



# *i*nformational

## *Bulletin*

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

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## County Motor Fuel Tax Changes for Lake and DuPage Counties, Effective July 1, 2021

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**To: All Registered Illinois Retailers Selling Motor  
Fuel in Lake and DuPage Counties**

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For information or forms  
Visit our website at:  
[tax.illinois.gov](http://tax.illinois.gov)

Call us at:  
1 800 732-8866 or  
217 782-3336

Call our TDD  
(telecommunications device  
for the deaf) at:  
1 800 544-5304

As permitted under the County Motor Fuel Tax Law, 55 ILCS 5/5-1035.1, effective **July 1, 2021**, Lake County has imposed a County Motor Fuel Tax on retail sales of motor fuel in that county. Also effective **July 1, 2021**, DuPage County has increased the County Motor Tax rate on retail sales of motor fuel in that county.

### **What sales are subject to the County Motor Fuel Tax?**

The County Motor Fuel Tax Law allows Lake County, as well as DuPage, Kane, McHenry, an Will Counties, to impose a tax in those counties on sales of motor fuel at retail within the county for the operation of motor vehicles upon public highways or for the operation of recreational watercraft upon waterways. The sales must be for the purchaser's use or consumption and not for the purpose of resale.

### **What is the County Motor Fuel Tax rate in Lake County?**

Lake County has imposed the County Motor Fuel Tax at an initial rate of **four cents (4¢) per gallon**.

### **What is the County Motor Fuel Tax rate in DuPage County?**

For retail sales made **up to and including June 30, 2021**, DuPage County imposes the County Motor Fuel Tax at a rate of **four and one-tenth cents (4.1¢) per gallon**. Effective **July 1, 2021**, DuPage County has imposed the County Motor Fuel Tax at a rate of **eight cents (8¢) per gallon**.

### **Can the County Motor Fuel Tax rate change?**

Yes. A county that has imposed a County Motor Fuel Tax may pass an ordinance to change the rate of tax it imposes in that county. The County Motor Fuel Tax Law does not allow a county to impose the tax at an initial rate higher than eight cents (8¢) per gallon.

The Illinois Department of Revenue (IDOR) is also required to determine an annual rate increase, based on changes in the consumer price index, to take effect on July 1 of each year and continue through June 30 of the next year. IDOR must publish by June 1 of each year on its website at [tax.illinois.gov](http://tax.illinois.gov) the rate that will take effect on July 1 of that year. The rate must be rounded to the nearest one-tenth of one cent, and each new rate may not exceed the rate in effect on June 30 of the previous year plus one cent.

**Note:** IDOR's calculation of the annual rate increase for 2021 did not result in a net rate change for any county that currently imposes a County Motor Fuel Tax.

### **Where can I verify the rates of County Motor Fuel Tax I should be collecting?**

IDOR's website at [tax.illinois.gov](http://tax.illinois.gov) is the best resource for up-to-date tax information. Use the **MyTax Tax Rate Finder** on our website to look up rates for County Motor Fuel Tax and other taxes. IDOR also posts rate change bulletins on its website and sends notifications of rate change bulletins as messages in MyTax Illinois, available at [mytax.illinois.gov](http://mytax.illinois.gov). Taxpayers electronically filing Form CMFT-1, County Motor Fuel Tax Return, using MyTax Illinois will have the rates populated for them based on the addresses where they make retail sales of motor fuel.

### **If I am currently selling motor fuel at retail in Lake County, how can I register for the County Motor Fuel Tax?**

Any retailer that is already selling motor fuel in Lake County must contact our Central Registration Division at **217 785-3707** to register its sites in Lake County for County Motor Fuel Tax, regardless of whether the retailer is already registered with the Illinois Department of Revenue to collect the County Motor Fuel Tax for sites in DuPage, Kane, McHenry, or Will County.

### **How do I report County Motor Fuel Tax?**

You must file a Form CMFT-1, County Motor Fuel Tax Return, if you make retail sales of motor fuel within Lake County on or after July 1, 2021. You can use MyTax Illinois at [mytax.illinois.gov](http://mytax.illinois.gov) to file your Form CMFT-1. MyTax Illinois also allows for electronic payment of any tax due.

### **When is Form CMFT-1 due?**

You must file this return, along with any payment you owe, on or before the 20th day of the month following the end of the liability period. Your reporting period is the same as the period for filing your Form ST-1. The first CMFT-1 return due date to report retail sales of motor fuel within Lake County is August 20, 2021 (reporting sales made in July 2021).

**Note:** If the due date falls on a weekend or holiday, your payment is due the next business day.

### **What if I have multiple sites where I sell motor fuel at retail?**

If you make retail sales of motor fuel from more than one site that is subject to County Motor Fuel Tax, including sales in Lake County on or after July 1, 2021, you must report all of these sales on a single Form CMFT-1 by completing and attaching Form CMFT-2, Multiple Site Form, to your Form CMFT-1.

MyTax Illinois allows users to calculate their tax due for each location on Form CMFT-2 and combine their liability on a single Form CMFT-1.

### **Does the County Motor Fuel Tax impact the calculation of my sales tax (Retailers' Occupation Tax)?**

Yes. In calculating your sales tax (Retailers' Occupation Tax) on motor fuel, you should not include the County Motor Fuel Tax in the selling price subject to sales tax.