



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Details (With Text)

File #: R2016-149
Type: Resolution **Status:** Adopted
File created: 2/10/2016 **In control:** City Council
Final action: 3/16/2016

Title: Call for Illinois General Assembly to reclassify tampons and sanitary napkins as qualifying for reduced one percent state sales tax rate

Sponsors: Burke, Edward M., Hairston, Leslie A.

Indexes: ILLINOIS, STATE OF

Attachments: 1. R2016-149.pdf

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|---------------------|--------|
| 3/16/2016 | 1 | City Council | Adopted | Pass |
| 3/11/2016 | 1 | Committee on Finance | Recommended to Pass | Pass |
| 2/10/2016 | 1 | City Council | Referred | |

RESOLUTION

WHEREAS, Tampons and sanitary napkins are medical necessities which merit exemption from local taxation and qualification for the reduced state sales tax rate and

WHEREAS, The Illinois Department of Revenue currently classifies tampons and sanitary napkins as "grooming and hygiene" products which are subject to the city's sales tax and the state's general merchandise tax; and

WHEREAS, Feminine hygiene products such as tampons and sanitary napkins are currently taxed at the rate of 10.25%, which includes a 6.25% state tax; a 1.15% county tax; a 2.5% city tax; and a 7% Regional Transportation Authority tax; and

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

WHEREAS, Legislation is currently pending in the California State Assembly that 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, Five other states have no sales tax; and

WHEREAS, In 1989, in *Gearlt v. Dominic's Finer Foods, Inc.*, the Illinois Supreme Court held that tampons and sanitary napkins were "medical appliances" and therefore exempt from a sales tax then imposed by the City of Chicago; and

WHEREAS, At that time, the Illinois Department of Revenue determined that the term "medical appliances" included tampons and sanitary napkins and thus exempted those products from state sales tax; and

WHEREAS, On February 10, 2016, an ordinance was introduced to the City Council of

the City of Chicago which would exempt tampons and sanitary napkins from Chicago's Home Rule Municipal Retailer's Occupation Tax; now therefore

RESOLVED, That we the Mayor and the members of the City Council of the City of Chicago do hereby urge the General Assembly of the State of Illinois to adopt legislation which would qualify tampons and sanitary napkins the reduced state sales tax rate of 1%