

# SB0574



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

SB0574

Introduced 2/8/2011, by Sen. John J. Cullerton

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-3-13

from Ch. 24, par. 8-3-13

Amends the Illinois Municipal Code. Makes a technical change in a Section concerning a hotel tax imposed by municipalities of 500,000 or more population.

LRB097 04338 KMW 44377 b

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 8-3-13 as follows:

6 (65 ILCS 5/8-3-13) (from Ch. 24, par. 8-3-13)

7 Sec. 8-3-13. The ~~The~~ corporate authorities of any  
8 municipality containing 500,000 or more inhabitants may impose  
9 a tax prior to July 1, 1969, upon all persons engaged in the  
10 municipality in the business of renting, leasing or letting  
11 rooms in a hotel, as defined in the Hotel Operators' Occupation  
12 Tax Act, at a rate not to exceed 1% of the gross rental  
13 receipts from the renting, leasing or letting, excluding,  
14 however, from gross rental receipts, the proceeds of the  
15 renting, leasing or letting to permanent residents of that  
16 hotel and proceeds from the tax imposed under subsection (c) of  
17 Section 13 of the Metropolitan Pier and Exposition Authority  
18 Act.

19 The tax imposed by a municipality under this Section and  
20 all civil penalties that may be assessed as an incident thereof  
21 shall be collected and enforced by the State Department of  
22 Revenue. The certificate of registration that is issued by the  
23 Department to a lessor under the Hotel Operators' Occupation

1 Tax Act shall permit the registrant to engage in a business  
2 that is taxable under any ordinance or resolution enacted under  
3 this Section without registering separately with the  
4 Department under the ordinance or resolution or under this  
5 Section. The Department shall have full power to administer and  
6 enforce this Section; to collect all taxes and penalties due  
7 hereunder; to dispose of taxes and penalties so collected in  
8 the manner provided in this Section; and to determine all  
9 rights to credit memoranda arising on account of the erroneous  
10 payment of tax or penalty hereunder. In the administration of  
11 and compliance with this Section, the Department and persons  
12 who are subject to this Section shall have the same rights,  
13 remedies, privileges, immunities, powers and duties, and be  
14 subject to the same conditions, restrictions, limitations,  
15 penalties and definitions of terms, and employ the same modes  
16 of procedure, as are prescribed in the Hotel Operators'  
17 Occupation Tax Act and the Uniform Penalty and Interest Act, as  
18 fully as if the provisions contained in those Acts were set  
19 forth herein.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the warrant to be drawn for the  
24 amount specified, and to the person named, in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Illinois tourism tax fund.

1           Persons subject to any tax imposed under authority granted  
2 by this Section may reimburse themselves for their tax  
3 liability for that tax by separately stating the tax as an  
4 additional charge, which charge may be stated in combination,  
5 in a single amount, with State tax imposed under the Hotel  
6 Operators' Occupation Tax Act.

7           The Department shall forthwith pay over to the State  
8 Treasurer, ex-officio, as trustee, all taxes and penalties  
9 collected hereunder. On or before the 25th day of each calendar  
10 month, the Department shall prepare and certify to the  
11 Comptroller the disbursement of stated sums of money to named  
12 municipalities from which lessors have paid taxes or penalties  
13 hereunder to the Department during the second preceding  
14 calendar month. The amount to be paid to each municipality  
15 shall be the amount (not including credit memoranda) collected  
16 hereunder during the second preceding calendar month by the  
17 Department, and not including an amount equal to the amount of  
18 refunds made during the second preceding calendar month by the  
19 Department on behalf of the municipality, less 4% of the  
20 balance, which sum shall be retained by the State Treasurer to  
21 cover the costs incurred by the Department in administering and  
22 enforcing the provisions of this Section, as provided herein.  
23 The Department, at the time of each monthly disbursement to the  
24 municipalities, shall prepare and certify to the Comptroller  
25 the amount so retained by the State Treasurer, which shall be  
26 paid into the General Revenue Fund of the State Treasury.

1           Within 10 days after receipt by the Comptroller of the  
2           disbursement certification to the municipalities and the  
3           General Revenue Fund provided for in this Section to be given  
4           to the Comptroller by the Department, the Comptroller shall  
5           cause the warrants to be drawn for the respective amounts in  
6           accordance with the directions contained in the certification.

7           Nothing in this Section shall be construed to authorize a  
8           municipality to impose a tax upon the privilege of engaging in  
9           any business that, under the Constitution of the United States,  
10          may not be made the subject of taxation by this State.

11          An ordinance or resolution imposing a tax hereunder or  
12          effecting a change in the rate thereof shall be effective on  
13          the first day of the calendar month next following the  
14          expiration of the publication period provided in Section 1-2-4  
15          in respect to municipalities governed by that Section.

16          The corporate authorities of any municipality that levies a  
17          tax authorized by this Section shall transmit to the Department  
18          of Revenue on or not later than 5 days after the effective date  
19          of the ordinance or resolution a certified copy of the  
20          ordinance or resolution imposing the tax; whereupon, the  
21          Department of Revenue shall proceed to administer and enforce  
22          this Section on behalf of the municipality as of the effective  
23          date of the ordinance or resolution. Upon a change in rate of a  
24          tax levied hereunder, or upon the discontinuance of the tax,  
25          the corporate authorities of the municipality shall, on or not  
26          later than 5 days after the effective date of the ordinance or

1 resolution discontinuing the tax or effecting a change in rate,  
2 transmit to the Department of Revenue a certified copy of the  
3 ordinance or resolution effecting the change or  
4 discontinuance. The amounts disbursed to any municipality  
5 under this Section shall be expended by the municipality solely  
6 to promote tourism, conventions and other special events within  
7 that municipality or otherwise to attract nonresidents to visit  
8 the municipality.

9 Any municipality receiving and disbursing money under this  
10 Section shall report on or before the first Monday in January  
11 of each year to the Advisory Committee of the Illinois Tourism  
12 Promotion Fund, created by Section 12 of the Illinois Promotion  
13 Act. The reports shall specify the purposes for which the  
14 disbursements were made and shall contain detailed amounts of  
15 all receipts and disbursements under this Section.

16 This Section may be cited as the Tourism, Conventions and  
17 Other Special Events Promotion Act of 1967.

18 (Source: P.A. 87-205; 87-733; 87-895.)