



# informational

## Bulletin

Constance Beard, Director

## Change in the Motor Fuel Use Tax Rate, Effective July 1, 2017 through December 31, 2017

To: All Licensed Interstate Motor Carriers

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

The Department is required to establish the “Part B” rate of the Motor Fuel Use Tax for diesel fuel, gasoline, gasohol, liquefied petroleum gas (LPG), compressed natural gas (CNG), and liquefied natural gas (LNG). The rates listed here are effective **July 1, 2017, through December 31, 2017**, resulting from changes made by P.A. 100-9.

### What is the “Part B” rate?

The “Part B” rate is equal to 6.25 percent of the average selling price per gallon of motor fuel sold in Illinois.

### What are the Illinois “Part B” motor fuel rates?

Beginning on July 1, 2017, the International Fuel Tax Agreement (IFTA) requires LNG to be reported using diesel gallon equivalents (DGEs). Effective July 1, 2017, P.A. 100-9 requires motor fuel distributors to sell LNG used as motor fuel in DGEs and further requires LNG and propane to be reported for tax purposes using DGEs and taxes LNG and propane at 21.5 cents per DGE. Prior to July 1, 2017, Illinois taxed LNG and propane at the rate of 19 cents per liquid gallon. A DGE is defined as 6.06 pounds of LNG or 6.41 pounds of propane. P.A. 100-9 also requires that CNG be reported for tax purposes using gasoline gallon equivalents (GGEs) and taxed at 19 cents per GGE.

The “Part B” rates (in cents per gallon) for July 1, 2017, through December 31, 2017, are as follows:

Diesel <sup>1</sup>	11.9¢ per gallon
Gasoline <sup>2</sup>	11.7¢ per gallon
LPG	13.8¢ per gallon <sup>3</sup>
LNG	12.0¢ per gallon <sup>4</sup>
CNG	10.1¢ per gallon <sup>5</sup>

<sup>1</sup> Diesel fuel is defined as any product intended for use or offered for sale as a fuel for engines in which the fuel is injected into the combustion chamber and ignited by pressure without electric spark (includes biodiesel).

<sup>2</sup> Gasoline includes gasohol.

<sup>3</sup> For LPG, “gallon” means DGE. The conversion ratio used to calculate the LPG rate is one gallon = 0.651 DGEs of LPG.

<sup>4</sup> For LNG, “gallon” means DGE. The conversion ratio used to calculate the LNG rate is one gallon = 0.5776 DGEs of LNG.

<sup>5</sup> For CNG, “gallon” means gasoline gallon equivalent (GGE). P.A. 100-9 defines a GGE as 5.66 pounds of CNG.

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

Call us at:  
**217 785-1397**

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

### How do I figure my combined Motor Fuel Use Tax rate?

From July 1, 2017, through December 31, 2017, the combined tax rates are as follows:

	Part "A"	Part "B"	Combined
Diesel	21.5¢	11.9¢	33.4¢ per gallon
Gasoline	19.0¢	11.7¢	30.7¢ per gallon
LPG	21.5¢	13.8¢	35.3¢ per gallon <sup>1</sup>
LNG	21.5¢	12.0¢	33.5¢ per gallon <sup>2</sup>
CNG	19.0¢	10.1¢	29.1¢ per gallon <sup>3</sup>

Rate information is available at [tax.illinois.gov](http://tax.illinois.gov). Use MyTax Illinois at [tax.illinois.gov](http://tax.illinois.gov) to renew your IFTA license, order decals, and file and pay quarterly returns.

<sup>1</sup> For LPG, "gallon" means DGE. The conversion ratio used to calculate the LPG rate is one gallon = 0.651 DGEs of LPG.

<sup>2</sup> For LNG, "gallon" means DGE. The conversion ratio used to calculate the LNG rate is one gallon = 0.5776 DGEs of LNG.

<sup>3</sup> For CNG, "gallon" means gasoline gallon equivalent (GGE). P.A. 100-9 defines a GGE as 5.66 pounds of CNG.