

**ORDINANCE NO. MC-1090**

**AN ORDINANCE IMPLEMENTING A NON-HOME RULE MUNICIPAL  
RETAILERS' OCCUPATION TAX AND A NON-HOME RULE MUNICIPAL  
SERVICE OCCUPATION TAX FOR THE VILLAGE OF HOMEWOOD**

WHEREAS, Section 1-2-1 of the Illinois Municipal Code (65 ILCS 5/1-2-1), provides that the corporate authorities of each municipality may pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to municipalities, with such fines or penalties as may be deemed proper; and,

WHEREAS, the Village of Homewood ("Village") is a non-home rule Illinois municipality pursuant to the Constitution of the State of Illinois of 1970, as amended; and,

WHEREAS, Section 8-11-1.1 of the Illinois Municipal Code (65 ILCS 5/8-11-1.1) empowers non-home rule Illinois municipalities to impose certain Municipal Retailers' Occupation Taxes as outlined at Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) (the "Non-Home Rule Municipal Retailers' Occupation Tax"); and,

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code empowers a non-home rule municipality to "impose a tax upon all persons engaged in the business of selling tangible personal property, other than on an item of tangible personal property which is titled and registered by an agency of this State's Government, at retail in the municipality" based upon the "gross receipts from such sales made in the course of such business" for "expenditure on public infrastructure or for property tax relief or both" as defined in Section 8-11-1.2 (65 ILCS 5/8-11-1.2); and,

WHEREAS, Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) empowers a non-home rule municipality to "impose a tax upon all persons engaged, in such municipality, in the business of making sales of service . . . of the selling price of all tangible personal property transferred by such servicemen either in the form of tangible personal property or in the form of real estate as an incident to a sale of service;" and,

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code and Section 8-11-1.4 of the Illinois Municipal Code empower the Village of Homewood to impose the Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal Service Occupation Tax at a rate of 1% and,

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code requires any municipality imposing a Non-Home Rule Municipal Retailers' Occupation Tax under Section 8-11-1.3 of the Illinois Municipal Code to impose a Non-Home Rule Municipal Service Occupation Tax under Section 8-11-1.4 of the Illinois Municipal Code at the

same rate as the rate imposed as the Non-Home Rule Municipal Retailers' Occupation Tax being imposed; and,

WHEREAS, any Non-Home Rule Municipal Retailers' Occupation Tax imposed by the Village of Homewood under Section 8-11-1.3 of the Illinois Municipal Code shall be administered, collected and enforced by the Illinois Department of Revenue; and,

WHEREAS, any Non-Home Rule Municipal Service Occupation Tax imposed by the Village of Homewood under Section 8-11-1.4 of the Illinois Municipal Code shall be administered, collected and enforced by the Illinois Department of Revenue; and,

WHEREAS, proceeds generated from the imposition of any Non-Home Rule Municipal Retailers' Occupation Tax or Non-Home Rule Municipal Service Occupation Tax by the Village of Homewood must be used for public infrastructure or property tax relief, or as those terms are defined at Section 8-11-1.2 of the Illinois Municipal Code, or for municipal operations until January 1, 2031; and,

WHEREAS, the Village President and Board of Trustees of the Village of Homewood believe that it is appropriate, necessary, and in the best interests of the Village and its residents, that the Village levy a Non-Home Rule Municipal Retailers' Occupation Tax pursuant to Section 8-11-1.3 of the Illinois Municipal Code and a Non-Home Rule Municipal Service Occupation Tax pursuant to Section 8-11-1.4 of the Illinois Municipal Code so the Village can financially support municipal operations, invest in public infrastructure, and provide property tax relief.

NOW, THEREFORE, BE IT ORDAINED, by the President and Board of Trustees of the Village of Homewood, Cook County, Illinois as follows:

#### **SECTION ONE - INCORPORATION OF RECITALS**

The above recitals are incorporated as findings of fact as if the recitals were fully set forth herein.

#### **SECTION TWO - AMENDMENT TO THE HOMEWOOD MUNICIPAL CODE**

Chapter 38 of the Homewood Municipal Code is amended by addition of the following new Article IX:

#### **ARTICLE IX. - NON-HOME RULE SALES TAX**

##### **Sec. 38-198. - Non-Home Rule Municipal Retailers' Occupation Tax Imposed.**

A tax is hereby imposed on all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this state's government, at retail in this

municipality at the rate of 1% of the gross receipts from such sales made in the course of such business while this Ordinance is in effect and subject to Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3).

**Sec. 38-199. – Non-Home Rule Municipal Service Occupation Tax Imposed.**

A tax is hereby imposed on all persons engaged in this municipality in the business of making sales of service, of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service. The rate of this tax shall be 1%. The imposition of this tax is in accordance with and subject to Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4).

**Sec. 38-200. – Illinois Department of Revenue to Administer Both Taxes.**

The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department of Revenue of the State of Illinois. The Illinois Department of Revenue shall have full power to administer and enforce this Ordinance.

**SECTION THREE – CLERK TO FILE ORDINANCE WITH THE ILLINOIS DEPARTMENT OF REVENUE**

As required under Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3), the Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue by October 1, 2025.

**SECTION FOUR – LIMITATION ON USE OF PROCEEDS**

The Village of Homewood shall only expend the proceeds generated from any tax imposed by virtue of this Ordinance on: (a) municipal operations until January 1, 2031; (b) expenditures on public infrastructure; (c) property tax relief efforts; or (d) any other or further permitted uses under Section 8-11-1 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) as may now or later be authorized therein.

**SECTION FIVE – QUALIFIED EXEMPTION OF AVIATION FUEL FROM BOTH TAXES**

No provision of this Ordinance shall be interpreted to impose any tax on aviation fuel, as defined in Section 3 of the Retailers' Occupation Tax Act (35 ILCS 120/3), unless the proceeds of the tax are spent for airport-related purposes, as that term is defined in Section 6z-20.2 of the State Finance Act (30 ILCS 105/6z-20.2), and the expenditures are made in compliance with the certification requirements for airport-related purposes under Section 2-22 of the Retailers' Occupation Tax Act (35 ILCS 120/2-22).

## **SECTION SIX – REPEAL OF CONFLICTING PROVISIONS; SEVERABILITY**

All ordinances, resolutions and policies or parts thereof, in conflict with this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance. If any provision of this Ordinance or application thereof to any person or circumstances is ruled unconstitutional or otherwise invalid, this invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

## **SECTION SEVEN – EFFECTIVE DATE**

This ordinance shall take effect on: (i) the first day of July next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding April 1st; or, (ii) the first day of January next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding October 1st.

PASSED and APPROVED this 9th day of September, 2025.

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Village President

ATTEST:

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Village Clerk

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_ Abstain: \_\_\_\_\_ Absent: \_\_\_\_\_