



# TITLE III

## ADMINISTRATION – GOVERNMENT

### 32. TAXATION

A) HOTEL ACCOMMODATIONS TAX

B) MUNICIPAL RETAILER'S OCCUPATION AND  
SERVICE OCCUPATION TAXES

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*Hotel Room Tax*

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*Hotel Accommodations Tax*

**Updated December 19, 2019**

*Home Rule Municipal Retailer/ Service Tax*

## TAXATION

### A) HOTEL ACCOMMODATIONS AND HOTEL ROOM TAXES

#### § 35.01 TITLE

This subchapter shall be referred to as the Village Hotel Accommodations and Hotel Room Tax ordinance.

#### § 35.02 DEFINITIONS

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**HOTEL ACCOMMODATIONS.** A room or rooms in any building structure kept, used, or maintained as or advertised or held out to the public to be an inn, motel, hotel, apartment, lodging house, dormitory, or place where sleeping, rooming, office, conference, or exhibition accommodations are furnished for lease or rent, whether with or without meals, in which ten or more such accommodations are used or maintained for guests, lodgers, or roomers. The term **HOTEL ACCOMMODATIONS** does not include an accommodation which a person occupies, or has the right to occupy, as a domicile and permanent residence.

**HOTEL ROOM.** Any hotel accommodation that is kept, used, maintained, offered, or advertised for lease or rent as an individual unit for overnight lodging by guests, lodgers, or roomers, and which includes sleeping quarters for at least one person. A **HOTEL ROOM** may or may not provide other facilities or amenities, such as private bathroom, cooking, dining, or laundry facilities. The term **HOTEL ROOM** does not include an accommodation which a person occupies or has the right to occupy, as a domicile or permanent residence.

**PERSON.** Any natural person, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, copartnership, joint venture, club, company, business trust, domestic or foreign corporation, association, syndicate, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise. Whenever the term **PERSON** is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean the owners or part owners thereof, and as applied to corporations, the officers thereof.

#### § 35.03 TAX IMPOSED; LIABILITY

(A) There are hereby imposed and shall immediately accrue and be collected the following taxes as herein provided, upon the rental or leasing of any hotel accommodations in the Village:

- i. A tax upon the privilege of renting or leasing any hotel accommodations in the Village at the rate of 7% of the gross rental or leasing charge (the “*hotel accommodations tax*”); plus
- ii. A tax upon the privilege of renting or leasing any hotel room in the Village at a flat rate of \$3.00 per hotel room per night (the “*hotel room tax*”).

(B) The ultimate incidence of and liability for payment of the hotel accommodations tax and the hotel room tax (which may be collectively referred to as the “taxes” for purposes of this subchapter) shall be borne by the lessee or tenant of any such hotel accommodations. The taxes herein levied shall be in addition to any and all other taxes. It shall be the duty of every owner, manager, or operator of hotel accommodations to secure the taxes from the lessee or tenant of the hotel accommodations and pay over to the Village the taxes provided by this subchapter.

### **§ 35.04 APPLICABILITY**

The taxes herein levied shall be secured by the hotel owner, manager, or operator from the lessee or tenant when collecting the price, charge, or hotel room rental to which it applied. Every lessee or tenant shall be given a bill, invoice, receipt, or other statement or memorandum of the price, charge, or rent payable, upon which each of the hotel accommodations tax and hotel room tax shall be stated, charged, and shown separately. The hotel accommodations tax and hotel room tax shall be paid to the person required to collect it as trustee for and on behalf of the Village.

### **§ 35.05 MONTHLY TAX RETURNS**

(A) Every owner, manager, or operator of hotel accommodations within the Village shall file a sworn tax return on a monthly basis with the Village Treasurer and Village Clerk showing tax receipts received with respect to hotel accommodation space rented or leased during the preceding monthly period, upon forms prescribed by the Village, which forms shall provide for separate accounting and reporting of the hotel accommodations tax and the hotel room tax. At the time of filing the tax return, the owner, manager, or operator of hotel accommodations shall pay to the Village all taxes due for the period to which the tax return applies.

(B) If for any reason any tax is not paid when due, a penalty at the rate of 2 % per month on the amount of tax which remains unpaid shall be added and collected. Whenever any person shall fail to pay any tax as herein provided, upon the request of the Village, the corporation counsel shall bring or cause to be brought an action to enforce the payment of the tax in behalf of the Village in any court of competent jurisdiction.

### **§ 35.06 TAX RECORDS**

Every owner, manager, or operator of hotel accommodations in the Village shall keep books and records showing the prices, rents, or charges made or charged, and occupancies taxable under this subchapter and the number of nightly hotel room rentals transacted. The Village Treasurer or Clerk, or a designee, shall at all reasonable times have full access to such books and records.

## **§ 35.07 INTENTIONAL NON-PAYMENT; LICENSE SUSPENSION**

If the President, after hearing held by or for the President, shall find that any person has willfully avoided payment of the tax imposed by this subchapter, he or she may suspend or revoke all Village licenses held by the tax evader. The owner, manager, or operator of the hotel accommodations shall have an opportunity to be heard, any such hearing to be held not less than five days after notice of the time and place of the hearing addressed to the owner, manager, or operator at his or her last known place of business. The suspension or revocation of any license shall not release or discharge the owner, manager, or operator of hotel accommodations from his civil liability for the payment of the tax nor for prosecution of such offense.

## **§ 35.08 TAX PROCEEDS**

All proceeds resulting from the imposition of the taxes under this subchapter, including penalties, shall be paid into the treasury of the Village and shall be credited to and deposited in the corporate fund of the Village.

### ***B) MUNICIPAL RETAILERS' OCCUPATION AND SERVICE OCCUPATION TAXES***

## **§ 35.08 IMPOSITION OF HOME RULE MUNICIPAL RETAILER'S OCCUPATION TAX**

A tax is hereby imposed, in accordance with 65 ILCS 5/8-11-1, 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 government of the State of Illinois, at retail in the Village at a rate of 1.0% of the gross receipts from such sales made in the course of such business, which tax shall be in addition to any retailers' occupation tax imposed by the state or any other governmental agency. Such tax shall not be applicable on the sale of aviation fuel, 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) and prescription and nonprescription medicines, drugs, medical appliances, products classified as Class III medical devices by the United States Food and Drug Administration that are used for cancer treatment pursuant to a prescription, accessories and components related to those devices, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

## **§35.09 IMPOSITION OF HOME RULE MUNICIPAL SERVICE OCCUPATION TAX**

A tax is hereby imposed, in accordance with 65 ILCS 5/8-11-5, upon all persons engaged in the business of making sales of service in the Village at a rate of 1.0% of the selling price of all tangible personal property transferred by such serviceperson either in the form of tangible personal property or in the form of real estate as an incident to a sale of service, which tax shall be in addition to any service occupation tax imposed by the state or other governmental agency. Such tax shall not be applicable on the sale of aviation fuel, 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) and prescription and nonprescription medicines, drugs, medical appliances, products classified as Class III medical devices by the United States Food and Drug Administration that are used for cancer treatment pursuant to a prescription, accessories and components related to those devices, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

### **§ 35.10 COLLECTION AND ENFORCEMENT OF TAX**

The taxes imposed pursuant to this subchapter B, and all civil penalties that may be assessed as an incident of these taxes, shall be collected and enforced by the State of Illinois Department of Revenue.

### **§ 35.99 PENALTY**

Any person found guilty for violating, disobeying, omitting, neglecting, or refusing to comply with, or resisting or opposing the enforcement of any of the provisions of §§ 35.01 through 35.08, except when otherwise specifically provided, upon conviction thereof shall be punished by a fine of not less than \$50 nor more than \$300 for the first offense and not less than \$200 nor more than \$500 for the second and each subsequent offense in any 180-day period.