

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 500 Section 500.340 Credits and Refunds**

**TITLE 86: REVENUE**

**PART 500  
Motor Fuel Tax**

**Section 500.340 Credits and Refunds**

- a) A licensee shall receive full credit or refund for tax-paid fuel used outside the jurisdiction where the fuel was purchased. For IFTA licensees, a licensee may apply the overpayment generated in one jurisdiction to the taxes owed to another jurisdiction.
- b) Credits shall be carried over to offset liabilities of the licensee in future reporting periods until the credit is fully offset or until eight calendar quarters shall have passed since the end of the calendar quarter in which the credit accrued, whichever occurs sooner. If the credit has not been used to offset liabilities in 8 calendar quarters, it shall be refunded to the licensee.
- c) Credits and refunds will be made only when all tax liability, including audit assessments, has been paid to the Department or when all motor fuel use tax liabilities, including audit assessments, penalty and interest owed to other jurisdictions, has been satisfied.
- d) Refunds will not be made for amounts under \$1. Amounts less than \$25 will be credited, and sums of \$25 and over will be automatically refunded.
- e) Refunds determined to be properly due shall be paid within 90 days after receipt of a request by the licensee. If not so paid, interest shall accrue at the rate of 1 percent per month or fraction thereof until the refund is paid.
- f) No credit or refund shall be allowed or made based upon:
  - 1) a return filed more than four years after the due date of such return, or the date the return is filed, whichever is later; or
  - 2) overpayments for which records are no longer required to be kept. A request for a refund shall extend the records requirement date until the refund is made or denied.
- g) While not required to be attached to the return, proof of tax-paid purchases, as specified in Section 500.335 (g) or (h), must be retained by the licensee.
- h) For carriers registered under the IFTA, credits or refunds for tax paid on tax-exempt fuels must be made directly with the participating jurisdiction.

**(Source:** Amended at 22 Ill. Reg. 2253, effective January 9, 1998)

