



Office of the City Clerk

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Legislation Details (With Text)

File #: SO2016-705
Type: Ordinance **Status:** Passed
File created: 2/10/2016 **In control:** City Council
Final action: 3/16/2016
Title: Amendment of Municipal Code Section 3-40-010 to exempt tampons and sanitary napkins from Chicago's Home Rule Municipal Retailer's Occupation Tax
Sponsors: Burke, Edward M., Hairston, Leslie A., Mendoza, Susana A.
Indexes: Ch. 40 Occupation Taxes
Attachments: 1. SO2016-705.pdf, 2. O2016-705 (V1).pdf

Date	Ver.	Action By	Action	Result
3/16/2016	1	City Council	Signed by Mayor	
3/16/2016		City Council	Passed as Substitute	Pass
3/11/2016	1	Committee on Finance	Recommended to Pass	Pass
3/11/2016	1	Committee on Finance	Amended in Committee	
2/10/2016	1	City Council	Referred	

CHICAGO March 16, 2016

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A communication recommending <a pfpesed ordinance concerning the authority to approve an amendment of Section 3-40-010 of the Municipal of Chicago which would exempt tampons and sanitary napkins from the City's Home Rule Municipal Retailer's Occupation Tax.

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rate of 10.25%, which includes a 6.25% state tax; a 1.75% county tax; a 1.25% city tax; and a 1% Regional Transportation Authority tax; and

WHEREAS, Qualifying food, drugs and medical appliances are exempt from Chicago's sales tax and qualify for the state sales tax rate of 1%; and

WHEREAS, Legislation is currently pending in the California State Assembly which would exempt tampons and sanitary pads from state sales tax; and

WHEREAS, Bills to exempt feminine hygiene products from sales taxes have also been introduced in New York, Ohio, Utah and Virginia; and

WHEREAS, Feminine hygiene products are already exempt from sales taxes in Minnesota, Pennsylvania, New Jersey, Maryland and Massachusetts; and

WHEREAS, The City of Chicago desires to exempt tampons and sanitary napkins from its Home Rule Municipal Retailer's Occupation Tax; now therefore

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

SECTION 1. The above recitals are expressly incorporated herein and made part hereof as though fully set forth herein.

SECTION 2. Section 3-40-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored, as follows:

3-40-010 Tax - Imposed.

a) A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than tangible personal property titled or registered with an agency of Illinois government, at retail in the City of Chicago, pursuant to the Home Rule Municipal Retailer's Occupation Tax Act, at the rate of one and one-quarter percent of the gross receipts from such sales made in the course of such business.

b) The tax imposed by this section shall not be applicable to or imposed upon sales of the following items:

i) Food for, human consumption which is to be consumed off the premises where it is sold, except that alcoholic beverages, soft drinks and food which has been prepared for immediate consumption shall be subject to the tax imposed hereunder; and

ii) Prescription and nonprescription medicines, drugs, medical appliances^ including, but not limited to, tampons and sanitary napkins, and insulin, urine testing materials, syringes and needles used by diabetics.

(c) Nothing in this section shall be construed to impose a tax upon the privilege of engaging in any business

which under the Constitution of the United States may not be made the subject of taxation by the State of Illinois or any political subdivision thereof.

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SECTION 3. This ordinance shall be in full force and effect upon its publication.

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