



# Office of the City Clerk

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## Legislation Text

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Committee on Finance City Council Meeting July 26,  
2017 Alderman Brendan Reilly, 42<sup>nd</sup> Ward Personal  
Property Lease Tax Amendment

### ORDINANCE

SECTION 1. Chapter 3-32 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

#### 3-32-020 Definitions.

When any of the following words or terms are used in this chapter, whether or not capitalized and whether or not used in a conjunctive or connective form, they shall have the meaning or construction ascribed to them in this section:

(Omitted text is unaffected by this ordinance)

R. "Technology Startup Company" means a business organization in operation for fewer than 36 months, that had under \$10 million in gross receipts or sales for the most recent full calendar year prior to the annual tax year for which the exemption is sought, and which holds a valid and current business license issued by the City of Chicago or another jurisdiction.

"Use" means the exercise of any right to or power over personal property by a lessee incident to the lease or rental of that property including, but not limited to, the permanent or temporary storage, stationing or garaging of personal property by the lessee. "Use" by a lessee includes not only the use of personal property directly by the lessee but also the use of personal property by the lessee's agents, representatives or other authorized designees.

#### 3-32-050 Exempt leases, rentals or uses.

A. Notwithstanding any other provision of this chapter, the following leases, rentals or uses

shall be exempt from the tax imposed by this chapter:

(Omitted text is unaffected by this ordinance)

(14) Under rules to be prescribed by the department, the lease of personal property either conducted or facilitated by means of or through an internet website or app by a Technology Startup Company.

B. For purposes of applying any of the exemptions contained in this section, every lease or rental payment period shall be deemed a separate transaction or privilege. Any person claiming an exemption shall have the burden of proving entitlement to the exemption for each lease or rental payment period for which the exemption is claimed.

SECTION 2. This ordinance shall be in full force and effect from and after its passage and

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Brendan Reilly Alderman, 42nd Ward