



**DEPARTMENT OF PROCUREMENT SERVICES**

**CITY OF CHICAGO**

**2018 Gross Receipts Limit**

The Department of Procurement Services, which is responsible for the City of Chicago's Certification Program, has recalculated the average gross receipts limit that defines whether a business is an "Established Business." Pursuant to section 2-92-420(o) of the Municipal Code of Chicago, the gross receipts U.S. limit is adjusted annually based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)<sup>1</sup>.

The Annual CPI-W (U.S. City Average) in 2016 was 234.076. The Annual CPI-W (U.S. City Average) in 2017 was 239.051. By applying the following formula, the Gross Receipts Limit for Non-Construction businesses can be recalculated as follows<sup>2</sup>:

$$(2016 \text{ Gross Receipts Limit} \div 2016 \text{ CPI}) * 2017 \text{ CPI} = 2018 \text{ Gross Receipts Limit}$$

Or

$$(\$38,111,841.12 \div 234.076) * 239.051 = \underline{\underline{\$38,921,861.84}}$$

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<sup>1</sup> CPI data is available at [https://www.bls.gov/regions/midwest/data/consumerpriceindexhistorical\\_us\\_table.pdf](https://www.bls.gov/regions/midwest/data/consumerpriceindexhistorical_us_table.pdf)

<sup>2</sup> Construction firms' gross receipts are based on SBA Size Standards.