

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. This ordinance shall be known and may be cited as the “Chicago Employers’ Expense Tax (“EET”) Tax Relief Ordinance.”

SECTION 2. As used in this ordinance:

“Code” means the Municipal Code of Chicago.

“Department” means the department of revenue of the City of Chicago.

“Employer’s business” means the business in connection with which the employer is required under Chapter 3-20 of the Code to pay the Chicago Employers’ Expense Tax.

“Tax” means the Chicago Employers’ Expense Tax imposed under Chapter 3-20 of the Code.

“Tax year” means the annual tax return year that runs from July 1st to the following June 30th.

SECTION 3. If in a tax year prior to either of the tax years, ending June 30, 2010 or June 30, 2011, (1) an employer was not required to pay the Chicago Employers’ Expense Tax imposed under Chapter 3-20 of the Code, and (2) such employer’s business has been located, in whole or in part, within the corporate limits of the City for at least twelve months prior to July 1st of the current tax year, such employer shall not be required to pay the Chicago Employers’ Expense Tax in the current tax year.

SECTION 4. If in the tax year prior to either of the tax years, ending June 30, 2010 or June 30, 2011, (1) an employer was required to pay the Chicago Employers’ Expense Tax imposed under Chapter 3-20 of the Code, and (2) such employer’s business has been located, in whole or in part, within the corporate limits of the City for at least twelve months prior to July 1st of the current tax year, and (3) the amount of tax owed by such employer in the current tax year, when determined in conformity with the requirements of Chapter 3-20 of the Code, exceeds the amount of tax owed by such employer during the prior tax year, such employer shall be required in the current tax year to pay, as tax, the amount of tax owed in the prior tax year.

SECTION 5. If in the current tax year an employer’s business is merged or consolidated with another business or entity, and the amount of tax owed by such employer in the current tax year, when calculated in conformity with the requirements set forth in Chapter 3-20 of the Code,

exceeds the amount of tax that would have been owed by such employer in the prior tax year if the merger or consolidation had occurred in such prior tax year, such employer shall be required in the current tax year to pay, as tax, the amount of tax that would have been owed in the prior tax year if the merger or consolidation had been accomplished in such prior tax year.

SECTION 6. If as a result of an audit, the department determines that an employer claiming the tax relief granted hereunder did not pay at least 90% of the tax, penalty and interest owed by such employer in the current or prior tax year, such employer shall not be eligible for the tax relief granted hereunder and any tax relief taken shall be denied.

SECTION 7. If an employer is not eligible for tax relief under Sections 3 or 4 of this ordinance, the requirements of Chapter 3-20 of the Code shall apply.

SECTION 8. For purposes of determining compliance with this ordinance, the director of revenue is authorized to request or require an employer to provide written proof to the department of revenue that such employer meets all of the requirements necessary to qualify for any tax relief claimed under Sections 3 or 4 of this ordinance. The failure of an employer to provide any written proof required or requested by the department of revenue pursuant to this ordinance shall be prima facie evidence that the employer does not meet such requirements.

SECTION 9. The director of revenue is authorized to promulgate rules and regulations necessary to implement the requirements of this ordinance.

SECTION 10. This ordinance shall be effective upon passage and approval, and shall be repealed on August 16, 2011 without further action by the City Council. Provided, however, that such repeal shall not be construed to limit the department's ability under Section 3-4-120 of the Uniform Revenue Procedures Ordinance, Chapter 3-4 of the Code, to assess any tax that the department determines is owed by an employer as a result of a denial by the department of the tax relief authorized under this ordinance.

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SECTION 6. If as a result of an audit, the department determines that an employer claiming the tax relief granted hereunder did not pay at least 90% of the tax, penalty and interest owed by such employer in the current or prior tax year, such employer shall not be eligible for the tax relief granted hereunder and any tax relief taken shall be denied.

SECTION 7. If an employer is not eligible for tax relief under Sections 3 or 4 of this ordinance, the requirements of Chapter 3-20 of the Code shall apply.

SECTION 8. For purposes of determining compliance with this ordinance, the director of revenue is authorized to request or require an employer to provide written proof to the department of revenue that such employer meets all of the requirements necessary to qualify for any tax relief claimed under Sections 3 or 4 of this ordinance. The failure of an employer to provide any written proof required or requested by the department of revenue pursuant to this ordinance shall be prima facie evidence that the employer does not meet such requirements.

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REFERRED TO A COMMITTEE TO BE CONSIDERED BY THE COMMITTEE OF MEMBERS OF COMMITTEE ON
<i>FINANCE</i>
<i>ECONOMIC</i>
PAGE _____ (COUN. JOUR.)
<i>Miguel del Valle</i> City Clerk

DEC 16 2009

PASSED by the City Council of the City of Chicago and deposited in the office of the City Clerk of said City.
JAN 13 2010
<i>Miguel del Valle</i> City Clerk City of Chicago