

Ordinance No. 16-27

**AN ORDINANCE OF THE VILLAGE OF EAST DUNDEE, KANE AND COOK COUNTIES, ILLINOIS, INCREASING THE RATE OF THE RETAILERS' OCCUPATION TAX AND THE SERVICE OCCUPATION TAX IMPOSED IN THE CHRISTINA DRIVE BUSINESS DEVELOPMENT DISTRICT**

**WHEREAS**, pursuant to the Business District Development and Redevelopment Law of the State of Illinois, 65 ILCS 5/11-74.3-1 *et seq.*, as from time to time amended (the "*BDD Act*") the President and Board of Trustees (the "*Corporate Authorities*") of the Village of East Dundee, Kane and Cook Counties, Illinois (the "*Village*"), are empowered to alter the rate of the retailers' occupation tax and the service occupation tax imposed within the boundaries of a business district; and,

**WHEREAS**, pursuant to the BDD Act, on April 19, 2010, the Corporate Authorities, after public hearings, passed Ordinance No. 10-27 designating the Village of East Dundee, Illinois, Christina Drive Business Development District (the "*BD District*"), approving the Christina Drive Business District Development Plan (the "*BD Plan*"), and imposing a retailers' occupation tax and a service occupation tax in the amount of one-half of one percent (0.5%) on all commercial operations within the boundaries of the BD District for the planning, execution and implementation of the BD Plan, to pay for business district project costs as set forth in the BD Plan, and to pay for obligations of the Village issued to provide for the payment of business district project costs; and,

**WHEREAS**, the Corporate Authorities desire to increase the rate of the retailers' occupation tax and the service occupation tax imposed on all commercial operations within the boundaries of the BD District from one-half of one percent (0.5%) to three-fourths of one percent (0.75%); and,

**WHEREAS**, the boundaries of the BD District and the addresses in the BD District have not changed since the Corporate Authorities established the BD District pursuant to Ordinance No. 10-27; and,

**WHEREAS**, the Corporate Authorities pursuant to Ordinance No. 16-25, adopted by the Corporate Authorities on July 18, 2016, fixed a time and a place for a public hearing (the "*Public Hearing*") to consider the increase in the rate of the retailers' occupation tax and the service occupation tax and gave notice of the Public Hearing by publishing said notice twice in the *Daily Herald*, a newspaper of general circulation within the Village, on July 25, 2016 and August 3, 2016; and,

**WHEREAS**, the Public Hearing was held by the Corporate Authorities on the 15th day of August, 2016, at 6:00 p.m. at the Village Hall, 120 Barrington Avenue, East Dundee Illinois; and,

**WHEREAS**, at the Public Hearing, all interested persons were given an opportunity to be heard on the question of the increase of the rate of the retailers' occupation tax and the service occupation tax; and,

**WHEREAS**, after considering the information presented to the Corporate Authorities at the Public Hearing, the Corporate Authorities find that it is in the best interests of the Village and of the residents and property owners within the BD District to approve an increase the rate of the retailers' occupation tax and the service occupation tax.

**NOW THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of East Dundee, Kane and Cook Counties, Illinois, as follows:

*Section 1:* The above recitals are incorporated and made a part of this Ordinance.

*Section 2: Imposition of Retailers' Occupation Tax.* Pursuant to the BDD Act, a tax is hereby 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 this State's government, at retail within the boundaries of the BD District at the rate of three-fourths of one percent (0.75%) of the gross receipts from such sales made in the course of such business while this Ordinance is in effect. Such tax shall not be imposed on the sales of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. The proceeds of this tax shall be used for the planning, execution and implementation of the BD Plan, the payment of business district project costs as set forth in the BD Plan and the payment of obligations of the Village issued or to be issued to provide for the payment of business district project costs. The proceeds of such tax shall be deposited into a special fund of the Village which was created by Ordinance No. 09-30 and designated the "Christina Drive Business Development District Tax Allocation Fund." The tax imposed under this Section and all civil penalties that may be assessed as an incident thereto shall be collected and enforced by the Illinois Department of Revenue. The Department of Revenue shall have full power to administer and enforce the provisions of this Section.

*Section 3: Imposition of Service Occupation Tax.* Pursuant to the BDD Act, a tax is hereby imposed upon all persons engaged within the boundaries of the BD District in the business of making sales of service, at the rate of three-fourths of one percent (0.75%) of the selling price of all tangible personal property transferred within the BD District by such serviceman either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. Such tax may not be imposed on the sale of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. The proceeds of this tax shall be used for the planning, execution and implementation of the BD Plan, the payment of business district project costs as set forth in the BD Plan and the payment of obligations of the Village issued or to be issued to provide for the payment of business district project costs. The proceeds of such tax shall be deposited into the "Christina Drive Business Development District Tax Allocation Fund." The tax imposed under this Section and all civil penalties that may be assessed as an incident thereto shall be collected and enforced by the Illinois Department of Revenue. The

Department of Revenue shall have full power to administer and enforce the provisions of this Section.

*Section 4: Filing.* A certified copy of this Ordinance shall be filed with the Department of Revenue immediately following its passage and shall be filed on or before October 1, 2016.

*Section 5: Supersede Conflicting Ordinance.* All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are repealed to the extent of such conflict.

*Section 6: Effective Date.* This Ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law and the tax imposed by this Ordinance shall take effect on January 1, 2017. The Illinois Department of Revenue and Village shall proceed to administer and enforce this Ordinance on the first day of January, 2017, following the adoption and filing of this Ordinance with the Illinois Department of Revenue.


**PASSED** by the Village President and the Board of Trustees of the Village of East Dundee, Kane and Cook Counties, Illinois, this 15<sup>th</sup> day of August, 2016, pursuant to a roll call vote, as follows:

**AYES:** Trustees Lynam, Selep, Hall and President Miller


**NAYS:** Trustee Skillicorn

**ABSENT:** Trustees Gorman and Wood

**APPROVED** by me, as Village President of the Village of East Dundee, Kane and Cook Counties, Illinois, this 15<sup>th</sup> day of August, 2016.

  
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Village President

**Attest:**

  
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Village Clerk