

Simplified Telecom. – SAMPLE

ORDINANCE NO. _____

Simplified Municipal Telecommunications Tax

Whereas, this municipality desires to (**choose one: [impose a] or [change the rate of its]**) Simplified Municipal Telecommunications Tax pursuant to the Simplified Municipal Telecommunications Tax Act (35 ILCS 636/5-1 et seq.);

Now, therefore, be it ordained by the _____ (**For villages, use "President and Board of Trustees." For cities, use "City Council."**) of this municipality that:

Section 1. Tax imposed. A simplified municipal telecommunications tax is hereby imposed upon the act or privilege of originating in the municipality or receiving in the municipality intrastate or interstate telecommunications by a person under the provisions of the Simplified Municipal Telecommunications Tax Act (35 ILCS 636/5-1 et seq.), at the rate of ____% (**Insert any rate up to 6% in 0.25% increments.**) of the gross charges for such telecommunications purchased at retail from a retailer.

Section 2. Illinois Department of Revenue to administer. The tax hereby imposed shall be collected and enforced by the Department of Revenue of the State of Illinois. The Illinois Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

Section 3. 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 prior to (**choose one [September 20, 20__] or [March 20, 20__]**).

Section 4. Effective date. This Ordinance shall be in full force and effect from and after its passage and approval and publication in pamphlet form as required by law, provided, however, that Section 1 of this Ordinance shall take effect for all gross charges billed by telecommunications retailers on (i) the first day of July next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding March 20th or (ii) the first day of January next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding September 20th.

Section 5. 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or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of Section 1 of this Ordinance.

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THE FOLLOWING NOTES ARE NOT PART OF THE ORDINANCE AND SHOULD NOT APPEAR IN THE ADOPTED ORDINANCE, BUT SHOULD BE CONSIDERED WHEN DRAFTING THE ORDINANCE.

DISCLAIMER: This sample document is offered as a service to units of local government to assist them in using a proper format when imposing a tax that the Illinois Department of Revenue is required by law to administer. This sample document does not take the place of legal advice. If you choose to use this sample document, however, and you properly complete and adopt it and file a certified copy of it with the Department, the Department will administer the tax. Please keep in mind that your local government attorney should always be consulted regarding the legality and appropriateness of the legislation that you are considering. He or she can help you modify sample documents, if necessary, to fit your community's specific needs.

March 20 and September 20 deadlines: This tax may be imposed or discontinued or the tax rate changed at only one of two times each year - January 1 or July 1.

- **September 20 deadline:** To take effect on January 1, an ordinance must be adopted and a certified copy filed with the Illinois Department of Revenue by September 20.
- **March 20 deadline:** To take effect on July 1, an ordinance must be adopted and a certified copy filed with the Illinois Department of Revenue by March 20.

Rebates: Section 5-35 of the Simplified Municipal Telecommunications Tax Act requires that any rebates must be implemented by separate ordinance.