

CITY OF NOKOMIS, ILLINOIS

ORDINANCE NO. 2126

AN ORDINANCE IMPLEMENTING A NON-HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX AND A NON-HOME RULE MUNICIPAL SERVICE OCCUPATION TAX FOR THE CITY OF NOKOMIS

**ADOPTED BY THE
CITY COUNCIL
OF THE
CITY OF NOKOMIS, ILLINOIS
THIS 9th day of SEPTEMBER, 2024**

Published in pamphlet form by the authority of the City Council of the City of
Nokomis, Montgomery County, Illinois, this 9 day of September, 2024.

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RETAILERS' OCCUPATION TAX AND A NON-HOME RULE MUNICIPAL
SERVICE OCCUPATION TAX FOR THE CITY OF NOKOMIS**

WHEREAS, the City of Nokomis, Illinois (the "City") is a non-home rule Illinois municipal corporation pursuant to Article VII, § 8 of the Constitution of the State of Illinois of 1970, as amended, organized and operating under the Illinois Municipal Code, 65 ILCS 5/1-1-1, *et seq.*; and

WHEREAS, pursuant to Section 1-2-1 of the Illinois Municipal Code, 65 ILCS 5/1-2-1, the Village "may pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to municipalities, with such fines or penalties as may be deemed proper"; and

WHEREAS, the City has numerous public infrastructure projects and ongoing municipal operations costs with limited options for additional revenue; and

WHEREAS, Section 8-11-1.1 of the Illinois Municipal Code (65 ILCS 5/8-11-1.1) empowers non-home rule Illinois municipalities to impose certain Municipal Retailers' Occupation Taxes as outlined at Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) (the "Non-Home Rule Municipal Retailers' Occupation Tax"); and

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) empowers a non-home rule municipality to "impose a tax upon all persons engaged in the business of selling tangible personal property, other than on an item of tangible personal property which is titled and registered by an agency of this State's Government, at retail in the municipality" based upon the "gross receipts from such sales made in the course of such business" for "expenditure on public infrastructure or for property tax relief or both" as defined in Section 8-11-1.2 (65 ILCS 5/8-11-1.2); and

WHEREAS, Section 8-11-1.1 of the Illinois Municipal Code (65 ILCS 5/8-11-1.1) empowers non-home rule Illinois municipalities to impose certain Municipal Service Occupation Taxes as outlined at Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) (the "Non-Home Rule Municipal Service Occupation Tax"); and

WHEREAS, Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) empowers a non-home rule municipality to "impose a tax upon all persons engaged, in such municipality, in the business of making sales of service . . . of the

selling price of all tangible personal property transferred by such servicemen either in the form of tangible personal property or in the form of real estate as an incident to a sale of service"; and

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) and Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) empower the City of Nokomis to impose the Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal Service Occupation Tax in 1/4% increments up to 1%; and

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) requires any municipality imposing a Non-Home Rule Municipal Retailers' Occupation Tax under Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) to impose a Non-Home Rule Municipal Service Occupation Tax under Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) at "the same rate" as the rate imposed as the Non-Home Rule Municipal Retailers' Occupation Tax being imposed; and

WHEREAS, in studying and assessing the cost of future infrastructure and operational needs, and other appropriate factors, the corporate authorities have determined that a tax as allowed by the aforementioned provisions of the Illinois Municipal Code would be appropriate; and

WHEREAS, any Non-Home Rule Municipal Retailers' Occupation Tax imposed by the City of Nokomis under Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) shall be administered, collected, and enforced by the Illinois Department of Revenue; and

WHEREAS, any Non-Home Rule Municipal Service Occupation Tax imposed by the City of Nokomis under Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) shall be administered, collected, and enforced by the Illinois Department of Revenue; and

WHEREAS, proceeds generated from the imposition of any Non-Home Rule Municipal Retailers' Occupation Tax or Non-Home Rule Municipal Service Occupation Tax by the City of Nokomis shall be used for "public infrastructure" or "property tax relief," as those terms are defined at Section 8-11-1.2 of the Illinois Municipal Code (65 ILCS 5/8-11-1.2); and

WHEREAS, the City Council believes that it is appropriate, necessary, and in the best interests of the City of Nokomis and its residents that the City of Nokomis levy a Non-Home Rule Municipal Retailers' Occupation Tax pursuant to Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) and a Non-Home Rule Municipal Service Occupation Tax pursuant to Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) so that the City of Nokomis can provide

property tax relief and invest in public infrastructure, as those terms are defined at Section 8-11-1.2 of the Illinois Municipal Code (65 ILCS 5/8-11-1.2).

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NOKOMIS, MONTGOMERY COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Nokomis, Illinois.

SECTION 2: A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this state's government, at retail in this municipality at the rate of 1.00% of the gross receipts from such sales made in the course of such business while this Ordinance is in effect. The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3).

SECTION 3: A tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service. The rate of this tax shall be the same rate identified in Section 2, above. The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4).

SECTION 4: The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department of

Revenue of the State of Illinois. The Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

SECTION 5: The City of Nokomis shall only expend the proceeds generated from any tax imposed by virtue of this Ordinance on: (a) expenditures related to “municipal roads and streets, access roads, bridges, and sidewalks; waste disposal systems; and water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities[;]” (b) efforts to “reduce the levy for real estate taxes or avoid an increase in the levy for real estate taxes that would otherwise have been required” by the City of Nokomis; or (c) any other or further permitted uses under Section 8-11-1 of the Illinois Municipal Code (65 ILCS 5/8-11-1) as may now or hereafter be authorized therein.

SECTION 6: No provision of this Ordinance shall be interpreted to impose any tax on aviation fuel, as defined in Section 3 of the Retailers’ Occupation Tax Act (35 ILCS 120/3), unless the proceeds of said tax are expended for airport-related purposes, as that term is defined in Section 6z-20.2 of the State Finance Act (30 ILCS 105/6z-20.2), and said expenditures are made in compliance with the certification requirements for airport-related purposes under Section 2-22 of the Retailers’ Occupation Tax Act (35 ILCS 120/2-22).

SECTION 7: All ordinances, resolutions, motions, or parts thereof in conflict with this Ordinance are hereby superseded, and this Ordinance shall be in full force and effect upon its adoption, approval, and publication as required by law.

SECTION 8: If any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or

unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 9: The Mayor is authorized and directed to sign and the Clerk is authorized and directed to attest to this Ordinance and any other documents in furtherance of the purposes of this Ordinance.

SECTION 10: As required under Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3), the City Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before October 1, 2024.

SECTION 11: This Ordinance shall take effect on the first day of January next following the adoption and filing of this Ordinance with the Illinois Department of Revenue.

SECTION 12: The City Clerk shall publish this Ordinance in pamphlet form.

SECTION 13: This Ordinance shall be in full force and effect after its passage, approval, and publication as required by law.

Adopted this 9th day of September, 2024, by roll call votes as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Present</u>
Commissioner Arkebauer	✓			
Commissioner Morris	✓			
Commissioner Glenn	✓			
Commissioner Stauder			✓	
Mayor Goldsmith	✓			

APPROVED by the Mayor of the City of Nokomis, Illinois this 9th day of September, 2024.


MAYOR

ATTEST:


CITY CLERK

STATE OF ILLINOIS)
COUNTY OF MONTGOMERY) SS.
CITY OF NOKOMIS)

CERTIFICATE

I certify that I am the duly appointed and acting City Clerk of the City of Nokomis, Montgomery County, Illinois, and, as such, am the keeper of records and seal thereof; that the foregoing is a true, complete, and correct copy of Ordinance No. 2126 of said City; that said Ordinance, which is


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was passed by the City Council of the City of Nokomis, Montgomery County, Illinois, by yea and nay vote on the 9th day of September, 2024; that said Ordinance was approved by the Mayor on the 9th day of September, 2024; and that said Ordinance was then deposited in the office of the City Clerk of said City and filed therein; and that the same was recorded in the Record of Ordinances of said City.

I further certify said Ordinance provided by its terms that it should be published in pamphlet form; that the pamphlet form of said Ordinance, including the Ordinance and a cover sheet thereof, was prepared; that a copy of such Ordinance was posted in the Nokomis City Hall, commencing on the 9th day of September, 2024, to continue for at least ten (10) days thereafter; and that copies of such Ordinance were also available for public inspection upon request in the office of the City Clerk.

DATED at Nokomis, Illinois, this 9th day of September, 2024.

(SEAL)



City Clerk