



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB3535

by Rep. Robert Rita

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-11-1.1

from Ch. 24, par. 8-11-1.1

65 ILCS 5/8-11-1.5a new

Amends the Illinois Municipal Code. Creates the Non-Home Rule Municipal Motor Fuel Tax Act. Provides that a non-home rule municipality may impose a tax on motor fuel sold at retail, if approved by referendum. Provides that the tax imposed may not be more than 2%, and that any amounts collected from the tax may only be used for infrastructure and road projects. Provides that this tax is in addition to any other taxes imposed on motor fuel sold at retail. Defines terms. Makes conforming changes. Effective immediately.

LRB100 10361 HLH 20553 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 8-11-1.1 and by adding Section 8-11-1.5a as  
6 follows:

7 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

8 Sec. 8-11-1.1. Non-home rule municipalities; imposition of  
9 taxes.

10 (a) The corporate authorities of a non-home rule  
11 municipality may, upon approval of the electors of the  
12 municipality pursuant to subsection (b) of this Section, impose  
13 by ordinance or resolution the tax authorized in Sections  
14 8-11-1.3, 8-11-1.4, ~~and 8-11-1.5,~~ and 8-11-1.5a of this Act.

15 (a-5) The corporate authorities of the municipality may by  
16 ordinance or resolution call for the submission to the electors  
17 of the municipality the question of whether the municipality  
18 shall impose the tax authorized under Section 8-11-1.5a. Such  
19 question shall be certified by the municipal clerk to the  
20 election authority in accordance with Section 28-5 of the  
21 Election Code and shall be in a form in accordance with Section  
22 16-7 of the Election Code.

23 Notwithstanding any provision of law to the contrary, for

1 the tax authorized under Section 8-11-1.5a, the election  
2 authority must submit the question in substantially the  
3 following form:

4 Shall the corporate authorities of the municipality be  
5 authorized to levy a tax at a rate of (rate)% for  
6 infrastructure and road projects?

7 If a majority of the electors in the municipality voting  
8 upon the question vote in the affirmative, such tax shall be  
9 imposed.

10 (b) The corporate authorities of the municipality may by  
11 ordinance or resolution call for the submission to the electors  
12 of the municipality the question of whether the municipality  
13 shall impose a tax authorized under Section 8-11-1.3, 8-11-1.4,  
14 or 8-11-1.5 ~~such tax~~. Such question shall be certified by the  
15 municipal clerk to the election authority in accordance with  
16 Section 28-5 of the Election Code and shall be in a form in  
17 accordance with Section 16-7 of the Election Code.

18 Notwithstanding any provision of law to the contrary, if  
19 the proceeds of the tax may be used for municipal operations  
20 pursuant to Section 8-11-1.3, 8-11-1.4, or 8-11-1.5, then the  
21 election authority must submit the question in substantially  
22 the following form:

23 Shall the corporate authorities of the municipality be  
24 authorized to levy a tax at a rate of (rate)% for  
25 expenditures on municipal operations, expenditures on  
26 public infrastructure, or property tax relief?

1           If a majority of the electors in the municipality voting  
2 upon the question vote in the affirmative, such tax shall be  
3 imposed.

4           Until January 1, 1992, an ordinance or resolution imposing  
5 the tax of not more than 1% hereunder or discontinuing the same  
6 shall be adopted and a certified copy thereof, together with a  
7 certification that the ordinance or resolution received  
8 referendum approval in the case of the imposition of such tax,  
9 filed with the Department of Revenue, on or before the first  
10 day of June, whereupon the Department shall proceed to  
11 administer and enforce the additional tax or to discontinue the  
12 tax, as the case may be, as of the first day of September next  
13 following such adoption and filing.

14           Beginning January 1, 1992 and through December 31, 1992, an  
15 ordinance or resolution imposing or discontinuing the tax  
16 hereunder shall be adopted and a certified copy thereof filed  
17 with the Department on or before the first day of July,  
18 whereupon the Department shall proceed to administer and  
19 enforce this Section as of the first day of October next  
20 following such adoption and filing.

21           Beginning January 1, 1993, and through September 30, 2002,  
22 an ordinance or resolution imposing or discontinuing the tax  
23 hereunder shall be adopted and a certified copy thereof filed  
24 with the Department on or before the first day of October,  
25 whereupon the Department shall proceed to administer and  
26 enforce this Section as of the first day of January next

1 following such adoption and filing.

2 Beginning October 1, 2002, and through December 31, 2013,  
3 an ordinance or resolution imposing or discontinuing the tax  
4 under this Section or effecting a change in the rate of tax  
5 must either (i) be adopted and a certified copy of the  
6 ordinance or resolution filed with the Department on or before  
7 the first day of April, whereupon the Department shall proceed  
8 to administer and enforce this Section as of the first day of  
9 July next following the adoption and filing; or (ii) be adopted  
10 and a certified copy of the ordinance or resolution filed with  
11 the Department on or before the first day of October, whereupon  
12 the Department shall proceed to administer and enforce this  
13 Section as of the first day of January next following the  
14 adoption and filing.

15 Beginning January 1, 2014, if an ordinance or resolution  
16 imposing the tax under this Section, discontinuing the tax  
17 under this Section, or effecting a change in the rate of tax  
18 under this Section is adopted, a certified copy thereof,  
19 together with a certification that the ordinance or resolution  
20 received referendum approval in the case of the imposition of  
21 or increase in the rate of such tax, shall be filed with the  
22 Department of Revenue, either (i) on or before the first day of  
23 May, whereupon the Department shall proceed to administer and  
24 enforce this Section as of the first day of July next following  
25 the adoption and filing; or (ii) on or before the first day of  
26 October, whereupon the Department shall proceed to administer

1 and enforce this Section as of the first day of January next  
2 following the adoption and filing.

3 Notwithstanding any provision in this Section to the  
4 contrary, if, in a non-home rule municipality with more than  
5 150,000 but fewer than 200,000 inhabitants, as determined by  
6 the last preceding federal decennial census, an ordinance or  
7 resolution under this Section imposes or discontinues a tax or  
8 changes the tax rate as of July 1, 2007, then that ordinance or  
9 resolution, together with a certification that the ordinance or  
10 resolution received referendum approval in the case of the  
11 imposition of the tax, must be adopted and a certified copy of  
12 that ordinance or resolution must be filed with the Department  
13 on or before May 15, 2007, whereupon the Department shall  
14 proceed to administer and enforce this Section as of July 1,  
15 2007.

16 Notwithstanding any provision in this Section to the  
17 contrary, if, in a non-home rule municipality with more than  
18 6,500 but fewer than 7,000 inhabitants, as determined by the  
19 last preceding federal decennial census, an ordinance or  
20 resolution under this Section imposes or discontinues a tax or  
21 changes the tax rate on or before May 20, 2009, then that  
22 ordinance or resolution, together with a certification that the  
23 ordinance or resolution received referendum approval in the  
24 case of the imposition of the tax, must be adopted and a  
25 certified copy of that ordinance or resolution must be filed  
26 with the Department on or before May 20, 2009, whereupon the

1 Department shall proceed to administer and enforce this Section  
2 as of July 1, 2009.

3 A non-home rule municipality may file a certified copy of  
4 an ordinance or resolution, with a certification that the  
5 ordinance or resolution received referendum approval in the  
6 case of the imposition of the tax, with the Department of  
7 Revenue, as required under this Section, only after October 2,  
8 2000.

9 The tax authorized by this Section may not be more than 1%  
10 and may be imposed only in 1/4% increments.

11 (Source: P.A. 98-584, eff. 8-27-13.)

12 (65 ILCS 5/8-11-1.5a new)

13 Sec. 8-11-1.5a. Non-Home Rule Municipal Motor Fuel Tax Act.

14 (a) The corporate authorities of a non-home rule  
15 municipality may impose a tax on motor fuel sold at retail  
16 within such municipality, if approved by referendum as provided  
17 in Section 8-11-1.1. The tax imposed may not be more than 2%  
18 and may be imposed only in 1/4% increments. A tax imposed under  
19 this Section shall be paid in addition to any other taxes on  
20 such motor fuel.

21 (b) Any amounts collected from the tax imposed under this  
22 Section may only be used for infrastructure and road projects.

23 (c) The purchaser of the motor fuel shall be liable for  
24 payment of a tax imposed under this Section. This Section shall  
25 not be construed to impose a tax on the occupation of persons

1 engaged in the sale of motor fuel.

2 If a municipality imposes a tax on motor fuel under this  
3 Section, it shall be the duty of any person engaged in the  
4 retail sale of motor fuel within such municipality to collect  
5 such tax from the purchaser at the same time he collects the  
6 purchase price of the motor fuel and to pay over such tax to  
7 the municipality as prescribed by the ordinance of the  
8 municipality imposing such tax.

9 (d) For purposes of this Section:

10 "Motor fuel" has the meaning as provided in the "Motor Fuel  
11 Tax Law".

12 "Road projects" means the construction or repair of roads,  
13 highways, and bridges.

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.