

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section  
5 3-61 as follows:

6 (35 ILCS 105/3-61)

7 Sec. 3-61. Motor vehicles; trailers; use as rolling stock  
8 definition.

9 (a) Through June 30, 2003, "use as rolling stock moving in  
10 interstate commerce" in subsections (b) and (c) of Section 3-55  
11 means for motor vehicles, as defined in Section 1-146 of the  
12 Illinois Vehicle Code, and trailers, as defined in Section  
13 1-209 of the Illinois Vehicle Code, when on 15 or more  
14 occasions in a 12-month period the motor vehicle and trailer  
15 has carried persons or property for hire in interstate  
16 commerce, even just between points in Illinois, if the motor  
17 vehicle and trailer transports persons whose journeys or  
18 property whose shipments originate or terminate outside  
19 Illinois. This definition applies to all property purchased for  
20 the purpose of being attached to those motor vehicles or  
21 trailers as a part thereof.

22 (b) On and after July 1, 2003 and through June 30, 2004,  
23 "use as rolling stock moving in interstate commerce" in

1 paragraphs (b) and (c) of Section 3-55 occurs for motor  
2 vehicles, as defined in Section 1-146 of the Illinois Vehicle  
3 Code, when during a 12-month period the rolling stock has  
4 carried persons or property for hire in interstate commerce for  
5 51% of its total trips and transports persons whose journeys or  
6 property whose shipments originate or terminate outside  
7 Illinois. Trips that are only between points in Illinois shall  
8 not be counted as interstate trips when calculating whether the  
9 tangible personal property qualifies for the exemption but such  
10 trips shall be included in total trips taken.

11 (c) Beginning July 1, 2004, "use as rolling stock moving in  
12 interstate commerce" in paragraphs (b) and (c) of Section 3-55  
13 occurs for motor vehicles, as defined in Section 1-146 of the  
14 Illinois Vehicle Code, when during a 12-month period the  
15 rolling stock has carried persons or property for hire in  
16 interstate commerce for greater than 50% of its total trips for  
17 that period or for greater than 50% of its total miles for that  
18 period. The person claiming the exemption shall make an  
19 election at the time of purchase to use either the trips or  
20 mileage method. Persons who purchased motor vehicles prior to  
21 July 1, 2004 shall make an election to use either the trips or  
22 mileage method and document that election in their books and  
23 records. If no election is made under this subsection to use  
24 the trips or mileage method, the person shall be deemed to have  
25 chosen the mileage method. Any election to use either the trips  
26 or mileage method will remain in effect for that motor vehicle

1 for any period for which the Department may issue a notice of  
2 tax liability under this Act.

3 For purposes of determining qualifying trips or miles,  
4 motor vehicles that carry persons or property for hire, even  
5 just between points in Illinois, will be considered used for  
6 hire in interstate commerce if the motor vehicle transports  
7 persons whose journeys or property whose shipments originate or  
8 terminate outside Illinois. The exemption for motor vehicles  
9 used as rolling stock moving in interstate commerce may be  
10 claimed only for the following vehicles: (i) motor vehicles  
11 whose gross vehicle weight rating exceeds 16,000 pounds; and  
12 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
13 Vehicle Code. This definition applies to all property purchased  
14 for the purpose of being attached to those motor vehicles as a  
15 part thereof.

16 (d) Beginning July 1, 2004, "use as rolling stock moving in  
17 interstate commerce" in paragraphs (b) and (c) of Section 3-55  
18 occurs for trailers, as defined in Section 1-209 of the  
19 Illinois Vehicle Code, semitrailers as defined in Section 1-187  
20 of the Illinois Vehicle Code, and pole trailers as defined in  
21 Section 1-161 of the Illinois Vehicle Code, when during a  
22 12-month period the rolling stock has carried persons or  
23 property for hire in interstate commerce for greater than 50%  
24 of its total trips for that period or for greater than 50% of  
25 its total miles for that period. The person claiming the  
26 exemption for a trailer or trailers that will not be dedicated

1 to a motor vehicle or group of motor vehicles shall make an  
2 election at the time of purchase to use either the trips or  
3 mileage method. Persons who purchased trailers prior to July 1,  
4 2004 that are not dedicated to a motor vehicle or group of  
5 motor vehicles shall make an election to use either the trips  
6 or mileage method and document that election in their books and  
7 records. If no election is made under this subsection to use  
8 the trips or mileage method, the person shall be deemed to have  
9 chosen the mileage method. Any election to use either the trips  
10 or mileage method will remain in effect for that trailer for  
11 any period for which the Department may issue a notice of tax  
12 liability under this Act.

13 For purposes of determining qualifying trips or miles,  
14 trailers, semitrailers, or pole trailers that carry property  
15 for hire, even just between points in Illinois, will be  
16 considered used for hire in interstate commerce if the  
17 trailers, semitrailers, or pole trailers transport property  
18 whose shipments originate or terminate outside Illinois. This  
19 definition applies to all property purchased for the purpose of  
20 being attached to those trailers, semitrailers, or pole  
21 trailers as a part thereof. In lieu of a person providing  
22 documentation regarding the qualifying use of each individual  
23 trailer, semitrailer, or pole trailer, that person may document  
24 such qualifying use by providing documentation of the  
25 following:

26 (1) If a trailer, semitrailer, or pole trailer is

1 dedicated to a motor vehicle that qualifies as rolling  
2 stock moving in interstate commerce under subsection (c) of  
3 this Section, then that trailer, semitrailer, or pole  
4 trailer qualifies as rolling stock moving in interstate  
5 commerce under this subsection.

6 (2) If a trailer, semitrailer, or pole trailer is  
7 dedicated to a group of motor vehicles that all qualify as  
8 rolling stock moving in interstate commerce under  
9 subsection (c) of this Section, then that trailer,  
10 semitrailer, or pole trailer qualifies as rolling stock  
11 moving in interstate commerce under this subsection.

12 (3) If one or more trailers, semitrailers, or pole  
13 trailers are dedicated to a group of motor vehicles and not  
14 all of those motor vehicles in that group qualify as  
15 rolling stock moving in interstate commerce under  
16 subsection (c) of this Section, then the percentage of  
17 those trailers, semitrailers, or pole trailers that  
18 qualifies as rolling stock moving in interstate commerce  
19 under this subsection is equal to the percentage of those  
20 motor vehicles in that group that qualify as rolling stock  
21 moving in interstate commerce under subsection (c) of this  
22 Section to which those trailers, semitrailers, or pole  
23 trailers are dedicated. However, to determine the  
24 qualification for the exemption provided under this item  
25 (3), the mathematical application of the qualifying  
26 percentage to one or more trailers, semitrailers, or pole

1 trailers under this subpart shall not be allowed as to any  
2 fraction of a trailer, semitrailer, or pole trailer.

3 (Source: P.A. 93-23, eff. 6-20-03; 93-1033, eff. 9-3-04.)

4 Section 10. The Service Use Tax Act is amended by changing  
5 Section 3-51 as follows:

6 (35 ILCS 110/3-51)

7 Sec. 3-51. Motor vehicles; trailers; use as rolling stock  
8 definition.

9 (a) Through June 30, 2003, "use as rolling stock moving in  
10 interstate commerce" in subsection (b) of Section 3-45 means  
11 for motor vehicles, as defined in Section 1-46 of the Illinois  
12 Vehicle Code, and trailers, as defined in Section 1-209 of the  
13 Illinois Vehicle Code, when on 15 or more occasions in a  
14 12-month period the motor vehicle and trailer has carried  
15 persons or property for hire in interstate commerce, even just  
16 between points in Illinois, if the motor vehicle and trailer  
17 transports persons whose journeys or property whose shipments  
18 originate or terminate outside Illinois. This definition  
19 applies to all property purchased for the purpose of being  
20 attached to those motor vehicles or trailers as a part thereof.

21 (b) On and after July 1, 2003 and through June 30, 2004,  
22 "use as rolling stock moving in interstate commerce" in  
23 paragraphs (4) and (4a) of the definition of "sale of service"  
24 in Section 2 and subsection (b) of Section 3-45 occurs for

1 motor vehicles, as defined in Section 1-146 of the Illinois  
2 Vehicle Code, when during a 12-month period the rolling stock  
3 has carried persons or property for hire in interstate commerce  
4 for 51% of its total trips and transports persons whose  
5 journeys or property whose shipments originate or terminate  
6 outside Illinois. Trips that are only between points in  
7 Illinois shall not be counted as interstate trips when  
8 calculating whether the tangible personal property qualifies  
9 for the exemption but such trips shall be included in total  
10 trips taken.

11 (c) Beginning July 1, 2004, "use as rolling stock moving in  
12 interstate commerce" in paragraphs (4) and (4a) of the  
13 definition of "sale of service" in Section 2 and subsection (b)  
14 of Section 3-45 occurs for motor vehicles, as defined in  
15 Section 1-146 of the Illinois Vehicle Code, when during a  
16 12-month period the rolling stock has carried persons or  
17 property for hire in interstate commerce for greater than 50%  
18 of its total trips for that period or for greater than 50% of  
19 its total miles for that period. The person claiming the  
20 exemption shall make an election at the time of purchase to use  
21 either the trips or mileage method. Persons who purchased motor  
22 vehicles prior to July 1, 2004 shall make an election to use  
23 either the trips or mileage method and document that election  
24 in their books and records. If no election is made under this  
25 subsection to use the trips or mileage method, the person shall  
26 be deemed to have chosen the mileage method. Any election to

1 use either the trips or mileage method will remain in effect  
2 for that motor vehicle for any period for which the Department  
3 may issue a notice of tax liability under this Act.

4 For purposes of determining qualifying trips or miles,  
5 motor vehicles that carry persons or property for hire, even  
6 just between points in Illinois, will be considered used for  
7 hire in interstate commerce if the motor vehicle transports  
8 persons whose journeys or property whose shipments originate or  
9 terminate outside Illinois. The exemption for motor vehicles  
10 used as rolling stock moving in interstate commerce may be  
11 claimed only for the following vehicles: (i) motor vehicles  
12 whose gross vehicle weight rating exceeds 16,000 pounds; and  
13 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
14 Vehicle Code. This definition applies to all property purchased  
15 for the purpose of being attached to those motor vehicles as a  
16 part thereof.

17 (d) Beginning July 1, 2004, "use as rolling stock moving in  
18 interstate commerce" in paragraphs (4) and (4a) of the  
19 definition of "sale of service" in Section 2 and subsection (b)  
20 of Section 3-45 occurs for trailers, as defined in Section  
21 1-209 of the Illinois Vehicle Code, semitrailers as defined in  
22 Section 1-187 of the Illinois Vehicle Code, and pole trailers  
23 as defined in Section 1-161 of the Illinois Vehicle Code, when  
24 during a 12-month period the rolling stock has carried persons  
25 or property for hire in interstate commerce for greater than  
26 50% of its total trips for that period or for greater than 50%

1 of its total miles for that period. The person claiming the  
2 exemption for a trailer or trailers that will not be dedicated  
3 to a motor vehicle or group of motor vehicles shall make an  
4 election at the time of purchase to use either the trips or  
5 mileage method. Persons who purchased trailers prior to July 1,  
6 2004 that are not dedicated to a motor vehicle or group of  
7 motor vehicles shall make an election to use either the trips  
8 or mileage method and document that election in their books and  
9 records. If no election is made under this subsection to use  
10 the trips or mileage method, the person shall be deemed to have  
11 chosen the mileage method. Any election to use either the trips  
12 or mileage method will remain in effect for that trailer for  
13 any period for which the Department may issue a notice of tax  
14 liability under this Act.

15 For purposes of determining qualifying trips or miles,  
16 trailers, semitrailers, or pole trailers that carry property  
17 for hire, even just between points in Illinois, will be  
18 considered used for hire in interstate commerce if the  
19 trailers, semitrailers, or pole trailers transport property  
20 whose shipments originate or terminate outside Illinois. This  
21 definition applies to all property purchased for the purpose of  
22 being attached to those trailers, semitrailers, or pole  
23 trailers as a part thereof. In lieu of a person providing  
24 documentation regarding the qualifying use of each individual  
25 trailer, semitrailer, or pole trailer, that person may document  
26 such qualifying use by providing documentation of the

1 following:

2 (1) If a trailer, semitrailer, or pole trailer is  
3 dedicated to a motor vehicle that qualifies as rolling  
4 stock moving in interstate commerce under subsection (c) of  
5 this Section, then that trailer, semitrailer, or pole  
6 trailer qualifies as rolling stock moving in interstate  
7 commerce under this subsection.

8 (2) If a trailer, semitrailer, or pole trailer is  
9 dedicated to a group of motor vehicles that all qualify as  
10 rolling stock moving in interstate commerce under  
11 subsection (c) of this Section, then that trailer,  
12 semitrailer, or pole trailer qualifies as rolling stock  
13 moving in interstate commerce under this subsection.

14 (3) If one or more trailers, semitrailers, or pole  
15 trailers are dedicated to a group of motor vehicles and not  
16 all of those motor vehicles in that group qualify as  
17 rolling stock moving in interstate commerce under  
18 subsection (c) of this Section, then the percentage of  
19 those trailers, semitrailers, or pole trailers that  
20 qualifies as rolling stock moving in interstate commerce  
21 under this subsection is equal to the percentage of those  
22 motor vehicles in that group that qualify as rolling stock  
23 moving in interstate commerce under subsection (c) of this  
24 Section to which those trailers, semitrailers, or pole  
25 trailers are dedicated. However, to determine the  
26 qualification for the exemption provided under this item

1           (3), the mathematical application of the qualifying  
2           percentage to one or more trailers, semitrailers, or pole  
3           trailers under this subpart shall not be allowed as to any  
4           fraction of a trailer, semitrailer, or pole trailer.  
5           (Source: P.A. 93-23, eff. 6-20-03; 93-1033, eff. 9-3-04.)

6           Section 15. The Service Occupation Tax Act is amended by  
7           changing Section 2d as follows:

8           (35 ILCS 115/2d)

9           Sec. 2d. Motor vehicles; trailers; use as rolling stock  
10          definition.

11          (a) Through June 30, 2003, "use as rolling stock moving in  
12          interstate commerce" in subsections (d) and (d-1) of the  
13          definition of "sale of service" in Section 2 means for motor  
14          vehicles, as defined in Section 1-146 of the Illinois Vehicle  
15          Code, and trailers, as defined in Section 1-209 of the Illinois  
16          Vehicle Code, when on 15 or more occasions in a 12-month period  
17          the motor vehicle and trailer has carried persons or property  
18          for hire in interstate commerce, even just between points in  
19          Illinois, if the motor vehicle and trailer transports persons  
20          whose journeys or property whose shipments originate or  
21          terminate outside Illinois. This definition applies to all  
22          property purchased for the purpose of being attached to those  
23          motor vehicles or trailers as a part thereof.

24          (b) On and after July 1, 2003 and through June 30, 2004,

1 "use as rolling stock moving in interstate commerce" in  
2 paragraphs (d) and (d-1) of the definition of "sale of service"  
3 in Section 2 occurs for motor vehicles, as defined in Section  
4 1-146 of the Illinois Vehicle Code, when during a 12-month  
5 period the rolling stock has carried persons or property for  
6 hire in interstate commerce for 51% of its total trips and  
7 transports persons whose journeys or property whose shipments  
8 originate or terminate outside Illinois. Trips that are only  
9 between points in Illinois will not be counted as interstate  
10 trips when calculating whether the tangible personal property  
11 qualifies for the exemption but such trips will be included in  
12 total trips taken.

13 (c) Beginning July 1, 2004, "use as rolling stock moving in  
14 interstate commerce" in paragraphs (d) and (d-1) of the  
15 definition of "sale of service" in Section 2 occurs for motor  
16 vehicles, as defined in Section 1-146 of the Illinois Vehicle  
17 Code, when during a 12-month period the rolling stock has  
18 carried persons or property for hire in interstate commerce for  
19 greater than 50% of its total trips for that period or for  
20 greater than 50% of its total miles for that period. The person  
21 claiming the exemption shall make an election at the time of  
22 purchase to use either the trips or mileage method. Persons who  
23 purchased motor vehicles prior to July 1, 2004 shall make an  
24 election to use either the trips or mileage method and document  
25 that election in their books and records. If no election is  
26 made under this subsection to use the trips or mileage method,

1 the person shall be deemed to have chosen the mileage method.  
2 Any election to use either the trips or mileage method will  
3 remain in effect for that motor vehicle for any period for  
4 which the Department may issue a notice of tax liability under  
5 this Act.

6 For purposes of determining qualifying trips or miles,  
7 motor vehicles that carry persons or property for hire, even  
8 just between points in Illinois, will be considered used for  
9 hire in interstate commerce if the motor vehicle transports  
10 persons whose journeys or property whose shipments originate or  
11 terminate outside Illinois. The exemption for motor vehicles  
12 used as rolling stock moving in interstate commerce may be  
13 claimed only for the following vehicles: (i) motor vehicles  
14 whose gross vehicle weight rating exceeds 16,000 pounds; and  
15 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
16 Vehicle Code. This definition applies to all property purchased  
17 for the purpose of being attached to those motor vehicles as a  
18 part thereof.

19 (d) Beginning July 1, 2004, "use as rolling stock moving in  
20 interstate commerce" in paragraphs (d) and (d-1) of the  
21 definition of "sale of service" in Section 2 occurs for  
22 trailers, as defined in Section 1-209 of the Illinois Vehicle  
23 Code, semitrailers as defined in Section 1-187 of the Illinois  
24 Vehicle Code, and pole trailers as defined in Section 1-161 of  
25 the Illinois Vehicle Code, when during a 12-month period the  
26 rolling stock has carried persons or property for hire in

1 interstate commerce for greater than 50% of its total trips for  
2 that period or for greater than 50% of its total miles for that  
3 period. The person claiming the exemption for a trailer or  
4 trailers that will not be dedicated to a motor vehicle or group  
5 of motor vehicles shall make an election at the time of  
6 purchase to use either the trips or mileage method. Persons who  
7 purchased trailers prior to July 1, 2004 that are not dedicated  
8 to a motor vehicle or group of motor vehicles shall make an  
9 election to use either the trips or mileage method and document  
10 that election in their books and records. If no election is  
11 made under this subsection to use the trips or mileage method,  
12 the person shall be deemed to have chosen the mileage method.  
13 Any election to use either the trips or mileage method will  
14 remain in effect for that trailer for any period for which the  
15 Department may issue a notice of tax liability under this Act.

16 For purposes of determining qualifying trips or miles,  
17 trailers, semitrailers, or pole trailers that carry property  
18 for hire, even just between points in Illinois, will be  
19 considered used for hire in interstate commerce if the  
20 trailers, semitrailers, or pole trailers transport property  
21 whose shipments originate or terminate outside Illinois. This  
22 definition applies to all property purchased for the purpose of  
23 being attached to those trailers, semitrailers, or pole  
24 trailers as a part thereof. In lieu of a person providing  
25 documentation regarding the qualifying use of each individual  
26 trailer, semitrailer, or pole trailer, that person may document

1 such qualifying use by providing documentation of the  
2 following:

3 (1) If a trailer, semitrailer, or pole trailer is  
4 dedicated to a motor vehicle that qualifies as rolling  
5 stock moving in interstate commerce under subsection (c) of  
6 this Section, then that trailer, semitrailer, or pole  
7 trailer qualifies as rolling stock moving in interstate  
8 commerce under this subsection.

9 (2) If a trailer, semitrailer, or pole trailer is  
10 dedicated to a group of motor vehicles that all qualify as  
11 rolling stock moving in interstate commerce under  
12 subsection (c) of this Section, then that trailer,  
13 semitrailer, or pole trailer qualifies as rolling stock  
14 moving in interstate commerce under this subsection.

15 (3) If one or more trailers, semitrailers, or pole  
16 trailers are dedicated to a group of motor vehicles and not  
17 all of those motor vehicles in that group qualify as  
18 rolling stock moving in interstate commerce under  
19 subsection (c) of this Section, then the percentage of  
20 those trailers, semitrailers, or pole trailers that  
21 qualifies as rolling stock moving in interstate commerce  
22 under this subsection is equal to the percentage of those  
23 motor vehicles in that group that qualify as rolling stock  
24 moving in interstate commerce under subsection (c) of this  
25 Section to which those trailers, semitrailers, or pole  
26 trailers are dedicated. However, to determine the

1           qualification for the exemption provided under this item  
2           (3), the mathematical application of the qualifying  
3           percentage to one or more trailers, semitrailers, or pole  
4           trailers under this subpart shall not be allowed as to any  
5           fraction of a trailer, semitrailer, or pole trailer.

6           (Source: P.A. 93-23, eff. 6-20-03; 93-1033, eff. 9-3-04.)

7           Section 20. The Retailers' Occupation Tax Act is amended by  
8           changing Section 2-51 as follows:

9           (35 ILCS 120/2-51)

10          Sec. 2-51. Motor vehicles; trailers; use as rolling stock  
11          definition.

12          (a) Through June 30, 2003, "use as rolling stock moving in  
13          interstate commerce" in paragraphs (12) and (13) of Section 2-5  
14          means for motor vehicles, as defined in Section 1-146 of the  
15          Illinois Vehicle Code, and trailers, as defined in Section  
16          1-209 of the Illinois Vehicle Code, when on 15 or more  
17          occasions in a 12-month period the motor vehicle and trailer  
18          has carried persons or property for hire in interstate  
19          commerce, even just between points in Illinois, if the motor  
20          vehicle and trailer transports persons whose journeys or  
21          property whose shipments originate or terminate outside  
22          Illinois. This definition applies to all property purchased for  
23          the purpose of being attached to those motor vehicles or  
24          trailers as a part thereof.

1           (b) On and after July 1, 2003 and through June 30, 2004,  
2 "use as rolling stock moving in interstate commerce" in  
3 paragraphs (12) and (13) of Section 2-5 occurs for motor  
4 vehicles, as defined in Section 1-146 of the Illinois Vehicle  
5 Code, when during a 12-month period the rolling stock has  
6 carried persons or property for hire in interstate commerce for  
7 51% of its total trips and transports persons whose journeys or  
8 property whose shipments originate or terminate outside  
9 Illinois. Trips that are only between points in Illinois shall  
10 not be counted as interstate trips when calculating whether the  
11 tangible personal property qualifies for the exemption but such  
12 trips shall be included in total trips taken.

13           (c) Beginning July 1, 2004, "use as rolling stock moving in  
14 interstate commerce" in paragraphs (12) and (13) of Section 2-5  
15 occurs for motor vehicles, as defined in Section 1-146 of the  
16 Illinois Vehicle Code, when during a 12-month period the  
17 rolling stock has carried persons or property for hire in  
18 interstate commerce for greater than 50% of its total trips for  
19 that period or for greater than 50% of its total miles for that  
20 period. The person claiming the exemption shall make an  
21 election at the time of purchase to use either the trips or  
22 mileage method. Persons who purchased motor vehicles prior to  
23 July 1, 2004 shall make an election to use either the trips or  
24 mileage method and document that election in their books and  
25 records. If no election is made under this subsection to use  
26 the trips or mileage method, the person shall be deemed to have

1 chosen the mileage method. Any election to use either the trips  
2 or mileage method will remain in effect for that motor vehicle  
3 for any period for which the Department may issue a notice of  
4 tax liability under this Act.

5 For purposes of determining qualifying trips or miles,  
6 motor vehicles that carry persons or property for hire, even  
7 just between points in Illinois, will be considered used for  
8 hire in interstate commerce if the motor vehicle transports  
9 persons whose journeys or property whose shipments originate or  
10 terminate outside Illinois. The exemption for motor vehicles  
11 used as rolling stock moving in interstate commerce may be  
12 claimed only for the following vehicles: (i) motor vehicles  
13 whose gross vehicle weight rating exceeds 16,000 pounds; and  
14 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
15 Vehicle Code. This definition applies to all property purchased  
16 for the purpose of being attached to those motor vehicles as a  
17 part thereof.

18 (d) Beginning July 1, 2004, "use as rolling stock moving in  
19 interstate commerce" in paragraphs (12) and (13) of Section 2-5  
20 occurs for trailers, as defined in Section 1-209 of the  
21 Illinois Vehicle Code, semitrailers as defined in Section 1-187  
22 of the Illinois Vehicle Code, and pole trailers as defined in  
23 Section 1-161 of the Illinois Vehicle Code, when during a  
24 12-month period the rolling stock has carried persons or  
25 property for hire in interstate commerce for greater than 50%  
26 of its total trips for that period or for greater than 50% of

1 its total miles for that period. The person claiming the  
2 exemption for a trailer or trailers that will not be dedicated  
3 to a motor vehicle or group of motor vehicles shall make an  
4 election at the time of purchase to use either the trips or  
5 mileage method. Persons who purchased trailers prior to July 1,  
6 2004 that are not dedicated to a motor vehicle or group of  
7 motor vehicles shall make an election to use either the trips  
8 or mileage method and document that election in their books and  
9 records. If no election is made under this subsection to use  
10 the trips or mileage method, the person shall be deemed to have  
11 chosen the mileage method. Any election to use either the trips  
12 or mileage method will remain in effect for that trailer for  
13 any period for which the Department may issue a notice of tax  
14 liability under this Act.

15 For purposes of determining qualifying trips or miles,  
16 trailers, semitrailers, or pole trailers that carry property  
17 for hire, even just between points in Illinois, will be  
18 considered used for hire in interstate commerce if the  
19 trailers, semitrailers, or pole trailers transport property  
20 whose shipments originate or terminate outside Illinois. This  
21 definition applies to all property purchased for the purpose of  
22 being attached to those trailers, semitrailers, or pole  
23 trailers as a part thereof. In lieu of a person providing  
24 documentation regarding the qualifying use of each individual  
25 trailer, semitrailer, or pole trailer, that person may document  
26 such qualifying use by providing documentation of the

1 following:

2 (1) If a trailer, semitrailer, or pole trailer is  
3 dedicated to a motor vehicle that qualifies as rolling  
4 stock moving in interstate commerce under subsection (c) of  
5 this Section, then that trailer, semitrailer, or pole  
6 trailer qualifies as rolling stock moving in interstate  
7 commerce under this subsection.

8 (2) If a trailer, semitrailer, or pole trailer is  
9 dedicated to a group of motor vehicles that all qualify as  
10 rolling stock moving in interstate commerce under  
11 subsection (c) of this Section, then that trailer,  
12 semitrailer, or pole trailer qualifies as rolling stock  
13 moving in interstate commerce under this subsection.

14 (3) If one or more trailers, semitrailers, or pole  
15 trailers are dedicated to a group of motor vehicles and not  
16 all of those motor vehicles in that group qualify as  
17 rolling stock moving in interstate commerce under  
18 subsection (c) of this Section, then the percentage of  
19 those trailers, semitrailers, or pole trailers that  
20 qualifies as rolling stock moving in interstate commerce  
21 under this subsection is equal to the percentage of those  
22 motor vehicles in that group that qualify as rolling stock  
23 moving in interstate commerce under subsection (c) of this  
24 Section to which those trailers, semitrailers, or pole  
25 trailers are dedicated. However, to determine the  
26 qualification for the exemption provided under this item

1           (3), the mathematical application of the qualifying  
2           percentage to one or more trailers, semitrailers, or pole  
3           trailers under this subpart shall not be allowed as to any  
4           fraction of a trailer, semitrailer, or pole trailer.

5           (Source: P.A. 93-23, eff. 6-20-03; 93-1033, eff. 9-3-04.)

6           Section 99. Effective date. This Act takes effect upon  
7           becoming law.