County Motor Fuel Tax Changes for Lake and DuPage Counties, Effective July 1, 2021

To: All Registered Illinois Retailers Selling Motor Fuel in Lake and DuPage Counties

As permitted under the County Motor Fuel Tax Law, 55 ILCS 5/5-1035.1, effective July 1, 2021, Lake County has imposed a County Motor Fuel Tax on retail sales of motor fuel in that county. Also effective July 1, 2021, DuPage County has increased the County Motor Tax rate on retail sales of motor fuel in that county.

What sales are subject to the County Motor Fuel Tax?
The County Motor Fuel Tax Law allows Lake County, as well as DuPage, Kane, McHenry, and Will Counties, to impose a tax in those counties on sales of motor fuel at retail within the county for the operation of motor vehicles upon public highways or for the operation of recreational watercraft upon waterways. The sales must be for the purchaser's use or consumption and not for the purpose of resale.

What is the County Motor Fuel Tax rate in Lake County?
Lake County has imposed the County Motor Fuel Tax at an initial rate of four cents (4¢) per gallon.

What is the County Motor Fuel Tax rate in DuPage County?
For retail sales made up to and including June 30, 2021, DuPage County imposes the County Motor Fuel Tax at a rate of four and one/tenth cents (4.1¢) per gallon. Effective July 1, 2021, DuPage County has imposed the County Motor Fuel Tax at a rate of eight cents (8¢) per gallon.

Can the County Motor Fuel Tax rate change?
Yes. A county that has imposed a County Motor Fuel Tax may pass an ordinance to change the rate of tax it imposes in that county. The County Motor Fuel Tax Law does not allow a county to impose the tax at an initial rate higher than eight cents (8¢) per gallon.
The Illinois Department of Revenue (IDOR) is also required to determine an annual rate increase, based on changes in the consumer price index, to take effect on July 1 of each year and continue through June 30 of the next year. IDOR must publish by June 1 of each year on its website at tax.illinois.gov the rate that will take effect on July 1 of that year. The rate must be rounded to the nearest one-tenth of one cent, and each new rate may not exceed the rate in effect on June 30 of the previous year plus one cent.

**Note:** IDOR's calculation of the annual rate increase for 2021 did not result in a net rate change for any county that currently imposes a County Motor Fuel Tax.

Where can I verify the rates of County Motor Fuel Tax I should be collecting?

IDOR’s website at tax.illinois.gov is the best resource for up-to-date tax information. Use the MyTax Tax Rate Finder on our website to look up rates for County Motor Fuel Tax and other taxes. IDOR also posts rate change bulletins on its website and sends notifications of rate change bulletins as messages in MyTax Illinois, available at mytax.illinois.gov. Taxpayers electronically filing Form CMFT-1, County Motor Fuel Tax Return, using MyTax Illinois will have the rates populated for them based on the addresses where they make retail sales of motor fuel.

If I am currently selling motor fuel at retail in Lake County, how can I register for the County Motor Fuel Tax?

Any retailer that is already selling motor fuel in Lake County must contact our Central Registration Division at 217 785-3707 to register its sites in Lake County for County Motor Fuel Tax, regardless of whether the retailer is already registered with the Illinois Department of Revenue to collect the County Motor Fuel Tax for sites in DuPage, Kane, McHenry, or Will County.

How do I report County Motor Fuel Tax?

You must file a Form CMFT-1, County Motor Fuel Tax Return, if you make retail sales of motor fuel within Lake County on or after July 1, 2021. You can use MyTax Illinois at mytax.illinois.gov to file your Form CMFT-1. MyTax Illinois also allows for electronic payment of any tax due.

When is Form CMFT-1 due?

You must file this return, along with any payment you owe, on or before the 20th day of the month following the end of the liability period. Your reporting period is the same as the period for filing your Form ST-1. The first CMFT-1 return due date to report retail sales of motor fuel within Lake County is August 20, 2021 (reporting sales made in July 2021).

**Note:** If the due date falls on a weekend or holiday, your payment is due the next business day.