

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 MUNICIPAL UTILITY TAX

A. A tax is imposed on all persons engaged in the following occupations or privileges:

1. Repealed by Ordinance 2002-03-36
2. Repealed by Ordinance 2000-01-16
3. Repealed by Ordinance 2004-66
4. 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 33.04 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: 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: 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 therefor shall be so credited. If a taxpayer under this chapter is unable to use a credit authorized by this section solely because the tax imposed by this chapter has been replaced by the tax imposed under Section 34.08, then the taxpayer may apply such credit against any tax due under Section 34.08.

F. RECOVERY DEADLINE: 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: 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, 2006, 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 half percent (.5%) 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, 2006, 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 half percent (.5%) 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.

Recodified 09/26/02
Amended 10/28/04
Amended 03/23/06