95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB0364

Introduced 1/26/2007, by Rep. Jack McGuire

SYNOPSIS AS INTRODUCED:

415 ILCS 5/55.8

from Ch. 111 1/2, par. 1055.8

Amends the Environmental Protection Act. With respect to the additional 50-cent new or used tire fee collected from retail customers, eliminates a provision terminating the fee on January 1, 2008. Makes revisory changes. Effective July 1, 2007.

LRB095 03769 CMK 23798 b

FISCAL NOTE ACT MAY APPLY

A BILL FOR

1 AN ACT concerning safety.

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

- 4 Section 5. The Environmental Protection Act is amended by 5 changing Section 55.8 as follows:
- 6 (415 ILCS 5/55.8) (from Ch. 111 1/2, par. 1055.8)
- 7 Sec. 55.8. Tire retailers.

8 (a) Beginning July 1, 1992, Any person selling new or used 9 tires at retail or offering new or used tires for retail sale 10 in this State shall:

(1) beginning on June 20, 2003 (the effective date of 11 12 Public Act 93-32), collect from retail customers a fee of 13 \$2 per new or and used tire sold and delivered in this 14 State, to be paid to the Department of Revenue and deposited into the Used Tire Management Fund, less a 15 16 collection allowance of 10 cents per tire to be retained by 17 the retail seller and a collection allowance of 10 cents per tire to be retained by the Department of Revenue and 18 19 paid into the General Revenue Fund;

(1.5) beginning on July 1, 2003, collect from retail
customers an additional 50 cents per new or used tire sold
and delivered in this State. The money collected from this
fee shall be deposited into the Emergency Public Health

1 2

Fund. This fee shall no longer be collected beginning on January 1, 2008.;

3 (2) accept for recycling used tires from customers, at
4 the point of transfer, in a quantity equal to the number of
5 new tires purchased; and

6 (3) post in a conspicuous place a written notice at 7 least 8.5 by 11 inches in size that includes the universal 8 recycling symbol and the following statements: "DO NOT put 9 used tires in the trash."; "Recycle your used tires."; and 10 "State law requires us to accept used tires for recycling, 11 in exchange for new tires purchased.".

12 (b) A person who accepts used tires for recycling under 13 subsection (a) shall not allow the tires to accumulate for 14 periods of more than 90 days.

15 (c) The requirements of subsection (a) of this Section do 16 not apply to mail order sales nor shall the retail sale of a 17 motor vehicle be considered to be the sale of tires at retail or offering of tires for retail sale. Instead of filing 18 19 returns, retailers of tires may remit the tire user fee of \$1.00 per tire to their suppliers of tires if the supplier of 20 tires is a registered retailer of tires and agrees or otherwise 21 22 arranges to collect and remit the tire fee to the Department of 23 Revenue, notwithstanding the fact that the sale of the tire is 24 a sale for resale and not a sale at retail. A tire supplier who 25 enters into such an arrangement with a tire retailer shall be liable for the tax on all tires sold to the tire retailer and 26

1 must (i) provide the tire retailer with a receipt that 2 separately reflects the tire tax collected from the retailer on 3 each transaction and (ii) accept used tires for recycling from 4 the retailer's customers. The tire supplier shall be entitled 5 to the collection allowance of 10 cents per tire.

The retailer of the tires must maintain in its books and 6 7 records evidence that the appropriate fee was paid to the tire 8 supplier and that the tire supplier has agreed to remit the fee 9 to the Department of Revenue for each tire sold by the 10 retailer. Otherwise, the tire retailer shall be directly liable 11 for the fee on all tires sold at retail. Tire retailers paying 12 the fee to their suppliers are not entitled to the collection 13 allowance of 10 cents per tire.

(d) The requirements of subsection (a) of this Section
shall apply exclusively to tires to be used for vehicles
defined in Section 1-217 of the Illinois Vehicle Code, aircraft
tires, special mobile equipment, and implements of husbandry.

(e) The requirements of paragraph (1) of subsection (a) do not apply to the sale of reprocessed tires. For purposes of this Section, "reprocessed tire" means a used tire that has been recapped, retreaded, or regrooved and that has not been placed on a vehicle wheel rim.

23 (Source: P.A. 93-32, eff. 6-20-03; 93-52, eff. 6-30-03; revised 24 10-13-03.)

25 Section 99. Effective date. This Act takes effect July 1,
26 2007.

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