



Office of the City Clerk

City Hall
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Chicago, IL 60602
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Legislation Text

File #: R2018-1149, Version: 1

RESOLUTION

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WHEREAS, the Illinois General Assembly, specifically in 65 ILCS 5/8-3-19, allows home rule municipalities to increase their own Real Estate Transfer Taxes only by means of referendum; and

WHEREAS, the City of Chicago is a home rule municipality under Article VII of the 1970 Illinois Constitution; and

WHEREAS, the "City Portion" of the City of Chicago current transfer tax rate is three dollars and seventy-five cents (\$3.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, per transaction; and

WHEREAS, the City seeks to increase the "City Portion" of real estate transfer tax imposed, keeping the current rate at three dollars and seventy-five cents (\$3.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers up to one million dollars (\$1,000,000.00) in transfer price, and increasing the rate to nine dollars and seventy-five cents (\$9.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers over one million dollars (\$1,000,000.00) in transfer price; and

WHEREAS, the increased revenue shall be dedicated to the Homeless Transfer Tax Fund and is a means to provide resources for housing and services to combat homelessness; and

WHEREAS, the City Council of the City of Chicago hereby finds it in the best interest of the City to impose such an increased real estate transfer tax to address the City's significant problem with homelessness; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO

Section 1. The foregoing recitals are found as fact and incorporated herein by reference.

Section 2. In accordance with 65 ILCS 5/8-3-19, the City Council of the City of Chicago

hereby initiates and authorizes the following referendum question to be submitted to the voters of the entire City of Chicago at the regularly scheduled municipal general election next occurring after the effective date of this resolution on February 26, 2019:

Shall the City of Chicago impose a real estate transfer tax increase of one hundred and sixty percent (160%) to establish a new transfer tax rate of nine dollars and seventy-five cents (\$9.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers over \$1,000,000 in transfer price to be paid by the buyer of the real estate transferred?

The current rate of the "City Portion" of the real estate transfer tax is \$3.75 per \$500.00 of the transfer price, or fraction thereof, and the revenue is used for general corporate purposes. The revenue from the increase is to be used for the sole purpose of providing resources for housing and services to combat homelessness in the City of Chicago. The increase would concern the "City Portion" of the tax only, and there would be no increase in the rate of the "CTA Portion" of the tax, which is \$1.50 per \$500.00 of the transfer price, or fraction thereof.

Yes

Section 3. The City Clerk of the City of Chicago shall certify the referendum question referenced herein to the Chicago Board of Election Commissioners in accordance with Article 28 of the Election Code,

Section 4. This Resolution shall be in full force and effect upon its passage.

Walter Burnett, Jr.
Alderman, 27th Ward

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