

**CHAPTER 34**  
**OCCUPATION AND OTHER TAXES**

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**34.01 MUNICIPAL RETAILERS OCCUPATION TAX**

A. **REQUIRED TAX:** A tax is hereby imposed upon all persons engaged in this municipality in the business of selling tangible personal property at retail in this Village at the rate of one percent of the gross receipts from such sales made in the course of such business while this Section 34.01 is in effect, in accordance with the provisions of 65 ILCS 5/8-11-1.3, as amended.

B. **REPORT TO STATE:** Every such person engaged in such business in the Village shall file on or before the 15th day of each calendar month, the report to the Illinois Department of Revenue as required by 35 ILCS 120/3, "An Act in relation to a tax upon persons engaged in the business of selling tangible personal property."

C. **PAYMENT TO STATE:** At the time such report is filed, there shall be paid to the Illinois Department of Revenue the amount of tax hereby imposed on account of the receipts from sales of tangible personal property during the proceeding month, together with any penalties then due, if any, and such other information as may be required by 35 ILCS 120/3.

**34.02 MUNICIPAL SERVICE OCCUPATION TAX**

A. **REQUIRED TAX:** A tax is hereby imposed upon all persons engaged in this Village in the business of making sales of service at the rate of one percent of the cost price of all tangible personal property transferred by said servicemen either

in the form of tangible personal property or in the form of real estate as an incident to a sale of service, in accordance with the provisions of 65 ILCS 5/8-1-1.4, as amended.

B. REPORT TO STATE: Every supplier or serviceman required to account for Municipal Service Occupation Tax for the benefit of this Village shall file, on or before the last day of each calendar month, the report to the Illinois Department of Revenue as required by 35 ILCS 115/9, "An Act to impose a tax upon persons engaged in the business of making sales of service."

C. PAYMENT TO STATE: At the time such report is filed, there shall be paid to the Illinois Department of Revenue the amount of tax hereby imposed together with any penalties then due and such other information as may be required.

### **34.03 MUNICIPAL USE TAX**

A. REQUIRED TAX: A tax is hereby imposed upon the privilege of using, in the Village, any item of tangible personal property which is purchased outside Illinois at retail from a retailer, and which is titled or registered with any agency of this State's government, at a rate of one percent of the selling price of such tangible personal property, as "selling price" is defined in 35 ILCS 105/2, the "Use Tax Act."

B. REPORT TO STATE: Such tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the Village. Such tax shall be collected by the Illinois Department of Revenue.

### **34.04 UTILITY AND USE TAX**

#### **34.04.A.1 ELECTRICITY TAX**

A. Definitions. For purposes of the tax imposed by this Section, the following terms shall be defined as follows:

**Person:** Any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, limited liability company, municipal corporation, the State or any of its political subdivisions, any State university created by statute, or any receiver, trustee, guardian or other representative appointed by any order of court.

**Person Maintaining a Place of Business in this State:** Any person having or maintaining within this State, directly or by a subsidiary or other affiliate, an office, generation facility, distribution facility, transmission facility, sales office or other place of business, or any employee, agent, or other representative operating within this State under the authority of the person or its subsidiary or other affiliate, irrespective of whether such place of business or agent or other representative is located in this State permanently or temporarily, or whether such person, subsidiary or other affiliate is licensed or qualified to do business in this State.

**Purchase at Retail:** Any acquisition of electricity by a Purchaser for purposes of use or consumption, and not for resale, but shall not include the use of electricity by a public utility, as defined in 65 ILCS 5/8-11-2, directly in the generation, production, transmission, delivery, or sale of electricity.

**Purchaser:** Any person who uses or consumes, within the corporate limits of the Village, electricity acquired in a purchase at retail.

B. Municipal Utility Tax Imposed on Use or Consumption of Electricity.

1. Pursuant to Section 8-11-2 of the Illinois Municipal Code (65 ILCS 5/8-11-2), as may be subsequently amended, the Village imposes a tax upon the privilege of using or consuming electricity acquired in a Purchase at Retail and used or consumed within the corporate limits of the Village at the following rates, calculated on a monthly basis for each Purchaser:
  - a. For the first 2,000 kilowatt-hours used or consumed in a month; \$0.00610 per kilowatt-hour;
  - b. For the next 48,000 kilowatt-hours used or consumed in a month; \$0.00400 per kilowatt-hour;
  - c. For the next 50,000 kilowatt-hours used or consumed in a month; \$0.00360 per kilowatt-hour;

- d. For the next 400,000 kilowatt-hours used or consumed in a month; \$0.00350 per kilowatt-hour;
  - e. For the next 500,000 kilowatt-hours used or consumed in a month; \$0.00340 per kilowatt-hour;
  - f. For the next 2,000,000 kilowatt-hours used or consumed in a month; \$0.00320 per kilowatt-hour;
  - g. For the next 2,000,000 kilowatt-hours used or consumed in a month; \$0.00315 per kilowatt-hour;
  - h. For the next 5,000,000 kilowatt-hours used or consumed in a month; \$0.00310 per kilowatt-hour;
  - i. For the next 10,000,000 kilowatt-hours used or consumed in a month; \$0.00305 per kilowatt-hour;
  - j. For all electricity used or consumed in excess of 20,000,000 kilowatt-hours in a month, \$0.00300 per kilowatt-hour.
- 2. This tax is in addition to all other taxes, fees, and other revenue measures imposed by the Village, the State of Illinois, or any other political subdivision of the State.
  - 3. This tax shall be imposed with respect to the use or consumption of electricity by Purchasers beginning with the first bill issued on or after January 1, 2018.
  - 4. The use or consumption of electricity within the Village by units of local government or school districts shall be exempt from the tax imposed under this Section.
  - 5. Notwithstanding any other provision of this Section, the tax shall not be imposed if and to the extent that imposition or collection of the tax would violate the Constitution or statutes

of the United States or the Constitution of the State of Illinois.

C. Collection of Electricity Tax.

1. Subject to the provision of subsection (E) of this Section, the tax imposed by this Section shall be collected from Purchasers by the Person Maintaining a Place of Business in this State who delivers electricity to such Purchasers. This tax shall constitute a debt of the Purchaser to the Person that delivers the electricity to the Purchaser and is recoverable at the same time and in the same manner as the original charge for delivering the electricity.
2. Any tax required to be collected pursuant to this Section, and any tax in fact collected, shall constitute a debt owed to the Village by the Person delivering the electricity, provided, however, that the Person delivering electricity shall be allowed credit for such tax related to deliveries of electricity, the charges for which are written off as uncollectible, and provided further that if such charges are thereafter collected, the delivering supplier shall be obligated to remit such tax.
3. Persons delivering electricity shall collect the tax from the Purchaser by adding such tax to the gross charge for delivering the electricity. Persons delivering electricity shall also be authorized to add to such gross charge an amount equal to 3% of the tax they collect to reimburse them for their expenses incurred in keeping records, billing customers, preparing and filing returns, remitting the tax and supplying data to the Village upon request. For the purposes of this Section, any partial payment of a billed amount not specifically identified by the Purchaser shall be deemed to be for the delivery of electricity.

D. Tax Remittance and Return.

1. Every Person Maintaining a Place of Business in this State who delivers electricity to a

Purchaser in accordance with the Section shall, on a monthly basis, file a return in a form prescribed by the Village Treasurer. The return and accompanying remittance shall be due on or before the last day of the month following the month during which the tax is collected or is required to be collected under subsections (B) and (C) of this Section.

2. If the Person delivering electricity fails to collect the tax from the Purchaser or is excused from collecting the tax under subsection (E) of this Section, then the Purchaser shall file a return in a form prescribed by the Village Treasurer and pay the tax directly to the Village Treasurer on or before the last day of the month following the month during which the electricity is used or consumed.

E. Resales.

1. Electricity that is delivered to a Person in the Village shall be considered to be for use and consumption by that person unless the person receiving the electricity has an active resale number issued by the Village Treasurer and furnishes that number to the person who delivers the electricity, and certifies to that person that the sale is either entirely or partially nontaxable as a sale for resale.
2. If a Person who receives electricity in the Village claims to be an authorized reseller of electricity, that person shall apply to the Village Treasurer for a resale number. The applicant shall state facts showing why it is not liable for the tax imposed by this Section on any purchases of electricity and shall furnish such additional information as the Village Treasurer may reasonably require.
3. Upon approval of the application, the Village Treasurer shall assign a resale number to the applicant and shall certify the number to the applicant.

4. The Village Treasurer may cancel the resale number of any Person if the Person fails to pay any tax payable under this Section for electricity used or consumed by the Person, or if the number was either (1) obtained through misrepresentation, or (2) no longer necessary because the Person has discontinued making resales.
5. If a reseller had acquired electricity partly for use or consumption and partly for resale, the reseller shall pay the tax imposed by this Section directly to the Village Treasurer pursuant to subsection (D) (2) of this section on the amount of electricity that the reseller uses or consumes, and shall collect the tax pursuant to subsection (D) and remit the tax pursuant to subsection (D) (1) of this section to the Village Treasurer on the amount of electricity delivered by the reseller to the Purchaser.
6. Any person who delivers electricity to a reseller having an active resale number and complying with all other conditions in this Section, shall be excused from collecting and remitting the tax on any portion of the electricity delivered to the reseller, provided that the Person reports the total amount of electricity delivered to the reseller, and such other information that the Village Treasurer may reasonably require.

F. Books and Records. Every Person Maintaining a Place of Business in this State who delivers electricity to a Purchaser and every taxpayer required to pay the tax imposed by this Section, shall keep and maintain accurate books and records of its business or activity, including contemporaneous books and records denoting the transactions that gave rise, or may have given rise, to any tax liability under this Section. Those books and records shall be subject to and available for inspection at all times during business hours of the day.

G. Credits and Refunds. Notwithstanding any other provision of this Section, in order to permit sound fiscal planning and budgeting to the Village, no person shall be entitled to a refund or, or credit for, a tax imposed under this Section unless the person files a claim for refund or credit within one year after the date on which the tax was paid or remitted.

H. Penalty: Any taxpayer who fails to make a return, or who makes a fraudulent return, or who willfully violates any other provision of this section is guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than one hundred dollars (\$100) nor more than seven hundred fifty dollars (\$750) and in addition shall be liable in an administrative or civil action for the amount of tax due.

I. Further Remedies. Nothing in this Section shall be construed as limiting any additional or further remedies that the Village may have for enforcement of this Section.

J. Copies for the Affected Utilities. The Village Clerk is hereby directed to send a certified copy of this ordinance to each utility company affected by this ordinance.

#### **34.04.A.2. MUNICIPAL GAS USE TAX**

A. Short Title. The tax imposed by this Section shall be known as the "Municipal Gas Use Tax" and is imposed in addition to all other taxes imposed by the Village of Lake in the Hills, the State of Illinois, or any other municipal corporation or political subdivision thereof.

B. Definition. For the purpose of this Section, the following definitions shall apply:

1. "**Person**" means any individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, municipal corporation or political subdivision of this state, or a receiver, trustee, conservator or other representative appointed by order of any court.
2. "**Public Utility**" means a public utility as defined in Section 3-105 of the Public Utilities Act.
3. "**Public Utilities Act**" means the Public Utilities Act as amended, (220 ILCS 5/1-101 et seq.).
4. "**Retail Purchaser**" means any Person who purchases gas in a Sale at Retail.
5. "**Sale at Retail**" means any sale of gas by a retailer to a Person for use or consumption, and not for resale. For this purpose, the term "retailer"



means any Person engaged in the business of distributing, supplying, furnishing or selling gas.

C. Tax.

1. Except as otherwise provided by this Section, a tax is imposed on the privilege of using or consuming gas in the Village that is purchased in a Sale at Retail at the rate of five cents (\$0.05) per therm.
2. The ultimate incidence of and liability for payment of the tax is on the Retail Purchaser, and nothing in this Section shall be construed to impose a tax on the occupation of distributing, supplying, furnishing, selling or transporting gas.
3. The Retail Purchaser shall pay the tax, measured by therms of gas delivered to the Retail Purchaser's premises, to the Public Utility designated to collect the tax pursuant to Section **34.04.A.2** (D) on or before the payment due date of the Public Utility's bill first reflecting the tax, or directly to the Village Treasurer on or before the fifteenth day of the second month following the month in which the gas is delivered to the Retail Purchaser if no Public Utility has been designated to collect the tax pursuant to Section **34.04.A.2** (D) or if the gas is delivered by a person other than a Public Utility so designated.
4. Nothing in this Section shall be construed to impose a tax upon any person, business or activity which, under the constitutions of the United States or State of Illinois, may not be made the subject of taxation by the Village.
5. A Person who purchases gas for resale and therefore does not pay the tax imposed by this Section with respect to the use or consumption of the gas, but who later uses or consumes part or all of the gas, shall pay the tax directly to the Village Treasurer on or before the fifteenth day of the second month following the month in which the gas is used or consumed.

6. The tax shall apply to gas for which the delivery to the Retail Purchaser is billed by a Public Utility on or after January 1, 2018.
7. If it shall appear that an amount of tax has been paid which was not due under the provisions of this Section, whether as a result of mistake of fact or an error of law, then such amount shall be (i) credited against any tax due, or to become due, under this Section from the taxpayer who made the erroneous payment or (ii) subject to a refund if no such tax is due or to become due; provided that no amounts erroneously paid more than three (3) years prior to the filing of a claim therefore shall be so credited or refunded.
8. No action to recover any amount of tax due under the provisions of this Section shall be commenced more than three (3) years after the due date of such amount.
9. Reserved.

D. Collection of Tax by Public Utility. The President, Village Treasurer, Village Manager and Village Finance Director are each authorized to enter into a contract for collection of the tax imposed by this Section with any Public Utility providing gas service in the Village. The contract shall include and substantially conform with the following provisions:

1. The Public Utility will collect the tax from Retail Purchasers as an independent contractor;
2. The Public Utility will remit collected taxes to the Village Treasurer no more often than once each month;
3. The Public Utility will be entitled to withhold from tax collections a service fee equal to 3% of the amounts collected and timely remitted to the Village Treasurer;
4. The Public Utility shall not be responsible to the Village for any tax not actually collected from a Retail Purchaser; and

5. Such additional terms as the parties may agree upon.

E. Books and records. Every taxpayer shall keep accurate books and records, including original source documents and books of entry, denoting the activities or transactions that gave rise, or may have given rise to any tax liability or exemption under this Section. All such books and records shall, at all times during business hours, be subject to and available for inspection by the Village.

F. Exemptions. The tax imposed by this Section shall not apply to school districts or units of local government within the corporate limits of the Village.

**34.04.A.3.** A tax is imposed on all persons engaged in the business of distributing, supplying, furnishing, or selling water for use or consumption within the corporate limits of the Village and not for resale, at the rate of five percent of the gross receipts there from.

B. EXEMPTIONS: No tax is imposed by this Section 34.04 with respect to any transaction in interstate commerce or otherwise to the extent to which such business may not, under the constitution and statutes of the United States, be made subject to taxation by this state or any political subdivision thereof; nor shall any person engaged in the business of distributing, supplying, furnishing or selling gas, water or electricity, or engaged in the business of transmitting messages be subject to taxation under the provisions of this Section 34.04 for such transactions as are or may become subject to taxation under the provisions of the Section 34.01 herein.

C. APPLICATION: Such tax shall be in addition to the payment or money, or value of products or services furnished to this Village by the taxpayer as compensation for the use of its streets, alleys or other public places, or installation and maintenance therein, thereon or there under of poles, wire, pipes or other equipment used in the operation of the taxpayers' business.

D. STATEMENT: Unless otherwise provided in this Section 34.04 on or before the last day of each month each taxpayer shall make a return to the Treasurer for the proceeding month stating:

1. His or her name;

2. His or her principal place of business;
3. His or her gross receipts during those months upon the basis of which the tax is imposed;
4. Amount of tax; and
5. Such other reasonable and related information as the corporate authorities may require.

In making such return the taxpayers shall determine the value of any consideration other than money received by him and shall include such value in his return. Such determination shall be subject to review and revision by the Village.

The taxpayer making the return herein provided for shall, at the time of making such return, pay to the Treasurer the amount of tax herein imposed; provided that in connection with any return the taxpayer may, if he so elects, report any pay an amount based upon his total billings of business subject to the tax during the period for which the return is made (exclusive of any amounts previously billed), with prompt adjustments of later payments based upon any difference between such billings and the taxable gross receipts.

E. ERRORS: Unless otherwise provided in this Section 34.04 if it shall appear that an amount of tax has been paid that was not due under the provisions of this Section 34.04, whether as the result of a mistake of fact or an error of law, then such amount shall be credited against any tax due, or to become due, under this section from the taxpayer who made the erroneous payment; provided that no amounts erroneously paid more than four years prior to the filing of a claim therefore shall be so credited.

F. RECOVERY DEADLINE: Unless otherwise provided in this Section 34.04 no action to recover any amount of tax due under the provisions of this section shall be commenced more than three years after the due date of such amount.

G. PENALTY: Unless otherwise provided in this Section 34.04 any taxpayer who makes a late return or payment, who fails to make a return, who makes a fraudulent return, or who willfully violates any other provision of this Chapter shall be subject to the penalties provided in Section 34.09.12 of this Municipal Code.

**34.05 POLICE PROTECTION TAX**

A tax is hereby imposed for the purpose of police protection in this Village at the rate of .05 percent of the value, as equalized or assessed by the Department of Revenue of all the taxable property therein for the first year in which the tax is levied, and at the rate of .075 percent of the value as equalized or assessed by the Department of Revenue for all taxable property therein, in all succeeding years, all in accordance with the provisions of 65 ILCS 5/11-1-3.

**34.06 MUNICIPAL UTILITY TAXES/RELIGIOUS ORGANIZATION**

Any church or religious organization located in and operating within the corporate limits of the Village shall, upon presentation of its utility bills for gas, electric, water and telephone services, be refunded by the Treasurer the amount shown on said for municipal utility tax paid. Said bills are to be presented to the Treasurer on or before June 1st of each year. Prior to presenting said bills to the Treasurer an application for refund must be filed with the Village Clerk and approved by the President and Board of Trustees.

**34.07 SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX** *Added 2002-03-36*

A. DEFINITIONS: As used in this Section 34.07, the following terms shall have the following meanings:

1. "Amount paid" means the amount charged to the taxpayer's service address in this municipality regardless of where such amount is billed or paid.
2. "Department" means the Illinois Department of Revenue.
3. "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this municipality and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the

materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel point within this municipality, charges for the channel mileage between each channel point within this municipality, and charges for that portion of the interstate inter-office channel provided within Illinois. However, "gross charge" shall not include:

- a. any amounts added to a purchaser's bill because of a charge made pursuant to: (i) the tax imposed by this Ordinance, (ii) the tax imposed by the Telecommunications Excise Tax Act, (iii) the tax imposed by Section 4251 of the Internal Revenue Code, (iv) 911 surcharges, or (v) charges added to customers' bills pursuant to the provisions of Section 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in those provisions of the Public Utilities Act;
- b. charges for a sent collect telecommunication received outside of such municipality;
- c. charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement;

- d. charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges;
- e. charges to business enterprises certified as exempt under Section 9-222. 1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs;
- f. charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Ordinance has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service;
- g. bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made);
- h. charges paid by inserting coins in coin-operated telecommunication devices; or
- i. amounts paid by telecommunications retailers under the Telecommunications Infrastructure Maintenance Fee Act.

4. "Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.
5. "Intrastate telecommunications" means all telecommunications that originate and terminate within this State.
6. "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute, or any Village, town, county, or other political subdivision of this State.
7. "Purchase at retail" means the acquisition, consumption or use of telecommunications through a sale at retail.
8. "Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Section. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.
9. "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other



place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

10. "Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration, to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.
11. "Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, and maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, "service address" shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.
12. "Taxpayer" means a person who individually or through his or her agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in a municipality and who incurs a tax liability as authorized by the Ordinance.
13. "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or

information transmitted through use of local, toll, and wide area telephone service, private line services, channel services, telegraph services, teletypewriter, computer exchange services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. As used in this Ordinance, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by such provider to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into, end-to-end telecommunications service shall be non-taxable as sales for resale. Prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Ordinance. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupations Tax Act.

B. SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX IMPOSED:  
A tax is hereby imposed upon any and all the following acts or privileges:

1. The act or privilege of originating in the municipality or receiving in the municipality intrastate telecommunications by a person at a rate of 6% of the gross charge for such telecommunications purchased at retail from a retailer.
2. The act or privilege of originating in the municipality or receiving in the municipality interstate telecommunications by a person at a rate of 6% of the gross charge for such telecommunications purchased at retail from a retailer. To prevent actual multi-state taxation of the act or privilege that is subject to taxation under this subsection, any taxpayer, upon proof that the taxpayer has paid a tax in another state on such event, shall be allowed a credit against any tax enacted pursuant to or authorized by this Section to the extent of the amount of such tax properly due and paid in such other state which was not previously allowed as a credit against any other state or local tax in this State.
3. The tax imposed by this Ordinance is not imposed on such act or privilege to the extent such act or privilege may not, under the Constitution and statutes of the United States, be made the subject of taxation by the municipality.

C. COLLECTION OF TAX BY RETAILERS:

1. The tax authorized by this Ordinance shall be collected from the taxpayer by a retailer maintaining a place of business in this State and shall be remitted by such retailer to the Department. Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers shall collect the tax from the taxpayer by adding the tax to the gross charge

for the act or privilege of originating or receiving telecommunications when sold for use, in the manner prescribed by the Department. The tax authorized by this Ordinance shall constitute a debt of the taxpayer to the retailer until paid, and, if unpaid, is recoverable at law in the same manner as the original charge for such sale at retail. If the retailer fails to collect the tax from the taxpayer, then the taxpayer shall be required to pay the tax directly to the Department in the manner provided by the Department.

2. Whenever possible, the tax authorized by this Ordinance shall, when collected, be stated as a distinct item separate and apart from the gross charge for telecommunications.

D. RETURNS TO DEPARTMENT: On or before the last day of February 2003, and on or before the last day of every month thereafter, the tax imposed under this Ordinance on telecommunication retailers shall be returned with appropriate forms and information as required by the Department pursuant to the Illinois Simplified Municipal Telecommunications Tax Act (Public Act 92-526, Section 5-50) and any accompanying rules and regulations created by the Department to implement the Act.

E. RESELLERS:

1. If a person who originates or receives telecommunications claims to be a reseller of such telecommunications, such person shall apply to the Department for a resale number. Such applicant shall state facts which will show the Department why such applicant is not liable for the tax authorized by this Article on any of such purchases and shall furnish such additional information as the Department may reasonably require.
2. Upon approval of the application, the Department shall assign a resale number to the applicant and shall certify such number to the applicant. The Department may cancel any number which is obtained through misrepresentation, or which is used to send or receive such telecommunication tax-free when such actions in fact are not for

resale, or which no longer applies because of the person's having discontinued the making of resales.

3. Except as provided hereinabove in this Section, the act or privilege of originating or receiving telecommunications in this State shall not be made tax-free on the ground of being a sale for resale unless the person has an active resale number from the Department and furnishes that number to the retailer in connection with certifying to the retailer that any sale to such person is non-taxable because of being a sale for resale.

**34.08 MUNICIPAL ELECTRIC USAGE TAX** *Repealed 2006-18*

**34.09 TAXPAYERS' RIGHTS**

A. Definitions: As used in this Chapter, the following terms shall have the following meanings:

1. "Taxpayer" means any person required to pay any Village tax. The term "taxpayer" generally includes the person upon whom the legal incidence of such tax is placed and, with respect to consumer taxes, includes the business or entity required to collect and pay the Village tax to the Village.
2. "Village tax" means a tax imposed, and collected or administered, by the Village. "Village tax" does not include a tax imposed upon real property under the Illinois Property Tax Code or fees collected by the Village, except, however, that "Village tax" does include the Village's infrastructure maintenance fees.
3. "Village Tax Administrator" means the Village's Finance Director or his or her authorized designee.

B. Application of Payments: The Village shall apply any payment or remittance received pursuant to a Village tax for a tax period in the following order:

1. First: to the tax due for that period; and

2. Second: to interest due for the period; and
3. Third: to penalties due for the period.

C. Limitations:

1. Limitation on Determination of Tax or Assessment: Subject to the provisions of Subsection B of this Section, and unless a specific section of the Village Municipal Code provides for a shorter time period, the Village shall not issue a determination of tax due or assessment:
  - a. more than four years after the end of the calendar year that the return for the period was filed, or the end of the calendar year that the return for the period was due, whichever occurs later; or
  - b. more than six years after the end of the calendar year that the return for the period was due or the end of the calendar year that the return for the period was filed, whichever occurs later, if a taxpayer failed to file a tax return, or if the taxpayer paid or remitted less than 75 percent of the tax due during any four-year period that the Village may issue a notice of tax determination or assessment.
2. Exception if Fraud: Notwithstanding the provisions of Subsection A of this Section, there shall be no time limitation imposed on a determination or assessment of a Village tax if the taxpayer filed a fraudulent tax return.

D. Audit Procedures:

1. Notice: The Village shall notify a taxpayer in writing of a proposed Village audit of that taxpayer's books and records.
2. Content of Notice: Such notice shall specify the tax and time period to be audited and shall detail the minimum documentation or books and

records that the taxpayer must make available to the Village auditor.

3. Audit Timing: Audits shall be held only during reasonable times of the day and, unless impracticable, at times agreed to by the taxpayer.
4. Overpayments: A Village auditor who determines that there has been an overpayment of tax during the course of the audit shall identify the overpayment to the taxpayer so that the taxpayer can take the necessary steps to recover the overpayment. If the overpayment is the result of the application of some or all of the taxpayer's tax payment to an incorrect Village entity, then the auditor shall notify the correct Village entity of the taxpayer's application error.

E. Notice of Tax Assessment:

1. Notice of Rights: Whenever the Village sends a protestable notice of (1) tax due, or (2) a bill, or (3) a claim denial, or (4) a notice of claim reduction regarding any tax to a taxpayer, such notice shall include a written statement of rights, which shall include the following information:
  - a. the reason for the assessment; and
  - b. the amount of the Village tax liability proposed; and
  - c. the procedure for appealing the assessment; and
  - d. the obligations of the Village during the audit appeal, refund, and collection process; and
  - e. a statement that the taxpayer shall have 45 days after service of the notice to protest a notice of tax determination or notice of tax liability; and

- f. a statement that the taxpayer may request a hearing with the Village Tax Administrator.
  2. Delivery; Receipt: The Village shall send such notice by United States registered or certified mail. Such notice shall be deemed received by the taxpayer upon actual receipt or on the third business day after the Village deposits the notice in any main or branch United States post office.
  3. Time Extension if Good Cause: Upon a showing of good cause by the taxpayer satisfactory to the Village Tax Administrator, the Village Tax Administrator may extend the 45-day protest period by an additional period of time not exceeding 30 days. The Village Tax Administrator, upon a showing of good cause, also may open up any closed protest period, but only for a period of time not exceeding 30 days.
- F. Appeals Process for Credits, Refunds, and Protest:
  1. Appeal; Procedure: Any taxpayer who desires to seek a credit or a refund or desires to appeal a determination of tax due or an assessment pursuant to a Village tax shall adhere to the following procedures:
    - a. file a request for credit or refund with the Village Tax Administrator on a form provided by the Village or, within 45 days after receipt of the Village's protestable notice, file a written protest on a form provided by the Village; and
    - b. provide any supportive documents or other evidence that may display that the Village's assessment of the tax was unauthorized, and direct such protest or request to the Village Tax Administrator; and
    - c. make any books or records of its business or activity available for audit or inspection upon the written request of the Village.



2. Hearing: Whenever a taxpayer or a tax collector has filed a request for credit or refund or a timely written protest, and has requested a hearing, the Village Tax Administrator shall conduct a hearing in the following manner:
  - a. The Village Tax Administrator shall fix the time and place for a hearing and shall give written notice to the taxpayer. The hearing shall be scheduled for a date within 14 days after receipt of the request for the hearing, unless the taxpayer requests a later date convenient to all parties.
  - b. No continuances of the hearing shall be granted after it has been scheduled, except in cases when a continuance is absolutely necessary to protect the rights of the taxpayer. Any continuance granted shall not exceed 14 days.
  - c. The Village Tax Administrator shall preside at the hearing and shall hear testimony and accept any evidence relevant to the tax determination, audit, or assessment. The strict rules of evidence applicable to judicial proceedings shall not apply.
3. Village Determination: The Village Tax Administrator, by United States registered or certified mail, shall send to the taxpayer the Tax Administrator's written determination regarding the taxpayer's protest within 45 days after receiving the taxpayer's written protest or credit or refund form if the taxpayer does not request a hearing, or within 30 days after the conclusion of a hearing. Such determination shall include:
  - a. a ruling as to whether the Village tax as a whole or any portion of it was unauthorized; and
  - b. a written determination as to why the Village tax or any portion of it was authorized; and

- c. if appropriate, a certified check equaling the unauthorized amount paid by the taxpayer and the applicable amount of interest.
4. No Refund if Voluntary Payment: The Village shall not be required to refund or credit any taxes voluntarily paid without written protest at the time of payment in the event that a Village tax is declared invalidly enacted or unconstitutional by a court of competent jurisdiction. However, a taxpayer shall not be deemed to have paid a Village tax voluntarily if the taxpayer lacked knowledge of the facts upon which to protest the Village taxes at the time of payment or if the taxpayer paid such taxes under duress.
5. No Credits or Refunds if No Remittance: The Village shall not be required to grant a credit, refund of taxes, interest, or penalties to a person who has not paid or remitted the amounts directly to the Village.
6. Four-Year Limitation: Unless otherwise specifically provided in this Village Municipal Code or other Village ordinance authorizing a Village tax, no claim for a credit or refund shall be made more than four years after the date of the erroneous payment.
7. Interest if Overpayment: The Village shall pay interest in the amount of 6 percent per year for a taxpayer's overpayment of tax.

G. Interest: Except as otherwise provided by law, interest in the amount of 12 percent per year shall be assessed against all late payments, underpayments, and non-payments of a Village tax.

H. Installment Contracts: If the Village shall enter into an agreement allowing a taxpayer to make payments by installments, then the Village shall not cancel such installment agreement except if:

1. The taxpayer fails to pay any amount due on time and fails to cure the delinquency in the allowable time provided by the Village; or
2. The taxpayer fails to demonstrate good faith in restructuring the installment agreement.

Nothing in this Section shall be construed or applied to require the Village to enter into any installment agreement.

I. Voluntary Disclosure:

1. Application: A taxpayer may file an application, on a form prepared by the Village, with the Village Tax Administrator for a voluntary disclosure of the tax due for any Village tax that a taxpayer has not received a written notice of an audit, investigation, or assessment from the Village Tax Administrator.
2. Payment and Interest Required: A taxpayer who files a voluntary disclosure application must agree to pay the amount of the Village tax due, plus interest of one percent per month, for all periods prior to the filing of the application, but not more than four years before the date of filing the application.
3. No Extra Liability: Except for the payment of the full amount of tax and interest due under this Section, a taxpayer filing a valid voluntary disclosure application shall not be liable for any additional tax, interest, or penalty for any period before the date the application was filed; provided, however, that if the taxpayer incorrectly determined and underpaid the amount of tax due as provided in this Section, then the taxpayer is liable for the underpaid tax along with applicable interest on the underpaid tax. If the underpayment was the result of fraud on the part of the taxpayer, then the application shall be deemed invalid and void.
4. Time Limitation for Payment: The payment of tax and interest required under this Section shall be made within 90 days after the filing of the voluntary disclosure application, or the date

agreed to in writing by the Village Tax Administrator, whichever is longer. However, any additional amounts owed as a result of an underpayment of tax and interest previously paid under this Section must be paid within 90 days after a final determination and the exhaustion of all appeals of the additional amount owed, or the date agreed to by the Village Tax Administrator, whichever is longer.

J. Review of Liens: The Village Tax Administrator shall establish, by administrative order of the Village, a process of reviewing liens filed by the Village against taxpayers. If any lien is determined to be improper, then the Village Tax Administrator shall cause such lien to be removed at the Village's own expense, shall correct the taxpayer's credit record, and shall correct any public disclosure of the improperly imposed lien.

K. Publication of Tax Ordinances: The Village shall publish its taxing ordinances and shall make copies of its taxing ordinances readily available to the public on request. The posting of such tax ordinances on the Internet shall be deemed to satisfy the publication requirement of this Section.

L. Penalties:

1. Late Filing and Payment Penalty: If a return is filed late, then the taxpayer shall pay a penalty for such late filing of 5 percent of the amount of tax required to be shown as due on a return. If the taxpayer makes a late payment, then the taxpayer shall pay a penalty of 5 percent of the tax due and not timely paid or remitted. Late filing and payment penalties shall not apply to a particular taxpayer if, but only if, a failure to file penalty is imposed on that taxpayer by the Village. The Village Tax Administrator may determine, in the sole exercise of his or her sound judgment, that the late filing or late payment was due to a reasonable cause and abate some or all of the penalty.
2. Failure to File Penalty: If no return is filed before the issuance of a notice of tax deficiency or of tax liability to the taxpayer, then the penalty for such failure to file shall be 25

percent of the total tax due for the applicable reporting period for which the return was required to have been filed. The Village Tax Administrator may determine, in the sole exercise of his or her sound judgment, that the failure to file a return was due to reasonable cause and abate some or all of the penalty.

3. Additional Penalties: In the event that any taxpayer non-compliance with the provisions of a Village tax is a result of willful or fraudulent disregard of the Village tax laws, such taxpayer shall be additionally subject to the general penalty provisions of this Village Municipal Code (including any criminal penalties) and, in addition, shall be liable in a civil action for the full amount of the tax due plus the applicable amount of interest.

**34.10 HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX and HOME RULE MUNICIPAL SERVICE OCCUPATION TAX** *added 2006-17*

A. HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX: Except as provided herein, effective July 1, 2016, a tax shall be imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of the State government, at retail in the Village at the rate of one percent (1.00%) of the gross receipts from such sales made in the course of such business while this Section is in effect.

B. HOME RULE MUNICIPAL SERVICE OCCUPATION TAX: Except as provided herein, effective July 1, 2016, a tax is hereby imposed upon all persons engaged in the Village in the business of making sales of services, at the rate of one percent (1.00%) of the selling price of all tangible personal property transferred by said servicemen, either in the form of tangible personal property or in the form of real estate as an incident to the sale of service.

C. EXCEPTIONS: The imposition of the taxes in this Section shall not be applicable to the sales of food for human consumption, which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which have been sold for immediate consumption); prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by

diabetics; and the sale of tangible personal property that is titled or registered with an agency of the State (e.g., cars, trucks, boats, motorcycles, trailers, snowmobiles and aircraft).

D. The imposition of these home rule taxes shall be in accordance with the provisions of 65 ILCS 5/8-11-1 and 65 ILCS 5/8-11-5.

### **34.11 AMUSEMENT TAX**

A. APPLICABILITY OF PROVISIONS: The provisions of this Section, except as otherwise provided, shall apply to all amusements as hereinafter defined, whether specifically licensed or regulated under other provisions of this code or other ordinances, or not.

B. DEFINITIONS:

1. "Amusement" means: (1) any theatrical, dramatic, musical or spectator performance, motion picture show, circus, rodeo, flower, poultry or animal show, animal act, sporting event or athletic game, or other similar exhibit or exhibition open and available for public attendance and entertainment for a fee or admission charge within the corporate limits of the Village of Lake in the Hills, including without being limited to, boxing, wrestling, skating, dancing, swimming, racing, or riding on animals or vehicles, baseball, basketball, softball, football, tennis, golf, hockey, track and field games, bowling, billiard and pool games and (2) any entertainment offered for public participation, including, without being limited to, dancing, carnival, amusement park rides and games, bowling, billiard and pool games, or any Video Gaming Terminal.
2. "Person" means any natural individual that participates in an amusement, including but not limited to a firm, organization, society, foundation, institution, person, trustee, receiver, administrator, executor, conservator, or other representative appointed by order of any court, assignee, trust in perpetuity, trust, estate, firm, partnership, co-partnership, joint

venture, joint stock company, limited liability company, public or private corporation, club, company, business trust, domestic or foreign corporation, association, syndicate, society, or any group of individuals acting as a unit, whether mutual, cooperative, or otherwise, or any other entity recognized by law. Whenever the term "Person" is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean the owners or part-owners thereof, and as applied to corporations, the officers thereof.

3. "Terminal Operator" means any individual, partnership, corporation, or limited liability company that is licensed under the Video Gaming Act, 230 ILCS 40/1 et seq., and that owns, services, and maintains Video Gaming Terminals for placement in licensed establishments, licensed truck stop establishments, licensed large truck stop establishments, licensed fraternal establishments, or licensed veterans establishments.
4. "Play" means each individual push of the Video Gaming Terminal which initiates the simulation provided by the Video Gaming Terminal. Play shall not include the push of individual wager amounts, selection of types of games on the Video Gaming Terminal or entry of any information or printing of winning receipts.
5. "Video Gaming Terminal" any electronic video game machine that, upon insertion of cash, electronic cards or vouchers, or any combination thereof, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, as authorized by the Illinois Gaming Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

C. GENERAL AMUSEMENT TAX IMPOSED:

1. TAX IMPOSED: A tax is hereby imposed upon all persons operating amusements, except as to amusements involving a Video Gaming Terminal(s) which are taxed pursuant to subsection D below, within the corporate limits of the Village, and upon all persons operating places which provide amusements within the corporate limits of the Village, in an amount equal to five percent (5%) of all gross receipts for each amusement. Said taxes shall be in addition to all other taxes imposed by law.

Gross receipts means all fees or charges received or collected in the form of admission fees or other charges for admission to and/or for the use or rental of any amusement for the purposes of witnessing or utilizing any amusement regardless of whether such fees or charges are characterized as admission fees, membership fees, use charges, rent, rental or service charges, exclusive of any tax imposed by the United States government, State of Illinois, the Village or any other governmental unit.

Any person subject to the amusement tax imposed herein may separately itemize and charge to patrons in addition to any admission fee or other charge, the amount of amusement tax attributable to such admission fee or other charge. In the event the tax imposed by this section is not shown or collected as a separate charge, all admission fees or other charges shall be deemed exclusive of the amusement tax specified hereinabove.

2. EXEMPTIONS: The tax described in Section 1, above, shall not be applicable to any persons who generate gross receipts in an amount less than \$2,000 in a calendar year. The tax described in Section 1 above, also shall not apply to any amusement event held by any religious, charitable, labor, fraternal, educational, veterans', 501(c) not-for-profit persons or organizations, municipal, park district, school district, or any unit of local government; and



shall not apply to any amusement even that was held to defray the cost of medical expenses of a resident or to defray the cost of displacement expenses suffered by a resident due to a fire, flood, or other natural disaster.

3. BOOKS AND RECORDS; INSPECTIONS; CONTENTS: The Village Finance Director or any person designated by the Finance Director as their respective deputy or representative, may enter the premises of any place which provides amusements for inspection, examination, copying and auditing of books and records including, but not limited to, Illinois Retailers' Occupation Tax and Illinois Service Occupation Tax returns filed with the Illinois Department of Revenue, in order to effectuate the proper administration of this ordinance and to assure the enforcement of the collection of the tax imposed by this ordinance. To the extent reasonably possible, said entry shall be done in a manner that is least disruptive to the business of the place providing amusements. It shall be unlawful for any person to prevent, hinder, or interfere with the Village Finance Director or their duly designated deputies or representatives in the discharge of their respective duties in the performance of this subsection. It shall be the duty of every owner of a place which provides amusements to keep accurate and complete books and records to which the Village Finance Director or their respective deputies or representatives shall at all times have full access, which records shall include a daily sheet showing the amount of gross receipts received during that day.
4. TRANSMITTAL OF TAX REVENUE BY OWNER: The owner or owners of each place which provides amusements shall file tax returns showing the gross receipts received during each calendar month period upon forms prescribed by the Village Finance Director. Returns for each calendar month shall be due on or before the 20<sup>th</sup> day of the next calendar month, (e.g. the return for January shall be due on or before the 20<sup>th</sup> day of February; the return for February shall be due on or before the 20<sup>th</sup> day of March; etc.).

5. COMMISSION: Owners filing tax returns pursuant to Section 5 shall, at the time of filing such return, pay to the Village the amount of the tax imposed by this ordinance, less a commission of one (1%) percent of the amount of the tax, which is allowed to reimburse the owners for the expense incurred in keeping records, billing, preparing and filing returns, remitting the tax and supplying data to the Village upon request. No commission may be claimed by an owner for taxes not timely remitted to the Village.
6. INTEREST AND PENALTIES: If, for any reason, any tax due pursuant to this ordinance is not paid when due, a penalty of five percent (5%) of the tax will be imposed. In addition, interest shall accumulate and be due upon said tax at the rate of one and a half percent (1.5%) per month commencing as of the first day of the month following the month for which the tax was to have been collected.
7. The obligation to pay the tax as herein described shall commence for each and every Amusement produced, presented, or conducted or otherwise shown within the Village of Lake in the Hills commencing on the first day of January 1, 2017.

D. VIDEO GAMING TERMINAL AMUSEMENT TAX IMPOSED:

1. TAX IMPOSED

- a. Except as otherwise provided by this Section, an amusement tax is imposed upon any person who participates in the Play of a Video Gaming Terminal that takes place within the jurisdictional boundaries of the Village.
- b. The rate of the tax shall be equal to \$0.01 (one cent) per Play on a Video Gaming Terminal.
- c. The Terminal Operator of a Video Gaming Terminal may separately itemize and charge each Person who Plays a Video Gaming Terminal.

2. TAX ADDITIONAL: The tax imposed in this Section is in addition to all other taxes imposed by the State of Illinois or any municipal corporation or political subdivision thereof.
3. REGISTRATION
  - a. Every Terminal Operator of a Video Gaming Terminal(s) located in the Village, shall apply for registration as a tax collector with the Village no later than thirty (30) days after commencing such business or thirty (30) days after the effective date of this Ordinance imposing the Push Tax, whichever occurs later.
  - b. The application shall be submitted to the Village on the forms provided by the Village and contain such information as reasonably required by the Village to impose, collect, and audit all amounts related to the Push Tax.
4. COLLECTION, PAYMENT, AND ACCOUNTING
  - a. It shall be the joint and several duty of every Terminal Operator of a Video Gaming Terminal(s) to secure from each Person participating in the Play of a Video Gaming Terminal the Push Tax imposed by this Section.
  - b. For purposes of this Section, it shall be presumed that the amount of the Push Tax imposed on each Person, unless the taxpayer or tax collector provides otherwise with books, records, or other documentary evidence, has been collected from the Person by the Terminal Operator.
  - c. Push Tax payments accompanied by tax returns prescribed by the Village shall be remitted to the Village on or before the 20th day of the month following the month in which payment for the Push Tax is made.

- d. Every Terminal Operator of a Video Gaming Terminal who is required to collect the Push Tax by this Section shall be considered a tax collector for the Village. All Push Tax amounts collected shall be held by the Terminal Operator as trustee for and on behalf of the Village. The failure of the Operator to collect the tax shall not excuse or release the Person from the obligation to pay the tax.
- e. The ultimate incidence of the Push Tax shall remain on the Person and shall never be shifted to the Terminal Operator.
- f. Notwithstanding any other provision of this Section, in order to permit sound fiscal planning and budgeting by the Village, no person shall be entitled to a refund of, or credit for, the Push Tax imposed by this Section unless the person files a claim for a refund or credit within one (1) year after the date on which the Push Tax was paid or remitted to the Village.
- g. The Terminal Operator of any Video Gaming Terminal(s) shall be subject to audit, inspection, and record keeping provisions of this Code.
- h. It shall be unlawful for any Terminal Operator and/or Person to prevent, hinder, or interfere with the Village's Officials, employees, and/or agents designated to discharge their respective duties in the performance and enforcement of the provisions of this Section.
- i. It is the duty of every Terminal Operator of a Video Gaming Terminal(s) to keep accurate and complete books and records to which the Village's officials, employees, and/or agents will at all times have full access.

5. RULES AND REGULATIONS; AUTHORIZED: The Village is authorized to adopt, promulgate, and enforce any

additional rules and regulations pertaining to the interpretation, collection, administration, and enforcement of this Section.

6. APPLICATION OF VILLAGE CODE: Any citation under this Section may be in addition to any other citations issued by the Village under any and all applicable sections of the Village Code.

7. VIOLATIONS; PENALTIES: It shall be a violation of this Section for a Terminal Operator to fail to file a report within the time prescribed in this Section.

- a. Report Required: A Terminal Operator who falsely reports or fails to report the amount of Push Tax due as required by this Section shall be in violation of this Section and is subject to the suspension and/or revocation of their Terminal Operator License. All payments not remitted when due shall be paid together with a penalty assessment on the unpaid balance at a rate of 1.5% per month.
- b. Suspension Or Revocation Of License: The Local Liquor Commissioner or his or her designee shall have the power to suspend for not more than thirty (30) days or revoke any video gaming license issued under the provisions of this Section for cause, or if he/she determines that a Terminal Operator shall have violated any of the provisions of this Section, any of the statutes of the State or any other valid ordinance or resolution enacted by the corporate authorities of the Village. However, no such license shall be revoked or suspended except after the holding of a public hearing by the Local Liquor Commissioner or his or her designee. Ten (10) days' notice of the hearing shall be given to the Terminal Operator. Alternatively, the Terminal Operator shall have the opportunity to engage in a prehearing conference and agree to negotiated penalties rather than proceed to a hearing.

- c. Fine Imposed: In addition, any Terminal Operator violating the provisions of this Section shall be subject to a fine of \$250.00 for the first offense, and \$500.00 for the second offense and \$750.00 for a third offense and subject to a revocation of any license to operate a Video Gaming Terminal for the third offense.
- d. Each day a violation continues shall constitute a separate violation.
- e. It shall be deemed a violation of this Section for any Person to knowingly furnish false or inaccurate information to the Village.

**34.12 MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

A. TAX IMPOSED; RATE: A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail in the Village at the rate of two percent (2%) of the gross receipts from these sales made in the course of that business.

The imposition of this tax is in accordance with the provisions of Section 8-11-22, of the Illinois Municipal Code (65 ILCS 5/8-11-22).

B. COLLECTION OF TAX BE RETAILERS: The tax imposed by this Section shall be remitted by such retailer to the Illinois Department of Revenue. Any tax required to be collected pursuant to or as authorized by this Section and any such tax collected by such retailer and required to be remitted to the Illinois Department of Revenue shall constitute a debt owed by the retailer to the State of Illinois. A retailer may reimburse itself for its seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State of Illinois tax that a seller is required to collect.

The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Illinois Department of Revenue. The Illinois Department of Revenue shall have full power to administer and enforce the provisions of this Section.

C. EFFECTIVE DATE: The tax shall take effect for all sales on or after the first day of January 2020.

*Recodified 09/26/02*

*Amended 10/28/04*

*Amended 03/23/06*

*Amended 12/10/09*

*Amended 03/11/10*

*Amended 12/10/15*

*Amended 10/13/16*

*Amended 01/26/17*

*Amended 11/09/17*

*Amended 09/26/19*

*Amended 10/31/21*