

ORDINANCE NO. 18 - _____

**AN ORDINANCE AMENDING SECTION 9 (FOOD AND BEVERAGE TAXES)
OF CHAPTER 1 (MUNICIPAL OCCUPATION TAXES),
TITLE 3 (BUSINESS AND LICENSE REGULATIONS),
OF THE NAPERVILLE MUNICIPAL CODE**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NAPERVILLE, DuPage and Will Counties, in exercise of its home rule authority, the following:

SECTION 1: Title 3 (Business and License Regulation), Chapter 1

(Municipal Occupation Taxes), Section 9 (Food and Beverage Taxes) is hereby amended by deleting the stricken language and adding the underlined language as follows:

3-1-9: FOOD AND BEVERAGE TAXES:

1. Definitions: * * * *
2. Tax Imposed:
 - 2.1. Retail Food Facilities Throughout The City: Commencing on July 1, 2004, a tax, in addition to any and all other taxes, is hereby levied and imposed upon the privilege of the retail purchase of alcoholic liquor, food or beverages at any "retail food facility" or "retail liquor facility", as herein defined, within the City, at the rate of one percent (1%) of the purchase price of such alcoholic liquor, food or beverage, the ultimate incidence of and liability for payment of which shall be borne by the purchaser thereof.
 - 2.2. Retail Food Facilities Within The Downtown:
 - 2.2.1. Tax Imposed: Commencing November 1, 2008, a downtown food and beverage tax, in addition to any and all other applicable taxes,

including the one percent (1%) food and beverage tax described in Subsection 3-1-9:2.1 of this Section, is levied and imposed upon the privilege of the retail purchase of alcoholic liquor, food or beverages at any "retail food facility", as herein defined, within the downtown, at the rate of ~~one percent (1%)~~ three quarters of one percent (0.75%) of the purchase price of such alcoholic liquor, food or beverage, the ultimate incidence of and liability for payment of which shall be borne by the purchaser thereof.

2.2.2. Use Of Funds; Expiration Of Tax: The funds raised by the downtown food and beverage tax are restricted for use as a funding source for construction and maintenance of parking facilities within the downtown and shall not be utilized for the payment of greater than sixty-six percent (66%) of the total cost of any individual parking facility. The ~~one percent (1%)~~ downtown food and beverage tax shall terminate upon the expiration of twenty-five (25) years from the date of implementation of the tax.

2.2.3. Citywide Home Rule Sales Tax: Should the City enact or adjust a Citywide home rule sales tax ~~for the purpose of financing parking facilities~~ at any time that this downtown food and beverage tax is being collected, this downtown food and beverage tax shall be ~~adjusted~~ decreased or increased proportionally by the incremental respective increase or decrease in the amount of home rule sales tax imposed on ~~revenue paid by those entities, and that is intended for~~

~~construction or maintenance of parking facilities in the downtown.~~

Said adjustment shall not exceed the ~~one percent (1%)~~ three quarters of one percent (0.75%) rate annually.

2.2.4.	*	*	*	*
3. Through 10:	*	*	*	*

SECTION 2: This ordinance shall be in full force and effect from and after its passage and approval.

PASSED this _____ day of _____, 2018

AYES:

NAYS:

ABSENT:

APPROVED this _____ day of _____, 2018

Steve Chirico
Mayor

ATTEST:

Pamela Gallahue, Ph.D.
City Clerk