

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

Parking Lot and Garage Operations Tax Ruling #2  
Subject: Valet Parking Operators  
Effective date: June 1, 2004

Original effective date: February 14, 1995

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(a) the tax is due when consideration is paid for the privilege of occupying a space in or upon any parking lot or garage in the City of Chicago. See also section 4-236-020(h).

Section 2. It shall be presumed that the consideration paid by a person for valet parking includes payment for the privilege of occupying a parking space since the parking tax becomes due whenever payment is made for use of a space in a parking lot or garage. Valet parking operators, as defined by Section 4-232-050(a), are therefore required to collect the parking tax and remit it to the Department of Revenue, except as provided in section 3 and 4 below.

Section 3. Under Section 4-236-010, the parking tax does not apply to motor vehicles parked on the public way. Therefore, a valet parking operator that parks a motor vehicle on the public way is not obligated to collect the tax in that instance. A valet parking operator claiming no tax liability, or claiming a reduced liability, pursuant to this section 3 shall have the burden of proving to the Department that the parking occurred on the public way and not in a parking lot or parking garage.

Section 4. A valet parking operator is not required to collect or remit the parking tax if the valet parking operator or the recipient of the parking space pays the tax to a parking lot or garage operator other than the valet parking operator.

Additional rules relating to the tax collection responsibilities of valet parking operators may be promulgated.