



League of Women Voters of Chicago

Chicago Budget Briefing/Open Meeting, February 11, 2017

Summary of “incidental” taxes in the City of Chicago

The entire tax list for the city of Chicago with links to exemptions and specifics:

www.cityofchicago.org/city/en/depts/fin/supp_info/revenue/tax_list.html

Amusement Tax - (7510) Applies to owners, managers, or operators of amusements or of venues where amusements are being held, and resellers of tickets for amusements.

9% of charges paid,

5% of charges paid for certain live theatrical, musical, and other live cultural performances held in an auditorium, theater, or other space whose maximum capacity (including balconies) is more than 750 persons.

Amusement Tax - Subscribers to Paid Television Programming – (7511) Applies to businesses who subscribe to paid programming in Chicago whose providers do not collect the 9% Amusement Tax.

9% of subscriber's fees for paid television programming (

Boat Mooring Tax - (7560) Applies to the mooring or docking of any watercraft for a fee in or on a harbor, river or other body of water within the corporate limits or jurisdiction of the city.

7% of the mooring or docking fee

Bottled Water Tax - (1904, 1904IN)

Applies to the retail sale of bottled water in the City at a rate of \$0.05 per bottle of water.

Checkout Bag Tax - (2737) NEW

Imposed on the retail sale or use of checkout bags in Chicago.

Tax is imposed at \$0.07 per checkout bag sold or used in the City.

Cigarette Tax - (7506) Applies to wholesale cigarette dealers.

\$0.059 per cigarette or \$1.18 per package of twenty cigarettes

Electricity Infrastructure Maintenance Fee - (7576) for all electricity used or consumed in excess of 20,000,000 kilowatt-hours in a month; \$0.0026 cents per kilowatt-hour.

The Electricity IMF is imposed on electricity deliverers as compensation for using public rights of way in the City of Chicago.

Calculated on a monthly basis depending on usage from 0.0053 to 0.00265 cents per kilowatt-hour

Electricity Use Tax - (7578) Applies to the privilege of using or consuming electricity acquired in a purchase at retail and used or consumed within the corporate limits of the city.

Calculated on a monthly basis for all electricity used or consumed depending on usage from 0.61 to 0.306 cents per kilowatt-hour.

Emergency Telephone System Surcharge - Landline - (2908) Applies to businesses that supply network telephone numbers that are billed to a Chicago address.

\$3.90 per network connection per month

Emergency Telephone System Surcharge - Wireless - (2906) Applies to businesses that supply wireless telephone numbers that are billed to a Chicago address.

\$3.90 per wireless telephone number per month.

Employers' Expense Tax - (7540) Applied to businesses that employed at least 50 employees that performed at least 50% of their work in Chicago

\$2.00 per employee per month (Some exemptions)

Foreign Fire Insurance Tax - (7505) Applies to businesses not incorporated in Illinois that provide fire insurance in Chicago.

2% of taxable premiums

Fountain Soft Drink Tax - (7590) Applies to businesses that sell soft drink syrup to retailers located in Chicago.

9% of syrup price

Gas Use Tax - (7574) Applies to businesses who purchase gas from sellers who are not subject to either Distributor or Reseller Occupation Taxes.

6.3 cents per therm

Ground Transportation Tax - (7595) Applies to businesses that provide ground transportation vehicles for hire in Chicago for consideration.

Taxicabs: \$98 per month (city cabs); \$3.50 per taxable day (non-city cabs)

Vehicle capacity 10 or less: \$3.50 per taxable day

Transportation Network Providers - Class A: \$0.40 per vehicle per ride

Transportation Network Providers - Class B: \$0.80 per vehicle per ride

Transportation Network Providers (Class A or B) - Rides accepted to or from Chicago airports, McCormick Place, or Navy Pier: \$5.00 per vehicle per ride

Vehicle capacity 11-24: \$6.00 per taxable day

Vehicle capacity 25 or more: \$9.00 per taxable day

Pedicabs: \$1.00 per taxable day

Hotel Accommodations Tax - (7520) Applies to businesses that rent or lease hotel accommodations.

Base rate of 4.5% of the gross rental or leasing charge. For vacation rentals and shared housing units, a 4% surcharge in addition to the 4.5% base rate for a total City tax rate of 8.5% of the gross rental or leasing charge.

Liquid Nicotine Product Tax - (7514) Imposed on the retail sale of liquid nicotine products in the City.

\$0.80 per product unit, plus an additional \$0.55 per fluid milliliter of consumable liquid, gel, or other solution contained in the product.

Liquor Tax - (7573) Applies to wholesale businesses that sell alcoholic beverages for sale in Chicago.

Tax Rates: \$0.29 per gallon of beer

\$0.36 per gallon of liquor containing 14% or less alcohol by volume

\$0.89 per gallon for liquor containing more than 14% and less than 20% of alcohol by volume

\$2.68 per gallon containing 20% or more alcohol by volume

MPEA Airport Departure Tax - (8500) Applies to businesses that provide ground transportation for hire to passengers departing from a Chicago airport.

Taxi/Livery Vehicles: \$4.00 per vehicle departure

Bus/Van Capacity 25 or more: \$54.00 per vehicle departure

Bus/Van Capacity 1-12: \$18.00 per vehicle departure

Buses/Vans regulated by ICC or Ill. CC: \$2.00 per passenger departure

Bus/Van Capacity 13-24: \$36.00 per vehicle departure

Motor Vehicle Lessor Tax - (7575) Applies to businesses engaged in leasing motor vehicles.

\$2.75 per vehicle per rental period

Non-Retail Transfer of Motor Vehicles Tax - (8405) Applies to the non-retail purchase of motor vehicles. Collected by Illinois Department of Revenue

Occupation Tax -Natural Gas Distributor and Reseller - (7571) Applies to businesses engaged in distributing, supplying, furnishing, or selling natural gas.

8% of receipts

Other Tobacco Products Tax - (7515) Imposed on the purchase or use of all other tobacco products within the City.

(1) for smoking tobacco, \$1.80 per ounce;

(2) for smokeless tobacco, \$1.80 per ounce;

(3) for pipe tobacco, \$0.60 per ounce; (5) for large cigars, \$0.20 per cigar.
(4) for little cigars, \$0.20 per cigar; and

Parking Tax - (7530) Applies to businesses that operate parking lots or perform valet operations.

22% for daily parking during the week as well as all weekly and monthly parking.

20% for daily parking on the weekends

20% of the gross amount of consideration received by a valet parking business in connection with its valet parking operations in the city, including all related service fees or similar charges.

Personal Property Lease Transaction Tax - (7550) Applies to businesses or individuals that are either a lessor or lessee of personal property used in Chicago.

5.25% of charges for the non-possessory lease of a computer to input, modify, or retrieve data supplied by the customer.

9% of receipts or charges for other leases

Real Property Transfer Tax - (7551)(7553) Applies to transfers of title to or beneficial interest in real property located in Chicago.

\$5.25 per \$500.00 of the transfer price, or fraction thereof, of the real property or the beneficial interest in real property. In general, The Buyer is responsible for \$3.75 and the Seller is responsible for \$1.50. Various Exemptions

Restaurant Tax - (7525) Applies to all places for eating. 0.25% of retail price

Telecommunications Tax - (7501) Applies to telecommunication retailers for all gross charges. 7% of receipts or charges

Tire Fee - (BA94) Tire Fee applies to the retail sale of new tires at a rate of \$1.00 per tire.

Use Tax for Non-Titled Personal Property - (8402B, 8402CO, 8402IN, 8403) Applies to purchases of non-titled tangible personal property outside of Chicago for use inside Chicago. 1% of taxable purchases (first \$2,500.00 of purchases each year are exempt)

Use Tax for Titled Personal Property - (8400, 8400R) Applies to purchases of titled tangible personal property outside of Chicago for use inside Chicago.

1.25% of taxable purchases

Vehicle Fuel Tax - (7577) Applies to the sale of fuel to a retailer or use by a purchaser.

\$.05 per gallon

List compiled by Helene Gabelnick, February 7, 2017