

1 AMENDMENT TO SENATE BILL 46

2 AMENDMENT NO. _____. Amend Senate Bill 46 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. If and only if both Senate Bill 1212 and
5 House Bill 46 of the 93rd General Assembly become law, then
6 the Use Tax Act is amended by changing Section 3-10 and by
7 adding Sections 3-41, 3-42, 3-43, 3-44, and 3-44.5 as
8 follows:

9 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

10 Sec. 3-10. Rate of tax. Unless otherwise provided in
11 this Section, the tax imposed by this Act is at the rate of
12 6.25% of either the selling price or the fair market value,
13 if any, of the tangible personal property. In all cases
14 where property functionally used or consumed is the same as
15 the property that was purchased at retail, then the tax is
16 imposed on the selling price of the property. In all cases
17 where property functionally used or consumed is a by-product
18 or waste product that has been refined, manufactured, or
19 produced from property purchased at retail, then the tax is
20 imposed on the lower of the fair market value, if any, of the
21 specific property so used in this State or on the selling
22 price of the property purchased at retail. For purposes of

1 this Section "fair market value" means the price at which
2 property would change hands between a willing buyer and a
3 willing seller, neither being under any compulsion to buy or
4 sell and both having reasonable knowledge of the relevant
5 facts. The fair market value shall be established by Illinois
6 sales by the taxpayer of the same property as that
7 functionally used or consumed, or if there are no such sales
8 by the taxpayer, then comparable sales or purchases of
9 property of like kind and character in Illinois.

10 Beginning on July 1, 2000 and through December 31, 2000,
11 with respect to motor fuel, as defined in Section 1.1 of the
12 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40
13 of the Use Tax Act, the tax is imposed at the rate of 1.25%.

14 With respect to gasohol, the tax imposed by this Act
15 applies to (i) 70% of the proceeds of sales made on or after
16 January 1, 1990, and before July 1, 2003, (ii) 80% of the
17 proceeds of sales made on or after July 1, 2003 and on or
18 before December 31, 2013, and (iii) to 100% of the proceeds
19 of sales made thereafter. If, at any time, however, the tax
20 under this Act on sales of gasohol is imposed at the rate of
21 1.25%, then the tax imposed by this Act applies to 100% of
22 the proceeds of sales of gasohol made during that time.

23 With respect to majority blended ethanol fuel, the tax
24 imposed by this Act does not apply to the proceeds of sales
25 made on or after July 1, 2003 and on or before December 31,
26 2013 but applies to 100% of the proceeds of sales made
27 thereafter.

28 With respect to biodiesel blends with no less than 1% and
29 no more than 10% biodiesel, the tax imposed by this Act
30 applies to (i) 80% of the proceeds of sales made on or after
31 July 1, 2003 and on or before December 31, 2013 and (ii) 100%
32 of the proceeds of sales made thereafter. If, at any time,
33 however, the tax under this Act on sales of biodiesel blends
34 with no less than 1% and no more than 10% biodiesel is

1 imposed at the rate of 1.25%, then the tax imposed by this
2 Act applies to 100% of the proceeds of sales of biodiesel
3 blends with no less than 1% and no more than 10% biodiesel
4 made during that time.

5 With respect to 100% biodiesel and biodiesel blends with
6 more than 10% but no more than 99% biodiesel, the tax imposed
7 by this Act does not apply to the proceeds of sales made on
8 or after July 1, 2003 and on or before December 31, 2013 but
9 applies to 100% of the proceeds of sales made thereafter.

10 With respect to food for human consumption that is to be
11 consumed off the premises where it is sold (other than
12 alcoholic beverages, soft drinks, and food that has been
13 prepared for immediate consumption) and prescription and
14 nonprescription medicines, drugs, medical appliances,
15 modifications to a motor vehicle for the purpose of rendering
16 it usable by a disabled person, and insulin, urine testing
17 materials, syringes, and needles used by diabetics, for human
18 use, the tax is imposed at the rate of 1%. For the purposes
19 of this Section, the term "soft drinks" means any complete,
20 finished, ready-to-use, non-alcoholic drink, whether
21 carbonated or not, including but not limited to soda water,
22 cola, fruit juice, vegetable juice, carbonated water, and all
23 other preparations commonly known as soft drinks of whatever
24 kind or description that are contained in any closed or
25 sealed bottle, can, carton, or container, regardless of size.
26 "Soft drinks" does not include coffee, tea, non-carbonated
27 water, infant formula, milk or milk products as defined in
28 the Grade A Pasteurized Milk and Milk Products Act, or drinks
29 containing 50% or more natural fruit or vegetable juice.

30 Notwithstanding any other provisions of this Act, "food
31 for human consumption that is to be consumed off the premises
32 where it is sold" includes all food sold through a vending
33 machine, except soft drinks and food products that are
34 dispensed hot from a vending machine, regardless of the

1 location of the vending machine.

2 If the property that is purchased at retail from a
3 retailer is acquired outside Illinois and used outside
4 Illinois before being brought to Illinois for use here and is
5 taxable under this Act, the "selling price" on which the tax
6 is computed shall be reduced by an amount that represents a
7 reasonable allowance for depreciation for the period of prior
8 out-of-state use.

9 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
10 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

11 (35 ILCS 105/3-41 new)

12 Sec. 3-41. Biodiesel. "Biodiesel" means a renewable
13 diesel fuel derived from biomass that is intended for use in
14 diesel engines.

15 (35 ILCS 105/3-42 new)

16 Sec. 3-42. Biodiesel blend. "Biodiesel blend" means a
17 blend of biodiesel with petroleum-based diesel fuel in which
18 the resultant product contains no less than 1% and no more
19 than 99% biodiesel.

20 (35 ILCS 105/3-43 new)

21 Sec. 3-43 Biomass. "Biomass" means non-fossil organic
22 materials that have an intrinsic chemical energy content.
23 "Biomass" includes, but is not limited to, soybean oil, other
24 vegetable oils, and ethanol.

25 (35 ILCS 105/3-44 new)

26 Sec. 3-44. Majority blended ethanol fuel. "Majority
27 blended ethanol fuel" means motor fuel that contains not less
28 than 70% and no more than 90% denatured ethanol and no less
29 than 10% and no more than 30% gasoline.

1 (35 ILCS 105/3-44.5 new)

2 Sec. 3-44.5 Diesel fuel. "Diesel fuel" means any product
3 intended for use or offered for sale as a fuel for engines in
4 which the fuel is injected into the combustion chamber and
5 ignited by pressure without electric spark.

6 Section 10. If and only if both Senate Bill 1212 and
7 House Bill 46 of the 93rd General Assembly become law, then
8 the Service Use Tax Act is amended by changing Section 3-10
9 as follows:

10 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

11 Sec. 3-10. Rate of tax. Unless otherwise provided in
12 this Section, the tax imposed by this Act is at the rate of
13 6.25% of the selling price of tangible personal property
14 transferred as an incident to the sale of service, but, for
15 the purpose of computing this tax, in no event shall the
16 selling price be less than the cost price of the property to
17 the serviceman.

18 Beginning on July 1, 2000 and through December 31, 2000,
19 with respect to motor fuel, as defined in Section 1.1 of the
20 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40
21 of the Use Tax Act, the tax is imposed at the rate of 1.25%.

22 With respect to gasohol, as defined in the Use Tax Act,
23 the tax imposed by this Act applies to (i) 70% of the selling
24 price of property transferred as an incident to the sale of
25 service on or after January 1, 1990, and before July 1, 2003,
26 (ii) 80% of the selling price of property transferred as an
27 incident to the sale of service on or after July 1, 2003 and
28 on or before December 31, 2013, and (iii) to 100% of the
29 selling price thereafter. If, at any time, however, the tax
30 under this Act on sales of gasohol, as defined in the Use Tax
31 Act, is imposed at the rate of 1.25%, then the tax imposed by
32 this Act applies to 100% of the proceeds of sales of gasohol

1 made during that time.

2 With respect to majority blended ethanol fuel, as defined
3 in the Use Tax Act, the tax imposed by this Act does not
4 apply to the selling price of property transferred as an
5 incident to the sale of service on or after July 1, 2003 and
6 on or before December 31, 2013 but applies to 100% of the
7 selling price thereafter.

8 With respect to biodiesel blends, as defined in the Use
9 Tax Act, with no less than 1% and no more than 10% biodiesel,
10 the tax imposed by this Act applies to (i) 80% of the selling
11 price of property transferred as an incident to the sale of
12 service on or after July 1, 2003 and on or before December
13 31, 2013 and (ii) 100% of the proceeds of the selling price
14 thereafter. If, at any time, however, the tax under this Act
15 on sales of biodiesel blends, as defined in the Use Tax Act,
16 with no less than 1% and no more than 10% biodiesel is
17 imposed at the rate of 1.25%, then the tax imposed by this
18 Act applies to 100% of the proceeds of sales of biodiesel
19 blends with no less than 1% and no more than 10% biodiesel
20 made during that time.

21 With respect to 100% biodiesel, as defined in the Use Tax
22 Act, and biodiesel blends, as defined in the Use Tax Act,
23 with more than 10% but no more than 99% biodiesel, the tax
24 imposed by this Act does not apply to the proceeds of the
25 selling price of property transferred as an incident to the
26 sale of service on or after July 1, 2003 and on or before
27 December 31, 2013 but applies to 100% of the selling price
28 thereafter.

29 At the election of any registered serviceman made for
30 each fiscal year, sales of service in which the aggregate
31 annual cost price of tangible personal property transferred
32 as an incident to the sales of service is less than 35%, or
33 75% in the case of servicemen transferring prescription drugs
34 or servicemen engaged in graphic arts production, of the

1 aggregate annual total gross receipts from all sales of
2 service, the tax imposed by this Act shall be based on the
3 serviceman's cost price of the tangible personal property
4 transferred as an incident to the sale of those services.

5 The tax shall be imposed at the rate of 1% on food
6 prepared for immediate consumption and transferred incident
7 to a sale of service subject to this Act or the Service
8 Occupation Tax Act by an entity licensed under the Hospital
9 Licensing Act, the Nursing Home Care Act, or the Child Care
10 Act of 1969. The tax shall also be imposed at the rate of 1%
11 on food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages,
13 soft drinks, and food that has been prepared for immediate
14 consumption and is not otherwise included in this paragraph)
15 and prescription and nonprescription medicines, drugs,
16 medical appliances, modifications to a motor vehicle for the
17 purpose of rendering it usable by a disabled person, and
18 insulin, urine testing materials, syringes, and needles used
19 by diabetics, for human use. For the purposes of this
20 Section, the term "soft drinks" means any complete, finished,
21 ready-to-use, non-alcoholic drink, whether carbonated or not,
22 including but not limited to soda water, cola, fruit juice,
23 vegetable juice, carbonated water, and all other preparations
24 commonly known as soft drinks of whatever kind or description
25 that are contained in any closed or sealed bottle, can,
26 carton, or container, regardless of size. "Soft drinks" does
27 not include coffee, tea, non-carbonated water, infant
28 formula, milk or milk products as defined in the Grade A
29 Pasteurized Milk and Milk Products Act, or drinks containing
30 50% or more natural fruit or vegetable juice.

31 Notwithstanding any other provisions of this Act, "food
32 for human consumption that is to be consumed off the premises
33 where it is sold" includes all food sold through a vending
34 machine, except soft drinks and food products that are

1 dispensed hot from a vending machine, regardless of the
2 location of the vending machine.

3 If the property that is acquired from a serviceman is
4 acquired outside Illinois and used outside Illinois before
5 being brought to Illinois for use here and is taxable under
6 this Act, the "selling price" on which the tax is computed
7 shall be reduced by an amount that represents a reasonable
8 allowance for depreciation for the period of prior
9 out-of-state use.

10 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
11 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff.
12 7-1-00.)

13 Section 15. If and only if both Senate Bill 1212 and
14 House Bill 46 of the 93rd General Assembly become law, then
15 the Service Occupation Tax Act is amended by changing Section
16 3-10 as follows:

17 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

18 Sec. 3-10. Rate of tax. Unless otherwise provided in
19 this Section, the tax imposed by this Act is at the rate of
20 6.25% of the "selling price", as defined in Section 2 of the
21 Service Use Tax Act, of the tangible personal property. For
22 the purpose of computing this tax, in no event shall the
23 "selling price" be less than the cost price to the serviceman
24 of the tangible personal property transferred. The selling
25 price of each item of tangible personal property transferred
26 as an incident of a sale of service may be shown as a
27 distinct and separate item on the serviceman's billing to the
28 service customer. If the selling price is not so shown, the
29 selling price of the tangible personal property is deemed to
30 be 50% of the serviceman's entire billing to the service
31 customer. When, however, a serviceman contracts to design,
32 develop, and produce special order machinery or equipment,

1 the tax imposed by this Act shall be based on the
2 serviceman's cost price of the tangible personal property
3 transferred incident to the completion of the contract.

4 Beginning on July 1, 2000 and through December 31, 2000,
5 with respect to motor fuel, as defined in Section 1.1 of the
6 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40
7 of the Use Tax Act, the tax is imposed at the rate of 1.25%.

8 With respect to gasohol, as defined in the Use Tax Act,
9 the tax imposed by this Act shall apply to (i) 70% of the
10 cost price of property transferred as an incident to the sale
11 of service on or after January 1, 1990, and before July 1,
12 2003, (ii) 80% of the selling price of property transferred
13 as an incident to the sale of service on or after July 1,
14 2003 and on or before December 31, 2013, and (iii) to 100% of
15 the cost price thereafter. If, at any time, however, the tax
16 under this Act on sales of gasohol, as defined in the Use Tax
17 Act, is imposed at the rate of 1.25%, then the tax imposed by
18 this Act applies to 100% of the proceeds of sales of gasohol
19 made during that time.

20 With respect to majority blended ethanol fuel, as defined
21 in the Use Tax Act, the tax imposed by this Act does not
22 apply to the selling price of property transferred as an
23 incident to the sale of service on or after July 1, 2003 and
24 on or before December 31, 2013 but applies to 100% of the
25 selling price thereafter.

26 With respect to biodiesel blends, as defined in the Use
27 Tax Act, with no less than 1% and no more than 10% biodiesel,
28 the tax imposed by this Act applies to (i) 80% of the selling
29 price of property transferred as an incident to the sale of
30 service on or after July 1, 2003 and on or before December
31 31, 2013 and (ii) 100% of the proceeds of the selling price
32 thereafter. If, at any time, however, the tax under this Act
33 on sales of biodiesel blends, as defined in the Use Tax Act,
34 with no less than 1% and no more than 10% biodiesel is

1 imposed at the rate of 1.25%, then the tax imposed by this
2 Act applies to 100% of the proceeds of sales of biodiesel
3 blends with no less than 1% and no more than 10% biodiesel
4 made during that time.

5 With respect to 100% biodiesel, as defined in the Use Tax
6 Act, and biodiesel blends, as defined in the Use Tax Act,
7 with more than 10% but no more than 99% biodiesel material,
8 the tax imposed by this Act does not apply to the proceeds of
9 the selling price of property transferred as an incident to
10 the sale of service on or after July 1, 2003 and on or before
11 December 31, 2013 but applies to 100% of the selling price
12 thereafter.

13 At the election of any registered serviceman made for
14 each fiscal year, sales of service in which the aggregate
15 annual cost price of tangible personal property transferred
16 as an incident to the sales of service is less than 35%, or
17 75% in the case of servicemen transferring prescription drugs
18 or servicemen engaged in graphic arts production, of the
19 aggregate annual total gross receipts from all sales of
20 service, the tax imposed by this Act shall be based on the
21 serviceman's cost price of the tangible personal property
22 transferred incident to the sale of those services.

23 The tax shall be imposed at the rate of 1% on food
24 prepared for immediate consumption and transferred incident
25 to a sale of service subject to this Act or the Service
26 Occupation Tax Act by an entity licensed under the Hospital
27 Licensing Act, the Nursing Home Care Act, or the Child Care
28 Act of 1969. The tax shall also be imposed at the rate of 1%
29 on food for human consumption that is to be consumed off the
30 premises where it is sold (other than alcoholic beverages,
31 soft drinks, and food that has been prepared for immediate
32 consumption and is not otherwise included in this paragraph)
33 and prescription and nonprescription medicines, drugs,
34 medical appliances, modifications to a motor vehicle for the

1 purpose of rendering it usable by a disabled person, and
2 insulin, urine testing materials, syringes, and needles used
3 by diabetics, for human use. For the purposes of this
4 Section, the term "soft drinks" means any complete, finished,
5 ready-to-use, non-alcoholic drink, whether carbonated or not,
6 including but not limited to soda water, cola, fruit juice,
7 vegetable juice, carbonated water, and all other preparations
8 commonly known as soft drinks of whatever kind or description
9 that are contained in any closed or sealed can, carton, or
10 container, regardless of size. "Soft drinks" does not
11 include coffee, tea, non-carbonated water, infant formula,
12 milk or milk products as defined in the Grade A Pasteurized
13 Milk and Milk Products Act, or drinks containing 50% or more
14 natural fruit or vegetable juice.

15 Notwithstanding any other provisions of this Act, "food
16 for human consumption that is to be consumed off the premises
17 where it is sold" includes all food sold through a vending
18 machine, except soft drinks and food products that are
19 dispensed hot from a vending machine, regardless of the
20 location of the vending machine.

21 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
22 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

23 Section 20. If and only if both Senate Bill 1212 and
24 House Bill 46 of the 93rd General Assembly become law, then
25 the Retailers' Occupation Tax Act is amended by changing
26 Section 2-10 as follows:

27 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

28 Sec. 2-10. Rate of tax. Unless otherwise provided in
29 this Section, the tax imposed by this Act is at the rate of
30 6.25% of gross receipts from sales of tangible personal
31 property made in the course of business.

32 Beginning on July 1, 2000 and through December 31, 2000,

1 with respect to motor fuel, as defined in Section 1.1 of the
2 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40
3 of the Use Tax Act, the tax is imposed at the rate of 1.25%.

4 Within 14 days after the effective date of this
5 amendatory Act of the 91st General Assembly, each retailer of
6 motor fuel and gasohol shall cause the following notice to be
7 posted in a prominently visible place on each retail
8 dispensing device that is used to dispense motor fuel or
9 gasohol in the State of Illinois: "As of July 1, 2000, the
10 State of Illinois has eliminated the State's share of sales
11 tax on motor fuel and gasohol through December 31, 2000. The
12 price on this pump should reflect the elimination of the
13 tax." The notice shall be printed in bold print on a sign
14 that is no smaller than 4 inches by 8 inches. The sign shall
15 be clearly visible to customers. Any retailer who fails to
16 post or maintain a required sign through December 31, 2000 is
17 guilty of a petty offense for which the fine shall be \$500
18 per day per each retail premises where a violation occurs.

19 With respect to gasohol, as defined in the Use Tax Act,
20 the tax imposed by this Act applies to (i) 70% of the
21 proceeds of sales made on or after January 1, 1990, and
22 before July 1, 2003, (ii) 80% of the proceeds of sales made
23 on or after July 1, 2003 and on or before December 31, 2013,
24 and (iii) to 100% of the proceeds of sales made thereafter.
25 If, at any time, however, the tax under this Act on sales of
26 gasohol, as defined in the Use Tax Act, is imposed at the
27 rate of 1.25%, then the tax imposed by this Act applies to
28 100% of the proceeds of sales of gasohol made during that
29 time.

30 With respect to majority blended ethanol fuel, as defined
31 in the Use Tax Act, the tax imposed by this Act does not
32 apply to the proceeds of sales made on or after July 1, 2003
33 and on or before December 31, 2013 but applies to 100% of the
34 proceeds of sales made thereafter.

1 With respect to biodiesel blends, as defined in the Use
2 Tax Act, with no less than 1% and no more than 10% biodiesel,
3 the tax imposed by this Act applies to (i) 80% of the
4 proceeds of sales made on or after July 1, 2003 and on or
5 before December 31, 2013 and (ii) 100% of the proceeds of
6 sales made thereafter. If, at any time, however, the tax
7 under this Act on sales of biodiesel blends, as defined in
8 the Use Tax Act, with no less than 1% and no more than 10%
9 biodiesel is imposed at the rate of 1.25%, then the tax
10 imposed by this Act applies to 100% of the proceeds of sales
11 of biodiesel blends with no less than 1% and no more than 10%
12 biodiesel made during that time.

13 With respect to 100% biodiesel, as defined in the Use Tax
14 Act, and biodiesel blends, as defined in the Use Tax Act,
15 with more than 10% but no more than 99% biodiesel, the tax
16 imposed by this Act does not apply to the proceeds of sales
17 made on or after July 1, 2003 and on or before December 31,
18 2013 but applies to 100% of the proceeds of sales made
19 thereafter.

20 With respect to food for human consumption that is to be
21 consumed off the premises where it is sold (other than
22 alcoholic beverages, soft drinks, and food that has been
23 prepared for immediate consumption) and prescription and
24 nonprescription medicines, drugs, medical appliances,
25 modifications to a motor vehicle for the purpose of rendering
26 it usable by a disabled person, and insulin, urine testing
27 materials, syringes, and needles used by diabetics, for human
28 use, the tax is imposed at the rate of 1%. For the purposes
29 of this Section, the term "soft drinks" means any complete,
30 finished, ready-to-use, non-alcoholic drink, whether
31 carbonated or not, including but not limited to soda water,
32 cola, fruit juice, vegetable juice, carbonated water, and all
33 other preparations commonly known as soft drinks of whatever
34 kind or description that are contained in any closed or

1 sealed bottle, can, carton, or container, regardless of size.
2 "Soft drinks" does not include coffee, tea, non-carbonated
3 water, infant formula, milk or milk products as defined in
4 the Grade A Pasteurized Milk and Milk Products Act, or drinks
5 containing 50% or more natural fruit or vegetable juice.

6 Notwithstanding any other provisions of this Act, "food
7 for human consumption that is to be consumed off the premises
8 where it is sold" includes all food sold through a vending
9 machine, except soft drinks and food products that are
10 dispensed hot from a vending machine, regardless of the
11 location of the vending machine.

12 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
13 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

14 Section 25. If and only if both Senate Bill 1212 and
15 House Bill 46 of the 93rd General Assembly become law, then
16 the Motor Fuel Tax Law is amended by changing Section 2 as
17 follows:

18 (35 ILCS 505/2) (from Ch. 120, par. 418)

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

22 (a) Prior to August 1, 1989, the tax is imposed at the
23 rate of 13 cents per gallon on all motor fuel used in motor
24 vehicles operating on the public highways and recreational
25 type watercraft operating upon the waters of this State.
26 Beginning on August 1, 1989 and until January 1, 1990, the
27 rate of the tax imposed in this paragraph shall be 16 cents
28 per gallon. Beginning January 1, 1990, the rate of tax
29 imposed in this paragraph shall be 19 cents per gallon.

30 (b) The tax on the privilege of operating motor vehicles
31 which use diesel fuel shall be the rate according to
32 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 Section 99. Effective date. This Act takes effect upon
12 becoming law."