

## **ORDINANCE NO. 18707**

### **ORDINANCE AMENDING CHAPTER 28 – TAXATION ARTICLE IX. RETAIL PURCHASE OF MOTOR FUEL OF THE CITY OF JOLIET CODE OF ORDINANCES**

**WHEREAS**, the Mayor and City Council of the City of Joliet, Illinois (City) has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and protect the public health, safety, and welfare of its citizens; and

**WHEREAS**, the City is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois; and

**WHEREAS**, the City has a four cent (\$0.04) per gallon tax on the purchase of motor fuel at retail; and

**WHEREAS**, the Mayor and City Council have determined that an increase to the motor fuel tax rate is warranted: an

**WHEREAS**, the City of Joliet is a home rule unit of local government.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, ILLINOIS, PURSUANT TO ITS HOME RULE AND STATUTORY AUTHORITY, AS FOLLOWS:**

**SECTION 1:** The Mayor and City Council hereby find that the recitals contained in the remainder of this Ordinance are true, correct and complete and are hereby incorporated into this Ordinance by reference.

**SECTION 2:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-120, Entitlement, shall be deleted and replaced with the following:

This article shall be known and cited as the City of Joliet privilege tax on the purchase and bulk use of motor fuel at retail, and the tax herein imposed shall be known as the Joliet Motor Fuel Tax.

**SECTION 3:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-121, Definitions be amended to include the following:

*Bulk User* means any person who purchases motor fuel for storage in bulk storage facilities located within the city, which facilities are owned, leased, or controlled by the person, primarily for subsequent dispensing from that facility into the supply tanks of motor vehicles owned, leased, or controlled by the person.

*Dealer* means every person engaged in the business of selling motor fuel, and who has an established place of business for such purposes in the City of Joliet, or, in the case of bulk users, who delivers motor fuel to bulk storage facilities in the City of Joliet.

*Motor vehicle* means every vehicle which is self-propelled, but not operated upon rails that is powered using motor fuel.

*Retail* means the sale for any good and valuable consideration to a person for use as a consumer or Bulk User.

*Use in the city* shall be deemed to occur only at the place in the city where the vehicle fuel is transferred into the vehicle by which it is to be consumed. Or in the case of Bulk Users, at the place where fuel is transferred to bulk storage facilities. To the extent that a person has paid the tax imposed herein on the retail purchase of vehicle fuel, that person shall be exempt from the payment of and liability for said tax on the use of such fuel.

**SECTION 4:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-122, Imposition of tax; rate, shall be deleted and replaced with the following:

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##### **Sec. 28-122. - Imposition of tax; rate.**

There is hereby imposed and shall immediately accrue and be collected a tax upon the privilege of purchasing or using taxable motor fuel at retail within the City of Joliet at the rate of five cents (\$0.05) per gallon of gasoline and eleven cents (\$0.11) per gallon of diesel or fraction thereof irrespective of the unit of measure in which such motor fuel is actually purchased. This tax shall be in addition to any and all other taxes.

**SECTION 5:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-123, Liability for Payment, shall be deleted and replaced with the following:

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##### **Sec. 28-123. – Liability for Payment.**

The ultimate incidence of and liability for payment of said tax shall be borne by the purchaser, including bulk users. Nothing in this article shall be construed to impose the tax upon the occupation of selling motor fuel.

It shall be the duty of every dealer to secure said tax from each purchaser, except bulk users, and remit to the City of Joliet provided by this article.

It shall be the duty of every bulk user to remit the tax to the City of Joliet said tax as provided by this article unless the dealer has elected to collect and remit the tax on behalf of the bulk user and has separately itemized the tax on its invoice to the bulk user. Any dealer remitting tax on behalf of a bulk user must indicate the name and address of the bulk user and separately itemize the tax for each bulk user.

**SECTION 6:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-125, Transmittal of tax revenue, shall be deleted and replaced with the following:

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**Sec. 28-125. – Transmittal of tax revenue.**

A sworn tax return shall be electronically filed by each dealer or bulk user required to collect or pay the tax, with the Finance Director, or their designee, through a portal on the city's website, showing all receipts (or payment in the case of a bulk user) from each sale of diesel and non-diesel motor fuel during the reporting period. Effective with the first due reporting period following the ordinance effective date, and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a monthly reporting period basis. The tax return and payment of the tax shall be received on or before the end of the last day of the month which follows the previous month where the tax liability was incurred. Payments for taxes incurred beginning January 1, 2018 will be mandated to be paid electronically per the direction of the municipal portal.

**SECTION 7:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-127, Credit for tax paid to another municipality, shall be deleted and replaced with the following:

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**Sec. 28-127. – Credit for tax paid to another municipality.**

The amount of tax which is imposed upon each purchase or use and which is paid by or on behalf of a purchaser or bulk user to another municipality pursuant to a similar tax on the privilege of purchasing or using motor fuel at retail shall be credited against the tax imposed by this article. Any person claiming such credit shall attach a statement in support thereof and shall notify the finance director of any refund or reductions in the amount of tax claimed as a credit hereunder.

**SECTION 8:** That Chapter 28, Taxation, Article IX, Retail Purchase of Motor Fuel, Sec. 28-128, Records, shall be deleted and replaced with the following:

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**Sec. 28-128. – Records.**

(a) Each dealer, and each bulk user, shall keep books which at a minimum include:

(1) The number of gallons of [diesel and non-diesel] motor fuel sold at retail (excluding sales to bulk users) each day in the City of Joliet; and

(2) The actual motor fuel tax collected for each day [broken down by diesel and non-diesel collections] from customers other than bulk users.

(3) For sales to bulk users, the number of gallons of motor fuel sold or purchased in the calendar month, the type of fuel, the name, address, and phone number of both the dealer and the bulk user, and whether the dealer or the bulk user is remitting the tax.

(b) The city manager or their designate shall at all reasonable times have full access to said records.

(c) The financial records of any dealer or bulk user submitted pursuant to this article or any rule and regulation promulgated thereunder shall not be available for public inspection in order to protect the dealer or bulk user's right to privacy.

**SECTION 9:** In the event that any provision or provisions, or portion or portions of this ordinance shall be declared to be invalid or unenforceable by a Court of competent jurisdiction, such adjudication shall in no way affect or impair the validity or enforceability of any of the remaining provisions or portions of this ordinance that may be given effect without such invalid or unenforceable provision or provisions, portion or portions.

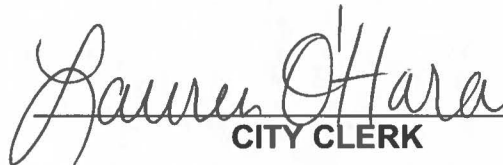
**SECTION 10:** All ordinances directly in conflict with the terms of this Ordinance are hereby repealed to the extent of such conflict.

**SECTION 11:** This Ordinance shall be deemed severable, and the invalidity of any portion hereof shall not invalidate the remainder.

**SECTION 12:** This Ordinance shall be in full force and effect on February 1, 2025.

**PASSED** this 17<sup>th</sup> day of December, 2024

  
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**MAYOR**

  
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**CITY CLERK**

**VOTING YES:** Mayor D'Arcy and Councilmen Cardenas, Clement, Guerrero, Councilwoman Ibarra, Councilman Mudron, Councilwomen Quillman, and Reardon.

**VOTING NO:** None.

**NOT VOTING:** Councilman Hug (absent).