

# VILLAGE OF ROSCOE

## AGENDA ITEM - STAFF REPORT



**Agenda Item:** Ordinance Implementing Municipal Grocery Sales Tax

**Date:** June 17, 2025

**Meeting:** COTW

**Prepared by:** Attorney Tom Green

**Department:** Administration

### Overview/Background Information

Please refer to information provided in the Staff Report and resource material included for the Village Board Agenda items at the June 3<sup>rd</sup> meeting (see June 3<sup>rd</sup> Staff Report and IML summary attached).

In its simplest terms, the State has amended the revenue code to discontinue imposition of the Grocery Sales Tax. At the same time, the State has amended the Municipal Code to allow each municipality to continue the tax at its current level. The Ordinance will maintain the sales tax on groceries at its current level and maintain the stream of revenue into the general fund of the Village.

### Key Issues

This Grocery Sales Tax will maintain the sales tax at current levels. If the Ordinance were not approved, income to the Village through sales tax would be reduced based on the amount of grocery sales.

### Fiscal Note/Budget Impact

If the Municipal Grocery Tax is approved there will be no Budget impact. If the Municipal Grocery Tax is not approved, income from sales tax is projected to be reduced by approximately \$100,000.00 annually.

### Prior Legislative Actions

None.

### Action Required/Recommendation

The Committee of the Whole should discuss and make a recommendation to the Village Board regarding passage of this Ordinance.

### Attachments

- June 3<sup>rd</sup> Agenda Item – Staff Report
- IML Publication from 4/29/2025 entitled: Locally Imposed Grocery Sales Tax
- Ordinance entitled: AN ORDINANCE IMPLEMENTING A MUNICIPAL GROCERY RETAILERS' OCCUPATION TAX AND A MUNICIPAL GROCERY SERVICE OCCUPATION TAX FOR THE VILLAGE OF ROSCOE, ILLINOIS