

PUBLICATION OF:

**ORDINANCE NO. 25 -
ORDINANCE IMPLEMENTING A MUNICIPAL GROCERY RETAILER'S
OCCUPATION TAX AND A MUNICIPAL GROCERY SERVICE OCCUPATION TAX
FOR THE VILLAGE OF SCHAUMBURG**

**ADOPTED:
PUBLISHED IN PAMPHLET FORM PURSUANT TO AUTHORIZATION AND
DIRECTION OF THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE
OF
SCHAUMBURG ON**

ORDINANCE NO. 25 - ____

AN ORDINANCE IMPLEMENTING A MUNICIPAL GROCERY RETAILERS' OCCUPATION TAX AND A MUNICIPAL GROCERY SERVICE OCCUPATION TAX FOR THE VILLAGE OF SCHAUMBURG

WHEREAS, the Village of Schaumburg (the "Village") is a home rule Illinois municipality pursuant to the Constitution of the State of Illinois of 1970, as amended; and

WHEREAS, the Illinois Municipal Code, 65 ILCS 5/1-2-1, provides that the corporate authorities of each municipality may pass all ordinances and make all rules and regulations proper or necessary to carry into effect the powers granted to municipalities, with such fines or penalties as may be deemed proper; and

WHEREAS, Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) provides that, beginning on January 1, 2026, all Illinois municipalities may impose a tax "upon all persons engaged in the business of selling groceries at retail in the municipality" (the "Municipal Grocery Tax") (65 ILCS 5/8-11-24); and

WHEREAS, the Municipal Grocery Retailers' Occupation Tax may be imposed "at the rate of 1% of the gross receipts from these sales" (65 ILCS 5/8-11-24); and

WHEREAS, any Municipal Grocery Retailers' Occupation Tax shall be administered, collected, and enforced by the Illinois Department of Revenue; and

WHEREAS, Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) requires any municipality imposing a Municipal Grocery Retailers' Occupation Tax under Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) to also impose a Service Occupation Tax at the same rate "upon all persons engaged, in the municipality, in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries" as "an incident to a sale of service" (the "Municipal Grocery Service Occupation Tax") (65 ILCS 5/8-11-24); and

WHEREAS, any Municipal Grocery Service Occupation Tax shall be administered, collected, and enforced by the Illinois Department of Revenue; and

WHEREAS, the President and Board of Trustees of the Village believe that it is appropriate, necessary, and in the best interests of the Village and its residents, that the Village levy a Municipal Grocery Retailers' Occupation Tax as permitted by Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24); and

WHEREAS, the President and Board of Trustees of the Village believe that it is appropriate, necessary, and in the best interests of the Village and its residents, that the Village levy a Municipal Grocery Service Occupation Tax as permitted by Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24);

BE IT ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF SCHAUMBURG, COOK AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: Incorporation of Recitals. The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.

SECTION TWO: Title 3, Chapter 36 of the Schaumburg Village Code is hereby amended to add a new Section 36.400 and Section 36.401, to read in its entirety as follows (additions to existing text marked with underlined text; deletions to existing text marked using ~~strikethrough~~):

Municipal Grocery Retailers' Occupation Tax.

§ 36.400 – TAX IMPOSED; RATE; EXCEPTION.

- (A) A tax is hereby imposed upon all persons engaged in the business of selling groceries at retail in this municipality at the rate of 1% of the gross receipts from such sales made in the course of such business while this Ordinance is in effect.
- (B) The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24).

§ 36.401 – COLLECTION.

The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto 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.

The Village Manager or their designee may suspend and/or revoke any business license issued by the Village if it appears to their satisfaction from the report of any state agency, including Illinois Department of Revenue, or by any Village officer or employee making an inspection, investigation or from other available information that the licensee is in violation of Illinois Compiled Statutes and is operating a business without a certificate of registration as required under 35 Illinois Compiled Statutes 120. The licensee shall be notified of request to suspend or revoke the license. A hearing shall be conducted at which time the licensee may appear and contest the request. The Village Manager or their designee shall act as the hearing officer and upon completion of the hearing, enter an order or take the matter under advisement for preparation of an order. Any suspension or revocation of the license may be directly appealed to the Village President and Board of Trustees within fifteen (15) days of rendering a decision by the Village Manager or their designee. In the event the Village Manager or their designee determines that the revocation of the license is appropriate, they shall so forward his findings to the Village President and Board of Trustees

SECTION THREE: Title 3, Chapter 36 of the Schaumburg Village Code is hereby amended to add a new Section 36.410 and Section 36.411, to read in its entirety as follows (additions to existing text marked with underlined text; deletions to existing text marked using ~~strikethrough~~):

Municipal Grocery Service Occupation Tax.

§ 36.410 – TAX IMPOSED; RATE; EXCEPTION.

- (A) A tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries as an incident to a sale of service at the rate of 1% of the gross

receipts from such sales made in the course of such business while this Ordinance is in effect.

- (B) The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24).

§ 36.411 – COLLECTION.

The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto 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.

The Village Manager or their designee may suspend and/or revoke any business license issued by the Village if it appears to their satisfaction from the report of any state agency, including Illinois Department of Revenue, or by any Village officer or employee making an inspection, investigation or from other available information that the licensee is in violation of Illinois Compiled Statutes and is operating a business without a certificate of registration as required under 35 Illinois Compiled Statutes 120. The licensee shall be notified of request to suspend or revoke the license. A hearing shall be conducted at which time the licensee may appear and contest the request. The Village Manager or their designee shall act as the hearing officer and upon completion of the hearing, enter an order or take the matter under advisement for preparation of an order. Any suspension or revocation of the license may be directly appealed to the Village President and Board of Trustees within fifteen (15) days of rendering a decision by the Village Manager or their designee. In the event the Village Manager or their designee determines that the revocation of the license is appropriate, they shall so forward his findings to the Village President and Board of Trustees.

SECTION FOUR: Clerk to file Ordinance with Illinois Department of Revenue. As required under Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24), the Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before October 1, 2025.

SECTION FIVE: Effective Date. The taxes imposed by this Ordinance shall take effect on January 1, 2026.

SECTION SIX: Repeal of Conflicting Provisions. All ordinances and resolutions, and policies 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 this Ordinance.

SECTION SEVEN: Severability. If any provision of this Ordinance or application thereof to any person or circumstances is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

SECTION EIGHT: Headings/Captions. The headings/captions identifying the various sections and subsections of this Ordinance are for reference only and do not define, modify, expand or limit any of the terms or provisions of the Ordinance.

SECTION NINE: This ordinance shall be in effect from and after its passage and approval according to law.

DATED this ____ day of _____, 2025.

Jane Lentino
Village Clerk
Village of Schaumburg

ADOPTED this ____ day of _____, 2025, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this ____ day of _____, 2025.

Tom Dailly, Village President

ATTEST:

Jane Lentino, Village Clerk