Legislation Details (With Text)

File #:	15-5308	**Version:** 1	**Name:**	Service Occupation Tax	
Type:	Ordinance Amendment		**Status:**	Filed	
File created:	9/3/2015		**In control:**	Finance Committee	
On agenda:	9/9/2015		**Final action:**	11/21/2018	
Title:	PROPOSED ORDINANCE AMENDMENT				

COOK COUNTY SERVICE OCCUPATION TAX

WHEREAS, just two short years ago, the President and the Cook County Board of Commissioners made good on the pledge to taxpayers and businesses by repealing the last .25% of the so-called 'Stroger sales tax'; and
WHEREAS, the decision and votes to cut taxes on everyday items a majority of residents need to help working families, toothpaste, milk, baby formula and other everyday necessities, was made as a means of lessening the burden on them and stimulating the economy; and
WHEREAS, the tax rollback fulfilled a pledge we made to businesses that were concerned their customers would buy goods outside Cook County and as such, not only benefited Cook County shoppers, but also the retailers that serve them; and
WHEREAS, economic development also benefited as the tax climate is one of the many variables that businesses consider when deciding where to create jobs; and
WHEREAS, the cumulative effect of the sales tax rollback yielded roughly $440 million in annual savings for taxpayers; and
WHEREAS, a sales tax is recognized as an inherently regressive tax that disproportionately impacts the least fortunate among us; and
WHEREAS, the same arguments and reasoning used to gather support and passage of the rollback of the regressive sales tax are just as valid today as they were then; and
WHEREAS, the recent decision to reinstate the 1% sales tax increase in its entirety restores these same burdens on Cook County residents, families and businesses that compelled the Board to roll back this tax in the first place; and
WHEREAS, given that the proposed 2016 budget has yet to be introduced, raising the sales tax was a premature burdening of our taxpayers with hundreds of millions of dollars in new taxes each and every year into perpetuity; and
WHEREAS, as a result of this action, Cook County consumers and visitors are facing a nation-leading sales tax of between 10.25 percent and 11.25 percent. The highest rate, 11.25 percent, would be paid by consumers in the Metropolitan Pier and Exposition Authority area, which makes up most of the City of Chicago's core; and
WHEREAS, this access to a massive influx of new taxpayer dollars will only serve to lessen pressure on the administration of the President and on the Board to continue to seek ways to improve the efficiency, transparency and operations of Cook County government; and
WHEREAS, in order to preserve the impetus and maintain the pressure to continue to reform county government and reaffirm that there is more that needs to be done, and done soon, this Honorable Body should take a proactive approach and commit to roll back this most recent sales tax increase;
NOW, THEREFORE BE IT ORDAINED, by the President and the Cook County Board of Commissioners that Chapter 74, TAXATION, Article V. - SERVICE OCCUPATION TAX, Sections 74-190 through 74-192 be amended as follows:
ARTICLE V. - SERVICE OCCUPATION TAX
Sec. 74-190. - Short title.
This article shall be known and may be cited as the Cook County Home Rule County Service Occupation Tax Ordinance.
Sec. 74-191. - Imposed.
As authorized by 55 ILCS 5/5-1007 (home rule county service occupation tax law), a tax is imposed Countywide upon all persons in the County engaged in the business of making sales of service at the

rate of one and one-quarter percent (1.25%) through December 31, 2011; one percent (1%) for the period of January 1, 2012 through December 31, 2012;and three-quarters percent (0.75%) for the period of January 1, 2013 through December 31, 2015; one and three-quarters percent (1.75%) for the period of January 1, 2016 through December 31, 2016; one and one-quarter percent (1.25%) for the period of January 1, 2017 through December 31, 2017; and three-quarters percent (.75%) thereafter of the selling price of all tangible personal property transferred by such serviceperson either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. The tax shall be paid in the manner provided in such statute.
Sec. 74-192. - Notification of the Illinois Department of Revenue.
The Clerk of the Board is hereby authorized and directed to obtain and transmit a certified copy of this Ordinance to the Illinois Department of Revenue not later than five days after its effective date, and in no case later than October 1, 20112015 so as to enable the Illinois Department of Revenue to proceed to administer and enforce the modifications provided in this Ordinance, on behalf of the County of Cook, as of January 1, 2012 and on January 1, 2013 January 1, 2016.
Secs. 74-193-74-229. - Reserved.

Effective date: This ordinance shall be in effect immediately upon adoption except that the rate increase in Section 74-191 shall not take effect until January 1, 2016.

Sponsors: JOHN A. FRITCHEY, RICHARD R. BOYKIN, TIMOTHY O. SCHNEIDER, LARRY SUFFREDIN

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
11/21/2018	1	Board of Commissioners	receive and file	
10/28/2015	1	Finance Committee		
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9/9/2015	1	Board of Commissioners	refer	Pass

PROPOSED ORDINANCE AMENDMENT

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