

CITY OF CHICAGO
DEPARTMENT OF REVENUE
PARKING LOT AND GARAGE OPERATIONS TAX RULING

Parking Lot and Garage Operations Tax Ruling #1
Subject: Residential Off-Street Parking Exemption
Effective date: June 1, 2004

Original effective date: June 22, 1992

Section 1. Pursuant to chapter 4-236 of the Chicago Municipal Code, the Chicago Parking Lot and Garage Operations Tax (the “parking tax” or “tax”) is imposed upon the use and privilege of parking a motor vehicle in or upon any parking lot or garage in the City of Chicago. Under Section 4-236-020(c), the tax does not apply to residential off-street parking of house or apartment tenants or condominiums required by the City of Chicago Zoning Ordinance, wherein an arrangement for such parking is provided in the house or apartment lease or in a separate writing between the landlord or tenant, or if in a condominium between the condominium association and the owner, occupant or guest of a unit, whether the parking charge is payable to the landlord, condominium association, or to the operator of the parking lot or garage.

Section 2. To claim the exemption set forth in subsection 020(c), the landlord/operator must maintain supporting documentation. If called upon by the Department of Revenue, the landlord/operator will be required to substantiate the claim by producing the lease, separate writing or other supporting documents. Failure to provide proof acceptable to the Department will bar the landlord/operator from claiming this exemption, in which case the landlord/operator will be liable for the unpaid tax, plus interest and applicable penalties.