

11-O-109
ORDINANCE

Sponsored by

THE HONORABLE TONI PRECKWINKLE, PRESIDENT, JESUS G. GARCIA,
GREGG GOSLIN, TIMOTHY O. SCHNEIDER, PETER N. SILVESTRI
AND JEFFREY R. TOBOLSKI, COUNTY COMMISSIONERS

USE TAX ON NON-RETAILER TRANSFERS OF MOTOR VEHICLES

BE IT ORDAINED, by the Cook County Board of Commissioners that Chapter 74 Taxation, Article XVII, Sections 74-595 through 74-605 of the Cook County Code, is hereby enacted as follows:

ARTICLE XVII. COOK COUNTY USE TAX ON NON-RETAILER
TRANSFERS OF MOTOR VEHICLES

Sec. 74-595. Short title.

This Article shall be known and may be cited as the "Cook County Home Rule Use Tax Ordinance for Non-retailer Transfers of Motor Vehicles." The tax shall be known as the "Cook County Home Rule Use Tax for Non-retail Transfers of Motor Vehicles" and is imposed in addition to all other taxes imposed by the County of Cook, the State of Illinois or any other municipal corporation or political subdivision of the State of Illinois.

Sec. 74-596. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"County" means Cook County, Illinois.

"Illinois Vehicle Code" means the Illinois Vehicle Code, effective July 1, 1970, as amended, 625 ILCS 5/1, et seq.

"Illinois Use Tax Act" means the Use Tax Act, effective July 14, 1955, as amended, 35 ILCS 105/1, et seq.

"Motor vehicle" means a motor vehicle, as defined by the Illinois Vehicle Code, which is titled or registered with an agency of the State of Illinois at a location within the corporate limits of the County of Cook.

"Use" has, to the extent applicable, the meaning set forth in the Illinois Use Tax Act.

"Department" means the Department of Revenue.

"Director" means the director of the Department of Revenue or duly authorized representative.

"Tax" or use tax means the tax imposed by this article, unless the context requires construction.

“Use Tax for Non-retailer Transfers of Motor Vehicles in Cook County” means tax applied to the transfer or purchase of a motor vehicle that is titled or registered from a non-retailer, at a location in Cook County, with an agency of the State of Illinois

“User” means any person whose name is on the motor vehicle title or registration.

Sec. 74-597. Tax imposed and Tax Rate

(a) Tax imposed on user. The tax imposed by this article and the obligation to pay the same is upon the user, as described in this article.

1. Except as otherwise provided by this Chapter, a tax is imposed upon the privilege of using in the County any motor vehicle that is acquired by purchase, gift or transfer. The ultimate incidence of and obligation for payment of the tax is on the person that acquires the motor vehicle by purchase, gift or transfer.
2. Notwithstanding subsection (a)1 of this section, the tax shall not apply if the motor vehicle is purchased at retail from a retailer and the purchaser is required to pay Use Tax per Article VII of the County’s Code.

(b) Nothing in this Article shall be construed to impose a tax upon any business or activity which, under the constitutions of the United States and the State of Illinois, may not be made the subject of taxation by the County.

(c) Tax Rate. Except as otherwise provided in this Chapter, the rate of the tax imposed by this Chapter is stated as follows:

Age of Vehicle	Tax Due
5 years or newer	\$225
6 to 10 years	\$200
11 or older	\$175

3. The rate of the tax shall be \$25.00 for each motor vehicle acquired from a non-retailer under the following circumstances:
 - a. The transferee or purchaser is the spouse, mother, father, brother, sister or child of the transferor and proof of family relationship is established;
 - b. The transfer is a gift to a beneficiary in the administration of an estate and the beneficiary is not a surviving spouse;
 - c. The motor vehicle has been taxed pursuant to the Illinois Retailers’ Occupation Tax Act, 35 ILCS 120/1, et seq., as amended, or the Illinois Use Tax Act or any other state retailers’ occupation tax, sales tax or use tax and the motor vehicle is transferred in connection with the organization, reorganization, dissolution or partial liquidation of an incorporated or unincorporated business provided that the beneficial ownership is not changed.

Sec. 74-598. Duty of department to collect.

It shall be the duty of the Department to collect and receive the tax imposed by this article. The Department shall keep an accurate and separate account of all such tax payments received by it showing the name and address of the person remitting the tax and the date of each payment. The Director is hereby empowered to adopt, promulgate and enforce, rules and regulations not inconsistent with this article, relating to the administration and enforcement of the provisions of this article, including provisions for examination, reexamination, correction and amendment of all returns filed or required to be filed pursuant to this article or request the Department of Administrative Hearing to conduct hearings, to aid in establishing liability for payment of taxes due under this article.

Sec. 74-599. Exemptions.

Notwithstanding any other provision of this Article, the tax imposed by this Article shall not apply to:

- (a) A motor vehicle that is purchased and used by a governmental agency or a society, association, foundation or institution organized and operated exclusively for charitable, religious or educational purposes;
- (b) The use of a motor vehicle that is exempt under the applicable provisions of Section 3-55(b), (c), (d), (e) or (f) of the Illinois Use Tax Act;
- (c) Implements of husbandry;
- (d) A motor vehicle for which a junking certificate has been issued pursuant to Section 3-117.1(a) of the Illinois Vehicle Code;
- (e) A motor vehicle that is subject to the replacement vehicle tax imposed by either Section 3-2001 of the Illinois Vehicle Code;
- (f) A motor vehicle that is transferred as a gift to a beneficiary in the administration of an estate and the beneficiary is a surviving spouse.

Sec. 74-600. Obligation of taxpayers to file returns and pay tax.

Every person that is required to pay the tax imposed by this Article shall file a return on a form prescribed by the Director and pay all applicable tax to the Department or its designee on or before the last day of the calendar month following the month that the motor vehicle was acquired.

Sec. 74-601. Rules and regulations.

The director is authorized to adopt, promulgate and enforce reasonable rules and regulations pertaining to the administration and enforcement of this Article.

Sec. 74-602. Tax additional.

The tax imposed in this article is in addition to all other taxes imposed by the County, the State or any municipal corporation or political subdivision thereof.

Sec. 74-603. Violations; penalty.

Any user determined to have violated this article, as amended, shall be subject to a fine of \$1,000.00 for the first offense, and a fine of \$2,000.00 for the second and each subsequent offense. Separate and distinct offense shall be regarded as committed each day upon which said person shall continue any such violation, or permit any such violation to exist after notification thereof. It shall be deemed a violation of this article for any person to knowingly furnish false or inaccurate information to the Department. Criminal prosecution pursuant to this article shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalty due and owing as well as costs incurred for such proceeding.

Sec. 74-604. Application of uniform penalties, interest and procedures ordinance.

Whenever not inconsistent with the provisions of this article or whenever this Article is silent, the provisions of the uniform penalties, interest and procedures ordinance, Chapter 34 Finance, Article III, Uniform Penalties, Interest and Procedures, of this Code shall apply and supplement this article.

Effective Date: This Ordinance shall be effective on the 90th day following passage.

Approved and adopted this 15th day of November 2011.

TONI PRECKWINKLE, President
Cook County Board of Commissioners

Attest: DAVID ORR, County Clerk