

SB2588



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2588

Introduced 2/15/2008, by Sen. Gary G. Dahl

SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1030
65 ILCS 5/8-3-14

from Ch. 34, par. 5-1030
from Ch. 24, par. 8-3-14

Amends the Counties Code and the Illinois Municipal Code. Provides that up to one-half of the amounts collected from a hotel tax imposed by a municipality or county may be used for public safety. Effective immediately.

LRB095 19525 HLH 45838 b

FISCAL NOTE ACT
MAY APPLY

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

22 Persons subject to any tax imposed pursuant to authority
23 granted by this Section may reimburse themselves for their tax

1 liability for such tax by separately stating such tax as an
2 additional charge, which charge may be stated in combination,
3 in a single amount, with State tax imposed under "The Hotel
4 Operators' Occupation Tax Act".

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

9 An ordinance or resolution imposing a tax hereunder or
10 effecting a change in the rate thereof shall be effective on
11 the first day of the calendar month next following its passage
12 and required publication.

13 The amounts collected by any county pursuant to this
14 Section shall be expended to promote tourism; conventions;
15 expositions; theatrical, sports and cultural activities within
16 that county or otherwise to attract nonresident overnight
17 visitors to the county. Up to one-half of the amounts collected
18 may be used for public safety.

19 Any county may agree with any unit of local government,
20 including any authority defined as a metropolitan exposition,
21 auditorium and office building authority, fair and exposition
22 authority, exposition and auditorium authority, or civic
23 center authority created pursuant to provisions of Illinois law
24 and the territory of which unit of local government or
25 authority is co-extensive with or wholly within such county, to
26 impose and collect for a period not to exceed 40 years, any

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

19 (Source: P.A. 86-962.)

20 Section 10. The Illinois Municipal Code is amended by
21 changing Section 8-3-14 as follows:

22 (65 ILCS 5/8-3-14) (from Ch. 24, par. 8-3-14)

23 Sec. 8-3-14. The corporate authorities of any municipality
24 may impose a tax upon all persons engaged in such municipality

1 in the business of renting, leasing or letting rooms in a
2 hotel, as defined in "The Hotel Operators' Occupation Tax Act,"
3 at a rate not to exceed 5% of the gross rental receipts from
4 such renting, leasing or letting, excluding, however, from
5 gross rental receipts, the proceeds of such renting, leasing or
6 letting to permanent residents of that hotel and proceeds from
7 the tax imposed under subsection (c) of Section 13 of the
8 Metropolitan Pier and Exposition Authority Act, and may provide
9 for the administration and enforcement of the tax, and for the
10 collection thereof from the persons subject to the tax, as the
11 corporate authorities determine to be necessary or practicable
12 for the effective administration of the tax.

13 Persons subject to any tax imposed pursuant to authority
14 granted by this Section may reimburse themselves for their tax
15 liability for such tax by separately stating such tax as an
16 additional charge, which charge may be stated in combination,
17 in a single amount, with State tax imposed under "The Hotel
18 Operators' Occupation Tax Act".

19 Nothing in this Section shall be construed to authorize a
20 municipality to impose a tax upon the privilege of engaging in
21 any business which under the constitution of the United States
22 may not be made the subject of taxation by this State.

23 The amounts collected by any municipality pursuant to this
24 Section shall be expended by the municipality solely to promote
25 tourism and conventions within that municipality or otherwise
26 to attract nonresident overnight visitors to the municipality.

1 Up to one-half of the amounts collected may be used for public
2 safety.

3 No funds received pursuant to this Section shall be used to
4 advertise for or otherwise promote new competition in the hotel
5 business.

6 (Source: P.A. 87-733.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.