



# City of Chicago



SO2017-1994

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	3/29/2017
<b>Sponsor(s):</b>	Reilly (42)
<b>Type:</b>	Ordinance
<b>Title:</b>	Amendment of Municipal Code Chapter 4-236 by modifying Chicago Parking Lot and Garage Operations Tax Ordinance
<b>Committee(s) Assignment:</b>	Committee on Pedestrian and Traffic Safety

**SUBSTITUTE**  
**ORDINANCE**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:**

**SECTION 1.** Chapter 4-236 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

**4-236-010 Definitions.**

For the purpose of this chapter, whenever any of the following words, terms or definitions are used, they shall have the meaning ascribed to them in this section:

*(Omitted text is unaffected by this ordinance)*

“Charge or fee paid for parking” means the gross amount of consideration for the use or privilege of parking a motor vehicle in or upon any parking lot or garage in the City of Chicago, valued in money, whether received in money or otherwise, including cash, credits, property and services, determined without any deduction for costs or expenses whatsoever, but not including charges that are added to the charge or fee on account of the tax imposed by this chapter or on account of any other tax imposed on the charge or fee. The term “charge or fee for parking” shall exclude separately stated optional charges not for the use or privilege of parking.

*(Omitted text is unaffected by this ordinance)*

“Operator” means any person conducting the operation of a parking lot or garage, as defined by this chapter, or, directly or through an agent, receiving the consideration for parking or storage of motor vehicles at such parking place. This includes but is not limited to any reseller or aggregator that collects from the recipient the charge or fee paid for parking.

*(Omitted text is unaffected by this ordinance)*

**4-236-020 Tax imposed.**

*(Omitted text is unaffected by this ordinance)*

(c) The tax imposed by this chapter shall not apply to: (i) residential off-street parking of house or apartment tenants or condominiums, wherein an arrangement for such parking is provided in the house or apartment lease or in a separate writing between the landlord and tenant, or if in a condominium between the condominium association and the owner, occupant or guest of a unit, whether the parking charge is payable to the landlord, condominium association, or to the operator of the parking lot or garage; (ii) parking by hospital employees on or in a parking lot or garage that is owned or operated by the hospital for which they work; (iii) parking on or in a parking lot or

garage where three or fewer motor vehicles are stored, housed or parked for hire, charge, fee or other valuable consideration, if the operator of the parking lot or garage does not act as the operator of more than a total of three parking spaces located in the City of Chicago. If any operator of the lot or garage, including any reseller or aggregator, acts as an operator of more than three parking spaces in total that are located in the City of Chicago, then this exemption (iii) shall not apply to any of such spaces.

*(Omitted text is unaffected by this ordinance)*

(g) An operator that has paid or remitted the tax imposed by this section to another operator in connection with the same parking transaction, or the use of the same parking space, that is subject to tax under this chapter, shall be entitled to a credit for such tax paid or remitted against the amount of tax owed under this section, provided that the other operator is registered as a tax collector under this chapter, as evidenced by a certificate issued by the department of finance, or as otherwise confirmed by the department of finance. The operator claiming the credit shall have the burden of proving its entitlement to this credit with books, records and other documentary evidence.

*(Omitted text is unaffected by this ordinance)*

#### **4-236-025 Additional tax imposed on valet parking businesses.**

A. In addition to the tax imposed by Section 4-236-020 of this chapter, a tax is imposed upon persons engaged in the business of valet parking in the City. The rate of this tax shall be 20% of the gross amount of consideration received by the valet parking business in connection with its valet parking operations in the city, including all related service fees or similar charges.

B. A valet parking business that has paid or remitted the tax imposed by Section 4-236-020 to an operator in connection with the same transactions, or the use of the same parking spaces, that are subject to subsection A of this section shall be entitled to a credit against the amount of tax owed under subsection A of this section, provided that the operator is registered as a tax collector under this chapter, as evidenced by a certificate issued by the department of finance, or as otherwise confirmed by the department of finance. The valet parking business shall have the burden of proving its entitlement to this credit with books, records and other documentary evidence.

C. Valet parking businesses shall file returns and pay the tax as follows: (1) all tax returns shall be filed with the department on an annual basis on or before August 15 of each year in accordance with Sections 3-4-186 and 3-4-189 of this Code, (2) all tax payments shall be made in accordance with either Section 3-4-187 (payment of actual tax liabilities) or Section 3-4-188 (payment of estimated taxes) and (3) the

provisions of Sections 3-4-186, 3-4-187, 3-4-188 and 3-4-189 shall control over any contrary provisions in this chapter regarding the subjects covered by those sections.

*(Omitted text is unaffected by this ordinance)*

#### **4-236-050 Maintenance of records.**

(a) It shall be the duty of every operator to keep accurate and complete books and records to which the comptroller or the commissioner of business affairs and consumer protection shall, at all times, have full access. These books and records shall include all electronic records, cash register or other receipts and all cash register tapes required by Section 4-236-060 of this chapter, all tickets and voided tags required by Section 4-236-060 and a daily sheet for each location showing (i) the number of motor vehicles parked in or on each lot or garage, segregated on a daily, weekly, monthly, or other basis, and also segregated by the amount of the charge or fee imposed for parking and (ii) the actual parking lot or garage tax receipts collected from all parking transactions.

(b) All books and records required by this section shall be retained for at least four years after the end of the calendar year in which they are created; provided, however, that an operator on an annual basis may request approval from the comptroller to discard tickets or tags that were issued more than one year earlier and the comptroller shall grant such approval if he or she determines that the operator's books and records satisfy the requirements of this chapter.

#### **4-236-060 Tickets, tags and receipts.**

(a) It shall be the duty of every operator to issue to all persons seeking the privilege of parking a motor vehicle on a daily basis a distinctive ticket in the form and manner provided by this section or provide and maintain electronic records of each daily parking transaction that substantially meet the requirements of this section. Tickets shall be issued by the operator in numerical sequence.

(b) Each ticket issued by an operator shall indicate the name of the operator and the address of the parking lot or garage upon or in which the motor vehicle is parked. Unless the parking lot or garage is equipped with an automated ticket dispenser which triggers the opening of a gate, tickets shall consist of three parts, one part shall be issued by the operator to the recipient; one part shall be retained by the operator, who shall indicate on the back thereof the time of arrival and departure of the motor vehicle; and one part shall be attached to the parked motor vehicle for the purpose of identification. All three-part tickets shall contain the same serial number on each part of the ticket.

(c) It shall be the duty of every operator to issue to all persons seeking the privilege of parking a motor vehicle on a daily basis a paper or electronic receipt showing the parking charge paid by the recipient and the amount of tax paid or an

indication that tax was included in the parking charge. Unless a cash register or electronic record is used which produces daily ~~summary tapes~~ summaries showing the number of motor vehicles parked, the total charges paid and the amount of tax collected for each range of parking charges described in Section 4-236-020, and the ~~tapes~~ summaries are maintained as required by Section 4-236-050, the paper receipt shall be in the form of a two-part numerical receipt and the operator shall retain one part and issue one part to the recipient. Each part shall show the parking charge and the amount of tax paid.

(d) Unless electronic records are kept identifying weekly and monthly parkers, Every operator shall require a tag to be attached to each motor vehicle that is permitted to park on a weekly or monthly basis, or other basis longer than one day. Each tag shall show the name of the operator and address of the parking lot or garage upon or in which the motor vehicle is parked; an identification number; the number and issuing state of the license plate of the parked motor vehicle; and whether the motor vehicle is parked on a weekly or monthly or other basis longer than one day, indicating starting and ending dates of the week, month or other period. Tags shall be issued by the operator in numerical sequence.

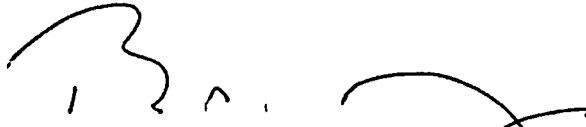
(e) The operator shall keep a book record of all tags issued, showing each tag's date of issuance, identification number and parking charge imposed. The operator shall remove, or cause to be removed, and shall void each tag at the end of the week, month or other applicable period, and shall cause a new tag to be attached to the motor vehicle at the beginning of each new period.

(f) Any operator that fails to maintain electronic records as allowed herein, or alternatively, to issue or attach one or more tickets, tags or receipts in the form or manner provided by this chapter shall be subject to a fine of not less than \$50.00 nor more than \$200.00 for each motor vehicle for which an electronic record is not maintained or to which a ticket, tag or receipt in the proper form was not issued or upon which a ticket or tag was not attached.

(g) In order to ensure the sound and efficient administration and enforcement of the tax imposed by this chapter, the comptroller by rule may impose recordkeeping, ticket or tag requirements in addition to the requirements contained in this chapter.

*(Omitted text is unaffected by this ordinance)*

**SECTION 2.** This ordinance shall take effect ten days after passage and due publication. Section 1 is intended to confirm rather than change existing law.

  
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Brendan Reilly  
Alderman, 42<sup>nd</sup> Ward

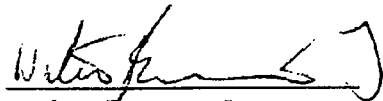
CHICAGO, MAY 24, 2017

To the President and Members of the City Council:

Your Committee on Pedestrian and Traffic Safety to which was referred a Substitute Ordinance which is an **Amendment of Municipal Code Section 4-236** by Modifying Chicago Parking Lot and Garage Operations Tax Ordinance begs leave to recommend that Your Honorable Body DO PASS the proposed ordinance transmitted herewith.

These recommendations were concurred by all members of the committee present, with no dissenting votes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Walter Burnett, Jr.", written over a horizontal line.

Walter Burnett, Jr.  
Chairman,  
Committee on Pedestrian and  
Traffic Safety