



COOK COUNTY DEPARTMENT OF REVENUE

Notice of Gambling Machine Tax

WHAT IS GAMBLING MACHINE TAX? Effective June 1, 2013, a tax is imposed upon Gambling Devices and Video Gaming Terminals used in Cook County.

WHAT IS TAX RATE? Gambling Device - \$1,000.00, annually. Video Gaming Terminal - \$200.00, annually, for the period of August 1, 2013, through July 31, 2014; then renewed annually thereafter.

WHO MUST REGISTER?

1. Terminal Operators, Licensed by Illinois Gaming Board
2. Owner or Operator of Video Gaming Location, Licensed by Illinois Gaming Board
3. Owner of Riverboat Gaming Operation, Licensed by Illinois Gaming Board

HOW DO I REGISTER? Registration application to be provided by Cook County Department of Revenue.

ADDITIONAL REGISTRATION DOCUMENTS:

1. Copy of applicable Illinois Gaming Board License
2. Copy of User Agreement
3. Copy of Use Agreement

USE AGREEMENT: A contractual agreement between a Terminal Operator and a Licensed Video Gaming Location establishing terms and conditions for placement and operation of Video Gaming Terminals by the Terminal Operator within the premises of the Licensed Video Gaming Location.

REGISTRATION PERIOD: Registration will begin on June 1, 2013.

EMBLEM DISPLAYED: Emblem must be affixed on the machine within 3 inches of Illinois Gaming Board (IGB) Registration Tag Number by August 1, 2013.

HOW IS TAX REMITTED: Gambling Tax Return and Emblem Application will be provided by the Cook County Department of Revenue upon registration.

FAILURE TO REGISTER: Violation penalty of \$1,000.00, Chapter 34, Uniform Penalties, Interest and Procedures Ordinance.

Sec. 74-626 – Definitions: Gambling Device shall mean a machine or mechanical, electrical, or electronic device utilized in or primarily designed for gambling, and includes any clock, tape machine, slot machine, video machine, or other machine, for the reception of money or other things of value on chance or skill is staked, hazarded, bet, won, or lost, but does not include gambling devices exempted from the Illinois Criminal Code, 720 ILCS 5/28-2(a)(1) through 5/28-2(a)(4) or video gaming terminals, as defined in the Illinois Video Gaming Act, 230 ILCS 40/5.

Sec. 74-626 - Definitions: Video Gaming Terminal means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash and as further defined under the Video Gaming Act, 230 ILCS 40/5. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

- Gambling Machines that will be played or operated in Cook County for the first time on or after February 1st of an Emblem Year are eligible for prorated tax rates of \$500.00 for Gambling Devices and \$100.00 for Video Gaming Terminals.
- If Gambling Machine is being displayed at an exempt location, the tax due is \$0.00. A location is considered exempt by meeting the definition of Fraternal Organization or Veterans Organization as defined in Title 11, Part 1800 "VIDEO GAMING (GENERAL)", Sect. 1800.110 "Definitions" of the Illinois Administrative Code.

Sec. 74-627 – Registration: Any owner of a Gambling Machine to be played or operated by the public at any place in the county and person which currently displays a Gambling Machine, to be played or operated by the public at any place owned or leased by such person, or any person which currently displays a Gambling Machine, to be played or operated by the public at any place owned or leased by such person, shall register with the Department of Revenue within (20) days after the effective date of this article that they own or display a Gambling Machine for public use in the County.

Sec. 74-629 – Tax Remittance, Emblem, Display: Owners who make Gambling Machines available for use or display must remit the tax to the Department of Revenue prior to doing so, in accordance with department policies, procedures, rules and forms. The emblem issued by the department after the payment of the tax will be proof that the tax was paid. No owner or operator will make a Gambling Machine available for play or operation by the public unless the emblem is clearly displayed and no owner or operator shall take, destroy, remove, alter, deface, mutilate, obliterate or make illegible the tax emblem provided during the year for which it was issued or make available for play any Gambling Machine who's emblem was taken, destroyed, removed, altered, defaced, mutilated, obliterated or made illegible.

Sec. 74-631 Unlawful Use of Emblem on Other Machine: It shall be unlawful for any owner or person to affix or cause to be affixed an emblem on any Gambling Machine other than the Gambling Machine upon which said emblem was intended to be affixed at the time of issuance by the Department of Revenue.

Sec. 74-632 Transfer of Ownership, Refund: Whenever an owner transfers the ownership of a Gambling Machine to another owner or person, such owner is no longer responsible for the tax and may apply to the Department of Revenue for a pro-rated refund of the corresponding tax paid. The refund shall include the surrender of the corresponding tax emblem or suitable proof that the emblem was inadvertently destroyed, however the department shall not issue a refund for any emblem that is defaced or mutilated so as to prevent identification thereof. Emblems surrendered prior to February 1st of an Emblem Year are eligible for prorated refund of \$500.00 for Gambling Devices and \$100.00 for Video Gaming Terminals. Emblems surrendered on or after February 1st will receive no refund amount.

Sec. 74-633 Duplicate Emblem: In the event an emblem is lost, stolen, defaced, mutilated, or destroyed, the Department of Revenue may issue a duplicate emblem upon receipt of a \$100 replacement fee. In order to qualify for a replacement emblem, a suitable portion of the original emblem, to allow for identification thereof, or a police report will be required at the time of application for replacement.

If you have any questions regarding this notice, please contact the Department during regular business hours Monday through Friday from 8:30 a.m. to 4:30 p.m. at **(312) 603-6864**.

For more information or to obtain a copy of the Gambling Machine Tax Ordinance, please visit our website at **www.cookcountyil.gov/revenue**.