



Office of the City Clerk

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Legislation Details (With Text)

File #: R2021-333
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Final action: 5/24/2023
Title: Call for hearing(s) on economic impact of current tax exemptions benefited by non-profit hospitals
Sponsors: Villegas, Gilbert
Indexes: Committee on Economic, Capital and Technology Development
Attachments: 1. R2021-333.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
3/24/2021	1	City Council	Referred	

Chicago City Council March 24,
2021

RESOLUTION CALLING FOR HEARINGS ON NON-PROFIT HOSPITALS TAX EXEMPTIONS

WHEREAS, Public Act 97-688 is an Illinois law that allows for non-profit hospitals to be exempt from property taxes as long as the value of its charitable services fund is equal to or greater than the value of the property tax liability; and,

WHEREAS, Charity services address the health care needs of low-income or underserved individuals and assist the government with regard to health care services; and,

WHEREAS, The property tax exemptions permitted under the Public Act 97-688 to non-profit hospitals is granted with the specific purpose of serving the public by providing much-needed services to patients who otherwise may not have access to healthcare; and,

WHEREAS, The Public Act 97-688 allows for the non-profit hospitals that receive the tax exemptions to assess the value of their property taxes each year they request such exemptions; and,

WHEREAS, Most of the Cook County hospitals with more than \$500 million in net revenue spent less than 2 percent of net revenue providing free care to low-income patients in 2018; and,

WHEREAS, Many of the Cook County hospitals aforementioned are located within the City of Chicago (the "City"); and,

WHEREAS, Specifically, in 2018, some of the hospitals located within the City spent the following percent of their net revenue: Rush University Medical Center spent \$18 million, 1.4 percent; Northwestern Memorial Hospital spent \$23.2 million, 1.2 percent; and University of Chicago Medical Center spent \$18.2 million, 1 percent; and,

WHEREAS, One of the most recent reports assessing non-profit hospitals that benefit from the tax exemptions in the City, found that the hospitals studied received \$327.7 million in an excess tax benefit, an amount by which the value of the total tax breaks exceeds the charity provided; and,

Gilbert Villegas Alderman, 36th Ward

BE IT RESOLVED, that we, the Members of the City Council, call to hold open hearings led by the Economic, Capital, and Technology Development Committee to discuss the economic impact of the current tax exemptions non-profit hospitals within the City of Chicago benefit from.