



# Board of Commissioners of Cook County

118 North Clark Street  
Chicago, IL

## Legislation Details

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|----------------------|------------------------------|----------------------|---|--------------|---|
| <b>File #:</b>       | 15-1045                      | <b>Version:</b>      | 1 | <b>Name:</b> | PROPOSED ORDINANCE AMENDMENT ARTICLE VII. - USE TAX |
| <b>Type:</b>         | Ordinance Amendment          | <b>Status:</b>       |   |              | Approved  |
| <b>File created:</b> | 1/6/2015                     | <b>In control:</b>   |   |              | Board of Commissioners                              |
| <b>On agenda:</b>    | 1/21/2015                    | <b>Final action:</b> |   |              | 1/21/2015   |
| <b>Title:</b>        | PROPOSED ORDINANCE AMENDMENT |                      |   |              |   |

### ARTICLE VII. - USE TAX

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74, Taxation, Article VII., Use Tax, Sections 74-271 and 74-273 of the Cook County Code are hereby amended as follows:

#### 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.

Contrivance [sic].

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.

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.

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 means the consideration received for a motor vehicle valued in money, whether received in money or otherwise, including cash, credits, service, or property; but not including the value of or credit given for traded-in tangible personal property where the item that is traded-in is of like kind and character as that which is being sold, and selling price shall be determined without any deduction on account of the cost of the property sold, the cost of materials used, labor or service cost or any similar expense.

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. 74-273. - Purchaser paying tax directly to department.

(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 who did not file returns with the Department as a retailer under Section 74-275276, such purchaser or user shall, by the last day of calendar month in which such purchase was made, file and return with the Department 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 last day of the calendar month in which such property reverts to the use of such lessor, file a return with the Department and pay the tax imposed by this article upon the fair market value of such property on the date of reversion.

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

(d) A purchaser or user who is liable to pay use tax directly to the Department only occasionally and not on a frequent recurring basis, and who is not required to file returns with the Department as a retailer under Section 74-275276 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; except that such a purchaser or user shall not be entitled to the two percent discount provided in Section 74-275 on any remittance, when such purchaser or user could have paid the tax to the retail seller of the property who was a registered tax collector for the County, instead of remitting the use tax directly to the Department.

Effective date: This ordinance shall be in effect January 1, 2015

**Sponsors:** TONI PRECKWINKLE (President)

**Indexes:**

**Code sections:**

**Attachments:**

| Date      | Ver. | Action By              | Action            | Result |
|-----------|------|------------------------|-------------------|--------|
| 1/21/2015 | 1    | Board of Commissioners | suspend the rules | Pass   |
| 1/21/2015 | 1    | Board of Commissioners | approve           | Pass   |