ORDINANCE NO. ________

ORDINANCE AMENDING CHAPTER 28 TAXATION

(Adding language establishing regulations for municipal use tax)

WHEREAS, the City of Joliet is a home rule unit of local government pursuant to Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs including but not limited to, the power to regulate for the protection of the public health, safety, morals, and welfare.

WHEREAS, the Mayor and City Council of the City of Joliet, Illinois (City) has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and protect the public health, safety, and welfare of its citizens; and

WHEREAS, the Corporate Authorities find that the accurate reporting and collection of locally imposed taxes is essential to maintaining the fiscal integrity of the City and ensuring that all taxpayers are treated fairly and uniformly; and

WHEREAS, the Mayor and City Council relies upon the accuracy and completeness of tax returns filed by retailers and other taxpayers to verify compliance with municipal tax ordinances and to safeguard public revenues; and

WHEREAS, Illinois Department of Revenue returns, schedules, reports, and related supporting documentation provide an objective means by which the City may verify the accuracy of locally filed tax returns and identify discrepancies, omissions, or reporting errors; and

WHEREAS, requiring taxpayers to electronically submit supporting documentation contemporaneously with their municipal tax returns promotes administrative efficiency, reduces enforcement costs, and facilitates timely review by the Finance Director; and

WHEREAS, the Corporate Authorities further find that the failure to provide required supporting documentation impairs the City's ability to verify tax liability, conduct audits, ensure compliance, and protect municipal revenues; and

WHEREAS, establishing clear consequences for incomplete tax filings, including the imposition of penalties, interest, audits, and other enforcement remedies authorized by the Municipal Code, encourages compliance and promotes the efficient administration of the City's tax ordinances; and

WHEREAS, the Corporate Authorities determine that the adoption of documentation and reporting requirements is necessary and appropriate to protect the public health, safety, and welfare and to ensure the proper administration and collection of taxes lawfully owed to the City.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, ILLINOIS, PURSUANT TO ITS STATUTORY AND HOME RULE AUTHORITY, AS FOLLOWS:

SECTION 1: The Mayor and City Council hereby find that the recitals contained in the remainder of this Ordinance are true, correct and complete and are hereby incorporated into this Ordinance by reference.

<u>SECTION 2</u>: That Chapter 28 (Taxation), Article III (Titled Vehicle Tax), Section 28-35 (Transmittal of tax revenue), shall hereby be amended as reflected in the following:

CHAPTER 28- TAXATION
ARTICLE III.-TITLED VEHICLE TAX

Sec. 28-35. Transmittal of tax revenue.

(a) A sworn tax return shall be electronically filed by each retailer in the city, with the finance director, through a portal on the city's website, showing all receipts from each sale of tangible personal property titled or registered with the State of Illinois during the reporting period. Effective with the first due reporting period following the ordinance effective date, and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a monthly reporting period basis. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. Payments for taxes incurred beginning January 1, 2018 will be mandated to be paid electronically per the direction of the municipal portal.

(b) **<u>Supporting Documentation. The retailer filing such return shall concurrently submit to the City copies of all Illinois Department of Revenue returns, schedules, reports, and supporting documentation applicable to the tax being reported and covering the same reporting period. Such documents shall be submitted electronically in a format approved by the Finance Director. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. If no Illinois Department of Revenue return exists for a particular tax or reporting period, the taxpayer shall submit such books, records, schedules, sales reports, exemption documentation, or other information as the Finance Director may reasonably require to verify the accuracy and completeness of the tax return filed with the City.</u>**

(c) **<u>Failure to submit the required supporting documentation shall constitute an incomplete return and may subject the taxpayer to penalties, interest, audit, or other enforcement remedies authorized by this Chapter.</u>**

<u>SECTION 3</u>: That Chapter 28 (Taxation), Article VII (Hotel and Motel Accommodations), Section 28-85 (Transmittal of tax revenue), shall hereby be amended as reflected in the following:

ARTICLE VII.-HOTEL AND MOTEL ACCOMODATIONS

Sec. 28-85. - Transmittal of tax revenue.

<u>(a)</u> The lessor of each hotel within the city shall electronically file a sworn tax return with the finance director, through a portal on the city's website, showing all tax receipts received with respect to each hotel during the reporting period and remit collected taxes. Effective with the first due reporting period and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a quarterly reporting period basis. The tax return and payment of the tax shall be received on or before the end of the last day of the month which follows the previous quarterly period where the tax liability was incurred. Payments for taxes incurred will be mandated to be paid electronically per the direction of the municipal portal. Each lessor shall file an application with the city for a city taxpayer identification number prior to filing its first tax return.

(b) ~~At the time of filing such tax returns, the lessor shall pay to the city all taxes due for the period to which the tax return applies.~~ **Supporting Documentation. The lessor of each hotel filing such return shall concurrently submit to the City copies of all Illinois Department of Revenue returns, schedules, reports, and supporting documentation applicable to the tax being reported and covering the same reporting period. Such documents shall be submitted electronically in a format approved by the Finance Director. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. If no Illinois Department of Revenue return exists for a particular tax or reporting period, the taxpayer shall submit such books, records, schedules, sales reports, exemption documentation, or other information as the Finance Director may reasonably require to verify the accuracy and completeness of the tax return filed with the City.**

(c) **Failure to submit the required supporting documentation shall constitute an incomplete return and may subject the taxpayer to penalties, interest, audit, or other enforcement remedies authorized by this Chapter.**

SECTION 4: That Chapter 28 (Taxation), Article VIII (Food and Liquor Purchases), Section 28-106 (Transmittal of tax revenue), shall hereby be amended as reflected in the following:

ARTICLE VIII.-FOOD AND LIQUOR PURCHASES
Sec. 28-106.-Transmittal of tax revenue.

(a) A sworn tax return shall be electronically filed by each retailer in the city, with the finance director, through a portal on the city's website, showing all receipts from each sale of prepared food for immediate consumption and alcoholic liquor during the reporting period. Effective with the first due reporting period following the ordinance effective date, and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a monthly reporting period basis. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. Payments for taxes incurred beginning January 1, 2018 will be mandated to be paid electronically per the direction of the municipal portal.

(b) **Supporting Documentation. The retailer filing such return shall concurrently submit to the City copies of all Illinois Department of Revenue returns, schedules, reports, and supporting documentation applicable to the tax being reported and covering the same reporting period. Such documents shall be submitted electronically in a format approved by the Finance Director. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. If no Illinois Department of Revenue return exists for a particular tax or reporting period, the taxpayer shall submit such books, records, schedules, sales reports, exemption documentation, or other information as the Finance Director may reasonably require to verify the accuracy and completeness of the tax return filed with the City.**

(c) **Failure to submit the required supporting documentation shall constitute an incomplete return and may subject the taxpayer to penalties, interest, audit, or other enforcement remedies authorized by this Chapter.**

<u>SECTION 5</u>: That Chapter 28 (Taxation), Article IX (Retail Purchase of Motor Fuel), Section 28-125 (Transmittal of tax revenue), shall hereby be amended as reflected in the following:

ARTICLE IX.-RETAIL PURCHASE OF MOTOR FUEL
Sec. 28-125.- Transmittal of tax revenue.

<u>(a)</u> A sworn tax return shall be electronically filed by each dealer or bulk user required to collect or pay the tax, with the finance director, or their designee, through a portal on the city's website, showing all receipts (or payment in the case of a bulk user) from each sale of diesel and non-diesel motor fuel during the reporting period. Effective with the first due reporting period following the ordinance effective date, and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a monthly reporting period basis. The tax return and payment of the tax shall be received on or before the end of the last day of the month which follows the previous month where the tax liability was incurred. Payments for taxes incurred beginning January 1, 2018 will be mandated to be paid electronically per the direction of the municipal portal.

<u>(b) Supporting Documentation. The dealer or bulk user filing such return shall concurrently submit to the City copies of all Illinois Department of Revenue returns, schedules, reports, and supporting documentation applicable to the tax being reported and covering the same reporting period. Such documents shall be submitted electronically in a format approved by the Finance Director. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. If no Illinois Department of Revenue return exists for a particular tax or reporting period, the taxpayer shall submit such books, records, schedules, sales reports, exemption documentation, or other information as the Finance Director may reasonably require to verify the accuracy and completeness of the tax return filed with the City.</u>

<u>(c) Failure to submit the required supporting documentation shall constitute an incomplete return and may subject the taxpayer to penalties, interest, audit, or other enforcement remedies authorized by this Chapter.</u>

<u>SECTION 6</u>: That Chapter 28 (Taxation), Article XV (Amusement Tax), Section 28-272 (Transmittal of tax revenue), shall hereby be amended as reflected in the following:

ARTICLE XV.-AMUSEMENT TAX

<u>Sec. 28-272.- Transmittal of tax revenue</u>

(a) <u>A sworn tax return shall be electronically filed by each owner, manager, or operator of every amusement required to collect or pay the tax with the finance director, or their designee, through a portal on the city's website, showing all receipts of amusement admission sales during the reporting period. Effective with the first due reporting period following the ordinance effective date, and for all subsequent reporting periods, the tax returns are to be prepared and submitted electronically on a monthly reporting period basis. The tax return and payment of the tax shall be received on or before the end of the last day of the month which follows the previous month where the tax liability was incurred. Payments for taxes incurred beginning January 1, 2018 will be mandated to be paid electronically per the direction of the municipal portal.</u>

(b) **<u>Supporting Documentation. The owner, manager, or operator of every amusement filing such return shall concurrently submit to the City copies of all Illinois Department of Revenue returns, schedules, reports, and supporting documentation applicable to the tax being reported and covering the same reporting period. Such documents shall be submitted electronically in a format approved by the Finance Director. The tax return and payment of the tax shall be received on or before the last day of the month which follows the previous month where the tax liability was incurred. If no Illinois Department of Revenue return exists for a particular tax or reporting period, the taxpayer shall submit such books, records, schedules, sales reports, exemption documentation, or other information as the Finance Director may reasonably require to verify the accuracy and completeness of the tax return filed with the City.</u>**

(c) **<u>Failure to submit the required supporting documentation shall constitute an incomplete return and may subject the taxpayer to penalties, interest, audit, or other enforcement remedies authorized by this Chapter.</u>**

<u>SECTION 7</u>: In the event that any provision or provisions, or portion or portions of this ordinance shall be declared to be invalid or unenforceable by a Court of competent jurisdiction, such adjudication shall in no way affect or impair the validity or enforceability of any of the remaining provisions or portions of this ordinance that may be given effect without such invalid or unenforceable provision or provisions, portion or portions.

<u>SECTION 8</u>: All ordinances directly in conflict with the terms of this Ordinance are hereby repealed to the extent of such conflict.

<u>SECTION 9</u>: This Ordinance shall be deemed severable and the invalidity of any portion hereof shall not invalidate the remainder.

<u>SECTION 10</u>: This Ordinance shall be in full force and effect after its passage, approval and publication as provided by law.

PASSED this _____ day of _____________, 2026

______________________________	______________________________
MAYOR	**CITY CLERK**

VOTING YES: ____

VOTING NO: ____

NOT VOTING: ____