

**CHAPTER 20**  
**OCCUPATION AND OTHER TAXES**

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**20.01 MUNICIPAL RETAILERS**

A. Required Tax. A tax is hereby imposed upon all persons engaged in this municipality in the business of selling tangible personal property at retail in this Village at the rate of one (1%) percent of the gross receipts from such sales made in the course of such business while this Ordinance is in effect, in accordance with the provisions of Section 8-121-1 of the Illinois Municipal Code approved October 1, 1969, as amended.

B. Report to State. Every such person engaged in such business in the Village shall file on or before the fifteenth day of each calendar month, the report to the State Department of Revenue of the State of Illinois as required by Section Three of "An Act in relation to a tax upon persons engaged in the business of selling tangible personal property to purchasers for use or consumption," approved June 28, 1933, as amended.

C. Payment to State. At the time such report is filed, there shall be paid to the State Department of Revenue of the State of Illinois the amount of tax hereby imposed on account of the receipts from sales of tangible personal property during the preceding month, together with any penalties then due, if any, and such other information as may be required by Section Three as aforesaid.

**20.02 MUNICIPAL SERVICE OCCUPATION TAX**

A. Required Tax. A tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service at the rate of one (1%) percent of the cost price of all tangible personal property transferred by said servicemen either in the form of tangible personal property or in the form of real estate as an incident to a sale of service, in accordance with the provisions of Section 8-11-5 of the Illinois Municipal Code approved October 1, 1969, as amended.

B. Report to State. Every supplier or serviceman required to account for Municipal Service Occupation Tax for the benefit of this Village shall file, on or before the last day of each calendar month, the report to the State Department of Revenue of the State of Illinois as required by Section Nine of "An Act to impose a tax upon persons engaged in the business of making sales of Service" approved July 10, 1961, as amended.

C. Payment to State. At the time such report is filed, there shall be paid to the State Department of Revenue the amount of tax hereby imposed together with any penalties then due and such other information as may be required.

### 20.03 MUNICIPAL USE TAX

A. Required Tax. A tax is hereby imposed upon the privilege of using, in the Village, any item of tangible personal property which is purchased outside Illinois at retail from a retailer, and which is titled or registered with an agency of this State's government, at a rate not to exceed one (1%) percent of the selling price of such tangible personal property, as "selling price" is defined in the "Use Tax Act", approved July 14, 1955, as amended.

B. Report to State. Such tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the Village. Such tax shall be collected by the Illinois Department of Revenue.

### 20.04 MUNICIPAL UTILITY TAX *Amended, Ord. 1998-99-6; 2013-14-06*

A. A tax is imposed on all persons engaged in the following occupations or privileges:

1. Persons engaged in the business of transmitting messages by means of electricity, at a rate of five (5%) percent of the gross receipts from such business originating within the corporate limits of the Village of Bull Valley, Illinois.
2. Persons engaged in the business of distributing, supplying, furnishing or selling gas for use of consumption within the corporate limits of the Village of Bull Valley, Illinois, and not for resale, at the rate of five (5%) percent of the gross receipts therefrom.

B. Exemptions. No tax is imposed by this Ordinance with respect to any transaction in interstate commerce or otherwise to the extent to which such business may not, under the Constitution and statutes of the United States, be made subject to taxation by this State or any political subdivision thereof; nor shall any persons engaged in the business of distributing, supplying, furnishing or transmitting messages be subject to taxation under the provisions of this Ordinance for such transactions as are or may become subject to taxation under the provisions of the "Municipal Retailers' Occupation Tax Act" authorized by Section 8-11-1 of the "Illinois Municipal Code," approved July 25, 1961, as amended.

C. Application. Such tax shall be in addition to the payment of money, or value of products or services furnished to this municipality by the taxpayer as compensation for the use of its streets, alleys or other public places, or installation and maintenance therein, thereon or thereunder of poles, wires, pipes or other equipment used in the operation of the taxpayer's business.

D. Definitions. Terms used in this section mean as follows:

**Gross Receipts:** the consideration received for the transmission of messages, or distributing, supplying, furnishing or selling gas for use or consumption and not for resale, as the case may be; and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash credit, services and property of every kind and material and for all services rendered therewith; and shall be determined without any deduction on account of the cost of transmitting said messages without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service cost, or any other expenses whatsoever. Gross Receipts shall not include receipts received from the Village for the sale to said Village of any of the utility products or services mentioned above. *Amended, Ord. 1998-99-6*

**Transmitting Messages:** in addition to the usual and popular meaning of person-to-person communication, shall include the furnishing for a consideration, of services or facilities (whether owned or leased or both) to persons in connection with the transmission of messages where such persons do not, in turn, receive any consideration in connection therewith, but shall not include such furnishing of services or facilities to persons for the transmission of messages to the extent that any such services or facilities for the transmission of messages are furnished for a consideration by such persons to other persons, for the transmission of messages.

**Person:** any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, municipal corporation or political subdivision of this State, or a receiver, trustee, conservator or other representative appointed by order of any court.

E. Effective Date. This Ordinance shall be in effect upon the date of passage and the tax provided herein shall be based on the gross receipts, as herein defined, actually paid to taxpayer for services billed on or after the 1st day of August, 1988.

F. Statement. Beginning on the 30th day of September, 1988, and on or before the last day of each month thereafter, each taxpayer shall make a return to the Village Treasurer for the preceding month stating:

1. His name;
2. His principal place of business;
3. His gross receipts during that month upon the basis of which tax is imposed;
4. Amount of tax;
5. Such other reasonable and related information as the corporate authorities may require.

The taxpayer making the return herein provided for shall, at the time of making such return, pay to the Village Treasurer the amount of tax herein imposed; provided that in connection with any return, the taxpayer may, if he so elects, report and pay an amount based upon his total billings of business subject to the tax during the period for which the return is made (exclusive of any amounts previously billed), with prompt adjustments of later payments based upon any difference between such billings and the taxable gross receipts.

G. Errors. If it shall appear that an amount of tax has been paid which was not due under the provisions of this Ordinance, whether as the result of a mistake of fact or an error of law,

then such amount shall be credited against any tax due, or to become due, under this Ordinance from the taxpayer who made the erroneous payment; provided that no amounts erroneously paid more than three (3) years prior to the filing of a claim therefor shall be so credited.

H. Recovery Deadline. No action to recover any amount of tax due under the provisions of this Ordinance shall be commenced more than three (3) years after the due date of such amount.

I. Penalty. Any taxpayer who fails to make a return, or who makes a fraudulent return, or who willfully violates any other provision of this Section 20.04 is guilty of a misdemeanor and upon conviction thereof shall be fined pursuant to Appendix A of this Code, plus the Village's cost of prosecution including reasonable attorney fees and, in addition, shall be liable in a civil action for the amount of tax due. *Amended, Ord. 1998-99-15; 2013-14-06*

#### 20.05 **ELECTRIC TAX** *Ord. 1998-99-6; 2013-14-06*

A. Definitions. Terms used in this Section 20.05, whether capitalized or not, shall have the following meanings:

**Person maintaining a place of business in this State:** any person having or maintaining within the State, directly or by a subsidiary or other affiliate, an office, generation facility, distribution facility, transmission facility, sales office or other place of business, or any employee, agent or other representative operating within the State under the authority of the person or its subsidiary or other affiliate, irrespective of whether such place of business or agent or other representative is located in the State permanently or temporarily, or whether such person, subsidiary or other affiliate is licensed or qualified to do business in the State.

**Purchase at retail:** any acquisition of electricity by a purchaser for purposes of use or consumption, and not for resale, but shall not include the use of electricity by a public utility, as defined in 65 ILCS 5/8-11-2, directly in the generation, production, transmission, delivery or sale of electricity.

**Purchaser:** any person who uses or consumes, within the corporate limits of the Village, electricity acquired in a purchase at retail (other than an exempt purchaser).

**Tax collector:** the person delivering electricity to the purchaser.

B. Tax Imposed Upon End Users of Electricity. Pursuant to the Illinois Municipal Code (65 ILCS 5/8-11-2) and any other applicable authority, a tax is hereby imposed upon the privilege of using or consuming electricity purchased at retail and used or consumed within the corporate limits of the Village at the following rates, as calculated on a monthly basis for each purchaser, except for electricity used or consumed by the Village:

1. For the first 2,000 Kilowatt-hours ("Kwh") used or consumed in a month, .513 cents per Kwh;

2. For the next 48,000 Kwh used or consumed in a month, .336 cents per Kwh;
3. For the next 50,000 Kwh used or consumed in a month, .303 cents per Kwh;
4. For the next 400,000 Kwh used or consumed in a month, .294 cents per Kwh;
5. For the next 500,000 Kwh used or consumed in a month, .286 cents per Kwh;
6. For the next 2,000,000 Kwh used or consumed in a month, .269 cents per Kwh;
7. For the next 2,000,000 Kwh used or consumed in a month, .265 cents per Kwh;
8. For the next 5,000,000 Kwh used or consumed in a month, .261 cents per Kwh;
9. For the next 10,000,000 Kwh used or consumed in a month, .257 cents per Kwh;  
and
10. For all electricity consumed or used in excess of 20,000,000 kwh in a month, .252 cents per kwh.

The tax rates set forth hereinabove will be used at least through December 31, 2008, are proportional to the rates enumerated in 65 ILCS 5/8-11-2 (as modified by Public Act 90-561), and do not exceed the revenue that could have been collected during 1997 using the rates enumerated in 65 ILCS 5/8-11-2 (as modified by Public Act 90-561).

C. Effective Date. The tax rates as set forth in Section 20.05-B herein shall become effective as follows:

1. For all residential customers within the corporate limits of the Village, August 1, 1998.
2. For non-residential customers, upon the earlier of the date of the first bill issued to each non-residential customer pursuant to 220 ILCS 5/16-104 or the first bill issued on or after January 1, 2001. *Amended, Ord. 1998-99-16*

D. Utility Tax. Pursuant to 65 ILCS 5/8-11-2, the tax provided in Section 20.04-A-3 herein shall remain in full force and effect as follows:

1. For gross receipts (as defined in Section 20.04-D of this Code) attributable to residential customers, until August 1, 1998; and
2. For gross receipts attributable to nonresidential customers until the earlier of the first bill issued on or after January 1, 2001, or the date of the first bill issued to each nonresidential customer pursuant to 220 ILCS 5/16-104. *Amended, Ord. 1998-98-16*

E. Exceptions. None of the taxes authorized by this Section 20.05 may be imposed with respect to any transaction in interstate commerce or otherwise to the extent to which the business or privilege may not, under the Constitution and statutes of the United States, be made the subject of taxation by this State or any political subdivision thereof; nor shall any persons engaged in the business of distributing, supplying, furnishing, or selling or transmitting gas, water, or electricity, or engaged in the business of transmitting messages, or using or consuming electricity acquired in a purchase at retail, be subject to taxation under the provisions of this Section 20.05 for those transactions that are or may become subject to taxation under the provisions of the “Municipal Retailers’ Occupation Tax Act” authorized by 65 ILCS 5/8-11-1; nor shall any tax authorized by this Section 20.05 be imposed upon any persons engaged in a business or on any privilege unless the tax is imposed in like manner and at the same rate upon all persons engaged in businesses of the same class in the municipality, whether privately or municipally owned or operated, or exercising the same privilege within the municipality.

F. Additional Taxes. The tax set forth in Section 20.05-B herein shall be in addition to other taxes levied upon the taxpayer or its business.

G. Retail Sale. It shall be presumed that any electricity delivered to a person within the Village is sold at retail, for its use or consumption within the Village. This presumption is refutable only by clear and convincing evidence.

H. Collection. The tax imposed by this Section 20.05 shall be collected from the purchaser by the person maintaining a place of business in this State who delivers the electricity to the purchaser. The tax shall constitute a debt of the purchaser to the person who delivers the electricity to the purchaser. If the tax is unpaid it is recoverable in the same manner as the original charge for delivering the electricity. Any tax required to be collected pursuant to this Section 20.05 and any such tax collected by a person delivering electricity shall constitute a debt owed to the municipality by such person delivering the electricity, provided that the person delivering electricity shall be allowed credit for such tax related to deliveries of electricity, the charges for which are written off as uncollectible, and provided further, that if such charges are thereafter collected, the delivering supplier shall be obligated to remit such tax to the Village. Persons delivering electricity shall collect the tax from the purchaser by adding such tax to the gross charge for delivering the electricity. Persons delivering electricity shall be authorized to add to such gross charge an amount equal to three percent of the tax assessed pursuant to this Section 20.05 to reimburse the person delivering electricity for the expense incurred in keeping records, billing customers, preparing and filing returns, remitting tax and supplying data to the Village. If the person delivering electricity fails to collect the tax from the purchaser, then the purchaser shall be required to pay the tax directly to the Village in the manner prescribed herein. Persons delivering electricity who file returns pursuant to this Section 20.05 shall, at the time of filing such return, pay the Village the amount of the tax collected pursuant to this Section 20.05.

I. Books and Records. Every person delivering electricity who is required to collect a tax pursuant to Section 20.05-H herein shall keep accurate books and records of all transactions which may affect the tax provided for in Section 20.05-B, including, but not limited to, records of the number of Kilowatt-hours (Kwh) used by each consumer within the Village for each month, the charge imposed upon each consumer for the sale of the electricity and any related services, the

amount of tax imposed by this Section 20.05 billed to each consumer of electricity and the amount of tax actually collected, the amount of the charge imposed and collected by the electric distributor as compensation for collecting the tax provided for in this Section 20.05, and the total gross receipts received by the electricity deliverer for each month, not including the tax imposed by this Section 20.05. The books and records shall be subject to and available for inspection at all times during business hours of the day.

J. Tax Remittance and Return.

1. Every person collecting a tax pursuant to this Section 20.05 shall, on a monthly basis, file a return with the Village in a form prescribed by the Village along with the total revenues collected. The return and accompanying remittance shall be delivered to the Village on or before the last day of the month following the month during which the tax is collected or is required to be collected under Section 20.05-H.
2. Each person who is required to pay a tax pursuant to this Section 20.05 and who has not paid said tax to the electricity deliverer as provided for herein and who is not otherwise exempt from paying such tax shall pay directly to the Village the tax on or before the last day of the month following the month during which the electricity was used or consumed and shall file a return with the Village for the preceding month stating:
  - a. The name of the owner of the property where the electricity is consumed or the name of the taxpayer if different.
  - b. The taxpayer=s principle place of business or residence.
  - c. The number of kilowatt-hours (Kwh) of electricity used during the month.
  - d. The amount of the tax.
  - e. Such other reasonable and related information as the Village may require.

K. Credit for Overpayment. If an amount of tax is paid which is not due under the provisions of this Section 20.05, whether as the result of a mistake of fact or law, then such amount shall be credited against any tax due, or to become due, under this Section 20.05 from the person who made the erroneous payment; provided that no amounts erroneously paid more than one year prior to the filing of a claim therefor shall be so credited.

No person shall be entitled to a credit for a tax imposed under this Section 20.05 unless the person files a claim for credit within one year after the date on which the tax was paid or remitted. All such claims shall first be filed with the Village.

L. Fines, Penalties. Any taxpayer who fails to make a return, or who makes a fraudulent return, or who violates any other provision of this Section 20.05 shall be guilty of a

misdemeanor and, upon conviction thereof, shall be fined pursuant to Appendix A of this Code, plus all costs of prosecution including, but not limited to, filing fees, witness fees, attorney fees and court costs. For purposes of this Section, each day upon which a violation occurs or continues to occur shall be deemed a separate and distinct violation. This penalty is in addition to any civil action which may be available to the Village or electric deliverer to collect upon the amount of tax due. *Amended, Ord. 1998-99-15*

M. Reinstatement of Utility Tax on Electricity. In the event Public Act 90-561 is declared unconstitutional, or if this Section 20.05 is found unconstitutional or voided by any court of competent jurisdiction, the provisions of the former Section 20.04-A-1 shall remain in effect in all respects as if it had never been repealed, and any amounts paid to the Village by any person delivering electricity pursuant to this Section 20.05 shall be deemed to have been paid pursuant to the former Section 20.04-A-1 as it existed prior to the passage of this Section 20.05.

## 20.06 MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX *2019-20-10*

### A. Tax Imposed; Rate

1. A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail in the Village at the rate of 1.5% of the gross receipts from these sales made in the course of that business.
2. The imposition of this tax is in accordance with the provisions of Section 8-11-22 of the Illinois Municipal Code (65 ILCS 5/8-11-22).

### B. Collection of Tax by Retailers

1. The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (Department). Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.
2. The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of this article.

## 20.07 HOTEL/MOTEL TAX *Amended, 2021-22-8, 2021-22-1*

### A. Definitions.

**Hotel:** Any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns,



motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges. The term includes any building or structure utilized as a short term rental.

**Operator:** Any person operating a hotel.

**Occupancy:** The use or possession, or the right to the use or possession, of any room or rooms in a hotel for any purpose, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.

**Room or Rooms:** Any living quarters, sleeping or housekeeping accommodations.

**Permanent Resident:** Any person who has occupied or has the right to occupy any room or rooms, regardless of whether or not it is the same room or rooms, in a hotel for at least 30 consecutive days.

**Rent or Rental:** The consideration received for occupancy, valued in money, whether received in money or otherwise, including all receipts, cash, credits, property or services of any kind or nature.

**Person:** Any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

B. Tax Imposed. A tax be imposed upon persons engaged in the business or renting, letting or leasing rooms in a hotel at the rate of five percent (5%) of the gross rental receipts from such renting, leasing or letting, excluding, however, from gross rental receipts, the proceeds of such renting, leasing or letting to permanent residents of that hotel.

Notwithstanding any provision herein to the contrary, such tax set forth in this Section 20.07 is not imposed upon gross rental receipts received by:

1. an entity that is organized and operated exclusively for religious purposes and possesses an active Exemption Identification Number (ExIN) issued by the Department pursuant to the Retailers Occupation Tax Act when acting as a hotel operator renting, leasing or letting rooms:
  - (i) in furtherance of the purposes for which it is organized; or
  - (ii) to entities that:
    - are organized and operated exclusively for religious purposes;
    - possess an active ExIN issued by the Department pursuant to the Retailers' Occupation Tax Act; and
    - rent the rooms in furtherance of the purposes for which they are organized.

No gross rental receipts are exempt under subsection (b)(8)(A) of the Hotel Operators' Occupation Tax Act unless the hotel operator obtains the active ExIN

from the exclusively religious entity to whom it is renting and maintains that number in its books and records;

or

2. a college or other school renting rooms for its students or for groups internal to the college or school (i.e., faculty, staff, alumni), for use as living quarters or housekeeping accommodations.

C. Payment and Collection.

1. The tax levied herein shall be paid in addition to any and all other taxes. It shall be the duty of the operator of every hotel to collect said tax from the guest or lodger, and to pay over to the Village President or his/her designee said tax on a monthly basis as provided herein.
2. Every person required to collect the tax levied by this ordinance shall receive said tax from the guest or lodger at the time the room charge is paid. A receipt, invoice or other statement or memorandum showing the itemized rental and all taxes shall be issued to the user, lessee or tenant.

D. Administration and Enforcement.

1. Inspections. The Village President or his/her designee may enter the premises of any hotel for inspection and examination of books and records for the proper administration of this ordinance and enforcement and collection of the tax imposed. It shall be unlawful for any person to prevent, hinder or interfere with the Village President or his/her designee in enforcing this ordinance.
2. Records Required. It shall be the duty of every person operating a hotel in the Village to keep accurate and complete books and records to which the Village President or his/her designee shall, at all times, have full access, which records shall include a daily sheet showing:
  - a. The number of hotel rooms rented during the 24 hour period, including multiple rentals of the same hotel when such occurs; and
  - b. The actual hotel room tax receipts collected from the date in question.
3. Monthly Tax Returns. Every person operating a hotel shall file tax returns showing tax receipts received with respect to each hotel during each month of each year, within 30 days after the end of the respective date, upon forms prescribed by the rules and regulations of the Village President or his/her designee. At the time of filing said tax returns, the operator shall pay to the Village President or his/her designee all taxes due for the period which the tax return applies. Each return shall be accompanied by payment to the Village of all taxes due and owing for the quarter covered by the return.

4. Failure to Pay Tax.

- a. Interest and Penalty. In the event any hotel owner, manager or operator fails to collect and pay to the Village the tax required hereunder within 30 days after the same is due, interest shall accumulate and be due upon said tax at the rate of one percent (1%) per month commencing as of the first day of the month following the month for which the tax was to have been collected. In addition, a penalty of 10 percent (10%) of the tax and interest due shall be assessed and collected against any hotel owner, manager or operator.
- b. Suit for Collection. Whenever a person fails to pay tax required herein, the Village Attorney shall, upon the request of the Village President or his/her designee, bring or cause to be brought an action to enforce the payment of said tax on behalf of the Village in any court of competent jurisdiction. Any legal fees incurred by the Village in the cost of the collection shall be paid by the operator.
- c. Revocation of Village Licenses. If the Village President or his/her designee, after conducting a hearing, finds that any person has willfully avoided payment of the tax imposed herein, he may suspend or revoke all Village licenses held by the hotel. The operator shall have an opportunity to be heard at a hearing, held not less than five days after notice of the time and place of hearing, with said notice addressed to the operator at the last known place of business, has been delivered to the operator.

E. Penalty. Any person found guilty of violating any provision of this ordinance, shall, be fined not less than \$75.00 nor more than \$750.00 for each offense and be responsible for the Village's cost of prosecution, including reasonable attorney fees. Each day that a violation continues shall be considered a separate offense.