

HB1016



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB1016

by Rep. Michael J. Madigan

SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1030

from Ch. 34, par. 5-1030

Amends the Counties Code. Makes a technical change in a Section concerning a tax on the gross rental receipts of hotels.

LRB101 03228 AWJ 48236 b

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Counties Code is amended by changing Section
5 5-1030 as follows:

6 (55 ILCS 5/5-1030) (from Ch. 34, par. 5-1030)

7 Sec. 5-1030. Hotel rooms, tax on gross rental receipts.

8 (a) The ~~The~~ corporate authorities of any county may by
9 ordinance impose a tax upon all persons engaged in such county
10 in the business of renting, leasing or letting rooms in a hotel
11 which is not located within a city, village, or incorporated
12 town that imposes a tax under Section 8-3-14 of the Illinois
13 Municipal Code, as defined in "The Hotel Operators' Occupation
14 Tax Act", at a rate not to exceed 5% of the gross rental
15 receipts from such renting, leasing or letting, excluding,
16 however, from gross rental receipts, the proceeds of such
17 renting, leasing or letting to permanent residents of that
18 hotel, and may provide for the administration and enforcement
19 of the tax, and for the collection thereof from the persons
20 subject to the tax, as the corporate authorities determine to
21 be necessary or practicable for the effective administration of
22 the tax.

23 (b) With the consent of municipalities representing at

1 least 67% of the population of Winnebago County, as determined
2 by the 2010 federal decennial census and as expressed by
3 resolution of the corporate authorities of those
4 municipalities, the county board of Winnebago County may, by
5 ordinance, impose a tax upon all persons engaged in the county
6 in the business of renting, leasing, or letting rooms in a
7 hotel that imposes a tax under Section 8-3-14 of the Illinois
8 Municipal Code, as defined in "The Hotel Operators' Occupation
9 Tax Act", at a rate not to exceed 2% of the gross rental
10 receipts from renting, leasing, or letting, excluding,
11 however, from gross rental receipts, the proceeds of the
12 renting, leasing, or letting to permanent residents of that
13 hotel, and may provide for the administration and enforcement
14 of the tax, and for the collection thereof from the persons
15 subject to the tax, as the county board determines to be
16 necessary or practicable for the effective administration of
17 the tax. The tax shall be instituted on a county-wide basis and
18 shall be in addition to any tax imposed by this or any other
19 provision of law. The revenue generated under this subsection
20 shall be accounted for and segregated from all other funds of
21 the county and shall be utilized solely for either: (1)
22 encouraging, supporting, marketing, constructing, or
23 operating, either directly by the county or through other
24 taxing bodies within the county, sports, arts, or other
25 entertainment or tourism facilities or programs for the purpose
26 of promoting tourism, competitiveness, job growth, and for the

1 general health and well-being of the citizens of the county; or
2 (2) payment towards debt services on bonds issued for the
3 purposes set forth in this subsection.

4 (c) A Tourism Facility Board shall be established,
5 comprised of a representative from the county and from each
6 municipality that has approved the imposition of the tax under
7 subsection (b) of this Section.

8 (1) A Board member's vote is weighted based on the
9 municipality's population relative to the population of
10 the county, with the county representing the population
11 within unincorporated areas of the county. Representatives
12 from the Rockford Park District and Rockford Area
13 Convention and Visitors Bureau shall serve as ex-officio
14 members with no voting rights.

15 (2) The Board must meet not less frequently than once
16 per year to direct the use of revenues collected from the
17 tax imposed under subsection (b) of this Section that are
18 not already directed for use pursuant to an
19 intergovernmental agreement between the county and another
20 entity represented on the Board, including the ex-officio
21 members, and for any other reason the Board deems
22 necessary. Affirmative actions of the Board shall require a
23 weighted vote of Board members representing not less than
24 67% of the population of the county.

25 (3) The Board shall not be a separate unit of local
26 government, shall have no paid staff, and members of the

1 Board shall receive no compensation or reimbursement of
2 expenses from proceeds of the tax imposed under subsection
3 (b) of this Section.

4 (d) Persons subject to any tax imposed pursuant to
5 authority granted by this Section may reimburse themselves for
6 their tax liability for such tax by separately stating such tax
7 as an additional charge, which charge may be stated in
8 combination, in a single amount, with State tax imposed under
9 "The Hotel Operators' Occupation Tax Act".

10 Nothing in this Section shall be construed to authorize a
11 county to impose a tax upon the privilege of engaging in any
12 business which under the Constitution of the United States may
13 not be made the subject of taxation by this State.

14 An ordinance or resolution imposing a tax hereunder or
15 effecting a change in the rate thereof shall be effective on
16 the first day of the calendar month next following its passage
17 and required publication.

18 The amounts collected by any county pursuant to this
19 Section shall be expended to promote tourism; conventions;
20 expositions; theatrical, sports and cultural activities within
21 that county or otherwise to attract nonresident overnight
22 visitors to the county.

23 Any county may agree with any unit of local government,
24 including any authority defined as a metropolitan exposition,
25 auditorium and office building authority, fair and exposition
26 authority, exposition and auditorium authority, or civic

1 center authority created pursuant to provisions of Illinois law
2 and the territory of which unit of local government or
3 authority is co-extensive with or wholly within such county, to
4 impose and collect for a period not to exceed 40 years, any
5 portion or all of the tax authorized pursuant to this Section
6 and to transmit such tax so collected to such unit of local
7 government or authority. The amount so paid shall be expended
8 by any such unit of local government or authority for the
9 purposes for which such tax is authorized. Any such agreement
10 must be authorized by resolution or ordinance, as the case may
11 be, of such county and unit of local government or authority,
12 and such agreement may provide for the irrevocable imposition
13 and collection of said tax at such rate, or amount as limited
14 by a given rate, as may be agreed upon for the full period of
15 time set forth in such agreement; and such agreement may
16 further provide for any other terms as deemed necessary or
17 advisable by such county and such unit of local government or
18 authority. Any such agreement shall be binding and enforceable
19 by either party to such agreement. Such agreement entered into
20 pursuant to this Section shall not in any event constitute an
21 indebtedness of such county subject to any limitation imposed
22 by statute or otherwise.

23 (Source: P.A. 98-313, eff. 8-12-13.)