

**CHAPTER 3**

**TAXATION**

**PART 1**

**AUTOMOBILE RENTING OCCUPATION TAX**

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**SECTION 3-101. TAX IMPOSED.**

A tax is hereby imposed upon all persons engaged in the business of renting automobiles in this Village at the rate of one percent (1%) of the gross receipts from such sales made in the course of such business while this ordinance is in effect, in accordance with the provisions of Section 8-11-7 of the Illinois Municipal Code.

**SECTION 3-102. FILING REPORT.**

Every such person engaged in such business in the Village shall file on or before the last day of each calendar month, the report to the State Department of Revenue required by Sections 2 and 3 of "An Act in Relation to a Tax Upon Persons Engaged in the Business of Selling Tangible Personal Property to Purchasers for Use or Consumption," approved June 29, 1933, as amended.

**SECTION 3-103. PAYMENT.**

At the time such report is filed, there shall be paid to the State Department of Revenue the amount of tax hereby imposed on account of the renting of automobiles during the preceding month.

**SECTION 3-104. FILING COPY.**

The Village Clerk is hereby directed to transmit to the State Department of Revenue a certified copy of this section not later than five (5) days after the effective date of this section.

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**PART 2**  
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**SECTION 3-201. CONFORMANCE.**

Village in effecting or soliciting fire insurance, shall pay to the Village Treasurer on the fifteen (15th) day of July of each and every year, a sum equal to two percent (2%) of the gross receipts of All corporations, companies and associations not incorporated under the laws of this State which are engaged in this premiums received by such corporations, associations or companies, or their agency, agency(s), for business effected or transacted for fire insurance within this Village for the year preceding July 1. The sum above named shall be as a tax or license fee upon all such corporations, companies or associations transacting said business with this Village.

The said agent(s) shall also, at the time of making the above mentioned report, pay to the Village Treasurer, the said sum of two percent (2%) upon the gross receipts of such corporation, company or association obtained as premiums for effecting fire insurance in this Village as specified in this Chapter.

**SECTION 3-202. REQUIRED REPORTS.**

Every person acting as an agent, or otherwise, for or on behalf of any such corporation, company or association, shall, on or before the fifteenth (15th) day of July of each and every year, render to the Village Clerk a full, true, and just account, verified by oath, of all the premiums which, during the year ending on the first (1st) day of July of each and every year shall have been received by him, or any other person for him, in behalf of such corporation, company or association, and shall fully and specifically set out in such report, the amount or amounts received as premiums for fire insurance.

**SECTION 3-204. UNLAWFUL OPERATION.**

If such an account be not rendered on or before the day herein specified for that purpose, or if the above mentioned rates for the said tax or license fees shall remain unpaid after that day, it shall be unlawful for any such corporation, company or association to transact any business of fire insurance in this Village; until the requirements hereof are fully complied with; but this provision shall not relieve any company, corporation or association from the payment of any such risk that may be taken in violation hereof.

**SECTION 3-203. FEES.**

**CHAPTER 3**  
**PROPERTY TAXES**

**PART 3**  
**GENERAL TAXES**

- SECTION 3-301. CORPORATE FUND PROPERTY TAX.**
- SECTION 3-302. FIRE PROTECTION TAX.**
- SECTION 3-303. INSURANCE AND TORT JUDGMENTS TAX.**
- SECTION 3-304. MUNICIPAL AUDITING TAX.**
- SECTION 3-305. POLICE PENSION FUND TAX.**
- SECTION 3-306. POLICE PROTECTION TAX.**
- SECTION 3-307. STREET AND BRIDGE TAX.**

**SECTION 3-301. CORPORATE FUND PROPERTY TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Corporate Fund Property Tax the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 65, § 5/8-3-1.

**SECTION 3-302. FIRE PROTECTION TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Fire Protection Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 65, § 5/11-7-1.

**SECTION 3-303. INSURANCE AND TORT JUDGMENTS TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy an Insurance and Tort Judgment Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 745, § 10/9-107.

**SECTION 3-304. MUNICIPAL AUDITING TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Municipal Auditing Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 65, § 5/8-8-8.

**SECTION 3-305. POLICE PENSION FUND TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Police Pension Fund Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 40, § 5/3-125.

**SECTION 3-306. POLICE PROTECTION TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Police Protection Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 65, § 5/11-1-3.

**SECTION 3-307. STREET AND BRIDGE TAX.**

The corporate authorities of the Village of Swansea are hereby authorized to annually levy a Street and Bridge Tax, the rate of which does not exceed any maximum imposed by State statutes, and in accordance with the Illinois Compiled Statutes, Chapter 65, § 5/11-81-1, 5/11-81-2.

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PART 4

SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX

SECTION 3-401. DEFINITIONS.

SECTION 3-402. SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX IMPOSED

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SECTION 3-401. 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 point within this municipality, charges for the channel mileage between each channel point within this municipality, and charges for that portion of the interstate inter-office channel provided within Illinois. 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 such municipality;

Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs;

- (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 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

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' Occupations Tax Act.

#### **SECTION 3-402. SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS TAX IMPOSED.**

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

- (A) The act or privilege of originating in the municipality or receiving in the municipality intrastate telecommunications by a person at a rate of 3% of the gross charge for such telecommunications purchased at retail from a retailer.
- (B) The act or privilege of originating in the municipality or receiving in the municipality interstate telecommunications by a person at a rate of 3% of the gross charge for such

telecommunications purchased at retail from a retailer. To prevent actual multi-state 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 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 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 States, be made the subject of taxation by the municipality.

#### **SECTION 3-403. 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.

#### **SECTION 3-404. RETURNS TO DEPARTMENT.**

On or before the last day of February, 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 (Public Act 92-526, Section 5-50) and any accompanying rules and regulations created by the Department to implement the Act

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### PART 5 WATER UTILITY TAX

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#### SECTION 3-501 NECESSITY

That there is a continuing increase in cost of services rendered to its citizens.

#### SECTION 3-502 TAX IMPOSED

That pursuant to the powers granted under the terms and provisions of 1977 Illinois Revised Statutes, Chapter 24, Section 8-11-2, a tax is hereby imposed upon all persons engaged in the business of distributing, supplying, furnishing, or selling water for use or consumption within the corporate limits of the Village of Swansea, and not for resale, said tax to be in the amount of five per cent (5%) of the gross receipts therefrom.

#### SECTION 3-503 ADDITIONAL TAXES

That the tax imposed in Section 3-502 hereof shall be in addition to the payment of any monies or services furnished to the Village as compensation for the use of its streets, alleys, or other public place, or installations and maintenance therein, thereon or thereunder, of poles, wires, pipes, or other equipment used by any such persons engaged in the business of distributing, supplying, furnishing, or selling water for use or consumption within the corporate limits of the Village of Swansea.

#### SECTION 3-504 GROSS RECEIPTS

That "gross receipts" as used herein, means the consideration received for distributing, supplying, furnishing, or selling water for use or consumption

and not for resale, and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, services, and property of every kind and material and for all services rendered therewith, and shall be determined without any deduction on account of the cost of the services, product or commodity supplied, the cost of material used, labor or services cost, or any other expenses whatsoever.

#### SECTION 3-505 DEFINITIONS

That "person" as used in this ordinance shall include any natural individual, firm, trust, estate, partnership, association, joint trust company, other governmental body, joint venture, corporation, or a receiver, trustee or other representative appointed by order of any court.

#### SECTION 3-506 EFFECTIVE DATE

That this ordinance shall be effective and shall apply to all monies which may be collected on accounts "billed" on and after the billing cycle one month from the date of this ordinance as "gross receipts" as herein above defined by an "persons" engaged in the business on which the foregoing tax is imposed.

#### SECTION 3-507 NOTIFICATION

That the Village Clerk is herewith directed to forward certified copies of this ordinance to all "persons" engaged in the business of distributing, supplying, furnishing, or selling water for use or consumption

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### PART 6 GAS AND ELECTRIC UTILITY TAX

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#### SECTION 3-601 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 such municipality regardless of where such amount is billed or paid.
- (B) "Billing Address" means the mailing address of the service user where the service supplier submits invoices or bills for payment by the customer.
- (C) "Village" shall mean the Village of Swansea, Illinois.
- (D) "Gross receipts" means the consideration received for distributing, supplying, furnishing, or selling gas, or electricity for use or consumption and not for resale, as the case may be; and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, credit, services and property of every kind and material and for all services rendered therewith; and shall be determined without any deduction on account of the cost of distributing, supply, furnishing or selling gas or electricity without any deduction on account of the cost of the service, product or commodity supplied, at the cost of materials used, labor or service cost or any other expenses whatsoever.
- (E) "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, municipal corporation or political subdivision of the State, or a receiver, trustee, conservator, or a representative appointed by order of court. *Notwithstanding the foregoing, no municipal utility tax shall be assessed upon bills for utility service rendered to the municipality itself or the*

*following governmental entities": High Mount School District 116 and Wolf Branch School District 113.*

- (F) "Person maintaining a place of business in this State" means any person having or maintaining within this State, directly or by a subsidiary or other affiliate, an office, generation facility, distribution facility, transmission facility, sales office or other place of business, or any employee, agent or other representative operating within this State under the authority of the person or its subsidiary or other affiliate, irrespective of whether such place of business or agent or other representative is located in this State permanently or temporarily, or whether such person, subsidiary or other affiliate is licensed or qualified to do business in this State.
- (G) "Purchase at retail" means any acquisition of gas or electricity by a purchaser for purposes of use or consumption, and not for resale, but shall not include the use of electricity by a public utility, as defined in Section 8-11-2 of the Illinois Municipal Code (65 ILCS 5/8-11-2), directly in the generation, production, transmission, delivery or sale of electricity.
- (H) "Purchaser" means any person who uses or consumes, within the corporate limits of the Village, electricity or gas acquired in a purchase at retail, other than from an Exempt Purchaser.

#### SECTION 3-602 TAX

Pursuant to Section 8-11-2 of the Illinois Municipal Code (65 ILCS 5/8-11-2) and any and all other applicable authority, a tax is hereby imposed upon any and all of the following acts or privileges:

- (A) Persons exercising the privilege of using or consuming gas acquired in a purchase at retail and used or consumed within the corporate limits

(B) If the person delivering gas and/or electricity fails to collect the tax from the purchaser, then the purchaser shall file a return in a form prescribed by the Village and pay the tax directly to the Village on or before the last day of the month following the month during which the gas and/or electricity is used or consumed.

#### **SECTION 3-605 RESELLERS**

(A) Gas and/or electricity that is delivered to a person in the Village shall be considered to be for the use and consumption by that person unless the person receiving the gas and/or electricity has an active resale number issued by the Budget Director and furnishes that number to the person who delivers the gas and/or electricity and certifies to that person that the sale is either entirely or partially nontaxable as a sale for resale.

(B) If a person who receives gas and/or electricity in the Village claims to be an authorized reseller of gas and/or electricity, that person shall apply to the Budget Director for a resale number. The application shall state facts showing why it is not liable for the tax imposed by this section on any purchases of gas and/or electricity and shall furnish such additional information as the Budget Director may reasonably require.

(C) Upon approval of the application, the Budget Director shall assign a resale number to the applicant and shall certify the number to the applicant.

(D) The Budget Director may cancel the resale number of any person if the person fails to pay any tax payable under this section for gas and/or electricity used or consumed by the person, or if the number: (1) was obtained through misrepresentation, or (2) is no longer necessary because the person has discontinued making resales.

#### **SECTION 3-606 VILLAGE OF SWANSEA** **ACCOUNTS EXEMPTED**

(A) All accounts of the Village of Swansea shall be exempt from the taxes imposed by Part 6 of Chapter 3 of the Swansea Municipal Code. (Ord 1739, 12/21/15)

(E) If a reseller has acquired gas and/or electricity partly for use or consumption and partly for resale, the reseller shall pay the tax imposed by this section directly to the Village on the amount of gas and/or electricity that the reseller uses or consumes, and shall collect the tax and remit the tax on the amount of gas and/or electricity delivered by the reseller to a purchaser.

(F) Any person who delivers gas and/or electricity to a reseller having an active resale number and complying with all other conditions of this ordinance shall be excused from collecting and remitting the tax on any portion of the gas and/or electricity delivered to the reseller, provided that the person reports to the Village the total amount of gas and/or electricity delivered to the reseller, and such other information that the Village may reasonably require.

(G) Any person who willfully violates any provision of this section is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than seven hundred fifty dollars (\$750.00) for each offense, and in addition shall be liable in a civil action for the amount of tax due. Each day a violation occurs shall be considered a separate offense.