



Office of the City Clerk

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Legislation Text

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Public Safety

RESOLUTION

WHEREAS, the recent increase in cigarette taxes creates an effective tax rate of \$6.67 (\$0.68 for Chicago, \$3.00 for Cook County, \$1.98 for Illinois, and \$1.01 federally), making for the second highest tax rate in the US after New York City; and

WHEREAS, surrounding counties have no localized taxes, making cigarettes more than \$3.00 per pack less; and

WHEREAS, bordering states have no localized cigarette taxes and lower state taxes with Indiana taxes at \$0.995 per pack and Missouri taxes at \$0.17 per pack thereby making cigarettes almost \$5.00 per pack less expensive in Indiana and even lesser than that in Missouri; and

WHEREAS, there are markets just outside of Cook County that are easily accessible by residents of Cook County wishing to avoid paying the increased taxes; and

WHEREAS, the ability to avoid this tax means revenues from cigarette taxes will fall without decreasing citywide consumption and the stress on the healthcare system will not be relieved by this tax even as revenues fall; and

WHEREAS, those who cannot leave this city will either be incentivized to dodge this tax or be forced to bear an undue share of the burden of this tax; and

WHEREAS, this regressive tax policy has caused an increase in the sales of illegal cigarettes and the sale of single cigarettes which has caused a detrimental impact on impoverished communities on the same scale as sale of narcotics; therefore

BE IT RESOLVED, that we, the Mayor, and the members of the Chicago City Council do hereby urge the Governor of the State of Illinois and the Illinois General Assembly to reduce the statewide cigarette tax by \$1.00 back to \$0.98-per-pack and the Cook County Board President and Cook County Board of Commissioners to repeal the countywide \$2.00-per-pack increases in cigarette taxes.

BE IT FURTHER RESOLVED, that we, the Mayor, and the members of the Chicago City Council, assembled this thirteenth day of March, 2013, do hereby call upon representatives of the Departments of Police, Business Affairs and Consumer Protection, and Public Health, as well as local retail merchants to appear before the City Council Committee on Public Safety to discuss crime

due to the sale of illegal and single cigarettes within the City of Chicago and ways to remedy the problem, and to explore the viability and advisability of rolling back cigarette taxes to reduce crime.