



# Office of the City Clerk

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## Legislation Text

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### RESOLUTION

WHEREAS, Pursuant to 65 ILCS 5/8-3-19, home rule municipalities may increase their real estate transfer taxes by means of referendum; and

WHEREAS, The City of Chicago is a home rule municipality under Article VII of the 1970 Illinois Constitution; and

WHEREAS, The "City Portion" of the City of Chicago transfer tax rate is currently three dollars and seventy-five cents (\$3.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, per transaction; and

WHEREAS, The City seeks to increase the "City Portion" of real estate transfer tax by keeping the current rate at three dollars and seventy-five cents (\$3.75) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers up to one million dollars (\$1,000,000.00) in transfer price, and increasing the rate to thirteen dollars and twenty-five cents (\$13.25) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers over one million dollars (\$1,000,000.00) in transfer price; and

WHEREAS, The increased revenue will be deposited in a Homeless Transfer Tax Fund, to be dedicated to combating homelessness by providing permanent affordable housing and the services necessary to obtain and maintain permanent housing; and

WHEREAS, The City Council of the City of Chicago hereby finds it in the best interest of the City to impose such an increased real estate transfer tax to address the City's significant problem with homelessness; now, therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO

SECTION 1. The foregoing recitals are incorporated herein by reference.

SECTION 2. In accordance with 65 ILCS 5/8-3-19, the City Council of the City of Chicago hereby initiates and authorizes the following referendum question to be submitted to the voters of the entire City of Chicago at the next regular election occurring no less than 79 days after the effective date of this resolution:

Shall the City of Chicago impose a real estate transfer tax increase of 253% to establish a new transfer tax rate of thirteen dollars and twenty-five cents (\$13.25) for every five hundred dollars (\$500.00) of transfer price, or fraction thereof, for transfers of more than \$1,000,000 in transfer price to be paid by the buyer of the real estate transferred?

The current rate of the "City Portion" of the real estate transfer tax is three dollars and seventy-

five cents (\$3.75) per five hundred dollars (\$500.00) of the transfer price, or fraction thereof, to be paid by the buyer of the real estate transferred, and the revenue is used for general corporate purposes. The revenue from the increase is to be used for the sole purpose of combating homelessness by providing permanent affordable housing and the services necessary to obtain and maintain permanent housing in the City of Chicago. The increase would concern the "City Portion" of the tax only, and there would be no increase in the rate of the "CTA Portion" of the tax, which is one dollar and fifty cents (\$1.50) per

five hundred dollars (\$500.00) of the transfer price, or fraction thereof, to be paid by the seller of the real estate transferred.

- Yes
- No

SECTION 3. The City Clerk of the City of Chicago shall certify the referendum question referenced herein to the Chicago Board of Election Commissioners in accordance with Article 28 of the Election Code.

SECTION 4. This resolution shall be in full force and effect upon its passage.