

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 adding  
5 Section 8-11-2.3 as follows:

6 (65 ILCS 5/8-11-2.3 new)

7 Sec. 8-11-2.3. Motor fuel tax. Notwithstanding any other  
8 provision of law, in addition to any other tax that may be  
9 imposed, if a municipality adopts a responsible bid ordinance  
10 that is approved by the Department of Transportation, then the  
11 municipality may also impose, by ordinance, a tax on motor fuel  
12 at a rate not to exceed \$0.03 per gallon. Upon approval, the  
13 Department of Transportation shall certify the responsible bid  
14 ordinance to the Department of Revenue. The Department of  
15 Revenue shall proceed to administer and enforce the motor fuel  
16 tax as of the first day of January next following the adoption  
17 of the motor fuel tax ordinance. The Department of  
18 Transportation shall adopt rules for the approval of  
19 responsible bid ordinances. The Department of Revenue shall  
20 adopt rules for the implementation and administration of the  
21 motor fuel tax.

22 A license that is issued to a distributor or a receiver  
23 under the Motor Fuel Tax Law shall permit that distributor or

1 receiver to act as a distributor or receiver, as applicable,  
2 under this Section. The provisions of Sections 2b, 2d, 6, 6a,  
3 12, 12a, 13, 13a.2, 13a.7, 13a.8, 15.1, and 21 of the Motor  
4 Fuel Tax Law that are not inconsistent with this Section shall  
5 apply as far as practicable to the subject matter of this  
6 Section to the same extent as if those provisions were included  
7 in this Section.

8 The Department shall immediately pay over to the State  
9 Treasurer, ex officio, as trustee, all taxes and penalties  
10 collected under this Section. Those taxes and penalties shall  
11 be deposited into the Municipal Motor Fuel Tax Fund, a trust  
12 fund created in the State treasury. Moneys in the Municipal  
13 Motor Fuel Tax Fund shall be used to make payments to  
14 municipalities and for the payment of refunds under this  
15 Section. The amount to be paid to each municipality shall be  
16 the amount (not including credit memoranda) collected by the  
17 Department from the tax imposed by that municipality under this  
18 Section during the second preceding calendar month, plus an  
19 amount the Department determines is necessary to offset any  
20 amounts that were erroneously paid to a different municipality,  
21 and not including an amount equal to the amount of refunds made  
22 during the second preceding calendar month by the Department on  
23 behalf of the municipality, and not including any amount that  
24 the Department determines is necessary to offset any amounts  
25 that were payable to a different municipality but were  
26 erroneously paid to the municipality, less 1.5% of the

1 remainder, which the Department shall transfer into the Tax  
2 Compliance and Administration Fund. The Department, at the time  
3 of each monthly disbursement, shall prepare and certify to the  
4 State Comptroller the amount to be transferred into the Tax  
5 Compliance and Administration Fund under this Section. Within  
6 10 days after receipt by the Comptroller of the disbursement  
7 certification to the municipalities and the Tax Compliance and  
8 Administration Fund provided for in this Section to be given to  
9 the Comptroller by the Department, the Comptroller shall cause  
10 the orders to be drawn for the respective amounts in accordance  
11 with the directions contained in the certification.

12 Section 99. Effective date. This Act takes effect January  
13 1, 2020.