



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB6022

Introduced 2/10/2010, by Rep. Frank J. Mautino

#### SYNOPSIS AS INTRODUCED:

35 ILCS 505/1.2	from Ch. 120, par. 417.2
35 ILCS 505/1.14	from Ch. 120, par. 417.14
35 ILCS 505/1.22	
35 ILCS 505/2	from Ch. 120, par. 418
35 ILCS 505/3	from Ch. 120, par. 419
35 ILCS 505/3a	from Ch. 120, par. 419a
35 ILCS 505/5	from Ch. 120, par. 421
35 ILCS 505/5a	from Ch. 120, par. 421a
35 ILCS 505/6	from Ch. 120, par. 422
35 ILCS 505/6a	from Ch. 120, par. 422a
35 ILCS 505/8	from Ch. 120, par. 424
35 ILCS 505/13	from Ch. 120, par. 429
35 ILCS 505/13a.4	from Ch. 120, par. 429a4
35 ILCS 505/13a.5	from Ch. 120, par. 429a5
35 ILCS 505/15	from Ch. 120, par. 431
35 ILCS 505/17a new	
415 ILCS 125/325	

Amends the Motor Fuel Tax Law. Makes changes concerning exporting fuel; dispensing of 1-K kerosene, combustible gases, and dyed diesel; jurisdiction; theft; refunds; decals; fees; disaster relief; returns; forms; electronic filing; and other matters. Amends the Environmental Impact Fee Law to make conforming changes. Effective January 1, 2011.

LRB096 20209 HLH 35778 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 Motor Fuel Tax Law is amended by changing  
5 Sections 1.2, 1.14, 1.22, 2, 3, 3a, 5, 5a, 6, 6a, 8, 13, 13a.4,  
6 13a.5, and 15 and by adding Section 17a as follows:

7 (35 ILCS 505/1.2) (from Ch. 120, par. 417.2)

8 Sec. 1.2. Distributor. "Distributor" means a person who  
9 either (i) produces, refines, blends, compounds or  
10 manufactures motor fuel in this State, or (ii) transports motor  
11 fuel into this State, or (iii) exports motor fuel out of this  
12 State, or (iv) engages in the distribution of motor fuel  
13 primarily by tank car or tank truck, or both, and who operates  
14 an Illinois bulk plant where he or she has active bulk storage  
15 capacity of not less than 30,000 gallons for gasoline as  
16 defined in item (A) of Section 5 of this Law.

17 "Distributor" does not, however, include a person who  
18 receives or transports into this State and sells or uses motor  
19 fuel under such circumstances as preclude the collection of the  
20 tax herein imposed, by reason of the provisions of the  
21 constitution and statutes of the United States. However, a  
22 person operating a motor vehicle into the State, may transport  
23 motor fuel in the ordinary fuel tank attached to the motor

1 vehicle for the operation of the motor vehicle, without being  
2 considered a distributor. Any railroad ~~licensed as a bulk user~~  
3 ~~and~~ registered under Section 18c-7201 of the Illinois Vehicle  
4 Code may deliver special fuel directly into the fuel supply  
5 tank of a locomotive owned, operated, or controlled by any  
6 other railroad registered under Section 18c-7201 of the  
7 Illinois Vehicle Code without being considered a distributor or  
8 supplier.

9 (Source: P.A. 91-173, eff. 1-1-00; 91-198, eff. 7-20-99; 92-16,  
10 eff. 6-28-01.)

11 (35 ILCS 505/1.14) (from Ch. 120, par. 417.14)

12 Sec. 1.14. Supplier. "Supplier" means any person other than  
13 a licensed distributor who (i) transports special fuel into  
14 this State; ~~or~~ (ii) exports special fuel out of this State; or  
15 (iii) engages in the distribution of special fuel primarily by  
16 tank car or tank truck, or both, and who operates an Illinois  
17 bulk plant where he has active bulk storage capacity of not  
18 less than 30,000 gallons for special fuel as defined in Section  
19 1.13 of this Law.

20 "Supplier" does not, however, include a person who receives  
21 or transports into this State and sells or uses special fuel  
22 under such circumstances as preclude the collection of the tax  
23 herein imposed, by reason of the provisions of the Constitution  
24 and laws of the United States. However, a person operating a  
25 motor vehicle into the State, may transport special fuel in the

1 ordinary fuel tank attached to the motor vehicle for the  
2 operation of the motor vehicle without being considered a  
3 supplier. Any railroad licensed as a bulk user and registered  
4 under Section 18c-7201 of the Illinois Vehicle Code may deliver  
5 special fuel directly into the fuel supply tank of a locomotive  
6 owned, operated, or controlled by any other railroad registered  
7 under Section 18c-7201 of the Illinois Vehicle Code without  
8 being considered a supplier.

9 (Source: P.A. 91-173, eff. 1-1-00; 91-198, eff. 7-20-99; 92-16,  
10 eff. 6-28-01.)

11 (35 ILCS 505/1.22)

12 Sec. 1.22. "Jurisdiction" means a state of the United  
13 States, the District of Columbia, a state of the United Mexican  
14 States, or a province or Territory of Canada.

15 (Source: P.A. 88-480.)

16 (35 ILCS 505/2) (from Ch. 120, par. 418)

17 Sec. 2. A tax is imposed on the privilege of operating  
18 motor vehicles upon the public highways and recreational-type  
19 watercraft upon the waters of this State.

20 (a) Prior to August 1, 1989, the tax is imposed at the rate  
21 of 13 cents per gallon on all motor fuel used in motor vehicles  
22 operating on the public highways and recreational type  
23 watercraft operating upon the waters of this State. Beginning  
24 on August 1, 1989 and until January 1, 1990, the rate of the

1 tax imposed in this paragraph shall be 16 cents per gallon.  
2 Beginning January 1, 1990, the rate of tax imposed in this  
3 paragraph shall be 19 cents per gallon.

4 (b) The tax on the privilege of operating motor vehicles  
5 which use diesel fuel shall be the rate according to paragraph  
6 (a) plus an additional 2 1/2 cents per gallon. "Diesel fuel" is  
7 defined as any product intended for use or offered for sale as  
8 a fuel for engines in which the fuel is injected into the  
9 combustion chamber and ignited by pressure without electric  
10 spark.

11 (c) A tax is imposed upon the privilege of engaging in the  
12 business of selling motor fuel as a retailer or reseller on all  
13 motor fuel used in motor vehicles operating on the public  
14 highways and recreational type watercraft operating upon the  
15 waters of this State: (1) at the rate of 3 cents per gallon on  
16 motor fuel owned or possessed by such retailer or reseller at  
17 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per  
18 gallon on motor fuel owned or possessed by such retailer or  
19 reseller at 12:01 A.M. on January 1, 1990.

20 Retailers and resellers who are subject to this additional  
21 tax shall be required to inventory such motor fuel and pay this  
22 additional tax in a manner prescribed by the Department of  
23 Revenue.

24 The tax imposed in this paragraph (c) shall be in addition  
25 to all other taxes imposed by the State of Illinois or any unit  
26 of local government in this State.

1 (d) Except as provided in Section 2a, the collection of a  
2 tax based on gallonage of gasoline used for the propulsion of  
3 any aircraft is prohibited on and after October 1, 1979.

4 (e) The collection of a tax, based on gallonage of all  
5 products commonly or commercially known or sold as 1-K  
6 kerosene, regardless of its classification or uses, is  
7 prohibited (i) on and after July 1, 1992 until December 31,  
8 1999, except when the 1-K kerosene is either: (1) delivered  
9 into bulk storage facilities of a bulk user, or (2) delivered  
10 directly into the fuel supply tanks of motor vehicles and (ii)  
11 on and after January 1, 2000. Beginning on January 1, 2000, the  
12 collection of a tax, based on gallonage of all products  
13 commonly or commercially known or sold as 1-K kerosene,  
14 regardless of its classification or uses, is prohibited except  
15 when the 1-K kerosene is delivered directly into a storage tank  
16 that is located at a facility that has withdrawal facilities  
17 that are readily accessible to and are capable of dispensing  
18 1-K kerosene into the fuel supply tanks of motor vehicles. For  
19 purposes of this subsection (e), a facility is considered to  
20 have withdrawal facilities that are not "readily accessible to  
21 and capable of dispensing 1-K kerosene into the fuel supply  
22 tanks of motor vehicles" only if the 1-K kerosene is delivered  
23 from: (i) a dispenser hose that is short enough so that it will  
24 not reach the fuel supply tank of a motor vehicle or (ii) a  
25 dispenser that is enclosed by a fence or other physical barrier  
26 so that a vehicle cannot pull alongside the dispenser to permit

1 fueling.

2 Any person who sells or uses 1-K kerosene for use in motor  
3 vehicles upon which the tax imposed by this Law has not been  
4 paid shall be liable for any tax due on the sales or use of 1-K  
5 kerosene.

6 (Source: P.A. 93-17, eff. 6-11-03.)

7 (35 ILCS 505/3) (from Ch. 120, par. 419)

8 Sec. 3. No person shall act as a distributor of motor fuel  
9 within this State without first securing a license to act as a  
10 distributor of motor fuel from the Department. Application for  
11 such license shall be made to the Department upon blanks  
12 furnished by it. The application shall be signed and verified,  
13 and shall contain such information as the Department deems  
14 necessary. A blender shall, in addition to securing a  
15 distributor's license, make application to the Department for a  
16 blender's permit, setting forth in the application such  
17 information as the Department deems necessary. The applicant  
18 for a distributor's license shall also file with the Department  
19 a bond on a form to be approved by and with a surety or sureties  
20 satisfactory to the Department conditioned upon such applicant  
21 paying to the State of Illinois all monies becoming due by  
22 reason of the sale, export, or use of motor fuel by the  
23 applicant, together with all penalties and interest thereon.  
24 The Department shall fix the penalty of such bond in each case  
25 taking into consideration the amount of motor fuel expected to

1 be sold, distributed, exported, and used by such applicant and  
2 the penalty fixed by the Department shall be such, as in its  
3 opinion, will protect the State of Illinois against failure to  
4 pay the amount hereinafter provided on motor fuel sold,  
5 distributed, exported, and used, but the amount of the penalty  
6 fixed by the Department shall not exceed twice the monthly  
7 amount that would be collectable as a tax in the event of a  
8 sale on all the motor fuel sold, distributed, exported, and  
9 used by the distributor inclusive of tax-free sales, exports,  
10 use, or distribution. Upon receipt of the application and bond  
11 in proper form, the Department shall issue to the applicant a  
12 license to act as a distributor. No person who is in default to  
13 the State for monies due under this Act for the sale,  
14 distribution, export, or use of motor fuel shall receive a  
15 license to act as a distributor.

16 A license shall not be granted to any person whose  
17 principal place of business is in a state other than Illinois,  
18 unless such person is licensed for motor fuel distribution or  
19 export in the state in which the principal place of business is  
20 located and that such person is not in default to that State  
21 for any monies due for the sale, distribution, export, or use  
22 of motor fuel.

23 (Source: P.A. 90-491, eff. 1-1-98; 91-173, eff. 1-1-00.)

24 (35 ILCS 505/3a) (from Ch. 120, par. 419a)

25 Sec. 3a. No person, other than a licensed distributor,



1 shall act as a supplier of special fuel within this State  
2 without first securing a license to act as a supplier of  
3 special fuel from the Department.

4 Application for such license shall be made to the  
5 Department upon blanks furnished by it. The application shall  
6 be signed and verified and shall contain such information as  
7 the Department deems necessary.

8 The applicant for a supplier's license shall also file,  
9 with the Department, a bond on a form to be approved by and  
10 with a surety or sureties satisfactory to the Department,  
11 conditioned upon such applicant paying to the State of Illinois  
12 all moneys becoming due by reason of the sale or use of special  
13 fuel by the applicant, together with all penalties and interest  
14 thereon. The Department shall fix the penalty of such bond in  
15 each case, taking into consideration the amount of special fuel  
16 expected to be sold, distributed, exported, and used by such  
17 applicant, and the penalty fixed by the Department shall be  
18 such, as in its opinion, will protect the State of Illinois  
19 against failure to pay the amount hereinafter provided on  
20 special fuel sold, distributed, exported, and used, but the  
21 amount of the penalty fixed by the Department shall not exceed  
22 twice the monthly amount of tax liability that would be  
23 collectable as a tax in the event of a taxable sale on all the  
24 special fuel sold, distributed, exported, and used by the  
25 supplier inclusive of tax-free sales, use, exports, or  
26 distribution.

1           Upon receipt of the application and bond in proper form,  
2 the Department shall issue to the applicant a license to act as  
3 a supplier. No person who is in default to the State for moneys  
4 due under this Act for the sale, distribution, export, or use  
5 of motor fuel shall receive a license to act as a supplier.

6           A license shall not be granted to any person whose  
7 principal place of business is in a state other than Illinois,  
8 unless such person is licensed for motor fuel distribution or  
9 export in the State in which the principal place of business is  
10 located and that other State requires such license and that  
11 such person is not in default to that State for any monies due  
12 for the sale, distribution, export, or use of motor fuel.

13           (Source: P.A. 90-491, eff. 1-1-98; 91-173, eff. 1-1-00.)

14           (35 ILCS 505/5) (from Ch. 120, par. 421)

15           Sec. 5. Except as hereinafter provided, a person holding a  
16 valid unrevoked license to act as a distributor of motor fuel  
17 shall, between the 1st and 20th days of each calendar month,  
18 make return to the Department, showing an itemized statement of  
19 the number of invoiced gallons of motor fuel of the types  
20 specified in this Section which were purchased, acquired, ~~or~~  
21 received, or exported during the preceding calendar month; the  
22 amount of such motor fuel produced, refined, compounded,  
23 manufactured, blended, sold, distributed, exported, and used  
24 by the licensed distributor during the preceding calendar  
25 month; the amount of such motor fuel lost or destroyed during

1 the preceding calendar month; the amount of such motor fuel on  
2 hand at the close of business for such month; and such other  
3 reasonable information as the Department may require. If a  
4 distributor's only activities with respect to motor fuel are  
5 either: (1) production of alcohol in quantities of less than  
6 10,000 proof gallons per year or (2) blending alcohol in  
7 quantities of less than 10,000 proof gallons per year which  
8 such distributor has produced, he shall file returns on an  
9 annual basis with the return for a given year being due by  
10 January 20 of the following year. Distributors whose total  
11 production of alcohol (whether blended or not) exceeds 10,000  
12 proof gallons per year, based on production during the  
13 preceding (calendar) year or as reasonably projected by the  
14 Department if one calendar year's record of production cannot  
15 be established, shall file returns between the 1st and 20th  
16 days of each calendar month as hereinabove provided.

17 The types of motor fuel referred to in the preceding  
18 paragraph are: (A) All products commonly or commercially known  
19 or sold as gasoline (including casing-head and absorption or  
20 natural gasoline), gasohol, motor benzol or motor benzene  
21 regardless of their classification or uses; and (B) all  
22 combustible gases which exist in a gaseous state at 60 degrees  
23 Fahrenheit and at 14.7 pounds per square inch absolute  
24 including, but not limited to, liquefied petroleum gases used  
25 for highway purposes; and (C) special fuel. Only those  
26 quantities of combustible gases (example (B) above) which are

1 used or sold by the distributor to be used to propel motor  
2 vehicles on the public highways, or which are delivered into a  
3 storage tank that is located at a facility that has withdrawal  
4 facilities which are readily accessible to and are capable of  
5 dispensing combustible gases into the fuel supply tanks of  
6 motor vehicles, shall be subject to return. For purposes of  
7 this Section, a facility is considered to have withdrawal  
8 facilities that are not "readily accessible to and capable of  
9 dispensing combustible gases into the fuel supply tanks of  
10 motor vehicles" only if the combustible gases are delivered  
11 from: (i) a dispenser hose that is short enough so that it will  
12 not reach the fuel supply tank of a motor vehicle or (ii) a  
13 dispenser that is enclosed by a fence or other physical barrier  
14 so that a vehicle cannot pull alongside the dispenser to permit  
15 fueling. For the purposes of this Act, liquefied petroleum  
16 gases shall mean and include any material having a vapor  
17 pressure not exceeding that allowed for commercial propane  
18 composed predominantly of the following hydrocarbons, either  
19 by themselves or as mixtures: Propane, Propylene, Butane  
20 (normal butane or iso-butane) and Butylene (including  
21 isomers).

22 In case of a sale of special fuel to someone other than a  
23 licensed distributor, or a licensed supplier, for a use other  
24 than in motor vehicles, the distributor shall show in his  
25 return the amount of invoiced gallons sold and the name and  
26 address of the purchaser in addition to any other information

1 the Department may require.

2 All special fuel sold or used for non-highway purposes must  
3 have a dye added in accordance with Section 4d of this Law.

4 In case of a tax-free sale, as provided in Section 6, of  
5 motor fuel which the distributor is required by this Section to  
6 include in his return to the Department, the distributor in his  
7 return shall show: (1) If the sale is made to another licensed  
8 distributor the amount sold and the name, address and license  
9 number of the purchasing distributor; (2) if the sale is made  
10 to a person where delivery is made outside of this State the  
11 name and address of such purchaser and the point of delivery  
12 together with the date and amount delivered; (3) if the sale is  
13 made to the Federal Government or its instrumentalities the  
14 amount sold; (4) if the sale is made to a municipal corporation  
15 owning and operating a local transportation system for public  
16 service in this State the name and address of such purchaser,  
17 and the amount sold, as evidenced by official forms of  
18 exemption certificates properly executed and furnished by such  
19 purchaser; (5) if the sale is made to a privately owned public  
20 utility owning and operating 2-axle vehicles designed and used  
21 for transporting more than 7 passengers, which vehicles are  
22 used as common carriers in general transportation of  
23 passengers, are not devoted to any specialized purpose and are  
24 operated entirely within the territorial limits of a single  
25 municipality or of any group of contiguous municipalities or in  
26 a close radius thereof, and the operations of which are subject

1 to the regulations of the Illinois Commerce Commission, then  
2 the name and address of such purchaser and the amount sold as  
3 evidenced by official forms of exemption certificates properly  
4 executed and furnished by the purchaser; (6) if the product  
5 sold is special fuel and if the sale is made to a licensed  
6 supplier under conditions which qualify the sale for tax  
7 exemption under Section 6 of this Act, the amount sold and the  
8 name, address and license number of the purchaser; and (7) if a  
9 sale of special fuel is made to someone other than a licensed  
10 distributor, or a licensed supplier, for a use other than in  
11 motor vehicles, by making a specific notation thereof on the  
12 invoice or sales slip covering such sales and obtaining such  
13 supporting documentation as may be required by the Department.

14 All special fuel sold or used for non-highway purposes must  
15 have a dye added in accordance with Section 4d of this Law.

16 A person whose license to act as a distributor of motor  
17 fuel has been revoked shall make a return to the Department  
18 covering the period from the date of the last return to the  
19 date of the revocation of the license, which return shall be  
20 delivered to the Department not later than 10 days from the  
21 date of the revocation or termination of the license of such  
22 distributor; the return shall in all other respects be subject  
23 to the same provisions and conditions as returns by  
24 distributors licensed under the provisions of this Act.

25 The records, waybills and supporting documents kept by  
26 railroads and other common carriers in the regular course of

1 business shall be prima facie evidence of the contents and  
2 receipt of cars or tanks covered by those records, waybills or  
3 supporting documents.

4 If the Department has reason to believe and does believe  
5 that the amount shown on the return as purchased, acquired,  
6 received, exported, sold, used, lost or destroyed is incorrect,  
7 or that an amount of motor fuel of the types required by the  
8 second paragraph of this Section to be reported to the  
9 Department has not been correctly reported the Department shall  
10 fix an amount for such receipt, sales, export, use, loss or  
11 destruction according to its best judgment and information,  
12 which amount so fixed by the Department shall be prima facie  
13 correct. All returns shall be made on forms prepared and  
14 furnished by the Department, and shall contain such other  
15 information as the Department may reasonably require. The  
16 return must be accompanied by appropriate computer-generated  
17 magnetic media supporting schedule data in the format required  
18 by the Department, unless, as provided by rule, the Department  
19 grants an exception upon petition of a taxpayer. All licensed  
20 distributors shall report all losses of motor fuel sustained on  
21 account of fire, ~~theft~~, spillage, spoilage, leakage, or any  
22 other provable cause, but not including theft, when filing the  
23 return for the period during which the loss occurred. The mere  
24 making of the report does not assure the allowance of the loss  
25 as a reduction in tax liability. Losses of motor fuel as the  
26 result of evaporation or shrinkage due to temperature

1 variations may not exceed 1% of the total gallons in storage at  
2 the beginning of the month, plus the receipts of gallonage  
3 during the month, minus the gallonage remaining in storage at  
4 the end of the month. Any loss reported that is in excess of 1%  
5 shall be subject to the tax imposed by Section 2 of this Law.  
6 On and after July 1, 2001, for each 6-month period January  
7 through June, net losses of motor fuel (for each category of  
8 motor fuel that is required to be reported on a return) as the  
9 result of evaporation or shrinkage due to temperature  
10 variations may not exceed 1% of the total gallons in storage at  
11 the beginning of each January, plus the receipts of gallonage  
12 each January through June, minus the gallonage remaining in  
13 storage at the end of each June. On and after July 1, 2001, for  
14 each 6-month period July through December, net losses of motor  
15 fuel (for each category of motor fuel that is required to be  
16 reported on a return) as the result of evaporation or shrinkage  
17 due to temperature variations may not exceed 1% of the total  
18 gallons in storage at the beginning of each July, plus the  
19 receipts of gallonage each July through December, minus the  
20 gallonage remaining in storage at the end of each December. Any  
21 net loss reported that is in excess of this amount shall be  
22 subject to the tax imposed by Section 2 of this Law. For  
23 purposes of this Section, "net loss" means the number of  
24 gallons gained through temperature variations minus the number  
25 of gallons lost through temperature variations or evaporation  
26 for each of the respective 6-month periods.



1 (Source: P.A. 91-173, eff. 1-1-00; 92-30, eff. 7-1-01.)

2 (35 ILCS 505/5a) (from Ch. 120, par. 421a)

3 Sec. 5a. A person holding a valid unrevoked license to act  
4 as a supplier of special fuel shall, between the 1st and 20th  
5 days of each calendar month, make return to the Department  
6 showing an itemized statement of the number of invoiced gallons  
7 of special fuel acquired, received, purchased, sold, exported,  
8 or used during the preceding calendar month; the amount of  
9 special fuel sold, distributed, exported, and used by the  
10 licensed supplier during the preceding calendar month; the  
11 amount of special fuel lost or destroyed during the preceding  
12 calendar month; the amount of special fuel on hand at the close  
13 of business for the preceding calendar month; and such other  
14 reasonable information as the Department may require.

15 A person whose license to act as a supplier of special fuel  
16 has been revoked shall make a return to the Department covering  
17 the period from the date of the last return to the date of the  
18 revocation of the license, which return shall be delivered to  
19 the Department not later than 10 days from the date of the  
20 revocation or termination of the license of such supplier. The  
21 return shall in all other respects be subject to the same  
22 provisions and conditions as returns by suppliers licensed  
23 under this Act.

24 The records, waybills and supporting documents kept by  
25 railroads and other common carriers in the regular course of

1 business shall be prima facie evidence of the contents and  
2 receipt of cars or tanks covered by those records, waybills or  
3 supporting documents.

4 If the Department has reason to believe and does believe  
5 that the amount shown on the return as purchased, acquired,  
6 received, sold, exported, used, or lost is incorrect, or that  
7 an amount of special fuel of the type required by the 1st  
8 paragraph of this Section to be reported to the Department by  
9 suppliers has not been correctly reported as a purchase,  
10 receipt, sale, use, export, or loss the Department shall fix an  
11 amount for such purchase, receipt, sale, use, export, or loss  
12 according to its best judgment and information, which amount so  
13 fixed by the Department shall be prima facie correct. All  
14 licensed suppliers shall report all losses of special fuel  
15 sustained on account of fire, ~~theft~~, spillage, spoilage,  
16 leakage, or any other provable cause, but not including theft,  
17 when filing the return for the period during which the loss  
18 occurred. The mere making of the report does not assure the  
19 allowance of the loss as a reduction in tax liability. Losses  
20 of special fuel as the result of evaporation or shrinkage due  
21 to temperature variations may not exceed 1% of the total  
22 gallons in storage at the beginning of the month, plus the  
23 receipts of gallonage during the month, minus the gallonage  
24 remaining in storage at the end of the month.

25 Any loss reported that is in excess of 1% shall be subject  
26 to the tax imposed by Section 2 of this Law. On and after July

1 1, 2001, for each 6-month period January through June, net  
2 losses of special fuel (for each category of special fuel that  
3 is required to be reported on a return) as the result of  
4 evaporation or shrinkage due to temperature variations may not  
5 exceed 1% of the total gallons in storage at the beginning of  
6 each January, plus the receipts of gallonage each January  
7 through June, minus the gallonage remaining in storage at the  
8 end of each June. On and after July 1, 2001, for each 6-month  
9 period July through December, net losses of special fuel (for  
10 each category of special fuel that is required to be reported  
11 on a return) as the result of evaporation or shrinkage due to  
12 temperature variations may not exceed 1% of the total gallons  
13 in storage at the beginning of each July, plus the receipts of  
14 gallonage each July through December, minus the gallonage  
15 remaining in storage at the end of each December. Any net loss  
16 reported that is in excess of this amount shall be subject to  
17 the tax imposed by Section 2 of this Law. For purposes of this  
18 Section, "net loss" means the number of gallons gained through  
19 temperature variations minus the number of gallons lost through  
20 temperature variations or evaporation for each of the  
21 respective 6-month periods.

22 In case of a sale of special fuel to someone other than a  
23 licensed distributor or licensed supplier for a use other than  
24 in motor vehicles, the supplier shall show in his return the  
25 amount of invoiced gallons sold and the name and address of the  
26 purchaser in addition to any other information the Department

1 may require.

2 All special fuel sold or used for non-highway purposes must  
3 have a dye added in accordance with Section 4d of this Law.

4 All returns shall be made on forms prepared and furnished  
5 by the Department and shall contain such other information as  
6 the Department may reasonably require. The return must be  
7 accompanied by appropriate computer-generated magnetic media  
8 supporting schedule data in the format required by the  
9 Department, unless, as provided by rule, the Department grants  
10 an exception upon petition of a taxpayer.

11 In case of a tax-free sale, as provided in Section 6a, of  
12 special fuel which the supplier is required by this Section to  
13 include in his return to the Department, the supplier in his  
14 return shall show: (1) If the sale of special fuel is made to  
15 the Federal Government or its instrumentalities; (2) if the  
16 sale of special fuel is made to a municipal corporation owning  
17 and operating a local transportation system for public service  
18 in this State, the name and address of such purchaser and the  
19 amount sold, as evidenced by official forms of exemption  
20 certificates properly executed and furnished by such  
21 purchaser; (3) if the sale of special fuel is made to a  
22 privately owned public utility owning and operating 2-axle  
23 vehicles designed and used for transporting more than 7  
24 passengers, which vehicles are used as common carriers in  
25 general transportation of passengers, are not devoted to any  
26 specialized purpose and are operated entirely within the

1 territorial limits of a single municipality or of any group of  
2 contiguous municipalities or in a close radius thereof, and the  
3 operations of which are subject to the regulations of the  
4 Illinois Commerce Commission, then the name and address of such  
5 purchaser and the amount sold, as evidenced by official forms  
6 of exemption certificates properly executed and furnished by  
7 such purchaser; (4) if the product sold is special fuel and if  
8 the sale is made to a licensed supplier or to a licensed  
9 distributor under conditions which qualify the sale for tax  
10 exemption under Section 6a of this Act, the amount sold and the  
11 name, address and license number of such purchaser; (5) if a  
12 sale of special fuel is made to a person where delivery is made  
13 outside of this State, the name and address of such purchaser  
14 and the point of delivery together with the date and amount of  
15 invoiced gallons delivered; and (6) if a sale of special fuel  
16 is made to someone other than a licensed distributor or a  
17 licensed supplier, for a use other than in motor vehicles, by  
18 making a specific notation thereof on the invoice or sales slip  
19 covering that sale and obtaining such supporting documentation  
20 as may be required by the Department.

21 All special fuel sold or used for non-highway purposes must  
22 have a dye added in accordance with Section 4d of this Law.

23 (Source: P.A. 91-173, eff. 1-1-00; 92-30, eff. 7-1-01.)

24 (35 ILCS 505/6) (from Ch. 120, par. 422)

25 Sec. 6. Collection of tax; distributors. A distributor who

1 sells or distributes any motor fuel, which he is required by  
2 Section 5 to report to the Department when filing a return,  
3 shall (except as hereinafter provided) collect at the time of  
4 such sale and distribution, the amount of tax imposed under  
5 this Act on all such motor fuel sold and distributed, and at  
6 the time of making a return, the distributor shall pay to the  
7 Department the amount so collected less a discount of 2%  
8 through June 30, 2003 and 1.75% thereafter which is allowed to  
9 reimburse the distributor for the expenses incurred in keeping  
10 records, preparing and filing returns, collecting and  
11 remitting the tax and supplying data to the Department on  
12 request, and shall also pay to the Department an amount equal  
13 to the amount that would be collectible as a tax in the event  
14 of a sale thereof on all such motor fuel used by said  
15 distributor during the period covered by the return. However,  
16 no payment shall be made based upon dyed diesel fuel used by  
17 the distributor for non-highway purposes. The discount shall  
18 only be applicable to the amount of tax payment which  
19 accompanies a return which is filed timely in accordance with  
20 Section 5 of this Act. In each subsequent sale of motor fuel on  
21 which the amount of tax imposed under this Act has been  
22 collected as provided in this Section, the amount so collected  
23 shall be added to the selling price, so that the amount of tax  
24 is paid ultimately by the user of the motor fuel. However, no  
25 collection or payment shall be made in the case of the sale or  
26 use of any motor fuel to the extent to which such sale or use of

1 motor fuel may not, under the constitution and statutes of the  
2 United States, be made the subject of taxation by this State. A  
3 person whose license to act as a distributor of fuel has been  
4 revoked shall, at the time of making a return, also pay to the  
5 Department an amount equal to the amount that would be  
6 collectible as a tax in the event of a sale thereof on all  
7 motor fuel, which he is required by the second paragraph of  
8 Section 5 to report to the Department in making a return, and  
9 which he had on hand on the date on which the license was  
10 revoked, and with respect to which no tax had been previously  
11 paid under this Act.

12 A distributor may make tax free sales of motor fuel, with  
13 respect to which he is otherwise required to collect the tax,  
14 ~~when the motor fuel is delivered from a dispensing facility~~  
15 ~~that has withdrawal facilities capable of dispensing motor fuel~~  
16 ~~into the fuel supply tanks of motor vehicles only as specified~~  
17 ~~in the following items 3, 4, and 5. A distributor may make~~  
18 ~~tax free sales of motor fuel, with respect to which he is~~  
19 ~~otherwise required to collect the tax, when the motor fuel is~~  
20 ~~delivered from other facilities~~ only as specified in the  
21 following items 1 through 7.

22 1. When the sale is made to a person holding a valid  
23 unrevoked license as a distributor, by making a specific  
24 notation thereof on invoices or sales slip covering each  
25 sale.

26 2. When the sale is made with delivery to a purchaser

1 outside of this State.

2 3. When the sale is made to the Federal Government or  
3 its instrumentalities.

4 4. When the sale is made to a municipal corporation  
5 owning and operating a local transportation system for  
6 public service in this State when an official certificate  
7 of exemption is obtained in lieu of the tax.

8 5. When the sale is made to a privately owned public  
9 utility owning and operating 2 axle vehicles designed and  
10 used for transporting more than 7 passengers, which  
11 vehicles are used as common carriers in general  
12 transportation of passengers, are not devoted to any  
13 specialized purpose and are operated entirely within the  
14 territorial limits of a single municipality or of any group  
15 of contiguous municipalities, or in a close radius thereof,  
16 and the operations of which are subject to the regulations  
17 of the Illinois Commerce Commission, when an official  
18 certificate of exemption is obtained in lieu of the tax.

19 6. When a sale of special fuel is made to a person  
20 holding a valid, unrevoked license as a supplier, by making  
21 a specific notation thereof on the invoice or sales slip  
22 covering each such sale.

23 7. When a sale of dyed diesel ~~special~~ fuel is made to  
24 someone other than a licensed distributor or a licensed  
25 supplier for non-highway purposes and the fuel is (i)  
26 delivered from a vehicle designed for the specific purpose



1 of such sales and delivered directly into a stationary bulk  
2 storage tank that displays the notice required by Section  
3 4f of this Act, (ii) delivered from a vehicle designed for  
4 the specific purpose of such sales and delivered directly  
5 into the fuel supply tanks of non-highway vehicles that are  
6 not required to be registered for highway use, or (iii)  
7 dispensed from a dyed diesel fuel dispensing facility that  
8 has withdrawal facilities that are not readily accessible  
9 to and are not capable of dispensing dyed diesel fuel into  
10 the fuel supply tank of a motor vehicle. ~~for a use other~~  
11 ~~than in motor vehicles, by making a~~

12 A specific notation is required ~~thereof~~ on the invoice  
13 or sales slip covering such sales, ~~sale~~ and any ~~obtaining~~  
14 ~~such~~ supporting documentation that ~~as~~ may be required by  
15 the Department must be obtained by the distributor. The  
16 distributor shall obtain and keep the supporting  
17 documentation in such form as the Department may require by  
18 rule.

19 For purposes of this item 7, a dyed diesel fuel  
20 dispensing facility is considered to have withdrawal  
21 facilities that are "not readily accessible to and not  
22 capable of dispensing dyed diesel fuel into the fuel supply  
23 tank of a motor vehicle" only if the dyed diesel fuel is  
24 delivered from: (i) a dispenser hose that is short enough  
25 so that it will not reach the fuel supply tank of a motor  
26 vehicle or (ii) a dispenser that is enclosed by a fence or

1       other physical barrier so that a vehicle cannot pull  
2       alongside the dispenser to permit fueling.

3           8. (Blank).

4           All special fuel sold or used for non-highway purposes must  
5       have a dye added in accordance with Section 4d of this Law.

6           All suits or other proceedings brought for the purpose of  
7       recovering any taxes, interest or penalties due the State of  
8       Illinois under this Act may be maintained in the name of the  
9       Department.

10       (Source: P.A. 93-32, eff. 6-20-03.)

11           (35 ILCS 505/6a) (from Ch. 120, par. 422a)

12           Sec. 6a. Collection of tax; suppliers. A supplier, other  
13       than a licensed distributor, who sells or distributes any  
14       special fuel, which he is required by Section 5a to report to  
15       the Department when filing a return, shall (except as  
16       hereinafter provided) collect at the time of such sale and  
17       distribution, the amount of tax imposed under this Act on all  
18       such special fuel sold and distributed, and at the time of  
19       making a return, the supplier shall pay to the Department the  
20       amount so collected less a discount of 2% through June 30, 2003  
21       and 1.75% thereafter which is allowed to reimburse the supplier  
22       for the expenses incurred in keeping records, preparing and  
23       filing returns, collecting and remitting the tax and supplying  
24       data to the Department on request, and shall also pay to the  
25       Department an amount equal to the amount that would be

1 collectible as a tax in the event of a sale thereof on all such  
2 special fuel used by said supplier during the period covered by  
3 the return. However, no payment shall be made based upon dyed  
4 diesel fuel used by said supplier for non-highway purposes. The  
5 discount shall only be applicable to the amount of tax payment  
6 which accompanies a return which is filed timely in accordance  
7 with Section 5(a) of this Act. In each subsequent sale of  
8 special fuel on which the amount of tax imposed under this Act  
9 has been collected as provided in this Section, the amount so  
10 collected shall be added to the selling price, so that the  
11 amount of tax is paid ultimately by the user of the special  
12 fuel. However, no collection or payment shall be made in the  
13 case of the sale or use of any special fuel to the extent to  
14 which such sale or use of motor fuel may not, under the  
15 Constitution and statutes of the United States, be made the  
16 subject of taxation by this State.

17 A person whose license to act as supplier of special fuel  
18 has been revoked shall, at the time of making a return, also  
19 pay to the Department an amount equal to the amount that would  
20 be collectible as a tax in the event of a sale thereof on all  
21 special fuel, which he is required by the 1st paragraph of  
22 Section 5a to report to the Department in making a return.

23 A supplier may make tax-free sales of special fuel, with  
24 respect to which he is otherwise required to collect the tax,  
25 ~~when the motor fuel is delivered from a dispensing facility~~  
26 ~~that has withdrawal facilities capable of dispensing special~~

1 ~~fuel into the fuel supply tanks of motor vehicles only as~~  
2 ~~specified in the following items 1, 2, and 3. A supplier may~~  
3 ~~make tax free sales of special fuel, with respect to which he~~  
4 ~~is otherwise required to collect the tax, when the special fuel~~  
5 ~~is delivered from other facilities~~ only as specified in the  
6 following items 1 through 7.

7           1. When the sale is made to the federal government or  
8           its instrumentalities.

9           2. When the sale is made to a municipal corporation  
10          owning and operating a local transportation system for  
11          public service in this State when an official certificate  
12          of exemption is obtained in lieu of the tax.

13          3. When the sale is made to a privately owned public  
14          utility owning and operating 2 axle vehicles designed and  
15          used for transporting more than 7 passengers, which  
16          vehicles are used as common carriers in general  
17          transportation of passengers, are not devoted to any  
18          specialized purpose and are operated entirely within the  
19          territorial limits of a single municipality or of any group  
20          of contiguous municipalities, or in a close radius thereof,  
21          and the operations of which are subject to the regulations  
22          of the Illinois Commerce Commission, when an official  
23          certificate of exemption is obtained in lieu of the tax.

24          4. When a sale ~~of special fuel~~ is made to a person  
25          holding a valid unrevoked license as a supplier or a  
26          distributor by making a specific notation thereof on

1 invoice or sales slip covering each such sale.

2 5. When a sale of dyed diesel ~~special~~ fuel is made to  
3 someone other than a licensed distributor or licensed  
4 supplier for for non-highway purposes and the fuel is (i)  
5 delivered from a vehicle designed for the specific purpose  
6 of such sales and delivered directly into a stationary bulk  
7 storage tank that displays the notice required by Section  
8 4f of this Act, (ii) delivered from a vehicle designed for  
9 the specific purpose of such sales and delivered directly  
10 into the fuel supply tanks of non-highway vehicles that are  
11 not required to be registered for highway use, or (iii)  
12 dispensed from a dyed diesel fuel dispensing facility that  
13 has withdrawal facilities that are not readily accessible  
14 to and are not capable of dispensing dyed diesel fuel into  
15 the fuel supply tank of a motor vehicle. a use other than  
16 in motor vehicles, by making a

17 A specific notation is required thereof on the invoice  
18 or sales slip covering such sales, sale and any obtaining  
19 such supporting documentation that as may be required by  
20 the Department must be obtained by the supplier. The  
21 supplier shall obtain and keep the supporting  
22 documentation in such form as the Department may require by  
23 rule.

24 For purposes of this item 5, a dyed diesel fuel  
25 dispensing facility is considered to have withdrawal  
26 facilities that are "not readily accessible to and not

1 capable of dispensing dyed diesel fuel into the fuel supply  
2 tank of a motor vehicle" only if the dyed diesel fuel is  
3 delivered from: (i) a dispenser hose that is short enough  
4 so that it will not reach the fuel supply tank of a motor  
5 vehicle or (ii) a dispenser that is enclosed by a fence or  
6 other physical barrier so that a vehicle cannot pull  
7 alongside the dispenser to permit fueling.

8 6. (Blank).

9 7. When a sale of special fuel is made to a person  
10 where delivery is made outside of this State.

11 All special fuel sold or used for non-highway purposes must  
12 have a dye added in accordance with Section 4d of this Law.

13 All suits or other proceedings brought for the purpose of  
14 recovering any taxes, interest or penalties due the State of  
15 Illinois under this Act may be maintained in the name of the  
16 Department.

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

18 (35 ILCS 505/8) (from Ch. 120, par. 424)

19 Sec. 8. Except as provided in Section 8a, subdivision  
20 (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and  
21 16 of Section 15, all money received by the Department under  
22 this Act, including payments made to the Department by member  
23 jurisdictions participating in the International Fuel Tax  
24 Agreement, shall be deposited in a special fund in the State  
25 treasury, to be known as the "Motor Fuel Tax Fund", and shall

1 be used as follows:

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

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

10 (c) \$3,500,000 shall be transferred each month to the Grade  
11 Crossing Protection Fund to be used as follows: not less than  
12 \$12,000,000 each fiscal year shall be used for the construction  
13 or reconstruction of rail highway grade separation structures;  
14 \$2,250,000 in fiscal years 2004 through 2009 and \$3,000,000 in  
15 fiscal year 2010 and each fiscal year thereafter shall be  
16 transferred to the Transportation Regulatory Fund and shall be  
17 accounted for as part of the rail carrier portion of such funds  
18 and shall be used to pay the cost of administration of the  
19 Illinois Commerce Commission's railroad safety program in  
20 connection with its duties under subsection (3) of Section  
21 18c-7401 of the Illinois Vehicle Code, with the remainder to be  
22 used by the Department of Transportation upon order of the  
23 Illinois Commerce Commission, to pay that part of the cost  
24 apportioned by such Commission to the State to cover the  
25 interest of the public in the use of highways, roads, streets,  
26 or pedestrian walkways in the county highway system, township

1 and district road system, or municipal street system as defined  
2 in the Illinois Highway Code, as the same may from time to time  
3 be amended, for separation of grades, for installation,  
4 construction or reconstruction of crossing protection or  
5 reconstruction, alteration, relocation including construction  
6 or improvement of any existing highway necessary for access to  
7 property or improvement of any grade crossing and grade  
8 crossing surface including the necessary highway approaches  
9 thereto of any railroad across the highway or public road, or  
10 for the installation, construction, reconstruction, or  
11 maintenance of a pedestrian walkway over or under a railroad  
12 right-of-way, as provided for in and in accordance with Section  
13 18c-7401 of the Illinois Vehicle Code. The Commission may order  
14 up to \$2,000,000 per year in Grade Crossing Protection Fund  
15 moneys for the improvement of grade crossing surfaces and up to  
16 \$300,000 per year for the maintenance and renewal of 4-quadrant  
17 gate vehicle detection systems located at non-high speed rail  
18 grade crossings. The Commission shall not order more than  
19 \$2,000,000 per year in Grade Crossing Protection Fund moneys  
20 for pedestrian walkways. In entering orders for projects for  
21 which payments from the Grade Crossing Protection Fund will be  
22 made, the Commission shall account for expenditures authorized  
23 by the orders on a cash rather than an accrual basis. For  
24 purposes of this requirement an "accrual basis" assumes that  
25 the total cost of the project is expended in the fiscal year in  
26 which the order is entered, while a "cash basis" allocates the



1 cost of the project among fiscal years as expenditures are  
2 actually made. To meet the requirements of this subsection, the  
3 Illinois Commerce Commission shall develop annual and 5-year  
4 project plans of rail crossing capital improvements that will  
5 be paid for with moneys from the Grade Crossing Protection  
6 Fund. The annual project plan shall identify projects for the  
7 succeeding fiscal year and the 5-year project plan shall  
8 identify projects for the 5 directly succeeding fiscal years.  
9 The Commission shall submit the annual and 5-year project plans  
10 for this Fund to the Governor, the President of the Senate, the  
11 Senate Minority Leader, the Speaker of the House of  
12 Representatives, and the Minority Leader of the House of  
13 Representatives on the first Wednesday in April of each year;

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

17 (1) the costs of the Department of Revenue in  
18 administering this Act;

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

23 (3) refunds provided for in Section 13 of this Act,  
24 refunds for overpayment of decal fees paid under Section  
25 13a.4 of this Act, and refunds provided for under the terms  
26 of the International Fuel Tax Agreement referenced in

1 Section 14a;

2 (4) from October 1, 1985 until June 30, 1994, the  
3 administration of the Vehicle Emissions Inspection Law,  
4 which amount shall be certified monthly by the  
5 Environmental Protection Agency to the State Comptroller  
6 and shall promptly be transferred by the State Comptroller  
7 and Treasurer from the Motor Fuel Tax Fund to the Vehicle  
8 Inspection Fund, and for the period July 1, 1994 through  
9 June 30, 2000, one-twelfth of \$25,000,000 each month, for  
10 the period July 1, 2000 through June 30, 2003, one-twelfth  
11 of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,  
12 and \$15,000,000 on January 1, 2004, and \$15,000,000 on each  
13 July 1 and October 1, or as soon thereafter as may be  
14 practical, during the period July 1, 2004 through June 30,  
15 2010, for the administration of the Vehicle Emissions  
16 Inspection Law of 2005, to be transferred by the State  
17 Comptroller and Treasurer from the Motor Fuel Tax Fund into  
18 the Vehicle Inspection Fund;

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

20 (6) payment of motor fuel use taxes due to member  
21 jurisdictions under the terms of the International Fuel Tax  
22 Agreement. The Department shall certify these amounts to  
23 the Comptroller by the 15th day of each month; the  
24 Comptroller shall cause orders to be drawn for such  
25 amounts, and the Treasurer shall administer those amounts  
26 on or before the last day of each month;

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

4 (1) Until January 1, 2000, 58.4%, and beginning January  
5 1, 2000, 45.6% shall be deposited as follows:

6 (A) 37% into the State Construction Account Fund,  
7 and

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

13 (2) Until January 1, 2000, 41.6%, and beginning January  
14 1, 2000, 54.4% shall be transferred to the Department of  
15 Transportation to be distributed as follows:

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

17 (B) 16.74% to the counties of the State having  
18 1,000,000 or more inhabitants,

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

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

22 As soon as may be after the first day of each month the  
23 Department of Transportation shall allot to each municipality  
24 its share of the amount apportioned to the several  
25 municipalities which shall be in proportion to the population  
26 of such municipalities as determined by the last preceding

1 municipal census if conducted by the Federal Government or  
2 Federal census. If territory is annexed to any municipality  
3 subsequent to the time of the last preceding census the  
4 corporate authorities of such municipality may cause a census  
5 to be taken of such annexed territory and the population so  
6 ascertained for such territory shall be added to the population  
7 of the municipality as determined by the last preceding census  
8 for the purpose of determining the allotment for that  
9 municipality. If the population of any municipality was not  
10 determined by the last Federal census preceding any  
11 apportionment, the apportionment to such municipality shall be  
12 in accordance with any census taken by such municipality. Any  
13 municipal census used in accordance with this Section shall be  
14 certified to the Department of Transportation by the clerk of  
15 such municipality, and the accuracy thereof shall be subject to  
16 approval of the Department which may make such corrections as  
17 it ascertains to be necessary.

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

1 Transportation a full and complete report showing the amount of  
2 motor vehicle license fees received from the residents of each  
3 county, respectively, during the preceding calendar year. The  
4 Department of Transportation shall, each month, use for  
5 allotment purposes the last such report received from the  
6 Secretary of State.

7 As soon as may be after the first day of each month, the  
8 Department of Transportation shall allot to the several  
9 counties their share of the amount apportioned for the use of  
10 road districts. The allotment shall be apportioned among the  
11 several counties in the State in the proportion which the total  
12 mileage of township or district roads in the respective  
13 counties bears to the total mileage of all township and  
14 district roads in the State. Funds allotted to the respective  
15 counties for the use of road districts therein shall be  
16 allocated to the several road districts in the county in the  
17 proportion which the total mileage of such township or district  
18 roads in the respective road districts bears to the total  
19 mileage of all such township or district roads in the county.  
20 After July 1 of any year, no allocation shall be made for any  
21 road district unless it levied a tax for road and bridge  
22 purposes in an amount which will require the extension of such  
23 tax against the taxable property in any such road district at a  
24 rate of not less than either .08% of the value thereof, based  
25 upon the assessment for the year immediately prior to the year  
26 in which such tax was levied and as equalized by the Department

1 of Revenue or, in DuPage County, an amount equal to or greater  
2 than \$12,000 per mile of road under the jurisdiction of the  
3 road district, whichever is less. If any road district has  
4 levied a special tax for road purposes pursuant to Sections  
5 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such  
6 tax was levied in an amount which would require extension at a  
7 rate of not less than .08% of the value of the taxable property  
8 thereof, as equalized or assessed by the Department of Revenue,  
9 or, in DuPage County, an amount equal to or greater than  
10 \$12,000 per mile of road under the jurisdiction of the road  
11 district, whichever is less, such levy shall, however, be  
12 deemed a proper compliance with this Section and shall qualify  
13 such road district for an allotment under this Section. If a  
14 township has transferred to the road and bridge fund money  
15 which, when added to the amount of any tax levy of the road  
16 district would be the equivalent of a tax levy requiring  
17 extension at a rate of at least .08%, or, in DuPage County, an  
18 amount equal to or greater than \$12,000 per mile of road under  
19 the jurisdiction of the road district, whichever is less, such  
20 transfer, together with any such tax levy, shall be deemed a  
21 proper compliance with this Section and shall qualify the road  
22 district for an allotment under this Section.

23 In counties in which a property tax extension limitation is  
24 imposed under the Property Tax Extension Limitation Law, road  
25 districts may retain their entitlement to a motor fuel tax  
26 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

1 of making allotments and allocations of motor fuel tax funds  
2 for use in road districts.

3 Payment of motor fuel tax moneys to municipalities and  
4 counties shall be made as soon as possible after the allotment  
5 is made. The treasurer of the municipality or county may invest  
6 these funds until their use is required and the interest earned  
7 by these investments shall be limited to the same uses as the  
8 principal funds.

9 (Source: P.A. 95-744, eff. 7-18-08; 96-34, eff. 7-13-09; 96-45,  
10 eff. 7-15-09; revised 11-3-09.)

11 (35 ILCS 505/13) (from Ch. 120, par. 429)

12 Sec. 13. Refund of tax paid. Any person other than a  
13 distributor or supplier, who loses motor fuel through any cause  
14 or uses motor fuel (upon which he has paid the amount required  
15 to be collected under Section 2 of this Act) for any purpose  
16 other than operating a motor vehicle upon the public highways  
17 or waters, shall be reimbursed and repaid the amount so paid.

18 Any person who purchases motor fuel in Illinois and uses  
19 that motor fuel in another state and that other state imposes a  
20 tax on the use of such motor fuel shall be reimbursed and  
21 repaid the amount of Illinois tax paid under Section 2 of this  
22 Act on the motor fuel used in such other state. Reimbursement  
23 and repayment shall be made by the Department upon receipt of  
24 adequate proof of taxes directly paid to another state and the  
25 amount of motor fuel used in that state.



1       Evidence supporting the claim shall include (i) a certified  
2 copy of the tax return filed with such other state by the  
3 claimant; (ii) a copy of either the cancelled check paying the  
4 tax due on such return, or a receipt acknowledging payment of  
5 the tax due on such tax return; and (iii) such other  
6 information as the Department may reasonably require.

7       Any person who purchases motor fuel use tax decals as  
8 required by Section 13a.4 and pays an amount of fees for such  
9 decals that exceeds the amount due shall be reimbursed and  
10 repaid the amount of the decal fees that are deemed by the  
11 department to be in excess of the amount due.

12       Claims for such reimbursement must be made to the  
13 Department of Revenue, duly verified by the claimant (or by the  
14 claimant's legal representative if the claimant has died or  
15 become a person under legal disability), upon forms prescribed  
16 by the Department. The claim must state such facts relating to  
17 the purchase, importation, manufacture or production of the  
18 motor fuel by the claimant as the Department may deem  
19 necessary, and the time when, and the circumstances of its loss  
20 or the specific purpose for which it was used (as the case may  
21 be), together with such other information as the Department may  
22 reasonably require. No claim based upon idle time shall be  
23 allowed. Claims for reimbursement for overpayment of decal fees  
24 shall be made to the Department of Revenue, duly verified by  
25 the claimant (or by the claimant's legal representative if the  
26 claimant has died or become a person under legal disability),

1 upon forms prescribed by the Department. The claim shall state  
2 facts relating to the overpayment of decal fees, together with  
3 such other information as the Department may reasonably  
4 require. Claims for reimbursement of overpayment of decal fees  
5 paid on or after January 1, 2011 must be filed not later than  
6 one year after the date on which the fees were paid by the  
7 claimant. If it is determined that the Department should  
8 reimburse a claimant for overpayment of decal fees, the  
9 Department shall first apply the amount of such refund against  
10 against any tax or penalty or interest due by the claimant  
11 under Section 13a of this Act.

12       Claims for full reimbursement for taxes paid on or before  
13 December 31, 1999 must be filed not later than one year after  
14 the date on which the tax was paid by the claimant. If,  
15 however, a claim for such reimbursement otherwise meeting the  
16 requirements of this Section is filed more than one year but  
17 less than 2 years after that date, the claimant shall be  
18 reimbursed at the rate of 80% of the amount to which he would  
19 have been entitled if his claim had been timely filed.

20       Claims for full reimbursement for taxes paid on or after  
21 January 1, 2000 must be filed not later than 2 years after the  
22 date on which the tax was paid by the claimant.

23       The Department may make such investigation of the  
24 correctness of the facts stated in such claims as it deems  
25 necessary. When the Department has approved any such claim, it  
26 shall pay to the claimant (or to the claimant's legal

1 representative, as such if the claimant has died or become a  
2 person under legal disability) the reimbursement provided in  
3 this Section, out of any moneys appropriated to it for that  
4 purpose.

5 Any distributor or supplier who has paid the tax imposed by  
6 Section 2 of this Act upon motor fuel lost or used by such  
7 distributor or supplier for any purpose other than operating a  
8 motor vehicle upon the public highways or waters may file a  
9 claim for credit or refund to recover the amount so paid. Such  
10 claims shall be filed on forms prescribed by the Department.  
11 Such claims shall be made to the Department, duly verified by  
12 the claimant (or by the claimant's legal representative if the  
13 claimant has died or become a person under legal disability),  
14 upon forms prescribed by the Department. The claim shall state  
15 such facts relating to the purchase, importation, manufacture  
16 or production of the motor fuel by the claimant as the  
17 Department may deem necessary and the time when the loss or  
18 nontaxable use occurred, and the circumstances of its loss or  
19 the specific purpose for which it was used (as the case may  
20 be), together with such other information as the Department may  
21 reasonably require. Claims must be filed not later than one  
22 year after the date on which the tax was paid by the claimant.

23 The Department may make such investigation of the  
24 correctness of the facts stated in such claims as it deems  
25 necessary. When the Department approves a claim, the Department  
26 shall issue a refund or credit memorandum as requested by the

1 taxpayer, to the distributor or supplier who made the payment  
2 for which the refund or credit is being given or, if the  
3 distributor or supplier has died or become incompetent, to such  
4 distributor's or supplier's legal representative, as such. The  
5 amount of such credit memorandum shall be credited against any  
6 tax due or to become due under this Act from the distributor or  
7 supplier who made the payment for which credit has been given.

8 Any credit or refund that is allowed under this Section  
9 shall bear interest at the rate and in the manner specified in  
10 the Uniform Penalty and Interest Act.

11 In case the distributor or supplier requests and the  
12 Department determines that the claimant is entitled to a  
13 refund, such refund shall be made only from such appropriation  
14 as may be available for that purpose. If it appears unlikely  
15 that the amount appropriated would permit everyone having a  
16 claim allowed during the period covered by such appropriation  
17 to elect to receive a cash refund, the Department, by rule or  
18 regulation, shall provide for the payment of refunds in  
19 hardship cases and shall define what types of cases qualify as  
20 hardship cases.

21 In any case in which there has been an erroneous refund of  
22 tax or fees payable under this Section, a notice of tax  
23 liability may be issued at any time within 3 years from the  
24 making of that refund, or within 5 years from the making of  
25 that refund if it appears that any part of the refund was  
26 induced by fraud or the misrepresentation of material fact. The

1 amount of any proposed assessment set forth by the Department  
2 shall be limited to the amount of the erroneous refund.

3 If no tax is due and no proceeding is pending to determine  
4 whether such distributor or supplier is indebted to the  
5 Department for tax, the credit memorandum so issued may be  
6 assigned and set over by the lawful holder thereof, subject to  
7 reasonable rules of the Department, to any other licensed  
8 distributor or supplier who is subject to this Act, and the  
9 amount thereof applied by the Department against any tax due or  
10 to become due under this Act from such assignee.

11 If the payment for which the distributor's or supplier's  
12 claim is filed is held in the protest fund of the State  
13 Treasury during the pendency of the claim for credit  
14 proceedings pursuant to the order of the court in accordance  
15 with Section 2a of the State Officers and Employees Money  
16 Disposition Act and if it is determined by the Department or by  
17 the final order of a reviewing court under the Administrative  
18 Review Law that the claimant is entitled to all or a part of  
19 the credit claimed, the claimant, instead of receiving a credit  
20 memorandum from the Department, shall receive a cash refund  
21 from the protest fund as provided for in Section 2a of the  
22 State Officers and Employees Money Disposition Act.

23 If any person ceases to be licensed as a distributor or  
24 supplier while still holding an unused credit memorandum issued  
25 under this Act, such person may, at his election (instead of  
26 assigning the credit memorandum to a licensed distributor or

1 licensed supplier under this Act), surrender such unused credit  
2 memorandum to the Department and receive a refund of the amount  
3 to which such person is entitled.

4 For claims based upon taxes paid on or before December 31,  
5 2000, a claim based upon the use of undyed diesel fuel shall  
6 not be allowed except (i) if allowed under the following  
7 paragraph or (ii) for undyed diesel fuel used by a commercial  
8 vehicle, as that term is defined in Section 1-111.8 of the  
9 Illinois Vehicle Code, for any purpose other than operating the  
10 commercial vehicle upon the public highways and unlicensed  
11 commercial vehicles operating on private property. Claims  
12 shall be limited to commercial vehicles that are operated for  
13 both highway purposes and any purposes other than operating  
14 such vehicles upon the public highways.

15 For claims based upon taxes paid on or after January 1,  
16 2000, a claim based upon the use of undyed diesel fuel shall  
17 not be allowed except (i) if allowed under the preceding  
18 paragraph or (ii) for claims for the following:

19 (1) Undyed diesel fuel used (i) in a manufacturing  
20 process, as defined in Section 2-45 of the Retailers'  
21 Occupation Tax Act, wherein the undyed diesel fuel becomes  
22 a component part of a product or by-product, other than  
23 fuel or motor fuel, when the use of dyed diesel fuel in  
24 that manufacturing process results in a product that is  
25 unsuitable for its intended use or (ii) for testing  
26 machinery and equipment in a manufacturing process, as

1 defined in Section 2-45 of the Retailers' Occupation Tax  
2 Act, wherein the testing takes place on private property.

3 (2) Undyed diesel fuel used by a manufacturer on  
4 private property in the research and development, as  
5 defined in Section 1.29, of machinery or equipment intended  
6 for manufacture.

7 (3) Undyed diesel fuel used by a single unit  
8 self-propelled agricultural fertilizer implement, designed  
9 for on and off road use, equipped with flotation tires and  
10 specially adapted for the application of plant food  
11 materials or agricultural chemicals.

12 (4) Undyed diesel fuel used by a commercial motor  
13 vehicle for any purpose other than operating the commercial  
14 motor vehicle upon the public highways. Claims shall be  
15 limited to commercial motor vehicles that are operated for  
16 both highway purposes and any purposes other than operating  
17 such vehicles upon the public highways.

18 (5) Undyed diesel fuel used by a unit of local  
19 government in its operation of an airport if the undyed  
20 diesel fuel is used directly in airport operations on  
21 airport property.

22 (6) Undyed diesel fuel used by refrigeration units that  
23 are permanently mounted to a semitrailer, as defined in  
24 Section 1.28 of this Law, wherein the refrigeration units  
25 have a fuel supply system dedicated solely for the  
26 operation of the refrigeration units.

1           (7) Undyed diesel fuel used by power take-off equipment  
2 as defined in Section 1.27 of this Law.

3           (8) Beginning on the effective date of this amendatory  
4 Act of the 94th General Assembly, undyed diesel fuel used  
5 by tugs and spotter equipment to shift vehicles or parcels  
6 on both private and airport property. Any claim under this  
7 item (8) may be made only by a claimant that owns tugs and  
8 spotter equipment and operates that equipment on both  
9 private and airport property. The aggregate of all credits  
10 or refunds resulting from claims filed under this item (8)  
11 by a claimant in any calendar year may not exceed \$100,000.  
12 A claim may not be made under this item (8) by the same  
13 claimant more often than once each quarter. For the  
14 purposes of this item (8), "tug" means a vehicle designed  
15 for use on airport property that shifts custom-designed  
16 containers of parcels from loading docks to aircraft, and  
17 "spotter equipment" means a vehicle designed for use on  
18 both private and airport property that shifts trailers  
19 containing parcels between staging areas and loading  
20 docks.

21           Any person who has paid the tax imposed by Section 2 of  
22 this Law upon undyed diesel fuel that is unintentionally mixed  
23 with dyed diesel fuel and who owns or controls the mixture of  
24 undyed diesel fuel and dyed diesel fuel may file a claim for  
25 refund to recover the amount paid. The amount of undyed diesel  
26 fuel unintentionally mixed must equal 500 gallons or more. Any



1 claim for refund of unintentionally mixed undyed diesel fuel  
2 and dyed diesel fuel shall be supported by documentation  
3 showing the date and location of the unintentional mixing, the  
4 number of gallons involved, the disposition of the mixed diesel  
5 fuel, and any other information that the Department may  
6 reasonably require. Any unintentional mixture of undyed diesel  
7 fuel and dyed diesel fuel shall be sold or used only for  
8 non-highway purposes.

9 The Department shall promulgate regulations establishing  
10 specific limits on the amount of undyed diesel fuel that may be  
11 claimed for refund.

12 For purposes of claims for refund, "loss" means the  
13 reduction of motor fuel resulting from fire, ~~theft~~, spillage,  
14 spoilage, leakage, or any other provable cause, but does not  
15 include a reduction resulting from theft, evaporation, or  
16 shrinkage due to temperature variations.

17 (Source: P.A. 94-654, eff. 8-22-05.)

18 (35 ILCS 505/13a.4) (from Ch. 120, par. 429a4)

19 Sec. 13a.4. Except as provided in Section 13a.5 of this  
20 Act, no motor carrier shall operate in Illinois without first  
21 securing a motor fuel use tax license and decals from the  
22 Department or a motor fuel use tax license and decals issued  
23 under the International Fuel Tax Agreement by any member  
24 jurisdiction. Notwithstanding any other provision of this  
25 Section to the contrary, however, the Director of Revenue or

1 his designee may, upon determining that a disaster exists in  
2 Illinois or in any other state, temporarily waive the licensing  
3 requirements of this Section for commercial motor vehicles that  
4 travel through Illinois, or return to Illinois from a point  
5 outside Illinois, for the purpose of assisting in disaster  
6 relief efforts. Temporary waiver of the licensing requirements  
7 of this Section shall not exceed a period of 30 days from the  
8 date the Director temporarily waives the licensing  
9 requirements of this Section. For purposes of this Section, a  
10 disaster includes flood, tornado, hurricane, fire, earthquake,  
11 or any other disaster that causes or threatens loss of life or  
12 destruction or damage to property of such a magnitude as to  
13 endanger the public health, safety, and welfare. The licensing  
14 requirements of this Section shall be temporarily waived only  
15 if the operator of the commercial motor vehicle can provide  
16 proof by manifest that the commercial motor vehicle is  
17 traveling through Illinois or returning to Illinois from a  
18 point outside Illinois for purposes of assisting in disaster  
19 relief efforts. Application for such license and decals shall  
20 be made annually to the Department on forms prescribed by the  
21 Department. The application shall be under oath, and shall  
22 contain such information as the Department deems necessary. The  
23 Department, for cause, may require an applicant to post a bond  
24 on a form to be approved by and with a surety or sureties  
25 satisfactory to the Department conditioned upon such applicant  
26 paying to the State of Illinois all monies becoming due by

1 reason of the sale or use of motor fuel by the applicant,  
2 together with all penalties and interest thereon. If a bond is  
3 required, it shall be equal to at least twice the estimated  
4 average tax liability of a quarterly return. The Department  
5 shall fix the penalty of such bond in each case taking into  
6 consideration the amount of motor fuel expected to be used by  
7 such applicant and the penalty fixed by the Department shall be  
8 such as, in its opinion, will protect the State of Illinois  
9 against failure to pay the amount hereinafter provided on motor  
10 fuel used. No person who is in default to the State for monies  
11 due under this Act for the sale, distribution or use of motor  
12 fuel shall receive such a license or decal.

13       Upon receipt of the application for license in proper form,  
14 and upon payment of any required \$100 reinstatement fee, and  
15 upon approval by the Department of the bond furnished by the  
16 applicant, the Department may issue to such applicant a license  
17 which allows the operation of commercial motor vehicles in  
18 Illinois, and decals for each commercial motor vehicle  
19 operating in Illinois. Prior to January 1, 1985, motor fuel use  
20 tax licenses shall be conspicuously displayed in the cab of  
21 each commercial motor vehicle operating in Illinois. After  
22 January 1, 1986, motor fuel use tax licenses shall be carried  
23 in the cab of each commercial motor vehicle operating in  
24 Illinois.

25       The Department shall, by regulation, provide for the use of  
26 reproductions of original motor fuel use tax licenses in lieu

1 of issuing multiple original motor fuel use tax licenses to  
2 licensees.

3 On and after January 1, 1985, external motor fuel tax  
4 decals shall be conspicuously displayed on the passenger side  
5 of each commercial motor vehicle propelled by motor fuel  
6 operating in Illinois, except buses, which may display such  
7 devices on the driver's side of the vehicle. Beginning with the  
8 effective date of this amendatory Act of 1993 or the membership  
9 of the State of Illinois in the International Fuel Tax  
10 Agreement, whichever is later, the decals issued to the  
11 licensee shall be placed on both exterior sides of the cab. In  
12 the case of transporters, manufacturers, dealers, or driveway  
13 operations, the decals need not be permanently affixed but may  
14 be temporarily displayed in a visible manner on the exterior  
15 sides of the cab. Failure to display the decals in the required  
16 locations may subject the vehicle operator to the purchase of a  
17 trip permit and a citation. Such motor fuel tax decals shall be  
18 issued by the Department and remain valid for a period of 2  
19 calendar years, beginning January 1, 1985. The decals shall  
20 expire at the end of the regular 2 year issuance period, with  
21 new decals required to be displayed at that time. Beginning  
22 January 1, 1993, the motor fuel decals shall be issued by the  
23 Department and remain valid for a period of one calendar year.  
24 The decals shall expire at the end of the regular one year  
25 issuance period, with new decals required to be displayed at  
26 that time. Decals shall be no larger than 3 inches by 3 inches.

1 Prior to January 1, 1993, a fee of \$7.50 shall be charged by  
2 the Department for each decal issued prior to and during the 2  
3 calendar years such decal is valid. Beginning January 1, 1993,  
4 a fee of \$3.75 shall be charged by the Department for each  
5 decal issued prior to and during the calendar year such decal  
6 is valid. Beginning January 1, 1994, \$3.75 shall be charged for  
7 a set of 2 decals. The Department may also prescribe procedures  
8 for the issuance of replacement decals, with a maximum fee of  
9 \$2 for each set of replacement decals issued. The transfer of  
10 decals from one vehicle to another vehicle or from one motor  
11 carrier to another motor carrier is prohibited. The fees paid  
12 for the decals issued under this Section shall be deposited in  
13 the Motor Fuel Tax Fund, and may be appropriated to the  
14 Department for administration of this Section and enforcement  
15 of the tax imposed by Section 13a of this Act.

16 To avoid duplicate reporting of mileage and payment of any  
17 tax arising therefrom under Section 13a.3 of this Act, the  
18 Department shall, by regulation, provide for the allocation  
19 between lessors and lessees of the same commercial motor  
20 vehicle or vehicles of the responsibility as a motor carrier  
21 for the reporting of mileage and the liability for tax arising  
22 under Section 13a.3 of this Act, and for registration,  
23 furnishing of bond, carrying of motor fuel use tax licenses,  
24 and display of decals under this Section, and for all other  
25 duties imposed upon motor carriers by this Act.

26 (Source: P.A. 94-1074, eff. 12-26-06.)

1 (35 ILCS 505/13a.5) (from Ch. 120, par. 429a5)

2 Sec. 13a.5. As to a commercial motor vehicle operated in  
3 Illinois in the course of interstate traffic by a motor carrier  
4 not holding a motor fuel use tax license issued under this Act,  
5 a single trip permit authorizing operation of such commercial  
6 motor vehicle for a single trip into the State of Illinois,  
7 through the State of Illinois, or from a point on the border of  
8 this State to a point within and return to the border may be  
9 issued by the Department or its agents after proper  
10 application. The fee for each single trip permit shall be \$60  
11 ~~\$20~~ and such single trip permit shall be valid for a period of  
12 72 hours. This fee shall be in lieu of the tax required by  
13 Section 13a of this Act, all reports required by Section 13a.3  
14 of this Act, and the registration, decal display and furnishing  
15 of bond required by Section 13a.4 of this Act. Notwithstanding  
16 any other provision of this Section to the contrary, however,  
17 the Director of Revenue or his designee may, upon determining  
18 that a disaster exists in Illinois or in any other state,  
19 temporarily waive the permit provisions of this Section for  
20 commercial motor vehicles that travel into the State of  
21 Illinois, through Illinois, or return to Illinois from a point  
22 outside Illinois, for the purpose of assisting in disaster  
23 relief efforts. Temporary waiver of the permit provisions of  
24 this Section shall not exceed a period of 30 days from the date  
25 the Director waives the permit provisions of this Section. For

1 purposes of this Section, a disaster includes flood, tornado,  
2 hurricane, fire, earthquake, or any other disaster that causes  
3 or threatens loss of life or destruction or damage to property  
4 of such a magnitude as to endanger the public health, safety,  
5 and welfare. The permit provisions of this Section shall be  
6 temporarily waived only if the operator of the commercial motor  
7 vehicle can provide proof by manifest that the commercial motor  
8 vehicle is traveling through Illinois or returning to Illinois  
9 from a point outside Illinois for purposes of assisting in  
10 disaster relief efforts. Rules or regulations promulgated by  
11 the Department under this Section shall provide for reasonable  
12 and proper limitations and restrictions governing application  
13 for and issuance and use of, single trip permits, so as to  
14 preclude evasion of the license requirement in Section 13a.4.

15 (Source: P.A. 94-1074, eff. 12-26-06.)

16 (35 ILCS 505/15) (from Ch. 120, par. 431)

17 Sec. 15. 1. Any person who knowingly acts as a distributor  
18 of motor fuel or supplier of special fuel, or receiver of fuel  
19 without having a license so to do, or who knowingly fails or  
20 refuses to file a return with the Department as provided in  
21 Section 2b, Section 5, or Section 5a of this Act, or who  
22 knowingly fails or refuses to make payment to the Department as  
23 provided either in Section 2b, Section 6, Section 6a, or  
24 Section 7 of this Act, shall be guilty of a Class 3 felony.  
25 Each day any person knowingly acts as a distributor of motor

1 fuel, supplier of special fuel, or receiver of fuel without  
2 having a license so to do or after such a license has been  
3 revoked, constitutes a separate offense.

4 2. Any person who acts as a motor carrier without having a  
5 valid motor fuel use tax license, issued by the Department or  
6 by a member jurisdiction under the provisions of the  
7 International Fuel Tax Agreement, or a valid single trip permit  
8 is guilty of a Class A misdemeanor for a first offense and is  
9 guilty of a Class 4 felony for each subsequent offense. Any  
10 person (i) who fails or refuses to make payment to the  
11 Department as provided in Section 13a.1 of this Act or in the  
12 International Fuel Tax Agreement referenced in Section 14a, or  
13 (ii) who fails or refuses to make the quarterly return as  
14 provided in Section 13a.3 is guilty of a Class 4 felony; and  
15 for each subsequent offense, such person is guilty of a Class 3  
16 felony.

17 3. In case such person acting as a distributor, receiver,  
18 supplier, or motor carrier is a corporation, then the officer  
19 or officers, agent or agents, employee or employees, of such  
20 corporation responsible for any act of such corporation, or  
21 failure of such corporation to act, which acts or failure to  
22 act constitutes a violation of any of the provisions of this  
23 Act as enumerated in paragraphs 1 and 2 of this Section, shall  
24 be punished by such fine or imprisonment, or by both such fine  
25 and imprisonment as provided in those paragraphs.

26 3.5. Any person who knowingly enters false information on



1 any supporting documentation required to be kept by Section 6  
2 or 6a of this Act is guilty of a Class 3 felony.

3 3.7. Any person who knowingly attempts in any manner to  
4 evade or defeat any tax imposed by this Act or the payment of  
5 any tax imposed by this Act is guilty of a Class 2 felony.

6 4. Any person who refuses, upon demand, to submit for  
7 inspection, books and records, or who fails or refuses to keep  
8 books and records in violation of Section 12 of this Act, or  
9 any distributor, receiver, or supplier who violates any  
10 reasonable rule or regulation adopted by the Department for the  
11 enforcement of this Act is guilty of a Class A misdemeanor. Any  
12 person who acts as a blender in violation of Section 3 of this  
13 Act or who having transported reportable motor fuel within  
14 Section 7b of this Act fails to make the return required by  
15 that Section, is guilty of a Class 4 felony.

16 5. Any person licensed under Section 13a.4, 13a.5, or the  
17 International Fuel Tax Agreement who: (a) fails or refuses to  
18 keep records and books, as provided in Section 13a.2 or as  
19 required by the terms of the International Fuel Tax Agreement,  
20 (b) refuses upon demand by the Department to submit for  
21 inspection and examination the records required by Section  
22 13a.2 of this Act or by the terms of the International Fuel Tax  
23 Agreement, or (c) violates any reasonable rule or regulation  
24 adopted by the Department for the enforcement of this Act, is  
25 guilty of a Class A misdemeanor.

26 6. Any person who makes any false return or report to the

1 Department as to any material fact required by Sections 2b, 5,  
2 5a, 7, 13, or 13a.3 of this Act or by the International Fuel  
3 Tax Agreement is guilty of a Class 2 felony.

4 7. A prosecution for any violation of this Section may be  
5 commenced anytime within 5 years of the commission of that  
6 violation. A prosecution for tax evasion as set forth in  
7 paragraph 3.7 of this Section may be prosecuted any time within  
8 5 years of the commission of the last act in furtherance of  
9 evasion. The running of the period of limitations under this  
10 Section shall be suspended while any proceeding or appeal from  
11 any proceeding relating to the quashing or enforcement of any  
12 grand jury or administrative subpoena issued in connection with  
13 an investigation of the violation of any provision of this Act  
14 is pending.

15 8. Any person who provides false documentation required by  
16 any Section of this Act is guilty of a Class 4 felony.

17 9. Any person filing a fraudulent application or order form  
18 under any provision of this Act is guilty of a Class A  
19 misdemeanor. For each subsequent offense, the person is guilty  
20 of a Class 4 felony.

21 10. Any person who acts as a motor carrier and who fails to  
22 carry a manifest as provided in Section 5.5 is guilty of a  
23 Class A misdemeanor. For each subsequent offense, the person is  
24 guilty of a Class 4 felony.

25 11. Any person who knowingly sells or attempts to sell dyed  
26 diesel fuel for highway use or for use by recreational-type

1 watercraft on the waters of this State is guilty of a Class 4  
2 felony. For each subsequent offense, the person is guilty of a  
3 Class 2 felony.

4 12. Any person who knowingly possesses dyed diesel fuel for  
5 highway use or for use by recreational-type watercraft on the  
6 waters of this State is guilty of a Class A misdemeanor. For  
7 each subsequent offense, the person is guilty of a Class 4  
8 felony.

9 13. Any person who sells or transports dyed diesel fuel  
10 without the notice required by Section 4e shall pay the  
11 following penalty:

- 12 First occurrence ..... \$ 500
- 13 Second and each occurrence thereafter ..... \$1,000

14 14. Any person who owns, operates, or controls any  
15 container, storage tank, or facility used to store or  
16 distribute dyed diesel fuel without the notice required by  
17 Section 4f shall pay the following penalty:

- 18 First occurrence ..... \$ 500
- 19 Second and each occurrence thereafter ..... \$1,000

20 15. If a motor vehicle required to be registered for  
21 highway purposes is found to have dyed diesel fuel within the  
22 ordinary fuel tanks attached to the motor vehicle or if a  
23 recreational-type watercraft on the waters of this State is  
24 found to have dyed diesel fuel within the ordinary fuel tanks  
25 attached to the watercraft, the operator shall pay the  
26 following penalty:

1 First occurrence ..... \$2,500

2 Second and each occurrence thereafter ..... \$5,000

3 16. Any licensed motor fuel distributor or licensed  
4 supplier who sells or attempts to sell dyed diesel fuel for  
5 highway use or for use by recreational-type watercraft on the  
6 waters of this State shall pay the following penalty:

7 First occurrence ..... \$1,000 ~~\$5,000~~

8 Second and each occurrence thereafter ..... \$5,000 ~~\$10,000~~

9 17. Any person who knowingly sells or distributes dyed  
10 diesel fuel without the notice required by Section 4e is guilty  
11 of a petty offense. For each subsequent offense, the person is  
12 guilty of a Class A misdemeanor.

13 18. Any person who knowingly owns, operates, or controls  
14 any container, storage tank, or facility used to store or  
15 distribute dyed diesel fuel without the notice required by  
16 Section 4f is guilty of a petty offense. For each subsequent  
17 offense the person is guilty of a Class A misdemeanor.

18 For purposes of this Section, dyed diesel fuel means any  
19 dyed diesel fuel whether or not dyed pursuant to Section 4d of  
20 this Law.

21 Any person aggrieved by any action of the Department under  
22 item 13, 14, 15, or 16 of this Section may protest the action  
23 by making a written request for a hearing within 60 days of the  
24 original action. If the hearing is not requested in writing  
25 within 60 days, the original action is final.

26 All penalties received under items 13, 14, 15, and 16 of

1 this Section shall be deposited into the Tax Compliance and  
2 Administration Fund.

3 (Source: P.A. 94-1074, eff. 12-26-06.)

4 (35 ILCS 505/17a new)

5 Sec. 17a. Forms; electronic filing. All returns,  
6 applications, and other forms required by this Act must be in  
7 the form required by the Department. The Department is  
8 authorized to adopt rules to require the electronic payment of  
9 tax or fees under this Act, and the electronic filing of  
10 returns, applications or other forms required by this Act.

11 Section 10. The Environmental Impact Fee Law is amended by  
12 changing Section 325 as follows:

13 (415 ILCS 125/325)

14 (Section scheduled to be repealed on January 1, 2025)

15 Sec. 325. Incorporation of other Acts. The provisions of  
16 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,  
17 6c, 8, 9, 10 and 12 (except to the extent to which the minimum  
18 notice requirement for hearings conflicts with that provided  
19 for in Section 16 of the Motor Fuel Tax Law), of the Retailers'  
20 Occupation Tax Act that are not inconsistent with this Act, and  
21 Section 3-7 of the Uniform Penalty and Interest Act shall apply  
22 as far as practicable, to the subject matter of this Law to the  
23 same extent as if those provisions were included in this Law.

1           In addition, Sections 2d, 12, 12a, 13a.8, 14, 15, 16, 17,  
2           17a, and 18 of the Motor Fuel Tax Law shall apply as far as  
3           practicable, to the subject matter of this Law to the same  
4           extent as if those provisions were included in this Law.

5           References to "taxes" in these incorporated Sections shall  
6           be construed to apply to the administration, payment, and  
7           remittance of all fees under this Law.

8           (Source: P.A. 95-264, eff. 8-17-07.)

9           Section 99. Effective date. This Act takes effect upon  
10          becoming law.