



Legislation Text

File #: 2019-0842, **Version:** 1

Title
Implementation of an Amusement Tax - Ordinance

History

Per Trustee request, at the November 18, 2019 Finance Committee meeting, the implementation of an Amusement Tax was discussed and a consensus was reached to bring this item to the full Board of Trustees.

As proposed, effective April 1, 2020, a 5% amusement tax would be imposed on all gross receipts within the Village for each amusement event or showing as noted in the attached Ordinance. An "amusement" is defined as any and all participatory, spectator and exhibitive diversions and entertainments with the exception of instructional activity. As an example, the tax would be imposed on a round of golf, but would not be imposed on the purchase of food or drink at the club house.

The amusement tax would not be applicable to events held by any religious, charitable, labor, fraternal, educational, veteran's, 501 (c) not-for-profit organizations, municipal, park district, school district, or any unit of local government.

Attached is a proposed ordinance for the Board's review and approval. Also attached please find information related to various taxes and other revenues collected by surrounding and/or comparable municipalities.

I move to approve Ordinance No. _____ entitled "AN ORDINANCE AMENDING TITLE 7, CHAPTER 7 (BUSINESS AND LICENSE) OF THE ORLAND PARK VILLAGE CODE TO ADD A NEW SECTION 7-7-8"

Financial Impact

Should the Board choose to apply the amusement tax broadly to all classes of entities identified in the Ordinance, annual revenue is estimated at approximately \$600,000.

Recommended Action/Motion

I move to table this item for future discussion during the 2021 Budget discussion cycle.