

City Taxes and Local Control

City taxes and local control: Chicago receives revenue through a number of different tax streams. However, many of these are controlled by the State and would require State action to change.

Background

Attached is a list of taxes from which the City receives revenue, the rate of taxation, and the controlling authority.

Legal Authority

Only those taxes listed as 'City' under the Authority column may be changed through ordinance, without state or federal legislation. Changes to items listed as 'State' or 'Federal' require legislative action by those units of government.

Attachment: Chicago Tax Rates

Revenue Source	Base	2015 Rate	Authority
Amusement Tax	Taxable receipts	5.00%/9.00%	City
Automatic Amusement Tax	Per device	\$150	City
Boat Mooring Tax	Mooring or docking fee	7.00%	City
Bottled Water Tax	Per bottle sold at retail	\$0.05	City
Cable Franchise Fee	Gross cable revenue	5.00%	Federal
Cigarette Tax	Per pack of twenty cigarettes	\$1.18	City
		\$3.00	County
		\$1.98	State
		\$1.01	Federal
Electricity Infrastructure Maintenance Fee	Per kilowatt hour	\$.0026-\$.0053	State
Electricity Use Tax (per kWh)	Per kilowatt hour	\$.0030-\$.0061	State
Emergency Telephone System (911) Surcharge	Per connection per month	\$3.90 (9% prepaid)	State
Foreign Fire Insurance Tax	Fire insurance premium	2.00%	State
Gas Occupation Tax	Gross receipts	8.00%	State
Gas Use Tax	Per therm	\$0.063	City
Ground Transportation Tax			City
Taxicabs	Per month	\$78/month	
Other vehicles	Capacity levels	\$3.50-\$9.00	
Rideshare	Per trip	\$.20	
Hotel Accommodations Tax	Gross room rental receipts	4.50%	City
Hotel Tax (Municipal)	99% of gross receipts	1.00%	State
State Income Tax	Personal/corporate	3.75%/5.25%	State
Liquor Tax	Per gallon	\$0.29-\$2.68	City
Motor Fuel Tax	Per gallon gas/diesel	\$0.19/\$0.215	State
Motor Vehicle Lessor Tax	Per lease	\$2.75	State
MPEA Airport Departure Tax	Per departure (by vehicle type)	\$2.00-\$54.00	State
Municipal Auto Rental Tax	Gross auto rental charges	1%	State
Parking lot and Garage Operations Tax	Daily/weekly/monthly cost	20%-22%	City
Personal Property Lease Tax	Taxable lease charge	9%	City
Personal Property Replacement Tax (PPRT)	Varies by business type	1.5%-2.5%	State
Real Property Transfer Tax	Per \$500 of transfer price	\$6.00	State
Residential Parking Permits			City
Annual	Per permit	\$25.00	
Daily Guest Pass	Per book of 15	\$8.00	
Restaurant Tax	Retail food & beverage	0.25%	City
State Sales Tax- Food & Drug (Local Share)	Gross receipts	2.25%	State
State Sales Tax - General (Local Share)	Gross receipts	1.25%	State
Chicago Home Rule Occupation Tax	Gross receipts	1.25%	City
Soft Drink Tax			State
Fountain soft drinks	Cost of syrup/concentrate	9.00%	
Non-fountain soft drinks	Gross receipts	3.00%	
Telecommunications	Telecom charge	7.00%	State
Tire Fee	Per tire	\$1.00	City

Use Tax For Non-Titled Personal Property	Taxable purchases over \$2,500	1.00%	State
Use Tax For Titled Personal Property	Taxable purchases	1.25%	State
Vehicle Fuel Tax	Per gallon	\$0.05	City
Wheel Tax	Per vehicle by vehicle type	\$20.00-\$455.13	City