

AMENDING CHAPTER 55 "HOTELS AND MOTELS", SECTION 55.04 "TRANSMITTAL OF TAX REVENUE", AND CHAPTER 60 "RESTAURANT, BAR AND PACKAGE LIQUOR TAX", SECTION 60.08 "FAILURE TO FILE RETURN AND PAY TAX" OF THE MUNICIPAL CODE OF THE CITY OF DEKALB, ILLINOIS TO PROVIDE ECONOMIC RELIEF RELATED TO COVID-19.

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City currently imposes taxes upon the privilege of renting a hotel and motel room (the "hotel/motel tax") and purchasing food items and alcoholic liquors from restaurants, bars, and package liquor stores (the "restaurant/bar tax") which are collected by City's hotels, motels, restaurants, and bars and transmitted to the City; and

WHEREAS, the collection and transmittal of the City's hotel/motel tax and restaurant/bar tax by the City's hotels, motels, restaurants, and bars impose economic costs upon those businesses; and

WHEREAS, the City's hotels, motels, restaurants, and bars provide significant economic activity to the City including, but not limited to, employment, revenue, capital investment, and civic leadership; and

WHEREAS, the COVID-19 pandemic has resulted in significant economic impact to the City's businesses and residents, including, but not limited to, the City's hotels, motels, restaurants, and bars; and

WHEREAS, the City's corporate authorities desire to amend the City's Municipal Code (the "Code") to provide compensation for services rendered in the collection and payment of the City's hotel/motel tax and restaurant/bar tax as well as other relief from penalties for late payments to mitigate the economic impact of the COVID-19 pandemic; and

WHEREAS, the City's corporate authorities find that it is in the best interests of the City's welfare, public health, and safety to amend the Code pursuant to this Ordinance; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this Ordinance are true, material, adopted, and incorporated herein as Section 1 to this Ordinance.

SECTION 2: Chapter 55 "Hotels and Motels", Section 55.04 "Transmittal of Tax Revenue", of the Code shall be amended to state as follows:

55.04 TRANSMITTAL OF TAX REVENUE

- c) If for any reason any tax is not paid when due, a penalty at the rate of five percent (5%) per thirty (30) day period, or portion thereof, from the day of delinquency shall be added and collected, except that this penalty shall be suspended for taxes due in April 2020, May 2020, June 2020, and July 2020.
- d) As compensation for services rendered in the collection and payment of this tax, the owner or owners of each hotel or motel filing a tax return may retain an amount of money equal to two percent (2%) of the tax due. In addition to this compensation, the owner or owners of each hotel or motel filing a tax return during the 2020 year may retain an amount of money not to exceed \$6,000.00 of the tax due during the 2020 year, provided that this additional compensation shall only be in effect for the 2020 year and for the hotels or motels that have a valid license issued by the City as of April 1, 2020.

SECTION 3: Chapter 60 "Restaurant, Bar, and Package Liquor Tax", Section 60.08 "Failure to File Return and Pay Tax", of the Code shall be amended to state as follows:

60.08 FAILURE TO FILE RETURN AND PAY TAX

- a) If for any reason any tax is not paid when due, a penalty at the rate of five percent (5%) per thirty (30) day period or portion thereof, from the day of delinquency, shall be added and collected, except that this penalty shall be suspended for taxes due in April 2020, May 2020, June 2020, and July 2020.
- b) In addition to the penalty assessed under Section 60.08 a) and the late fee assessed under Section 60.08 c), any amount of tax which is not paid when due shall bear interest at the rate of two percent (2%) per month or fraction thereof from the date when such tax becomes past due until such tax is paid or a judgment thereof is obtained by the City of DeKalb, except that this rate of interest shall be suspended for taxes due in April 2020, May 2020, June 2020, and July 2020.
- c) If the retailer fails to file the return as required by this Chapter, a late fee in the amount of \$100.00 per month or a portion thereof shall be assessed for the first month's violation and said late fee shall increase by Fifty Dollars (\$50.00) for each and every month thereafter until paid, up to a maximum late fee of Five Hundred Dollars (\$500.00) per month, except that this late fee shall be suspended for returns due in April 2020, May 2020, June 2020, and July 2020. Said late fee shall be in addition to any penalties and interest set forth in this Chapter.
- d) A failure to file the Application, either initially, annually or to report changes in the information contained therein, shall be a basis for a revocation of any City license of such retailer or applicable to the premises thereof, in addition to any other penalty provided in this Ordinance.

- e) As compensation for services rendered in the collection and payment of this tax, the retailer filing a tax return during the 2020 year may retain an amount of money not to exceed \$3,000.00 of the tax due during the 2020 year, provided that this compensation shall only be in effect for the 2020 year and for retailers that have filed an Application of Registration with the City as of April 1, 2020.

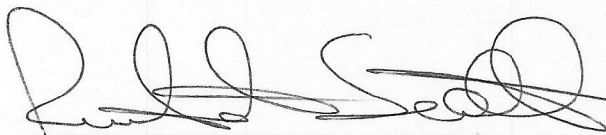
SECTION 4: This Ordinance and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such ordinance should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the corporate authorities of the City of DeKalb that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 5: The City's corporate authorities, by a vote of two-thirds of all members then holding office, find and declare that this Ordinance shall be in full force and effect immediately upon its passage and approval due to the urgency of providing such immediate and temporary relief.

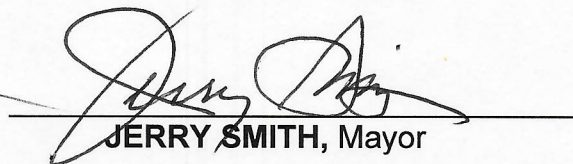
SECTION 6: That the City Clerk and/or the Executive Assistant of the City of DeKalb, Illinois be authorized and directed to attest the Mayor's signature.

ADOPTED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Special meeting thereof held on the 26th day of March 2020 and approved by me as Mayor on the same day. Passed on First Reading by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None. Second Reading waived by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

ATTEST:



RUTH A. SCOTT, Executive Assistant



JERRY SMITH, Mayor

