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Bulletin

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

For information
Visit our website at:
tax.illinois.gov

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Change in the Motor Fuel Tax Rate, Effective January 1, 2023, through June 30, 2023

To: All Motor Fuel Distributors, Suppliers, and Receivers; Users and Sellers of Alternative Fuel; and Non-Highway Use Motor Fuel Tax Refund Claimants

Section 2 of the Motor Fuel Tax Law (35 ILCS 505/2) imposes a tax per gallon on all motor fuel (*i.e.*, diesel fuel, gasoline, gasohol, liquefied petroleum gas (LPG, commonly known as “propane”), compressed natural gas (CNG), and liquefied natural gas (LNG)) used in motor vehicles operating on Illinois public highways and in recreational type watercraft operating on Illinois waters. Public Act (P.A.) 102-700 suspended through December 31, 2022, the scheduled July 1, 2022, rate increase and provided that the rate of tax imposed beginning on January 1, 2023, and continuing through June 30, 2023, will be increased by an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor for the 12 months ending in September of 2022. This bulletin is to notify you of the Illinois Motor Fuel Tax rates that take effect on January 1, 2023.

What are the Illinois Motor Fuel Tax rates from January 1, 2023, through June 30, 2023?

From January 1, 2023, through June 30, 2023, the Illinois Motor Fuel Tax rates (in cents per gallon, DGE¹, or GGE²) are as follows:

| | |
|-----------------------|----------------------------|
| Diesel ³ | 49.8¢ per gallon |
| Gasoline ⁴ | 42.3¢ per gallon |
| LPG | 49.8¢ per DGE ⁵ |
| LNG | 49.8¢ per DGE ⁶ |
| CNG | 42.3¢ per GGE ⁷ |

Rate information is available at tax.illinois.gov. Use MyTax Illinois at mytax.illinois.gov to file and pay your Illinois Motor Fuel Tax returns.

¹ “DGE” means diesel gallon equivalent.

² “GGE” means gasoline gallon equivalent.

³ Diesel fuel is defined as any product intended for use or offered for sale as a fuel for engines in which the fuel is injected into the combustion chamber and ignited by pressure without electric spark (includes biodiesel).

⁴ Gasoline includes gasohol.

⁵ A DGE of LPG = 6.41 pounds of LPG. The conversion ratio used to calculate the LPG rate is one gallon = 0.651 DGEs of LPG.

⁶ A DGE of LNG = 6.06 pounds of LNG. The conversion ratio used to calculate the LNG rate is one gallon = 0.5776 DGEs of LNG.

⁷ A GGE of CNG = 5.66 pounds of CNG.