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## **Village of Mount Prospect**

50 S. Emerson Street, Mount Prospect, Illinois 60056

### **Chapter 8, Article XX: Local Government Taxpayers' Bill of Rights**

#### **8.2001: DEFINITIONS:**

CODE: The village code.

TAX: Any pecuniary burden imposed by this village on individuals or entities to support village government (including the infrastructure maintenance fee) that is not a permit or other fee, is not collected or administered by a department or agency of the state of Illinois, or is not a tax on real property under the Illinois property tax code 12. This shall include, but not be limited to, any of the following taxes that may now, or in the future be collected or administered by this village:

|                                      |                                    |
|--------------------------------------|------------------------------------|
| Auto rental tax.                     | Municipal motor fuel tax.          |
| Coin-operated games and devices tax. | Natural gas user tax.              |
| Food and beverage tax.               | Real estate transfer tax.          |
| Foreign fire insurance tax.          | Telecommunications tax.            |
| Hotel/motel tax.                     | Utility tax (Ord. 5189, 5-15-2001) |
| Infrastructure maintenance fee.      |                                    |

#### **8.2002: APPLICATION OF PAYMENTS:**

Notwithstanding any provision in this code to the contrary, any payment designated by a taxpayer as payment of a particular tax liability shall be applied to that taxpayer's liabilities pertaining to the particular tax as follows: a) first to the interest accrued on outstanding tax liabilities; b) second to the outstanding tax liability; c) third to any penalties due on outstanding tax liabilities; and d) fourth to current tax liabilities. (Ord. 5189, 5-15-2001)

#### **8.2003: INTEREST ON OVERDUE PAYMENTS:**

Notwithstanding any provision in this code to the contrary, any tax not paid on the date due shall accrue interest at a rate set forth in appendix A, division II of this code, on the amount due for each month or part of a month the tax remains unpaid. (Ord. 5189, 5-15-2001)

#### **8.2004: DETERMINATION OF TAX LIABILITY:**

A. To collect overdue taxes, a notice of determination of tax liability shall be sent to the taxpayer by registered or certified mail within six (6) years after the calendar year when the tax was due. However, if more than seventy five percent (75%) of the tax due has been paid, a determination notice must be sent within four (4) years after the end of the calendar year when the tax was due.

B. Any notice of determination of tax liability shall include the following:

1. Reason for tax liability.
2. The amount of tax, interest and penalty due on the date of the determination and information on how interest and penalties accrue.
3. Procedure for appeal.

4. Information regarding the right of the village to audit the taxpayer's books and records for a particular period and its obligation to refund overpayments. (Ord. 5189, 5-15-2001)

#### **8.2005: APPEALS:**

Any taxpayer may within forty five (45) days of the date of receipt of a notice of determination of tax liability or at any time before a current tax becomes due, seek a hearing before the director of finance to appeal the tax liability. Upon full payment of the amount of tax protested plus accrued interest due, the director of finance shall extend the forty five (45) day period for appeal for up to an additional forty five (45) days for good cause upon the written request of the taxpayer. (Ord. 5189, 5-15-2001)

#### **8.2006: CREDITS AND REFUNDS:**

Notwithstanding any provision in this code to the contrary, a taxpayer may make a written claim for a credit or refund for payment of taxes, interest or penalties paid in error for up to four (4) years after the end of the calendar year in which the payment was made. Claims must include dates, amount paid, and an explanation of the error that occurred. The director of finance shall determine whether a credit or refund is justified and shall respond to the taxpayer in writing within thirty (30) days of receipt of the claim. Tax amounts paid in error shall be refunded along with a rate of simple interest per year that is set forth in appendix A, division I of this code. (Ord. 5189, 5-15-2001)

#### **8.2007: VOLUNTARY APPLICATION FOR THE DETERMINATION:**

A taxpayer who has not received a written notice of an audit or a notice of determination of a tax liability may make a written application to the director of finance for a determination of the taxpayer's liability pertaining to a particular tax. Such an applicant must agree to pay, within ninety (90) days of the date of the application, the tax due plus interest at a rate set forth in appendix A, division I of this code, per month for all periods within four (4) years prior to the filing of the application. The taxpayer shall be liable for any underpaid taxes and accrued interest during the four (4) year time period. (Ord. 5189, 5-15-2001)

#### **8.2008: LIENS:**

In the first month of each year the director of finance shall cause all liens against taxpayers to be reviewed. The village shall at its sole expense release improper liens, correct the taxpayer's credit record and correct any public disclosure of said lien. (Ord. 5189, 5-15-2001)

#### **8.2009: INTEREST:**

In the event of failure by any person to pay a required tax when due, interest shall accumulate and be due at the rate per month set forth in appendix A, division I of this code, commencing on the first day after the day on which the tax became due. (Ord. 5189, 5-15-2001)

#### **8.2010: PENALTIES:**

A. A penalty at a rate set forth in appendix A, division III of this code on the amount of tax due shall be charged against any taxpayer whose tax payment is not made on or before the date the tax is due.

B. A penalty at a rate set forth in appendix A, division III of this code of the amount of tax due for the period in which a report or return is required to be filed shall be charged against any taxpayer who fails to file, before the date that a determination of liability is issued, a report or return for that period.

C. Any penalty may be abated by the director of finance if reasonable cause for nonpayment or failure to file is shown. (Ord. 5189, 5-15-2001)

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