

The International Fuel Tax Agreement governs the taxation and reporting of fuel tax liabilities for “commercial motor vehicles” as that term is defined in Section 1.16 of the Motor Fuel Tax Law. (This is a GIL.)

December 9, 2009

Dear Xxxxx:

This letter is in response to your letter dated June 24, 2009, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings (“PLRs”) are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department’s regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter (“GIL”) is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.tax.illinois.gov to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

I have been in contact with INDIVIDUAL Internal Revenue Dept. of Illinois, about Illinois' regulations for filing International Fuel Tax Agreement (IFTA). COMPANY is based in STATE. Concrete pumps are considered special equipment and are not required to file IFTA in STATE. INDIVIDUAL stated that we are not required to file IFTA in Illinois, if based in STATE and are not required to file in STATE. What I am asking for in this letter is documentation of these findings to keep in my record.

DEPARTMENT’S RESPONSE:

The International Fuel Tax Agreement (IFTA) allows the operators of commercial motor vehicles to register with one base state for payment of Motor Fuel Use Tax to all member jurisdictions.” IFTA provides in Article I, Section R150, that “[i]t is the purpose of this Agreement to establish and maintain the concept of one fuel use license and administering base jurisdiction for each licensee and to provide that a licensee’s base jurisdiction will be the administrator of this Agreement and execute all its provisions with respect to such licensee.” Accordingly, operators of commercial motor vehicles choose a base state in accordance with the provisions of IFTA and then register with that state, which will act as the administrator with respect to IFTA.”

It is unclear based on the information you provided whether a concrete pump falls within the definition of a “commercial motor vehicle” and, thus, is subject to IFTA requirements. See the Department’s regulation at 86 Ill. Adm. Code at 500.100, which can be found on the Department’s website. Note, however, even though your base state may not require that you register, if you travel in other jurisdictions that may not consider the vehicle exempt from fuel tax reporting requirements, you could be subject to citations. See the Department’s regulation at 86 Ill. Adm. Code at 500.300(d) which can be found on the Department’s website.

I hope this information is helpful. If you require additional information, please visit our website at www.tax.illinois.gov or contact the Department’s Taxpayer Information Division at (217) 782-3336.

Very truly yours,

Debra M. Boggess
Associate Counsel

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