



**Board of Commissioners of Cook County  
Minutes of the Finance Committee**

**9:30 AM**

**Wednesday, December 13, 2023**

**Cook County Building, Board Room,  
118 North Clark Street, Chicago, Illinois**

**ATTENDANCE**

**Present** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**REMOTE PARTICIPATION**

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to approve remote participation. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**PUBLIC TESTIMONY**

Vice Chairman Lowry asked the Secretary to the Board to call upon the registered public speakers, in accordance with Cook County Code.

1. Mark Armstrong - Chicago Urban Fine Arts Council
2. Todd Thielmann

**24-0399**

**COMMITTEE MINUTES**

Approval of the minutes from the meeting of 11/15/2023.

**A motion was made by Commissioner Britton, seconded by Commissioner S. Morrison, to approve 24-0399. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

## COURT ORDERS

24-0031

### REPORT

**Department:** Office of the Chief Judge, Circuit Court of Cook County

**Report Title:** Report of Legal and Expert Witness Fees and Expenses Processed for Payment

**Report Period:** November 1, 2023 through November 30, 2023

**Summary:** This report includes court orders for the payment of fees and associated expenses to attorneys and experts for legal services provided on behalf of indigent litigants. The orders have been processed by the Office of the Chief Judge and submitted to the Cook County Comptroller's Office for payment during the period.

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to recommend for receiving and filing 24-0031. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

### SPECIAL COURT CASES

24-0341

Compliance/Complaint Administrator: Cardelle Spangler  
Case Name: Shakman, et al. v. Clerk of Cook County, et al.  
Case No.(s): 69 C 2145  
Date of This Order: 11/14/2023  
Unopposed Petition Number: 26-2  
This Court Ordered Amount of this petition: \$11,891.61  
Paid to Date: \$1,174,960.24

24-0342

Compliance/Complaint Administrator: Cardelle Spangler  
Case Name: Shakman, et al. v. Clerk of Cook County, et al.  
Case No.(s): 69 C 2145  
Date of This Order: 11/14/2023  
Unopposed Petition Number: 27-2  
This Court Ordered Amount of this petition: \$8,239.84  
Paid to Date: \$1,174,960.24

**24-0343**

Compliance/Complaint Administrator: Cardelle Spangler  
Case Name: Shakman v. Clerk of Cook County, et al.  
Case No.(s): 69 C 2145  
Date of This Order: 11/14/2023  
Unopposed Petition Number: 29-2  
This Court Ordered Amount of this petition: \$3,606.54  
Paid to Date: 1,174,960.24

**24-0344**

Firm: Law Office of Karla Fiaoni  
Attorney(s): Karla M. Fiaoni  
Case Name: In re Special Prosecutor  
Case No.(s): 99 CR 2602001 & 99 CR 2602002  
Date of This Order: 11/20/2023  
Time period: 10/21/2023 - 11/14/2023  
This Court Ordered Amount for fees and expenses: \$13,492.82  
Paid to Date: \$124,024.13  
Litigation Subcommittee Approval: NA

**24-0345**

Firm: Law Office of Karla Fiaoni  
Attorney(s): Karla M. Fiaoni  
Case Name: In re Special Prosecutor  
Case No.(s): 93 CR 2647704  
Date of This Order: 11/20/2023  
Time period: 10/31/2023 - 11/08/2023  
This Court Ordered Amount for fees and expenses: \$893.75  
Paid to Date: \$75,474.25  
Litigation Subcommittee Approval: N/A

**24-0346**

Firm: Reimer, Dobrovolny & LaBardi PC.  
Attorney(s): Nemura Pencyla  
Case Name: In re Special Prosecutor  
Case No.(s): 97 CR 511002  
Date of This Order: 11/03/2023  
Time period: 06/01/2023 - 10/31/2023  
This Court Ordered Amount for fees and expenses: \$14,437.50  
Paid to Date: \$17,187.50  
Litigation Subcommittee Approval: N/A

**24-0347**

Firm: Reimer, Dobrovolny & LaBardi PC  
Attorney(s): Nemura Pencyla  
Case Name: In re Special Prosecutor  
Case No.(s): 97 CR 2956002  
Date of This Order: 11/03/2023  
Time period: 06/01/2023 - 10/31/2023  
This Court Ordered Amount for fees and expenses: \$19,143.75  
Paid to Date: \$36,643.75  
Litigation Subcommittee Approval: N/A

**24-0348**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 91 CR 2145101  
Date of This Order: 11/17/2023  
Time period: 07/18/2023 - 11/15/2023  
This Court Ordered Amount for fees and expenses: \$10,920.00  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0349**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 92 CR 0023, 91 CR 21147  
Date of This Order: 11/15/2023  
Time period: 04/01/2023 - 11/14/2023  
This Court Ordered Amount for fees and expenses: \$3,737.50  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0350**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 91 CR 2114701  
Date of This Order: 11/15/2023  
Time period: 04/01/2023 - 11/14/2023  
This Court Ordered Amount for fees and expenses: \$6,482.50  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0351**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 00 CR 13572-01  
Date of This Order: 11/13/2023  
Time period: 04/01/2023 - 11/13/2023  
This Court Ordered Amount for fees and expenses: \$23,567.75  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0352**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 90 CR 25846  
Date of This Order: 10/30/2023  
Time period: 10/07/2023 - 10/16/2023  
This Court Ordered Amount for fees and expenses: \$39,206.19  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0353**

Firm: Office of the Special Prosecutor  
Attorney(s): Michael J. O'Rourke  
Case Name: Appointment of Special Prosecutor  
Case No.(s): 83 C 009326-01  
Date of This Order: 10/26/2023  
Time period: 06/01/2023 - 10/16/2023  
This Court Ordered Amount for fees and expenses: \$15,324.40  
Paid to Date: \$8,312,266.16  
Litigation Subcommittee Approval: N/A

**24-0354**

Firm: 1) Lawrence Oliver II - Special Prosecutor (2) Sidley Austin - Deputy Special Prosecutor (3) FTI Consulting and (4) Lawrence Rosen  
Attorney(s): Lawrence Oliver II  
Case Name: In re Special Prosecutor  
Case No.(s): 82 CR 1221 & 88 CR 7771  
Date of This Order: 11/22/2023  
Time period: 10/01/2023 - 10/31/2023  
This Court Ordered Amount for fees and expenses: Lawrence Oliver II - \$30,750.11, FTI Consulting \$38,592.65 & Lawrence Rosen - \$3,073.75  
Paid to Date: \$555,431.60  
Litigation Subcommittee Approval: N/A

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to approve the SPECIAL COURT CASES. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**SPECIAL CRIMINAL COURT CASES**

NOTE: There are no cases of the above item type to be approved for this meeting.

**PROPOSED SETTLEMENTS**

**23-5889**

Case: Kenyi, Richard Mapke v. County  
Case No: 23 C 799  
Settlement Amount: \$18,750.00  
Department: 1007- Revenue  
Payable to: Richard Mapke Kenyi; Law Offices of Michael T. Smith and Associates  
Litigation Subcommittee Approval: N/A  
Subject matter: an allegation of employment discrimination

**24-0232**

Case: Tisdale, Lorena v. Cook County Health and Hospital Systems  
Case No: 22 L 5076  
Settlement Amount: \$42,000.00  
Department: Cook County Health and Hospital Systems  
Payable to: Lorena Tisdale, Cramer Law Group  
Litigation Subcommittee Approval: N/A  
Subject matter: an allegation of employment discrimination

**24-0269**

Case: Miles, Latonya (Est. Dorothy Singleton) v. Cook County  
Case No: 22 L 2753  
Settlement Amount: \$3,400,000.00  
Department: 4897 - John H. Stroger, Jr. Hospital of Cook County  
Payable to: Latonya Miles (Ind. Adm. Est. Dorothy Singleton) and her attys Taxman Pollock & Bekkerman LLC  
Litigation Subcommittee Approval: 11/15/2023  
Subject matter: Settlement of a medical malpractice claim.

**24-0270**

Case: Polk, Tiffany (Est. Willie Polk) v. Cook County  
Case No: 22 L 9900  
Settlement Amount: \$1,050,000.00  
Department: 4897 - John H. Stroger, Jr. Hospital of Cook County)  
Payable to: Tiffany Polk (Ind. Adm. Est. Willie Polk) and her attys Malman Law  
Litigation Subcommittee Approval: 10/18/2023  
Subject matter: Settlement of a medical malpractice claim.

**23-5269**

Case: Carter, Alexander v. Preckwinkle, et al.  
Case No: 20 C 1402  
Settlement Amount: \$7,500.00  
Department: 4240 - Cermak Health Services of Cook County  
Payable to: Alexander Carter  
Litigation Subcommittee Approval: N/A  
Subject matter: an allegation of a civil rights violation

**23-5729**

Case: Zarebczan, Malgorzata v. Moore, et al.  
Case No: 20 L 6910  
Settlement Amount: \$6,500.00  
Department: 1239 - Department of Corrections  
Payable to: Malgorzata Zarebczan and her attorneys, Strellis Firm, Chtd.  
Litigation Subcommittee Approval: N/A  
Subject matter: an allegation of automobile negligence

**23-5801**

Case: Howard, DeWayne v. Mirchev, et al  
Case No: 23 C 2632  
Settlement Amount: \$1,500.00  
Department: 1239 - Department of Corrections  
Payable to: DeWayne Howard  
Litigation Subcommittee Approval: N/A  
Subject matter: an allegation of a civil rights violation

**23-5865**

Case: Anderson, Milton v. Roman, et. al; Anderson, Milton v. Anderson; Anderson, Milton v. Roman, et.al  
Case No: 21 C 5462; 21 C 564; 21 C 6838  
Settlement Amount: \$14,000.00  
Department: 1239 - Department of Corrections  
Payable to: Milton Anderson  
Litigation Subcommittee Approval: N/A

Subject matter: an allegation of a civil rights violation

**23-5871**

Case: James, Najee v. Surane

Case No: 21 C 0814

Settlement Amount: \$2,500.00

Department: 1239 - Department of Corrections

Payable to: Najee D. James

Litigation Subcommittee Approval: N/A

Subject matter: an allegation of a civil rights violation

**23-5886**

Case: Hollerway v. Dar, et al.

Case No: 21-C-95

Settlement Amount: \$3,500.00

Department: 1239 - Department of Corrections

Payable to: Marquise Hollerway

Litigation Subcommittee Approval: N/A

Subject matter: an allegation of a civil rights violation

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to approve the PROPOSED SETTLEMENT CASES. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

## **WORKERS' COMPENSATION CLAIMS**

**24-0260**

### **REPORT**

**Department:** Civil Actions Bureau

**Report Title:** Workers' Compensation Payments Following CCSAO-Litigated Settlements & Awards

**Report Period:** December 1, 2023 - December 31, 2023

**Summary:** Authority to Pay Workers' Compensation Settlements & Awards

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to recommend for approval 24-0260. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**SELF-INSURANCE CLAIMS REPORT**

**24-0234**

**REPORT**

**Department:** Risk Management

**Report Title:** Receive and File - Self Insurance Claims

**Report Period:** Month Ending November 30, 2023

**Summary:** The Department of Risk Management is submitting for your information Self Insurance Claims for the month ending November 30, 2023. Payments total: **\$1,787.80**

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to recommend for receiving and filing 24-0234. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**CLAIMS RECOVERY SETTLEMENTS**

**24-0212**

**REPORT**

**Department:** Risk Management

**Report Title:** Receive and File - Subrogation Claim Recoveries

**Report Period:** Month ending: 11/30/2023

**Summary:** Submitting for your information, a summary of Claim Recoveries for the month ending 11/30/2023 - Total Recovery: **\$9,619.56** - Number of Recoveries: 3

**A motion was made by Commissioner Britton, seconded by Commissioner Deer, to recommend for receiving and filing 24-0212. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**COMPTROLLERS**

**24-0268**

**REPORT**

**Department:** Office of the Comptroller

**Report Title:** Analysis of Revenues and Expenses Report

**Report Period:** Eleventh-month period ended ~~September 30~~ **October 31**, 2023.

**Summary:** Analysis of Revenues and Expenses Report for the Eleven-month period ended October 31, 2023, for the Corporate, Public Safety, Health, Grants, and Special Purpose funds of Cook County.

**A motion was made by Commissioner Morrison, seconded by Commissioner Trevor, to recommend for receiving and filing as amended in the errata 24-0268. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

## **HEALTH & HOSPITAL**

**24-0400**

### **REPORT**

**Department:** Cook County Health Report

**Report Title:** CCH Monthly Report

**Report Period:** December 2023

**Summary:** Analysis of Revenues and Expenses Report for the seven-month period ended December 31, 2023, for the Corporate, Public Safety, Health, Grants and Special Purpose funds of Cook County

**A motion was made by Commissioner Morrison, seconded by Commissioner Trevor, to recommend for receiving and filing 24-0400. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5682**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNET, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

### **PROPOSED ORDINANCE AMENDMENT**

#### **UNIFORM PENALTIES, INTEREST AND PROCEDURES**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 34 - Taxation, Article III. Uniform Penalties, Interest and Procedures, Sections 34-64 through 34-91 be amended as follows:

### Article III. Uniform Penalties, Interest and Procedures

\* \* \* \* \*

#### Sec. 34-64. - General powers.

- (a) In addition to the powers provided in other tax ordinances, the Director may adopt, promulgate, and enforce rules and regulations pertaining to the administration and enforcement of the provisions of this article and any tax ordinance.
- (b) The Director:
- (1) May correct or amend any tax return or remittance return at any time.
  - (2) Is authorized to determine and assess any tax, interest or penalty due under this article, or under any tax ordinance, and may amend a tax determination and assessment at any time before it becomes final. Any tax determination and assessment, or amended tax determination and assessment, shall be deemed prima facie correct and the burden shall be on the person assessed to prove the contrary.
- (c) The Department is authorized to examine the books and records of any taxpayer or tax collector during business hours to verify the accuracy of any return made or, if no return was made, then to ascertain and assess the tax imposed by any tax ordinance.
- (d) In the course of any audit, investigation or other inquiry, the Director may require any taxpayer or tax collector to file information, electronically or otherwise, on a form prescribed and furnished by the Department.
- (e) The Director or designee ~~may shall~~ provide by rule for a conference between a taxpayer or tax collector and a representative of the Department to be held after the audit of the taxpayer or tax collector is completed, at least 20 calendar days but before the Tax-Director issues a notice of tax determination and assessment; provided, however, that the Department shall not be required to hold a conference if:
- (1) The Director determines, in the Director's discretion, that delay will jeopardize the collection of any unpaid taxes; or
  - (2) The taxpayer or tax collector will not agree to a date for holding the conference that is within 14 calendar days after the Department notifies the taxpayer or tax collector that the audit has been completed.
- Conferences shall be held in person if deemed practicable by the Department or by telephone or virtual meeting.
- (f) The Director may compromise all disputes in connection with any tax, interest, or penalty due or any tax, interest or penalty assessed.

\* \* \* \* \*

**Sec. 34-68. - Late penalties.**

- (a) If a tax ordinance does not impose a penalty for late filing of a tax return or remittance return required by the ordinance and the return is not filed within the time or in the manner provided by the ordinance, a late filing penalty equal to ~~ten~~ five (5) percent of the total tax due applies for the period for which the return is being filed. This penalty does not apply if the failure to file penalty provided by Section 34-69 applies.
  
- (b) If a tax ordinance does not impose a penalty for late payment or remittance of the tax imposed by the ordinance and the tax is not paid or remitted within the time provided by this article, a late payment or remittance penalty equal to ~~ten~~ five (5) percent of the tax due and not timely paid or remitted applies. However, this penalty does not apply if a late filing penalty as provided in Subsection (a) of this section applies.
  
- (c) If the Director determines that the taxpayer or tax collector had reasonable cause for any of the following:
  - (1) Paying late;
  - (2) Remitting late;
  - (3) Underpaying the applicable tax;
  - (4) Filing a late or incomplete tax return; or
  - (5) Filing a late or incomplete remittance return, the applicable penalty shall be waived.

\* \* \* \* \*

**Sec. 34-69. - Failure to file penalty.**

If a tax ordinance does not impose a penalty for failure to file a tax remittance return required by the ordinance and no return is filed prior to the Department issuing a notice of tax deficiency or a notice of tax liability to the taxpayer or tax collector, a failure to file penalty equal to ~~25~~ 20 percent of the total tax due for the applicable reporting period applies, unless the Director determines that the failure to file a return was due to reasonable cause. This penalty may apply in addition to any late payment or remittance penalty provided by Section 34-68(b).

\* \* \* \* \*

**Sec. 34-70. - Negligence or willfulness penalty.**

- (a) If a tax ordinance does not impose a penalty for negligent or willful failure to pay or remit the tax imposed by the ordinance, a penalty equal to 25 20 percent of the tax due and unpaid applies if the taxpayer or tax collector negligently or knowingly failed to pay or remit the tax.

(b) This penalty may apply in addition to any late penalty provided by Section 34-68; but will not apply if a failure to file penalty as provided by Section 34-69 applies.

\* \* \* \* \*

**Sec. 34-77. - Statute of limitations.**

- (a) For all compliance actions, including but not limited to audits, bulk sales actions, and tax discoveries, that commence before January 1, 2024, except ~~Except~~ as otherwise provided in Subsections (c~~b~~), (d~~e~~), and (e~~d~~) of this section, the Director shall not issue any notice of tax determination and assessment for any period more than seven (7) years after the end of the calendar year in which the return for the period was filed with the Department or the end of the calendar year in which the return for the period was due, whichever is later.
- (b) For all compliance actions, including but not limited to audits, bulk sales actions, and tax discoveries, that commence on or after January 1, 2024, except as otherwise provided in Subsections (c), (d), and (e) of this section, the Director shall not issue any notice of tax determination and assessment for any period more than six (6) years after the end of the calendar year in which the return for the period was filed with the Department or the end of the calendar year in which the return for the period was due, whichever is later.
- (c~~b~~) No statute of limitations applies if:
- (1) A fraudulent tax return or remittance return was filed;
  - (2) No tax return or remittance return was filed;
  - (3) No tax payment or tax remittance was paid or if a payment or remittance was made, the amount paid or remitted was less than 75 percent of the tax due; or
  - (4) The person agrees to waive the applicable statute of limitations.
- (d~~e~~) If for any tax, during any seven-year period or six-year period, whichever is applicable under subsections (a) and (b) of this section, for which the Director may issue a notice of tax determination and assessment, the tax paid or remitted was less than 75 percent of the tax due for that period, no statute of limitations applies to that tax and the Director may issue a notice of tax determination and assessment for any and all past periods.
- (e~~d~~) If an amended return was filed for any tax period, the seven-year period or six-year year period, whichever is applicable under subsections (a) and (b) of this section, shall commence at the end of the calendar year in which the amended return was filed.
- (e) ~~This time limitation on the issuance of notices of tax determination and assessment shall apply only to returns filed or payments due after April 1, 1993.~~

\* \* \* \* \*

**Sec. 34-78. - Notice.**

- (a) Unless otherwise provided, when the Department or the Director is required to give notice under this article, or under any County tax ordinance, notice may be given by:
- (1) United States registered, certified or first class mail, or via FedEx or other commercial mail delivery service, addressed to the person concerned at the person's last known address; ~~or~~
  - (2) Personal service.
- (b) Unless otherwise provided, whenever notice is required to be given, it shall be given not less than seven calendar days prior to the day fixed for any hearing or the doing of any act by the Department, the Director, or any agent or employee of the Department.
- (c) Any person who is entitled to notice under this article or under any County tax ordinance, who, after due diligence, cannot be located by the Department shall be deemed to appoint the County Clerk as agent for the service of notice or process in any matter arising under this article or under any tax ordinance. Notice or process shall be served by the Department on the County Clerk by leaving at the office of the County Clerk, at least 15 days prior to the event specified in the notice, a true and certified copy thereof, and by sending to the person by registered or certified mail, postage prepaid, a like and true certified copy, with an endorsement thereof of service on the County Clerk, addressed to the person's last known address. Service of notice or process in this manner shall have the same force and validity as if served on the person personally.
- (d) Notices for tax determination and assessment may be given via electronic mail (email).

\* \* \* \* \*

**Sec. 34-79. - Postmark rule.**

Unless otherwise provided, any notice, payment, remittance, or other filing required to be made with the Department under this article, or under any County tax ordinance, shall be considered late unless it is either:

- ~~(1a)~~ Physically or electronically received by the Department on or before the due date; or
- ~~(2b)~~ Received in an envelope or wrapper sent through United States Mail, FedEx or other commercial mail delivery service, displaying a valid, readable United States mail postmark or date sent, dated on or before the due date, properly addressed to the Department, with adequate postage prepaid.

\* \* \* \* \*

**Sec. 34-80. - Right to protest tax determination and assessment.**

- (a) Any person to whom the Director issues a tax determination and assessment shall be given written-notice of the tax determination and assessment along with written demand for payment.  
The person named in the tax determination and assessment may file with the Department a written protest and petition for hearing. The written protest and petition must be filed within ~~20~~30 days of mailing or emailing the notice of tax determination and assessment by the Department.
- (b) If a timely written protest and petition for hearing is filed, the Director shall fix the time and place for the hearing and shall give written notice thereof.
- (c) If a written protest and petition for hearing is not filed within the ~~20~~30-day period, the tax determination and assessment shall become a final assessment without further notice and without the necessity of a final assessment being issued the day after the last date for which a protest can be filed;
- (d) In the event that a tax determination and assessment is amended, the Department shall give the affected person written notice and an opportunity to be heard with respect to the amendment.
- (f) If a protest and petition for hearing is filed with the Department and later withdrawn, the Department of Administrative Hearings shall retain jurisdiction, and, upon motion of the Department, the hearing officer may enter a decision finding that the taxpayer or tax collector has violated the ordinance in the same manner and procedure as allowed for in section 34-81 of this article.
- (g) If a protest and petition for hearing is filed with the Department and later stricken or dismissed, the Department of Administrative Hearings shall retain jurisdiction, and, upon motion of the Department, the hearing officer may enter a decision finding that the taxpayer or tax collector has violated the ordinance in the same manner and procedure as allowed for in section 34-81 of this article. ~~In such a case, the Department shall not be required to perform the steps set forth in this article.~~

\* \* \* \* \*

**Sec. 34-81. Hearing procedures.**

(a) Hearings on final assessments.

- (1) If a taxpayer or tax collector fails to pay an assessment that has become final, the Department may institute an action in the Department of Administrative Hearings to obtain a determination that the taxpayer or tax collector has violated the ordinance that gave rise to the assessment and that the assessment is a debt due and owing to the County that may be enforced.
- (2) Prior to instituting an action pursuant to this section, the Department shall provide notice to the taxpayer or tax collector which shall state:
  - a. the amount of the final assessment, including a description of any tax, interest, penalties or non-tax debt due,

b. that a hearing officer appointed by the Department of Administrative Hearings may issue a determination that the taxpayer or tax collector has violated the ordinance giving rise to the assessment and that the assessment is a debt due and owing to the County that may be enforced pursuant to this article, and

c. the date, time, and location the taxpayer or tax collector must appear to contest the action.

(3) If the taxpayer or tax collector fails to appear on the date provided on the notice, the taxpayer or tax collector shall be deemed to have waived the opportunity for a hearing and a hearing officer of the Department of Administrative Hearings shall enter a decision finding that the taxpayer or tax collector has violated the ordinance that gave rise to the assessment and that the assessment is a debt due and owing to the County.

(4) At any hearing held pursuant to subsection (1) of this section, the department shall present a copy of the final assessment. The taxpayer or tax collector's defenses shall be limited to whether and to what extent the final assessment has been paid, whether the taxpayer or tax collector is in fact the assessee and whether the taxpayer or tax collector was afforded proper notice of the assessment before it became final. The taxpayer or tax collector shall not be entitled to raise any defenses related to the taxpayer or tax collector's liability for the unpaid tax which gave rise to the final assessment.

(5) After the conclusion of a hearing, the hearing officer shall make a final determination as to whether the taxpayer or tax collector has violated the ordinance giving rise to the final assessment and has a debt due and owing the County. If the hearing officer finds that the taxpayer or tax collector was not afforded proper notice of the assessment or the right to protest the assessment, then the hearing officer shall afford the taxpayer or tax collector 30 days to file a protest of the assessment with the Department of Administrative Hearings.

a. If the taxpayer or tax collector files a timely protest, then the hearing officer shall schedule and conduct a hearing.

b. If the taxpayer or tax collector fails to file a timely protest, then the hearing officer shall prepare a final decision finding that the taxpayer or tax collector violated the ordinance giving rise to the assessment and has a debt due and owing to the County. The taxpayer or tax collector shall be given written notice of the decision and final assessment.

(6) Nothing in this section shall prevent the County from seeking any remedy using any court proceeding or other means authorized by applicable law, including an action to enforce payment of any tax, interest, penalties or nontax debt.

(b) Hearings on protests and petitions for hearing.

(1) When a taxpayer or tax collector files a timely written protest and petition for hearing, the Director shall refer the case to the Department of Administrative Hearings who shall conduct the hearing. The hearing officer is authorized to conduct hearings concerning any matter covered by this article or any tax ordinance administered by the Department and may determine the factual and legal matters raised by the parties to the hearing. However, the hearing officer shall not hear or decide any claim that any ordinance is unconstitutional on its face or that the County Board did not have authority to enact the ordinance.

(2) The hearing officer may:

a. Examine any books, papers, records, or memoranda bearing upon the business or activities of the taxpayer or tax collector;

b. Request the Circuit Court to issue subpoenas requiring the attendance of any person having personal knowledge of any contested issue;

c. Request the Circuit Court to issue subpoenas duces tecum for the production of books, records, papers, or memoranda;

d. Administer oaths;

e. Take testimony;

f. Make rulings as to the admissibility of evidence; and

g. Take any other action as may be required for the expeditious conduct of the hearing.

(3) The hearing officer is not bound by the technical rules of evidence. No informality in any proceeding or in the manner of taking testimony or receiving evidence shall invalidate any order, decision, ruling or recommendation of the hearing officer or decision or final assessment of the Director.

(4) The Department's books, papers, records and memoranda or parts thereof may be proved in any hearing or legal proceeding by the original documents or by reproduced copy under the certificate of the Director. Without further proof, the original documents or reproduced copy shall be admissible into evidence before the Department.

(5) If the Circuit Court issues a subpoena or a subpoena duces tecum, the following rules shall apply:

a. Service shall be made as provided by the Code of Civil Procedure, (735 ILCS 5/1-101 et seq.);

b. Fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the Circuit Court of Cook County and shall be paid after the witness is excused from further attendance;

c. When a subpoena or subpoena duces tecum is issued at the instance of either party, the hearing officer may require that party to bear the cost of service and witness fees. The hearing officer may require a deposit to cover the cost of service and witness fees.

(6) Any party to a hearing may apply to any judge of the Circuit Court of this State for enforcement of any subpoena or subpoena duces tecum issued by a hearing officer holding a hearing authorized by this article.

(7) The following provisions shall apply to hearings:

a. At any hearing held under this article, the tax determination and assessment shall be prima facie correct and the protesting party shall have the burden of proving with books, records and other documentary evidence that [it] is incorrect.

b. At the conclusion of a hearing, the hearing officer shall issue a final determination.

c. The protesting party shall be given written notice of the hearing officer's decision and final determination. This notice shall contain the Director's statement of the cost of certifying the record to the Circuit Court of Cook County, computed at the rate of \$0.20 per page. The party seeking judicial review of the hearing officer's decision and final determination shall bear the cost of certification. If the protesting party prevails on appeal, the Department shall reimburse that party for cost of certification.

d. Items constituting the record may include notices and demands; the initial and any amended tax determinations and assessments; the written protest and petition for hearing; all relevant pleadings, briefs and memoranda of law; evidence admitted at the hearing; the transcribed testimony given at the hearing; and the decision and final assessment of the hearing officer.

(8) Nothing in this Ordinance shall limit the powers and duties of the hearing officers, as authorized by Chapter 2, Article IX, of the Code of Ordinances of Cook County.

~~(a) When a taxpayer or tax collector files a timely written protest and petition for hearing, the Director shall refer the case to the Department of Administrative Hearings who shall conduct the hearing. The hearing officer is authorized to conduct hearings concerning any matter covered by this article or any tax ordinance administered by the Department and may determine the factual and legal matters raised by the parties to the hearing. However, the hearing officer shall not hear or decide any claim that any ordinance is unconstitutional on its face or that the County Board did not have authority to enact the ordinance.~~

~~(b) The hearing officer may:~~

- ~~(1) Examine any books, papers, records or memoranda bearing upon the business or activities of the taxpayer or tax collector;—~~
  - ~~(2) Request the Circuit Court to issue subpoenas requiring the attendance of any person having personal knowledge of any contested issue;—~~
  - ~~(3) Request the Circuit Court to issue subpoenas duces tecum for the production of books, records, papers, or memoranda;—~~
  - ~~(4) Administer oaths;—~~
  - ~~(5) Take testimony;—~~
  - ~~(6) Make rulings as to the admissibility of evidence; and—~~
  - ~~(7) Take any other action as may be required for the expeditious conduct of the hearing.—~~
- ~~(e) The hearing officer is not bound by the technical rules of evidence. No informality in any proceeding or in the manner of taking testimony or receiving evidence shall invalidate any order, decision, ruling or recommendation of the hearing officer or decision or final assessment of the Director.—~~
- ~~(d) The Department's books, papers, records and memoranda or parts thereof may be proved in any hearing or legal proceeding by the original documents or by reproduced copy under the certificate of the Director. Without further proof, the original documents or reproduced copy shall be admissible into evidence before the Department.—~~
- ~~(e) If the Circuit Court issues a subpoena or a subpoena duces tecum, the following rules shall apply:—~~
- ~~(1) Service shall be made as provided by the Code of Civil Procedure, (735 ILCS 5/1-101 et seq.);—~~
  - ~~(2) Fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the Circuit Court of Cook County and shall be paid after the witness is excused from further attendance;—~~
  - ~~(3) When a subpoena or subpoena duces tecum is issued at the instance of either party, the hearing officer may require that party to bear the cost of service and witness fees. The hearing officer may require a deposit to cover the cost of service and witness fees.—~~
- ~~(f) Any party to a hearing may apply to any judge of the Circuit Court of this State for enforcement of any subpoena or subpoena duces tecum issued by a hearing officer holding a hearing authorized by this article.—~~
- ~~(g) The following provisions shall apply to hearings:—~~

~~(1) At any hearing held under this article, the tax determination and assessment shall be prima facie correct and the protesting party shall have the burden of proving with books, records and other documentary evidence that [it] is incorrect.~~

~~(2) At the conclusion of a hearing, the hearing officer shall issue a final assessment.~~

~~(3) The protesting party shall be given written notice of the hearing officer's decision and final assessment. This notice shall contain the Director's statement of the cost of certifying the record to the Circuit Court of Cook County, computed at the rate of \$0.20 per page. The party seeking judicial review of the hearing officer's decision and final assessment shall bear the cost of certification. If the protesting party prevails on appeal, the Department shall reimburse that party for cost of certification.~~

~~(4) Items constituting the record may include notices and demands; the initial and any amended tax determinations and assessments; the written protest and petition for hearing; all relevant pleadings, briefs and memoranda of law; evidence admitted at the hearing; the transcribed testimony given at the hearing; and the decision and final assessment of the hearing officer.~~

~~(h) Nothing in this Ordinance shall limit the powers and duties of the hearing officers, as authorized by Chapter 2, Article IX, of the Cook County Code.~~

\* \* \* \* \*

**Sec. 34-90. - Credit and refunds.**

- (a) If it appears that an amount of tax, interest or penalty has been paid or remitted in error to the Department, the taxpayer or tax collector may file a claim for credit or refund; provided, however, no person shall be eligible for a credit or refund unless the person paid or remitted the tax, interest, or penalty directly to the Department.
- (b) Any claim for a credit or refund must be filed in writing on forms provided by the Department not later than four years from the date on which payment or remittance in error was made.
- (c) The Department shall allow a claim for credit or refund only for sums paid or remitted through a mistake of fact, an error of law or as provided by Subsection (d) of this section.
- (d) No credit or refund shall be allowed for any amount paid or remitted in error unless:
  - (1) In the case of a claim for credit or refund by a taxpayer, the taxpayer either:
    - a. Bore the burden of paying the tax and did not shift the burden to another person; or
    - b. Shifted the burden of paying the tax to another person; but has unconditionally repaid the tax to that person.

- (2) In the case of a claim for credit or refund by a tax collector, the tax collector has unconditionally repaid the tax collected to the person from whom it was collected.
  - (3) For all tax periods after December 31, 2014, in the event that a court of competent jurisdiction has declared a tax unconstitutional and the judgment of constitutional invalidity is final and all rights to appeal open to the Department have expired or have been exhausted, then the Department shall allow a claim for credit or refund but only if the claim is filed by a taxpayer or tax collector who, at the time of payment or remittance (1) paid or remitted the tax under written protest, or (2) paid or remitted the tax into an escrow account established by administrative order.
- (e) Except as provided in Section 34-80 of this Chapter or by order of Court, no credit or refund shall be allowed for any sum paid or remitted in satisfaction of, or in settlement of, any claim for taxes, interest or penalties asserted by the Department.
- (f) A claim for credit or refund shall be acknowledged in writing by the Director. The written acknowledgement shall identify the claim and state the date upon which it was received.
- (g) No credit or refund shall be allowed if the taxpayer or tax collector has an outstanding amount due to the County. In that instance, the approved refund amount will be applied to the outstanding amount due.

**Sec. 34-91. - Disposition of claims.**

- (a) As soon as practicable after a claim for credit or refund is filed, the Director shall examine the credit or refund request and determine the amount of credit or refund due, if any, and shall issue a written notice to the claimant of a tentative determination.
- (b) The tentative determination of claim shall be prima facie correct and the claimant has the burden of proving with books, records, or other documentary evidence that the determination is incorrect.
- (c) If the claimant disagrees with the tentative determination, the claimant may file with the Department a written protest. The written protest must be filed within 20-30 days of mailing the written notice of tentative determination of claim.
- (d) Upon the receipt of a timely protest, the Director shall fix the time and place for hearing, by giving written notice to the claimant.
- (e) Any hearing held under this section shall be governed by the procedures set forth in Section 34-7081(b).

- (f) Upon conclusion of the hearing, the hearing officer shall make a recommendation to the Director. The Director shall adopt, reject or modify the recommendation based on a review of the record and shall issue a final determination. Written notice of the Director's final determination shall be given to the claimant.
- (g) If the claimant fails to file a timely written protest, the tentative determination shall become final without further notice the day after the last day for protest.
- (h) The Director may issue to a claimant a letter of credit if the director determines that a claimant may be able to use the credit in the foreseeable future or may issue a refund certificate, in lieu of a letter of credit, on application by a claimant who cannot use, sell or assign a letter of credit. Refund certificates shall be numbered serially as issued and shall be paid in the order of issuance from funds appropriated for that purpose.

\* \* \* \* \*

**Effective date:** This ordinance shall be in effect on April 1, 2024.  
.end

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5682. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5690**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**USE TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article VII. Use Tax, Sections 74-270 through 74-319 be amended as follows:

## ARTICLE VII. - USE TAX

### Sec. 74-270. - Short title.

This Article shall be known and may be cited as the Cook County Home Rule County Use Tax Ordinance.

### Sec. 74-271. - Definitions.

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

*Aircraft* means a device that is used or intended to be used for flight in the air.

~~*Aircraft hangar* means a shelter for housing or repairing aircraft.~~

~~*Aircraft hangar operator* means any person who is the owner, operator or manager of an aircraft hangar located in the County.~~

*County* means Cook County, Illinois.

*Department* means the Department of Revenue.

*Director* means the director of the Department of Revenue or duly authorized representative.

~~*Dock* means a waterfront, pier, harbor, port, that serve as a landing area for watercraft.~~

~~*Docking facility* means a place for securing or storing watercraft or a place where watercraft can be moored or secured from drifting away.~~

*IDOR* means the Illinois Department of Revenue.

*Lessor* means any person engaged in the business of leasing, to others, tangible personal property. Lessors of Tangible Personal Property are the users of such property.

*Moor* means to fasten with or as fastened with cables, lines, anchors or otherwise.

*Motor vehicle* means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires but not operated upon rails, including, but not limited to, aircraft, watercraft, cars, trucks, or other similar vehicles; the term motor vehicle does not include vehicles moved solely by human power, motorized wheelchairs, low-speed electric bicycles, and low-speed gas bicycles.

*Motor vehicle dealer* means any person who, in the ordinary course of business, is engaged in the business of selling new or used motor vehicles to consumers or other end users.

*Person* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association, and any other legal entity.

*Pole trailer* means every vehicle without motive power designed to be drawn by another vehicle and attached to the towing vehicle by means of a reach or pole, or by being boomed or otherwise secured to the towing vehicle, and ordinarily used for transporting long or irregularly shaped loads such as poles, pipes, or structural members capable, generally, of sustaining themselves as beams between the supporting connections.

*Purchase at retail* means the acquisition, through a sale at retail, of ownership of or title to tangible personal property which is titled or registered with an agency of the State of Illinois.

*Purchaser* means any person who, through a sale at retail, acquires the ownership of or title to tangible personal property which is titled or registered with an agency of the State of Illinois.

*Recreational vehicle* means every camping trailer, motor home, mini-motor home, travel trailer, truck camper or van camper used primarily for recreational purposes and not used commercially nor owned by a commercial business.

*Retailer* means every person engaged in the business of making sales at retail of tangible personal property which is titled or registered with an agency of the state. A person who is engaged in the business of leasing or renting motor vehicles to others and who in connection with such business sells any used motor vehicle to a purchaser for such purchaser's use and not for the purpose of resale, is a retailer engaged in the business of selling tangible personal property at retail under this Article to the extent of the value of the vehicle sold. For the purpose of this Section, the term "motor vehicle" shall have the meaning provided by 625 ILCS 5/1-146 (motor vehicle defined).

*Retailer maintaining a place of business in the County* or any like term means and includes any retailer:

- (1) Having or maintaining within the County, directly or by a subsidiary, an office, distribution house, sales house, warehouse or other place of business or any agent or other representative operating within the County under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located in the County permanently or temporarily;
- (2) Making or effectuating sales for delivery into the County; or

- (3) Owning or possessing real or personal property located or used in the County for the purpose of or incidental to the making of sales at retail as defined in this Article.
- (4) Any retailer engaged in the business of making, outside Cook County, sales of tangible personal property titled or registered with the State of Illinois at a location inside Cook County, who ~~has obtained a valid Cook County Use Tax certificate of registration~~ is currently registered with the Department.

*Sale at retail* means any transfer for valuable consideration of the ownership of or title to tangible personal property which is to be titled or registered to a person at a location in the County with an agency of the State, for use in the County, where such transfer is not for the purpose of resale in any form as tangible personal property. Transactions whereby the possession of property is transferred but the seller retains title as security for payment of the selling price with transfer of title effected upon full payment of the selling price shall be deemed to be sales at retail. Sale at retail shall be construed to include any transfer of the ownership of or title to tangible personal property which is titled or registered with an agency of the state, to a purchaser for use by any other person, to whom such purchaser may transfer, whether made for or without valuable consideration, for resale in any form as tangible personal property as defined in this Article, unless made in compliance with Section 74-278. Sale at retail includes any transfer of, ownership of or title to tangible personal property as defined in this Article, for use in the County incidental to a sale of service. The isolated or occasional sale at retail by a person who does not hold himself out as being engaged in or who does not habitually engage in selling titled or registered tangible personal property at retail, is not a sale at retail.

*Selling price* shall have the meaning as set forth in the Illinois Use Tax Act, 35 ILCS 105/2, or any successor statute.

*Tangible personal property* means tangible personal property, which is titled or registered, with an agency of the State of Illinois, to a person at a location within the corporate limits of the County.

*Tax or use tax* means the tax imposed by this Article, unless the context requires construction otherwise.

*Tax collector* means a retailer maintaining a place of business within the County.

*Trailer* means Recreational Trailers; TA Trailers; and Flat Weight (625 ILCS 5/1-209) titled or registered with the State of Illinois at a location inside Cook County.

*Use* means the exercise by any person of any right to or power over tangible personal property incident to the ownership of that property. The term "use" does not mean the interim holding of tangible personal property by a retailer before the retailer sells such tangible personal property or the incidental use of such property in the regular course of such business for sales demonstration purposes.

*Use in Cook County* means tangible personal property titled or registered, at a location in Cook County, with an agency of the State of Illinois.

*User* means any person whose name is on the tangible personal property title or registration.

*Watercraft* means every description of watercraft used or capable of being used as a means of transportation on water, except a seaplane on the water, inner-tube, air mattress or similar device, and boats used for concession rides in artificial bodies of water designed and used exclusively for such concessions.

~~*Watercraft dock operator* means any person who owns, operates, or manages a dock located in the County~~

**Sec. 74-272. - Tax imposed, tax rate; collection; purchaser; and tax collector.**

(a) *Tax imposed on user.* The tax imposed by this Article and the obligation to pay the same is upon the user, as described in this Article.

(b) *Tax Rate.* Except as provided in Section 74-273, a tax is imposed at the rate of one percent on the selling price of tangible personal property, purchased through a sale at retail, which is titled or registered with an agency of the State of Illinois at location inside Cook County.

(c) *Collection; remittance; sales receipt.* The tax imposed by this Article shall be collected from the purchaser by the tax collector as defined by Section 74-271, and remitted to the Department or its designee as provided in this Article. The tax imposed by this Article shall, when collected, be stated as a distinct item separate and apart from the selling price of tangible personal property; and, the tax collector when collecting the tax shall give to the purchaser a receipt for such tax in the manner and form prescribed by the Department. Such receipt shall be sufficient to relieve the purchaser from further liability for the tax to which such receipt may refer.

(d) *Tax paid by Purchaser.* Except as provided in Section 74-273, the purchaser shall pay the tax imposed by this Article to the tax collector.

(e) *Tax Collector liable.* The tax collector shall be liable to the County for the amount of tax that it is required to collect; and, shall collect the tax from purchasers by adding the tax to the selling price of tangible personal property, when sold for use in the County, in the manner prescribed by this Article and the Department. If any retailer in collecting the amount which purports to constitute use taxes measured by receipts from sales which are subject to tax under this Article, collects more from the purchaser than the actual use tax liability on the transaction, the purchaser shall have a legal right to claim a refund of such amount from such retailer. However, if such amount is not refunded to the purchaser for any reason, the retailer is liable to pay such amount to the Department or its designee.

**Sec. 74-273. - Purchaser paying tax directly to department or its designee.**

(a) When tangible personal property is purchased from a retailer for use in the County by a purchaser or user subject to the tax imposed by this Article, and who did not pay the tax imposed by this

Article to the retailer, and/or who did not file returns with the Department or its designee, as a retailer under Section 74-276, such purchaser or user shall, by the 20th day of calendar month following the month in which such purchase was made, file ~~and a~~ return with the Department or its designee and pay the tax due under this Article.

~~(b) —When tangible personal property is purchased by a lessor, which is subject to a lease for one-year or longer, executed or in effect at the time of purchase, to an interstate carrier for hire, where such lessor did not pay the tax imposed by this Article to the retailer at the time of purchase, such lessor shall, by the 20th day of the calendar month following the month in which such property reverts to the use of such lessor, file a return with the Department or its designee and pay the tax imposed by this Article upon the fair market value of such property on the date of reversion.—~~

(eb) When a purchaser or user pays the tax imposed by this Article directly to the Department or its designee, the Department or its designee shall issue an appropriate receipt to such purchaser or user showing that the tax has been paid to the Department or its designee. Such receipt shall be sufficient to relieve the purchaser or user from further liability for the tax to which the receipt may refer.

~~occasionally and not on a frequent recurring basis, and who is not required to file returns with the Department or its designee as a retailer under Section 74-276 concerning the filing of regular monthly tax returns and all provisions concerning the requirements of registrants to post bond or other security with the Department shall apply to such purchasers or users.—~~

#### **Sec. 74-274. - Transactions not subject to tax.**

Notwithstanding any other provisions of this Article, uses of tangible personal property, as defined in Section 74-271, which are exempt under the applicable provisions of 55 ILCS 5/5-1008 (home rule county use tax) and the Use Tax Act (35 ILCS 105/1 et seq.) shall not be subject to the tax imposed by this Article.

#### **Sec. 74-275. - Books and records to be kept.**

It shall be the duty of all retailers, tax collectors and persons required by this Article to collect and/or to pay the taxes imposed in this Article to keep and maintain all books, papers and records related to all transactions taxable or non-taxable under this Article and to make such records available to the Director or his/her designee on request for inspection, audit and/or copying during regular business hours. Books, papers and records which relate to a return filed or required to be filed with the Department or its designee shall be kept for the taxable time period listed in statute of limitations section of the Uniform Penalties, Interest and Procedures Ordinance, Article III, Section 34-60 et seq.

**Sec. 74-276. - Retailer registration and personal property; surety and cash bonds.**

(a) *Retailer Registration.* Every retailer maintaining a place of business in the County, except those retailers engaging in isolated or occasional sales as defined in 35 ILCS 105/2, shall register with the Department, ~~to obtain a certificate of Use Tax registration,~~ in accordance with policies and procedures prescribed by the Department. It shall be a violation for any retailer maintaining a place of business in the County to engage in the business of selling tangible personal property titled or registered, at an address or location in Cook County, with the State of Illinois ~~without a Use Tax certificate of registration properly registering with the Department.~~

(b) *Surety; Cash Bonds.* To protect the County against the failure to pay an amount which may become due, retailers maintaining a place of business in the County shall provide to the Department or its designee a Surety or Cash Bond in the amount of \$5000.00 for each location in the County at which the retailer intends to act as a motor vehicle dealer. Such surety and cash bonds shall be for the term of registration, including its renewal and shall become due or owed to the beneficiary in accordance with rules promulgated by the Department. The Department shall be the surety or cash bond beneficiary. The Surety Bond shall be obtained from a surety bonding or insurance company authorized to do business in the state of Illinois, ~~and shall expire not sooner than December 31 of the year for which the registration was issued or renewed.~~ Retailers shall maintain active surety bonds on-record with the Department throughout the duration of registration.

**Sec. 74-277. - Filing of returns and remittances.**

(a) *Monthly returns; remittances; due date.* Except as provided in this Section, a tax collector, as described in this Article, shall file a return and remit payment on or before the 20th day of each calendar month following the month for which the tax is due. A tax collector shall file a monthly return even when no tax is due.

(b) *Final monthly return; remittance.* Any tax collector who ceases to engage in the business of making retail sales of tangible ~~person~~-personal property, which is titled or registered with an agency of the State of Illinois, at a location in the County shall file a final return under this Article with the Department or its designee not later than one calendar month after making the last sale at retail. All taxes due to be paid to the County shall be remitted to the County at the time the final return is filed with the Department.

(c) Any ~~tax collector retailer filing an information return under this Section~~ shall also report, for the purpose of paying taxes due thereon, the total tax, if any, imposed upon it for the use of tangible personal property purchased by it for its own use, where such tax was not otherwise collected by the selling retailer. Such filing retailer shall remit the tax to the Department when filing such return.-

(d)Notwithstanding the provisions of this Article, in the event IDOR collects all or part of the tax imposed by this Article, the part of the tax being collected by IDOR must be remitted in accordance with IDOR policies and procedures on forms and in the manner designated by IDOR.

**Sec. 74-278. - Resellers of tangible personal property. - Reserved.**

~~(a) — If a purchaser is not registered with the Department as a tax collector, but claims to be a reseller of tangible personal property in such a way that the purchaser's use is not taxable under this Article, such purchaser shall apply to the Department for a County resale number. Such applicant shall state facts which demonstrate to the Department why the applicant is not liable for tax under this Article and shall furnish such additional information as the Department may reasonably require.~~

~~(b) — Upon approval of the application, the Department shall assign a resale number to the applicant and shall certify such number to the applicant. The Department may cancel any such number which is obtained through misrepresentation, or which is used to make a use tax free purchase when the purchaser in fact is not a purchaser for resale, or where the purchaser has discontinued the reselling of property. Except as provided in this Section, no use shall be made tax free on grounds of the retailer's sale being a sale for resale unless the purchaser has an active County registration number or County resale number from the Department, and furnishes that number to the retailer in connection with certifying to the retailer that any use by such purchaser is nontaxable because of the retailer's sale being a sale for resale.~~

**Sec. 74-279. - Duty of department to collect.**

(a) It shall be the duty of the Department to collect and receive the tax imposed by this Article. The Department shall keep an accurate and separate account of all such tax payments received by it showing the name and address of the person remitting the tax and the date of each payment.

(b) The Director is hereby empowered to adopt, promulgate and enforce, rules and regulations not inconsistent with this Article, relating to the administration and enforcement of the provisions of this Article, including provisions for examination, reexamination, correction and amendment of all returns filed or required to be filed pursuant to this Article or request the Department of Administrative Hearings to conduct hearings, to aid in establishing liability for payment of taxes due under this Article.

(c) The Director or any person designated by the Director, including, but not limited to, the County Auditor, is hereby authorized to examine the books, papers and records of any tax collector during regular business hours, in order to verify the accuracy of any return made, or if no return was made, to ascertain the tax imposed by this Article.

(d) Pursuant to Section 55 ILCS 5/5-1008 of the Illinois Counties Code, as amended, IDOR may collect, administer, and enforce the tax imposed by this Article when tangible personal property is purchased at retail from a retailer located in the State of Illinois outside of Cook County. At such time that IDOR begins to collect the tax, including any civil penalties that may be assessed as an incident thereto, IDOR shall have full power to administer and enforce the provisions of this Article; with respect to the portion of the tax it collects. The Department retains the right to administer and enforce the provisions of this Article on all tax that the Department continues to collect.

**Sec. 74-280. - Tax additional.**

The tax imposed in this Article is in addition to all other taxes imposed by the County, the State or any municipal corporation or political subdivision thereof.

**Sec. 74-281. - ~~Aircraft hangar and watercraft dock operators.~~ Reserved.**

~~(a) *Aircraft hangar and watercraft dock operator registration.* To enforce the collection of Use Tax on aircraft and watercraft titled or registered at a location in Cook County with an agency of the State of Illinois, every aircraft hangar and watercraft dock operator, as described in this Article, shall register with the Department within 30 days of the effective date of this ordinance.~~

~~(b) *Docking facility information returns.* Aircraft hangar and watercraft dock operators shall file an annual information return on forms, including such information as prescribed by the Department, on the last day of the month following the year for which the return is due.~~

~~(b) *Motor vehicle dealer remittance.* Motor vehicle dealers maintaining a place of business in the County shall remit all taxes imposed by this Article directly to the Department. The IDOR shall have the authority to collect and remit to the Department all other taxes imposed by this Article that are collected by motor vehicle dealers who do not maintain a place of business in the County.~~

**Sec. 74-282. - Violations; penalty.**

(a) Any person determined to have violated this Article, as amended, shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. It shall be deemed a violation of this Article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this Article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest, and penalty due and owing as well as costs incurred for such proceeding.

(b) In the event all or a portion of this tax is collected on behalf of the County by IDOR, the Uniform Penalty and Interest Act, 35 ILCS 735, shall govern the types of fees and fines that may be collected and the amounts of said fees and fines with respect to the portion of the tax they collect. Notwithstanding the applicability of the Uniform Penalty and Interest Act for this purpose, any fees and fines collected by IDOR on behalf of the County shall be disbursed to the County in accordance with Section 55 ILCS 5/5-1008 of the Counties Code.

**Sec. 74-283. - Application of uniform penalties, interest, and procedures ordinance.**

Whenever not inconsistent with the provisions of this Article or whenever this Chapter is silent, the provisions of the uniform penalties, interest and procedures ordinance, Chapter 34 Finance, Article III, Uniform Penalties, Interest and Procedures, of this Code shall apply and supplement this Article.

**Secs. 74-284-74-319. - Reserved.**

**Effective date:** This ordinance amendment shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5690. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5692**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**ALCOHOLIC LIQUOR**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 6 - Alcoholic Liquor, Section 6-39 be amended as follows:

**Chapter 6 - ALCOHOLIC LIQUOR**

\* \* \* \* \*

**Sec. 6-39. - Procedures for assessment of a fine, revocation or suspension of license.**

(a) The Liquor Control Commissioner may revoke, suspend or assess a fine ranging from \$1,000.00 to \$15,000.00 against any license issued by him or her if he or she determines the licensee has violated any of the provisions of this Chapter, or any applicable rules and regulations established by the Liquor Control Commissioner or the Illinois Liquor Control Commission.

(b) The licensee who continues to hold a debt or unpaid tax to the County after being licensed under this Chapter may have his or her license suspended or revoked.

(c) A retailer's liquor license shall not be revoked or suspended nor shall a fine be assessed except after a public hearing. The Liquor Control Commissioner shall send a 14-day written notice to the licensee affording the licensee an opportunity to appear and defend prior to any hearing. All such hearings under this Section shall be conducted pursuant to Chapter 2, Article 9 of the Cook County Ordinances or the rules of procedure as adopted by the Liquor Control Commissioner.

(d) The Liquor Control Commissioner may personally conduct the hearing or refer the matter to be heard by administrative hearing pursuant to Chapter 2, Article 9 of the Cook County Ordinances. The procedure of the hearing shall be governed by the rules promulgated by the Liquor Control Commissioner. Within 30 days after the conclusion of the hearing, if the Liquor Control Commissioner finds by a preponderance of the evidence that the licensee violated one or more of the charges set out in the notice, the Liquor Control Commissioner may suspend the license for a set period of time or revoke the license. In addition, the Liquor Control Commissioner may impose a fine.

(e) In the event that the matter is heard pursuant to Chapter 2, Article 9 of the Cook County Ordinances then within seven days after the conclusion of the hearing, the hearing officer shall submit to the Liquor Control Commissioner proposed conclusions of law, proposed findings of fact, and a recommended decision. The Liquor Control Commissioner may agree, disagree, or modify the recommended decision and shall issue a decision as to whether imposition of a fine, suspension of license, or license revocation is warranted. The Liquor Control Commissioner's decision shall be the final administrative decision of the Liquor Control Commissioner.

(f) The Liquor Control Commissioner's decision shall be issued within 30 days of the conclusion of the hearing.

(g) If prior to rendering a decision, the Liquor Control Commissioner has reason to believe that the continued operation of a particular licensed premises will immediately threaten the welfare of the community he or she may upon issuance of a written order stating the reason for such conclusion without notice or hearing, order the licensed premises closed for not more than 14 days. The licensee shall have the opportunity to be heard during that period. If the licensee is conducting another business or businesses on the licensed premises, such order shall not be applicable to such other business or businesses contingent upon the other business neither serving, making for sale, or giving away any form of alcoholic beverage.

(h) A licensee or an agent of the licensee may not tamper, deface, or alter such order. A licensee shall be held strictly liable for any tampering defacement or alteration of such order.

(i) Any licensee whose license is the subject of such hearings and found by the Liquor Control Commissioner to be in violation of one or more of the violations set out in the notice, shall pay to the County, within 30 days after the liquor commissioner adjourns the last hearing, all fines and costs. Any licensee who fails to pay all fines and costs required by this Section shall be ineligible to have their license renewed at the next applicable renewal and shall be ineligible for issuance of a new license under this

Chapter. The fact that the licensee may appeal the Liquor Control Commissioner's suspension or revocation order to the Illinois Liquor Commission shall not affect the licensee's duty to pay all such fees and costs required by this Section. For each day after the thirtieth day payment is due a licensee fails or refuses to pay the fees and costs required by this Section, the licensee shall be fined \$200.00 per day, such fines which will accrue on the balance due, up to a total of \$15,000.00. Where the decision of the Liquor Control Commissioner is reviewed through an administrative or judicial process and ultimately that decision is fully reversed, licensee's payment of such fees and costs will be refunded by the county.

(j) All appeals of any suspension or revocation order of the Liquor Control Commissioner shall be made on the record to the Illinois Liquor Control Commission in accordance with Sec. 7-9 of the Liquor Control Act of 1934. The appeal shall be limited to a review of the official record of the proceedings of the local liquor control commissioner. A certified official record of the proceedings taken and prepared by a certified court reporter or certified shorthand reporter shall be filed by the local liquor control commissioner within 5 days after notice of the filing of such appeal if the appellant licensee pays for the cost of the transcript.

\* \* \* \* \*

**Effective date:** This ordinance amendment shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5692. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5694**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**HOTEL ACCOMMODATIONS TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article XXI. Hotel Accommodations Tax, Sections 74-800 through 74-849 be amended as follows:

## ARTICLE XXI. HOTEL ACCOMMODATIONS TAX

### Sec. 74-800. Short title.

This article shall be known and may be cited as the Cook County Hotel Accommodations Tax Ordinance and the tax herein imposed shall be known as the Cook County Hotel Accommodations Tax.

### Sec. 74-801. Definitions.

For the purpose of this article, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed in this section:

*County* means the County of Cook.

*Department* means the Department of Revenue of the County of Cook.

*Director* means the Director of the Department of Revenue.

*Gross rental or leasing charge* means the gross amount of consideration for the use or privilege of using hotel accommodations in Cook County, valued in money, whether received in money or otherwise, including cash, credits, property and services, determined without any deduction for costs or expenses whatsoever, but not including charges that are added to the charge or fee on account of the tax imposed by this article or on account of any other tax imposed on the charge or fee. The term “gross rental or leasing charge” includes any and all charges that the lessee or tenant pays incidental to obtaining the use or privilege of using hotel accommodations, including but not limited to any and all related markups, service fees, convenience fees, facilitation fees, cancellation fees, late departure fees, and other such charges, regardless of terminology. The term “gross rental or leasing charge” does not include charges that are added to the charge or fee on account of the tax imposed by this chapter or on account of any other tax imposed on the charge or fee. The term “gross rental or leasing charge” ~~Gross rental or leasing charge~~ shall exclude separately stated optional charges not for the use or privilege of using hotel accommodations. The fact that the lessee or tenant could have avoided the charge by obtaining the use or privilege from or through a different owner, manager, or operator, pursuant to different terms, or through a course of performance that would have avoided the obligation to pay the charge, does not make the charge optional.

*Hotel accommodations* means, except as otherwise provided in this paragraph, a room or rooms in any building or structure kept, used or maintained as or advertised or held out to the public to be an inn, motel, hotel, apartment hotel, lodging house, bed-and-breakfast establishment, vacation rental of condominiums, apartments or houses, dormitory or similar place, where sleeping, rooming, office, conference or exhibition accommodations are furnished for lease or rent, whether with or without meals. Hotel accommodations shall not include (1) an accommodation where the person renting or leasing as the

lessee occupies the accommodation as his domicile and permanent residence; or (2) any temporary accommodation provided in any building or structure owned or operated, directly or indirectly, by or on behalf of a not-for-profit medical institution, hospital, or allied educational institution.

*Operator* means any person who has the right to rent or lease hotel accommodations to the public for consideration or who, directly or indirectly, receives or collects the price, charge or rent paid for the rental or lease of hotel accommodations. This term includes, but is not limited to, persons engaged in the business of selling or reselling to the public the right to occupy hotel accommodations, whether on-line, in person or otherwise. The term also includes persons engaged in the business of facilitating the rental or lease of hotel accommodations for consideration, whether on-line, in person or otherwise.

*Person* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

#### **Sec. 74-802. Tax imposed.**

(a) Effective May 1, 2016, a tax is hereby imposed on the use of any hotel accommodations in Cook County at the rate of one percent of the gross rental or leasing charge. The tax is to be paid by the lessee or tenant of any hotel accommodations, and nothing in this article shall be construed to impose a tax upon the occupation of renting, leasing or letting hotel accommodations.

(b) The ultimate incidence of and liability for payment of the tax levied in this article is to be borne by the lessee or tenant of such hotel accommodations.

(c) It shall be deemed a violation of this article for any owner, manager or operator to fail to include the tax imposed in this article in the price of the hotel accommodations to otherwise absorb the tax.

(d) The tax levied in this article shall be collected by the owner, manager or operator of hotel accommodations in Cook County and remitted to Cook County.

(e) Any owner, manager or operator responsible to remit the tax levied by this article to the Department, shall collect the tax from the lessee or tenant when collecting the price, charge or rent to which it applies. Every lessee or tenant shall be given a bill, invoice or receipt or other statement of memorandum of the price, charge or rent payable upon which the hotel tax shall be stated, charged and shown separately. The tax shall be paid to the owner, manager or operator as trustee for and on behalf of the County.

(f) The tax imposed by this article is in addition to all other taxes imposed by the government of the United States, the State, or by any unit of local government.

**Sec. 74-803. Operator registration and remittance.**

(a) Every owner, manager or operator of hotel accommodations in Cook County must register with the Department, in accordance with procedures prescribed by the Department, within 30 days after the effective date of this ~~ordinance [article]~~ Article, and after such 30 days has passed, prior to providing hotel accommodations in the County.

(b) Every owner, manager or operator ~~of~~ of hotel accommodations in Cook County shall file each month with the Department a sworn tax return, in such form, electronic or otherwise, as prescribed and furnished by the Department, on or before the 20th day of the month following the month for which the return is due. Each return shall show the tax receipts received with respect to hotel accommodation space rented or leased during the preceding monthly period and shall be accompanied by a remittance of the appropriate amount of applicable tax. The remittance shall be made electronically and/or by other payment method payable to the County Collector. Registered owners, managers and operators must file a monthly return even if no tax is due.

(c) The tax required in this article to be collected by any owner, manager or operator pursuant to this article shall constitute a debt owed by the operator to the County.

**Sec. 74-804. Books and records to be kept.**

(a) It shall be the duty of every owner, manager or operator of hotel accommodations in the County to keep and maintain accurate books, papers and records showing the prices, rents or charges made or charged, and occupancies taxable under this ordinance. Such books and records must be made available to the Department on request for inspection, audit and/or copying during regular business hours.

(b) Books, papers and records which relate to a return filed or required to be filed with the Department shall be kept for ~~a period as provided for in~~ the taxable time period as stated in the statute of limitations section of Chapter 34, Article III, Uniform Penalties, Interest and Procedures Ordinance.

**Sec. 74-805. Violations and penalties.**

Any violation of this article, as amended, shall be considered unlawful. Any person determined to have violated this article, shall be subject to a fine of \$1,000.00 for the first offense and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offenses shall be regarded as committed each day upon which said person shall continue any such violation or permit any such violation to exist after notification thereof. It shall be deemed a violation of this article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this Article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and/or penalties due and owing as well as costs incurred for such proceeding.

**Sec. 74-806. Application of uniform penalties, interest and procedures ordinance.**

Whenever not inconsistent with the provisions of this article or whenever this article is silent, the provisions of the Uniform Penalties, Interest and Procedures Ordinance, Article III, Chapter 34 of the

Cook County Code of Ordinances shall apply and supplement this article.

**Sec. 74-807. Rulemaking.**

The Department is authorized to adopt, promulgate and enforce reasonable rules, definitions and regulations pertaining to the interpretation, collection, administration and enforcement of this article. Such rules, definitions, and regulations shall include, but not be limited to, reasonable procedures consistent with existing practices in the industry for collection and remittance of the tax levied in this article upon the user of hotel accommodations.

**Secs. 74-808-74-849. Reserved.**

**Effective date:** This ordinance shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5694. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5695**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**GASOLINE AND DIESEL FUEL TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article XII. Gasoline and Diesel Fuel Tax, Sections 74-470 through 74-509 be amended as follows:

**Article XII. Gasoline and Diesel Fuel Tax**

**Sec. 74-470. Short title.**

This Article shall be known and may be cited as the Cook County Retail Sale of Gasoline and Diesel Fuel Tax Ordinance.

**Sec. 74-471. Definitions.**

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

*Blended fuel* means a mixture composed of gasoline or diesel fuel and another liquid, other than a de minimis amount of a product such as carburetor detergent or oxidation inhibitor, that can be used as a fuel in a highway vehicle.

*Biodiesel Fuel* means a fuel made wholly or partly from vegetable oils, animal fats or any other renewable resource or naturally occurring material, for use in a diesel engine. This definition does not include home heating oil or railroad locomotive fuel.

*Consumer* means end user.

*Department* means the Department of Revenue.

*Diesel fuel* means any petroleum product intended for use or offered for sale as a fuel for engines in which the fuel is injected into the combustion chamber and ignited by pressure without electric spark. This definition does not include home heating oil or railroad locomotive fuel.

*Distributor* means any person who either produces, refines, blends, compounds, or manufactures motor fuel in this County, or transports or has transported gasoline or motor fuel into this County, or receives motor fuel in Cook County on which this tax has not been paid. Distributors who own terminals and sell fuel at the wholesale level are subject to this Article.

*Fuel alcohol* means methanol or fuel grade ethanol.

*Gasoline* means all products sold as gasoline, which also includes ~~aviation gasoline and~~ gasohol, or any product which consists of gasoline blended with alcohol. This definition does not include propane, kerosene or jet fuel.

~~*Gas distributor* means any person who either produces, refines, blends, compounds, or manufactures gasoline or diesel fuel in this County or transports or has transported gasoline or diesel fuel into this County or receives gasoline, diesel fuel or biodiesel fuel in Cook County on which this tax has not been paid.~~

*GDiesel Fuel* means fuel made wholly or partly from Ultralow Sulfur Diesel and Natural Gas intended for use or offered for sale as a fuel for a diesel engine. This definition does not include home heating oil or rail locomotive fuel.

Motor fuel means all volatile and inflammable liquids produced, blended or compounded for the purpose of, or which are suitable or practicable for, operating motor vehicles. Among other things, Motor Fuel includes gasoline, liquid alternative fuels, diesel fuel, biodiesel fuel, ~~gdiesel fuel~~, blended fuel, dyed diesel fuel, fuel alcohol, compressed natural gas, liquefied natural gas, and any derivatives of those not expressly exempted in this Article.

Person means any individual, corporation, Limited Liability Corporation, organization, ~~firm~~, joint venture, joint stock company, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

Retail dealer means any person who engages in the business of selling ~~gasoline, diesel fuel, biodiesel fuel or ~~gdiesel~~ motor~~ fuel in the County to a purchaser for use or consumption and not for resale in any form.

Sale, resale and selling means any transfer of ownership or possession or both, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever. In every case where ~~gasoline, diesel fuel, biodiesel, or ~~gdiesel~~ motor~~ fuel are exchanged, given or otherwise disposed of, it shall be deemed to have been sold.

#### **Sec. 74-472. Tax imposed.**

- (a) *Tax rate.* A tax is hereby imposed on the retail sale in Cook County of ~~gasoline, diesel fuel, biodiesel fuel, and ~~gdiesel~~ motor~~ fuel at the rate of \$0.06 per gallon or fraction thereof. The tax is to be paid by the ~~purchaser~~ consumer, and nothing in this Article shall be construed to impose a tax upon the occupation of ~~distributors, suppliers or retail dealers~~ distributing, supplying, furnishing, selling, or transporting motor fuel.
- (b) The incidence of and liability for payment of the tax levied in this Article is to be borne by the consumer of the ~~gasoline, diesel fuel, biodiesel fuel and ~~gdiesel~~ motor~~ fuel. Therefore, it shall be deemed a violation of this Article for any Distributor or Retail dealer to fail to include the tax in the retail sale price of ~~gasoline, diesel fuel, biodiesel fuel, ~~gdiesel~~ motor~~ fuel or to otherwise absorb the tax.
- (c) *Taxable transactions.* Except as provisions are made in this Article for the collection of the tax levied in this Article upon the sale of ~~gasoline, diesel fuel, biodiesel fuel and ~~gdiesel~~ motor~~ fuel in the possession of Distributors or Retail dealers on the effective date of the ordinance from which this Article is derived, the tax levied in this Article shall be collected by each Distributor or supplier who sells ~~gasoline, diesel fuel, biodiesel fuel, or ~~gdiesel~~ motor~~ fuel to:
- (1) A Retail dealer doing business in the County;
  - (2) A consumer who purchases ~~gasoline, diesel fuel, biodiesel fuel or ~~gdiesel~~ motor~~ fuel directly from a Gas Distributor for delivery in the County; or

- (3) Another Gas Distributor doing business in the County that is not ~~holding a valid registration certificate, registered with the Department.~~

[(d)Reserved.]

- (e) Any Gas Distributor or supplier of ~~gasoline, diesel fuel, biodiesel fuel or gdiesel~~ motor fuel shall pay the tax levied by this Article to the Department. Any person receiving payment of this tax shall be a trustee for the County.

- (f) ~~If the retail dealer shall receive gasoline, diesel fuel, biodiesel fuel or gdiesel fuel upon which no tax has been collected by the distributor or supplier, and then the retail dealer shall collect such tax and remit it directly to the Department within 30 days of the receipt of such gasoline or diesel fuel.~~  
Evaporation. Distributor's losses of fuel during pipeline transportation as the result of evaporation or shrinkage due to temperature variations may not exceed 1% of the total gallons in storage at the beginning of the month, plus the receipts of gallonage during the month, minus the gallonage remaining in storage at the end of the month. Any loss reported that is in excess of this amount shall be subject to the tax imposed in this Article. Retail dealers are not permitted to reduce their tax liability due to evaporation or shrinkage.

- ~~(g) Tax in addition to other taxes. The tax imposed by this Article is in addition to all other taxes imposed by the Government of the United States, the State, or by any unit of local government.~~

#### **Sec. 74-473. Tax-free sales.**

Gas Distributors doing business in the County shall make tax-free sales of ~~gasoline, diesel fuel, biodiesel fuel or gdiesel~~ motor fuel with respect to which they are otherwise required to collect the tax to the following:

- (1) Another Gas Distributor ~~holding a valid~~ registered with the Cook County Department of Revenue gas tax certificate of registration;
  - (2) Another Gas Distributor, or a Retail dealer where the selling distributor, or its agent, delivers the ~~gasoline, diesel fuel, biodiesel fuel or gdiesel~~ motor fuel to a location outside of the County;
  - (3) Beginning December 1, 2023, any municipality or township with its primary administrative office located in Cook County. Municipalities or townships who purchase motor fuel from a Retail dealer may apply for a rebate pursuant to section 74-479.
- (43) The United States of America, the State, or their instrumentalities.

**Sec. 74-474. Gas ~~d~~Distributor; Retail dealer registration.**

- (a) Gas Distributors who produce, refine, blend, compound, or manufacture ~~gasoline, diesel fuel, biodiesel fuel or gdiesel motor~~ fuel in this County or ~~transports or has transported~~ transport or have transported gasoline, diesel fuel, biodiesel fuel or gdiesel motor fuel into this County or ~~receives~~ receive gasoline, diesel fuel, biodiesel fuel or gdiesel motor fuel in Cook County on which this tax has not been paid shall register with the Department within 30 days after the effective date of this ordinance.
- (b) ~~Retail dealers shall register and provide information as provided by rules and regulations promulgated by the Department of Revenue.~~ Retailers receiving fuel from unregistered Distributors located outside the County shall register with the Department.
- (c) It shall be unlawful to engage in the business of a Gas Distributor, as defined in this Article, prior to ~~obtaining a certificate of Gas Tax registration issued by~~ registering as a Distributor with the Department.

**Sec. 74-475. Returns and remittances.**

- (a) Gas Distributors shall file each month with the Department a report of sales of ~~gasoline, diesel fuel, biodiesel fuel or gdiesel motor~~ fuel ~~in such form as prescribed and furnished electronically or as otherwise directed by the Department,~~ on or before the 20th day from the last day of the month for which the return is due. Each report of sales of ~~gasoline or diesel motor~~ fuel shall be accompanied by a remittance of the appropriate amount of tax applicable to the sales reported. The remittance shall be made payable to the County Collector. Distributors shall file a monthly return even when no tax is due.
- (b) If a Retail dealer receives motor fuel upon which no tax has been collected by the Distributor or supplier, the Retail dealer shall remit such tax directly to the Department before the 20th day of the month after the month in which the gasoline was received.

**Sec. 74-476. Tax in addition to other taxes.**

The tax imposed by this Article is in addition to all other taxes imposed by the Government of the United States, the State, or by any unit of local government.

**Sec. 74-477. Books and records.**

Every gas Distributor and Retailer dealer as defined in this Article, shall keep accurate books and records of its beginning inventory, purchases, sales and ending inventory including original source documents and books of entry denoting the transactions that gave rise, or may have given rise, to any tax liability, exemption or deduction or defense to liability. Books and records and other papers relating to transactions which occurred during any period with respect to which the Department is authorized to issue notices of tax liability as provided in Chapter 34, Article III, Uniform Penalties, Interest and Procedures Ordinance shall be preserved until the expiration of such period unless the Department, in writing, authorizes their destruction or disposal prior to such expiration. All those books and records shall be kept

in the English language and, at all times during business hours, shall be subject to and available for inspection or copying by the Department.

**Sec. 74-478. Violation; penalties.**

Any person determined to have violated this Article, as amended, shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. It shall be deemed a violation of this Article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this Article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalty due and owing as well as costs incurred for such proceeding.

**Sec. 74-479. Municipality and township tax rebate.**

Any municipality or township with its primary administrative office located in the County shall be entitled to a tax rebate when it purchases motor fuel (on which tax is charged) from a Retail dealer. Such rebate shall be paid on an annual basis electronically or as otherwise directed by the Department. Claims for ~~such~~ reimbursement of taxes paid must be made within six months from the end of each calendar year, ~~upon forms prescribed by the Department,~~ must include requisite proof that taxes were paid, and shall only address purchases made in the previous calendar year. The Department will deny as untimely any request for gas tax rebate received by the Department after June 30 of the year immediately following the calendar year for which the tax rebate is being requested. ~~The Department shall determine the proof required to substantiate the rebate by rule.~~

**Sec. 74-480. Tax rebate late filing penalty.**

~~Any request for gas tax rebate received by the Department, postmarked or physically received after the due date, June 30 of the year following the calendar year for which the tax rebate is being requested, but before December 31 of the year following the calendar year for which the tax rebate is being requested, shall be assessed a penalty equal to ten percent of the total amount of the tax rebate due or owed by the Department to the municipality or township. The Department will deny as untimely any request for gas tax rebate received by the Department after December 31 of the year immediately following the calendar year for which the tax rebate is being requested.~~

**Sec. 74-480481. Application of uniform penalties, interest and procedures ordinance.**

Whenever not inconsistent with the provisions of this Article or whenever this Article is silent, the provisions of the Uniform Penalties, Interest and Procedures Ordinance shall apply and supplement this Article.

**Sec. 74-~~481~~482. Rulemaking.**

The Department shall prescribe reasonable rules, definitions, and regulations necessary to carry out the duties imposed upon it by this Article. Such rules, definitions, and regulations shall include, but not be limited to, reasonable procedures consistent with existing practices of Distributors, suppliers and Retail dealers for collection and remittance of the tax herein levied upon the purchaser of ~~gasoline or diesel~~ motor fuel.

**Secs. 74-~~482~~483-74-509. Reserved.**

**Effective date:** This ordinance shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5695. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5697**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**GAMBLING MACHINE TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article XVIII. Gambling Machine Tax, Sections 74-625 through 74-649 be amended as follows:

**ARTICLE XVIII. GAMBLING MACHINE TAX**

**Sec. 74-625. Short title.**

This Article shall be known and may be cited as the "Gambling Machine Tax Ordinance."

**Sec. 74-626. Definitions.**

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning.

*Department* means the Department of Revenue in the Bureau of Finance of Cook County.

*Director* means the director of the Department of Revenue.

*Gambling Device* shall mean a machine or mechanical, electrical, or electronic device utilized in or primarily designed for gambling, and includes any clock, tape machine, slot machine, video machine, or other machine, for the reception of money or other thing of value on chance or skill is staked, hazarded, bet, won or lost, but does not include gambling devices excepted from the Illinois Criminal Code, 720 ILCS 5/28-2(a)(1) through 5/28-2(a)(4) or video gaming terminals, as defined in the Illinois Video Gaming Act, 230 ILCS 40/5.

*Gambling Machine* shall mean (1) a Gambling Device as defined in this Article; and (2) a video gaming terminal, as defined in the Illinois Video Gaming Act, 230 ILCS 40/5. If a Gambling Machine consists of more than one game monitor which permits individuals to play separate games simultaneously, each separate game monitor shall be deemed Gambling Machine.

*Owner* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity that owns a Gambling Machine.

*Person* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

*Sheriff* means the Sheriff's Office of Cook County, Illinois.

*Video Gaming Terminal* means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including, but not limited to, video poker, line up, and blackjack, utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash and as further defined under the Video Gaming Act, 230 ILCS 40/5. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

**Sec. 74-627. Registration.**

- (a) Any owner of a Gambling Machine to be played or operated by the public at any place in the county and person which currently displays a Gambling Machine, to be played or operated by the public at any place owned or leased by such person, shall register with the ~~department~~ Department within 20 days after the effective date of this Article that they own or display a Gambling Machine for public use in the County.

- (b) Any owner of a Gambling Machine to be played or operated by the public at any place in the County and any person which displays a Gambling Machine, to be played or operated by the public at any place owned or leased by such person after the effective date of this Article, and which is not otherwise subject to registration under this Section 74-627 shall register with the ~~department~~ Department that they own or display a Gambling Machine for public use in the County prior to making the Gambling Machine available for play or operation by the public in the County.
- (c) Registration shall be made to the ~~department~~ Department, electronically or as otherwise designated by the Department, through a form furnished by the ~~department~~ Department for such purpose, and shall contain such information as the ~~department~~ Department requires. An owner of a Gambling Machine who makes a Gambling Machine available for operation or play by the public in the County will be required to remit the tax at the time of registration or in the timeframe otherwise required by the ~~department~~ Department.

**Sec. 74-628. Tax imposed.**

A tax is imposed upon each Gambling Machine that is displayed by a person for play or operation by the public in Cook County, as follows:

- (a) *Tax Rate on Gambling Device.* For each 12-month period as established by the director, an annual tax in the amount of \$1,000.00 is imposed upon each Gambling Device; said tax shall be paid by the owner and shall be applicable for Gambling Devices that are displayed by a person for play or operation by the public in Cook County. The tax imposed may be made pro-ratable by the director under such policies, procedures, rules, and forms as may be promulgated by said director and shall be paid by the owner of the machine.
- (b) *Tax Rate on Video Gaming Terminal.* For each 12-month period as established by the director, an annual tax in the amount of \$200.00 is imposed upon each Video Gaming Terminal; said tax shall be paid by the owner and shall be applicable for Video Gaming Terminals that are displayed by a person for play or operation by the public in Cook County. The tax imposed may be made pro-ratable by the director under such policies, procedures, rules, and forms as may be promulgated by said director and shall be paid by the owner of the video gaming terminal.
- (c) *Additional Taxes.* The tax imposed in this Article is in addition to all other taxes imposed by the County, the State of Illinois or any municipal corporation or political subdivision of any of the foregoing.

**Sec. 74-629. Tax remittance, emblem and display; additional information for machine.**

- (a) Before any Gambling Machine is made available for use by public in the county, the owner of the Gambling Machine who makes the Gambling Machine available to a person displaying a Gambling Machine, to be played or operated by the public at any place owned or leased by such person shall

remit the tax due to the ~~department~~ Department, in accordance with the policies, procedures, rules, and forms promulgated by the ~~department~~ Department.

- (b) The director shall issue as evidence of the payment of the tax a ~~nonrefundable and nontransferable~~, self-voiding adhesive tax emblem which shall be affixed to each Gambling Machine. Such emblem shall be valid from the date of issuance through the date set forth thereon. Such emblem shall bear the words "County of Cook Gambling Machine Tax", and such other wording as may be proscribed by the director.
- (c) No owner or person shall make a Gambling Machine available for play or operation by the public in the county unless (1) the tax has been paid on said Gambling Machine and is evidenced by the tax emblem conspicuously affixed to the Gambling Machine; and (2) the Gambling Machine is plainly labeled with the name, address and telephone number of the person displaying the Gambling Machine for play or operation by the public, and such information as may be required by the director through policy, procedure, rule, or form.
- (d) No owner or person shall take, destroy, remove, alter, deface, mutilate, obliterate, or make illegible the tax emblem provided for in this Section during the year for which it was issued, or make available to the public in the county a Gambling Machine if the tax emblem or label has been taken, destroyed, removed, altered, defaced, mutilated, obliterated, or has become illegible.

**Sec. 74-630. Removal of emblem upon transfer of display.**

Immediately upon the transfer of ownership of a Gambling Machine that is displayed for play or operation by the public within the county, when such transfer is made prior to the expiration date set forth on the emblem provided for in this Article, the transferor shall remove said emblem from the machine so transferred. It shall be the duty of the transferee of said machine to remove and deliver to the transferor such emblem if still affixed to said machine at the time of transfer. It shall be unlawful for any such transferee to display such Gambling Machine for play or operation by the public within the County without first having removed said emblem.

**Sec. 74-631. Unlawful use of emblem on other machine.**

It shall be unlawful for any owner or person to affix or cause to be affixed the emblem provided for in this Article on any Gambling Machine other than the Gambling Machine upon which said emblem was intended to be affixed at the time of issuance by the ~~department~~ Department.

**Sec. 74-632. Transfer of ownership, refund.**

Whenever an owner transfers the ownership of a Gambling Machine to another owner or person, transfers a Gambling Machine outside of the County, or otherwise removes a Gambling Machine from play in the first six (6) months of a tax year, such owner is no longer responsible for the tax and may apply to the ~~department~~ Department for a ~~pro-rated~~ refund of the corresponding tax paid, which application shall include a surrender of the corresponding tax emblem or suitable proof that the emblem has been

inadvertently destroyed, provided, however, that the ~~department~~ Department shall not refund the tax associated with any emblem that is defaced or mutilated so as to prevent identification thereof. ~~The owner~~ Owners transferring ownership of a Gambling Machine, transferring a Gambling Machine outside of the County, or otherwise removing a Gambling Machine from play shall be issued a tax refund of \$500.00 for a Gambling Device and \$100.00 for a Video Gaming Terminal. No refund will be issued for any emblem where transfer of ownership, transfer of a Gambling Machine outside of the County, or removal of a Gambling Machine occurs in the last six (6) months of a tax year. Requests for refund must be either (1) received by the Department or (2) postmarked by January 31st of the year following transfer or removal to be approved.

**Sec. 74-633. Duplicate emblem.**

In the event an emblem provided for in this Article is lost, stolen, defaced, mutilated, or destroyed, the ~~department~~ Department may issue a duplicate emblem upon receipt of a \$100.00 replacement fee and suitable proof that the emblem has been lost, stolen, defaced, mutilated, or destroyed. Suitable forms of proof include the remnants of the emblem, if applicable, and/or a police report and/or a sworn affidavit.

**Sec. 74-634. Violations, penalties.**

- (a) Any owner subject to this tax who remits the tax after the start of the 12-month period established by the director shall pay a late fee equal to the amount of the tax due. The interest provisions of Section 34-67 of the Uniform Penalties, Interest and Procedures Ordinance shall not apply to this Article.
- (b) It shall be unlawful for any owner or person to display a Gambling Machine for play or operation by the public within the County unless:
  - (1) The owner of the Gambling Machine and person displaying the Gambling Machine for play or operation by the public within the County has registered with the ~~department~~ Department;
  - (2) The tax has been paid on said Gambling Machine and is evidenced by the tax emblem conspicuously affixed to the Gambling Machine; and
  - (3) ~~The Gambling Machine is plainly labeled with the name, address and telephone number of the owner of the Gambling Machine.~~
- (c) It shall be unlawful for any owner or person to take, destroy, remove, alter, deface, mutilate, obliterate, or make illegible the tax emblem provided for in this Section during the year for which it was issued, or make available to the public for play or operation in the county a Gambling Machine if the tax emblem or label has been taken, destroyed, removed, altered, defaced, mutilated, obliterated, or has become illegible.
- (d) Any owner, or person, or member determined to have violated this Article, as amended, shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each

subsequent offense. Separate and distinct offenses shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. It shall be deemed a violation of this Article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this Article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, ~~interest~~ and penalty due and owing as well as costs incurred for such proceeding.

(e) The Department shall not issue tax emblems to an owner of Gambling Machines where if the owner has any debt or unpaid tax due to the County.

**Sec. 74-635. Books and records.**

Every person who is subject to this tax shall keep and maintain accurate and complete documents, books, and records of each transaction or activity subject to this Ordinance, from start to complete, including all original source documents. All such books and records shall be kept in for a period equal to the statute of limitations as identified in the Uniform Penalties, Interest, and Procedures Ordinance, Section 34-60, et seq., and shall, at all reasonable times during normal business hours, be open to inspection, audit, or copying by the ~~department~~ Department and its agents.

**Sec. 74-636. Inspection; audits.**

Books and records kept in compliance with this Article shall be made available to the Department upon request for inspection, audit and/or copying during regular business hours. Representatives of the Department shall be permitted to inspect any premises for the display of Gambling Machines. It shall be unlawful for any owner or person to prevent, or hinder a duly authorized Department representative from performing the enforcement duties provided in this Article.

**Sec. 74-637. Rulemaking authority.**

The ~~department~~ Department may promulgate policies, procedures, rules, definitions and forms to carry out the duties imposed by this ordinance. As far as practicable in accordance with the purposes of this ordinance, such procedures, regulations, rules, policies, and forms shall be consistent with the practices of the Gambling Machine industry.

**Sec. 74-638. Application of uniform penalties, interest, and procedures ordinance.**

Whenever not inconsistent with the provisions of this Article, or whenever this Article is silent, the provisions of the Uniform Penalties, Interest, and Procedures Ordinance, Article III, Chapter 34, of the Cook County Code of Ordinances, shall apply to and supplement this Article.

**Sec. 74-639. Enforcement and inspection, sheriff.**

The ~~department~~ Department shall enforce this Article and the Sheriff and the Sheriff's Police are authorized to assist the Department, in said enforcement, including issuing citations hereunder.

**Secs. 74-640-74-649. Reserved.**

**Effective date:** This ordinance shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5697. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5699**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**FIREARM AND FIREARM AMMUNITION TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article XX. Firearm and Firearm Ammunition Tax, Sections 74-665 through 74-799 be amended as follows:

**ARTICLE XX. - FIREARM AND FIREARM AMMUNITION TAX**

**Sec. 74-665. - Short title.**

This Article shall be known and may be cited as the "Cook County Firearm and Firearm Ammunition Tax Ordinance."

**Sec. 74-666. - Definitions.**

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

*Firearm* shall have the same meaning as set forth in the Illinois Firearm Owners Identification Act,

430 ILCS 65/1.1, or any successor statute.

*Firearm ammunition* shall have the same meaning as set forth in the Illinois Firearm Owners Identification Card Act, 430 ILCS 65/1.1, or any successor statute.

*Centerfire ammunition* means firearm ammunition that is characterized by a primer in the center of the base of the cartridge.

*Department* means the Department of Revenue in the Bureau of Finance of Cook County.

*Director* means the Director of the Department of Revenue.

*Person* means any means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

*Purchaser* means any person who purchases a firearm or firearm ammunition in a retail purchase in the county.

*Retail dealer* means any person who engages in the business of selling firearms or firearm ammunition on a retail level in the county or to a person in the county.

*Retail purchase* means any transaction in which a person in the county acquires ownership by tendering consideration on a retail level.

*Rimfire ammunition* means firearm ammunition that is characterized by a primer that completely encircles the rim of the cartridge.

*Sheriff* means the Sheriff's Office of Cook County, Illinois.

#### **Sec. 74-667. - Registration.**

Any retail dealer as defined in this article shall register with the Department in the form and manner as prescribed by the Department. Policies, rules and procedures for the registration process and forms shall be prescribed by the Department. It shall be unlawful to engage in the business of a retail dealer, as defined in this Article, prior to registering as a retail dealer with the Department.

#### **Sec. 74-668. - Tax imposed, rates.**

- (a) Firearm Tax Rate. A tax is hereby imposed on the retail purchase of a firearm as defined in this Article in the amount of \$25.00 for each firearm purchased.
- (b) Firearm Ammunition Tax Rate. Effective June 1, 2016, a tax is hereby imposed on the retail

purchase of firearm ammunition as defined in this article at the following rates:

- (1) Centerfire ammunition shall be taxed at a rate of \$0.05 per cartridge.
  - (2) Rimfire ammunition shall be taxed at a rate of \$0.01 per cartridge.
- (c) Tax Included in Sales Price. It shall be deemed a violation of this Article for a retail dealer to fail to include the tax imposed in this Article in the sale price of firearms and/or firearm ammunition to otherwise absorb such tax. The tax levied in this article shall be imposed in addition to all other taxes imposed by the County of Cook, the State of Illinois, or any municipal corporation or political subdivision of any of the foregoing.

**Sec. 74-669. - Tax-exempt purchases and refunds.**

- (a) Notwithstanding any other provision of this article, in accordance with rules that shall be promulgated by the department in regards to tax exempt purchases, retail dealers shall not collect the firearm and/or firearm ammunition tax when the firearm and/or firearm ammunition is being sold to the following:
- (1) An office, division, or agency of the United States, the State of Illinois, or any municipal corporation or political subdivision, including the Armed Forces of the United States or National Guard.
  - (2) A bona fide veterans organization which receive firearms and/or firearm ammunition directly from the Armed Forces of the United States and uses said firearms and/or firearm ammunition strictly and solely for ceremonial purposes with blank ammunition.
  - (3) Any active sworn law enforcement officer purchasing a firearm and/or firearm ammunition for official or training related purposes presenting an official law enforcement identification card at the time of purchase.
- (b) In accordance with rules to be promulgated by the department, an active member of the Armed Forces of the United States, National Guard or deputized law enforcement officer may apply for a refund from the department for the tax paid on a firearm and/or firearm ammunition that was purchased for official use or training related purposes.
- (c) Notwithstanding any other provision in this Article, in accordance with rules that shall be promulgated by the department in regards to tax-exempt purchases, retail dealers shall not collect firearm ammunition tax on blank ammunition.

**Sec. 74-670. - Collection and remittance.**

- (a) Tax Collection. Any retail dealer shall collect the taxes imposed by this Article from any purchaser to whom the sale of said firearms and/or firearm ammunition is made within the County of Cook and shall remit to the Department the tax levied by this Article.
- (b) Tax Remittance. It shall be the duty of every retail dealer to remit the tax due on the sales of firearms and/or firearm ammunition purchased in Cook County, on forms prescribed by the Department, on or before the 20th day of the month following the month in which the firearm and/or firearm ammunition sale occurred on a form and in the manner required by the department.
- (c) If for any reason a retailer dealer fails to collect the tax imposed by this article from the purchaser, the purchaser shall file a return and pay the tax directly to the department, on or before the date required by Subsection (b) of this Section.

**Sec. 74-671. - Violations and penalties.**

- (a) It shall be a violation of this Article for any retail dealer to sell firearms and/or firearm ammunition without collecting and remitting the tax imposed in this Article.
- (b) It shall be a violation of this Article for any retail dealer fail to keep books and records as required in this Article.
- (c) It shall be a violation of this Article for any purchaser to fail to remit the tax imposed in this Article when not collected by the retail dealer.
- (d) Any person determined to have violated this Article, shall be subject to a fine in the amount of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation; or permit any such violation to exist after notification thereof. It shall be deemed a violation of this Article for any person to knowingly furnish false or inaccurate information to the Department.

**Sec. 74-672. - ~~Required~~ Books and records.**

~~Every person who is subject to this tax shall keep and maintain accurate and complete documents, books, and records of each transaction or activity subject to or exempted by this Ordinance, from start to complete, including all original source documents. All such books and records shall be kept as provided in Chapter 34, Article III, of the Uniform Penalties, Interest, and Procedures Ordinance, and shall, at all reasonable times during normal business hours, be open to inspection, audit, or copying by the department and its agents. It shall be the duty of all retailer dealers and persons required by this Article to collect and/or to pay the taxes imposed in this Article to keep and maintain all books, papers and records related to all transactions taxable or non-taxable under this Article and to make such records available to the Director or his/her designee on request for inspection, audit and/or copying during regular business hours. Books, papers and records which relate to a return filed or required to be filed with the Department or its~~

designee shall be kept for the taxable time period listed in statute of limitations section of the Uniform

Penalties, Interest and Procedures Ordinance, Chapter 34, Article III.

**Sec. 74-673. - Inspection; audits.**

~~Books and records kept in compliance with this Article shall be made available to the Department upon request for inspection, audit and/or copying during regular business hours.~~ Representatives of the Department shall be permitted to inspect or audit firearm and/or firearm ammunition inventory in or upon any premises of any retail dealer. It shall be unlawful for any person to prevent, or hinder a duly authorized Department representative from performing the enforcement duties provided in this Article.

**Sec. 74-674. - Application of uniform penalties, interest, and procedures ordinance.**

Whenever not inconsistent with the provisions of this Article, or whenever this Article is silent, the provisions of the Uniform Penalties, Interest, and Procedures Ordinance, Chapter 34, Article III, of the Cook County Code of Ordinances, shall apply to and supplement this Article.

**Sec. 74-675. - Rulemaking; ~~policies, procedures, rules, forms.~~**

The department may promulgate policies, procedures, rules, definitions and forms to carry out the duties imposed by this Article as well as pertaining to the administration and enforcement of this Article.

**Sec. 74-676. - Enforcement, ~~department~~ and sheriff assistance.**

The department is authorized to enforce this Article, and the Sheriff is authorized to assist the department in said enforcement.

**Sec. 74-677. - Dedication of funds.**

The revenue generated as the result of the collection and remittance of the tax on firearm ammunition set forth herein shall be directed to the Public Safety Fund to fund operations related to public safety. Effective November 4, 2021 revenue generated as the result of the collection and remittance of the firearm tax and the firearm ammunition tax set forth herein shall be directed to the Special Purpose Equity Fund to fund gun violence prevention programs as well as operations and programs aimed at reducing gun violence as determined by the Justice Advisory Council.

**Secs. 74-678-74-799. - Reserved.**

**Effective date:** This ordinance amendment shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5699. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5700**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

## **PROPOSED ORDINANCE AMENDMENT**

### **DEPARTMENT OF REVENUE**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 2 - Administration, Article V. Departments and Similar Agencies, Division 3. Bureau of Finance, Subdivision III. Department of Revenue, Sections 2-431 through 2-469 be amended as follows:

#### **Subdivision III. - Department of Revenue**

##### **Sec. 2-431. - Establishment.**

The Department of Revenue Office of Cook County Comptroller is hereby established. ~~The Comptroller Director of the Department of Revenue shall be appointed by the President.~~

##### **Sec. 2-432. - Supervision of department.**

All officers and employees of the Department of Revenue shall be under the supervision of the Director of Revenue and shall perform duties as may be required of them by the Director or by provision of County ordinances.

##### **Sec. 2-433. - Director of Revenue; appointment and authority.**

There is hereby created the office of Director of Revenue. The Director of Revenue shall be appointed by the President of the County Board. The Director of Revenue shall have the management and control of all matters and things pertaining to the Department of Revenue.

##### **Sec. 2-434. - Power and duties of Director of Revenue.**

The Department of Revenue shall have the following powers and duties:

- (1) To administer and enforce all of the responsibilities, powers and duties delegated to it in every County tax or fee ordinance. However, when those tax revenues are collected by the State for and ~~in~~on behalf of the County, and remitted to the County, the Department shall act solely in an

advisory capacity with respect to those collections.

- (2) To collect cable television fees and tax revenue, other than property taxes, formerly collected by other officers, and to succeed to all responsibilities, powers and duties relating to cable television franchise fees and tax collections previously delegated to the County Collector, Bureau of Finance and Bureau of Administration.
- (3) To establish, maintain and preserve statistical records of revenue, taxes and license and permit fees collected under each revenue, tax, license or permit measure and to report to the County Board President from time to time or as often as the President considers it necessary, upon those statistics. Records should be preserved according to the Department's records retention schedule.
- (4) To provide appropriate duties and responsibilities for officers and employees of the Department.
- (5) To investigate, analyze and propose new revenue programs for the County toward the end that the financial burdens of revenue, tax, license and permit fees may be equitably distributed within the County.
- (6) To take such steps, actions, and to request prosecutions by the State's Attorney's office for the purpose of enforcing ordinances relating to fees and taxes administered by the Department of Revenue.
- (7) To require the production for examination of books, papers, records, and documents pertinent to any tax liability, as well as to institute investigations, inquiries or hearings and to take testimony and proof under oath at such hearings.
- (8) To make and enforce reasonable rules and regulations as necessary to effectively administer any of the powers herein granted or which are granted by other ordinances adopted by the County Board, and to publish those rules and regulations and make them available to members of the public who desire them.
- (9) To receive all protests and challenges to the determination of tax liability of any taxpayer and to issue tentative determination of those claims.
- (10) To refer any protests and challenges, to the determination of tax liability of any taxpayer, to the Cook County Department of Administrative Hearings for an administrative law officer or administrative law judge to hear and issue final determination regarding the claims, following all rules and procedures set forth in Chapter 2, Article IX of the County Code.
- (11) To correct errors of tax designation on Department records and to notify ~~the County Treasurer~~ other departments and/or agencies when necessary, so that ~~necessary adjustment~~ adjustments and corresponding changes may be made.

- (12) To implement various tax payment methods as approved by the Department, including, but not limited to, acceptance of payments made by credit card and/or via the Automated Clearing House (ACH).
- (13) To request wire or electronic transfer of funds due to the County from the State Treasury, as provided in 15 ILCS 505/11 (countersigning of warrants by State Treasurer; service charge for electronic transfers).

**Sec. 2-435. - Payments, permits and licenses.**

The Department of Revenue shall investigate and determine whether all persons required by County ordinance to pay a fee or tax administered by the Department have complied with those provisions and in cases of evasions of payment, the department shall serve notices of delinquency and upon advice, counsel and representation of the State's Attorney, shall request proceedings to be instituted, by the Department of Administrative Hearings or another court of competent jurisdiction, to enforce those provisions and collections.

**Sec. 2-436. - ~~State's Attorney status reports.~~ Reserved.**

~~The State's Attorney and the Department of Administrative Hearings shall annually provide to the Department of Revenue and the County Auditor a report on pending Department cases referred to the State's Attorney or the Department of Administrative Hearings by the Department and not yet resolved.~~

**Sec. 2-437. - Rights, powers and duties.**

The rights, powers and duties which are by Section 2-434 to be vested in the Department of Revenue and which have previously been vested in or exercised by the County Collector, the Bureau of Finance or the Bureau of Administration, are hereby transferred from such officers to the Department.

**~~Sec. 2-438. - Revenue collected by other persons or agencies.~~**

~~When taxes, license fees, permit fees, or other compensation for franchises, or other money is paid to any County officer, board, commission or agency, other than the Department of Revenue, or paid to the Clerk of the Circuit Court of the County, that officer, board, commission, or other agency, or the Clerk of the Circuit Court, shall, not later than the 20th day of the month following the month of collection, submit a report to the Department itemizing the amount received during the preceding month and any refunds, payments to the County Treasurer or other payments made during the preceding month.~~

**~~Sec. 2-439~~ Sec. 2-438. - Payment into treasury to the Comptroller's Office.**

- (a) Except as provided in Subsection (b) of this Section, the Department of Revenue shall pay ~~into~~ to the County Treasury Comptroller's Office, monthly, the gross amount of money actually physically received by the Department of Revenue. Payment must be made by the 20th day of the month following the month those funds were received. ~~within 24 hours of actual physical receipt with respect to an accumulation of \$10,000.00, or more, or within 48 hours of actual physical receipt with~~

~~respect to an accumulation of more than \$500.00 but less than \$10,000.00, disregarding holidays, Saturdays and Sundays after receipt. If the amount received does not exceed \$500.00, the money need not be paid into the County Treasury until the amount received exceeds \$500.00, or until the next succeeding first or 15th day of any month (or until the next business day if these days fall on a Saturday, Sunday or holiday).~~

(b) Different time periods for the payment of money ~~into to the County Treasury~~ Comptroller's Office may be established by agreement of the ~~County Treasurer~~ Comptroller and the Department.

**~~Sec. 2-440- Sec. 2-439.~~ - Audit.**

The ~~Department of Revenue~~ Comptroller's Office shall annually cause an audit to be made by a licensed public accountant, either separately or as a part of a multi-agency audit, of its accounts and records of collections and payment to the ~~County Treasurer~~ Comptroller's Office of fees and taxes administered by the Department.

**~~Sees. 2-441 Secs. 4-440-2-469.~~ - Reserved.**

**Effective date:** This ordinance amendment shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5700. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5703**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**AMUSEMENT TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article X. Amusement Tax, Sections 74-390 through 74-429 be amended as follows:

**ARTICLE X. AMUSEMENT TAX**

**Sec. 74-390. Short title.**

This article shall be known and may be cited as the Cook County Amusement Tax Ordinance.

**Sec. 74-391. Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Amusement* means any exhibition, performance, presentation or show for entertainment purposes, including, but not limited to, any theatrical, dramatic, musical or spectacular performance, promotional show, motion picture show, flower, poultry or animal show, animal act, circus, rodeo, athletic contest, sport, game or similar exhibition, such as boxing, wrestling, skating, dancing, swimming, riding on animals or vehicles, baseball, basketball, softball, soccer, football, tennis, golf, hockey, track and field games, bowling, or billiard and pool games. For purposes of this article, the term "amusement" shall not mean any recreational activity offered for public participation or on a membership or other basis, including, but not limited to, carnivals, amusement park rides and games, bowling, billiards and pool games, dancing, tennis, golf, racquetball, swimming, weightlifting, bodybuilding or similar activities. For purposes of this article, the term "amusement" shall not mean raffles, as defined in 230 ILCS 15/1 (Raffles Act-definitions), intertrack wagering facilities, as defined in the Illinois Horse Racing Act of 1975 (230 ILCS 5/1 et seq.), or automatic amusement devices.

*Automatic amusement devices* means any machine which upon the insertion of a coin, slug, token, or similar object may be operated generally by any person for use as a game, entertainment or amusement, whether or not registering a score, and includes, but is not limited to, such devices as jukeboxes, marble machines, pinball machines, video games, movie or video booths or stands and all games, operations or transactions similar thereto under whatever name by which they may be indicated.

*Charges paid* means the gross amount of consideration paid for the privilege to enter, to witness or to view an amusement, valued in money, whether received in money or otherwise, including cash, credits, property and services, determined without any deduction for costs or expenses whatsoever, but not including charges that are added on account of the tax imposed by this article or on account of any other tax imposed on the charge.

*Department and Department of Revenue* means the County Department of Revenue.

*Live theatrical, live musical or other live cultural performance* means a live performance in any of the disciplines which are commonly regarded as part of the arts, such as live theater, music, opera, drama, comedy, ballet, modern or traditional dance, and book or poetry readings. The term does not include such amusements as athletic events, races, or performances conducted at adult entertainment cabarets (as defined in Section 14.2.1 of the Cook County Zoning Ordinance).

*Maximum capacity* means the persons that an auditorium, theater or other space may accommodate as determined by the local fire department or other appropriate governmental agency. If the number of tickets or admissions actually sold to a performance exceeds the legally permissible limit, then, for purposes of determining the applicable tax, the term "maximum capacity" shall mean such greater number.

*Operator* means any person who sells or resells a ticket or other license to an amusement for consideration or who, directly or indirectly, receives or collects the charges paid for the sale or resale of a ticket or other license to an amusement. The term includes, but is not limited to, persons engaged in the business of selling or reselling tickets or other licenses to amusement, whether on-line, in person or otherwise.

*Owner* means:

- (1) With respect to the owner of a place where an amusement is being held, any person who has an ownership or leasehold interest in a building, structure, vehicle, boat, area or other place who presents, conducts or operates an amusement in such place or who allows, by agreement or otherwise, another person to present, conduct or operate an amusement in such place;
- (2) With respect to the owner of an amusement, any person which has an ownership or leasehold interest in such amusement or any person who has a proprietary interest in the amusement so as to entitle such person to all or a portion of the proceeds, after payment of reasonable expenses, from the operation, conduct or presentation of such amusement, excluding proceeds from nonamusement services and from sales of tangible personal property.

*Patron* means a person who acquires the privilege to enter, to witness or to view an amusement.

*Person* means any natural individual, firm, society, foundation, institution, partnership, limited liability company, association, joint stock company, joint venture, public or private corporation, receiver, executor, trustee or other representative appointed by the order of any court, or any other entity recognized by law as the subject of rights and duties. The masculine, feminine, singular and plural are included in any circumstance.

*Resale* means the resale of a ticket or other license to an amusement after the ticket or other license has been sold by the owner, manager or operator of the amusement, or by the owner, manager or operator of the place where the amusement is being held, to an independent and unrelated third party.

*Reseller* means a person who resells a ticket or other license to an amusement for consideration. The term includes, but is not limited to, ticket brokers and applies whether the ticket is resold by bidding, consignment or otherwise and whether the ticket is resold in person, at a site on the Internet or otherwise.

*Ticket* means the privilege to enter, to witness or to view an amusement, whether or not expressed in a tangible form.

**Sec. 74-392. Tax imposed.**

- (a) Except as otherwise provided in this article, by this section, an amusement tax is imposed upon the patrons of every amusement which takes place within the County. The rate of the tax shall be equal to ~~three percent~~ 3.0% of the admission fees or other charges paid for the privilege to enter, to witness or to view such amusement, unless subsection ~~(b)~~ of this section provides for a lower rate.
- (b) Live theatrical, live musical or other live cultural performances:
- (1) The rate of tax imposed shall be 1.0% of the admission fees or other charges to witness in person live theatrical, live musical or other live cultural performances that take place in any auditorium, theater or other space in the County whose maximum capacity, including all balconies and other sections, is more than 750 persons and less than 5,000 persons.
- (2) The rate of tax imposed shall be 1.5% of the admission fees or other charges to witness in person live theatrical, live musical or other live cultural performances that take place in any auditorium, theater or other space in the County whose maximum capacity, including all balconies and other sections, is 5,000 persons or more.
- (3) Subject to the provisions below, amusements utilizing the services of a disc jockey (DJ) may constitute a "live cultural performance."
- a. In order for the activities of a DJ to be considered a "live cultural performance," both of the following conditions must be met:
- i. The activities must substantially add to or otherwise modify the pre-recorded material used by the DJ, in the form of a significant degree of technical or manual manipulation; and
- ii. There must be a written contract for the DJ's appearance between the venue, owner, manager or operator of the amusement and the DJ.
- b. In addition to the requirements in subsection (b)(3) a above, the DJ performance must meet five of the following six factors:
- i. The DJ uses a combination of audio equipment including, but not limited to, turntables, laptops, synthesizers, keyboards, and visual effects equipment including, but not limited to, lighting and video effects, etc.
- ii. The DJ is featured in advertisements for the venue.
- iii. The DJ is visible to patrons of the venue, who spend a substantial amount of time observing the DJ's performance.

- iv. The DJ's performance is featured more prominently than other amusements or activities available at the venue.
  - v. The DJ appears for a limited engagement for a period of time not to exceed eight performances in a calendar month.
  - vi. The DJ is represented by a manager and/or agent.
  - c. The burden is on the owner, manager or operator of an amusement to establish, through the use of books, records or other documentary evidence, that each event is a "live cultural performance." Such evidence must be made available to the Department upon request.
- (c) For the purpose of determining the amount of the amusement tax due under this article, admission fees or other charges shall be computed exclusive of:
- (1) Any Federal, State or municipal taxes imposed upon the amusement patron.
  - (2) Any amounts subject to other Cook County taxes (with the exception of County Retailers' Occupation Tax), provided such County taxes are separately listed on the ticket of admission and the corresponding Cook County tax has been paid on that separately stated amount.
  - (3) Any separately stated optional charges for non-amusement services or for sales of tangible personal property.
- (d) It is unlawful for any person to produce, present or conduct any amusement without collection of the tax, except as provided in this article.
- (e) It is unlawful for any person to produce, present, conduct, or resell tickets to, any amusement without collection of the tax, except as provided in this article.
- ~~(b) The tax imposed by subsection (a) of this section may be waived for the following persons or privileges, after approval by the Department of Revenue or, if applicable, the Cook County Board of Commissioners:-~~
- ~~(1) The privilege of witnessing any stock show or business show that is not open to the general public;-~~
  - ~~(2) The privilege of witnessing any amateur production or activity such as amateur musicals, plays and athletic events conducted by a not for profit organization operated exclusively for charitable, educational or religious purposes;-~~
  - ~~(3) Subject to satisfying the requirement contained in subsection (c) of this section, the privilege of witnessing any amusement sponsored or conducted by and the proceeds of which, after payment of reasonable expenses, inure exclusively to the benefit of:-~~

- ~~a. Religious, educational and charitable institutions, societies or organizations;~~
- ~~b. Societies or organizations for the prevention of cruelty to children or animals;~~
- ~~c. Societies or organizations conducted and maintained for the purpose of civic improvement;~~
- ~~d. Fraternal organizations, legion posts, social and political groups which conduct amusements, sponsored occasionally but not more often than twice yearly;~~

~~Provided, however, that the entities described in subsections (b)(3)a-d of this section are not for profit institutions, organizations, groups or societies, where no part of the net earnings inure to the benefit of any private shareholder or person;~~

- ~~e. Organizations or persons in the armed services of the United States, or National Guard organizations, reserve officers' associations, or organizations or posts of war veterans, or auxiliary units or societies of such posts or organizations, if such posts, organizations, units or societies are organized in the State of Illinois, and if no part of their earnings inure to the benefit of any private shareholder or person;~~
- ~~f. Organizations or associations created and maintained for the purpose of benefiting the members, or dependents or heirs of members, of the police or fire departments of any political subdivision of the State of Illinois;~~

~~Provided, however, that the exemptions contained in subsections (b)(3)a-f of this section shall apply only to benefits or other fundraising events and shall not apply to more than two events per calendar year which shall not exceed a total of 14 calendar days;~~

- ~~g. Societies or organizations conducted for the sole purpose of maintaining symphony orchestras, opera performances or artistic presentations, including, but not limited to, musical presentations ("artistic societies or organizations"), if the artistic society or organization:
  - ~~1. Receives substantial support from voluntary contributions;~~
  - ~~2. Is a not for profit institution where no part of the net earnings inure to the benefit of any private shareholder or person; and~~
  - ~~3. Either (i) bears all risk of financial loss from its presentation of the amusement, where the amusement takes place at a venue that is owned or operated by a not for profit institution, no part of whose net earnings inure to the benefit of any private shareholder or person, and where the amusement is limited to an engagement of not more than four calendar days over the course of a calendar year, or (ii) is substantially and materially involved in the production and performance of the~~~~

~~amusement. Where an amusement is sponsored or conducted by two or more artistic societies or organizations, the requirements of subsections (b)(3)g.1. and 2. of this section must be met by each of such artistic societies or organizations, but the requirements of subsection (b)(3)g.3. may be met by any of such artistic societies or organizations, individually or in combination.~~

- ~~(c) None of the exemptions contained in subsection (b)(3) of this section shall be granted unless a written application for exemption is filed with the Department at least 45 calendar days prior to the amusement event or 15 calendar days prior to the date that admission tickets to the amusement are first made available for sale, whichever is earlier. The application shall be on a form prescribed by the Director of Revenue and shall contain all information necessary to permit the Department to determine whether the exemption claimed by the applicant is applicable. If the department determines that by granting the exemption the potential loss of tax revenue will be greater than \$150,000.00 the application shall be submitted to the Cook County Board of Commissioners for final approval. The County Board may deny the exemption application if it finds that the exemption is not in the best economic interest of the County.~~
- ~~(d) The tax imposed in subsection (a) of this section shall not apply to or be imposed upon:~~
- ~~(1) The admission fees to witness in person, live theatrical, live musical or other live cultural performances that take place in any auditorium, theater or other space in the County, whose maximum capacity, including all balconies and other sections, is not more than 750 persons.~~
  - ~~(2) Initiation fees and membership dues paid to a health club, racquetball club, tennis club or a similar club or organization, when such club or organization is organized and operated on a membership basis and for the recreational purposes of its members and its members' guests, shall be exempt from the tax imposed in subsection (a) of this section. This exemption shall not be construed to apply to any fees paid or based upon a per event or a per admission basis.~~
  - ~~(3) Fees or other charges paid by a patron for the privilege of witnessing, viewing or participating in an amusement, solely within the confines of such patron's home, shall be exempt from the imposition of the tax imposed in subsection (a) of this section. For purposes of this exemption, the term "home" means the permanent dwelling residence of the patron. For patrons who live in condominium buildings, apartment buildings or other multiple unit structures, the individual dwelling unit the patron occupies shall be considered the patron's home.~~
- ~~(e) For the purpose of determining the amount of the amusement tax due under this article, admission fees or other charges shall be computed exclusive of:~~
- ~~(1) Any Federal, State or municipal taxes imposed upon the amusement patron.~~
  - ~~(2) Any amounts subject to other Cook County taxes (with the exception of County Retailers' Occupation Tax), provided such County taxes are separately listed on the ticket of admission and the corresponding Cook County tax has been paid on that separately stated amount.~~

- ~~(3) Any separately stated optional charges for nonamusement services or for sales of tangible personal property.~~
- ~~(f) It is unlawful for any person to produce, present or conduct any amusement without collection of the tax, except as provided in this article.~~
- ~~(1) The rate of the tax imposed in subsection (a) of this section shall be one percent of the admission fees or other charges to witness in person live theatrical, live musical or other live-cultural performances that take place in any auditorium, theater or other space in the County whose maximum capacity, including all balconies and other sections, is more than 750 persons and less than 5,000 persons.~~
- ~~(2) The rate of the tax imposed in subsection (a) of this section shall be 1.5 percent of the admission fees or other charges to witness in person live theatrical, live musical or other live-cultural performances that take place in any auditorium, theater or other space in the County whose maximum capacity, including all balconies and other sections, is 5,000 persons or more.~~
- ~~(g) For purposes of subsections (d)(1) and (f) of this section, amusements utilizing the services of a disc jockey (DJ) may constitute a "live cultural performance."~~
- ~~(1) In order for the activities of a DJ to be considered a "live cultural performance," both of the following conditions must be met:~~
- ~~a. The activities must substantially add to or otherwise modify the pre-recorded material used by the DJ, in the form of a significant degree of technical or manual manipulation; and~~
- ~~b. There must be a written contract for the DJ's appearance between the venue, owner, manager or operator of the amusement and the DJ.~~
- ~~(2) In addition to the requirements in subsection (g)(1) above, the DJ performance must meet five of the following six factors:~~
- ~~a. The DJ uses a combination of audio equipment including, but not limited to, turntables, laptops, synthesizers, keyboards, and visual effects equipment including, but not limited to, lighting and video effects, etc.~~
- ~~b. The DJ is featured in advertisements for the venue.~~
- ~~c. The Dj is visible to patrons of the venue, who spend a substantial amount of time observing the DJ's performance.~~
- ~~d. The DJ's performance is featured more prominently than other amusements or activities available at the venue.~~

- ~~e. The DJ appears for a limited engagement for a period of time not to exceed eight performances in a calendar month.~~
- ~~f. The DJ is represented by a manager and/or agent.~~
- ~~(3) The burden is on the owner, manager or operator of an amusement to establish, through the use of books, records or other documentary evidence, that each event is a "live cultural performance." Such evidence must be made available to the Department upon request.~~
- ~~(h) It shall be presumed that all amusements are subject to tax under this article until the contrary is established by books, records or other documentary evidence.~~
- ~~(i) It is unlawful for any person to produce, present, conduct, or resell tickets to, any amusement without collection of the tax, except as provided in this article.~~

### **Sec. 74-393. Tax additional.**

The tax imposed in this article is in addition to all other taxes imposed by the State of Illinois or any municipal corporation or political subdivision thereof.

### **Sec. 74-394. Exemptions.**

- (a) The following privileges and charges paid are exempt from the tax imposed in this Article:
  - (1) The privilege of entering, witnessing or viewing any stock show or business show that is not open to the general public.
  - (2) The privilege of entering, witnessing or viewing any amateur production or activity such as amateur musicals, plays and athletic events conducted by a not-for-profit organization operated exclusively for charitable, educational or religious purposes.
  - (3) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored or conducted by a not-for-profit religious, educational, and charitable institution, society, or organization where, after payment of reasonable expenses, the net earnings inure exclusively to said entity and not to the benefit of any private shareholder or person.
  - (4) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored or conducted by a not-for-profit society or organization for the prevention of cruelty to children or animals where, after payment of reasonable expenses, the net earnings inure exclusively to said entity and not to the benefit of any private shareholder or person.
  - (5) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored or conducted by a not-for-profit society or organization conducted and maintained for the purpose of civic improvement where, after payment of reasonable expenses, the net earnings inure exclusively to said entity and not to the benefit of any private shareholder or

person.

- (6) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored or conducted by a not-for-profit fraternal organization, legion post, social, and political groups which conduct amusements no more than twice yearly and where, after payment of reasonable expenses, the net earnings inure exclusively to said entity and not to the benefit of any private shareholder or person.
- (7) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored by or conducted by organizations or persons in the armed services of the United States, or National Guard organizations, reserve officers' associations, or organizations or posts of war veterans, or auxiliary units or societies of such posts or organizations where, after payment of reasonable expenses, the net earnings inure exclusively to said entity and not to the benefit of any private shareholder or person.
- (8) The privilege of entering, witnessing or viewing any benefit or other fundraising event sponsored or conducted by organizations or associations created and maintained for the purpose of benefiting the members, or dependents or heirs of members, of the police or fire departments of any political subdivision of the State of Illinois.
- (9) The privilege of entering, witnessing or viewing any amusement sponsored or conducted by a society or organization operating for the sole purpose of maintaining symphony orchestras, opera performances, or artistic presentations, including but not limited to, musical presentations ("artistic societies or organizations"), if the artistic society or organization:
- a. Receives substantial support from voluntary contributions;
  - b. Is a not-for-profit institution where no part of the net earnings inure to the benefit of any private shareholder or person; and
  - c. Bears all risk of financial loss from its presentation of the amusement, where the amusement takes place at a venue that is owned or operated by a not-for-profit institution, no part of whose net earnings inure to the benefit of any private shareholder or person.
  - d. Where an amusement is sponsored or conducted by two or more artistic societies or organizations, the requirements of subsections (a)(9) a and b of this section must be met by each of such artistic societies or organizations, but the requirements of subsection (a) (9) c may be met by any of such artistic societies or organizations, individually or in combination.
- (10) The privilege of entering, witnessing or viewing any live theatrical, live musical or other live cultural performance that takes place in any auditorium, theater, or other space in the County, whose maximum capacity, including all balconies and other sections, is not more than 750 persons.

(11) Initiation fees and membership dues paid to a health club, racquetball club, tennis club, or a similar club or organization, when such club or organization is organized and operated on a membership basis and for the recreational purposes of its members and its members' guests. This exemption shall not be construed to apply to any fees paid or based upon a per event or a per admission basis.

(12) Fees or other charges paid by a patron for the privilege of entering, witnessing, viewing, or participating in an amusement solely within the confines of such patron's home. For purposes of this exemption, the term "home" means the permanent dwelling residence of the patron. For patrons who live in condominium buildings, apartment buildings, or other multiple-unit structures, the individual dwelling unit the patron occupies shall be considered the patron's home.

(b) Every owner, manager or operator of an amusement claiming an exemption under this section must retain books, records, and other documentary evidence to show the exemption applies. Those documents must be retained in accordance with Section 74-396.

**Sec. 74-~~394~~395. Registration.**

Every owner, manager or operator of an amusement or of a place where an amusement is being held in the County and every reseller, shall ~~apply for registration as a tax collector~~ register with the Department no later than 30 days after commencing such business or 30 days after the effective date of the ordinance from which this article is derived, whichever occurs later. Application for registration shall be made to the Department, in the format required by the Department, electronic or otherwise, by use of the form furnished by the Department for such purpose and shall contain such information as the Department may reasonably require.

**Sec. 74-~~395~~396. Collection, payment and accounting.**

(a) It shall be the joint and several duty of every owner, manager or operator of an amusement, a place where an amusement is being held or place of amusement and every ticket reseller to secure from each patron or buyer the tax imposed by this article; provided, however, that a reseller of tickets shall be required to collect and remit tax to the Department only on that portion of the ticket price that exceeds the amount that the reseller paid for the tickets. For purposes of this provision, it shall be presumed that the amount that the reseller paid for the tickets is the face amount of the tickets, unless the taxpayer or tax collector proves otherwise with books, records or other documentary evidence. Tax payments accompanied by tax returns prescribed by the Department, electronic or otherwise, shall be remitted to the Department on or before the 20th day of the month following the month in which payment for the amusement is made. Monthly tax returns must be filed even where no tax is due.

(b) Notwithstanding the tax filing requirements in subsection (a), owners, managers, and operators who only sponsor or conduct exempt amusements are not required to file monthly tax returns. However, should they sponsor or conduct an amusement where tax is due, they must timely file a tax return and remit collected taxes, and monthly returns will then be due from that point forward

even where no tax is due. Upon request by the Department, owners, managers, and operators must present books, records, and other documentary evidence to show their amusements are exempt pursuant to this Article.

- (bc) Canceled admission tickets and complete and accurate records, books and accounts in detail of all receipts shall be kept at the place of amusement or such other place in the County as may be designated in writing by the person liable for collection of the tax. All such books, records and accounts shall be kept for a period equal to the statute of limitations as identified in the Uniform Penalties, Interest and Procedures Ordinance, 34-60 et seq., and shall be open to inspection by the Department at all reasonable times during business hours.
- (ed) Every owner, manager, operator or reseller who is required to collect the tax imposed by this article shall be considered a tax collector for the County. All amusement taxes collected shall be held by such tax collector as trustee for and on behalf of the County. The failure of the tax collector to collect the tax shall not excuse or release the patron from the obligation to pay the tax.
- (de) Notwithstanding any other provision of this article, in order to permit sound fiscal planning and budgeting by the County, no person shall be entitled to a refund of, or credit for, the tax imposed by this article unless the person files a claim for refund or credit within two (2) years~~one year~~ after the date on which the tax was paid or remitted to the Department.

**Sec. 74-~~396~~397. Rules and regulations; authorized.**

The Department of Revenue is authorized to adopt, promulgate and enforce rules and regulations pertaining to the interpretation, collection, administration and enforcement of this article, including, but not limited to, the meaning and scope of the exemptions contained in Section 74-~~392~~394.

**Sec. 74-~~397~~398. Application of uniform penalties, interest and procedures ordinance.**

Whenever not inconsistent with the provisions of this article or whenever this article is silent, the provisions of the Uniform Penalties, Interest and Procedures Ordinance shall apply and supplement this article.

**Sec. 74-~~398~~399. Violations; penalty.**

Any person violating any of the provisions of this article shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Every day such violation continues shall constitute a separate and distinct offense. It shall be deemed a violation of this article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalties due and owing as well as costs incurred for such proceedings.

**Secs. 74-~~399~~400-74-429. Reserved.**

**Effective date:** This ordinance amendment shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5703. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5704**

**Sponsored by:** TONI PRECKWINKLE (President), FRANK J. AGUILAR, ALMA E. ANAYA, SCOTT R. BRITTON, JOHN P. DALEY, DENNIS DEER, BRIDGET DEGNEN, BRIDGET GAINER, MONICA GORDON, BILL LOWRY, DONNA MILLER, STANLEY MOORE, JOSINA MORITA, KEVIN B. MORRISON, SEAN M. MORRISON, ANTHONY J. QUEZADA, TARA S. STAMPS and MAGGIE TREVOR, Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**ALCOHOLIC BEVERAGE TAX**

**NOW THEREFORE BE IT ORDAINED**, by the Cook County Board of Commissioners that Chapter 74 - Taxation, Article IX. Alcoholic Beverage Tax, Sections 74-350 through 74-389 be amended as follows:

**ARTICLE IX. ALCOHOLIC BEVERAGE TAX**

**Sec. 74-350. Short title.**

This Article shall be known and may be cited as the Cook County Retail Sale of Alcoholic Beverages Tax Ordinance.

**Sec. 74-351. Definitions.**

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

*Alcohol* means the product of distillation of any fermented liquid, whether rectified or diluted, whatever may be the origin thereof, and includes synthetic ethyl alcohol. The term does not include denatured alcohol or wood alcohol.

*Alcoholic beverage* includes alcohol spirits, wine and beer and any liquid or solid, patented or not, containing alcohol, spirits, wine, or beer, and capable of being consumed as a beverage by a human being. The provisions of this Article shall not apply to alcohol used in the manufacture of denatured alcohol produced in accordance with Acts of Congress and regulations promulgated thereunder, nor to any liquid or solid containing one-half of one percent or less of alcohol by volume.

*Beer* means a beverage obtained by the alcoholic fermentation of an infusion or concoction of barley, or other grain, malt, and hops in water, and includes, among other things, beer, ale, stout, lager, beer, porter and the like.

*Brewery or Brewpub* means an establishment where beer is brewed or manufactured and stored on the premises and can be served in an adjoining restaurant or tasting room.

*Department* means the Department of Revenue.

*Distillery* means an establishment that distills, ferments, brews, makes, mixes, concocts, processes, blends, bottles or fills an original package with any alcoholic liquor and can be tasted or purchased on the premises.

*Person* means any individual, corporation, Limited Liability Corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

*Retail alcoholic beverage dealer* means any person who engages in the business of selling alcoholic beverages in the County to a purchaser for use or consumption, and not for resale in any form.

*Sale, resale and selling* mean any transfer of ownership or possession or both, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever for a valuable consideration.

*Spirits* means any beverage which contains alcohol obtained by distillation, mixed with water or other substances in solution, and includes brandy, rum, whiskey, gin or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

*Tasting room* means a room accessory to a brewery, brewpub, distillery, winery or other establishment where alcohol is created, fermented, brewed, processed, mixed, or blended and available on the premises for sampling and, or purchase.

*Wholesale alcoholic beverage dealer* means any person who engages in the business of selling or supplying alcoholic beverages to any person for resale in the County.

*Wine* means any alcoholic beverage obtained by the fermentation of the natural contents of fruits, or vegetables, containing sugar, including such beverages when fortified by the addition of alcohol or spirits, as above defined.

Winery means an establishment where wine is made by fermentation and fortified by the addition of alcohol or spirits and available for purchase or sampling on the premises.

**Sec. 74-352. Tax imposed.**

- (a) A tax is hereby imposed on the retail sale in the County of all alcoholic beverages. Such tax is to be paid by the purchaser, and nothing in this Article shall be construed to impose a tax upon the occupation of retail or wholesale alcoholic beverage dealers, breweries, brewpubs, distilleries, or wineries. This tax shall be levied according to the following schedule:
- (1) Alcoholic beverages other than beer, containing 14 percent or less alcohol by volume, a tax at the rate of \$0.24 per gallon or the pro rata portion thereof.
  - (2) Alcoholic beverages containing more than 14 percent and less than 20 percent alcohol by volume, a tax at the rate of \$0.45 per gallon or the pro rata portion thereof.
  - (3) Alcoholic beverages containing 20 percent or more alcohol by volume, a tax at the rate of \$2.50 per gallon or the pro rata portion thereof.
  - (4) Beer, a tax at the rate of \$0.09 per gallon or the pro rata portion thereof.
- (b) The ultimate incidence of and liability for payment of the tax levied in this Article is to be borne by the consumer of the alcoholic beverages.
- (c) It shall be deemed a violation of this Article for a retail alcoholic beverage dealer, and/or any brewery, brewpub, distillery, or winery selling alcoholic beverages at retail, to fail to include the tax imposed in this Article in the sale price of the alcoholic beverage or to otherwise absorb such tax. The tax levied in this Article shall be in addition to any and all other taxes.
- (d) ~~Except as otherwise provided provisions are made in this Article for the collection of the tax levied in this Article upon the sale of alcoholic beverages in the possession of retail dealers of alcoholic beverages on the effective date of the ordinance from which this Article is derived,~~ the tax levied in this Article shall be collected by each wholesale dealer of alcoholic beverages who sells alcoholic beverages to a retail dealer of alcoholic beverages doing business in the County.
- (e) Any wholesale alcoholic beverage dealer who shall pay the tax levied by this Article to the Department shall collect the tax from any retail alcoholic beverage dealer to whom the sale of the alcoholic beverages is made, and any retail alcoholic beverage dealer shall in turn then collect the tax from the purchaser of the alcoholic beverages. The tax shall be paid to the person required to collect it as trustee for and on account of the County.
- (f) Except as otherwise provided in this article, the tax levied in this Article shall be collected by each brewery, brewpub, distillery, and winery upon the sale of alcoholic beverages to a retail alcoholic beverage dealer and/or upon sale of alcoholic beverages at retail to a purchaser. The retail alcoholic beverage dealer shall in turn then collect the tax from the purchaser of the alcoholic

beverages.

**Sec. 74-353. Exceptions.**

~~The tax imposed by this Article shall not apply to sales of alcoholic beverages wherein the purchaser is a passenger on an interstate carrier, nor shall this tax apply to the extent it would violate the United States Constitution or the Constitution of the State of Illinois. Further, the tax levied in this Article shall not apply to wine intended for use and used by any church or religious organization for sacramental purposes, provided that such wine shall be purchased legally under the laws of Illinois and the United States; but no exemption from this tax is permitted with respect to wine sold to private persons for such purposes.~~

The tax imposed by this Article shall not apply to sales of alcoholic beverages wherein:

- (a) imposition of the tax would violate the United States Constitution or the Constitution of the State of Illinois;
- (b) the purchaser is a passenger on an interstate carrier;
- (c) the sale is for wine intended for use and used by any church or religious organization for sacramental purposes, provided that such wine shall be purchased legally under the laws of Illinois and the United States, but no exemption from this tax is permitted with respect to wine sold to private persons for such purposes;
- (d) the seller is a registered wholesale alcoholic beverage dealer, brewery, brewpub, distillery, and/or winery, and the sale is to:
  - (1) another wholesale alcoholic beverage dealer, brewery, brewpub, distillery, and/or winery registered with the Department;
  - (2) another wholesale alcoholic beverage dealer, retail alcoholic beverage dealer, brewery, brewpub, distillery, and/or winery where the seller or its agent delivers the alcoholic beverage to a location outside of the County;
  - (3) the United States of America, the State, or their other instrumentalities.

**Sec. 74-354. Wholesaler and retailer registration.**

- (a) Any wholesaler who engages in the business of selling alcoholic beverages in the County must register with the Department, in accordance with procedures prescribed by the Department prior to engaging in the business of supplying or selling alcoholic beverages for resale, use or consumption in the County.
- (b) Wholesale alcoholic beverage dealers shall file each month with the Department a report of sales of alcoholic beverages in such form as prescribed and furnished by the Department. Such report of sales must be ~~mailed in sufficient time to be postmarked~~ filed electronically or as otherwise

directed by the Department on or before the 20th day from the last day of the month for which the return is due. Each report of sales of alcoholic beverages shall be accompanied by a remittance of the appropriate amount of tax applicable to the sales reported. The remittance shall be made electronically and/or by other payment method payable to the County Collector. Registered wholesale alcoholic beverage dealers must file a monthly return even if no tax is due.

~~(e) Wholesale and retail alcoholic beverage dealers shall file an annual informational return by March 20th for the previous calendar year; the first annual informational return will be due March 20, 2018. Wholesalers must list the entities they sold alcoholic beverages to along with the types and amounts of alcoholic beverages sold. Retailers must list the entities they purchased alcoholic beverages from along with the types and amounts of alcoholic beverages purchased. Such return must be filed on a form prescribed and furnished by the Department.~~

(c) Any brewery, brewpub, distillery, and/or winery who engages in the business of selling alcoholic beverages in the County must register with the Department, in accordance with procedures prescribed by the Department prior to engaging in the business of supplying or selling alcoholic beverages for resale, use or consumption in the County.

(d) Breweries, brewpubs, distilleries, and/or wineries shall file each month with the Department a report(s) of sales of alcoholic beverages in such form as prescribed and furnished by the Department. Such report(s) of sales must be submitted electronically or as otherwise directed by the Department in accordance with subsections (1) and (2) below. The appropriate amount of tax applicable to the sales reported shall be remitted electronically and/or by other payment method payable to the County Collector in accordance with subsections (1) and (2) below. Breweries, brewpubs, distilleries, and/or wineries must file a monthly return even if no tax is due.

(1) A report of sales of alcoholic beverages sold to any retail alcoholic beverage dealer, brewery, brewpub, distillery, and/or winery must be filed with the Department and remittance of the appropriate amount of tax must be made to the Department on or before the 20th day from the last day of the month for which the return is due.

(2) A report of sales of alcoholic beverages sold to any purchaser at retail must be filed with the Department and remittance of the appropriate amount of tax must be made to the Department on or before the 20th day from the last day of the month in which the alcoholic beverages were sold at retail.

~~(e)~~ A retail alcoholic beverages dealer who receives alcoholic beverages upon which no tax has been collected by the distributor or supplier shall file a return with the Department, electronically or as otherwise directed by the Department, and remit the tax directly to the Department on or before the 20th day of the month following the month in which the alcoholic beverages were received.

~~(e)~~ The tax required in this Article to be collected by any wholesale alcoholic beverages dealer, brewery, brewpub, distillery, and/or winery pursuant to this Article shall constitute a debt owed by the wholesale alcoholic beverages dealer, brewery, brewpub, distillery, and/or winery to the

County.

(fg) Retailers shall register and provide information as provided by rules and regulations promulgated by the Department of Revenue.

**Sec. 74-355. Additional to other taxes.**

The tax imposed by this Article is in addition to all other taxes imposed by the Government of the United States, the State, or by any unit of local government.

**Sec. 74-356. Documents; books; records.**

- (a) It shall be the duty of every wholesale ~~and retail~~ alcoholic beverage dealer, brewery, brewpub, distillery, and winery to keep and maintain accurate documents, books and records used to process taxable and nontaxable sales and purchase transactions from start to completion, and make them available for inspection, audit, or copying during regular business hours. These documents, books and records shall be kept for the taxable time period as stated in the statute of limitations section of the Uniform Penalties, Interest and Procedures Ordinance, Article III, Section 34-60 et seq.
- (b) It shall be the duty of every retail alcoholic beverage dealer to keep and maintain accurate documents, books and records for every alcoholic beverage purchased by the retail alcoholic beverage dealer and to make them available for inspection, audit, or copying during regular business hours. These documents, books and records shall be kept on the retail premises for a period of 90 days. ~~Documents, books and records shall be kept by wholesale and retail alcoholic beverages dealers, for the taxable time period as listed in the statute of limitations section of the Uniform Penalties, Interest and Procedures Ordinance, Article III Section 34-60 et seq.~~

**Sec. 74-357. Tax assessment penalties and interest.**

Cook County Code of Ordinances, Article III, Chapter 34, Uniform Penalties, Interest and Procedures Ordinance shall apply to violations of this Ordinance.

**Sec. 74-358. Seizures.**

Whenever any duly authorized representative of the Department discovers any alcoholic beverages subject to the tax levied in this Article and upon which the tax has not been paid in accordance with provisions of this Article, such representative is hereby authorized and empowered forthwith to seize and take possession of such alcoholic beverages, which shall be deemed to be forfeited to the County. Such seizure shall not be deemed to relieve any person from fine or imprisonment provided in this Article for violation of any provision of this Article.

**Sec. 74-359. Violation penalties.**

Any person determined to have violated this Article, as amended, shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. It shall be deemed a violation of this Article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this Article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalty due and owing as well as costs incurred for such proceeding.

**Sec. 74-360. Reserved.**

**Sec. 74-361. Application of uniform penalties, interest and procedures ordinance.**

Whenever not inconsistent with the provisions of this Article or whenever this Chapter is silent, the provisions of the uniform penalties, interest and procedures ordinance, Article III, Chapter 34 of the Cook County Code of Ordinances shall apply and supplement this Article.

**Sec. 74-362. Rulemaking.**

The Department shall prescribe reasonable rules, definitions, and regulations to carry out the duties imposed upon it by this Article. Such rules, definitions, and regulations shall include, but not be limited to, reasonable procedures consistent with existing practices in the wholesale and retail liquor industry, for collection and remittance of the tax levied in this Article upon the consumer of alcoholic beverages.

**Secs. 74-363-74-389. Reserved.**

**Effective date:** This ordinance shall be in effect immediately upon adoption.

**A motion was made by Commissioner Britton, seconded by Commissioner Aguilar, to recommend for approval 23-5704. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor  
(17)

**23-5636**

**Sponsored by:** TONI PRECKWINKLE (President), Cook County Board Of Commissioners

**PROPOSED ORDINANCE AMENDMENT**

**MUNICIPAL FEE EXEMPTION FOR RESIDENTIAL ASBESTOS AND DEMOLITION PERMITS**

**BE IT ORDAINED**, by the Cook County Board of Commissioners, that Chapter 30, the Cook County Environmental Control Ordinance, Article V Asbestos and Related Substances, Division 1 - Asbestos, Section 30-548 “Asbestos removal permit required,” and Division 2 - Demolition, Section 30-561 “Demolition permit required; general” of the Cook County Code is hereby amended as Follows:

**Sec. 30-548. Asbestos removal permit required.**

(a) An asbestos removal permit shall be required for all activities including, but not limited to, the cutting, trimming, fitting, stripping, demolition or removal of asbestos-containing material in any quantities hereinafter "project") in addition to any demolition permit required by Section 30-961 [et seq.].

(1) An Operations and Maintenance Asbestos Removal Permit is available for large commercial and industrial sites, healthcare facilities, and schools with ongoing asbestos mitigation projects.

(2) A General Asbestos Removal Permit is available for all other projects.

(b) An application for an asbestos removal permit must be submitted by the contractor to the Department in such form and containing such information as required by the Department, prior to the start of the project.

(1) An application for an Operations and Maintenance Asbestos Removal Permit must be submitted no less than 15 business days prior to the start of the project.

(2) An application for a General Asbestos Removal Permit must be submitted no less than ten business days prior to the start of the project.

(c) An asbestos removal permit shall be valid for the dates indicated on the permit.

(1) The duration of a General Asbestos Removal Permit shall not exceed 30 calendar days after the permitted start date of the project, unless a properly submitted revision, as provided for in section 30-542(h)(3) has been approved by the Department.

(d) A General Asbestos Removal Permit may be revised up to six times within one year from the date of issuance, subject to Department approval.

(1) Department approval will be withheld where the activity at issue is a separate and distinct project requiring a new permit.

(2) Department approval will be withheld where the revised start date of the permit would be less than the ten business days prior to the start of the project, or more than one year from the original start date of the permit.

(3) Each time a request for permit revision is submitted, including, but not limited to, requests affecting the permitted start date of the project, payment of a revision fee in the amount set forth in Section 32-1 shall be required.

(e) The contractor shall comply with all conditions set out on the permit.

(1) For a General Asbestos Removal Permit, the contractor may not be off-site for more than ten consecutive calendar days during the dates indicated on the permit.

(2) An Operations and Maintenance Asbestos Removal Permit requires notification to the Department in such form and containing such information as required by the Department, 48 hours prior to starting each removal episode. The notice must include the location within the building where work is to be performed, onsite contact information and the anticipated work hours.

(f) The permit and inspection fees for an asbestos removal permit are due at the time of application and shall be as set out in Section 32-1. The inspection fee shall not be applicable to residential structures. Neither the permit fee nor the inspection fee shall be applicable to asbestos removal work prior to a demolition of a residential structure performed by or for any municipality.

\*\*\*\*

#### **Sec. 30-561. Demolition permit required; general.**

(a) A demolition permit shall be required for all demolition affecting any structure including, but not limited to, schools, public and private commercial and industrial structures, residential units, garages, sheds, and utilities.

(b) An application for a demolition permit must be submitted to the Department in such form and containing such information as required by the Department, no less than ten business days prior to the start of the project.

(c) A demolition permit shall be valid for the dates indicated on the permit, which shall not exceed 30 calendar days after the permitted start date of the project, unless a properly submitted revision has been approved by the Department prior to the permit end date.

(d) A demolition permit may be revised up to six times within one year from the date of issuance, subject to Department approval.

(1) Department approval will be withheld where the activity at issue is a separate and distinct project requiring a new permit.

(2) Department approval will be withheld where the revised start date of the permit would be more than one year from the original start date of the permit.

- (3) Each time a request for permit revision is submitted, including, but not limited to, requests affecting the permitted start date of the project, payment of a revision fee in the amount set forth in Section 32-1 shall be required.
- (e) The permit holder shall comply with all conditions set out on the permit.
  - (1) Demolition operations shall not cause the migration of dust from the permitted site onto adjacent properties not included on the demolition permit.
  - (2) A Competent Person capable of identifying any suspect asbestos-containing materials not identified in the inspection report shall remain on site for the duration of the demolition.
  - (3) Any suspect asbestos-containing building materials not identified in the inspection report and subsequently identified during the demolition process shall not be disturbed.
  - (4) The permit holder shall ensure that any suspect asbestos-containing building material identified during the demolition process and not identified in the inspection report provided under Section 30-548(3)(b) be sampled by an Illinois Department of Public Health certified asbestos building inspector and that the presence of asbestos or lack of asbestos in the sample be identified by a NVLAP accredited laboratory.
  - (5) The permit holder shall comply with all applicable Demolition Debris Diversion Requirements of Division 3 of this article.
- (f) The fee for a demolition permit shall be as set out in Section 32-1. However, no fee shall be

charged for demolition work on a residential structure performed by or for any municipality.

**Effective date:** This ordinance shall be in effect March 1, 2024.

**A motion was made by Commissioner Britton, seconded by Commissioner Degnen, to accept as substituted 23-5636. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5636**

**Sponsored by:** TONI PRECKWINKLE (President), Cook County Board Of Commissioners

**SUBSTITUTE - PROPOSED ORDINANCE AMENDMENT TO FILE 23-5636**

**MUNICIPAL FEE EXEMPTION FOR RESIDENTIAL ASBESTOS AND DEMOLITION PERMITS**

**BE IT ORDAINED**, by the Cook County Board of Commissioners, that Chapter 30, the Cook County Environmental Control Ordinance, Article V Asbestos and Related Substances, Division 1 - Asbestos, Section 30-548 “Asbestos removal permit required,” and Division 2 - Demolition, Section 30-561 “Demolition permit required; general” of the Cook County Code is hereby amended as Follows:

**Sec. 30-548. Asbestos removal permit required.**

(a) An asbestos removal permit shall be required for all activities including, but not limited to, the cutting, trimming, fitting, stripping, demolition or removal of asbestos-containing material in any quantities hereinafter "project") in addition to any demolition permit required by Section 30-961 [et seq.].

(1) An Operations and Maintenance Asbestos Removal Permit is available for large commercial and industrial sites, healthcare facilities, and schools with ongoing asbestos mitigation projects.

(2) A General Asbestos Removal Permit is available for all other projects.

(b) An application for an asbestos removal permit must be submitted by the contractor to the Department in such form and containing such information as required by the Department, prior to the start of the project.

(1) An application for an Operations and Maintenance Asbestos Removal Permit must be submitted no less than 15 business days prior to the start of the project.

(2) An application for a General Asbestos Removal Permit must be submitted no less than ten business days prior to the start of the project.

(c) An asbestos removal permit shall be valid for the dates indicated on the permit.

(1) The duration of a General Asbestos Removal Permit shall not exceed 30 calendar days after the permitted start date of the project, unless a properly submitted revision, as provided for in section 30-542(h)(3) has been approved by the Department.

(d) A General Asbestos Removal Permit may be revised up to six times within one year from the date of issuance, subject to Department approval.

(1) Department approval will be withheld where the activity at issue is a separate and distinct project requiring a new permit.

(2) Department approval will be withheld where the revised start date of the permit would be less than the ten business days prior to the start of the project, or more than one year from the original start date of the permit.

(3) Each time a request for permit revision is submitted, including, but not limited to, requests affecting the permitted start date of the project, payment of a revision fee in the amount set forth in Section 32-1 shall be required.

(e) The contractor shall comply with all conditions set out on the permit.

(1) For a General Asbestos Removal Permit, the contractor may not be off-site for more than ten consecutive calendar days during the dates indicated on the permit.

(2) An Operations and Maintenance Asbestos Removal Permit requires notification to the Department in such form and containing such information as required by the Department, 48 hours prior to starting each removal episode. The notice must include the location within the building where work is to be performed, onsite contact information and the anticipated work hours.

(f) The permit and inspection fees for an asbestos removal permit are due at the time of application and shall be as set out in Section 32-1. The inspection fee shall not be applicable to residential structures. The permit fee shall not be applicable to asbestos removal work prior to a demolition of a residential structure performed by or for any municipality.

\*\*\*\*

### **Sec. 30-561. Demolition permit required; general**

(a) A demolition permit shall be required for all demolition affecting any structure including, but not limited

to, schools, public and private commercial and industrial structures, residential units, garages, sheds, and utilities.

(b) An application for a demolition permit must be submitted to the Department in such form and containing such information as required by the Department, no less than ten business days prior to the start of the project.

(c) A demolition permit shall be valid for the dates indicated on the permit, which shall not exceed 30 calendar days after the permitted start date of the project, unless a properly submitted revision has been approved by the Department prior to the permit end date.

(d) A demolition permit may be revised up to six times within one year from the date of issuance, subject to Department approval.

- (1) Department approval will be withheld where the activity at issue is a separate and distinct project requiring a new permit.
- (2) Department approval will be withheld where the revised start date of the permit would be more than one year from the original start date of the permit.
- (3) Each time a request for permit revision is submitted, including, but not limited to, requests affecting the permitted start date of the project, payment of a revision fee in the amount set forth in Section 32-1 shall be required.

(e)The permit holder shall comply with all conditions set out on the permit.

- (1) Demolition operations shall not cause the migration of dust from the permitted site onto adjacent properties not included on the demolition permit.
  - (2) A Competent Person capable of identifying any suspect asbestos-containing materials not identified in the inspection report shall remain on site for the duration of the demolition.
  - (3) Any suspect asbestos-containing building materials not identified in the inspection report and subsequently identified during the demolition process shall not be disturbed.
  - (4) The permit holder shall ensure that any suspect asbestos-containing building material identified during the demolition process and not identified in the inspection report provided under Section 30-548(3)(b) be sampled by an Illinois Department of Public Health certified asbestos building inspector and that the presence of asbestos or lack of asbestos in the sample be identified by a NVLAP accredited laboratory.
  - (5) The permit holder shall comply with all applicable Demolition Debris Diversion Requirements of Division 3 of this article.
- (f) The fee for a demolition permit shall be as set out in Section 32-1. However, no fee shall be charged for demolition work on a residential structure performed by or for any municipality.

**Effective date:** This ordinance shall be in effect March 1, 2024.

**A motion was made by Commissioner Britton, seconded by Commissioner Degnen, to recommend for approval as substituted 23-5636. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor  
(17)

**23-5551**

**Presented by:** TANYA S. ANTHONY, Chief Financial Officer, Bureau of Finance

**PROPOSED INTERGOVERNMENTAL AGREEMENT**

**Department:** Office of the Chief Financial Officer

**Other Part(ies):** County Employees' and Officers' Annuity and Benefit Fund of Cook County

**Request:** Approve the Intergovernmental Agreement between the County and the County Employees' and Officers' Annuity and Benefit Fund of Cook County (the "Fund") whereby the County provides continued access to the County's various health related benefits and an Eligible 457 Plan to the Fund's eligible employees.

**Goods or Services:** Access to the County's various health-related benefits and an Eligible 457 Plan

**Agreement Number(s):** N/A

**Agreement Period:** December 1, 2023, until terminated by either party with 120 days advance written notice given by either party

**Fiscal Impact:** N/A

**Accounts:** N/A

**Summary:** This Intergovernmental Agreement between the County and the County Employees' and Officers' Annuity and Benefit Fund of Cook County (the "Fund") provides the Fund's employees with continued access to the County's various health related benefits and an Eligible 457 Plan.

**A motion was made by Commissioner Britton, seconded by Commissioner Trevor, to recommend for approval 23-5551. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor  
(17)

**Sponsored by:** TONI PRECKWINKLE (President), Cook County Board Of Commissioners

**PROPOSED RESOLUTION**

**SECOND INSTALLMENT SPENDING PLAN FOR BUDGETED FY2024 EQUITY AND INCLUSION SPECIAL PURPOSE FUND**

**WHEREAS**, in November 2021, the Cook County Board of Commissioners passed Resolution No. 21-5542 creating a special purpose fund for Equity and Inclusion (“Equity Fund”) dedicated to addressing historical disparities and disinvestment communities that are marginalized or have experienced other social and economic disparities; and

**WHEREAS**, through the Equity Fund, intentional investments from government resources are allocated to address historical and continued disparities and disinvestment, (as defined in the Equity Report) and to bring advocates, service providers, and other partners to the table as thought partners and decision-makers; and

**WHEREAS**, in May 2022, in conjunction with the release of the inaugural Equity Fund Report, Cook County brought forth and approved a resolution detailing the Equity Fund’s first installment spending plan for the initial \$50M which was allocated to the fund as part of the FY22 budget.

**WHEREAS**, at that time, Cook County (“County”) also committed to identifying a sustainable source of funding for the ongoing work supported by the Equity Fund. In its commitment to transparency, the County also committed to providing monthly financial reporting to the Board of Commissioners, hold an annual Equity Fund hearing for updates to the Commissioners and public and publish an Equity Fund progress report at the end of each year; and

**WHEREAS**, since the approval of the first installment spending plan of \$50M, the President’s Office, department leads and the Equity Fund Taskforce have worked diligently to design and implement the twenty-five Equity Fund systemic recommendations and two initiatives including the Cannabis Business Development Program and the Cook County Landbank Homeownership Initiative. Highlights of that work, along with a detailed expenditure report will be provided in this year’s Equity Fund progress report set to be released at the end of this year; and

**WHEREAS**, as part of the FY24 Budget, the President’s Office in partnership with the Chief Financial Officer and Budget Office, has worked to designate the Casino Tax as a sustainable revenue source to support the ongoing work of the Equity Fund Taskforce and for those equity specific ARPA initiatives that the County will maintain beyond 2026 when federal relief funds are expended; and

**WHEREAS**, as part of the FY24 Budget, the Equity Fund appropriation will be an additional \$70M for its Second Installment Equity Fund Spending Plan, In addition to the direct allocations to the Equity Fund of \$120M, the Justice Advisory Council’s grant funding of \$10M has also been incorporated into the Fund to

~~streamline administrative functions, bringing total investments to the Fund to \$130M; and bringing total investments to the Fund to \$120M; and~~

**NOW THEREFORE BE IT RESOLVED** that the Cook County Board of Commissioners supports the Second Installment Spending Plan and use of \$70M in Equity Funds for the following Equity Fund recommendations and initiatives and in the following amounts:

1. Cannabis Business Development Program under the leadership of the Bureau of Economic Development (“BED”) will be allocated \$4M. This represents a carry-over of the first \$2M allocated during the FY22 budget and an additional \$2M that will be needed to issue grants to eligible social equity applicants and to support the administrative costs associated with establishing the Cannabis Business Development Program.
2. The Cook County Landbank Authority will be allocated an additional \$2.5M in Equity Funds to support the administrative and operational costs of their work to increase affordable housing stock and economic opportunity in systematically disadvantaged communities.
3. The Justice Advisory Council will be allocated \$24M in Equity Funds to support its ongoing efforts through recommendations 3.2 and 3.3 to address community safety through a holistic approach including continued investments in promising Community Based Violence Intervention (“CVI”) strategies through its Gun Violence Prevention Grant Portfolio and housing and wrap-around services for returning residents through its Returning Resident Grant Portfolio.
4. The Community Engagement Pilot Program under the leadership of the President’s Office, will be allocated \$530,500.00 in Equity Funds to strengthen the County’s ability to conduct meaningful and authentic community engagement to residents and other stakeholders across Cook County. These funds will be allocated to support increased engagement in Commissioner’s districts and in the Offices under the President including covering the administrative costs of hosting more resident focused events, purchasing of promotional items for County related outreach activities and through the implementation of the first Community Compensation policy which will be rolled out in a phased approach beginning with departments under the Offices of the President.
5. The Property and Taxation recommendation 2.1, led by the President’s Office and the separately elected property tax stakeholders, will be allocated \$805,000.00 in Equity Funds to support the ongoing collaborative work to reform Cook County’s property assessment and taxation system. Said funds will cover the cost of critical research being provided by third party partners including CMAP and UIC as well as an annual tax sales ratio study that will be conducted.
6. The Equity in Transit recommendation 4.1, led by the Department of Transportation and Highways, will be allocated \$7M in Equity Funds to support the planning, design, and implementation of a regional income-based fare model as the second phase of the Fair Transit Pilot, which launched during the pandemic in 2020.
7. The Health Equity in all Policies (HEiAP) Equity Fund recommendation 1.1, led by the Cook County Department of Public Health (CCDPH) will be allocated up to \$725,000.00 in Equity

Funds to continue its efforts to operationalize health equity and provide training and education to implementing departments across Offices under the President.

8. The Healthy Worker's Initiative Equity Fund recommendation 2.11, led by the Cook County Department of Public Health (CCDPH) will be allocated up to \$1M in Equity Funds to augment its efforts to engage with and receive input from a range of stakeholders that will inform CCDPH's work to strengthen and enforce Cook County's worker protection laws to ensure all workers receive fair compensation and are protected from health and safety violations by employers.
9. BED will receive an allocation of \$1M in Equity Funds to continue its efforts to support the small business/entrepreneurship ecosystem through recommendation 2.8. This funding will augment other private/philanthropy funding and will be used to support the design of financial products/strategies that work to increase access to capital for this population.
10. The Department of Environment and Sustainability, in furtherance of recommendation 5.1, will receive an allocation of \$1,924,500 in Equity Funds to augment its work through several ARPA initiatives to expand the implementation of its efforts to reduce waste materials to local landfills in the south suburbs, expand its Resilience Hubs and to improve community health and resilience through the planting of green infrastructure in 5-10 communities within suburban Cook County.
11. The remaining \$301.45M in reserve may be used to support other priorities identified above or further addressed and/or aligned with recommendations in the 2022 Equity Fund Report. The President's Office will provide advance notice to the Cook County Board of Commissioners regarding any allocation of the reserve.

**BE IT FURTHER RESOLVED** that the Budget Director and Comptroller shall be authorized to execute any additional budgetary transfers or chargebacks to effectuate these programs and the spending plan provided herein; and

**BE IT FURTHER RESOLVED** that the Cook County Budget Director and Comptroller shall continue providing financial updates on the Equity Fund as part of the monthly Revenue and Expense report provided to the Cook County Board of Commissioners Finance Committee; and

**BE IT FURTHER RESOLVED** that the Cook County Board will hold a hearing annually to get an update on the progress of the recommendations and initiatives authorized under this resolution. An Equity Fund report will continue to be published in December of each year and made available to the Commissioners and members of the public.

**A motion was made by Commissioner Britton, seconded by Commissioner Degnen, to accept as amended 23-5895. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**A motion was made by Commissioner Britton, seconded by Commissioner Degnen, to recommend for approval as amended in the errata 23-5895. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**23-5720**

**Sponsored by:** TONI PRECKWINKLE (President), Cook County Board Of Commissioners

### **PROPOSED ORDINANCE**

**AN ORDINANCE amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, Ordinance 14-3645 adopted on the 23rd day of July, 2014 and Ordinance 18-4879 adopted on the 17th day of October, 2018 all as previously amended, to authorize the County to extend the maturity date of the \$125,000,000 authorized principal amount General Obligation Bonds, Series 2014D, the \$50,000,000 authorized principal amount General Obligation Bonds, Series 2018 and any other Capital Project Bonds issued thereunder, to extend the revolving line of credit related thereto to finance capital projects, and approving a form of indenture amendment for such financing.**

**WHEREAS**, the Board of Commissioners (the “*Board*”) of The County of Cook, Illinois (the “*County*”), heretofore adopted on the 27th day of July, 2011, Ordinance Number 11-O-69 entitled, “An Ordinance providing for the issuance of one or more series of General Obligation Bonds of The County of Cook, Illinois” (the “*Bond Ordinance*”); and

**WHEREAS**, the Board amended the Bond Ordinance on the 7th day of September, 2011, pursuant to amending Ordinance Number 11-O-70 (the “*First Amending Ordinance*”) entitled, “An Ordinance Amending Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, by the Board of Commissioners of The County of Cook, Illinois;” and

**WHEREAS**, the Board further amended the Bond Ordinance on the 1st day of May, 2012, pursuant to amending Ordinance Number 12-O-21 (the “*Second Amending Ordinance*”) entitled, “An Ordinance Amending Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to make technical clarifications and revisions regarding credit facilities and other variable rate debt instruments;” and

**WHEREAS**, the Board further amended the Bond Ordinance on the 16th day of October, 2012, pursuant to amending Ordinance Number 12-O-45 (the “*Third Amending Ordinance*”) entitled, “An Ordinance Amending Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, by

the Board of Commissioners of The County of Cook, Illinois,” and

**WHEREAS**, the Board further amended the Bond Ordinance on the 13th day of November, 2013, pursuant to amending Ordinance Number 13-1961 (the “*Fourth Amending Ordinance*”) entitled, “An Ordinance amending Master Bond Ordinance Number 10-O-69 adopted on the 27th day of July, 2011, as previously amended, to name additional financing teams and authorize the issuance of certain refunding bonds;” and

**WHEREAS**, the Board further amended the Bond Ordinance on the 23rd day of July, 2014, pursuant to amending Ordinance Number 14-3645 (the “*Fifth Amending Ordinance*”) entitled “An Ordinance amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to authorize the County to enter into a revolving line of credit to finance capital projects and approving a form of indenture for such financing”; and

**WHEREAS**, the Board further amended the Bond Ordinance on the 17th day of October, 2018, pursuant to amending Ordinance Number 18-4879 (the “*Sixth Amending Ordinance*”) entitled “An Ordinance amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to authorize the County to enter into a revolving line of credit to finance capital projects and approving a form of indenture for such financing” (the Bond Ordinance, as amended by the First Amending Ordinance, the Second Amending Ordinance, the Third Amending Ordinance, the Fourth Amending Ordinance, the Fifth Amending Ordinance and the Sixth Amending Ordinance, being the “*Master Bond Ordinance*”); and

**WHEREAS**, the Master Bond Ordinance authorizes the issuance of one or more series of general obligation bonds to finance Capital Projects (the “*Capital Project Bonds*”) in a not to exceed aggregate principal amount of \$295,000,000, for such Capital Projects as are expressly approved by the Board from time to time; and

**WHEREAS**, traditionally the County has financed its Capital Projects primarily through long-term borrowing; and

**WHEREAS**, the County previously has determined that tax-exempt, revolving lines of credit (each, a “*Revolver*”) issued by a bank or banks will provide a cost-efficient means to finance its Capital Projects on a tax-exempt basis and that such Revolvers may ultimately be refinanced with tax-exempt long-term bonds; and

**WHEREAS**, under the Master Bond Ordinance, any amounts drawn under a Revolver (“*Advances*”) are Variable Rate Bonds and are Direct Purchase Bonds purchased by the bank providing such Revolver; and

**WHEREAS**, the County previously has determined that Revolvers will assist the County in achieving its goals of eliminating negative arbitrage in project funds, minimizing costs associated with undrawn balances, achieving the lowest rate available in the current short-term market and mitigating structural, credit, liquidity and operational risk; and

**WHEREAS**, the County previously has determined to enter into an agreement with PNC Bank, National Association (“PNC”) pursuant to which PNC provides a Revolver to the County (the “PNC Revolver”) in an amount not to exceed \$175,000,000, which Revolver was extended for a one-year period in November, 2022 and is currently scheduled to mature on January 1, 2024; and

**WHEREAS**, Advances drawn pursuant to the PNC Revolver are secured by the Trust Indenture dated as of October 1, 2014 (as amended by the first and second amendments thereto, the “2014D Indenture”) between the County and Amalgamated Bank of Chicago, as trustee), securing the County’s \$125,000,000 General Obligation Bonds, Series 2014D (the “2014D Bonds”) and \$50,000,000 General Obligation Bonds, Series 2018 (the “2018 Bonds” and, together with the 2014D Bonds, the “Bonds”) in accord with such financial policies as are approved by the Board and contained within the annual budget resolutions; and

**WHEREAS**, the Board has determined that it is in the best interests of the County and its taxpayers and residents to extend the maturity of the Bonds for an additional term, not to exceed ten (10) years from their current maturity date, at the current maximum authorized principal amount of \$175,000,000, and to extend the term of the PNC Revolver as described below; and

**WHEREAS**, the Board hereby expressly determines that it is advisable and necessary to (a) extend the maturity date of the Bonds to a date no later than January 1, 2034, (b) enter into the Third Amendment to Indenture (the “Third Amendment”), the form of which has been prepared and is present at this meeting to effect the maturity date extension and other provisions, (c) to enter into an agreement to extend with PNC for up to three years and execute any related documents (collectively, the “PNC Revolver Agreements”) in forms approved by the Chief Financial Officer of the County (the “Chief Financial Officer”) pursuant to which PNC will provide and extend the PNC Revolver to the County the \$175,000,000.00 principal amount contemplated by this Ordinance, and (d) after the term specified in (c) above, to the extent the Chief Financial Officer deems necessary and advisable at that time, to further extend the PNC Revolver Agreements with the County at the \$175,000,000 principal amount contemplated by this Ordinance up to the date of Bond maturity and in forms approved the Chief Financial Officer thereafter through the date of maturity.

**NOW THEREFORE BE IT ORDAINED**, by the Board of Commissioners of The County of Cook, Illinois, as follows:

**Sec. 1. Amendment to Final Maturity Date for Revolver.**

The first paragraph of Section 4 of the Fifth Amending Ordinance is hereby amended and restated as follows:

“The final maturity date for any Revolver including any renewals of any such Revolver shall not be later than January 1, 2034 and the interest rate borne on any Advance shall not exceed 10%.”

**Sec. 2. Revolvers, Advances and the PNC Revolver Agreement.**

The Chief Financial Officer is hereby authorized, on behalf of the County to approve the final provisions of the PNC Revolver Agreements consistent with this Ordinance which may include, but are not limited to provisions on fees, covenants, indemnification of PNC and its related entities and each of their respective directors, officers and employees, events of default, remedies, interest rates on Advances, repayment terms for Advances and conditions precedent to Advances, and the payment of the costs of issuance of the 2014D and 2018 Bonds from Advances. The PNC Revolver shall have a maximum principal stated amount of not to exceed \$175,000,000, shall be up to three years' duration and shall have the terms as set forth in the PNC Revolver Agreements. The Chief Financial Officer is hereby authorized, on behalf of the County, to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the PNC Revolver Agreements. The final maturity date for any Revolver including the term of any renewals thereof shall not be later than January 1, 2034, and the interest rate born on any Advance shall not be more than 10% per annum.

The President, the Chief Financial Officer, the Deputy Chief Financial Officer of the County, the Comptroller of the County and the Deputy Comptroller of the County (each, an "*Authorized Officer*") are each, jointly or collectively as provided herein, authorized to execute on behalf of the County any documents relating to Advances, the PNC Revolver and the PNC Revolver Agreements; provided however, that any requests for Advances and other documents relating to requests for Advances, as amended (including, but not limited to the forms as set forth as Exhibits B-D to the Indenture) must be signed by any two of the Authorized Officers. In addition, after the up to three year term specified above, to the extent the Chief Financial Officer deems necessary and advisable at that time, the Chief Financial Officer is authorized to further extend the PNC Revolver Agreements with the County at the \$175,000,000 principal amount contemplated by this Ordinance up to the date of Bond maturity and in forms approved by the Chief Financial Officer thereafter through the date of maturity.

### **Sec. 3. Indenture Amendment.**

The Chief Financial Officer is hereby authorized, on behalf of the County to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the Third Amendment. The Third Amendment shall be in substantially the form present at this meeting and attached as *Exhibit A* and hereby approved. The Chief Financial Officer's execution of the Third Amendment will constitute conclusive evidence that the executed Third Amendment is in substantially the form present at this meeting.

The Authorized Officers are each, jointly or collectively as provided herein, authorized to execute on behalf of the County any documents relating to the Indenture and the Third Amendment; provided however, that any requests for Advances and other documents relating to requests for Advances, as amended (including, but not limited to the forms as set forth as Exhibits B-D to the Indenture) must be signed by any two of the Authorized Officers.

### **Sec. 4. Declaration of Intent.**

The County has adopted its Resolution and Annual Appropriation Bill for the Fiscal Year 2024 (including, all Volumes of the FY2024 Cook County Annual Appropriation Bill related thereto, the “*2024 Budget Resolution*”) on November 16, 2023 which is incorporated by reference herein. Previously, the County adopted its Resolution and Annual Appropriation Bill for the Fiscal Year 2023 (including all Volumes of the FY2023 Cook County Annual Appropriation Bill related thereto (the “*2023 Budget Resolution*”) on November 17, 2022, which is incorporated by reference herein. The County expects to incur significant costs for the capital equipment, capital improvements and transportation and highway capital equipment referenced specifically in the 2024 Budget Resolution, which are hereby incorporated by reference herein, and which conform to the definition of Capital Projects in the Master Bond Ordinance, and has incurred significant costs for the capital equipment, capital improvements and transportation and highway capital equipment referenced specifically in the 2023 Budget Resolution, which are hereby incorporated by reference herein and which conform to the definition of Capital Projects in the Master Bond Ordinance (collectively and in the aggregate, the “*Capital Improvements*”). The County has determined that it intends to finance all or a portion of the cost of the Capital Improvements with the proceeds of obligations the interest on which is excludable from gross income for federal income tax purposes (“tax-exempt bonds”). Except to the extent authorized under the federal tax regulations by the 2023 Budget Resolution or other official intent action of the County, no costs of the Capital Improvements to be so financed or reimbursed were paid more than 60 days prior to the date of this Ordinance, other than preliminary expenditures (not exceeding 20% of the aggregate issue price of the tax-exempt bonds issued to finance the Capital Improvements), provided that such preliminary expenditures shall not include costs of land acquisition or site preparation or other costs of construction or acquisition of the Capital Improvements. The County hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds (the “*Reimbursement Bonds*”) to reimburse itself for expenditures for costs of the Capital Improvements. The County intends that the Reimbursement Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Capital Improvements are placed in service, but in any event, no later than three years after the date the original expenditure was paid. The County anticipates that the maximum principal amount of Bonds issued to finance the Capital Improvements, including Reimbursement Bonds, will not exceed \$400,000,000.00. The costs of the Capital Improvements consist entirely of capital expenditures or costs of issuance of tax-exempt bonds, and no cost of the Capital Improvements to be reimbursed with the proceeds of the Reimbursement Bonds is a cost of working capital. The appropriate officers of the County are hereby authorized and directed to take or approve the taking of such actions as may be necessary or appropriate in order to preserve the ability of the County to finance the Capital Improvements in accordance with the federal tax regulations and this Ordinance. The County will not, at any time within one year after any allocation of proceeds of the Reimbursement Bonds to reimburse any expenditure, use the reimbursed funds to create a sinking fund for any issue of tax-exempt bonds to otherwise replace the proceeds of any issue of tax-exempt bonds.

The County recognizes that, following the expiration of the authority and official intent referenced in this Section 4, additional intent actions may need to be taken by the County in connection with the issuance of additional Reimbursement Bonds to reimburse itself for additional capital expenditures.

**Sec. 5. Miscellaneous.** The form of the 2014D Indenture, as amended by the Third Amendment, is hereby ratified and approved. Notwithstanding anything heretofore in the Master Bond Ordinance to the contrary, the Bonds shall be dated as provided in the 2014D Indenture, as amended by the Third

Amendment.

**Sec. 6. Prior Inconsistent Proceedings.**

All ordinances, resolutions, motions or orders, or parts thereof, in conflict with the provisions of this Ordinance, are to the extent of such conflict hereby repealed.

**Effective date:** This ordinance shall be in effect immediately upon adoption and upon the obtaining of any consents required by the Master Bond Ordinance, as amended hereby.

**A motion was made by Commissioner Britton, seconded by Commissioner Trevor, to recommend for approval 23-5720. The motion carried by the following vote:**

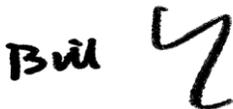
**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

**ADJOURNMENT**

**A motion was made by Commissioner Deer, seconded by Commissioner Britton, to adjourn the meeting. The motion carried by the following vote:**

**Ayes:** Chairman Daley, Vice Chairman Lowry, Commissioners Aguilar, Anaya, Britton, Deer, Degnen, Gainer, Gordon, Miller, Moore, Morita, K. Morrison, S. Morrison, Quezada, Stamps, and Trevor (17)

Respectfully submitted,



Vice-Chairman



Secretary

A complete record of this meeting is available at <https://cook-county.legistar.com>.