

**CITY OF KANKAKEE, ILLINOIS**

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**ORDINANCE NO. 2018 - 10**

**AN ORDINANCE FOR HOME RULE MUNICIPAL  
RETAILERS' OCCUPATION TAX AND HOME RULE  
MUNICIPAL SERVICE OCCUPATION TAX**

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**ADOPTED BY THE  
CITY COUNCIL  
OF THE  
CITY OF KANKAKEE  
THIS 26<sup>TH</sup> DAY OF MARCH, 2018**

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**Published in pamphlet form by authority  
of the City Council of the City of Kankakee,  
Kankakee County, Illinois, this 26<sup>th</sup> day of March, 2018**

**CITY OF KANKAKEE  
ORDINANCE NO. 18-10**

**AN ORDINANCE FOR HOME RULE MUNICIPAL  
RETAILERS' OCCUPATION TAX AND HOME RULE  
MUNICIPAL SERVICE OCCUPATION TAX**

**Introductory Conditions**

**WHEREAS**, The City of Kankakee, Illinois is a municipal home rule unit of government as described by the Constitution and statutes of the State of Illinois; and

**WHEREAS**, the Mayor and City Council wish to create a Municipal Retailers' Occupation Tax and a Municipal Service Occupation Tax; and

**WHEREAS**, it is the intent of the Mayor and City Council of the City of Kankakee that an amount equal to 100% of the taxes generated by this Ordinance shall be dedicated to the reduction of the tax burden on real property within the corporate limits of the City of Kankakee caused by the mandatory funding requirements of the City Police and Firefighter's Pension Funds as set out in 40 ILCS 5/3-125 and 5/4-118. If the funds generated hereunder exceed the mandatory amount of funds to be levied as a result of the actuarially determined annual contribution requirements referred to above, the overage shall be paid as follows:

1. To reduce and ultimately eliminate the Employer Pension Contribution payable as reflected under the liability section of the Statement of Net Position contained in the City of Kankakee's Comprehensive Annual Financial Report (C.A.F.R.).
2. After said liability is totally eliminated, said overage shall then be paid equally to the Police and Firefighter's Pension Funds to reduce the unfunded liability of each, until said unfunded liabilities are eliminated.
3. Thereafter, said overage shall be paid into the General Fund.

**NOW THEREFORE BE IT ORDAINED**, by the Mayor and the City Council of the City of Kankakee, Illinois as follows:

**SECTION 1.** The above introductory conditions are adopted and incorporated as part of this ordinance and the dedication of the proceeds of this tax referred to therein are made a mandatory part of this ordinance.

**SECTION 2. Tax Imposed.**

A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal properties titled or registered with an agency of this State's government, at retail in this municipality at the rate of 2% of the gross receipts from such sales made in the course of such business while this ordinance is in effect; and a tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, at the rate of 2% of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service. This "Home Rule Municipal Retailers' Occupation Tax" and this "Home Rule Municipal Service Occupation Tax" shall not be applicable to the sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics, and the sales of motor vehicles.

The imposition of these home rule taxes is in accordance with the and subject to the provisions of Section 8-11-1 and 8-11-5, respectively, of the Illinois Municipal Code (65 ILCS 5/8-11-1 and 5/8-11-5).

**SECTION 3. Illinois Department of Revenue to Administer.**

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 Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

**SECTION 4. Clerk to file Ordinance with Illinois Department of Revenue.**

The Municipal clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before April 1, 2018.

**SECTION 5. Effective Date.**

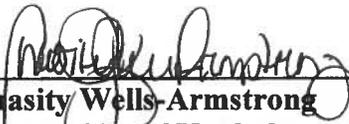
This Ordinance shall take effect on the first day of July next following the adoption and filing of this Ordinance with the Department of Revenue.

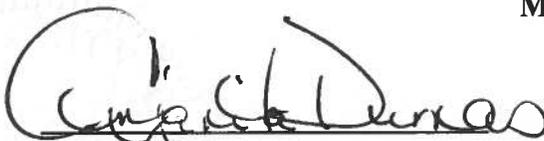
**SECTION 6. Repeal of Conflicting Provisions.**

All ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance.

DATED this 26<sup>th</sup> day of March 2018, pursuant to a roll call vote as follows:

**AYES:**        12  
**NAYS:**        1  
**ABSTAIN:**   0  
**ABSENT:**     1

  
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**Chasity Wells-Armstrong**  
**Mayor, City of Kankakee**

**ATTEST:**   
**Anjanita Dumas**  
**City Clerk, City of Kankakee**