

# Cook County Tax Policies and History

# TABLE OF CONTENTS

Introduction .....	2
Retailers' Occupation Tax (Sales Tax) .....	2
Cigarette/Other Tobacco Products Tax.....	3
Gasoline/Diesel Tax.....	6
Use Tax.....	7
Parking Lot and Garage Operations Tax.....	9
Amusement Tax .....	11
Alcoholic Beverage Tax .....	13
Property Tax.....	15
Cannabis Tax .....	16
Sports Wagering Tax .....	17

# TAX HISTORY

## INTRODUCTION

The following document details historical policy changes in the retailers' occupation tax, cigarette tax, gasoline and diesel fuel tax, use tax, parking lot and garage operations tax, amusement tax, alcoholic beverage tax, and property tax. These are the eight taxes that generated the most revenue for the County in 2019. Where possible, State, County, and City of Chicago tax rates are shown for each tax from the inception of the tax to the present. Major changes in tax distribution and remittance are also outlined.

## RETAILERS' OCCUPATION TAX (SALES TAX)

Historical Retailers' Occupation Tax Rates					
Date	RTA Tax Rate	State Tax Rate	County Tax Rate	Chicago Tax Rate	Combined Tax Rate (City of Chicago)
7/1/1933	-	2%	-	-	2%
7/1/1935	-	3%	-	-	3%
7/1/1941	-	2%	-	-	2%
7/1/1955	-	2.5%	-	-	2.5%
7/1/1959	-	3%	-	-	3%
7/1/1961	-	3.5%	-	-	3.5%
7/1/1967	-	4.25%	-	-	4.25%
10/1/1969	-	4%	-	-	4%
1/1/1979	1%	4%	-	-	5%
8/1/1981	1%	4%	-	1%	6%
1/1/1984	1%	5%	-	1%	7%
1/1/1990	1%	6.25%	-	1%	8.25%
9/1/1992	1%	6.25%	0.75%	1%	9%
7/1/2005	1%	6.25%	0.75%	1.25%	9.25%
1/1/2008	1%	6.25%	0.75%	1.25%	9.25%
7/1/2008	1%	6.25%	1.75%	1.25%	10.25%
7/1/2010	1%	6.25%	1.25%	1.25%	9.75%
1/1/2012	1%	6.25%	1%	1.25%	9.5%
1/1/2013	1%	6.25%	0.75%	1.25%	9.25%
1/1/2016	1%	6.25%	1.75%	1.25%	10.25%

The Retailers' Occupation Tax is imposed on the gross receipts of retailers' sales. This tax was first put in place on a state level in Illinois in 1933. The City of Chicago imposed its own sales tax in 1981, and Cook County imposed a sales tax in 1992. Since 1979, the Regional Transportation Authority (RTA) has also collected a sales tax. Under the current 6.25% State tax rate, 80% of revenues are retained by the State, while 16% go to the Local Government Tax Fund and the remaining 4% go to the County and Mass Transit Fund. Revenues from state and local Retailers' Occupation Taxes are projected to increase due to changes in tax requirements after the Supreme Court's decision in South Dakota v. Wayfair. The

“Leveling the Playing Field for Illinois Retail Act” (Public Act 101-0604) was passed by the general assembly on November 14, 2019 and approved by the Governor on December 13, 2019. Under this act, remote retailers and marketplace facilitators will be required to collect and remit state and local Retailers’ Occupation Tax starting January 1, 2021.

The Cook County Retailers’ Occupation Tax is administered by the Illinois Department of Revenue. Taxes are remitted to the Department by Cook County retailers on or before the 20th day of the month following the calendar month in which the tax was collected. The Illinois Department of Revenue certifies the amount to be paid to each County by the 25th of each month, for taxes from the second preceding calendar month. The Comptroller draws orders for each County within 10 days of certification. This process results in an estimated three-month lag between initial tax collection (time of sale) and payment of the tax to the County.

As of 2018, 1.5% of the collected sales tax is transferred to the Tax Compliance and Administration Fund. This is a reduction from the previous 2% rate in 2017. In addition to the monthly sales tax, every County that received more than \$500,000 in disbursements receives an additional allocation in March of each year. This allocation is equal to the average monthly distribution made to each County, excluding the two highest months. If an allocation is made in March of one year, the following year’s March disbursement will be reduced by the amount of the previous year’s allocation. As of December 2016, the Cook County Bureau of Finance must conduct a fiscal planning exercise and provide a 36-month projection of tax-based revenues prior to any increase or decrease in the Cook County Retailers’ Occupation Tax.

## CIGARETTE/OTHER TOBACCO PRODUCTS TAX

Historical Cigarette Tax Rates				
Date	State Tax Rate	County Tax Rate	Chicago Tax Rate	Combined Tax Rate (City of Chicago)
1947	\$0.03	-	-	\$0.03
1959	\$0.04	-	-	\$0.04
1960	\$0.03	-	-	\$0.03
1961	\$0.04	-	-	\$0.04
1965	\$0.07	-	-	\$0.07
1967	\$0.09	-	-	\$0.09
1969	\$0.12	-	-	\$0.12
6/1/1980	\$0.12	\$0.05	-	\$0.17
1985	\$0.20	\$0.05	-	\$0.25
1989	\$0.30	\$0.10	-	\$0.40
1993	\$0.44	\$0.10	\$0.16	\$0.70
1/1/1997	\$0.58	\$0.18	\$0.16	\$0.92
2002	\$0.98	\$0.18	\$0.16	\$1.32
4/1/2004	\$0.98	\$1.00	\$0.16	\$2.14
1/1/2005	\$0.98	\$1.00	\$0.48	\$2.46
1/10/2006	\$0.98	\$1.00	\$0.68	\$2.66
3/1/2006	\$0.98	\$2.00	\$0.68	\$3.66

1/1/2013	<b>\$1.98</b>	\$2.00	\$0.68	\$4.66
3/1/2013	\$1.98	<b>\$3.00</b>	\$0.68	\$5.66
1/10/2014	\$1.98	\$3.00	<b>\$1.18</b>	\$6.16
7/1/2019	<b>\$2.98</b>	\$3.00	\$1.18	\$7.16

Historical Other Tobacco Products Tax Rates					
Date	Smoking Tobacco Tax Rate	Smokeless Tobacco Tax Rate	Little Cigars Tax Rate	Large Cigars Tax Rate	Consumable Products Tax Rate
12/15/2011	<b>\$0.30/oz</b>	<b>\$0.30/oz</b>	<b>\$0.05/unit</b>	<b>\$0.25/unit</b>	-
1/1/2013	<b>\$0.60/oz</b>	<b>\$0.60/oz</b>	\$0.05/unit	<b>\$0.30/unit</b>	-
5/1/2016	\$0.60/oz	\$0.60/oz	\$0.05/unit	\$0.30/unit	<b>\$0.20/fluid ml</b>

The cigarette tax rates above are shown per pack of 20 cigarettes. The State of Illinois first imposed a cigarette tax in 1947. Cook County imposed a similar tax on June 1, 1980, followed by the City of Chicago in 1993. Cook County first imposed a tax on other tobacco products, including smoking tobacco, smokeless tobacco, little cigars, and large cigars, on December 15, 2011. A County tax was imposed on consumable products (such as vapor products) on May 1, 2016.

Since its inception, the Cook County cigarette tax has been paid through the purchase of tax stamps from the County by wholesale tobacco dealers. Wholesale tobacco dealers collect the tax from retail tobacco dealers, who in turn collect the tax from purchasers. As of November 15, 2011, retail cigarette manufacturers were also required to collect and remit tax on the cigarettes they produced. Additionally, wholesale tobacco dealers and retail cigarette manufacturers were required to remit the tax on other tobacco products by the 20th day of the month following the month in which the sales occurred. These requirements were updated on March 1, 2012. At this time, wholesale tobacco dealers, retail cigarette manufacturers, and retail tobacco dealers were required to remit the tax on other tobacco products by the 20th day of the month following the month in which the sales occurred. Retail cigarette manufacturers were also required to remit the tax for their manufactured cigarettes by this deadline. As of May 1, 2016, tax on consumable products must be remitted according to the same guidelines. Historical changes in Cook County cigarette tax violation penalties are shown in the table below.

No lag is present for revenues from the cigarette tax. Because this tax is collected through the purchase of stamps, revenues are booked within a few days. For smoking tobacco, smokeless tobacco, little cigars, large cigars, and consumable products, an estimated one-month lag is present between time of sale and booking of revenue. Tax is remitted to the Department of Revenue on the 20th day of the month following the month in which the sale was made, and the Department then books the revenue during the month in which the tax was remitted.

<b>Cook County Cigarette Tax Violation Penalties</b>		
<b>Date Imposed</b>	<b>Violation Type</b>	<b>Penalties</b>
<b>1/1/1980</b>	1 <sup>st</sup> offense	\$300
	Each subsequent offense within 180 days	\$500
<b>3/1/2006</b>	1 <sup>st</sup> offense	\$500
	Each subsequent offense within 180 days	\$1,000
<b>3/4/2009</b>	1 <sup>st</sup> offense	\$1,000
	2 <sup>nd</sup> and subsequent offenses	\$2,000
<b>2/16/2011</b>	<b>Concealment</b>	
	1 <sup>st</sup> offense	\$2,000
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Counterfeit Packs of Cigarettes</b>	
	40 or less	\$2,000
	41 or more	\$50/pack
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Counterfeit Tax Stamps</b>	
	40 or less	\$2,000
	41 or more	\$50/stamp
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Improperly Stamped Packs</b>	
	40 or less	\$2,000
	41 or more	\$50/pack
	2 <sup>nd</sup> and subsequent offenses	Additional \$2,000
	<b>Loose Cigarettes</b>	
	40 or less	\$1,000
	40 or more	\$25/cigarette
	2 <sup>nd</sup> and subsequent offenses	Additional \$2,000
	<b>Sales to Unregistered Wholesalers</b>	
	1 <sup>st</sup> offense	\$2,000
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Unstamped Packs</b>	
	40 packs or less	\$1,000
	41 packs or more	\$25/pack
	2 <sup>nd</sup> and subsequent offenses	\$2,000
	<b>Utilization of Used or Reused Tax Stamps</b>	
	40 or less packs or stamps	\$2,000
	41 or more packs or stamps	\$50/pack or stamp
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
<b>Hinder Inspection or Audit</b>		
1 <sup>st</sup> offense	\$1,000	
2 <sup>nd</sup> and subsequent offenses	Additional \$2,000	
<b>12/15/2011</b>	<b>Other Tobacco Products</b>	
	1 <sup>st</sup> offense	\$1,000
	2 <sup>nd</sup> and subsequent offenses	Additional \$2,000
<b>11/18/2015</b>	<b>Consumable Products</b>	
	1 <sup>st</sup> offense	\$1,000
	2 <sup>nd</sup> and subsequent offenses	Additional \$2,000
<b>6/1/2016</b>	<b>Altered/Mutilated</b>	
	40 packs or less	\$2,000
	41 packs or more	\$50/pack
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Books and Records</b>	
	1 <sup>st</sup> offense	\$1,000
	2 <sup>nd</sup> and subsequent offenses	Additional \$2,000
	<b>Illegal Imports/Exports</b>	
	40 packs or less	\$2,000
	41 packs or more	\$50/pack
	2 <sup>nd</sup> and subsequent offenses	Additional \$4,000
	<b>Retail Manufactured Cigarette Packs</b>	
40 packs or less	\$1,000	
41 packs or more	\$25/pack	
2 <sup>nd</sup> and subsequent offenses	Additional \$2,000	

## GASOLINE/DIESEL TAX

Historical Gasoline/Diesel Tax Rates						
Date	State Tax Rate		County Tax Rate	Chicago Tax Rate	Combined Tax Rate (City of Chicago)	
	Gasoline	Diesel			Gasoline	Diesel
1927	\$0.02	\$0.02	-	-	\$0.02	\$0.02
1929	\$0.03	\$0.03	-	-	\$0.03	\$0.03
1951	\$0.04	\$0.04	-	-	\$0.04	\$0.04
1953	\$0.05	\$0.05	-	-	\$0.05	\$0.05
1967	\$0.06	\$0.06	-	-	\$0.06	\$0.06
1969	\$0.075	\$0.075	-	-	\$0.075	\$0.075
10/1/1976	\$0.075	\$0.075	\$0.01	-	\$0.085	\$0.085
2/1/1980	\$0.075	\$0.075	\$0.03	-	\$0.105	\$0.105
8/1/1983	\$0.11	\$0.135	\$0.03	-	\$0.14	\$0.165
7/1/1984	\$0.12	\$0.145	\$0.03	-	\$0.15	\$0.175
1/1/1985	\$0.12	\$0.145	\$0.04	-	\$0.16	\$0.185
7/1/1985	\$0.13	\$0.155	\$0.04	-	\$0.17	\$0.195
9/24/1986	\$0.13	\$0.155	\$0.04	\$0.05	\$0.22	\$0.245
3/1/1989	\$0.13	\$0.155	\$0.06	\$0.05	\$0.24	\$0.265
8/1/1989	\$0.16	\$0.185	\$0.06	\$0.05	\$0.27	\$0.295
1/1/1990	\$0.19	\$0.215	\$0.06	\$0.05	\$0.30	\$0.325
7/1/2019	\$0.38	\$0.445	\$0.06	\$0.05	\$0.49	\$0.555
7/1/2020	\$0.387	\$0.462	\$0.06	\$0.05	\$0.497	\$0.572
1/1/2021	\$0.387	\$0.462	\$0.06	\$0.08	\$0.527	\$0.602
7/1/2021	\$0.392	\$0.467	\$0.06	\$0.08	\$0.532	\$0.607

Cook County Gas Tax Penalties and Remittance Dates			
Date	Penalty		Remittance Date
10/1/1976	\$100-\$1,000		45 <sup>th</sup> day of the month after the month for which the tax was due
9/16/1991	\$100-\$1,000		20 <sup>th</sup> day of the month after the month for which the tax was due
2/16/2011	1 <sup>st</sup> Offense	\$1,000	20 <sup>th</sup> day of the month after the month for which the tax was due
	2 <sup>nd</sup> and Subsequent Offenses	\$2,000	

The gasoline and diesel tax rates shown above are the rates per gallon of fuel. The tax was imposed on gasoline and diesel in Illinois in 1927, and in the City of Chicago on September 24, 1986. While the Cook County gasoline tax was imposed on October 1, 1976, this tax did not include diesel fuel until November 22, 1996. Revenue from the State tax is distributed to the State Construction Account Fund, State Boating Act Fund, Grade Crossing Protection Fund, Vehicle Inspection Fund, Department of Revenue, and Department of Transportation. After these disbursements, 16.74% of the remaining revenue is given to Cook County. Since January 30, 1980, The Highway Department of Cook County has received 5% of County tax revenues. Municipalities with their primary administrative offices in Cook

County began receiving an annual tax rebate from Cook County on March 1, 1980. Townships began receiving this tax rebate as well on April 1, 1994. An estimated one-month lag is present between time of sale and booking of revenue for the gas tax.

## USE TAX

Historical Use Tax Rates				
Date	State Tax Rate	County Tax Rate	Chicago Tax Rate	Combined Tax Rate (City of Chicago)
7/1/1955	2.5%	-	-	2.5%
7/1/1959	3%	-	-	3%
7/1/1961	3.5%	-	-	3.5%
7/1/1967	4.25%	-	-	4.25%
10/1/1969	4%	-	-	4%
1/1/1984	5%	-	-	5%
1/1/1990	6.25%	-	-	6.25%
1/1/1995	6.25%	-	1%	7.25%
12/1/1995	6.25%	0.75%	1%	8%
12/15/2004	6.25%	0.75%	1.25%	8.25%
12/15/2011	6.25%	1%	1.25%	8.5%

Historical Non-Titled Personal Property Use Tax Rates			
Date	County Tax Rate	Chicago Tax Rate	Combined Tax Rate (City of Chicago)
1/1/1992	-	1%	1%
4/1/2013	1.25%	1%	2.25%
6/19/2013	0.75%	1%	1.75%

Cook County Use Tax Penalties and Remittance Dates				
Date	Penalty		Remittance Date	
12/1/1995	\$1,000		Retailers	5 <sup>th</sup> day of the month after the month in which the tax was collected
			Purchasers paying directly	End of the month in which the purchase was made
2/16/2011	1 <sup>st</sup> Offense	\$1,000	Retailers	20 <sup>th</sup> day of the month after the month in which the tax was collected
	2 <sup>nd</sup> and Subsequent Offenses	\$2,000	Purchasers paying directly	End of the month in which the purchase was made
5/11/2016	1 <sup>st</sup> Offense	\$1,000	Retailers	20 <sup>th</sup> day of the month after the month in which the tax was collected



	2 <sup>nd</sup> and Subsequent Offenses	\$2,000	Purchasers paying directly	20 <sup>th</sup> day of the month after the month in which the purchase was made
--	---	---------	----------------------------	--

The use tax shown in the first table above is imposed on the selling price of tangible personal property titled or registered with an agency of state government and purchased at retail in the State, County, or City. This tax was first imposed in the state of Illinois on July 1, 1955, followed by the City of Chicago on January 1, 1995 and Cook County on December 1, 1995. 20% of the revenue from the State use tax is deposited into the State and Local Sales Tax Reform Fund. Of this portion, 20% is distributed to the City of Chicago, 10% is distributed to the Regional Transit Authority, 0.6% is distributed to the Metro-East Mass Transit District, and \$3.15 million is distributed to the Build Illinois Fund. The remainder of the State and Local Sales Tax Reform Fund is distributed to municipal and county governments (except Chicago) based on population. Changes in penalties and remittance date policies for the use tax are shown in the third table above.

The non-titled personal property use tax shown in the second table above is imposed on the value of property when first subject to use in the County or, for the City rate, on the selling price of the property. This tax has been in place since January 1, 1992 in the City of Chicago, and since April 1, 2013, in Cook County. For the County tax, the first \$3,500 of purchases are exempt, while the first \$2,500 of purchases are exempt for the City tax. Individuals who are liable for more than the \$3,500 annual tax credit in the County are required to remit the tax by the 20th day of the month following the month in which the purchase was made. Violations of the County non-titled personal property use tax ordinance are subject to penalties under the Uniform Penalties, Interest, and Procedures Code.

An estimated one-month lag is present between time of sale and booking of revenue for both the use tax and the non-titled personal property use tax. For both taxes, the retailer or purchaser is required to remit the tax by the 20th day of the month following the month in which the sale was made. The Department then books the revenue during the month in which the tax was remitted.

## PARKING LOT AND GARAGE OPERATIONS TAX

Historical Cook County Parking Tax Rates						
Date	General Parking Lots/Garages			Parking Lots/Garages Owned by Municipalities with Populations of 250,000 or Less		
	Time Period	Parking Lot Fee	Tax	Time Period	Parking Lot Fee	Tax
1/1/2001	24 hours or less	\$3 or less	No tax	24 hours or less	\$3 or less	No tax
	24 hours or less	\$3.01 to \$4.99	\$0.50	24 hours or less	\$3.01 to \$4.99	\$0.50
	24 hours or less	\$5.00 to \$11.99	\$0.75	24 hours or less	\$5.00 to \$11.99	\$0.75
	24 hours or less	\$12 or more	\$1.00	24 hours or less	\$12 or more	\$1.00
	Weekly	\$15 or less	No tax	Weekly	\$15 or less	No tax
	Weekly	\$15.01 to \$24.99	\$2.50	Weekly	\$15.01 to \$24.99	\$2.50
	Weekly	\$25 to \$59.99	\$3.75	Weekly	\$25 to \$59.99	\$3.75
	Weekly	\$60 or more	\$5.00	Weekly	\$60 or more	\$5.00
	Monthly	\$60 or less	No tax	Monthly	\$60 or less	No tax
	Monthly	\$60.01 to \$99.99	\$10.00	Monthly	\$60.01 to \$99.99	\$10.00
	Monthly	\$100 to \$239.99	\$15.00	Monthly	\$100 to \$239.99	\$15.00
	Monthly	\$240 or more	\$20.00	Monthly	\$240 or more	\$20.00
	11/15/2011	24 hours or less	\$2 or less	No tax	24 hours or less	\$3 or less
24 hours or less		\$2.01 to \$4.99	\$0.50	24 hours or less	\$3.01 to \$4.99	\$0.50
24 hours or less		\$5.00 to \$11.99	\$0.75	24 hours or less	\$5.00 to \$11.99	\$0.75
24 hours or less		\$12 or more	\$1.00	24 hours or less	\$12 or more	\$1.00
Weekly		\$10 or less	No tax	Weekly	\$15 or less	No tax
Weekly		\$10.01 to \$24.99	\$2.50	Weekly	\$15.01 to \$24.99	\$2.50
Weekly		\$25 to \$59.99	\$3.75	Weekly	\$25 to \$59.99	\$3.75
Weekly		\$60 or more	\$5.00	Weekly	\$60 or more	\$5.00
Monthly		\$40 or less	No tax	Monthly	\$60 or less	No tax
Monthly		\$40.01 to \$99.99	\$10.00	Monthly	\$60.01 to \$99.99	\$10.00
Monthly		\$100 to \$239.99	\$15.00	Monthly	\$100 to \$239.99	\$15.00
Monthly	\$240 or more	\$20.00	Monthly	\$240 or more	\$20.00	
9/1/2013	24 hours or less	Less than \$2	No tax	24 hours or less	Less than \$3	No tax
	24 hours or less	\$2 or more	6% of fee	24 hours or less	\$3 or more	6% of fee
	Weekly	Less than \$10	No tax	Weekly	Less than \$15	No tax
	Weekly	\$10 or more	9% of fee	Weekly	\$15 or more	9% of fee
	Monthly	Less than \$40	No tax	Monthly	Less than \$60	No tax
	Monthly	\$40 or more	9% of fee	Monthly	\$60 or more	9% of fee

Historical City of Chicago Parking Tax Rates			
Date	Time Period	Parking Lot Fee	Tax
12/9/1992	24 hours or less	-	\$1.00
	Weekly	-	\$5.00
	Monthly	-	\$20.00
11/17/1993	24 hours or less	-	\$1.25
	Weekly	-	\$6.25
	Monthly	-	\$25.00
11/13/1996	24 hours or less	Less than \$2.00	No tax
	24 hours or less	\$2.00-\$5.00	\$0.75
	24 hours or less	Over \$5.00	\$1.50
	Weekly	Less than \$10.00	No tax
	Weekly	\$10.00-\$25.00	\$3.75
	Weekly	Over \$25.00	\$7.50
	Monthly	Less than \$40.00	No tax
	Monthly	\$40.00-\$100.00	\$15.00
	Monthly	Over \$100.00	\$30.00
11/10/1999	24 hours or less	Less than \$2.00	No tax
	24 hours or less	\$2.00-\$5.00	\$0.75
	24 hours or less	\$5.00-\$12.00	\$1.50
	24 hours or less	Over \$12.00	\$2.00
	Weekly	Less than \$10.00	No tax
	Weekly	\$10.00-\$25.00	\$3.75
	Weekly	\$25.00-\$60.00	\$7.50
	Weekly	Over \$60.00	\$10.00
	Monthly	Less than \$40.00	No tax
	Monthly	\$40.00-\$100.00	\$15.00
	Monthly	\$100.00-\$240.00	\$30.00
	Monthly	Over \$240.00	\$40.00
12/15/2004	24 hours or less	Less than \$2.00	No tax
	24 hours or less	\$2.00-\$5.00	\$1.00
	24 hours or less	\$5.00-\$12.00	\$1.75
	24 hours or less	Over \$12.00	\$2.25
	Weekly	Less than \$10.00	No tax
	Weekly	\$10.00-\$25.00	\$5.00
	Weekly	\$25.00-\$60.00	\$8.75
	Weekly	Over \$60.00	\$11.25
	Monthly	Less than \$40.00	No tax
	Monthly	\$40.00-\$100.00	\$20.00
	Monthly	\$100.00-\$240.00	\$35.00
	Monthly	Over \$240.00	\$45.00
11/19/2008	24 hours or less	Less than \$2.00	No tax
	24 hours or less	\$2.00-\$5.00	\$1.00
	24 hours or less	\$5.00-\$12.00	\$1.75
	24 hours or less	Over \$12.00	\$3.00
	Weekly	Less than \$10.00	No tax
	Weekly	\$10.00-\$25.00	\$5.00
	Weekly	\$25.00-\$60.00	\$8.75
	Weekly	Over \$60.00	\$15.00
	Monthly	Less than \$40.00	No tax
	Monthly	\$40.00-\$100.00	\$20.00
	Monthly	\$100.00-\$240.00	\$35.00
	Monthly	Over \$240.00	\$60.00
11/16/2011	24 hours or less	Less than \$2.00	No tax
	24 hours or less	\$2.00-\$5.00	\$1.00
	24 hours or less	\$5.00-\$12.00	\$1.75
	24 hours or less, weekend	Over \$12.00	\$3.00
	24 hours or less, weekday	Over \$12.00	\$5.00
	Weekly	Less than \$10.00	No tax
	Weekly	\$10.00-\$25.00	\$5.00
	Weekly	\$25.00-\$60.00	\$8.75
	Weekly	Over \$60.00	\$25.00
	Monthly	Less than \$40.00	No tax
	Monthly	\$40.00-\$100.00	\$20.00
	Monthly	\$100.00-\$240.00	\$35.00
	Monthly	\$240.00-\$300.00	\$90.00
	Monthly	\$300.00-\$400.00	\$110.00
Monthly	Over \$400.00	\$120.00	
7/1/2013	Daily, weekend	-	18% of fee
	Daily, weekday	-	20% of fee
	Weekly	-	20% of fee
	Monthly	-	20% of fee
1/1/2015	Daily, weekend	-	20% of fee
	Daily, weekday	-	22% of fee
	Weekly	-	22% of fee
	Monthly	-	22% of fee
	Valet parking	-	20% of fee

<b>Cook County Parking Lot and Garage Operations Tax Penalties, Remittance Dates, and Commission</b>				
<b>Date</b>	<b>Penalty</b>		<b>Remittance Date</b>	<b>Commission</b>
<b>1/1/2001</b>	\$50-\$200 for each offense		End of the calendar month following the month for which the tax is due. Only required for parking lot and garage operators.	1% of collected tax
<b>2/16/2011</b>	1 <sup>st</sup> Offense	\$1,000	20 <sup>th</sup> day of the month following the month for which the tax is due. Required for valet operators as well as parking lot and garage operators.	No commission
	2 <sup>nd</sup> and Subsequent Offenses	\$2,000		

The first and second tables above show parking lot and garage operations taxes for Cook County and the City of Chicago since they were first imposed (On January 1, 2001 and December 9, 1992, respectively). In addition to these taxes, the State of Illinois began imposing a parking tax starting January 1, 2020. This tax is 6% of the parking fee for hourly, daily, or weekly parking and 9% of the purchase price for monthly or annual parking. Proceeds from the new State tax will be deposited into the Capitol Projects Fund. Cook County and Chicago both impose different taxes for daily, weekly, and monthly parking. Additionally, the tax for both the County and the City is based on the fee paid for parking. In 2011, the County implemented a separate tax structure for parking lots and garages owned by municipalities with populations of 250,000 or less. Changes in penalties and remittance date policies for the parking tax are shown in the third table above.

An estimated one-month lag is present between collection of tax and booking of revenue for the parking tax. Parking lot and garage operators, as well as valet operators, are required to remit the collected tax by the 20th day of the month following the month in which the tax was collected from the purchaser. The Department then books the revenue from the tax during the month in which the tax was remitted.

## AMUSEMENT TAX

<b>Historical Amusement Tax Rates</b>					
<b>Date</b>	<b>County Tax Rate</b>			<b>Chicago Tax Rate</b>	
	<b>General Amusement</b>	<b>Live Cultural Performances, Max Capacity 750-5,000</b>	<b>Live Cultural Performances, Max Capacity Over 5,000</b>	<b>General Amusement</b>	<b>Live Cultural Performances, Max Capacity Over 750</b>
<b>1/1/1993</b>	-	-	-	<b>6%</b>	-
<b>1/1/1995</b>	-	-	-	<b>7%</b>	-
<b>2/1/1997</b>	<b>3%</b>	-	-	7%	-
<b>1/1/1999</b>	3%	<b>1%</b>	-	7%	<b>3%</b>
<b>4/6/1999</b>	3%	1%	<b>1.5%</b>	7%	3%
<b>1/1/2005</b>	3%	1%	1.5%	<b>8%</b>	<b>4%</b>
<b>1/1/2009</b>	3%	1%	1.5%	<b>9%</b>	<b>5%</b>

<b>Cook County Amusement Tax Penalties, Remittance Dates, and Commission</b>				
<b>Date</b>	<b>Penalty</b>		<b>Remittance Date</b>	<b>Commission</b>
<b>2/1/1997</b>	\$200-\$500 for each offense		End of the calendar month following the month in which the tax was collected	1% of collected tax
<b>2/16/2011</b>	\$200-\$500 for each offense		20 <sup>th</sup> day of the month following the month for which the tax is due.	No commission
<b>12/17/2014</b>	\$200-\$500 for each offense		20 <sup>th</sup> day of the month following the month in which payment for the amusement occurred	No commission
<b>11/18/2015</b>	1 <sup>st</sup> Offense	\$1,000	20 <sup>th</sup> day of the month following the month in which payment for the amusement occurred	No commission
	2 <sup>nd</sup> and subsequent offenses	\$2,000		

The first table above shows the Cook County and City of Chicago amusement tax rates since this tax was first imposed, on January 1, 1993 and February 1, 1997, respectively. No amusement tax is currently imposed by the State of Illinois. Both Cook County and the City of Chicago have lower amusement tax rates for live cultural performances, as shown above. The tax rates shown in the table are imposed on the admission fees associated with an amusement. Changes in penalties and remittance date policies for the amusement tax are shown in the second table above.

An estimated one-month lag is present between time of sale and booking of revenue for the amusement tax. Tax collectors are required to remit the collected tax by the 20th day of the month following the month in which payment for the amusement was made. The Department then books the revenue from the tax during the month in which the tax was remitted.

## ALCOHOLIC BEVERAGE TAX

Historical Alcoholic Beverage Tax Rates						
Date	State Tax Rate		County Tax Rate		Chicago Tax Rate	
	Type of Alcohol	Tax Rate (per Gallon)	Type of Alcohol	Tax Rate (per Gallon)	Type of Alcohol	Tax Rate (per Gallon)
1934	Beer/Cider	\$0.02	-	-	-	-
	Wine up to 14%	\$0.10	-	-	-	-
	Wine over 14%	\$0.25	-	-	-	-
	Distilled liquor	\$0.50	-	-	-	-
1941	Beer/Cider	\$0.04	-	-	-	-
	Wine up to 14%	\$0.15	-	-	-	-
	Wine over 14%	\$0.40	-	-	-	-
	Distilled liquor	\$1.00	-	-	-	-
1959	Beer/Cider	\$0.06	-	-	-	-
	Wine up to 14%	\$0.23	-	-	-	-
	Wine over 14%	\$0.60	-	-	-	-
	Distilled liquor	\$1.52	-	-	-	-
1969	Beer/Cider	\$0.07	-	-	-	-
	Wine up to 14%	\$0.23	-	-	-	-
	Wine over 14%	\$0.60	-	-	-	-
	Distilled liquor	\$2.00	-	-	-	-
7/1/1975	Beer/Cider	\$0.07	Beer	\$0.04	-	-
	Wine up to 14%	\$0.23	Wine up to 14%	\$0.12	-	-
	Wine over 14%	\$0.60	Wine over 14%	\$0.30	-	-
	Distilled liquor	\$2.00	Alcohol/Spirits	\$1.00	-	-
1/1/1985	Beer/Cider	\$0.07	Beer	\$0.06	-	-
	Wine up to 14%	\$0.23	Wine up to 14%	\$0.16	-	-
	Wine over 14%	\$0.60	Wine over 14%	\$0.30	-	-
	Distilled liquor	\$2.00	Alcohol/Spirits	\$2.00	-	-
5/14/1986	Beer/Cider	\$0.07	Beer	\$0.06	Beer	\$0.12
	Wine up to 14%	\$0.23	Wine up to 14%	\$0.16	Wine	\$0.15
	Wine over 14%	\$0.60	Wine over 14%	\$0.30		
	Distilled liquor	\$2.00	Alcohol/Spirits	\$2.00	Alcohol/Spirits	\$0.50
4/1/1993	Beer/Cider	\$0.07	Beer	\$0.06	Beer	\$0.12
	Wine up to 14%	\$0.23	Alcohol up to 14%	\$0.16	Wine	\$0.15
	Wine over 14%	\$0.60	Alcohol 14%-20%	\$0.30		
	Distilled liquor	\$2.00	Alcohol over 20%	\$2.00	Alcohol/Spirits	\$0.50
11/17/1993	Beer/Cider	\$0.07	Beer	\$0.06	Beer	\$0.16
	Wine up to 14%	\$0.23	Alcohol up to 14%	\$0.16	Alcohol up to 14%	\$0.20
	Wine over 14%	\$0.60	Alcohol 14%-20%	\$0.30	Alcohol 14%-20%	\$0.50
	Distilled liquor	\$2.00	Alcohol over 20%	\$2.00	Alcohol over 20%	\$1.50
1999	Beer/Cider	\$0.185	Beer	\$0.06	Beer	\$0.16
	Wine up to 14%	\$0.73	Alcohol up to 14%	\$0.16	Alcohol up to 14%	\$0.20
	Wine over 14%	\$0.73	Alcohol 14%-20%	\$0.30	Alcohol 14%-20%	\$0.50
	Distilled liquor	\$4.50	Alcohol over 20%	\$2.00	Alcohol over 20%	\$1.50
12/15/2004	Beer/Cider	\$0.185	Beer	\$0.06	Beer	\$0.176
	Wine up to 14%	\$0.73	Alcohol up to 14%	\$0.16	Alcohol up to 14%	\$0.246
	Wine over 14%	\$0.73	Alcohol 14%-20%	\$0.30	Alcohol 14%-20%	\$0.615
	Distilled liquor	\$4.50	Alcohol over 20%	\$2.00	Alcohol over 20%	\$1.845
11/13/2007	Beer/Cider	\$0.185	Beer	\$0.06	Beer	\$0.29
	Wine up to 14%	\$0.73	Alcohol up to 14%	\$0.16	Alcohol up to 14%	\$0.36
	Wine over 14%	\$0.73	Alcohol 14%-20%	\$0.30	Alcohol 14%-20%	\$0.89
	Distilled liquor	\$4.50	Alcohol over 20%	\$2.00	Alcohol over 20%	\$2.68
9/1/2009	Beer/Cider	\$0.231	Beer	\$0.06	Beer	\$0.29
	Wine up to 14%	\$1.39	Alcohol up to 14%	\$0.16	Alcohol up to 14%	\$0.36
	Wine over 14%	\$1.39	Alcohol 14%-20%	\$0.30	Alcohol 14%-20%	\$0.89
	Distilled liquor	\$8.55	Alcohol over 20%	\$2.00	Alcohol over 20%	\$2.68
11/15/2011	Beer/Cider	\$0.231	Beer	\$0.09	Beer	\$0.29
	Wine up to 14%	\$1.39	Alcohol up to 14%	\$0.24	Alcohol up to 14%	\$0.36
	Wine over 14%	\$1.39	Alcohol 14%-20%	\$0.45	Alcohol 14%-20%	\$0.89
	Distilled liquor	\$8.55	Alcohol over 20%	\$2.50	Alcohol over 20%	\$2.68

Cook County Alcoholic Beverage Tax Penalties, Remittance Dates, and Commission					
Date	Penalty		Remittance Date		Commission
7/1/1975	\$100-\$1,000		45 <sup>th</sup> day of the month following the month for which the tax is due. Wholesale alcoholic beverage dealers only.		0.5% of tax due
9/7/1976	\$100-\$1,000		Wholesale alcoholic beverage dealers	45 <sup>th</sup> day of the month following the month for which the tax is due	0.5% of tax due
			Retailer alcoholic beverage dealers (when receiving liquor on which tax has not been paid)	Within 30 days of receiving liquor	
9/16/1991	\$100-\$1,000		Wholesale alcoholic beverage dealers	15 <sup>th</sup> day of the month following the month for which the tax is due	0.5% of tax due
			Retailer alcoholic beverage dealers (when receiving liquor on which tax has not been paid)	Within 30 days of receiving liquor	
2/16/2011	1 <sup>st</sup> offense	\$1,000	Wholesale alcoholic beverage dealers	15 <sup>th</sup> day of the month following the month for which the tax is due	0.5% of tax due
	2 <sup>nd</sup> and subsequent offenses	\$2,000	Retailer alcoholic beverage dealers (when receiving liquor on which tax has not been paid)	Within 30 days of receiving liquor	
5/11/2016	1 <sup>st</sup> offense	\$1,000	Wholesale alcoholic beverage dealers	20 <sup>th</sup> day of the month following the month for which the tax is due	No commission
	2 <sup>nd</sup> and subsequent offenses	\$2,000	Retailer alcoholic beverage dealers (when receiving liquor on which tax has not been paid)	20 <sup>th</sup> day of the months after the month in which liquor was received	

The first table above shows alcoholic beverage tax rates for Illinois, Cook County, and the City of Chicago. This tax was first imposed on a State level in 1934, on a County level on July 1, 1975, and in the City of Chicago on May 14, 1986. While the state liquor tax has been imposed on the same categories of liquor since its inception, the Cook County and Chicago Liquor taxes have changed over time. The Cook County liquor tax was modified on April 1, 1993 to apply to beer, alcoholic beverages up to 14%, alcoholic beverages between 14% and 20%, and alcoholic beverages over 20%. Previously, it applied to beer, wine up to 14%, wine over 14%, and spirits. The City of Chicago liquor tax was similarly modified on November 17, 1993 to apply to beer, alcoholic beverages up to 14%, alcoholic beverages between 14% and 20%, and alcoholic beverages over 20%. Previously, this tax applied to beer, wine, and spirits. The majority of revenue from the State liquor tax is deposited into the General Revenue fund, while revenue from the 2009 rate increase was deposited into the Capital Projects Fund. Revenue from the City of Chicago’s alcoholic beverage tax is deposited into the City’s Corporate Fund. Changes in penalties and remittance date policies for the alcoholic beverage tax are shown in the second table above.

An estimated one-month lag is present between time of sale and booking of revenue for the alcoholic beverage tax. Wholesale alcoholic beverage dealers are required to remit the tax by the 20th day of the month following the month in which the alcoholic beverage was sold. The Department then books the revenue from the tax during the month in which the tax was remitted.

## PROPERTY TAX

Cook County property tax revenue comes from the base property tax levy, as well as from expiring TIF districts, expiring incentives, and new property construction. The base property tax levy has not been adjusted for inflation since 1996. The Cook County Property Tax Relief Ordinance, passed in 1994, prohibits the County Board from increasing the aggregate levy for any year over the prior year's aggregate levy by more than 5% or by more than the percentage increase in CPI during the preceding year, whichever is less. This limitation may be exceeded by a 2/3 vote of the Board, or to include property annexed into the County during the levy year or new property created in the County during the levy year.

The property tax due from individuals is determined based on the revenue requested from the various taxing districts in which the property is located. Taxing districts, such as school districts, park districts, and municipalities, pass an annual levy ordinance indicating the amount of revenue they want to receive from property taxes. This ordinance is filed with the County Clerk, who calculates the rates needed to generate the requested revenue based on the taxable value of the property within the district. To determine the tax due from property owners, the assessment value of the property is found by multiplying the market value of the property by the assessment level. The assessment value of the property is multiplied by the state equalization factor to determine the equalized assessed level. The state equalization factor is set by the Illinois Department of Revenue annually, to ensure that the median level of assessments in each County is 33.33%. After the equalized assessed value is determined, exemptions are subtracted. The equalized assessed value after exemptions is then multiplied by the composite property tax rate (the sum of the various taxing districts' rates based on their requested revenue) to determine the tax due from property owners.

In addition to the revenue collected from the base tax levy, Cook County collects property tax revenue from expiring TIFs. A TIF (Tax Increment Financing) is a tool used by a city to generate money for economic development in a blighted or conservation area. When a TIF is created, total equalized assessed valuation is frozen in the district for 23 years. The levy continues to increase while the equalized assessed valuation is frozen, leading to an increase in the composite property tax rate for taxpayers. All new property tax dollars are re-invested in the TIF district until the TIF expires. New revenues arise from new developments, improvements on existing developments, or increasing taxes on existing properties. When the TIF expires, the surplus of revenues from the district's growth above the base level of the equalized assessed valuation is returned to the general fund of the municipality and overlapping governments.

Total Cook County property tax revenue includes the base property tax levy, expiring TIFs, expiring incentives, and new property construction, as outlined above. To determine the amount of revenue that goes into the general fund, the reserve for uncollected taxes and PPRT are added to the base property tax levy. PPRT, or Personal Property Replacement Tax, is a tax imposed by Illinois on



corporate income. Proceeds from this tax are distributed to local governments. Currently, the Personal Property Replacement Tax rate is 2.5% for incomes of corporations, 1.5% for incomes of partnerships, trusts, and S corporations, and 0.8% for invested capital of a public utility. 51.65% of funds from the PPRT are distributed to Cook County, with the remaining 48.35% distributed to downstate counties. After the reserve for uncollected taxes and PPRT are added to the base property tax levy, revenue is taken out for the GO bonds debt service. GO Bonds, or general obligation bonds, are bonds secured by the County's pledge to repay bond holders. Additional revenue is subtracted for the statutory pension contribution, election contribution, capital equipment contribution, and CCH contribution. After these adjustments are made, the remainder of the revenue is deposited into the general fund.

## CANNABIS TAX

Medical and adult-use cannabis consumption and sales are authorized by state law. The state levies taxes and collects licensing fees, and some local jurisdictions, including Cook County, also levy taxes.

The Illinois General Assembly passed the [Compassionate Use of Medical Cannabis Pilot Program Act](#) in 2013, with an effective date of January 1, 2014. The Act established a pilot program in which medical cannabis sales were taxed at 1% (an extension of the state's lower 1% sales tax on qualifying food and drugs) and cultivators were charged a privilege tax of 7% of sales price per ounce. The medical cannabis program was expanded in 2018 via [Public Act 100-1114](#) to allow prescribing in lieu of opioids and to remove the need for background checks of program participants. In 2019, the state amended the medical cannabis program further, removing its pilot status and making other changes, via [Public Act 101-0363](#).

2019 also saw the legalization of adult use (recreational) cannabis, following earlier efforts to decriminalize cannabis possession and use in 2016 via [Public Act 099-0697](#). The Cannabis Regulation and Tax Act (CRTA), [Public Act 101-0027](#), signed by the Governor on June 25, 2019, established regulatory, licensing, and taxing provisions for the cultivation, manufacture, distribution, and sales of adult (recreational) use cannabis in Illinois.

Like medical cannabis sales, adult use cannabis transactions are taxed by the state in multiple ways. Per the CRTA, cultivators pay a privilege tax of 7% of gross receipts from the first sale of cannabis, and retail sales are taxed at the state's general sales tax rate of 6.25%, not the lower 1% rate for medical cannabis sales. In addition, adult use cannabis sales are subject to retail excise taxes at rates that vary with potency: cannabis with 35% or less THC is taxed at 10%; cannabis with greater than 35% THC is taxed at 25%; and cannabis-infused products are all taxed at 20%, independent of the THC content. Medical cannabis sales are not subject to these excise taxes.

The CRTA also allows municipalities to impose a Cannabis Retailers' Occupation Tax (ROT) of up to 3% in increments of 0.25%. Counties are allowed to impose a Cannabis Retailers' Occupation Tax of up to 3% in increments of 0.25% for sales made in a municipality within its borders and up to 3.75% in unincorporated areas. Per its ordinance [SO2019-9400](#), the city of Chicago imposes its own ROT of 3%, and Cook County's [Ordinance 20-0658](#) imposes a county ROT of 3% in both incorporated and unincorporated areas, with both taxes effective July 1, 2020. Medical cannabis sales are exempt from these taxes.

Date	Cannabis Type	State			County		City		RTA
		Cultivator Tax	Excise Tax	ROT	Cannabis ROT	ROT	Cannabis ROT	ROT	ROT
1/1/2020	Adult Use Cannabis with 35% THC or less Adult Use	7%	10%	6.25%		1.75%		1.25%	1%
	Adult Use Cannabis with greater than 35% THC	7%	25%	6.25%		1.75%		1.25%	1%
	Adult Use Cannabis Infused Products	7%	20%	6.25%		1.75%		1.25%	1%
	Medical Cannabis	7%		1%					
7/1/2020	Adult Use Cannabis with 35% THC or less	7%	10%	6.25%	3%	1.75%	3%	1.25%	1%
	Cannabis with greater than 35% THC	7%	25%	6.25%	3%	1.75%	3%	1.25%	1%
	Adult Use Cannabis Infused Products	7%	20%	6.25%	3%	1.75%	3%	1.25%	1%
	Medical Cannabis	7%		1%					

**SPORTS WAGERING TAX**

Sports wagering was legalized in Illinois through SB 690, passed June 28, 2019. This bill legalized sports wagering, expanded gaming, and provided for the vertical revenues in the Rebuild Illinois Capital plan. Venues allowed for sports wagering are casinos, racetracks, and sports venues that hold 17,000 people or more. Wagerers must be over 21 and physically in the state of Illinois. Wagers cannot be placed on minor league events, Illinois collegiate teams, or K-12 sports events.

At the state level, revenue from sports wagering is collected as both fees for operators, as outlined in the table below, and a 15% tax on adjusted gross receipts (AGR). AGR is the total amount of money wagered less the total payout of the operator on sports wagering bets of a master sports wagering licensee. The state also collects a 2% tax on the AGR from sports wagers placed in Cook County, that are paid to Cook County’s criminal justice system.

Sports wagering was suspended in Illinois on March 16, 2020 in response to the COVID-19 pandemic. Online wagering was later opened in June 2020, and in-person wagering resumed in July 2020. So far, the majority of revenues through sports wagering have come from online wagers. Online wagers are allocated to Cook County based on device location.

**Fees Issued by Illinois for Sports Wagering Licenses, in accordance with SB 690**

		Fee Amount	License Expiration
Master Sports Wagering License	Organization licensee at inter-track wagering facility or over the internet, Owner's licensee at authorized facility or over the internet if under the same brand as the organization or owner licensee with accounts created in person	License Fee of \$5 million, plus license fee, or 5% of licensee's handle from previous year, whichever is greater, with a cap of \$10 million each year	Lasts 4 years, can be renewed for \$1 million
	Sports Facility	License fee of \$10 million, limit of 7 per sports facility, chosen by order received	
	Online without restriction	License fee - \$20 million, limit of 3 operators, chosen by competitive selection process	
Supplier License		\$150,000 license and application fee	\$150,000 every four years
Management Services provider		\$1 million license and application fee	\$500,000 every four years
Tier 2 data provider	Data sales up to \$500,000	\$30,000 fee	After three years, cost of renewal is same as initial license fee
	Data sales from \$500,000-\$750,000	\$60,000 fee	
	Data sales from \$750,000-\$1,000,000	\$125,000 fee	
	Data sales from \$1,000,000-\$1,500,000	\$250,000 fee	
	Data sales from \$1,500,000-\$2,000,000	\$375,000 fee	
	Data sales over \$2,000,000	\$500,000 fee	
Central System Lottery	Winning Bidder for central system provider license	\$20 million fee	Sunsets January 1, 2024
	Fee for permitting someone under 21 to use terminal or wagering application	\$5,000	