

# Article XVIII

## MUNICIPAL MOTOR FUEL TAX

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### 8.1801: DEFINITIONS:

For purposes of this article, the following words and phrases shall have the meanings ascribed to them in this section:

**MOTOR FUEL:** All volatile liquids compounded or used for fueling motor vehicles, including gasoline, gasohol, and diesel fuel.

**MOTOR FUEL RETAILER:** Any person, firm or corporation engaged in the business of selling motor fuel at retail, and not for resale. (Ord. 4874, 7-15-1997)

### 8.1802: TAX IMPOSED:

There is hereby imposed and levied a tax upon the retail purchase within the village of motor fuel, at the rate set forth in appendix A, division II of this code, per gallon or fraction thereof. This tax shall be in addition to any and all other taxes. The ultimate incidence and liability for payment of such tax shall be upon the retail purchaser of motor fuel. Nothing herein shall be construed to impose a tax upon the occupation of selling motor fuel. (Ord. 4874, 7-15-1997; amd. Ord. 5189, 5-15-2001)

### 8.1803: COLLECTION OF TAX:

Each motor fuel retailer in the village shall have the duty to collect the municipal motor fuel tax from each purchaser and to pay it over to the village, along with an accounting therefor, on return forms provided by the village. The return and tax payment shall be filed with the finance director on the same filing dates as are established for filing with the Illinois department of revenue of the sales and use tax return form ST-1. (Ord. 4874, 7-15-1997)

### 8.1804: REGISTRATION AND MAINTENANCE OF RECORDS:

Each motor fuel retailer shall register with the village on forms provided by the finance director. Each motor fuel retailer shall have the duty to maintain complete and accurate books, records, and accounts showing the gross receipts for the sale of motor fuel and the taxes collected from the purchaser thereof, which shall be available in the village for examination and for audit by the village upon reasonable notice during customary business hours. (Ord. 4874, 7-15-1997)

### 8.1805: INTEREST AND PENALTIES:

If any tax imposed by this article is not paid over to the village when due or any return is not filed when due, the interest and penalty provisions of sections 8.2009 and 8.2010 of this chapter shall be applied. (Ord. 5156-A, 12-19-2000)

**8.1806: ENFORCEMENT; LICENSE SUSPENSION, REVOCATION:**  

Payment and collection of the municipal motor fuel tax and any payment penalty may be enforced by action in any court of competent jurisdiction and failure to collect, account for and pay over said tax and any payment penalty shall be cause for suspension or revocation of any village license issued to a motor fuel retailer related to the conduct of business in the village applicable to the premises thereof, all in addition to any other penalties in this article. Such suspension and revocation shall take place as follows:

The village manager or his or her designee shall notify the licensee in writing that if all violations of the provisions set forth in sections 8.1802, 8.1803 and 8.1804 of this article are not cured within seventy two (72) hours, that such license shall be suspended for a period of thirty (30) days, or until all violations are cured, whichever comes first. If all violations are not cured within the thirty (30) day time period, the license shall be automatically revoked and may be reinstated only upon all violations being cured and upon the applicant proceeding as if a new license were being sought. The licensee shall have seventy two (72) hours from the time of the receipt of the aforesaid notice to appeal this suspension. Said appeal shall be to the village manager. A hearing shall be had on the appeal within ten (10) days of the filing of the request for appeal. The only issue to be determined by the village manager hearing the appeal is whether or not violations of these provisions have occurred. If the village manager is convinced by a preponderance of the evidence that a violation has occurred, then the suspension and revocation portions of this enforcement section shall be mandatory. No stays may be issued pending an appeal and no extensions of time may be granted as a result on an appeal. (Ord. 6215, 9-15-2015)

**8.1807: EFFECTIVE DATE:**  

The effective date for the municipal motor fuel tax is October 1, 1997. (Ord. 4874, 7-15-1997; amd. Ord. 5156-A, 12-19-2000; Ord. 6215, 9-15-2015)

**Section 8.1802: TAX IMPOSED (Motor Fuel):**

Rate: \$0.04 per gallon.

**MAYOR**

Paul Wm. Hoefert

**TRUSTEES**Vincent J. Dante  
Agostino S. Filippone  
Terri Gens  
William A. Grossi  
John J. Matuszak  
Colleen E. Saccotelli**VILLAGE MANAGER**

Michael J. Cassady

**VILLAGE CLERK**

Karen Agoranos

Phone: 847/392-6000  
Fax: 847/392-6022  
[www.mountprospect.org](http://www.mountprospect.org)**Village of Mount Prospect**

50 S. Emerson Street, Mount Prospect, Illinois 60056

Dear Business Owner:

A municipal motor fuel tax of .04 per gallon is applied to all volatile liquids compounded or used for fueling motor vehicles, including gasoline, gasohol, and diesel fuel sold in the Village of Mount Prospect. A copy of the Article from the Mount Prospect Village Code pertaining to the tax is enclosed.

As a retailer of motor fuel, you should immediately begin collecting the municipal motor fuel tax at a rate of .04 per gallon as provided in the ordinance. A return and the tax due for each calendar month must be filed with the Village on or before the 20<sup>th</sup> of the following month.

Tax remittances should be submitted online using Localgov, a secure file and pay platform. Visit our website at <https://www.mountprospect.org/departments/finance-department/taxes-and-service-fees> for more information to set up your account today at: <https://lata.localgov>.

State law requires all municipalities to establish a Taxpayers' Bill of Rights. A copy of the Article from the Mount Prospect Village Code pertaining to the Bill of Rights is enclosed. The Taxpayers' Bill of Rights establishes the legal amount of interest and penalties that municipalities can impose for the late payment of taxes. This information is provided to inform you of the law provisions which could affect you, as the operator of a business in Mount Prospect.

While we know our business community makes every attempt to comply with established deadlines, if a motor fuel tax return and payment are not remitted on time, the State has established certain rates for interest and penalties. Under the law, the Village is entitled to assess interest of one percent (1%) per month for any taxes that are not paid by the due date. In addition, a 5% penalty for failure to file a tax return and a five percent (5%) penalty for failure to pay the tax itself can also be assessed. The Village intends to impose and collect all interest and penalties provided by the law if the motor fuel taxes are not paid on time.

If you have any questions concerning the motor fuel tax, please contact the Finance Department at 847-392-6000.

Sincerely,

A handwritten signature in black ink that reads "Amit R. Thakkar". The signature is written in a cursive style.

Amit R. Thakkar  
Director of Finance  
encl.

**MAYOR**  
Paul Wm. Hoefert

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## Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

### Municipal Motor Fuel Tax Acknowledgment Form

I hereby acknowledge receipt of the Municipal Motor Fuel Tax packet including:

- Letter from Finance Director
- Taxpayer Bill of Rights
- Village Municipal Motor Fuel Tax Code

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Name of Business

*Please sign, date, and return to the Community Development Department.*



VILLAGE OF MOUNT PROSPECT

50 South Emerson Street
Mount Prospect, IL 60056
(847) 392-6000

MUNICIPAL MOTOR FUEL TAX RETURN

For Month Ending \_\_\_\_\_, 20 \_\_\_\_

Legal Business Name \_\_\_\_\_ DBA \_\_\_\_\_

Business Address \_\_\_\_\_

Phone \_\_\_\_\_

Computation of Tax Liability

Table with 7 rows: 1. Number of Gallons of Motor Fuel Tax Sold, 2. Tax Rate per Gallon, 3. Tax Due, 4. Interest (1%) per month if late, 5. Penalty (5%) late return, 6. Penalty (5%) delinquent tax, 7. Total Due. Includes a calculation example: \$ x .04.

Remittance Instructions

Please remit this form, the amount indicated on line 7 above, and a complete copy of the Illinois Department of Revenue Form ST-1 (state sales tax return) for the corresponding month. Checks should be made payable to the VILLAGE OF MOUNT PROSPECT and sent to the Village at the address above.

The Village must receive your remittance by the 20th of the month immediately following the month when the taxes were collected. If the 20th of the month falls on a Sunday or holiday when Village Hall is closed, payment must be received by the next business day. A payment sent by mail must be postmarked no later than the 20th of the month. If the 20th of the month falls on a Sunday or national holiday when the U.S. Postal Service is closed, the remittance must be postmarked by the next business day.

If the return is filed late, interest of one-percent (1%) per month will be added to the tax liability. Also, you will be liable for a five-percent (5%) penalty for failure to file a return and an additional five-percent (5%) penalty will be assessed for failure to pay the tax by the due date.

Affirmation

Under penalties provided by law, the undersigned attests that this tax return is true and accurate to the best of his/her knowledge and belief, and that the statements contained herein are taken from the books and records of the business for which this is filed.

Signature of Tax Payer \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Name of Business Owner (Print/Type) \_\_\_\_\_

IBT # \_\_\_\_\_

Date \_\_\_\_\_

Please notify the Village of Mount Prospect of any change in ownership.

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## Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

### Chapter 8, Article XX: Local Government Taxpayers' Bill of Rights

#### 8.2001: DEFINITIONS:

CODE: The village code.

TAX: Any pecuniary burden imposed by this village on individuals or entities to support village government (including the infrastructure maintenance fee) that is not a permit or other fee, is not collected or administered by a department or agency of the state of Illinois, or is not a tax on real property under the Illinois property tax code 12. This shall include, but not be limited to, any of the following taxes that may now, or in the future be collected or administered by this village:

Auto rental tax.	Municipal motor fuel tax.
Coin-operated games and devices tax.	Natural gas user tax.
Food and beverage tax.	Real estate transfer tax.
Foreign fire insurance tax.	Telecommunications tax.
Hotel/motel tax.	Utility tax (Ord. 5189, 5-15-2001)
Infrastructure maintenance fee.	

#### 8.2002: APPLICATION OF PAYMENTS:

Notwithstanding any provision in this code to the contrary, any payment designated by a taxpayer as payment of a particular tax liability shall be applied to that taxpayer's liabilities pertaining to the particular tax as follows: a) first to the interest accrued on outstanding tax liabilities; b) second to the outstanding tax liability; c) third to any penalties due on outstanding tax liabilities; and d) fourth to current tax liabilities. (Ord. 5189, 5-15-2001)

#### 8.2003: INTEREST ON OVERDUE PAYMENTS:

Notwithstanding any provision in this code to the contrary, any tax not paid on the date due shall accrue interest at a rate set forth in appendix A, division II of this code, on the amount due for each month or part of a month the tax remains unpaid. (Ord. 5189, 5-15-2001)

#### 8.2004: DETERMINATION OF TAX LIABILITY:

A. To collect overdue taxes, a notice of determination of tax liability shall be sent to the taxpayer by registered or certified mail within six (6) years after the calendar year when the tax was due. However, if more than seventy five percent (75%) of the tax due has been paid, a determination notice must be sent within four (4) years after the end of the calendar year when the tax was due.

B. Any notice of determination of tax liability shall include the following:

1. Reason for tax liability.
2. The amount of tax, interest and penalty due on the date of the determination and information on how interest and penalties accrue.
3. Procedure for appeal.
4. Information regarding the right of the village to audit the taxpayer's books and records for a particular period and its obligation to refund overpayments. (Ord. 5189, 5-15-2001)

**8.2005: APPEALS:**

Any taxpayer may within forty five (45) days of the date of receipt of a notice of determination of tax liability or at any time before a current tax becomes due, seek a hearing before the director of finance to appeal the tax liability. Upon full payment of the amount of tax protested plus accrued interest due, the director of finance shall extend the forty five (45) day period for appeal for up to an additional forty five (45) days for good cause upon the written request of the taxpayer. (Ord. 5189, 5-15-2001)

**8.2006: CREDITS AND REFUNDS:**

Notwithstanding any provision in this code to the contrary, a taxpayer may make a written claim for a credit or refund for payment of taxes, interest or penalties paid in error for up to four (4) years after the end of the calendar year in which the payment was made. Claims must include dates, amount paid, and an explanation of the error that occurred. The director of finance shall determine whether a credit or refund is justified and shall respond to the taxpayer in writing within thirty (30) days of receipt of the claim. Tax amounts paid in error shall be refunded along with a rate of simple interest per year that is set forth in appendix A, division I of this code. (Ord. 5189, 5-15-2001)

**8.2007: VOLUNTARY APPLICATION FOR THE DETERMINATION:**

A taxpayer who has not received a written notice of an audit or a notice of determination of a tax liability may make a written application to the director of finance for a determination of the taxpayer's liability pertaining to a particular tax. Such an applicant must agree to pay, within ninety (90) days of the date of the application, the tax due plus interest at a rate set forth in appendix A, division I of this code, per month for all periods within four (4) years prior to the filing of the application. The taxpayer shall be liable for any underpaid taxes and accrued interest during the four (4) year time period. (Ord. 5189, 5-15-2001)

**8.2008: LIENS:**

In the first month of each year the director of finance shall cause all liens against taxpayers to be reviewed. The village shall at its sole expense release improper liens, correct the taxpayer's credit record and correct any public disclosure of said lien. (Ord. 5189, 5-15-2001)

**8.2009: INTEREST:**

In the event of failure by any person to pay a required tax when due, interest shall accumulate and be due at the rate per month set forth in appendix A, division I of this code, commencing on the first day after the day on which the tax became due. (Ord. 5189, 5-15-2001)

**8.2010: PENALTIES:**

- A. A penalty at a rate set forth in appendix A, division III of this code on the amount of tax due shall be charged against any taxpayer whose tax payment is not made on or before the date the tax is due.
- B. A penalty at a rate set forth in appendix A, division III of this code of the amount of tax due for the period in which a report or return is required to be filed shall be charged against any taxpayer who fails to file, before the date that a determination of liability is issued, a report or return for that period.
- C. Any penalty may be abated by the director of finance if reasonable cause for nonpayment or failure to file is shown. (Ord. 5189, 5-15-2001)