



VILLAGE OF
SOUTH CHICAGO HEIGHTS

March 14, 2014

Village President
David L. Owen

Trustees
Patrick J. DeFiore
Eugene G. Fazzini
Araceli H. Marrufo
Terry L. Matthews
John M. Ross
Eric R. Stanton

Village Clerk
Catherine Linan

Village Hall
755-1880

Police Dept.
754-7131

Fire Dept.
755-9589

Senior Center
755-7903

Public Works
755-7888

Mr. Paul Berks, Deputy General Counsel
Illinois Department of Revenue
JRTC-7 floor, Room 7-216
100 W. Randolph
Chicago, IL 60601

**Re: Testimony for public hearing on March 21, 2014 on
Proposed Rules about Local Sales Tax Sourcing**

Honorable David Owen Mayor of South Chicago Heights Illinois

- All communities in Illinois, large or small depend on the revenues generated from local sales taxes to provide the necessary services for the people in those communities.
- Sustaining and growing the sales tax base is the responsibility of local elected officials.
- Changes in the amount of sales taxes for each of us is dependent on a variety of business circumstances related to the success of the individual businesses, our ability to attract new business and the national economy. Those are acceptable reasons for fluctuations that may occur in sales tax generation.
- What is not acceptable is when a business in one of our communities accepts our services but pays taxes to another community with lower taxes depriving us of that revenue.
- This practice of taking services but not paying for them has been spotlighted by the RTA as a widespread scam depriving regional, County and local government of the taxes owed them.
- The December ruling by the Illinois Supreme Court declaring that this practice is contrary to Illinois will be a boon to local government if the regulations you are proposing end the practice once and for all.

- We feel that it is essential that the regulations you promulgate follow the edict from the court that the taxes should be paid where the bulk of the sales activity takes place. Your regulations should follow that principle to the letter, eliminating side issues, complicating contracts and attempts to set up order acceptance satellite offices.
- The RTA has suggested modifications to your proposed regulations to ensure that the principle of collecting taxes where the bulk of the activity occurs, we concur with those modifications.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Owen". The signature is fluid and cursive, with a large initial "D" and "O".

David L. Owen
Village President