

ILLINOIS REGISTER

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Gas Revenue Tax Act
- 2) Code Citation: 86 Ill. Adm. Code 470
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
470.132	New Section
470.133	New Section
- 4) Statutory Authority: Implementing the Gas Revenue Tax Act [35 ILCS 615] and authorized by Section 2505-795 of the Civil Administrative Code of Illinois [20 ILCS 2505/2505-795].
- 5) A Complete Description of the Subjects and Issues Involved: New Section 470.132 is created to implement a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222. Section 9-222 of the Public Utilities Act provides that a public utility shall not charge customers, who are certified under Section 95 of the Reimagining Energy and Vehicles in Illinois Act ("REV Illinois Act") (20 ILCS 686/1 et seq.), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act.

New Section 470.133 is created to implement a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222. Section 9-222 of the Public Utilities Act provides that a public utility shall not charge customers, who are certified under the Manufacturing Illinois Chips for Real Opportunity ("MICRO") (Act, 35 ILCS 45/110-1 et seq.), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No

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- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or enlarge a mandate as described in Section 3(b) of the State Mandates Act.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to submit comments on this proposed rulemaking may submit them in writing by no later than 45 days after publication of this Notice to:

Katarzyna Kowalska
Associate Counsel
Legal Services Office - Sales and Excise Tax Policy
Illinois Department of Revenue
101 West Jefferson
Springfield, Illinois 62794

Phone: 217-782-2844
REV.GCO@illinois.gov

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Public utilities engaged in the business of distributing, supplying, furnishing or selling gas to persons for use or consumption and not for resale.
- B) Reporting, bookkeeping or other procedures required for compliance: General bookkeeping.
- C) Types of professional skills necessary for compliance: Accounting, bookkeeping, sales tax compliance.
- 14) Small Business Impact Analysis:
- A) Types of businesses subject to the proposed rule:
- 44-45 Retail Trade

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B) Categories that the agency reasonably believes the rulemaking will impact, including:

- ii. regulatory requirements
- viii. record keeping

15) Regulatory Agenda on which this rulemaking was summarized: January 2024

The full text of the Proposed Amendments begins on the next page:

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Section 470.132 Reimagining Energy and Vehicles in Illinois Act Project Site Exemption

- a) A public utility shall not charge customers, who are certified by the Department of Commerce and Economic Opportunity ("DCEO") under Section 95 of the Reimagining Energy and Vehicles in Illinois Act ("REV Illinois Act") (20 ILCS 686/95), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act (35 ILCS 615/2), to the extent of such exemption and during the period in which such exemption is in effect. [220 ILCS 5/9-222]
- b) To be eligible for this exemption, the DCEO must certify a taxpayer for this exemption. To become certified, the taxpayer must meet the qualifications under paragraphs (1), (2), and (4) of subsection (c) of Section 20 of the REV Illinois Act (20 ILCS 686/20) and enter into an agreement with the DCEO under the REV Illinois Act. The taxpayer must meet any other criteria for certification set by the DCEO. The DCEO will determine the period during which the exemption is in effect, which shall not exceed 10 years from the date of the taxpayer's initial receipt of certification from the DCEO. [20 ILCS 686/95]

(Source: Added at 48 Ill. Reg. _____, effective _____)

Section 470.133 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act Project Site Exemption

- a) A public utility shall not charge customers, who are certified by the Department of Commerce and Economic Opportunity ("DCEO") under Section 110-95 of the Manufacturing Illinois Chips for Real Opportunity (MICRO) Act ("MICRO Act") (35 ILCS 45/110-95), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act (35 ILCS 615/2), to the extent of such exemption and during the period in which such exemption is in effect. [220 ILCS 5/9-222]
- b) To be eligible for this exemption, the DCEO must certify a taxpayer for this exemption. To become certified, the taxpayer must meet the qualifications under paragraphs (1), (2), and (4) of subsection (c) of Section 110-20 of the MICRO Act (35 ILCS 45/110-20) and has entered into an agreement

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with the DCEO under the MICRO Act. The taxpayer must meet any other criteria for certification set by the DCEO. The DCEO will determine the period during which the exemption is in effect, which shall not exceed 10 years from the date of the taxpayer's initial receipt of certification from the DCEO. [35 ILCS 45/110-95]

(Source: Added at 48 Ill. Reg. _____, effective _____)