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Bulletin

David Harris, Director

Change in the Motor Fuel Use Tax Rate, Effective July 1, 2023, through December 31, 2023

To: All International Fuel Tax Agreement (IFTA) Licensees

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

Illinois Motor Fuel Use Tax is comprised of two parts, “Part A” and “Part B.” This tax is reported and paid by licensees under the International Fuel Tax Agreement (IFTA). The rates listed here are effective **July 1, 2023, through December 31, 2023**, for use on the quarterly IFTA returns.

For information
Visit our website at:
tax.illinois.gov

Email us at:
REV.IFTA@illinois.gov

What is the Illinois “Part A” rate?

The “Part A” rate is established by Section 2 of the Motor Fuel Tax Law, which imposes the tax per gallon on all motor fuel used in motor vehicles operating on Illinois public highways and in recreational type watercraft operating on Illinois waters.

What are the Illinois “Part A” motor fuel rates effective July 1, 2023?

Effective July 1, 2023, the “Part A” rates (in cents per gallon, DGE¹, or GGE²) are as follows:

Diesel ³	52.9¢ per gallon
Gasoline ⁴	45.4¢ per gallon
LPG	52.9¢ per DGE ⁵
LNG	52.9¢ per DGE ⁶
CNG	45.4¢ per GGE ⁷

What is the Illinois “Part B” rate?

The Illinois Department of Revenue is required to establish the “Part B” rate of the Motor Fuel Use Tax for diesel fuel, gasoline, gasohol, liquefied petroleum gas (LPG, commonly known as propane), compressed natural gas (CNG), and liquefied natural gas (LNG).

The “Part B” rate is established by the Department as of January 1 of each year using the average selling price per gallon of motor fuel sold in Illinois during the previous 12 months and multiplying it by 6.25 percent to determine the cents per gallon rate. 35 ILCS 505/13a.

What are the Illinois “Part B” motor fuel rates for 2023?

The “Part B” rates (in cents per gallon, DGE¹, or GGE²) are as follows:

Diesel ³	25.9¢ per gallon
Gasoline ⁴	23.1¢ per gallon
LPG	18.5¢ per DGE ⁵
LNG	14.8¢ per DGE ⁶
CNG	11.9¢ per GGE ⁷

What is the Motor Fuel Use Tax rate for July 1, 2023, through December 31, 2023?

From **July 1, 2023, through December 31, 2023**, the Motor Fuel Use Tax rates for the fuels listed below are as follows:

	Part “A”		Part “B”		Motor Fuel Use Tax Rate
Diesel	52.9¢	+	25.9¢	=	78.8¢ per gallon
Gasoline	45.4¢	+	23.1¢	=	68.5¢ per gallon
LPG	52.9¢	+	18.5¢	=	71.4¢ per DGE
LNG	52.9¢	+	14.8¢	=	67.7¢ per DGE
CNG	45.4¢	+	11.9¢	=	57.3¢ per GGE

Rate information is available at tax.illinois.gov. Use MyTax Illinois at mytax.illinois.gov to renew your IFTA license, order decals, and file and pay quarterly returns.

¹ “DGE” means diesel gallon equivalent.

² “GGE” means gasoline gallon equivalent.

³ 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).

⁴ Gasoline includes gasohol.

⁵ A DGE of LPG = 6.41 pounds of LPG. The conversion ratio used to calculate the LPG rate is one gallon = 0.651 DGEs of LPG.

⁶ A DGE of LNG = 6.06 pounds of LNG. The conversion ratio used to calculate the LNG rate is one gallon = 0.5776 DGEs of LNG.

⁷ A GGE of CNG = 5.66 pounds of CNG.