

House Amendment 2 of SB 1939 provides over \$1.914 billion in additional transportation funding per year. The following fee increases are included.

### ESTIMATED ANNUAL REVENUES

REVENUE SOURCES	EXISTING RATE	REBUILD IL INCREASE	NEW RATE	ANNUAL REVENUE FROM NEW RATE
<b>MOTOR FUEL TAX</b>				<b>\$1,274,448,431</b>
Gasoline	\$0.190	\$0.190	\$0.380	\$894,160,285
Special Fuels	\$0.215	\$0.240	\$0.455	\$380,288,147
<b>PASSENGER VEHICLE REGISTRATION FEES</b>				<b>\$438,007,755</b>
Passenger Vehicles & B-Trucks*	\$98.00	\$50.00	\$148.00	\$433,681,500
Electric Vehicles	\$17.50	\$230.50	\$248.00	\$4,326,255
<b>TRUCK REGISTRATION FEE**</b>				<b>\$49,607,900</b>
Lower Limit	\$138.00	\$100.00	\$238.00	\$49,607,900
Upper Limit	\$2,790.00		\$2,890.00	
<b>CERTIFICATE OF TITLES^</b>				<b>\$152,508,577</b>
	\$95.00	\$55.00	\$150.00	\$152,508,577
			<b>TOTAL^^</b>	<b>\$1,914,572,663</b>

\* Only showing existing fees that are dedicated to transportation funds; each passenger vehicle registration also has a \$2 surcharge that goes to the Park and Conservation Fund and a \$1 surcharge that goes to the State Police Vehicle Fund. See also ^^.

\*\* Fees were increased for flat weight, farm, and mileage tax trucks and trailers. The fee increase of \$100 was applied to all types of trucks at all weight classes. And the estimated revenues include all types of trucks and trailers at all weight classes.

^ A variety of certificate of title fee increases and decreases were adopted, further described below. This is only showing the increase for standard certificate of title fees and are estimated revenues based on those rates.

^^ This total reflects all revenues from the fee increases, however \$1 of each passenger vehicle, electric vehicle, and truck registration will be dedicated to the Special Savings Fund, totaling \$9.188 million.

Calculations performed using data from the following sources: Illinois Department of Revenue (MFT); Illinois Secretary of State (Vehicle registrations and truck registrations); Illinois Comptroller (certificate of titles)

### Motor Fuel Taxes

Having not been increased since 1990, gasoline taxes will be doubled and special fuel taxes will be increased by \$0.24 per gallon starting July 1, 2019. Rates will be indexed to inflation, with the rate increasing by an amount equal to the percentage increase in the CPI-U on each following July 1.

### Passenger, Electric, and Truck Vehicle Registration Fees

The registration fee for passenger vehicles, electric vehicles and trucks will be increased, as summarized above. The electric vehicle registration will now be equal to all other passenger vehicles, however it will also be subject to an additional \$100 fee per year.

### Certificate of Title Fees

Starting July 1, 2019, certificate of title fees will be altered, as summarized to the right. The standard certificate of title fee increased by \$55, however duplicate titles decreased by \$45. Additionally, fees for motor homes and campers will increase by \$155, salvage certificates increase by \$16, and junking certificates are added at \$10.

Type of Certificate	Existing	New
Standard certificate, except all-terrain, off-hwy motorcycle, or motor home/campers	\$95	\$150
Motor homes and campers	\$95	\$250
Duplicate Certificates	\$95	\$50
Salvage Certificates	\$4	\$20
Junking Certificates	\$0	\$10

## FUNDING DISTRIBUTION

As summarized in the table below, the majority of the new revenues will go to the newly created Transportation Renewal Fund, further described below. The remainder will go to the Road Fund, which provides funding for IDOT administration, expenses for construction and reconstruction projects, administration for Chapters 2-10 of the Illinois Vehicle Code, and certain public transportation expenses (30 ILCS 105).

### DISTRIBUTION OF NEW REVENUES BY FUND (annual)

State Fund	Source	Estimated Annual Revenues	TOTAL
Transportation Renewal Fund	\$0.19/gallon of gasoline	\$894,160,285	\$1,195,221,734
	\$0.19/gallon of special fuel	\$301,061,449	
Road Fund	\$0.05/gallon of special fuel	\$79,226,697	\$710,162,451
	\$49 of passenger vehicle registration	\$425,007,870	
	\$229.50 of electric vehicle registration	\$4,307,486	
	\$99 of truck registration	\$49,111,821	
	\$55 of standard certificate of title*	\$152,508,577	

\* A variety of certificate fee increases and decreases were adopted, further described elsewhere in this document. This is only showing an estimate using the increase for standard certificate of title fees.

The distribution of funding within the Transportation Renewal Fund is summarized below. 80% will be distributed to both state and local road and bridge projects, while 20% will support rail and mass transit.

### DISTRIBUTION OF TRANSPORTATION RENEWAL FUND (annual)

<b>Transportation Renewal Fund</b>	<b>\$1,195,221,734</b>
Road / Bridge Projects (80%)	\$956,177,387
State Construction Account (60%)	\$573,706,432
Local Governments (40%)	\$382,470,955
Rail and Mass Transit (20%)	\$239,044,347
RTA Capital Improvement Fund (90%)	\$215,139,912
Downstate Mass Transportation Capital Improvement Fund (10%)	\$23,904,435

To provide an overall understanding of the distribution of funding from these new revenue sources, the table below uses the data from the previous two tables to illustrate the distribution between state and local governments. Overall, the state will receive 67% of new funds adopted under SB 1939, while local governments – including counties, townships, municipalities, and local transit agencies – can expect to receive over \$621 million, which is 33% of new funds.

### DISTRIBUTION OF FUNDS BY STATE AND LOCAL GOVERNMENTS (annual)

Distributed to	Annual Revenues	% Grand Total
State	Road Fund	37%
	State Construction Account	30%
	<b>TOTAL</b>	<b>67%</b>
Local	Local Governments (counties, townships, and municipalities)	20%
	Regional Transportation Authority (RTA)	11%
	Downstate Mass Transportation Systems	1%
	<b>TOTAL</b>	<b>33%</b>
<b>GRAND TOTAL</b>	<b>\$1,905,384,185</b>	

## OTHER CHANGES & ADDITIONS

### Sales Tax on Motor Fuels

Beginning July 1, 2021, revenues from the sales tax on motor fuels will incrementally move over a 5-year period to the Road Fund. As summarized below, revenues from the 6.25% sales tax will gradually shift to funding transportation, in 1% increments up to 5%.

#### Distribution of Sales Tax between State Funds

Period	Portion of Tax to Road Fund	Portion of Tax to General Revenue Fund
July 1, 2021 – June 30, 2022 (FY 22)	1.00%	5.25%
July 1, 2022 – June 30, 2023 (FY23)	2.00%	4.25%
July 1, 2023 – June 30, 2024 (FY24)	3.00%	3.25%
July 1, 2024 – June 30, 2025 (FY25)	4.00%	2.25%
July 1, 2025 -	5.00%	1.25%

The sales tax on motor fuels is prepaid by each motor fuel retailer when purchasing fuel. The sales tax comes in the form of a cents per gallon rate, which is established by the Illinois Department of Revenue on January 1 and July 1 of each year. The rate is calculated by using average selling price per gallon of motor fuel sold in the state during the previous six months and multiplying that rate by 6.25% to determine the cents per gallon rate (35 ILCS 120/2d). The following table summarizes the sales tax rates on motor fuel for 2019.

#### Sales Tax Rate Imposed on Motor Fuels for 2019

Period	Gasoline / Gasohol / Other Motor Fuels
January 1, 2019 – June 30, 2019	16 cents per gallon
July 1, 2019 – December 31, 2019	15 cents per gallon

Source: [Illinois Department of Revenue, 2020](#)

While these revenues are not included in the previous annual revenue estimates, the table below calculates estimated revenues from a sales tax on motor fuel in Illinois. In 2019, it is estimated that \$962 million was generated from the sales tax on motor fuels. As such, beginning in July 2021, it can be estimated that 16% of that total – which represents the 1% going to the Road Fund out of the total 6.25% sales tax – will equal approximately \$154 million.

#### Sales Tax on Motor Fuels Revenue in 2019 and Estimated Portion to Road Fund in 2021

		Gallons (2019)	Sales Tax Rate Per Gallon (2019)	Total Sales Tax
Gasoline & Special Fuels	Jan - Jun	3,163,639,498	\$0.16	\$506,182,319
	Jul - Dec	3,040,094,076	\$0.15	\$456,014,111
<b>TOTAL</b>				\$962,196,431
<b>Estimated Amount in FY22 to Road Fund</b> (16% of Total, or 1% of the 6.25% tax rate)				<b>\$153,951,429</b>

Sources: IL Dept. of Revenue ([Gallons](#) and [Sales Tax Rates](#))

### Commercial Distribution Fee

Beginning July 1, 2020, the commercial distribution fee – a 14.35% tax on all truck registrations – will be repealed. In fiscal year 2019, this fee brought in approximately \$45.762 million.

**Local Government MFT**

Municipalities located within Cook County are now permitted to adopt a local motor fuel tax, not to exceed \$0.03 per gallon. Previously, only home-rule municipalities were permitted to adopt such tax.

**County Motor Fuel Tax**

Lake and Will Counties are now permitted to adopt a county motor fuel tax, the same already used in DuPage, Kane, and McHenry Counties. Rates must start between \$0.04 and \$0.08 cents per gallon and will be indexed to inflation. Additionally, DuPage, Kane, and McHenry Counties may increase their rates (existing rates of \$0.04) up to \$0.08 per gallon.

**Alternative Transportation Funding**

In addition to funding for roads and bridges, an additional \$50 million will be dedicated from the Road Fund to IDOT for alternative transportation projects, specifically for pedestrian and bicycle facilities and converting abandoned railroad corridors to trails.

**Parking Violations**

Minor language additions, with the most significant being the addition of the requirement to mail violation notices.