

## December 1999 Information Bulletin

### **Information Bulletin**

#### **Parking Taxes for Registered Parking Lot and Garage Operators**

##### **TO: REGISTERED PARKING LOT AND GARAGE OPERATORS**

The purpose of this Informational Bulletin is to outline recent amendments to the Parking Lot and Garage Operation tax and to notify parking lot and garage operators on new filing and payment requirements. This is the second Information Bulletin issued to parking operators.

##### **General Information**

The parking tax is imposed on the use and privilege of parking a motor vehicle in or upon any parking lot or garage in the City of Chicago. The ultimate incidence of and liability for payment of this tax is on the parking recipient.

It shall be the duty of every operator of a parking lot or garage to secure the tax from each recipient and to remit the tax to the Department of Revenue. The municipal code reference for this tax is Chapter 4- 236.

##### **Amendments to the Parking Tax**

On November 2, 1999 , the City Council passed amendments to the parking tax which are effective **March 1, 2000**. The amendments include:

##### **A Tax Rate Increase**

For the privilege of parking for a 24- hour period or less the tax is \$.75 if the charge or fee is greater than \$2.00 but less than \$5.00; \$1.50 if the charge or fee is \$5.00 or more but less than \$12.00; and \$2.00 if the charge or fee is \$12.00 or more.

The tax imposed by the ordinance for the privilege of parking on a weekly basis shall be \$3.75 if the charge or fee is greater than \$10.00 but less than \$25.00; \$7.50 if the charge or fee is \$25.00 or more but less than \$60.00; and \$10.00 if the fee is \$60.00 or more.

The tax imposed by this chapter for the privilege of parking on a monthly basis shall be \$15.00 if the charge or fee is greater than \$50.00 but less than \$100.00.; \$30.00 if the charge or fee is \$100.00 or more but less than \$240.00; and \$40.00 if the charge or fee is \$240.00 or more.

##### **Limited Tax -Free Parking**

The tax shall not be imposed on parking privileges where the charge or fee does not exceed \$2.00 for a 24-hour period or fraction thereof, or \$10.00 for a weekly period or \$40.00 for a monthly period.

In summary, where an operator charges different parking rates based on the day of week or length of time that a motor vehicle is parked, the applicable tax rate for the parking privilege shall be determined by the actual amount charged for that motor vehicle.

It should be noted that the full tax rate will apply to all parking privileges in cases where an operator fails to keep accurate and complete books and records evidencing that the reduced rate or no tax applies.

## **Questions?**

If you have questions or need more information, please write or call us. Our address and telephone numbers are:

**City of Chicago**

**Department of Revenue**

**Tax Policy Division**

**333 S. State Street, Ste. 300**

**Chicago, IL 60604-3977**

**Customer Service (312)747-9723**

**TTY (312)747-2975**