but provides that, in no case, shall the tax be imposed with respect to gas that is distributed, supplied, furnished, sold, or transported to a residential customer on or after July 1, 2012. Effective immediately.

LRB095 17816 BDD 43895 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 5. The Gas Revenue Tax Act is amended by changing
5 Section 2 as follows:

6 (35 ILCS 615/2) (from Ch. 120, par. 467.17)

7 Sec. 2. Tax imposed; rate; phase-out for residential
8 customers.

9 (a) Except as provided in subsection (b), a ~~A~~ tax is
10 imposed upon persons engaged in the business of distributing,
11 supplying, furnishing or selling gas to persons for use or
12 consumption and not for resale at the rate of 2.4 cents per
13 therm of all gas which is so distributed, supplied, furnished,
14 sold or transported to or for each customer in the course of
15 such business, or 5% of the gross receipts received from each
16 customer from such business, whichever is the lower rate as
17 applied to each customer for that customer's billing period,
18 provided that any change in rate imposed by this amendatory Act
19 of 1985 shall become effective only with bills having a meter
20 reading date on or after January 1, 1986. However, such taxes
21 are not imposed with respect to any business in interstate
22 commerce, or otherwise to the extent to which such business may
23 not, under the Constitution and statutes of the United States,

1 be made the subject of taxation by this State.

2 Nothing in this amendatory Act of 1985 shall impose a tax
3 with respect to any transaction with respect to which no tax
4 was imposed immediately preceding the effective date of this
5 amendatory Act of 1985.

6 Beginning with bills issued to customers on and after
7 October 1, 2003, no tax shall be imposed under this Act on
8 transactions with customers who incur a tax liability under the
9 Gas Use Tax Law.

10 (b) Each July 1, beginning on July 1, 2008, the rate of the
11 tax imposed under this Section for gas that is distributed,
12 supplied, furnished, sold, or transported to a residential
13 customer is reduced by \$0.006 per therm until the rate of the
14 tax is zero. In no case, however, shall the tax under this
15 Section be imposed with respect to gas that is distributed,
16 supplied, furnished, sold, or transported to a residential
17 customer on or after July 1, 2012.

18 For purposes of this subsection, "residential customer"
19 means a customer who is receiving gas or gas service for
20 household purposes that is either (i) distributed to a dwelling
21 of 2 or fewer units and billed under a residential rate or (ii)
22 distributed to a dwelling unit or units, billed under a
23 residential rate, and registered by a separate meter for each
24 dwelling unit.

25 (Source: P.A. 93-31, eff. 10-1-03.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.