

■ Tire User Fee Changes

TO: Tire Retailers

Beginning with transactions you make on or after January 1, 1993, changes to the Environmental Protection Act may affect your payment of the Tire User Fee.

What tires now qualify for the fee?

The Tire User Fee is imposed on new and used tires for

- vehicles in which persons or property may be transported or drawn **upon a highway**, as defined in the Illinois Vehicle Code, Section 1-217; and
- aircraft, special mobile equipment (such as street sweepers, road construction and maintenance machinery) and implements of husbandry (farm wagons and combines).

What tires are now excluded from the Tire User Fee?

Tires now excluded from the fee are, generally, those tires that are placed on a vehicle that is not transported or drawn upon a highway; *i.e.*, race cars, fork lifts, all-terrain vehicles, and lawn and garden tractors.

Also, reprocessed tires are no longer subject to the fee. A "reprocessed tire" is a used tire that has been recapped, re-treaded, or regrooved. However, used tires sold at retail that have not been "reprocessed" are not exempt.

Do all tire retailers need to be registered with the Department of Revenue for the Tire User Fee?

No. Effective January 1, 1993, if you pay the fee to a retail supplier who is registered for the Tire User Fee and who agrees to collect and pay the fee for you, you do not have to register with us.

A registered retail supplier who makes such an arrangement with the tire retailer is liable for the fee on all tires sold to the tire retailer and must

- provide the tire retailer with a receipt that reflects the tire fee collected on each transaction and
- accept used tires for recycling from the tire retailer's customers.

The tire retailer must maintain records showing that the appropriate fee was paid to the retail supplier and that the retail supplier has agreed to pay the fee to us. The tire retailer must

provide the customer with a receipt that separately states the Tire User Fee.

If I arrange for all my retail suppliers to pay the fee, should I discontinue my Tire User Fee registration?

Yes. If you are paying the fee to your retailer supplier, you should contact us to discontinue your Tire User Fee registration. You may do this by writing to:

ILLINOIS DEPARTMENT OF REVENUE
CENTRAL REGISTRATION DIVISION
PO BOX 19030
SPRINGFIELD IL 62794-9030

or by calling:

217 785-2889

What if I did not file for the first two quarters?

The changes in this bulletin are effective January 1, 1993. Sales of tires before January 1 are subject to the provisions of the original law effective July 1, 1992. The first two quarters (July 1 through September 30 and October 1 through December 31, 1992) must be accounted for (even if you have made no sales) by filing Form ST-8, Tire User Fee Return, and paying any fee you owe for each quarter.

Are purchasers who are exempt from sales tax also exempt from paying the Tire User Fee?

No. Purchasers (such as government agencies, schools, charitable organizations, and religious organizations) who are exempt from paying sales tax are not exempt from paying the fee.

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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BY AUTHORITY OF THE STATE OF ILLINOIS
(24,916 copies - 1/93 - P.O. Number 46166)