



INFORMATIONAL BULLETIN

■ Chicago Amusement Tax

TO: All wireless phone service providers:

The purpose of this informational bulletin is to discuss "Mobile Television" (Mobile TV) as it pertains to the Chicago Amusement Tax, Chicago Municipal Code (Code) chapter 4-156. Please refer to the ordinance for exact terms.

What is considered an Amusement?

Per Code section 4-156-010, the term "amusement" includes:

"(3) any paid television programming, whether transmitted by wire, cable, fiber optics, laser, microwave, radio, satellite or similar means."

What is the tax rate?

Please visit our website for current tax rate information. Our web address is www.cityofchicago.org/revenue.

What is Mobile TV?

Mobile TV is a service which allows users to view paid television programming on their wireless phones. The users are typically charged a monthly fee for this type of service, and the charge appears on their wireless phone bill.

Is Mobile TV an amusement?

Yes. Mobile TV is a form of paid television programming that fits the definition of "amusement" per Code section 4-156-010 and is therefore subject to the amusement tax.

Who is responsible for payment of the tax?

The subscribers of the service are responsible for paying the tax to their wireless phone service providers.

Who is responsible for collection of the tax?

It is each wireless phone service provider's responsibility to collect the tax and remit it to the Department.

How often is the tax remitted?

The tax is to be remitted monthly with taxes collected in one month payable by the last day of the subsequent month. The tax return for periods commencing on July 1 of each year and ending on June 30 of the subsequent year, is filed annually and is due by August 15 of each year.

Once registered, returns and payments can be made through the U.S. postal service, in person, or online at www.cityofchicago.org/revenue

How do I determine which customers are subject to the Chicago Amusement Tax on Mobile TV?

The Department will accept use of the Mobile Telecommunications Sourcing Conformity Act, 35 ILCS 638, as the basis for determining which Mobile TV customers are subject to the City's amusement tax. This is the same rule that is used to determine which wireless phone service customers are subject to the City's simplified telecommunications tax, Code chapter 3-73. Therefore, customers who are subject to the City's

telecommunications tax on their wireless phone service charges are subject to the City's amusement tax on any charges for Mobile TV. Conversely, customers who are not subject to the City's telecommunications tax on their wireless

phone service charges are not subject to the City's amusement tax on any charges for Mobile TV.

Where a customer is subject to both the City's telecommunications tax and the City's amusement tax, the wireless phone service provider is responsible for collecting both taxes and remitting them to the Department.

Questions?

If you have questions or need more information, please write us. Our address is:

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