ORDINANCE NO. 2017 -
AN ORDINANCE AMENDING ARTICLE 23,
THE MT. VERNON HOME RULE MUNICIPAL RETAILERS' AND SERVICE OCCUPATION TAX

BE IT ORDAINED by the City Council of the City of Mt. Vernon that Section 2 of Article 23 of the Revised Code of Ordinances be and the same is hereby amended to read as follows:

SECTION 2: TAX IMPOSED

A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this State's government, at retail in this municipality at the rate of 2-1/2% of the gross receipts from such sales made in the course of such business while this ordinance is in effect; and a tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, at the rate of 2-1/2% of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service. This "Home Rule Municipal Retailers' Occupation Tax" and this "Home Rule Municipal Service Occupation Tax" shall not be applicable to the sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, softs drinks, and food that has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

The imposition of these home rule taxes is in accordance with and subject to the provisions of Sections 8-11-1 and 8-11-5, respectively, of the "Illinois Municipal Code" (65 ILCS 5/8-11-1 and 65 ILCS 5/8-11-5).

All proceeds from the imposition of the one half percent (½%) increase in the Mt. Vernon Home Rule Municipal Retailers' and Service Occupation Tax enacted by Ordinance 2012-10 shall be deposited into and maintained as a separate dedicated fund to be expended solely for economic development and quality of life activities, acquisitions, and improvements within the City of Mt. Vernon.

All proceeds from the imposition of the one percent (1%) increase in the Mt. Vernon Home Rule Municipal Retailers' and Service Occupation Tax enacted by Ordinance 2017-__ shall be deposited into and maintained as a separate dedicated fund to be expended solely for (i) expenses incurred for Capital construction projects for the Public Utility Department, (ii) expenses incurred for Capital equipment purchases for all City Departments, (iii) expenses incurred for Capital expenditures for road construction or road maintenance, (iv) early retirement of existing indebtedness, with priority to payment of debt with the highest interest rate, and (v) nuisance abatement expenditures, including demolition of dangerous and dilapidated structures.

BE IT FURTHER ORDAINED AS FOLLOWS:

Illinois Department of Revenue to administer. 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 Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

City Clerk to file Ordinance with Illinois Department of Revenue. The City Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before October 1, 2017.

Annual review. The tax imposed by this Ordinance and the expenditures related thereto shall be subject to review each year during the annual budget adoption process of the City Council.

Effective date. This Ordinance and the tax imposed thereby shall take effect on January 1, 2018.

PASSED by the City Council of the City of Mt. Vernon, Illinois this 28th day of September, 2017.

APPROVED by the Mayor of the City of Mt. Vernon, Illinois this 28th day of September, 2017.

APPROVED:

_____

Mayor

ATTEST:

_____

City Clerk

Published in pamphlet form this _____ day of _____, 2017.

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City Clerk