

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by (a(viva voce votej)
of members of the committee with dissenting vote(s):
Alderman Reilly abstains under provisions of Rule 14.

Respectfully submitted

Chairman

Document No.

REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL CITY OF CHICAGO
OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

June 25,2014

TO THE HONORABLE, THE CITY COUNCIL OF THE
CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Budget Director, I transmit herewith, together with Aldermen Austin, Burke, Moreno, Dowell, Burns, Sawyer, Holmes, Harris, Pope, Balcer, Cardenas, Quinn, Foulkes, Thompson, Thomas, Lane, O'Shea, Cochran, Brookins, Zalewski, Chandler, Solis, Burnett, Graham, Reboyras, Suarez, Mell, Colon, Sposato, Mitts, Cullerton, Laurino, P. O'Connor, M. O'Connor, Smith, Cappleman, Pawar, and Moore, an ordinance regarding telecommunications-related taxes.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

ORDINANCE

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

SECTION 1. Section 3-64-030 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

3-64-030 Surcharge imposed.

A. A surcharge is hereby imposed upon billed subscribers of telecommunications services within the corporate limits of the city other than "wireless communications service" as defined by Section 7-50-010 of this Code. The surcharge shall be imposed at the monthly rate of ~~\$2.50~~ \$3.90 per voice grade communications channel between a subscriber's premises and the public switched network capable of providing access to the 9-1-1 emergency telephone system; except that where multiple voice grade communications channels are connected between the subscriber's premises and the public switched network through a private branch exchange service (P.B.X.), five surcharges shall be imposed on every such Regular Service provisioned Trunk line leaving the subscriber's premises and 12 surcharges shall be imposed on every Advanced Service provisioned Trunk line leaving the subscriber's premises, and where an Advanced Service Trunk line supports at least two but fewer than twenty- three simultaneous VGCs, a telecommunication carrier may elect to impose fewer than twelve surcharges per such Trunk line as provided in subsection (D) herein; and where multiple voice grade communications channels are connected to the public switched network through a telecommunications carrier's central office centrex-type service, five surcharges shall be imposed on the number of P.B.X. trunk equivalents for such system as determined by a P.B.X. trunk equivalency table based on generally acceptable telecommunications engineering principles and approved by the comptroller.

(Omitted text is unaffected by this ordinance)

SECTION 2. Section 7-50-020 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

7-50-020 Fees - Use of revenue - Applicability.

A. A fee is imposed upon all billed subscribers of wireless communications service within the corporate limits of the city in order to pay for a portion of the cost incurred by the city to operate the emergency telephone system. This fee, which shall be at the rate of ~~\$2.50~~ \$3.90 per month, shall apply to in-service wireless telephone numbers where the service address of the wireless communications service is located in the city. The fee shall not apply to consumers of prepaid wireless telecommunications service, who instead shall pay the surcharge imposed pursuant to Chapter 7-51 of this Code.

(Omitted text is unaffected by this ordinance)

SECTION 3. Section 7-51 -030 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

7-51-030 Surcharge Imposed - Applicability.

A. Pursuant to the Prepaid Wireless 9-1-1 Surcharge Act, Public Act 97-0463, as amended, there is hereby imposed on consumers a prepaid wireless 9-1-1 surcharge of ~~7-rO~~ 9J percent per retail transaction. /-'

(Omitted text is unaffected by this ordinance)

SECTION 4. Following passage and approval, the amendments made by Sections 1 and 2 of this ordinance shall take effect on September 1, 2014, and the amendment made by Section 3 of this ordinance shall take effect on October 1, 2014. '•■.'