

HB1374



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1374

by Rep. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-10-1

from Ch. 24, par. 11-10-1

Amends the Illinois Municipal Code. Provides that an entity that collects a foreign fire insurance tax or license fee rendered to the fire department of a municipality or a fire protection district shall post to its website by August 1 certain information from the previous year. Prohibits an entity from charging an administrative fee that exceeds 1% of the gross amount collected in each municipality or fire protection district.

LRB099 07608 AWJ 27738 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 Illinois Municipal Code is amended by
5 changing Section 11-10-1 as follows:

6 (65 ILCS 5/11-10-1) (from Ch. 24, par. 11-10-1)

7 Sec. 11-10-1. In each municipality or fire protection
8 district, whether incorporated under a general or special law,
9 which has a fire department established and maintained by
10 municipal or fire protection district ordinances, every
11 corporation, company, and association which is not
12 incorporated under the laws of this state and which is engaged
13 in effecting fire insurance in the municipality or fire
14 protection district, shall pay to the foreign fire insurance
15 board or to the secretary of the fire protection district for
16 the maintenance, use, and benefit of the fire department
17 thereof, a sum not exceeding 2% of the gross receipts received
18 from fire insurance upon property situated within the
19 municipality or district.

20 Each municipality and fire protection district may
21 prescribe by ordinance the rate of the tax or license fee to be
22 paid, but this rate shall not exceed the rate specified in this
23 section. Each designated corporation, company, and association

1 shall pay at the rate so prescribed, upon the amount of all
2 premiums which have been received during the year ending on
3 every first day of July for all fire insurance effected or
4 agreed to be effected on property situated within the
5 municipality or fire protection district, by that corporation,
6 company, or association respectively.

7 Every person who acts in any specified municipality or fire
8 protection district as agent, or otherwise, on behalf of a
9 designated corporation, company, or association, shall render
10 to the treasurer of the foreign fire insurance board or
11 secretary of the fire protection district, on or before the
12 fifteenth day of July of each year, a full and true account,
13 verified by his oath, of all of the premiums which, during the
14 year ending on the first day of July preceding the report, were
15 received by him, or by any other person for him on behalf of
16 that corporation, company, or association. He shall specify in
17 this report the amounts received for fire insurance, and he
18 shall pay to the treasurer of the foreign fire insurance board,
19 or to the secretary of the fire protection district, at the
20 time of rendering this report, the amount as determined by the
21 rate fixed by the ordinance of the municipality or fire
22 protection district for which his corporation, company, or
23 association is accountable under this section and the
24 ordinance.

25 If this account is not rendered on or before the fifteenth
26 day of July of each year, or if the sum due remains unpaid

1 after that day, it shall be unlawful for any corporation,
2 company, or association, so in default, to transact any
3 business in the municipality or fire protection district until
4 the sum due has been fully paid. But this provision shall not
5 relieve any corporation, company, or association from the
6 payment of any loss upon any risk that may be taken in
7 violation of this requirement.

8 Any entity that maintains a website and that is charged
9 with the collection of a tax or license fee and the rendering
10 of the tax or license fee to the treasurer of the foreign fire
11 insurance board or fire protection district secretary must
12 publish to its website by the first day of August of each year
13 the following information for the year ending on the preceding
14 first day of July:

15 (1) the total amount of the tax or license fee
16 collected on behalf of each municipal fire department or
17 fire protection district;

18 (2) the total administrative fees, if any, charged to
19 each municipal fire department or fire protection
20 district;

21 (3) the aggregate amount of taxes or license fees
22 collected on behalf of all municipal fire departments or
23 fire protection districts; and

24 (4) the aggregate amount of administrative fees, if
25 any, charged to all municipal fire departments or fire
26 protection districts.

1 Any entity charged with the collection of the tax or
2 license fee and the rendering of the tax or license fee to the
3 treasurer of the foreign fire insurance board or fire
4 protection district secretary shall not charge an
5 administrative fee in excess of 1% of the gross amount
6 collected in each municipal fire department or each fire
7 protection district.

8 The amount of this tax or license fee may be recovered from
9 the corporation, company, or association which owes it, or from
10 its agent, by an action in the name and for the use of the
11 municipality or fire protection district as for money had and
12 received.

13 The municipal comptroller, if any, and if not, then the
14 municipal clerk or the secretary of the fire protection
15 district, may examine the books, records, and other papers and
16 documents of a designated agent, corporation, company, or
17 association for the purpose of verifying the correctness of the
18 report of the amounts received for fire insurance.

19 This section shall not be applicable to receipts from
20 contracts of marine insurance, even though they include
21 insurance against fire, where the premium for the fire
22 insurance is not separately specified.

23 (Source: P.A. 95-807, eff. 8-12-08.)