



AGENDA ITEM EXECUTIVE SUMMARY

Title:	Discuss Amendments to Title 3, “Revenue and Finance”, Chapter 3.42 “Alcohol Tax”, Section 3.42.090 “Late payment and/or Filing; Failure to Pay and/or File” of the City Municipal Code
Presenter:	Julie Herr

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input checked="" type="checkbox"/>	Liquor Commission (2/18/14)

Estimated Cost:	N/A	Budgeted:	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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If NO, please explain how item will be funded:

Executive Summary:

City staff is requesting an amendment to Title 3, “Revenue and Finance”, Chapter 3.42 “Alcohol Tax”, Section 3.42.090 “Late Payment and or/Filing; Failure to Pay and/or File”. The purpose of the amendment is to modify the penalty structure for late filing of alcohol taxes to include either a graduated flat rate penalty or a penalty of 5% of the tax due, whichever is greater. For the first offense, the late penalty would be \$50 or 5% of the tax due, whichever is greater. For the second offense, the penalty would be \$100 or 5% of the tax due, whichever is greater, and for the third and subsequent offenses, the penalty would be \$150 or 5% of the tax due, whichever is greater. City staff spends a number of hours each month following up late alcohol tax payers that may only have a \$10 penalty, based on the amount of tax remitted. We are hopeful that that having minimum penalties of \$50, \$100 and \$150 in place will incentivize these businesses to file their alcohol taxes by the due date.

City staff seeks direction from the Liquor Control Commission to draft an ordinance amending Title 3, “Revenue and Finance” to go before committee for recommendation to City Council.

Attachments: *(please list)*

Draft Ordinance

Recommendation / Suggested Action *(briefly explain):*

Discuss amendments to Title 3, “Revenue and Finance”, Chapter 3.42 “Alcohol Tax”, Section 3.42.090 “Late payment and/or Filing; Failure to Pay and/or File” of the City Municipal Code,

<i>For office use only:</i>	<i>Agenda Item Number: 5</i>
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City of St. Charles, Illinois
Ordinance No. 2014-M-__

**An Ordinance Amending Title 3, “Revenue and Finance”, Chapter 3.42
“Alcohol Tax”, Section 3.42.090 “Late Payment and/or Filing; Failure
to Pay and/or File” of the St. Charles Municipal Code**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES,
KANE AND DUPAGE COUNTIES, ILLINOIS AS FOLLOWS:

Section 1. That Title 3, “Revenue and Finance”, Chapter 3.42 “Alcohol Tax”, of the St. Charles Municipal Code be and is hereby amended to Section 3.42.090 “Late Payment and/or Filing; Failure to Pay and/or File” be deleted in its entirety and replace with the following language:

3.42.090 Late payment and/or filing; failure to pay and/or file.

~~A. If for any reason a tax imposed under this chapter is not paid when due, a penalty of five percent (5%) on the amount of tax which remains unpaid shall be added and collected. Whenever any person shall fail to pay any tax as provided in this chapter, the city attorney upon the request of the finance director shall bring or cause to be brought an action to enforce the payment of the tax on behalf of the city in any court of competent jurisdiction.~~

3.42.090 Late payment and/or filing; failure to pay and/or file.

A. If for any reason a tax imposed under this chapter is not paid when due, a penalty shall be added and collected as follows. For the first offense, \$50.00 or five percent (5%) on the amount of tax which remains unpaid, whichever is greater; for the second offense, \$100.00 or five percent (5%) on the amount of tax which remains unpaid, whichever is greater; and for the third and subsequent offenses, \$150.00 or five percent (5%) on the amount tax which remains unpaid, whichever is greater.

Whenever any person shall fail to pay any tax as provided in this chapter, the city attorney, upon the request of the Finance Director, shall bring or cause to be brought an action to enforce the payment of the tax on behalf of the city and reasonable attorney’s fees incurred in bringing such action in any court of competent jurisdiction.

Section 2. That after the adoption and approval hereof, this Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the City Council of the City of St. Charles, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with general circulation within the City of St. Charles.

Section 3. That this Ordinance shall be in full force and effect ten (10) days from and after its passage, approval and publication as provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois this _____ day of _____, 2014.

PASSED by the City Council of the City of St. Charles, Illinois the _____ day of _____, 2014.

APPROVED by the Mayor of the City of St. Charles, Illinois this _____ day of _____, 2014.

Mayor Raymond P. Rogina

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays:

Abstain:

Absent:

APPROVED AS TO FORM:

City Attorney

DATE: _____