Legislation Details (With Text)

File #:	16-2566	**Version:** 1	**Name:**	SPECIAL USE GASOLINE AND FUEL TAX
Type:	Ordinance Amendment		**Status:**	Filed
File created:	4/4/2016		**In control:**	Finance Committee
On agenda:	4/13/2016		**Final action:**	11/21/2018
Title:	PROPOSED ORDINANCE AMENDMENT			

SPECIAL USE GASOLINE AND FUEL TAX

WHEREAS, the 1970 Illinois Constitution, Article VII, Section 6 designates Cook County as a Home Rule Unit of Government; and,

WHEREAS, Cook County may exercise powers and perform functions as they relate to government, including the authority to regulate for the protection of the public health, safety, morals and welfare, and including taxation; and,

WHEREAS, pursuant to the Home Rule Unit authority, this Board is empowered to make necessary changes to the Laws and Ordinances of Cook County; and,

WHEREAS, the taxation power is best employed when the revenue from the imposed taxes are used to improve health, welfare and economic outcomes for the men, women, and children that Cook County is charged with serving; and,

WHEREAS, too many of the districts and neighborhoods in Cook County suffer from high levels of poverty and unemployment, placing great strain on the budget, resources, and operations of Cook County government; and,

WHEREAS, poverty and unemployment are demonstrably linked to increased crime, gang activity, drug use, and alcoholism; and,

WHEREAS, widespread poverty contributes to widespread physical and mental health challenges, the cost of which is borne by every resident of Cook County; and,

WHEREAS, unemployment levels in certain neighborhoods of Cook County exceed 20%, leading to a host of societal consequences including violence, proliferation of the sale and use of illegal narcotics, and housing and food insecurity; and,

WHEREAS, all of the above stated consequences of unemployment strain the court system, jail, health and hospitals system, and law enforcement units operating under the auspices of Cook County government; and,

WHEREAS, the proceeds of this tax will be exclusively dedicated to the implementation of four separate and related Cook County initiatives set forth via ordinance and designed to strengthen and stabilize neighborhoods in Cook County with high levels of poverty and unemployment, namely: (1) Cook County Jobs Council; (2) Cook County Parenting to Prevent Violence Initiative; (3) Cook County Office for People with Disabilities; (4) Cook County Community Policing Initiative;

NOW THEREFORE, BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 7 - Taxation, Article XII - Gasoline and Fuel Tax, Sections 74-472, 74-483, and 74-484 of the Cook County Code are amended as follows:

ARTICLE XII. - GASOLINE AND DIESEL FUEL TAX

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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 fuel at the rate of $0.06 per gallon or fraction thereof. The tax is to be paid by the purchaser, and nothing in this Article shall be construed to impose a tax upon the occupation of distributors, suppliers or retail dealers.

(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 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 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 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 fuel to:

(1) A retail dealer doing business in the County;

(2) A consumer who purchases gasoline, diesel fuel, biodiesel fuel or gdiesel 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.

[(d) Reserved.] (d) Special Use Tax. A tax in addition to the tax imposed by Sec. 74-472(a) is hereby imposed on the retail sale of gasoline, diesel fuel, biodiesel fuel, and gdiesel fuel at the rate of $0.04 per gallon or fraction thereof. The additional revenue derived from this tax shall be used exclusively pursuant to Sec. 74-483 of this title and the continued existence of this tax shall be governed by Sec. 74-484 of this title. 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 fuel, or to otherwise absorb the tax.

(e) Any Gas Distributor or supplier of gasoline, diesel fuel, biodiesel fuel or gdiesel 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.

(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.

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Sec. 74-483 - Proceeds from the Special Use Tax

(a) The proceeds from the tax imposed in Sec. 74-472(d) shall be dedicated to the implementation of four separate and related Cook County initiatives set forth via ordinance and designed to strengthen and stabilize neighborhoods in Cook County with high levels of poverty and unemployment, namely: (1) Cook County Jobs Council; (2) Cook County Parenting to Prevent Violence Initiative; (3) Cook County Office for People with Disabilities; (4) Cook County Community Policing Initiative;

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Sec. 74-484 -Expiration of the Special Use Tax

The tax imposed in Sec. 74-472(d) shall expire at such time when the average price of gasoline reaches $5.00 per gallon less the rate of the Special Use Tax and that average price is sustained for a period of thirty (30) consecutive days. The tax rate imposed by Sec. 74-472(a) will remain effective upon the expiration of the Special Use Tax. Once the tax imposed in Sec. 74-472(d) expires, it shall only be renewed by an amendment to this title by the Cook County Board of Commissioners.

Amendments to Secs. 74-472(d), 74-483, and 74-484 will become effective on June 1, 2016 or upon passage and publication, whichever date is later.

Effective date: This ordinance shall be in effect on June 1, 2016 or upon passage and publication, whichever date is later.

Sponsors: RICHARD R. BOYKIN

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
11/21/2018	1	Board of Commissioners	receive and file	
5/11/2016	1	Finance Committee	recommend for deferral	Pass
4/13/2016	1	Board of Commissioners	refer	Pass

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