

## ■ Illinois Repeals Public Utilities Revenue Tax on Electricity and Imposes Electricity Excise Tax

### **TO:** All Distributors of Electricity

Effective August 1, 1998, the Public Utilities Revenue Tax (on electricity) is repealed and a new tax—the Electricity Excise Tax—is imposed.

### **Am I still required to file a Public Utilities Revenue Tax return?**

You must file Form RPU-35, Public Utilities Tax Return, to report and pay the Public Utilities Revenue Tax you incurred prior to August 1, 1998. Your final return for this tax is due on or before August 15, 1998.

### **May I amend a return on or after August 1, 1998, that I previously filed for the Public Utilities Revenue Tax?**

Yes. You may amend a Form RPU-35 that you previously filed. To do so, complete a new Form RPU-35; check “yes” in Step 1, Item 7; and complete the rest of the return using your amended figures.

### **What is the Electricity Excise Tax?**

The Electricity Excise Tax is a tax that a delivering supplier, a municipal system, or an electric cooperative collects from each of its customers for electricity delivered to each customer. The delivering supplier, municipal system, or electric cooperative then pays the total collected tax to the Illinois Department of Revenue.

Self-assessing purchasers who register with the Illinois Department of Revenue may choose to pay the tax directly to the department rather than to the delivering supplier, municipal system, or electric cooperative that supplied the electricity.

### **What is a “delivering supplier”?**

For purposes of the Electricity Excise Tax, a “delivering supplier” is any person who is in the business of delivering electricity to persons for use or consumption and not for resale. If more than one person is involved in the delivery of the electricity to a purchaser, the “delivering supplier” is the last supplier in the chain to deliver the electricity to the purchaser.

### **What is a “self-assessing purchaser”?**

For purposes of the Electricity Excise Tax, a “self-assessing purchaser” is any person who purchases electricity for non-residential use, registers with the Illinois Department of Revenue, and pays the Electricity Excise Tax directly to the department.

### **From whom do I collect the Electricity Excise Tax?**

If you are a delivering supplier, a municipal system, or an electric cooperative, you must collect the Electricity Excise Tax from each customer, other than from a registered self-assessing purchaser, to whom you distribute, supply, furnish, sell, transmit, and deliver electricity for use or consumption and not for resale.

If you are a self-assessing purchaser, the delivering supplier, municipal system, or electric cooperative from whom you purchase the electricity will not collect the tax from you. Instead, you must pay the tax on your electricity purchases directly to the Illinois Department of Revenue.

## How much do I collect for the Electricity Distribution Tax?

The amount of Electricity Distribution Tax you collect from each customer is based on whether you are a delivering supplier, a municipal system, an electric cooperative, or a self-assessing purchaser.

If you are a delivering supplier, the tax amount you collect from each customer per month is:

- \$.0033 per kilowatt-hour for the first 2,000 kilowatt-hours
- \$.00319 per kilowatt-hour for the next 48,000 kilowatt-hours
- \$.00303 per kilowatt-hour for the next 50,000 kilowatt-hours
- \$.00297 per kilowatt-hour for the next 400,000 kilowatt-hours
- \$.00286 per kilowatt-hour for the next 500,000 kilowatt-hours
- \$.00270 per kilowatt-hour for the next 2 million kilowatt-hours
- \$.00254 per kilowatt-hour for the next 2 million kilowatt-hours
- \$.00233 per kilowatt-hour for the next 5 million kilowatt-hours
- \$.00207 per kilowatt-hour for the next 10 million kilowatt-hours
- \$.00202 per kilowatt-hour for all kilowatt-hours in excess of 20 million

If you are a municipal system or an electric cooperative, the tax amount you collect from each customer is either

- \$.0032 per kilowatt-hour of electricity or
- 5 percent of the purchase price for electricity, whichever is less.

If you are a self-assessing purchaser, the tax amount you pay directly to the Illinois Department of Revenue on accounts you choose to self assess is 5.1 percent of the purchase price for all electricity distributed, supplied, furnished, sold, transmitted, and delivered to you for those accounts.

## How do I pay the Electricity Excise Tax?

You report and pay the Electricity Excise Tax on Form RPU-13, Electricity Excise Tax Return.

## When is Form RPU-13 due?

Unless we notify you otherwise, you must file Form RPU-13 monthly. Your monthly return is due on or before the 15th day of the month following the month for which you are filing.

## Do I need to register as a delivering supplier or a self-assessing purchaser?

Yes. If you are either a delivering supplier or a self-assessing purchaser, you must be registered with the Illinois Department of Revenue.

**Note:** If you are a delivering supplier and you are currently registered under the Public Utilities Revenue Tax Act, you must also register under the Electricity Excise Tax Law.

## How do I register?

To register as a delivering supplier or a self-assessing purchaser for purposes of the Electricity Excise Tax, you must complete Form RPU-3, Utility Tax Application for Registration. Once we approve your application, we will send you your certificate of registration.

If you are applying for a self-assessing purchaser's certificate of registration, you must also complete Form RPU-5, Self-assessing Purchaser Worksheet. Attach your completed Form RPU-5 and a \$200 payment for the application fee when you send us Form RPU-3. The nonrefundable fee is for a two-year registration period.

No application fee is required if you are applying for a delivering supplier's certificate of registration.

## As a delivering supplier, what records must I maintain for electricity I deliver to self-assessing purchasers?

If you are a delivering supplier, the Illinois Department of Revenue will send you a separate letter (Form RPU-8) informing you of each customer who has registered as a self-assessing purchaser.

Attached to the letter will be a copy of the Form RPU-5 that the self-assessing purchaser submitted to the department. Form RPU-5 lists the accounts for which you are no longer liable for collecting the Electricity Excise Tax from the self-assessing purchaser. You must, however, still collect this tax on any accounts the self-assessing purchaser has with you that are not identified on Form RPU-5.

You must maintain in your books and records the Form RPU-8 and the Form RPU-5 that you receive from the department.

### **Questions?**

If you have questions or need more information, please call or write us. Our telephone numbers and address are printed at the bottom of this bulletin.

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**For information  
or forms...**

Call us at 217 524-5406.

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

Write us at Illinois Department of Revenue, P.O. Box 19039, Springfield, IL 62794-9039.

Visit our Web site at <[www.revenue.state.il.us](http://www.revenue.state.il.us)>.

Call Illinois Tax Fax, our fax-on-demand service, at 217 785-3400.

Call our 24-hour Forms Order Line at 1 800 356-6302.



