

1 AMENDMENT TO SENATE BILL 1176

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1176 on page 68,  
3 immediately below line 26, by inserting the following:

4 "Section 32. The Motor Fuel Tax Law is amended by  
5 changing Sections 2 and 13a as follows:

6 (35 ILCS 505/2) (from Ch. 120, par. 418)

7 Sec. 2. A tax is imposed on the privilege of operating  
8 motor vehicles upon the public highways and recreational-type  
9 watercraft upon the waters of this State. Beginning on July  
10 1, 2001 and through September 30, 2001, however, no tax shall  
11 be imposed under this Section.

12 (a) Prior to August 1, 1989, the tax is imposed at the  
13 rate of 13 cents per gallon on all motor fuel used in motor  
14 vehicles operating on the public highways and recreational  
15 type watercraft operating upon the waters of this State.  
16 Beginning on August 1, 1989 and until January 1, 1990, the  
17 rate of the tax imposed in this paragraph shall be 16 cents  
18 per gallon. Beginning January 1, 1990, the rate of tax  
19 imposed in this paragraph shall be 19 cents per gallon.

20 (b) The tax on the privilege of operating motor vehicles  
21 which use diesel fuel shall be the rate according to  
22 paragraph (a) plus an additional 2 1/2 cents per gallon.

1 "Diesel fuel" is defined as any petroleum product intended  
2 for use or offered for sale as a fuel for engines in which  
3 the fuel is injected into the combustion chamber and ignited  
4 by pressure without electric spark.

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

14 Retailers and resellers who are subject to this  
15 additional tax shall be required to inventory such motor fuel  
16 and pay this additional tax in a manner prescribed by the  
17 Department of Revenue.

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

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

24 (e) The collection of a tax, based on gallonage of all  
25 products commonly or commercially known or sold as 1-K  
26 kerosene, regardless of its classification or uses, is  
27 prohibited (i) on and after July 1, 1992 until December 31,  
28 1999, except when the 1-K kerosene is either: (1) delivered  
29 into bulk storage facilities of a bulk user, or (2) delivered  
30 directly into the fuel supply tanks of motor vehicles and  
31 (ii) on and after January 1, 2000. Beginning on January 1,  
32 2000, the collection of a tax, based on gallonage of all  
33 products commonly or commercially known or sold as 1-K  
34 kerosene, regardless of its classification or uses, is

1 prohibited except when the 1-K kerosene is delivered directly  
 2 into a storage tank that is located at a facility that has  
 3 withdrawal facilities that are readily accessible to and are  
 4 capable of dispensing 1-K kerosene into the fuel supply tanks  
 5 of motor vehicles.

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

10 (Source: P.A. 91-173, eff. 1-1-00.)

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

12 Sec. 13a. (1) A tax is hereby imposed upon the use of  
 13 motor fuel upon highways of this State by commercial motor  
 14 vehicles. The tax shall be comprised of 2 parts. Part (a)  
 15 shall be at the rate established by Section 2 of this Act, as  
 16 heretofore or hereafter amended. Part (b) shall be at the  
 17 rate established by subsection (2) of this Section as now or  
 18 hereafter amended. Beginning on July 1, 2001 and through  
 19 September 30, 2001, however, the tax under this Section shall  
 20 be comprised of only part (b).

21 (2) A rate shall be established by the Department as of  
 22 January 1 of each year using the average "selling price", as  
 23 defined in the Retailers' Occupation Tax Act, per gallon of  
 24 motor fuel sold in this State during the previous 12 months  
 25 and multiplying it by 6 1/4% to determine the cents per  
 26 gallon rate. For the period beginning on July 1, 2000 and  
 27 through December 31, 2000, the Department shall establish a  
 28 rate using the average "selling price", as defined in the  
 29 Retailers' Occupation Tax Act, per gallon of motor fuel sold  
 30 in this State during calendar year 1999 and multiplying it by  
 31 1.25% to determine the cents per gallon rate.

32 (Source: P.A. 91-872, eff. 7-1-00.); and

33 on page 91, by replacing lines 28 and 29 with the following:

1           "Section 99. Effective date. This Act takes effect on  
2    July 1, 2001."