



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details (With Text)

File #:	23-5694	Version:	1	Name:	Hotel Amendment - Board Item 11.2023
Type:	Ordinance Amendment	Status:		Status:	Approved
File created:	11/2/2023	In control:		In control:	Finance Committee
On agenda:	11/16/2023	Final action:		Final action:	12/14/2023
Title:	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 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.

Sponsors:

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, MAGGIE TREVOR

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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12/14/2023	1	Board of Commissioners	approve	Pass
12/13/2023	1	Finance Committee		
11/16/2023	1	Board of Commissioners	refer	Pass

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(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.

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