



Office of the City Clerk

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

Legislation Details (With Text)

File #: O2021-2152
Type: Ordinance
Status: Passed
File created: 5/26/2021
In control: City Council
Final action: 6/25/2021
Title: Amendment of Municipal Code Sections 3-30-020 and 3-30-050 and adding new Section 3-30-060 requiring food delivery companies to collect and remit City restaurant tax
Sponsors: Lightfoot, Lori E.
Indexes: Ch. 30 Chicago Restaurant & Other Places for Eating Tax Ordinance
Attachments: 1. O2021-2152.pdf

Date	Ver.	Action By	Action	Result
6/25/2021	1	City Council	Passed	Pass
6/21/2021	1	Committee on Finance		
5/26/2021	1	City Council	Referred	

ORDINANCE

WHEREAS, the City of Chicago is a home rule unit of government as defined in Article VII, Section 6 (a) of the Illinois Constitution, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, 65 ILCS 5/11-42-5 provides that each municipality may license, tax and regulate places for eating; and

WHEREAS, 65 ILCS 5/11-42-6 provides that each municipality may license, tax and regulate hackmen, draymen, omnibus drivers, carters, cabmen, porters, expressmen and all others pursuing like occupations; and

WHEREAS, 65 ILCS 5/11-42-4 provides that each municipality may license, tax, regulate, and prohibit runners for cabs, busses, railroads, ships, hotels, public houses, and other similar businesses; and

WHEREAS, 65 ILCS 5/8-3-15 provides that each municipality shall have all powers necessary to enforce the collection of any tax imposed and collected by such municipality, whether such tax was imposed pursuant to its home rule powers or statutory authorization; now, therefore,

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

SECTION 1. Chapter 3-30 of the Municipal Code of Chicago is amended by deleting the language stricken through and by inserting the language underscored, as follows:

3-30-020 Definitions.

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

(Omitted text is unaffected by this ordinance)

3. ~~[Reserved]~~ “Delivery Company” shall mean a business that enters into an agreement with a place for eating, pursuant to which the business, through its employees, agents or independent contractors, receives food and drink orders, accepts customer payments, delivers food and drinks to customers, and has an obligation under State law to collect sales and/or use tax on such orders and remit the tax to the Illinois Department of Revenue.

(Omitted text is unaffected by this ordinance)

3-30-050 Occasional or de minimis sales.

A place for eating whose liability for the tax imposed by this chapter would, in the absence of this section, be less than or equal to \$200.00 in an annual tax year (July 1 through June 30) shall not be required to file a return or make any payment of tax with regard to that tax and annual tax year; provided, however, that this section shall not be available to any place for eating that has separately stated and charged the tax to its customers during that annual tax year, nor shall it apply to sales made through a Delivery Company.

3-30-055 Collection and remittance responsibilities of Delivery Companies.

It shall be the duty of each Delivery Company to collect the tax imposed by this chapter from the customer, remit the tax to the department, and file returns with the department, in accordance with Section 3-30-060 of this chapter, on all orders for which it has an obligation under State law to collect sales and/or use tax. In the event that a Delivery Company fails to collect or remit the tax required to be collected by this section, the Delivery Company shall be liable to the City for the amount of such tax, plus any attendant interest and penalties.

3-30-060 Tax payments and returns.

A. Each place for eating shall pay or remit the tax imposed by this chapter to the department in accordance with either Section 3-4-187 (payment of actual tax liabilities) or Section 3-4-188 (payment of estimated taxes) of this Code, unless the tax is collected and remitted by a Delivery Company.

A.1. Each Delivery Company, for its delivery orders, shall remit the tax imposed by this chapter to the department in accordance with Section 3-4-187 of this Code.

B. Tax returns shall be filed with the department on an annual basis on or before August 15 of each year in accordance with Sections 3-4-186 and 3-4-189 of this Code.

(Omitted text is unaffected by this ordinance)

SECTION 2. This ordinance shall take full force and effect on July 1, 2021, unless the Comptroller determines, in his or her sole discretion, that additional time is needed to effectuate this ordinance. If the Comptroller so determines, the department shall prominently post a notice of the delayed effective date on the Department of Finance website on or before June 20, 2021. Any such delayed effective date shall be no later than October 1, 2021.