

**ORDINANCE**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:**

**SECTION 1.** Section 3-74 of the Chicago Municipal Code is hereby amended to add the following language:

**3-74-010 Title.**

This chapter shall be known and cited as the “Chicago Automated Kiosk Tax Ordinance”, and the tax herein imposed shall be known and cited as the “Automated Kiosk Tax”.

**3-74-020 Definitions.**

Whenever any of the following words, terms or phrases are used in this chapter, they shall have the following meanings:

“Automated Kiosk” means an interactive device that is installed within a retail space at which used consumer electronic devices are sold, traded, recycled, or otherwise received by a person.

“Customer” means any person who purchases tangible personal property from a store.

“Department” means the Department of Finance of the City.

“Store” means any person who engages in the business of selling tangible personal property, other than tangible personal property titled or registered with an agency of Illinois government, at retail in the City of Chicago, pursuant to the Home Rule Municipal Retailer's Occupation Tax Act.

**3-50-030 Tax imposed.**

A tax is hereby imposed on the use of each Automated Kiosk Device in the City. The tax shall be paid by the Store. The tax shall be imposed at the rate of \$20,000 per year for each Automated Kiosk device used for Retail Sales.

**3-50-040 Liability for payment.**

- A. The ultimate incidence and liability for payment of the tax is to be borne by the Store.
- B. The Store may not shift the burden of the tax onto a Customer.

### **3-74-050 Collection, remittance and payment.**

#### **3-50-060 Tax payments and returns.**

All tax payments and remittances shall be made in accordance with Section 3-4-187 (payment of actual tax liabilities).

- A. All tax returns shall be filed with the Department on an annual basis on or before August 15 of each year in accordance with Sections 3-4-186 and 3-4-189. 3-50-00 Returns and payments required upon implementation of the tax and after future tax rate increases.
- B. The Comptroller is authorized to establish by rule the filing date under this Section, which: (1) shall be determined based on considerations of administrative efficiency, and (2) in no event shall be later than 30 days after the effective date of this Section.
- C. On or before the filing date set in accordance with subsection 3-50-070(A), every store shall file with the Department, on a form prescribed by the Comptroller, a tax return reporting the use of each automated kiosk device in the store's possession or control, on the effective date of this Section, for sale or use in the City.
- D. Every store that possesses and uses automated kiosk devices in the City shall file with the Department, on a form prescribed by the Comptroller, a tax return attesting to the quantities of automated kiosk devices used by the store and remit to the Department the amount of tax due as a result of each rate increase.
- E. Every store required to file a tax return under subsection 3-50-070(B) or 3-50-070(C) that does not file such tax return by its due date, or alternatively does not provide all required information on such tax return, or fails to remit all required tax due computed thereon, shall be subject to a penalty of \$100.00 per business location required to be reported on the tax return, in addition to all other penalties and interest that may be due under the Uniform Revenue Procedures Ordinance, Chapter 3-4 of this Code.
- F. If the Comptroller determines that a person subject to the penalty in subsection 3-50-070(D) had reasonable cause for paying late, underpaying the applicable tax, or filing a late or incomplete tax return, then the applicable penalty shall be waived.
- G. The Comptroller, or his or her designee, may at any time during the statute of limitations outlined in Section 3-4-120 examine the books and records of any person required to file a tax return under this Section, and may issue a tax determination and assessment to the person per Section 3-4-160, if a determination is made that any amount of tax, penalty, or interest is due.

#### **3-50-080 Books and records.**

Every person required to remit the tax imposed by this chapter shall keep accurate books and records of its business or activity, including original source documents and books of entry denoting the transaction that gave rise, or may have given rise, to the tax liability or any exemption that may be claimed. All such

books and records shall be kept in the English language and, at all times during regular business hours, shall be subject to and available for inspection by the Department.

**3-74-100 Authority to appoint collection agents.**

The Comptroller may appoint one or more persons within or without the City as collection agents for the tax, and may enter into contracts with outside parties for that purpose, subject to the availability of duly appropriated funds.

**3-74-110 Exemptions and credits.**

This tax shall not apply to the extent it would violate the United States Constitution or the Constitution of the State of Illinois.

**3-74-120 Registration.**

Every wholesaler and store shall register with the Department within 30 days of the effective date of this chapter, or within 30 days of commencing business, whichever is later.

**3-74-130 Supplementary provisions.**

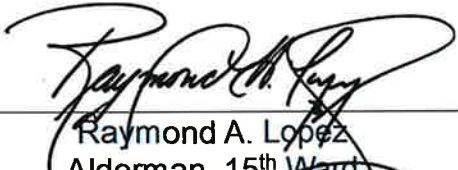
Whenever not inconsistent with the provisions of this chapter, or whenever this chapter is silent, the provisions of the Uniform Revenue Procedures Ordinance, Chapter 3-4 of this Code, shall apply and supplement this chapter.

**3-74-140 Deposit of funds.**

All proceeds resulting from the imposition of this tax, including interest and penalties, shall be directed to the Transitional Jobs Programs within the Department of Family & Support Services Workforce Services Programs.

**SECTION 2.** This ordinance shall take effect 120 days after passage and publication.

*Joe 4/15/17*

  
Raymond A. Lopez  
Alderman, 15<sup>th</sup> Ward

*Anthony Beale 9th*