



## Illinois Department of Revenue

Legal Services Office  
101 W. Jefferson St. MC 5-500  
Springfield, IL 62794

### SECOND NOTICE OF PROPOSED RULEMAKING

- 1) Agency: Illinois Department of Revenue
- 2) Title and Ill. Adm. Code Citation of Proposed Rulemaking: Gas Revenue Tax Act, 86 Ill. Adm. Code 470.
- 3) Date, Issue, and page number of the Illinois Register in which the First Notice was published: 48 Ill. Reg. 8307; June 7, 2024
- 4) Text and Location of any Changes Made to the Proposed Rulemaking During the First Notice Period: None.
- 5) Final Regulatory Flexibility Analysis:
  - A. Summary of the issues raised by affected small businesses during the First Notice Period: Small business did not raise any issues during the First Notice Period.
  - B. Description of actions taken on any alternatives to the proposed rule suggested by small businesses during the First Notice Period, including reasons for rejecting alternatives not utilized: Not applicable.
- 6) Analysis of the Economic and Budgetary Effects of the Proposed Rulemaking: See attached.
- 7) Response to Recommendations Made by the Administrative Code Division for Changes in the Rule to Make it Comply with the Codification Scheme: All changes requested by the Administrative Code Division have been made.
- 8) Evaluation of the comments received by the agency from interested persons during the first notice period (but not including any questions raised by the Joint Committee in a preliminary review) including:
  - A. Date of any public hearing held during the first notice period. Name of the person or group requesting a hearing: Public hearing was not requested.
  - B. The names and addresses of all individuals or groups making comments or requesting the opportunity to make comments: Comments were not submitted.

- C. A list of all specific criticisms and suggestions raised in the comments:  
Not applicable.
  - D. The agency's evaluation of each of the specific criticisms and suggestions:  
Not applicable.
  - E. A statement that the agency has considered all comments received during the first notice period: Not applicable.
- 9) An analysis of the expected effects of the proposed rulemaking, including:
- A. Impact on the public: New Section 470.132 is created to implement a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222. Section 9-222 of the Public Utilities Act provides that a public utility shall not charge customers, who are certified under Section 95 of the Reimagining Energy and Vehicles in Illinois Act ("REV Illinois Act") (20 ILCS 686/1 et seq.), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act.  
  
New Section 470.133 is created to implement a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222. Section 9-222 of the Public Utilities Act provides that a public utility shall not charge customers, who are certified under the Manufacturing Illinois Chips for Real Opportunity (MICRO) (Act, 35 ILCS 45/110-1 et seq.), an additional charge equal to the total amount of tax imposed under Section 2 of the Gas Revenue Tax Act.
  - B. Changes in the agency's programs or structure resulting from implementation of the rulemaking: None.
  - C. Impact of proposed rule on small businesses. Methods used by Agency to comply with 5 ILCS 100/5-30, including reasons for rejecting any methods not utilized: This rulemaking implements a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222. Small businesses that qualify for certification under the MICRO Act and REV Illinois Act are impacted in that they will be exempt from the additional charge equal to the total amount of tax imposed under Section 2 of the Gas

Revenue Tax Act. The Department is currently administering these exemptions as required by statute, and therefore, the methods described in 5 ILCS 100/30 are not legal or feasible in meeting the requirements of the Gas Revenue Tax Act. The Department published the proposed rulemaking in the Illinois Register and on the Department's website.

- 10) A justification and rationale for the proposed rulemaking, including:
- A. Any changes in statutory language requiring the proposed rulemaking:  
This rulemaking implements a statutory exemption under Section 1 of the Gas Revenue Tax Act which excludes from gross receipts any charges added to customers' bills pursuant to the provisions of Section 9-222 of the Public Utilities Act, 220 ILCS 5/9-222.
  - B. Any changes in agency policy, procedures, or structure requiring the proposed rulemaking: None.
  - C. Relationship to any relevant federal rules, regulations, or funding requirements: None
  - D. Court orders or rulings which are related to the rulemaking: None
  - E. A complete explanation of any other reasons for the proposed rulemaking:  
No other reasons exist.
- 11) Does this rulemaking include an incorporation by reference pursuant to Section 5-75 of the Illinois Administrative Procedure Act? No.

Agency Personnel Who Will Respond to Joint Committee Questions Regarding the Proposed Rulemaking:

Katarzyna Kowalska  
*Associate Counsel*  
Legal Services Office  
Illinois Department of Revenue  
101 W. Jefferson  
Springfield, Illinois 62794

Phone: (217) 782-2844  
Email: [REV.GCO@Illinois.gov](mailto:REV.GCO@Illinois.gov)