

Title 3

REVENUE AND FINANCE

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Chapter 3.04

FISCAL PROVISIONS GENERALLY

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Section 3.04.010 **Fiscal year.**

The fiscal year of the City shall begin on the first day of May and end on the last day of April. (Ord. 73-18 § 3)

Section 3.04.020 **Depository of City funds.**

The Treasurer shall be required to keep all funds and money in his or her custody belonging to the City in depositories designated by the Council. (Ord. 73-18 § 4)

Section 3.04.030 **Annual audit.**

The City Council shall cause to be made an annual audit of all City accounts, independent of the supervision of the City Manager, by a certified public accountant or accountants, duly licensed by the state of Illinois. (Ord. 73-18 § 5)

Section 3.04.040 **Compensation of personnel.**

The compensation of the Manager, directors of departments, and all other municipal employees shall be fixed by ordinance and paid at such intervals as the Council by resolution determines. (Ord. 73-18 § 6)

Section 3.04.050 **Delivery of property to successor.**

Any person having been an officer of the City shall, within five days after notification and request thereto, deliver to his or her successor in office all property, books and effects of every description in his or her possession or control belonging to the City or pertaining to his or her office. Upon his or her neglect or refusal to do, he or she shall be subject to a penalty of not less than ten dollars (\$10.00) nor more than two hundred dollars (\$200.00), and shall be liable in a separate suit for damages caused by such neglect or refusal. (Ord. 73-18 § 7)

Section 3.04.060 **Misconduct or neglect of officer.**

All officers shall be liable to the City for any loss or damage that may result from their negligence or

wilful misconduct in the discharge of any official duty; and the City Council may in its discretion, by order, withhold the salary of any such officer to secure the City from loss. (Ord. 73-18 § 8)

Section 3.04.070 Fines, forfeitures and penalties--Collection and payment.

All money for fines, forfeitures and penalties, for the violation of any ordinance of the City, or by virtue of any state statute which provides that when any fines, forfeitures or penalties are collected and made payable to the City, when so collected, by suit, settlement or other proceedings, shall be paid to the City Clerk. It shall be the duty of the City Council to enforce the collection of all fines, forfeitures and penalties imposed therein. (Prior code § 3.01)

Section 3.04.080 Collection of special taxes.

The Clerk shall be the collector of all special taxes and special assessments for local improvements in the City. (Prior code § 98.01)

Section 3.04.090 Bookkeeping.

The Clerk as such collector shall keep all necessary books and papers and perform all duties required by law or ordinance. (Prior code § 98.02)

Section 3.04.100 Property tax levied.

For the purpose of street lighting, tax of not to exceed .05 percent of the value, as equalized or assessed by the Department of Revenue, of the taxable property in the City shall be levied and collected annually to the extent included in the annual tax levy ordinance, in addition to all other taxes now authorized by law. (Editorially amended during 1999 codification; Ord. 96-70 § 1)

Chapter 3.08

ANNUAL MUNICIPAL BUDGET

Sections:

3.08.010 Adoption of annual budget.

3.08.020 Budget Officer.

3.08.030 Compilation of annual budget.

3.08.040 Public inspection, notice and hearing on budget.

3.08.050 Revision of annual budget.

Section 3.08.010 Adoption of annual budget.

The City adopts 65 ILCS 5/8-2-9.1 through 65 ILCS 5/8-2-9.10 for an annual municipal budget in lieu of the passage of an annual appropriation ordinance. (Editorially amended during 1999 codification; Ord. 76-16 § 1)

Section 3.08.020 Budget Officer.

The City Manager shall designate the Budget Officer who shall have the powers, duties and responsibilities enumerated in the above sections of the Illinois Compiled Statutes as they are now or may hereafter be amended. The budget officer shall take an oath and post a bond as provided in 65 ILCS 5/3.1-10-25. (Ord. 98-130 § 4 (part); Ord. 76-16 § 2)

Section 3.08.030 Compilation of annual budget.

The budget officer shall compile a budget pursuant to the above sections of the Illinois Compiled Statutes as they are now, or may hereafter be amended, containing estimates of the revenues available before the beginning of the fiscal year to which it applies together with recommended expenditures for the municipality and all of its boards, commissions and departments. Said budget shall be adopted prior to May 1st of each fiscal year. (Ord. 98-130 § 4 (part); Ord. 76-16 § 3)

Section 3.08.040 Public inspection, notice and hearing on budget.

Copies of the tentative annual budget shall be made available for public inspection in printed or typewritten form in the office of the City Clerk for at least ten days prior to the passage of the annual budget. Not less than one week after the budget is available for inspection, and prior to final action on the budget, at least one public hearing shall be held on the budget by the City Council. Notice of this hearing shall be given by publication in a newspaper having a general circulation in the City at least one week prior to the time of hearing. (Ord. 76-16 § 4)

Section 3.08.050 Revision of annual budget.

The City Council may delegate authority to heads of municipal departments, boards or commissions to delete, add to, or change items previously budgeted to the department, board or commission, subject to such limitation or requirement for prior approval by the budget officer or the City Manager as the City Council, upon a two-thirds vote of the members, may establish. The annual budget may be revised by a vote of two-thirds of the City Council by deleting, adding to, or changing budgeted items. No revision of the budget shall be made increasing the budget in the event funds are not available to effectuate the purpose of the revision. (Ord. 98-130 § 4 (part); Ord. 76-16 § 5)

Chapter 3.12

PURCHASING

Sections:

- 3.12.010 Purpose of purchasing policy.**
- 3.12.020 Principles of purchasing system.**
- 3.12.030 Public improvement contracts.**
- 3.12.040 Supplies.**

Section 3.12.010 Purpose of purchasing policy.

The purpose of the purchasing policy is to procure materials, supplies, equipment and services at the lowest possible cost consistent with the quality needed for the proper operation of the departments of the City government. In order for the purchasing system to operate effectively, it is essential that all employees concerned with purchasing functions have clear understanding of the policies and procedures to be followed in the procurement of goods and services. (Prior code § 35.11 (part))

Section 3.12.020 Principles of purchasing system.

The following principles constitute important elements of the City's purchasing system:

- A. The goal of the City in its purchasing operation is to obtain the highest quality goods consistent with operational needs at the best price available.
- B. It is important that the widest competition practicable on all purchases be secured.
- C. Preference shall be given to local vendors and contractors, quality and prices being equal.
- D. No employee is to procure or to assist in procuring any materials, supplies or equipment for the personal use of any employee, officer or official of the city.
- E. No employee, officer or official, by virtue of his or her position, is entitled to any special consideration from vendors in his or her personal affairs, nor is he or she to attempt to procure materials for the personal use of any other person.
- F. No officer or employee of the City is to become directly or indirectly interested in any contract, work or business, or in the sale of any article, the expense of which is payable from the City treasury; nor is such a person to receive any gratuity or advantage from any contractor or person furnishing labor or material for the City. Any contract for the City in which an officer, official or employee becomes interested may be declared void by the City Council.
- G. Employees are not to accept gifts or entertainment from vendors which would obligate them to the vendors.
- H. No officer or employee is to purchase obsolete or surplus City property offered for sale through public auction or otherwise. (Prior code § 35.11 (part))

Section 3.12.030 Public improvement contracts.

Any work or other public improvement which is not to be paid for in whole or in part by special assessment or special taxation when the expense thereof will exceed ten thousand dollars (\$10,000.00) and all new construction shall be awarded by contract let to the lowest responsible bidder after a notice of an invitation to bid on the contract has been published in a local newspaper one time at least ten (10) days in advance of the date announced for the opening of bids; provided, however, that the City Council may waive the formal bidding requirements by an affirmative vote of four members of the City Council and enter into a contract without advertising bids. (Ord. 11-49 § 1)

(2011-49, Amended, 10/10/2011, New section)

Section 3.12.040 Supplies.

No contract for the purchase of supplies, equipment or other personal property for the city involving an expenditure of ten thousand (\$10,000.00) or more shall be made or entered into unless it is first approved by the City Council after a solicitation of bid for the purchase of the supplies, equipment or other personal property has been published in a local newspaper one time at least ten (10) days in advance of the date announced for the opening of bids; provided, however, that the City Council may waive the formal bidding requirements by an affirmative vote of four members of the City Council and authorize the purchase without soliciting bids. (Ord. 11-49 § 1)

(2011-49, Added, 10/10/2011, New section)

Chapter 3.16

INVESTMENT POLICY

Sections:

- 3.16.010 Policy.**
- 3.16.020 Scope.**
- 3.16.030 Prudence.**
- 3.16.040 Objective.**
- 3.16.050 Delegation of authority.**
- 3.16.060 Ethics and conflicts of interest**
- 3.16.070 Accounting.**
- 3.16.080 Authorized financial dealers and institutions.**
- 3.16.090 Bidding procedures on certificates of deposit.**
- 3.16.100 Authorized and suitable investments.**
- 3.16.110 Collateralization.**
- 3.16.120 Safekeeping and custody.**
- 3.16.130 Diversification.**
- 3.16.140 Maximum maturities.**
- 3.16.150 Internal controls.**
- 3.16.160 Reporting.**
- 3.16.170 Investment policy adoption.**

Section 3.16.010 Policy.

It is the policy of the City of Olney to invest public funds in a manner which will provide the highest return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.020 Scope.

This investment policy applies to all financial assets of the City of Olney, except for the Police and Fire Pension funds which are subject to the Board of Trustees of those particular funds. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.030 Prudence.

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probably safety of their capital, as well as the probably income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.040 Objective.

The primary object, in priority order, of investment activity shall be safety, liquidity and yield:

A. Safety. Safety of principal is the foremost objective of the investment program.

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. Credit Risk. The entity will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

a. Limiting investments to the safest types of securities.

b. Pre-qualifying the financial institutions, broker/dealers with which the City of Olney will do business.

c. Diversify the investment portfolio so that potential losses on individual securities will be minimized.

2. Interest Rate Risk. The City of Olney will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

a. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

b. Investing operating funds in shorter-term investments.

B. Liquidity. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

C. Yield: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to safety and liquidity objective described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A declining credit security may be sold early to minimize loss of principal.

2. A security swap would improve the quality, yield, or target duration in the portfolio.

3. Liquidity needs of the portfolio require that the security be sold.

The portfolio should be reviewed periodically as to its effectiveness in meeting the entity's needs for safety, liquidity, rate of returns, diversification and its general performance. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.050 Delegation of authority.

Management and administrative responsibility for the investment program is hereby delegated to the Treasurer who shall establish written procedures for operations of the investment program. (Ord. 1999-63 § 1)

(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.060 Ethics and conflicts of interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. They shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. (Ord. 1999-63 § 1)

(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.070 Accounting.

The assets, liabilities, revenues and expenditures of each fund are maintained as separate entities on a cash basis. All investment transactions shall be recorded in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board. Accounting principles shall include:

- A. Investments will be carried at cost or amortized cost which approximates market value.
 - B. Any premium or discount on investment will be amortized over the life of the investment.
 - C. Gains or losses on the investments in all funds will be recognized at the time of disposition of the security. (Ord. 2004-20 § 1: Ord. 1999-63 § 1)
- (2004-20, Amended, 06/14/2004, Funds maintained on a cash basis; 99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.080 Authorized financial dealers and institutions.

It shall be City policy to select financial institutions on the following basis:

A. Security: The City shall maintain funds in a financial institution only if the institution is federally insured or invests strictly in securities which have the full faith and credit of the U.S. Government.

B. Location: Every attempt will be made to invest City funds locally provided institutions are price competitive with respect to rates of return on comparable investment products.

C. Size: The City of Olney will maintain deposits in any financial institution in which the City funds on deposit will not exceed 50% of the institution's capital stock and surplus.

D. Statement of Condition: The City of Olney will maintain for public inspection, current statement of condition for each financial institution named as depository. If, for any reason the information furnished is considered by the City to be insufficient, the City may request additional information.

E. Authorized Depositories: The following are designated as depositories for funds of the City of Olney: Citizens National Bank of Albion Olney Banking Center, First Financial Bank NA, First National Bank in Olney, Trust Bank, Illinois Public Treasurers' Investment Pool (IPTIP). Funds not exceeding \$100,000 may be invested with other depositories without prior approval of the City Council, provided the Mayor and City Manager approve the City Treasurer's recommendation for such investment. Immediately after each investment in a depository other than one specifically designated by the City Council, the City Council shall be given information about the investment, including the amount, term, interest rate and name of depository. At the next City Council meeting, the City Council shall either (1) approve the investment as made or (2) approve additional policies, guidelines or restrictions regarding subsequent investments in depositories other than the authorized depositories set forth above.

F. The Mayor of the City of Olney, City Manager and City Treasurer (all agents) are authorized to open deposit accounts and endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with the financial institutions. Agents are authorized to determine the number of signatures required to open accounts and endorse checks and orders for payment of money. In addition, the City Manager or City Treasurer are authorized to approve other individuals for specific accounts to endorse checks and orders for the payment of money or otherwise withdraw or transfer funds. (Ord. 2015-34 § 1: Ord. 1999-63 § 1)

(2015-34, Amended, 08/10/2015, Amended Paragraph E & Added Paragraph F; 99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.090 Bidding procedures on certificates of deposit.

In obtaining competitive quotations for certificates of deposit at least 3 qualified institutions will

be contacted each time an investment is placed.

Investments shall be placed with the institution that best exhibits the ability to meet the investment criteria and objectives in this policy. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.100 Authorized and suitable investments.

The City of Olney shall invest in instruments as allowed by the Public Funds Investment Act, 30 ILCS 235/2. A summary of authorized investments follows:

A. Notes, bonds, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.

B. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.

C. Interest bearing savings accounts, certificates of deposit or interest bearing time deposits or any other investment constituting direct obligations of any bank as defined by the Illinois Banking Act.

D. In short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (1) such obligations are rated at the time of purchase within the 3 highest classifications established by at least 2 standard rating services and which mature not later than 180 days from the date of purchase, and (2) such purchases do not exceed 10% of the corporation's outstanding obligations or (3) in money market mutual funds registered under the Investment Act of 1940.

E. A Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.110 Collateralization.

Funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral pledged to the municipality, evidenced by a written agreement and held at an independent third party institution. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.120 Safekeeping and custody.

Securities will be held by an independent third party custodian designated by the Treasurer and evidenced by safekeeping receipts and a written custodial agreement. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.130 Diversification.

The City of Olney shall diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.140 Maximum maturities.

To the extent possible, the City of Olney shall attempt to match its investments with anticipated cash flow requirements. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.150 Internal controls.

The Treasurer is responsible for establishing and maintaining an internal control structure designed to insure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The internal controls shall address the following points: Control of collusion, Separation of transaction authority from accounting, Custodial safekeeping, Written confirmation of telephone transactions for investments and wire transfers. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.160 Reporting.

The Treasurer shall prepare an investment report at least monthly. The report should be provided to the City Council available on request. The report should be in a format suitable for review by the general public. An annual report should also be provided to the City Council. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Section 3.16.170 Investment policy adoption.

The investment policy shall be adopted by the City Council. The policy shall be reviewed on an annual basis by the Treasurer and any modifications made thereto must be approved by the City Council. (Ord. 1999-63 § 1)
(99-63, Added, 12/13/1999, New Investment Policy)

Chapter 3.20

HOTEL OPERATORS' OCCUPATION TAX

Sections:

3.20.010	Definitions.
3.20.020	Tax Levied and Imposed.
3.20.030	Books and Records.
3.20.040	Transmittal of Tax Revenue.
3.20.050	Disposition of Moneys.
3.20.060	Enforcement.
3.20.070	Penalties.

Section 3.20.010 Definitions.

For the purpose of this Ordinance, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed to them in this Section:

HOTEL: Any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses.

OCCUPANCY: The use or possession, or the right to the use or possession, of any room or rooms in a hotel for any purpose, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.

OPERATOR: Any person operating a hotel.

PERMANENT RESIDENT: Any person who occupied or has the right to occupy any room or rooms, regardless of whether it is the same room or rooms, in a hotel for at least 30 consecutive days.

PERSON: Any natural individual, firm, partnership, association, joint stock company, joint venture, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian or other representative appointed by order of any court. The term includes a church, charity, school, or some other kind of nonprofit organization, or a governmental agency or instrumentality (Federal, State, local, or foreign).

RENT or RENTAL: The consideration received for occupancy, valued in money, whether received in money or otherwise, including all receipts, cash, credits and property or services of any kind or nature.

ROOM or ROOMS: Any living quarters, sleeping or housekeeping accommodations. (Ord. 99-6 § 1)

(99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 1, Added, 02/22/1999)

Section 3.20.020 Tax Levied and Imposed.

A. There is hereby levied and imposed upon all persons engaged in the business of renting or leasing rooms in a hotel within the City a tax of five percent (5%) of the gross rental receipts from such renting or leasing; provided, however, the proceeds of renting or leasing to permanent residents of a hotel shall be excluded from gross rental receipts.

B. Persons subject to the tax imposed by this Section may reimburse themselves for their tax liability for such tax by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with the State tax imposed under "The Hotel Operators' Occupation Tax Act". (Ord. 14-15 § 1: Ord. 06-12 § 1: Ord. 99-6 § 2)

(2014-15, Amended, 05/27/2014, Increase tax from 4% to 5%; 2006-12, Amended, 04/24/2006, Increased tax from 3% to 4%; 99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 2, Added, 02/22/1999)

Section 3.20.030 Books and Records.

It shall be the duty of every operator to keep accurate and complete books and records, which records shall include the daily gross rental receipts from all room rentals excluding all taxes and the daily gross rental receipts from room rentals to permanent residents, if any, excluding all taxes. The City Treasurer or his or her designee may request an inspection and examination of the operator's books and records, pursuant to the audit procedures set forth in Section 3.24.080 of this Code, in order to effectuate the proper administration of this Chapter and to assure the enforcement of the collection of the tax imposed. It shall be unlawful for any person to prevent, hinder, or interfere with the City Treasurer or his or her designee in the discharge of his or her duties and the performance of this Chapter. (Ord. 01-2 § 1: Ord. 99-6 § 3)

(2001-2, Sec. 1, Amended, 01/08/2001; 99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 3, Added, 02/22/1999)

Section 3.20.040 Transmittal of Tax Revenue.

A. The operator of each hotel within the City shall file tax returns showing gross rental receipts excluding all taxes and deducting therefrom all gross rental receipts from permanent residents with respect to each hotel room during each monthly period commencing on May 1, 1999, and continuing on the first day of every month thereafter on forms prescribed by the City Clerk. The return shall be due on or before the last day of the calendar month succeeding the end of the monthly filing period.

If the operator's average monthly tax liability to the City does not exceed \$133, the City Treasurer may authorize the operator to file the tax returns on a quarterly basis, with the return for January, February and March of a given year being due by April 30 of such year; with the return for April, May and June of a given year being due by July 31 of such year; with the return for July, August and September of a given year being due by October 31 of such year; and with the return for October, November and December of a given year being due by January 31 of the following year. The quarterly returns, as to form and substance, shall be subject to the same requirements as monthly returns.

The authority to file the operator's return on a quarterly basis may be suspended by the City Treasurer if the operator (a) fails to pay a quarterly return within the required time; or (b) fails to provide documentation substantiating the deduction of rental receipts for renting or leasing to permanent residents during the reporting period for a quarterly return.

B. The first taxing period for the purpose of this Ordinance shall commence May 1, 1999, and the tax return and payment for such period shall be due on or before June 30, 1999. Thereafter, reporting periods and tax payments shall be in accordance with the provisions of this Ordinance. At the time of filing said tax returns, the operator shall pay to the City all taxes due for the period to which the tax return applies.

C. If for any reason any tax is not paid when due, interest at the rate of twelve percent (12%) per annum, based on a year of 365 days and the number of days elapsed from the day of delinquency shall be added and collected.

D. If a tax return is not filed within the time and manner provided in paragraph A above, a late filing penalty of five percent (5%) of the amount of tax required to be shown on a return shall be imposed; and a late payment penalty of five percent (5%) of the tax due shall be imposed. If no return is filed within the time or manner provided in paragraph A above and prior to the City issuing a notice of tax delinquency or notice of tax liability, then a failure to file penalty shall be assessed equal to twenty-five percent (25%) of the total tax due for the applicable reporting period for which the return was required to be filed. If a failure to file penalty is assessed against the operator, a late filing or payment penalty shall not apply. (Ord. 12-5 § 1: Ord. 01-2 § 2: Ord. 99-6 § 4)

(2012-05, Amended, 02/13/2012, Add 2nd & 3rd paragraphs to Paragraph A; 2001-2, Sec. 2, Amended, 01/08/2001; 99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 4, Added, 02/22/1999)

Section 3.20.050 Disposition of Moneys.

A. Proceeds of Tax and Fines: All proceeds resulting from the imposition of the tax under this Ordinance, including penalties, shall be paid into the Treasury of the City and shall be credited to and deposited in the corporate fund of the City.

B. Use of Receipts: The amounts collected by the City pursuant to this Ordinance shall be expended by the City solely to promote tourism and conventions within the City or otherwise to attract nonresident overnight visitors to the City. No funds received pursuant to this Ordinance shall be used to advertise for or otherwise promote new competition in the hotel business.

C. Procedures to Disburse: The specific use of the funds collected pursuant to this Ordinance shall be determined by the City Council in its sole discretion. However, the City Council may establish an advisory committee on tourism, including representatives from the hotel industry, which shall make recommendations to the City Council regarding the use of the proceeds from the tax and fines. The City Council shall consider, but is not required to approve, all recommendations from the advisory committee on tourism. (Ord. 99-6 § 5)

(99-6, Amended, 12/20/2001, Changed "shall" to "may" in Par. C as was originally approved; 99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 5, Added, 02/22/1999)

Section 3.20.060 Enforcement.

A. Delinquent Taxes; Remedy: Whenever any person shall fail to pay any tax as herein provided, the City Attorney shall, upon request of the City Treasurer, bring or cause to be brought any action to enforce the payment of said tax on behalf of the City in any court of competent jurisdiction.

B. Suspension of Licenses: If the Mayor, after hearing held by him, shall find that any person has wilfully avoided payment of the tax imposed by this Article, he may suspend or revoke all City licenses held by such tax evader or may suspend any or all services provided by the City. The operator of the hotel shall have an opportunity to be heard at such hearing to be held not less than five (5) days after notice of the time and place of the hearing to be held, addressed to him at his last known place of business. (Ord. 99-6 § 6)

(99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 6, Added, 02/22/1999)

Section 3.20.070 Penalties.

The purpose of imposing the following penalties is to insure the integrity of the collection process established pursuant to this Ordinance. Any person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with, or resisting or opposing the enforcement of any of the provisions of this Ordinance, except when otherwise specifically provided, upon conviction thereof, shall be punished by a fine of not less than two hundred dollars (\$200.00) nor more than seven hundred fifty dollars (\$750.00) for the first offense and not less than three hundred dollars (\$300.00) nor more than seven hundred fifty dollars (\$750.00) for the second and each subsequent offense in any one hundred eighty (180) day period. A separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. (Ord. 99-6 § 7)

(99-6, Renumbered, 11/07/2000, Investment Policy is 3.16; Ord. 99-6, Sec. 7, Added, 02/22/1999)

Chapter 3.24

LOCALLY IMPOSED AND ADMINISTERED TAX RIGHTS AND RESPONSIBILITY

Sections:

- 3.24.010 Title.
- 3.24.020 Scope.
- 3.24.030 Definitions.
- 3.24.040 Notices.
- 3.24.050 Late payment.
- 3.24.060 Payment.
- 3.24.070 Certain credits and refunds.
- 3.24.080 Audit procedure.
- 3.24.090 Appeal.
- 3.24.100 Hearing.
- 3.24.110 Interest and penalties.
- 3.24.120 Abatement.
- 3.24.130 Installment contracts.
- 3.24.140 Statute of limitations.
- 3.24.150 Voluntary disclosure.
- 3.24.160 Publication of tax ordinances.
- 3.24.170 Internal review of liens.
- 3.24.180 Application.

Section 3.24.010 Title.

This Chapter shall be known as, and may be cited as, the "Locally Imposed and Administered Tax Rights and Responsibility Ordinance." (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.020 Scope.

The provisions of this Chapter shall apply to the City's procedures in connection with all of the City's locally imposed and administered taxes. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.030 Definitions.

Certain words or terms herein shall have the meaning ascribed to them as follows:

"Act" means the "Local Government Taxpayers' Bill of Rights Act."

....."Corporate Authorities" means the City's Mayor and City Council.

"Locally imposed and administered tax" or "tax" means each tax imposed by the City that is collected or administered by the City not an agency or department of the State. It does not include any taxes imposed upon real property under the Property Tax Code or fees collected by the City other than infrastructure maintenance fees.

"Local tax administrator," the City's Treasurer is charged with the administration and collection of the locally imposed and administered taxes, including staff, employees or agents to the extent they are authorized by the local tax administrator to act in the local tax administrator's stead. The local tax administrator shall have the authority to implement the terms of this Chapter to give full effect to this Chapter. The exercise of such authority by the local tax administrator shall not be inconsistent with

this Chapter and the Act.

"City" means the City of Olney, Illinois.

"Notice" means each audit notice, collection notice or other similar notice or communication in connection with each of the City's locally imposed and administered taxes.

"Tax Ordinance" means each ordinance adopted by the City that imposes any locally imposed and administered tax.

"Taxpayer" means any person required to pay any locally imposed and administered tax and generally includes the person upon whom the legal incidence of such tax is placed and with respect to consumer taxes includes the business or entity required to collect and pay the locally imposed and administered tax to the City. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.040 Notices.

Unless otherwise provided, whenever notice is required to be given, the notice is to be in writing mailed seven (7) calendar days prior to the day fixed for any applicable hearing, audit or other scheduled act of the local tax administrator. The notice shall be sent by the local tax administrator as follows:

A. First class or express mail, or overnight mail, addressed to the persons concerned at the persons' last known address, or

B. Personal service or delivery. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.050 Late payment.

Any notice, payment, remittance or other filing required to be made to the City pursuant to any tax ordinance shall be considered late unless it is (a) physically received by the City on or before the due date, or (b) received in an envelope or other container displaying a valid, readable U.S. Postmark dated on or before the due date, properly addressed to the City, with adequate postage prepaid. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.060 Payment.

Any payment or remittance received for a tax period shall be applied in the following order: (1) first to the tax due for the applicable period; (2) second to the interest due for the applicable period; and (3) third to the penalty for the applicable period. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.070 Certain credits and refunds.

A. The City shall not refund or credit any taxes voluntarily paid without written protest at the time of payment in the event that a locally imposed and administered tax is declared invalidly enacted or unconstitutional by a court of competent jurisdiction. However, a taxpayer shall not be deemed to have paid the tax voluntarily if the taxpayer lacked knowledge of the facts upon which to protest the taxes at the time of payment or if the taxpayer paid the taxes under duress.

B. The statute of limitations on a claim for credit or refund shall be four (4) years after the end of the calendar year in which payment in error was made. The City shall not grant a credit or refund of locally imposed and administered taxes, interest, or penalties to a person who has not paid the amounts directly to the City.

C. The procedure for claiming a credit or refund of locally imposed and administered taxes, interest or penalties paid in error shall be as follows:

1. The taxpayer shall submit to the local tax administrator in writing a claim for credit or refund together with a statement specifying:
 - a. the name of the locally imposed and administered tax subject to the claim;
 - b. the tax period for the locally imposed and administered tax subject to the claim,
 - c. the date of the tax payment subject to the claim and the cancelled check or receipt for the payment;
 - d. the taxpayer's recalculation, accompanied by an amended or revised tax return, in connection with the claim; and
 - e. a request for either a refund or a credit in connection with the claim to be applied to the amount of tax, interest and penalties overpaid, and, as applicable, related interest on the amount overpaid; provided, however, that there shall be no refund and only a credit given in the event the taxpayer owes any monies to the City.
2. Within ten (10) days of the receipt by the local tax administrator of any claim for a refund or credit, the local tax administrator shall either:
 - a. grant the claim; or
 - b. deny the claim, in whole or in part, together with a statement as to the reason for the denial or the partial grant and denial.
3. In the event the local tax administrator grants, in whole or in part, a claim for refund or credit, the amount of the grant for refund or credit shall bear interest at the rate of 12% per annum, based on a year of 365 days and the number of days elapsed, from the date of the overpayment to the date of mailing of a refund check or the grant of a credit. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.080 Audit procedure.

Any request for proposed audit pursuant to any local administered tax shall comply with the notice requirements of this ordinance.

- A. Each notice of audit shall contain the following information:
 1. the tax;
 2. the time period of the audit; and
 3. a brief description of the books and records to be made available for the auditor.
- B. Any audit shall be conducted during normal business hours and if the date and time selected by the local tax administrator is not agreeable to the taxpayer, another date and time may be requested by the taxpayer within thirty (30) days after the originally designated audit and during normal business hours.
- C. The taxpayer may request an extension of time to have an audit conducted. The audit shall be conducted not less than seven (7) days nor more than thirty (30) days from the date the notice is given, unless the taxpayer and the local tax administrator agreed to some other convenient time. In the event taxpayer is unable to comply with the audit on the date in question, the taxpayer may request another date within the thirty (30) days, approved in writing, that is convenient to the taxpayer and the local tax administrator.
- D. Every taxpayer shall keep accurate books and records of the taxpayer's business or activities, including original source documents and books of entry denoting the transactions which had given rise or may have given rise to any tax liability, exemption or deduction. All books shall be kept in the English language and shall be subject to and available for inspection by the City.
- E. It is the duty and responsibility of every taxpayer to make available its books and records for inspection by the City. If the taxpayer or tax collector fails to provide the documents necessary for audit within the time provided, the local tax administrator may issue a tax determination and assessment based on the tax administrator's determination of the best estimate of the taxpayer's tax liability.
- F. If an audit determines there has been an overpayment of a locally imposed and administered tax as a result of the audit, written notice of the amount of overpayment shall be given to the taxpayer

within thirty (30) days of the City's determination of the amount of overpayment.

G. In the event a tax payment was submitted to the incorrect local governmental entity, the local tax administrator shall notify the local governmental entity imposing such tax. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.090 Appeal.

A. The local tax administrator shall send written notice to a taxpayer upon the local tax administrator's issuance of a protestable notice of tax due, a bill, a claim denial, or a notice of claim reduction regarding any tax. The notice shall include the following information:

1. the reason for the assessment;
2. the amount of the tax liability proposed;
3. the procedure for appealing the assessment; and
4. the obligations of the City during the audit, appeal, refund and collection process.

B. A taxpayer who receives written notice from the local tax administrator of a determination of tax due or assessment may file with the local tax administrator a written protest and petition for hearing, setting forth the basis of the taxpayer's request for a hearing. The written protest and petition for hearing must be filed with the local tax administrator within forty-five (45) days of receipt of the written notice of the tax determination and assessment.

C. If a timely written notice and petition for hearing is filed, the local tax administrator shall fix the time and place for hearing and shall give written notice to the taxpayer. The hearing shall be scheduled for a date within fourteen (14) days of receipt of the written protest and petition for hearing, unless the taxpayer requests a later date convenient to all parties.

D. If a written protest and petition for hearing is not filed within the forty-five (45) day period, the tax determination, audit or assessment shall become a final bill due and owing without further notice.

E. Upon the showing of reasonable cause by the taxpayer and the full payment of the contested tax liability along with interest accrued as of the due date of the tax, the local tax administrator may reopen or extend the time for filing a written protest and petition for hearing. In no event shall the time for filing a written protest and petition for hearing be reopened or extended for more than ninety (90) days after the expiration of the forty-five day period. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.100 Hearing.

A. Whenever a taxpayer or a tax collector has filed a timely written protest and petition for hearing under Section 3.24.090, above, the local tax administrator shall conduct a hearing regarding any appeal.

B. No continuances shall be granted except in cases where a continuance is absolutely necessary to protect the rights of the taxpayer. Lack of preparation shall not be grounds for a continuance. Any continuance granted shall not exceed fourteen (14) days.

C. At the hearing the local tax administrator shall preside and shall hear testimony and accept any evidence relevant to the tax determination, audit or assessment. The strict rules of evidence applicable to judicial proceedings shall not apply.

D. At the conclusion of the hearing, the local tax administrator shall make a written determination on the basis of the evidence presented at the hearing. The taxpayer or tax collector shall be provided with a copy of the written decision. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.110 Interest and penalties.

In the event a determination has been made that a tax is due and owing, through audit, assessment or other bill sent, the tax must be paid within the time frame otherwise indicated.

A. Interest. The City hereby provides for the amount of interest to be assessed on a late payment, underpayment, or nonpayment of the tax, to be 12% per annum, based on a year of 365 days and the number of days elapsed.

B. Late filing and payment penalties. If a tax return is not filed within the time and manner provided by the controlling tax ordinance, a late filing penalty, of five percent (5%) of the amount of tax required to be shown as due on a return shall be imposed; and a late payment penalty of five percent (5%) of the tax due shall be imposed. If no return is filed within the time or manner provided by the controlling tax ordinance and prior to the City issuing a notice of tax delinquency or notice of tax liability, then a failure to file penalty shall be assessed equal to twenty-five percent (25%) of the total tax due for the applicable reporting period for which the return was required to be filed. A late filing or payment penalty shall not apply if a failure to file penalty is imposed by the controlling ordinance. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.120 Abatement.

The local tax administrator shall have the authority to waive or abate any late filing penalty, late payment penalty or failure to file penalty if the local tax administrator shall determine reasonable cause exists for delay or failure to make a filing. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.130 Installment contracts.

The City may enter into an installment contract with the taxpayer for the payment of taxes under the controlling tax ordinance. The local tax administrator may not cancel any installment contract so entered unless the taxpayer fails to pay any amount due and owing. Upon written notice by the local tax administrator that the payment is thirty (30) days delinquent, the taxpayer shall have fourteen (14) working days to cure any delinquency. If the taxpayer fails to cure the delinquency within the fourteen (14) day period or fails to demonstrate good faith in restructuring the installment contract with the local administrator, the installment contract shall be canceled without further notice to the taxpayer. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.140 Statute of limitations.

The City, through the local tax administrator, shall review all tax returns in a prompt and timely manner and inform taxpayers of any amounts due and owing. The taxpayer shall have forty-five (45) days after receiving notice of the reviewed tax returns to make any request for refund or provide any tax still due and owing.

A. No determination of tax due and owing may be issued more than four (4) years after the end of the calendar year for which the return for the applicable period was filed or for the calendar year in which the return for the applicable period was due, whichever occurs later.

B. If any tax return is not filed or if during any 4-year period for which a notice of tax determination or assessment may be issued by the City, the tax paid was less than 75% of the tax due, the statute of limitations shall be six (6) years maximum after the end of the calendar year in which return for

the applicable period was due or end of the calendar year in which the return for the applicable period was filed.

C. No statute of limitations shall apply if a fraudulent tax return was filed by the taxpayer.
(Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.150 Voluntary disclosure.

For any locally imposed and administered tax for which a taxpayer has not received a written notice of an audit, investigation, or assessment from the local tax administrator, a taxpayer is entitled to file an application with the local tax administrator for a voluntary disclosure of the tax due. A taxpayer filing a voluntary disclosure application must agree to pay the amount of tax due, along with interest of one percent (1%) per month, for all periods prior to the filing of the application but not more than four (4) years before the date of filing the application. A taxpayer filing a valid voluntary disclosure application may not be liable for any additional tax, interest, or penalty for any period before the date the application was filed. However, if the taxpayer incorrectly determined and underpaid the amount of tax due, the taxpayer is liable for the underpaid tax along with applicable interest on the underpaid tax, unless the underpayment was the result of fraud on the part of the taxpayer, in which case the application shall be deemed invalid and void. The payment of tax and interest must be made by no later than ninety (90) days after the filing of the voluntary disclosure application or the date agreed to by the local tax administrator. However, any additional amounts owed as a result of an underpayment of tax and interest previously paid under this Section must be paid within ninety (90) days after a final determination and the exhaustion of all appeals of the additional amount owed or the date agreed to by the local tax administrator, whichever is longer. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.160 Publication of tax ordinances.

Any locally administered tax ordinance shall be published via normal or standard publishing requirements. The posting of a tax ordinance on the Internet shall satisfy the publication requirements. Copies of all tax ordinances shall be made available to the public upon request at the City Clerk's office.
(Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Section 3.24.170 Internal review of liens.

The local tax administrator shall establish an internal review procedure regarding any liens filed against any taxpayers for unpaid taxes. Upon a determination by the local tax administrator that the lien is valid, the lien shall remain in full force and effect. If the lien is determined to be improper, the local tax administrator shall:

- A. timely remove the lien at the City's expense;
- B. correct the taxpayer's credit record; and
- C. correct any public disclosure of the improperly imposed lien. (Ord. 2001-1, Sec. 1)

(2001-1, Added, 01/08/2001)

Section 3.24.180 Application.

This Chapter shall be liberally construed and administered to supplement all of the City's tax ordinances. To the extent that any tax ordinance is in conflict with or inconsistent with this Chapter, this Chapter shall be controlling. (Ord. 2001-1, Sec. 1)
(2001-1, Added, 01/08/2001)

Chapter 3.28

SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX

Sections:

- 3.28.010** **Definitions.**
- 3.28.020** **Simplified municipal telecommunications tax imposed.**
- 3.28.030** **Collection of tax by retailers.**
- 3.28.040** **Returns to Department.**
- 3.28.050** **Resellers.**
- 3.28.060** **Distribution of tax receipts.**

Section 3.28.010 **Definitions.**

As used in this Chapter, the following terms shall have the following meanings:

A. "Amount paid" means the amount charged to the taxpayer's service address in this municipality regardless of where such amount is billed or paid.

B. "Department" means the Illinois Department of Revenue.

C. "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this municipality and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within this municipality, charges for the channel mileage between each channel point within this municipality and charges for that portion of the inter-office channels provided within this municipality. Charges for that portion of the inter-office channel connecting 2 or more channel termination points, one or more of which is located within the jurisdictional boundary of this municipality, shall be determined by the retailer by multiplying an amount equal to the total charge for the inter-office channel by a fraction, the numerator of which is the number of channel termination points that are located within the jurisdictional boundary of this municipality and the denominator of which is the total number of channel termination points connected by the inter-office channel. However, "gross charge" shall not include:

1. any amounts added to a purchaser's bill because of a charge made pursuant to: (i) the tax imposed by this Ordinance, (ii) the tax imposed by the Telecommunications Excise Tax Act, (iii) the tax imposed by Section 4251 of the Internal Revenue Code, (iv) 911 surcharges, or (v) charges added to customers' bills pursuant to the provisions of Section 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in those provisions of the Public Utilities Act;

2. charges for a sent collect telecommunication received outside of this municipality;

3. charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement;

4. charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges;

5. charges to business enterprises certified as exempt under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of

Commerce and Economic Opportunity;

6. charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Ordinance has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporation and not the generation of profit for the corporation rendering such service;

7. bad debts (“bad debt” means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made);

8. charges paid by inserting coins in coin-operated telecommunication devices;

9. amounts paid by telecommunications retailers under the Telecommunications Infrastructure Maintenance Fee Act; or

10. charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer’s books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

D. “Interstate telecommunications” means all telecommunications that either originate or terminate outside this State.

E. “Intrastate telecommunications” means all telecommunications that originate and terminate within this State.

F. “Person” means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute, or any city, town, county, or other political subdivision of this State.

G. “Purchase at retail” means the acquisition, consumption or use of telecommunications through a sale at retail.

H. “Retailer” means and includes every person engaged in the business of making sales at retail as defined in this Section. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

I. “Retailer maintaining a place of business in this State”, or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

J. “Sale at retail” means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration, to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or

consumption and not for resale.

K. "Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, and maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, "service address" shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

L. "Taxpayer" means a person who individually or through his or her agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in a municipality and who incurs a tax liability as authorized by this Ordinance.

M "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll, and wide area telephone service, private line services, channel services, telegraph services, teletypewriter, computer exchanges services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. As used in this Ordinance, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by such provider to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into, end-to-end telecommunications service shall be non-taxable as sales for resale. Prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Ordinance. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act. (Ord. 06-8 § 2)
(2006-8, Added, 03/13/2006, Imposed Simplified Municipal Telecommunications Tax)

Section 3.28.020 Simplified municipal telecommunications tax imposed.

A tax is hereby imposed upon any and all of the following acts or privileges:

A. The act or privilege of originating in this municipality or receiving in this municipality intrastate telecommunications by a person at a rate of four and one-half percent (4.5%) of the gross charge for such telecommunications purchased at retail from a retailer. To prevent actual multi-municipal taxation of the act or privilege that is subject to taxation under this subsection, any taxpayer, upon proof that the taxpayer has paid a tax in another municipality on that event, shall be allowed a credit against any tax enacted pursuant to or authorized by this Section to the extent of the amount of the tax properly due and paid in the municipality that was not previously allowed as a credit against any other municipal tax.

B. The act or privilege of originating in this municipality or receiving in this municipality interstate telecommunications by a person at a rate of four and one-half percent (4.5%) of the gross charge for such telecommunications purchased at retail from a retailer. To prevent actual multi-state or multi-municipal taxation of the act or privilege that is subject to taxation under this subsection, any taxpayer, upon proof that the taxpayer has paid a tax in another state or municipality in this State on such event, shall be allowed a credit against any tax enacted pursuant to or authorized by this Section to the extent of the amount of such tax properly due and paid in such other state or such tax properly due and paid in a

municipality in this State which was not previously allowed as a credit against any other state or local tax in this State.

C. The tax imposed by this Ordinance is not imposed on such act or privilege to the extent such act or privilege may not, under the Constitution and statutes of the United State, be made the subject of taxation by this municipality. (Ord. 10-39 § 1: Ord. 10-21 § 1: Ord. 06-8 § 2)
(2010-39, Amended, 09/27/2010, Add Language to Par. B to conform to 35 ILCS 636/5-10(b); 2010-21, Amended, 04/26/2010, Increased tax from 3% to 4.5%; 2006-8, Added, 03/13/2006, Imposed Simplified Municipal Telecommunications Tax)

Section 3.28.030 Collection of tax by retailers.

A. The tax authorized by this Ordinance shall be collected from the taxpayer by a retailer maintaining a place of business in this State and shall be remitted by such retailer to the Department. Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers shall collect the tax from the taxpayer by adding the tax to the gross charge for the act or privilege of originating or receiving telecommunications when sold for use, in the manner prescribed by the Department. The tax authorized by this Ordinance shall constitute a debt of the taxpayer to the retailer until paid, and, if unpaid, is recoverable at law in the same manner as the original charge for such sale at retail. If the retailer fails to collect the tax from the taxpayer, then the taxpayer shall be required to pay the tax directly to the Department in the manner provided by the Department.

B. Whenever possible, the tax authorized by this Ordinance shall, when collected, be stated as a distinct item separate and apart from the gross charge for telecommunications. (Ord. 06-8 § 2)
(2006-8, Added, 03/13/2006, Imposed Simplified Municipal Telecommunications Tax)

Section 3.28.040 Returns to Department.

On or before the last day of August, 2006, and on or before the last day of every month thereafter, the tax imposed under this Ordinance on telecommunication retailers shall be returned with appropriate forms and information as required by the Department pursuant to the Illinois Simplified Municipal Telecommunications Tax Act (35 ILCS 636/5-50) and any accompanying rules and regulations created by the Department to implement the Act. (Ord. 06-8 § 2)

(2006-8, Added, 03/13/2006, Imposed Simplified Municipal Telecommunications Tax)

Section 3.28.050 Resellers.

A. If a person who originates or receives telecommunications claims to be a reseller of such telecommunications, such person shall apply to the Department for a resale number. Such applicant shall state facts which will show the Department why such applicant is not liable for the tax authorized by this Chapter on any of such purchases and shall furnish such additional information as the Department may reasonably require.

B. Upon approval of the application, the Department shall assign a resale number to the applicant and shall certify such number to the applicant. The Department may cancel any number which is obtained through misrepresentation, or which is used to send or receive such telecommunication tax-free when such actions in fact are not for resale, or which no longer applies because of the person's having discontinued the making of resales.

C. Except as provided hereinabove in this Section, the act or privilege of originating or receiving telecommunications in this State shall not be made tax-free on the ground of being a sale for resale unless the person has an active resale number from the Department and furnishes that number to the retailer in connection with certifying to the retailer that any sale to such person is non-taxable because of being a sale for resale. (Ord. 06-8 § 2)

(2006-8, Added, 03/13/2006, Imposed Simplified Municipal Telecommunications Tax)

Section 3.28.060 Distribution of tax receipts.

Effective May 1, 2011, the tax receipts from the Illinois Department of Revenue for the tax imposed by this Chapter shall be distributed as follows: sixty-five percent (65%) to the City of Olney General Fund and thirty-five percent (35%) to the City of Olney Capital Improvement Fund. (Ord. 10-21 § 2)
(2010-21, Added, 04/26/2010, Added new section for distribution)

Chapter 3.32

MISCELLANEOUS FEES

Sections:

3.32.010 Brush hauling fees.

Section 3.32.010 Brush hauling fees.

The City will pick up brush from properties within the City at no cost to the property owner or tenant following a storm. The City will pick up brush from properties within the City at all other times for the following fees:

Pickup Load	\$35.00
Dump Truck Load	\$50.00

(Ord. 08-15 § 1: Ord. 06-08A § 2)

(08-15, Amended, 04/28/2008, Increased Pickup from \$25 to \$35 and Dump Truck from \$35 to \$50; 2006-08A, Added, 03/13/2006, Brush Hauling Fees)