



# Office of City Clerk

## City Council Document Tracking Sheet

City Hall  
121 North LaSalle Street  
Room 107  
Chicago, IL 60602  
[www.chicityclerk.com](http://www.chicityclerk.com)

**Matter ID:** R2023-0004967

**Meeting Date:** 10/4/2023

**Sponsor(s):** Hopkins (02) \*

**Type:** Resolution

**Title:** Submission of public question by referendum to Chicago voters at March 19, 2024 election proposing to allow voters to determine if Chicago shall impose real estate transfer tax decrease for under \$500,000 and increase for over \$500,000

**Committee Assignment:** Committee on Committees and Rules

~~Rules~~  
~~HOUSING~~ Rules

## RESOLUTION

**WHEREAS**, the City of Chicago is a home rule unit under Article VII of the Constitution of the State of Illinois; and

**WHEREAS**, pursuant to Section 8-3-19 of the Illinois Municipal Code 65 ILCS 5/8-3-19, a home rule municipality may impose or increase a tax or fee on the privilege of transferring title to real estate, on the privilege of transferring a beneficial interest in real property, and on the privilege of transferring a controlling interest in a real estate entity, with prior referendum approval; and

**WHEREAS**, the City of Chicago currently imposes a real estate transfer tax of \$3.75 for every \$500 of transfer price, or fraction thereof, the primary incidence of which is on the buyer, pursuant to Section 3-33-030 (A) of the Municipal Code (“Code”) (the “City Portion”); and

**WHEREAS**, a supplemental tax at the rate of \$1.25 per \$500 of transfer price, or fraction thereof, is imposed pursuant to Section 3-33-030 (F) of the Code for the purpose of providing financial assistance to the Chicago Transit Authority (the “CTA Portion”); and

**WHEREAS**, the City seeks to change the City Portion of the real estate transfer tax by decreasing the current rate of \$3.75 for every \$500 of the transfer price, or fraction thereof, to \$2.81 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price under \$500,000, and increasing the rate to \$6.19 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price between \$500,000 and \$1,000,000 (inclusive) and to \$6.56 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price exceeding \$1,000,000; and

**WHEREAS**, the change would concern only the City Portion of the tax, and there would be no change to the rate of the CTA Portion of the tax; and

**WHEREAS**, the additional revenue over the amount generated from the current rate shall be deposited in a fund to be dedicated to combatting homelessness, including providing permanent affordable housing and the services necessary to obtain and maintain permanent housing; and

**WHEREAS**, the City Council of the City of Chicago hereby finds it is in the best interest of the City to impose such a change to the real estate transfer tax to address the City’s significant problem with homelessness; now therefore,

### **BE IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:**

**SECTION 1.** The foregoing recitals are incorporated herein by reference.

**SECTION 2.** In accordance with Section 8-3-19 of the Illinois Municipal Code, 65 ILCS 5/8-3-19, the City Council of the City of Chicago hereby initiates and authorizes the following public question to be submitted to the voters of the entire City of Chicago at the regularly scheduled general primary election next occurring after the effective date of this resolution on March 19, 2024:

Shall the City of Chicago:

- 1) impose a real estate transfer tax decrease of 25% to establish a new transfer tax rate of \$2.81 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price under \$500,000, to be paid by the buyer of the real estate transferred unless the buyer is exempt from the tax solely by operation of state law, in which case the tax is to be paid by the seller; AND
- 2) impose a real estate transfer tax increase of 65% to establish a new transfer tax rate of \$6.19 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price between \$500,000 and \$1,000,000 (inclusive), to be paid by the buyer of the real estate transferred unless the buyer is exempt from the tax solely by operation of state law, in which case the tax is to be paid by the seller; AND
- 3) impose an additional real estate transfer tax increase of 75% to establish a new transfer tax rate of \$6.56 for every \$500 of the transfer price, or fraction thereof, for that part of the transfer price above \$1,000,000, to be paid by the buyer of the real estate transferred unless the buyer is exempt from the tax solely by operation of state law, in which case the tax is to be paid by the seller; AND
- 4) create a special revenue fund entitled the Homeless Real Property Transfer Tax Fund, into which all of the revenue from these increases above the current rate of the real estate transfer tax of \$3.75 per \$500 must be deposited by the City. This fund shall be reflected in the Finance Department's line item appropriation of the City's annual budget and shall be allocated for the sole purpose of addressing homelessness, including providing permanent affordable housing and the services necessary to obtain and maintain permanent housing in the City of Chicago.

YES

NO

**SECTION 3.** The City Clerk of the City of Chicago shall certify the public question referenced herein to the Chicago Board of Election Commissioners in accordance with Article 28 of the Election Code.

**SECTION 4.** This resolution shall be in full force and effect upon its passage.

B. J. [Signature]