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MONTHLY BRIEFING

For the Month Ended: NOVEMBER 2025

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CGFA

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Taxes on Motor Fuel

Benjamin L. Varner, Chief Economist

As the veto session of the Illinois General Assembly concluded in October, both chambers approved Senate Bill 2111, a comprehensive transportation measure that restructures the governance and funding framework for public transit across Illinois. The legislation reorganizes the Regional Transit Authority (RTA) as the Northern Illinois Transit Authority (NITA), authorizes NITA to increase its sales tax rates, dedicates interest earnings from transportation funds toward transit capital improvements, and permits toll adjustments to support infrastructure needs. In addition, the bill establishes new committees to promote statewide coordination and innovation in public transportation and enacts the People Over Parking Act to encourage development near transit facilities. As of December 1st, the legislation has been transmitted to the Governor for consideration but has not yet been signed into law.

Among its various provisions, Senate Bill 2111 also includes a notable revenue-related component: the redirection of State sales tax revenues derived from motor fuel purchases to the Public Transportation Fund and the Downstate Public Transportation Fund. To highlight the fiscal implications of this change, this month's briefing examines this new revenue provision and provides a broader overview of the numerous taxes and fees currently imposed on motor fuel in Illinois.

Illinois drivers pay taxes at numerous levels. The Federal government imposes a motor fuel excise tax. The State charges a motor fuel tax and a sales tax, in addition to charges for underground storage and environmental impacts. Local governments can impose additional motor fuel and sales taxes as well. All of these taxes and fees add to the cost of driving in Illinois.

Federal Motor Fuel Excise Tax

The federal motor fuel excise tax is imposed by the United States on the removal, entry, sale, or use of specified fuels, including gasoline, diesel fuel, kerosene, and certain alternative fuels, for use in motor vehicles on public highways and other taxable purposes. The tax is imposed at the following rates:

1. Gasoline other than aviation gasoline	18.3 cents per gallon
2. Aviation gasoline	19.3 cents per gallon
3. Diesel fuel or kerosene	24.3 cents per gallon

An additional 0.1 cent per gallon Leaking Underground Storage Tank (LUST) Trust Fund tax is added to each of these rates to help address and clean up leaks from underground storage tanks.

The tax is charged per gallon of fuel and collected at the terminal or distribution point. This cost is included in the price of gasoline and diesel sold to consumers and therefore becomes part of the amount paid at the pump.

Proceeds from the federal motor fuel excise tax are collected by the Internal Revenue Service and deposited into the Highway Trust Fund. Money in this fund is distributed to the states according to formulas established in federal law and is used to support construction and maintenance projects for highways, which generally receive about 80 percent of total funding, and for mass transit, which receives about 20 percent.

Illinois Motor Fuel Taxes

As mentioned previously, Illinois taxes motor fuel multiple ways. The main tax is the Motor Fuel Tax which is imposed on the privilege of operating motor vehicles on public highways and recreational watercraft on waterways in Illinois. Illinois' motor fuel tax has increased significantly in recent years. As part of the Rebuild Illinois capital plan, Public Act 101-0032 increased the motor fuel tax from 19.0 cents per gallon to 38.0 cents per gallon. Diesel fuel, liquefied petroleum gas (LPG), and liquefied natural gas (LNG) include an added per-gallon charge that was increased from 2.5 cents to 7.5 cents under Public Act 101-0032. In addition, the motor fuel tax was set to be increased annually by the rate of inflation as measured by the Consumer Price Index (CPI).

The tax is currently imposed at the following rates from July 1, 2025, through June 30, 2026:

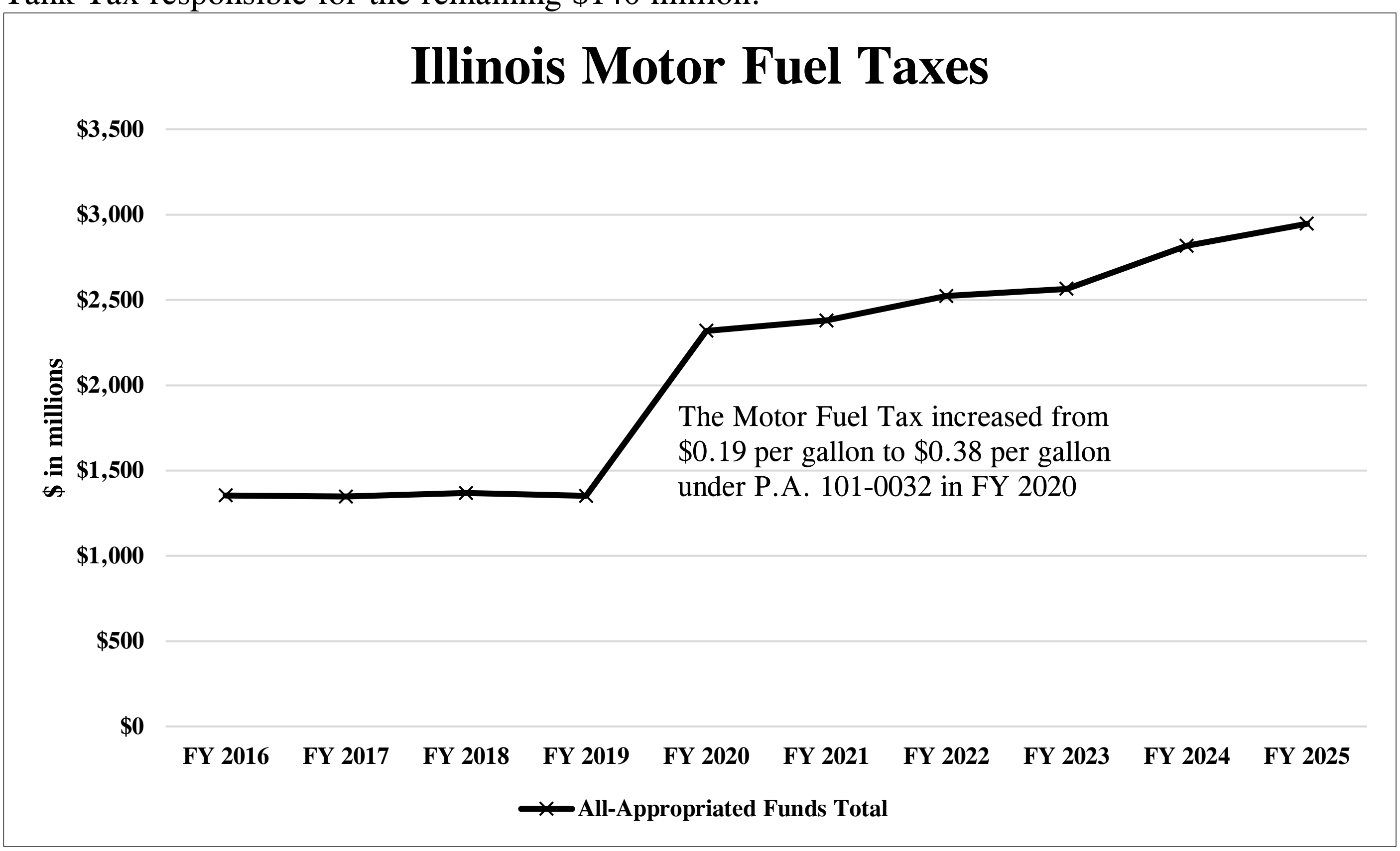
1. Gasoline/gasohol	48.3 cents per gallon

2. Diesel fuel — 55.8 cents per gallon
3. Liquefied petroleum gas (LPG) — 55.8 cents per diesel gallon equivalent
4. Liquefied natural gas (LNG) — 55.8 cents per diesel gallon equivalent
5. Compressed natural gas (CNG) — 48.3 cents per gasoline gallon equivalent

Additionally, an Environmental Impact Fee of $0.008 per gallon sold and an Underground Storage Tank Tax of $0.003 per gallon of fuel is added to the cost of motor fuel. The State also imposes a Motor Fuel Use tax on fuel used by interstate commercial motor vehicles. The Motor Fuel Use Tax applies only to interstate carriers and does not apply to ordinary gasoline sales to retail drivers.

Based on data from the Department of Revenue, just over 5.8 billion gallons of motor fuel were sold in Illinois in 2024. Just under three-fourths of this amount (4.3 billion gallons) was from gasoline and gasohol sales. Diesel fuel made up an additional 1.5 billion gallons, while Alternative Fuels made up the remaining 16 million gallons. Annual gallonage amounts have been relatively steady in recent years though they have been trending steadily down over the longer-term with increases in fuel efficiency and the rise of electric vehicles.

As seen in the table below, Illinois' revenue from motor fuel taxes and fees jumped from a little under $1.4 billion in FY 2019 to over $2.3 billion in FY 2020. This large jump was due to the increase in the motor fuel tax rates associated with previously mentioned Public Act 101-0032. In FY 2025, total motor fuel taxes to the State amounted to over $2.9 billion. The Motor Fuel Tax accounted for $2.8 billion of that total with the Motor Fuel Use Tax, the Environmental Impact Fee, and the Storage Tank Tax responsible for the remaining $140 million.



Revenue from the money brought in by the motor fuel taxes in Illinois gets sent to numerous funds. Money associated with the recent increase in the Motor Fuel Tax is sent to the Transportation Renewal Fund. In FY 2025, this amount equaled over $1.6 billion. Approximately $67 million was sent to the Underground Storage Tank Fund. The rest of the revenue ($1.3 billion) was sent to the Motor Fuel Tax Fund and distributed as follows:

1. 2.5¢ per gallon from collections on special fuel to the State Construction Account Fund; remaining collections on special fuel to the Road Fund.
2. $5,040,000 per year to the State Boating Act Fund.
3. $42 million per year to the Grade Crossing Protection Fund.
4. Costs of the Environmental Protection Agency for administering the Vehicle Emissions Inspection Law of 2005, to the Vehicle Inspection Fund.
5. Sufficient amounts to:
   a. the Department of Revenue for administrative expenses and refunds; and
   b. the Department of Transportation to:
      - administer motor fuel tax distribution to local governments;
      - pay motor fuel taxes owed to other states under reciprocal agreements; and
      - pay Illinois Court of Claims judgments.
6. Of the remainder:
   a. 45.6% is apportioned as follows:
      - 37% to the State Construction Account Fund; and
      - 63% to the Road Fund ($15 million is reserved for bridge construction in townships and road districts); and
   b. 54.4% is apportioned as follows:
      - 49.10% to municipalities, distributed by population;
      - 16.74% to Cook County;
      - 18.27% to the other 101 counties in proportion to motor vehicle license fees collected in each county; and
      - 15.89% to townships and road districts, distributed among counties in proportion to township and road district mileage, and redistributed within each county in proportion to road mileage in each township or road district.

The State's Motor Fuel Tax and the statutory distribution of those revenues remain largely unchanged under Senate Bill 2111. The bill does make one notable adjustment by redirecting a portion of the interest earned on balances in the Road Fund, which receives motor fuel tax revenues. The more significant revisions in the legislation involve the redistribution of sales tax revenue derived from motor fuel purchases, which is discussed in the following section.

Illinois Sales Tax on Motor Fuel

Illinois also imposes the State sales tax on most motor fuel purchases. The statewide sales tax rate is 6.25 percent. Of this amount, 5.0 percent is retained by the State and the remaining 1.25 percent is distributed to local governments. Certain motor fuels (higher ethanol content or biodiesel) are exempt or qualify for a reduced rate.

Historically, the State's 5.0 percent share of sales tax on motor fuel was treated in the same manner as sales tax on other general merchandise, and most of the proceeds were deposited into one of the General Funds. This approach changed when the General Assembly enacted the Rebuild Illinois capital plan in 2019 (Public Act 101-0032). As part of that legislation, the State began a multiyear process to shift sales tax revenue derived from motor fuel purchases to the Road Fund in order to support additional transportation investments.

Under this schedule, beginning in FY 2022, a twenty percent portion of the State's 5.0 percent share of motor-fuel-related sales tax revenue was to be redirected to the Road Fund each year. This process was designed to phase in the distribution change over five years so that, by FY 2026, one hundred percent of the State share would be deposited into the Road Fund. However, during the FY 2026 budget process, the final year of this transition was delayed until FY 2027.

Senate Bill 2111 would modify this schedule again. Instead of sending one hundred percent of the State share of sales tax on motor fuel to the Road Fund, the bill would direct those revenues to the Public Transportation Fund and the Downstate Public Transportation Fund. These funds support mass transit systems throughout Illinois. During the FY 2026 budget process, it was estimated that the State's 5.0 percent share of sales tax on motor fuel would generate approximately $855 million.

Under current law, sales tax revenues directed to the Road Fund are used to support state-level transportation needs, including highway construction and maintenance, IDOT operations, transportation-related bond payments, and required state matching funds for federal highway programs. These revenues are appropriated annually through the State budget process and are not distributed directly to local districts through a statutory formula. Under Senate Bill 2111, future sales tax revenues derived from motor fuel purchases would instead be deposited into the Public Transportation Fund and the Downstate Public Transportation Fund, where they are allocated according to formulas that provide operating and capital support for the Chicago-area transit agencies and downstate public transportation providers.

Local Taxes

In addition to federal and state taxes, many units of local government in Illinois have authority to impose taxes on motor fuel. These taxes vary across the state and can be levied either as a per-gallon tax or as a percentage of the sales price.

A number of local governments impose their own motor fuel taxes in the form of a per-gallon charge. Cook County levies a countywide motor fuel tax of $0.06 per gallon that applies to retail fuel sales throughout the county. The City of Chicago imposes its own municipal motor fuel tax of $0.08 per gallon that applies in addition to the county tax. Several home rule municipalities outside of Cook County also levy local motor fuel taxes, although their rates and administration vary.

Local governments may also impose various sales taxes that apply to motor fuel purchases. Many home rule municipalities levy a local retailers' occupation tax that applies to most retail sales, including gasoline and diesel. Counties may impose their own countywide sales taxes that also apply to motor fuel. In northeastern Illinois, the Regional Transportation Authority sales tax applies to sales of motor fuel in Cook County and the collar counties, with rates that differ between Cook County and the rest of the region. Senate Bill 2111 would convert the Regional Transportation Authority into the Northern Illinois Transit Authority and would grant the NITA Board, in place of the current RTA Board, authority to increase these sales tax rates, subject to approval by the Board. All of these local sales taxes are applied in addition to the statewide 6.25 percent sales tax. It is estimated that the proposed 0.25% increase in the local RTA/NITA tax, could generate an additional $495 million to $530 million per year if/when fully implemented.

The combination of local motor fuel taxes and local sales taxes results in significant variation in the total tax burden on motor fuel across Illinois. A driver purchasing fuel in Chicago pays a higher overall tax load than a driver purchasing fuel in many downstate communities because several layers of county and municipal taxes apply. Local governments rely on these taxes to support transportation, transit, and general operations.

For more information on local motor fuel and sales taxes, see the Commission's "Illinois Tax Handbook for Legislators" at https://cgfa.ilga.gov/commission/lru/TaxHandbook2025.pdf.

Conclusion

The taxes and fees imposed on motor fuel at the federal, state, and local levels form an important part of Illinois' transportation revenue system. As proposals such as Senate Bill 2111 modify how these revenues are distributed, understanding the structure and interaction of these taxes provides useful context for evaluating their fiscal implications. The Commission will continue to monitor these developments as policymakers consider future changes to transportation funding in Illinois.

INDICATORS OF ILLINOIS ECONOMIC ACTIVITY

INDICATORS*	LATEST MONTH	PRIOR MONTH	A YEAR AGO
Unemployment Rate (Average) (Aug.)	4.4%	4.6%	5.0%
Inflation in Chicago (12-month percent change) (Sep.)	2.9%	3.1%	4.1%

	LATEST MONTH	CHANGE OVER PRIOR MONTH	CHANGE OVER A YEAR AGO
Civilian Labor Force (thousands) (Aug.)	6,580.7	-0.3%	-0.9%
Employment (thousands) (Aug.)	6,288.2	-0.2%	-0.3%
Nonfarm Payroll Employment (Aug.)	6,153,700	-13,300	5,900
New Car & Truck Registration (Oct.)	38,312	0.1%	39.7%
Single Family Housing Permits (Aug.)	1,043	0.3%	12.0%
Total Exports ($ bil) (July)	5.86	-6.1%	-10.2%
Chicago Purchasing Managers Index (Oct.)	36.3	-17.1%	-9.7%

* Due to monthly fluctuations, trend best shown by % change from a year ago

Employment and inflation data was not updated in October or November due to the federal government shutdown.

$600 Million Build Illinois Bond Series December 2025

Lynnae Kapp, Senior Bond and Revenue Analyst

STATE-ISSUED BOND SALES									
DATE	BOND SALE TYPE	AMOUNT	TAXABLE v. TAX-EXEMPT	NEGOTIATED v. COMPETITIVE SALE	TRUE INTEREST COST	S&P	FITCH	MOODY'S	KROLL
FY 2025									
Sep-24	General Obligation October 2024 Refunding	$1.088 billion	tax-exempt	negotiated	3.47% aggregated	A-	A-	A3	
Sep-24	General Obligation October 2024A	$150 million	taxable	competitive	4.386%	A-	A-	A3	
Sep-24	General Obligation October 2024B	$150 million	tax-exempt	competitive	3.329%	A-	A-	A3	
Sep-24	General Obligation October 2024C	$300 million	tax-exempt	competitive	4.039%	A-	A-	A3	
Mar-25	Build Illinois March 2025A	$276 million	tax-exempt	competitive	3.268%	A	A+		AA+
Mar-25	Build Illinois March 2025B	$218 million	tax-exempt	competitive	3.933%	A	A+		AA+
Mar-25	Build Illinois March 2025B	$231 million	tax-exempt	competitive	4.464%	A	A+		AA+
FY 2026									
Aug-25	General Obligation September 2025A	$240 million	taxable	competitive	4.550%	A-	A-	A3	
Aug-25	General Obligation September 2025B	$235 million	tax-exempt	competitive	2.751%	A-	A-	A3	
Aug-25	General Obligation September 2025C	$235 million	tax-exempt	competitive	3.532%	A-	A-	A3	
Aug-25	General Obligation September 2025D	$355 million	tax-exempt	competitive	4.524%	A-	A-	A3	
Aug-25	General Obligation September 2025E	$355 million	tax-exempt	competitive	5.028%	A-	A-	A3	
Aug-25	General Obligation September 2025F	$355 million	tax-exempt	competitive	5.213%	A-	A-	A3	
Nov-25	Build IL December 2025 Junior A	$300 million	tax-exempt	competitive	3.024%	A	A+		AA+
Nov-25	Build IL December 2025 Junior B	$150 million	tax-exempt	competitive	3.867%	A	A+		AA+
Nov-25	Build IL December 2025 Junior C	$150 million	tax-exempt	competitive	4.494%	A	A+		AA+

Illinois opened competitive bidding on $600 million of Build Illinois (BI) bonds on November 18, 2025. The three Series of bonds - A, B, and C – each received eleven bids. All three series are tax-exempt and are to be used to finance capital projects. The December 2025A series of $300 million, with maturities from 2026-2035, had a true interest cost of 3.024%. Series December 2025B of $150 million, with maturities from 2036 to 2040, had a true interest cost if 3.867%. The December 2025C Series of $150 million, with maturities from 2041 to 2045, had a true interest cost of 4.494%. Series A is not callable, while series B and C are callable and may be redeemed, if the State chooses, on or after June 15, 2035.

On the date the competitive sale began, Matt Fabian of Municipal Market Analytics said of the municipal market, "Demand remains solid; reinvestment is up and last week saw another greater than $3 billion in total [municipal bond] fund inflows…" Inflows in muni market funds have increased in the past two weeks, bringing muni market funds to $142 billion, a peak not seen in ten months. [*Munis steady, demand remains 'solid'*, by Jessica Lerner, The Bond Buyer, November 18, 2025]

Build Illinois Bond Ratings

After the multiple downgrades from three rating agencies following the State of Illinois' budget impasse through the Spring of 2020, the State's economy and budget improved enough to start earning upgrades. In the Summer of 2021, Illinois' Build Illinois bonds saw a one-level upgrade from both S&P and Moody's. In the Spring of 2022, the State's BI bonds received a two-level upgrade from Fitch and a single-level upgrade again from both S&P and Moody's. It was not until the Winter of 2023 that Build Illinois bonds were firmly in A territory, with Moody's raising the rating one level to A3. At the same time, S&P raised their rating another level to A.

Fitch raised the BI bonds a single level to A+ in the Fall of 2023. The most recent revision was in October 2025 by Moody's when it raised both the State's General Obligation bond rating and Build Illinois bond rating one level to A2. The State began to request Build Illinois ratings from Kroll Rating Agency in October 2018 instead of Moody's (where the State's Build Illinois rating was at the low Baa2 level at that time). Since that time, Kroll has kept their rating for Build Illinois bonds at AA+.

BUILD ILLINOIS BOND RATINGS HISTORY

Rating Agencies	June 2013	Oct 2015	Jun 2016	Jun 2017	May 2018	Oct 2018	Apr 2020	Jun-Jul 2021	Apr-May 2022	Feb-Mar 2023	Nov 2023	Oct 2025
Fitch Ratings	AA+	AA+	AA+	AA+	A-	A-	BBB+	BBB+	A	A	A+	A+
Standard & Poor's	AAA	AAA	AAA	AA-	AA-	BBB	BBB	BBB+	A-	A	A	A
Moody's	A3	Baa1	Baa2	Baa3	Baa3	Baa3	Baa3	Baa2	Baa1	A3	A3	A2
Kroll						AA+	AA+	AA+	AA+	AA+	AA+	AA+

Following are brief summaries regarding each agency's current rating assessment:

Kroll has affirmed Illinois' AA+ with a stable outlook. The rating comes from several of the Build Illinois Bond Act's restrictive provisions protecting the revenue stream used to pay debt service on the bonds. These provisions include the Build Illinois bonds' primary claim on the State's portion of sales tax revenue. If funds for Build Illinois debt service are not appropriated in a State budget, there is a continuing appropriation that would kick in. The State also promises not to impair the basis on which the sales taxes and revenues of the State are required to be collected, deposited and transferred in the Build Illinois accounts and used for debt service.

FitchRatings affirmed the State's Build Illinois bond rating of A+ with a stable outlook. Fitch states that the statutory limits giving primary use of the sales tax revenue to Build Illinois bond debt service gives the Build Illinois bonds a rating two levels higher than the State's General Obligation Bond and Issuer Default Rating. The Build Illinois rating would be higher if the excess moneys in the Build Illinois Fund from the sales tax revenue stayed in the Fund just for debt service and was not allowed to be transferred out of the Fund for State operations. [*State of Illinois (Build Illinois Bonds)*, FitchRatings, November 17, 2025]

Standard and Poor's (S&P) affirmed the Build Illinois rating at A with a stable outlook. S&P notes Illinois' increased budget flexibility and increases in its rainy-day fund. There could be challenges coming with reductions in federal funding (Medicaid and SNAP), but there could be time to create a plan to mitigate these risks. The Build Illinois bonds have strong protections for the revenue streams to pay for debt service first before diverting excess funds to other funds [*State Of Illinois Series 2025A/B/C Sales Tax Revenue Bonds Assigned 'A' Rating; Outlook Stable,* S&P Global Ratings, November 7, 2025]

While **Moody's** was not asked to rate the Build Illinois December 2025 bond sale, Moody's recently raised the State's G.O. and Build Illinois bond ratings in October 2025 from A3 to A2, as they tie the two ratings directly to each other. In Moody's Rating Action statement, the upgrade occurred due to the State's improving finances and budget reserves. Moody's expects improvements to continue even with Illinois' current pension liabilities and federal policy risks. Additional factors that have kept Illinois in the single A level of ratings include restraints on the ability to change pensions and post-employment benefits, lean budget surpluses and rainy-day funds, and a slow growing economy. The rating could improve with economic expansion and growth; reductions in long-term liabilities - particularly pensions - below 350% of revenue; and/or lowering fixed costs below 20% of revenue. A downgrade could ensue if fiscal challenges increase, such as a recession, loss of federal funding, and/or higher unfunded liabilities. [*Rating Action: Moody's Ratings Upgrades Illinois to A2; outlook stable*, Moody's Ratings, 23 Oct 2025]

Strong Gains in November Driven by Income Taxes, Transfers, and Estate Tax

Eric Noggle, Revenue Manager

It was a very good month for revenues deposited into the State's General Funds in November. Significant growth from income tax receipts, transfers, and the Estate Tax easily offset a weak month for Sales Taxes and Federal Sources. In total, revenues reached $3.750 billion, which is $476 million or 14.5% above the amount collected last November. This brings cumulative growth for Illinois' General Funds through the first five months of the fiscal year to $951 million, or +4.9%. November had the same number of receipting days as last year.

Personal Income Tax receipts rebounded from October's 3.6% decline, growing $144 million or 8.1% in November. While part of this improvement is likely due to timing differences in payment patterns, some of the gain can be attributed to the Tax Amnesty program that concluded this month. Preliminary data from the Department of Revenue indicate that approximately $71 million of November's receipts resulted from Tax Amnesty. This program also contributed to Corporate Income Tax receipts, which jumped $150 million or 111.9%. Of that total, about $47 million is attributable to Tax Amnesty. On a net basis—after accounting for distributions to the Income Tax Refund Fund and the Local Government Distributive Fund—Personal Income Tax receipts were up $122 million, while Corporate Income Tax receipts rose $120 million.

Transfers-In provided another significant boost to monthly revenue, increasing $260 million. Most of this growth came from a $246 million transfer from the Income Tax Refund Fund (ITRF) to the General Revenue Fund. This is the third and final such transfer, bringing FY 2026's total General Funds transfers from the ITRF to approximately $700 million. As shown in the year-to-date tables on pages 14 and 15, this amount is $447 million above last year's transfer total of $253 million. More importantly, the $700 million total exceeds the $450 million assumed in the enacted budget by $250 million, providing a meaningful budgetary cushion to help offset potential underperformance in other revenue lines this fiscal year. *(Note: An additional $91.5 million was transferred from the ITRF to the Personal Property Replacement Tax Fund (non-General Funds) to complete the transfer of nearly $792 million in remaining FY 2025 ITRF balances.)*

Additional increases in the Transfers-In category came from the Gaming Transfer (up $20 million) and the Sports Wagering Transfer (up $6 million). Lottery Transfers fell $7 million in November, while Other Transfers declined $4 million, and Cannabis Transfers slipped by $1 million.

Revenues in the "All Other State Sources" category also experienced strong growth, collectively increasing $131 million in November. Most of this surge came from the Estate Tax, which rose to $180 million—an increase of $120 million, or 200%, compared to last November's $60 million. This amount represents the highest single-month total ever recorded for this revenue source. While the increase is likely influenced by strong market performance in the previous year, the confidential nature of Estate Tax filings limits the availability of detailed information. Other gains came from Interest on State Funds & Investments (up $18 million), Insurance Taxes (up $4 million), and the

Corporate Franchise Tax (up $1 million). Remaining sources within this category declined by a combined $12 million.

Despite the broad-based strength among most revenue categories, not all sources performed positively. For the first time this fiscal year, Sales Tax receipts were below prior-year levels. November base receipts fell $35 million or 3.5% compared to last year, even though the month included approximately $16 million in amnesty-related collections. After adjusting for slightly lower diversions to the Road Fund and much higher allocations to certain transportation-related funds, net receipts declined $81 million or 9.0%. While this marks the first decline after nine consecutive months of growth, the result appears to be driven by timing. Preliminary figures indicate that adding the first receipting day of December into this calculation for each year would have produced growth of 7.6% instead of a 3.4% decline. In addition, the late Thanksgiving means most "Black Friday" sales tax deposits will not be received until December. As such, another month of data is needed to better evaluate the underlying trend.

Federal Sources also had a down month. November receipts totaled $335 million, which is $78 million or 18.9% below the $413 million received last November.

In addition, approximately $2 million was received under "Transfers to Repay Payroll Borrowing." Although this is a small amount, its reporting requires explanation. Under State law, the Comptroller may direct and the Treasurer must transfer funds from the General Revenue Fund to cover specific payroll expenses that meet the payroll transaction exception criteria in the Statewide Accounting Management System (SAMS) Manual. Agencies receiving these funds must repay the same amount back to the General Revenue Fund within 30 days (formerly 7 days prior to P.A. 104-0002). These repayments are recorded as revenues—per statutory reporting requirements—though they are merely short-term loan repayments. The Comptroller reports such receipts "below the line" and excludes them from "base" revenues. The Commission will follow this same approach and classify these amounts under "Non-Base Gen Funds Revenues."

Summary of Receipts
NOVEMBER
FY 2025 vs. FY 2026
($ millions)

Revenue Sources	**Nov. FY 2025**	**Nov. FY 2026**	**$ CHANGE**	**% CHANGE**
Net Personal Income Tax	$1,508	$1,630	$122	8.1%
Net Corporate Income Tax	$107	$227	$120	112.1%
Net Sales Tax	$900	$819	($81)	-9.0%
All Other State Sources	$200	$331	$131	65.5%
Transfers In	$146	$406	$260	178.1%
Federal Sources [base]	$413	$335	($78)	-18.9%
Base General Funds	$3,274	$3,748	$474	14.5%
Non-Base Gen Funds Revenues	$0	$2	$2	N/A
Total General Funds	$3,274	$3,750	$476	14.5%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding 2-Dec-25

NOVEMBER
FY 2025 vs. FY 2026
($ millions)

Revenue Sources	Nov. FY 2025	Nov. FY 2026	$ CHANGE	% CHANGE
State Taxes				
Personal Income Tax	$1,774	$1,918	$144	8.1%
Corporate Income Tax (regular)	134	284	150	111.9%
Sales Taxes	992	957	(35)	-3.5%
Public Utility Taxes (regular)	46	43	(3)	-6.5%
Cigarette Tax	16	12	(4)	-25.0%
Liquor Gallonage Taxes	16	14	(2)	-12.5%
Estate Tax	60	180	120	200.0%
Insurance Taxes and Fees	1	5	4	400.0%
Corporate Franchise Tax & Fees	10	11	1	10.0%
Interest on State Funds & Investments	29	47	18	62.1%
Cook County IGT	0	0	0	N/A
Other Sources	22	19	(3)	-13.6%
Total State Taxes	$3,100	$3,490	$390	12.6%
Transfers In				
Lottery	$60	$53	($7)	-11.7%
Gaming	17	37	20	117.6%
Sports Wagering	19	25	6	31.6%
Cannabis	9	8	(1)	-11.1%
Refund Fund	0	246	246	N/A
Other	41	37	(4)	-9.8%
Total Transfers In	$146	$406	$260	178.1%
Total State Sources	$3,246	$3,896	$650	20.0%
Federal Sources [base]	$413	$335	($78)	-18.9%
Total Federal & State Sources	$3,659	$4,231	$572	15.6%
Nongeneral Funds Distributions/Direct Receipts:				
Refund Fund				
Personal Income Tax	($162)	($175)	($13)	8.0%
Corporate Income Tax	($19)	($40)	(21)	110.5%
Local Government Distributive Fund				
Personal Income Tax	(104)	(113)	(9)	8.7%
Corporate Income Tax	(8)	(17)	(9)	112.5%
Sales Tax Distributions				
Deposits into Road Fund	(66)	(56)	10	-15.2%
Distribution to the PTF and DPTF	(26)	(82)	(56)	215.4%
General Funds Subtotal [Base]	**$3,274**	**$3,748**	**$474**	**14.5%**
Transfers to Repay Payroll Borrowing	$0	$2	$2	N/A
Total General Funds	**$3,274**	**$3,750**	**$476**	**14.5%**

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding 2-Dec-25

Year to Date

Through the first five months of FY 2026, revenues deposited into the State's General Funds have increased by $951 million. This represents a gain of 4.9% compared to the same period in FY 2025. The year-to-date growth continues to be driven primarily by higher Personal Income Tax receipts. Gross totals for PIT are $321 million, or 2.9%, above FY 2025's five-month pace. On a net basis, receipts are up $273 million. For the Corporate Income Tax, gains over the last two months have offset a significant portion of the first-quarter declines. Even so, gross totals remain $79 million (-4.5%) behind last year's pace, with net receipts down $62 million.

Despite November's decline, Sales Tax revenues continue to perform reasonably well in FY 2026. Gross receipts are up $163 million (+3.3%) year to date. However, after statutory distributions to the Road Fund and a return to higher allocations for certain transportation-related funds, net receipts are now down $29 million (-0.6%).

The sharp revenue increase in November pushed the cumulative gain for "All Other State Sources" to $156 million. This growth is led by the Estate Tax, which is up $162 million (+58.7%) so far in FY 2026. Additional increases come from Insurance Taxes (+$30 million) and Interest on State Funds and Investments (+$19 million). These gains have helped offset declines from Other Sources (-$26 million), Cigarette Taxes (-$12 million), Public Utility Taxes (-$8 million), Corporate Franchise Taxes (-$5 million), and Liquor Taxes (-$4 million).

Transfers-In continue to be a major contributor to overall revenue growth, with cumulative receipts up $563 million (+57.2%). As noted earlier, much of this increase is due to the Income Tax Refund Fund Transfer, which is up $447 million this fiscal year. Other notable contributors include the Sports Wagering Transfer (+$74 million) and Gaming Transfers (+$51 million). Remaining transfers have fallen a combined $9 million through November.

Despite November's decline, Federal Sources remain $48 million, or 2.8%, above last year's pace through five months. The $2 million loan repayment (reported as "Non-Base Gen Funds Revenues" below) completes the revenue picture for the first five months of FY 2026.

Summary of Receipts

GENERAL FUNDS RECEIPTS: THROUGH NOVEMBER

FY 2025 vs. FY 2026

($ millions)

Revenue Sources	FY 2025	FY 2026	$ CHANGE	% CHANGE
Net Personal Income Tax	$9,357	$9,630	$273	2.9%
Net Corporate Income Tax	$1,402	$1,340	($62)	-4.4%
Net Sales Tax	$4,532	$4,503	($29)	-0.6%
All Other State Sources	$1,551	$1,707	$156	10.1%
Transfers In	$984	$1,547	$563	57.2%
Federal Sources [base]	$1,709	$1,757	$48	2.8%
Base General Funds	$19,535	$20,484	$949	4.9%
Non-Base Gen Funds Revenues	$0	$2	$2	N/A
Total General Funds	$19,535	$20,486	$951	4.9%

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding 2-Dec-25

GENERAL FUNDS RECEIPTS: THROUGH NOVEMBER

FY 2025 vs. FY 2026

($ millions)

Revenue Sources	**FY 2025**	**FY 2026**	**$ CHANGE**	**% CHANGE**
State Taxes				
Personal Income Tax	$11,012	$11,333	$321	2.9%
Corporate Income Tax (regular)	1,751	1,672	(79)	-4.5%
Sales Taxes	4,866	5,029	163	3.3%
Public Utility Taxes (regular)	267	259	(8)	-3.0%
Cigarette Tax	86	74	(12)	-14.0%
Liquor Gallonage Taxes	78	74	(4)	-5.1%
Estate Tax	276	438	162	58.7%
Insurance Taxes and Fees	229	259	30	13.1%
Corporate Franchise Tax & Fees	83	78	(5)	-6.0%
Interest on State Funds & Investments	357	376	19	5.3%
Cook County IGT	0	0	0	N/A
Other Sources	175	149	(26)	-14.9%
Total State Taxes	$19,180	$19,741	$561	2.9%
Transfers In				
Lottery	$315	$314	($1)	-0.3%
Gaming	66	117	51	77.3%
Sports Wagering	36	110	74	205.6%
Cannabis	46	44	(2)	-4.3%
Refund Fund	253	700	447	176.7%
Other	268	262	(6)	-2.2%
Total Transfers In	$984	$1,547	$563	57.2%
Total State Sources	$20,164	$21,288	$1,124	5.6%
Federal Sources [base]	$1,709	$1,757	$48	2.8%
Total Federal & State Sources	$21,873	$23,045	$1,172	5.4%
Nongeneral Funds Distributions/Direct Receipts:				
Refund Fund				
Personal Income Tax	($1,008)	($1,037)	($29)	2.9%
Corporate Income Tax	(246)	(233)	13	-5.3%
Local Government Distributive Fund				
Personal Income Tax	(647)	(666)	(19)	2.9%
Corporate Income Tax	(103)	(99)	4	-3.9%
Sales Tax Distributions				
Deposits into Road Fund	(283)	(268)	15	-5.3%
Distribution to the PTF and DPTF	(51)	(258)	(207)	405.9%
General Funds Subtotal [Base]	**$19,535**	**$20,484**	**$949**	**4.9%**
Transfers to Repay Payroll Borrowing	$0	$2	$2	N/A
Total General Funds	**$19,535**	**$20,486**	**$951**	**4.9%**

CGFA SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding 2-Dec-25