



**Notice to Chicago Simplified Telecommunications Tax Collectors**  
**Subject: Completion of Reduced Rate Pursuant to Class Action Settlement**  
**Notice Date: March 26, 2009**

Effective February 1, 2005, pursuant to a court approved settlement in the class action entitled PrimeCo v. ICC, Case No. 98 CH 05500 in the Circuit Court of Cook County, the customers of all wireless telecommunications retailers, and the customers of all other telecommunications retailers (such as resellers) that do not own substantial equipment in the public way (such wireless and other telecommunications retailers hereafter referred to collectively as “wireless retailers”) were entitled to pay a reduced telecommunications tax rate of 6.5%, rather than the full rate of 7% that would otherwise apply pursuant to Chicago Municipal Code Section 3-73-030.

Pursuant to the settlement, the reduced tax rate was to remain in effect for wireless retailers until \$30.3 million in savings were realized, at which time the Department would provide at least 60 days' written notice to wireless retailers that they must again collect and remit the full rate of the telecommunications tax.

This notice is made pursuant that agreement. The agreed \$30.3 million in savings have been realized and all wireless retailers must again collect and remit the full rate of the telecommunications tax (seven percent) as of June 1, 2009.

The Chicago Department of Revenue will change your registration for tax code 7512 (6.5% reduced rate) to code 7501 (7% full rate) on the final effective date. You need take no further action. Your company will be expected to file one 7512 reduced rate tax return covering the period July 1, 2008 through May 31, 2009 and one 7501 tax return covering June 1, 2009 through June 30, 2009.

As there are now two full months to implement this increase, we anticipate all collectors are able to make required changes to their system in a timely manner. If however, you will incur problems with a June 1, 2009 effective date, please advise us at:

Chicago Department of Revenue  
Tax Policy Section  
333 S State Street, Room 300  
Chicago, Illinois 60604-3977