

**ORDINANCE TO IMPOSE A COUNTY OPTION MOTOR FUEL TAX FOR THE PURPOSE OF OPERATING, CONSTRUCTING AND IMPROVING PUBLIC HIGHWAYS AND WATERWAYS, AND ACQUIRING REAL PROPERTY AND RIGHTS-OF-WAY FOR PUBLIC HIGHWAYS AND WATERWAYS WITHIN LAKE COUNTY**

**WHEREAS**, the Illinois General Assembly enacted the Transportation Protection Funding Act, Public Act 101-0032 (Act), which amended certain taxation provisions of the Counties Code; and

**WHEREAS**, the Act grants Lake County the authority to impose a tax on the sale of motor fuel, as defined in the Motor Fuel Tax Law, at retail for the operation of motor vehicles upon public highways or for the operation of recreational watercraft upon waterways; and

**WHEREAS**, the Act requires the funds collected from this tax be used by Lake County solely for operating, constructing, and improving public highways and waterways, and acquiring real property and rights-of-way for public highways and waterways within Lake County; and

**WHEREAS**, the County Board Strategic Plan calls for development of a modern, multi-modal and comprehensive transportation plan that reduces trip times, air pollution and carbon emissions, protects our valuable open space and positions Lake County to be competitive in a 21st-century economy; and

**WHEREAS**, maintaining and improving the County's highway system is essential for a strong local economy, a healthy environment, the efficient movement of goods and people, and contributes to the overall quality of life for our residents; and

**WHEREAS**, in light of the need for increased funding for operation, construction, and improvement of public highways, the County Board finds and determines that it is necessary and in the best interest of Lake County to adopt the Ordinance below.

**NOW, THEREFORE, BE IT ORDAINED**, that the Lake County Board hereby imposes a tax upon all persons in Lake County, engaged in Lake County in the business of selling motor fuel, as now or hereafter defined in the Motor Fuel Tax Law, at retail for the operation of motor vehicles upon public highways or for the operation of recreational watercraft upon waterways, at the initial rate of four cents (\$0.04) per gallon of motor fuel sold at retail within Lake County for the purpose of use or consumption and not for the purpose of resale. The rate will increase annually in accordance with 55 ILCS 5/5-1035.1(a-5). The proceeds

from the tax shall be used by Lake County solely for the purpose of operating, constructing, and improving public highways and waterways, and acquiring real property and rights-of-way for public highways and waterways within Lake County; and

**BE IT FURTHER ORDAINED**, the Lake County Motor Fuel Tax, and all civil penalties that may be assessed as an incident thereof, shall be administered, collected and enforced by the Illinois Department of Revenue in the same manner as the tax imposed under the Retailers' Occupation Tax Act, as now or hereafter amended, insofar as may be practicable; except that in the event of a conflict with the provisions of the County Motor Fuel Tax Law, the County Motor Fuel Tax Law shall control. The Illinois Department of Revenue shall have full power: to administer and enforce this Ordinance; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties so collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty hereunder; and

**BE IT FURTHER ORDAINED**, all funds derived from the Lake County Motor Fuel Tax shall be placed in a separate fund to be known as the "County Option Motor Fuel Tax Fund"; and

**BE IT FURTHER ORDAINED**, the County Board shall, from time to time, adopt resolutions appropriating funds from such County Option Motor Fuel Tax Fund for the purpose of operating, constructing, and improving public highways and waterways, and acquiring real property and rights-of-way for public highways and waterways within Lake County and for no other purposes; and

**BE IT FURTHER ORDAINED**, that the County Clerk transmit certified copies of this Ordinance to the County Treasurer, County Engineer, and the Legal Services Bureau of the Illinois Department of Revenue; and

**BE IT FURTHER ORDAINED**, that the Preamble of this Ordinance is hereby adopted as if fully set forth herein. This Ordinance shall be in full force and effect upon its passage and approval as provided by law; and

**BE IT FURTHER ORDAINED**, that this tax is intended to be used to expand transportation capital project capacity in Lake County; and

**BE IT FURTHER ORDAINED**, the 1/4% RTA Sales Tax Fund will continue to be used only for transportation-related purposes.

**DATED** at Waukegan, Illinois, on March 9, 2021.