

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Municipal Code is amended by
5 changing Sections 8-3-14 and 8-3-14a and by adding Sections
6 8-3-14b and 8-3-14c as follows:

7 (65 ILCS 5/8-3-14) (from Ch. 24, par. 8-3-14)

8 Sec. 8-3-14. Municipal hotel operators' occupation tax.
9 The corporate authorities of any municipality may impose a tax
10 upon all persons engaged in such municipality in the business
11 of renting, leasing or letting rooms in a hotel, as defined in
12 "The Hotel Operators' Occupation Tax Act," at a rate not to
13 exceed 6% in the City of East Peoria and in the Village of
14 Morton and 5% in all other municipalities of the gross rental
15 receipts from such renting, leasing or letting, excluding,
16 however, from gross rental receipts, the proceeds of such
17 renting, leasing or letting to permanent residents of that
18 hotel and proceeds from the tax imposed under subsection (c) of
19 Section 13 of the Metropolitan Pier and Exposition Authority
20 Act, and may provide for the administration and enforcement of
21 the tax, and for the collection thereof from the persons
22 subject to the tax, as the corporate authorities determine to
23 be necessary or practicable for the effective administration of

1 the tax. The municipality may not impose a tax under this
2 Section if it imposes a tax under Section 8-3-14a.

3 Persons subject to any tax imposed pursuant to authority
4 granted by this Section may reimburse themselves for their tax
5 liability for such tax by separately stating such tax as an
6 additional charge, which charge may be stated in combination,
7 in a single amount, with State tax imposed under "The Hotel
8 Operators' Occupation Tax Act".

9 Nothing in this Section shall be construed to authorize a
10 municipality to impose a tax upon the privilege of engaging in
11 any business which under the constitution of the United States
12 may not be made the subject of taxation by this State.

13 Except as otherwise provided in this Division, the ~~The~~
14 amounts collected by any municipality pursuant to this Section
15 shall be expended by the municipality solely to promote tourism
16 and conventions within that municipality or otherwise to
17 attract nonresident overnight visitors to the municipality.

18 No funds received pursuant to this Section shall be used to
19 advertise for or otherwise promote new competition in the hotel
20 business.

21 (Source: P.A. 95-967, eff. 9-23-08; 96-238, eff. 8-11-09.)

22 (65 ILCS 5/8-3-14a)

23 Sec. 8-3-14a. Municipal hotel use tax.

24 (a) The corporate authorities of any municipality may
25 impose a tax upon the privilege of renting or leasing rooms in

1 a hotel within the municipality at a rate not to exceed 5% of
2 the rental or lease payment. The corporate authorities may
3 provide for the administration and enforcement of the tax and
4 for the collection thereof from the persons subject to the tax,
5 as the corporate authorities determine to be necessary or
6 practical for the effective administration of the tax.

7 (b) Each hotel in the municipality shall collect the tax
8 from the person making the rental or lease payment at the time
9 that the payment is tendered to the hotel. The hotel shall, as
10 trustee, remit the tax to the municipality.

11 (c) The tax authorized under this Section does not apply to
12 any rental or lease payment by a permanent resident of that
13 hotel or to any payment made to any hotel that is subject to
14 the tax imposed under subsection (c) of Section 13 of the
15 Metropolitan Pier and Exposition Authority Act. A municipality
16 may not impose a tax under this Section if it imposes a tax
17 under Section 8-3-14. Nothing in this Section may be construed
18 to authorize a municipality to impose a tax upon the privilege
19 of engaging in any business that under the Constitution of the
20 United States may not be made the subject of taxation by this
21 State.

22 (d) Except as otherwise provided in this Division, the ~~The~~
23 moneys collected by a municipality under this Section may be
24 expended solely to promote tourism and conventions within that
25 municipality or otherwise to attract nonresident overnight
26 visitors to the municipality. No moneys received under this

1 Section may be used to advertise for or otherwise promote new
2 competition in the hotel business.

3 (e) As used in this Section, "hotel" has the meaning set
4 forth in Section 2 of the Hotel Operators' Occupation Tax Act.
5 (Source: P.A. 96-238, eff. 8-11-09.)

6 (65 ILCS 5/8-3-14b new)

7 Sec. 8-3-14b. Municipal hotel operators' tax in DuPage
8 County. For any municipality located within DuPage County that
9 belongs to a not-for-profit organization headquartered in
10 DuPage County that is recognized by the Department of Commerce
11 and Economic Opportunity as a certified local tourism and
12 convention bureau entitled to receive State tourism grant
13 funds, not less than 75% of the amounts collected pursuant to
14 Section 8-3-14 shall be expended by the municipality to promote
15 tourism and conventions within that municipality or otherwise
16 to attract nonresident overnight visitors to the municipality,
17 and the remainder of the amounts collected by a municipality
18 within DuPage County pursuant to Section 8-3-14 may be expended
19 by the municipality for economic development or capital
20 infrastructure.

21 This Section is repealed on January 1, 2023.

22 (65 ILCS 5/8-3-14c new)

23 Sec. 8-3-14c. Municipal hotel use tax in DuPage County. For
24 any municipality located within DuPage County that belongs to a

1 not-for-profit organization headquartered in DuPage County
2 that is recognized by the Department of Commerce and Economic
3 Opportunity as a certified local tourism and convention bureau
4 entitled to receive State tourism grant funds, not less than
5 75% of the amounts collected pursuant to Section 8-3-14a shall
6 be expended by the municipality to promote tourism and
7 conventions within that municipality or otherwise to attract
8 nonresident overnight visitors to the municipality, and the
9 remainder of the amounts collected by a municipality within
10 DuPage County pursuant to Section 8-3-14a may be expended by
11 the municipality for economic development or capital
12 infrastructure.

13 This Section is repealed on January 1, 2023.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.