

AN ACT concerning revenue.

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

Section 5. The Motor Fuel Tax Law is amended by changing Section 15 as follows:

(35 ILCS 505/15) (from Ch. 120, par. 431)

Sec. 15. 1. Any person who knowingly acts as a distributor of motor fuel or supplier of special fuel, or receiver of fuel without having a license so to do, or who knowingly fails or refuses to file a return with the Department as provided in Section 2b, Section 5, or Section 5a of this Act, or who knowingly fails or refuses to make payment to the Department as provided either in Section 2b, Section 6, Section 6a, or Section 7 of this Act, shall be guilty of a Class 3 felony. Each day any person knowingly acts as a distributor of motor fuel, supplier of special fuel, or receiver of fuel without having a license so to do or after such a license has been revoked, constitutes a separate offense.

2. Any person who acts as a motor carrier without having a valid motor fuel use tax license, issued by the Department or by a member jurisdiction under the provisions of the International Fuel Tax Agreement, or a valid single trip permit is guilty of a Class A misdemeanor for a first offense

and is guilty of a Class 4 felony for each subsequent offense. Any person (i) who fails or refuses to make payment to the Department as provided in Section 13a.1 of this Act or in the International Fuel Tax Agreement referenced in Section 14a, or (ii) who fails or refuses to make the quarterly return as provided in Section 13a.3 is guilty of a Class 4 felony; and for each subsequent offense, such person is guilty of a Class 3 felony.

3. In case such person acting as a distributor, receiver, supplier, or motor carrier is a corporation, then the officer or officers, agent or agents, employee or employees, of such corporation responsible for any act of such corporation, or failure of such corporation to act, which acts or failure to act constitutes a violation of any of the provisions of this Act as enumerated in paragraphs 1 and 2 of this Section, shall be punished by such fine or imprisonment, or by both such fine and imprisonment as provided in those paragraphs.

3.5. Any person who knowingly enters false information on any supporting documentation required to be kept by Section 6 or 6a of this Act is guilty of a Class 3 felony.

3.7. Any person who knowingly attempts in any manner to evade or defeat any tax imposed by this Act or the payment of any tax imposed by this Act is guilty of a Class 2 felony.

4. Any person who refuses, upon demand, to submit for inspection, books and records, or who fails or refuses to keep books and records in violation of Section 12 of this Act, or

any distributor, receiver, or supplier who violates any reasonable rule or regulation adopted by the Department for the enforcement of this Act is guilty of a Class A misdemeanor. Any person who acts as a blender in violation of Section 3 of this Act ~~or who having transported reportable motor fuel within Section 7b of this Act fails to make the return required by that Section,~~ is guilty of a Class 4 felony.

5. Any person licensed under Section 13a.4, 13a.5, or the International Fuel Tax Agreement who: (a) fails or refuses to keep records and books, as provided in Section 13a.2 or as required by the terms of the International Fuel Tax Agreement, (b) refuses upon demand by the Department to submit for inspection and examination the records required by Section 13a.2 of this Act or by the terms of the International Fuel Tax Agreement, or (c) violates any reasonable rule or regulation adopted by the Department for the enforcement of this Act, is guilty of a Class A misdemeanor.

6. Any person who makes any false return or report to the Department as to any material fact required by Sections 2b, 5, 5a, 7, 13, or 13a.3 of this Act or by the International Fuel Tax Agreement is guilty of a Class 2 felony.

7. A prosecution for any violation of this Section may be commenced anytime within 5 years of the commission of that violation. A prosecution for tax evasion as set forth in paragraph 3.7 of this Section may be prosecuted any time within 5 years of the commission of the last act in furtherance

of evasion. The running of the period of limitations under this Section shall be suspended while any proceeding or appeal from any proceeding relating to the quashing or enforcement of any grand jury or administrative subpoena issued in connection with an investigation of the violation of any provision of this Act is pending.

8. Any person who provides false documentation required by any Section of this Act is guilty of a Class 4 felony.

9. Any person filing a fraudulent application or order form under any provision of this Act is guilty of a Class A misdemeanor. For each subsequent offense, the person is guilty of a Class 4 felony.

10. Any person who acts as a motor carrier and who fails to carry a manifest as provided in Section 5.5 is guilty of a Class A misdemeanor. For each subsequent offense, the person is guilty of a Class 4 felony.

11. Any person who knowingly sells or attempts to sell dyed diesel fuel for highway use or for use by recreational-type watercraft on the waters of this State is guilty of a Class 4 felony. For each subsequent offense, the person is guilty of a Class 2 felony.

12. Any person who knowingly possesses dyed diesel fuel for highway use or for use by recreational-type watercraft on the waters of this State is guilty of a Class A misdemeanor. For each subsequent offense, the person is guilty of a Class 4 felony.

13. Any person who sells or transports dyed diesel fuel without the notice required by Section 4e shall pay the following penalty:

- First occurrence \$ 500
- Second and each occurrence thereafter \$1,000

14. Any person who owns, operates, or controls any container, storage tank, or facility used to store or distribute dyed diesel fuel without the notice required by Section 4f shall pay the following penalty:

- First occurrence \$ 500
- Second and each occurrence thereafter \$1,000

15. If a motor vehicle required to be registered for highway purposes is found to have dyed diesel fuel within the ordinary fuel tanks attached to the motor vehicle or if a recreational-type watercraft on the waters of this State is found to have dyed diesel fuel within the ordinary fuel tanks attached to the watercraft, the operator shall pay the following penalty:

- First occurrence \$1,000
- Second and each occurrence thereafter \$5,000

16. Any licensed motor fuel distributor or licensed supplier who sells or attempts to sell dyed diesel fuel for highway use or for use by recreational-type watercraft on the waters of this State shall pay the following penalty:

- First occurrence \$1,000
- Second and each occurrence thereafter \$5,000

17. Any person who knowingly sells or distributes dyed diesel fuel without the notice required by Section 4e is guilty of a petty offense. For each subsequent offense, the person is guilty of a Class A misdemeanor.

18. Any person who knowingly owns, operates, or controls any container, storage tank, or facility used to store or distribute dyed diesel fuel without the notice required by Section 4f is guilty of a petty offense. For each subsequent offense the person is guilty of a Class A misdemeanor.

For purposes of this Section, dyed diesel fuel means any dyed diesel fuel whether or not dyed pursuant to Section 4d of this Law.

Any person aggrieved by any action of the Department under item 13, 14, 15, or 16 of this Section may protest the action by making a written request for a hearing within 60 days of the original action. If the hearing is not requested in writing within 60 days, the original action is final.

All penalties received under items 13, 14, 15, and 16 of this Section shall be deposited into the Tax Compliance and Administration Fund.

(Source: P.A. 96-1384, eff. 7-29-10.)

(35 ILCS 505/7b rep.)

Section 10. The Motor Fuel Tax Law is amended by repealing Section 7b.