



COOK COUNTY DEPARTMENT OF REVENUE

Use Tax on Non-Retailer Transfer of Motor Vehicles

In November 2011, the Cook County Board of Commissioners passed the County's fiscal year 2012 budget. Per the budget, there is a new tax, Use Tax on Non-Retailer Transfers of Motor Vehicles, that was enacted which the Department of Revenue will begin to administer and enforce beginning March 1, 2012.

UPDATE: As of August 1, 2013 the Cook County Board of Commissioners approved a rate reduction for vehicles purchased **ON OR AFTER AUGUST 1, 2013**. If the vehicle was purchased prior to August 1, you are subject to the initial rate that was imposed. The rates are as follows:

RATES FOR VEHICLES PURCHASED MARCH 1, 2012 THROUGH JULY 31, 2013	
Age of Vehicle	Rate
1-5 years	\$225
6 to 10 years	\$200
11 years and over	\$175
Gifts and other non-monetary transfer \$25*	

RATES FOR VEHICLES PURCHASED AUGUST 1, 2013 AND THEREAFTER	
Age of Vehicle	Rate
1-3 years	\$225
4 to 8 years	\$175
9 years and over	\$90
Motorcycles	\$90
Gifts and other non-monetary transfer \$25*	

Use Tax on Non-Retailer Transfers of Motor Vehicles: A tax is applied to the transfer or purchase of a motor vehicle that is titled or registered from a non-retailer (Private Party), at a location in Cook County, with an agency of the State of Illinois (Ordinance 11-0-109) Chapter 74 – Article XVII.

This tax shall not apply if the motor vehicle is purchased at retail from a retailer and the purchaser is required to pay the Cook County Use Tax as per Chapter 74 Article VII of the County's Code at the rate of 1%.

***The tax rate of \$25 is applied under the following circumstances:**

- a) Transferee or purchaser is a spouse, mother, father, brother, sister or child of the transferor and proof of family relationship is established by proper documentation
- b) Transfer is a gift to a beneficiary of an estate and the beneficiary is not a surviving spouse
- c) The transfer has already been taxed per State's retailer occupation tax, sales tax or use tax and the motor vehicle is transferred in connection with the organization, reorganization, dissolution or partial liquidation of an incorporated or unincorporated business provided that the beneficial ownership is not changed

Exemptions to the tax are as follows:

- a) Government agency or a society, association, foundation or institution organized and operated exclusively for charitable, religious or educational purpose.
- b) Implements of husbandry (vehicles used for farming or agriculture)
- c) A motor vehicle for which a junking certificate has been issued
- d) A motor vehicle that is subject to the replacement vehicle tax by the State of Illinois
- e) Transfer as a gift to a beneficiary in the administration of an estate and the beneficiary is a surviving spouse.
- f) The use of the vehicle is exempt under the applicable provisions of Section 3-55 (b), (c), (d), (e) & (f) of State of Illinois Use Tax Act:
 - i. The use of the vehicle in the State of Illinois as an interstate carrier for hire as rolling stock moving in interstate

- ii. The use of the vehicle, in the State of Illinois, by owners, lessors, or shippers of the vehicle that is utilized by interstate carriers for hire for use as rolling stock moving in interstate commerce as long as so used by the interstate carriers for hire, and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.
- iii. The vehicle is in temporary storage, in the State of Illinois and is acquired outside the State and that, after being brought into this State and stored here temporarily; however, is used solely outside this State
- iv. The temporary storage in the State of Illinois of construction related vehicles that are acquired either in the State or outside; however, are used outside the State.

Key Information:

- The Cook County Use Tax on non-retailer transfer of motor vehicle is in addition to all other taxes imposed by the county, the State or any municipal corporation or political subdivision.
- The Cook County Department of Revenue will be receiving a monthly transaction file by Illinois Department of Revenue and Secretary of State of Illinois in order to pursue tax collection efforts.

Taxpayers have the following options:

- 1) After title and registration transaction takes place at a Secretary of State office or by any of its approved designees (Currency Exchange), the Department of Revenue will be pursuing tax collection by mailing an invoice for the "Use Tax on Non-Retailer Transfer of Motor Vehicles", or
- 2) Prepay with the "Non-Retailer Transfer of Motor Vehicle Use Tax Self-Assessment Return"
 - a. **Mail to:** Cook County Department of Revenue
P.O. Box 641547
Chicago, IL 60664-1547
 - b. **In-person at:** **Cook County Department of Revenue**
118 N. Clark Street, Room 1160
Chicago, IL 60602
Monday – Friday, 8:30am – 4:30pm, Closed Saturday and Sunday

If you have any questions, please contact the Department of Revenue during regular business hours Monday thru Friday, from 8:30 a.m. to 4:30 p.m. at (312) 603-6961; press 7. For more information, please visit our website at www.cookcountyil.gov/revenue.