## City Council Agenda Memo



Crest Hill, IL

Meeting Date: October 23, 2023

**Submitter:** Lisa Banovetz, Director of Finance / Glen Conklin, Treasurer

**Department:** Treasurer's Office

**Agenda Item:** Confirming a Business is in Compliance with the Places for Eating Tax Prior to

Issuing any Licenses

**Summary:** Ordinance 1911 was passed by the City Council on July 5, 2022, to establish a Places for Eating Tax in the City of Crest Hill. This tax went into effect for all applicable City businesses on January 1, 2023.

As part of having all businesses comply and pay the Places for Eating taxes monthly, City staff has spoken with City Council at previous workshops to require that licenses, of any kind, should *not* be issued to a business, unless it has been confirmed that the petitioning business is current in all monies it may owe to the City. This includes business fees owed, but not limited to, Places for Eating taxes, utility billing payments, tap on fees, any outstanding permit fees.

Numerous emails have been sent to both the Mayor's office in addition to the Clerk's office to verify that a business who is requesting a license is not delinquent in paying any fees that are owed to the City, prior to issuing a license.

On Monday, October 16<sup>th,</sup> I was informed that a new gaming and entertainment license was issued to a business who is six months delinquent in paying its Places for Eating Tax to the City. The Mayor's office did not check to make sure this business was current with paying the Places for Eating Tax prior to issuing these two new licenses to this business.

In Ordinance 1911, Section 3.20.080 Suspension or Revocation of Licenses states that the Mayor may suspend or revoke all City licenses held by such owner if it is determined that the owner has willfully avoided the payment of any tax imposed by this chapter.

In my opinion, licenses should not be granted to any business operating within the City limits until it has been verified that no monies are owed to the City from the business who is requesting a license.

**Recommended Council Action:** Staff is looking for direction from Council on how to prevent future licenses from being issued to any businesses who owe the City money.

## **Financial Impact:**

Funding Source: N/A.

**Budgeted Amount:** N/A

Cost: N/A

**Attachments** N/A