

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 500 Section 500.335    Quarterly Payment and Reporting</b>
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**TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 500  
MOTOR FUEL TAX**

**Section 500.335 Quarterly Payment and Reporting**

- a) Every person holding a valid unrevoked motor fuel use tax license issued by the Department under the provisions of the IFTA shall file a quarterly motor fuel use tax return, along with full payment of taxes, with the Department. Returns are due, even if no operations were conducted during the reporting period. The due date for the return and full payment of taxes is the last day of the month immediately following the close of the quarter for which the return is being filed. Returns and full payment of taxes are due on or before the following dates:

Reporting Quarter	Due Date
January - March	April 30
April - June	July 31
July - September	October 31
October - December	January 31

If the due date is a Saturday, Sunday, or legal holiday, the next business day is considered the due date. Each motor fuel use tax return should be mailed in a separate envelope. On and after January 1, 2013, returns and payment of tax, including amended returns, must be made electronically. Electronic returns shall be made in accordance with 86 Ill. Adm. Code 760. Electronic payments shall be made by ACH debit in accordance with 86 Ill. Adm. Code 750.

- b) The taxable event is the consumption of motor fuel, as defined in Section 500.100 of this Part, used to operate commercial motor vehicles. For tax payment and reporting purposes, all motor fuels placed in supply tanks of commercial motor vehicles, and all miles travelled, are taxable. Carriers must utilize the procedures in Section 500.235 for refunds for off-road or non-highway use.
- c) For IFTA licensees: The IFTA provides that member jurisdictions may determine what type of motor fuels and miles travelled are exempt from tax, and are therefore not reportable. Carriers should contact member jurisdictions to determine what types of fuel and miles travelled are exempt from taxation. For IFTA carriers, claims for refunds for fuel used for any purpose other than propelling a commercial motor vehicle upon public highways must be made directly to the respective jurisdiction.

- d) The quarterly return shall include a statement of the total number of miles travelled, as well as total miles travelled in each jurisdiction and in Illinois during the previous calendar quarter; the total number of gallons and type of reportable motor fuel consumed on the highways of all jurisdictions, as well as in each jurisdiction and in Illinois, and the total number of gallons and types of tax paid fuel purchased within each jurisdiction during the previous calendar quarter; and the total (net) of tax due the base jurisdiction on behalf of all jurisdictions. Licensees shall report all required information, and may not include miles operated and gallons of fuel purchased that were unavailable during any prior quarters. If a licensee does not include all required information, and that information is subsequently available, he or she must file an amended return, which will include penalty and interest.
- e) Fuel and distance must be reported in gallons and miles. The conversion rates are:
- |               |   |                   |
|---------------|---|-------------------|
| One liter     | = | 0.2642 gallons    |
| One gallon    | = | 3.785 liters      |
| One mile      | = | 1.6093 kilometers |
| One kilometer | = | 0.62137 mile      |
- f) For carriers registered under the IFTA that consume compressed natural gas and other fuels that cannot be measured in gallons, the fuels must be converted to gallons using the conversion factor used by the jurisdiction in which the fuel was consumed. See Section 500.200(c) for the conversion factor used for compressed natural gas.
- g) In order for a licensee to obtain credit for tax-paid retail purchases, a receipt or invoice, a credit card receipt, or microfilm/microfiche of the receipt or invoice must be retained by the licensee showing evidence of the purchases and tax having been paid by the licensee directly to the applicable jurisdiction or at the pump. The receipt must contain the following information:
- 1) date of purchase;
  - 2) seller's name and address;
  - 3) number of gallons purchased;
  - 4) fuel type;
  - 5) price per gallon or total amount of sale;
  - 6) unit numbers; and
  - 7) purchaser's name (in the case of a lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection can be made to reporting party).
- h) In the case of withdrawals from licensee-owned, tax-paid bulk storage, credit may be obtained only if the following records are maintained:
- 1) date of withdrawal;
  - 2) number of gallons;

- 3) fuel type;
  - 4) unit number (upon application by a licensee, the Department may waive the requirement of unit numbers for fuel withdrawn from the licensee's own bulk storage and placed in its commercial motor vehicles. The licensee must show that adequate records are maintained to distinguish fuel placed in commercial vs. non-commercial motor vehicles for all member jurisdictions); and
  - 5) purchase and inventory records to substantiate that tax was paid on all bulk purchases.
- i) Carriers registered under the IFTA must pay all taxes due to all member jurisdictions with one payment made to the Department. On and after January 1, 2013, payment shall be made electronically by ACH debit in accordance with 86 Ill. Adm. Code 750.
  - j) Through December 31, 2012, returns shall be filed on forms provided by the Department. On and after January 1, 2013, returns shall be filed electronically in accordance with 86 Ill. Adm. Code 760.
  - k) If a licensee uses a reporting service for his or her motor fuel use taxes, the licensee must maintain a power of attorney in its books and records. Use of a power of attorney does not relieve the licensee of the legal obligations associated with the license. The licensee is responsible for the payment of taxes as well as all acts and omissions of the reporting service. Decals and licenses will always be delivered directly to the licensee.
  - l) Reports not filed or full payment of taxes not made by the due date shall be considered late and any taxes due considered delinquent. The licensee shall be assessed a penalty of \$50 or 10 percent of the delinquent taxes, whichever is greater, for failure to file a report, for filing a late report, or for underpayment of taxes due. For reasonable cause shown, the Department may waive a penalty. For a fleet based in a U.S. jurisdiction, interest shall be set at an annual rate of 2 percentage points above the underpayment rate established under section 6621 (a)(2) of the Internal Revenue Code, adjusted on an annual basis on January 1 of each year. Interest shall accrue at 1/12 of this annual rate per month until liability is paid. The Department shall publish the interest rate by January 1 of each year on its website. For IFTA licensees, the Department may waive interest for another jurisdiction only with that jurisdiction's approval.

(Source: Amended at 39 Ill. Reg. 14728, effective October 23, 2015)