

MAYOR
Paul Wm. Hoefert

TRUSTEES
Vincent J. Dante
Agostino S. Filippone
Terri Gens
William A. Grossi
John J. Matuszak
Colleen E. Saccotelli



VILLAGE MANAGER
Michael J. Cassady

VILLAGE CLERK
Karen Agoranos

Phone: 847/392-6000
Fax: 847/392-6022
www.mountprospect.org

Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

Food and Beverage Tax Acknowledgment Form

I hereby acknowledge receipt of the Food and Beverage Tax packet including:

- Letter from Director of Finance
- Taxpayer Bill of Rights
- Village Food and Beverage Tax Code

Signature

Date

Printed Name

Name of Business

Please sign, date, and return to the Community Development Department.

ARTICLE IX

FOOD AND BEVERAGE TAX

SECTION:

8.901: Definitions

8.902: Imposition Of Tax

8.903: Collection Of Tax By Retailer

8.904: Books And Records

8.905: Transmittal Of Tax Collection

8.906: Penalties And Interest

8.907: Transmittal Of Excess Tax Collection

8.908: Enforcement; License Suspension, Revocation

8.909: Penalty

8.910: Effective Date

8.901: DEFINITIONS:

For the purposes of this article, unless the context otherwise requires, the following words or terms shall have the meanings respectively applied to them:

ALCOHOLIC LIQUOR: Alcoholic beverage or liquor as defined in chapter 13 of this code.

ALCOHOLIC LIQUOR FACILITY: Any establishment licensed under the provisions of chapter 13 of this code.

PERSON: Any individual, firm or corporation, representative or entity.

PREPARED FOOD:

A. Means and includes any solid, liquid (including both alcoholic and nonalcoholic liquid), powder or item used or intended to be used for human internal consumption, whether simple, compound or mixed and which has been prepared for immediate consumption.

B. "Prepared food" may be purchased for consumption within or upon the premises where it is sold or it may be purchased for consumption off the premises. However, with respect to food purchased for consumption off the premises where it is sold, "prepared food" does not mean or include any food which is sold in a closed or sealed bottle, can, carton or container of the manufacturer or wholesaler or which has not been prepared for immediate consumption.

PREPARED FOOD FACILITY:

A. Any person or establishment subject to licensing pursuant to chapter 11 of this code which sells at retail food which has been prepared for immediate consumption and whether or not such prepared food facility use is conducted along with any other use(s) in a common premises or business establishment.

B. A "prepared food facility" includes, but is not limited to, those establishments commonly called an inn, restaurant, eating place, drive-in restaurant, buffet, bakery, cafeteria, cafe, lunch counter, fast food outlet, catering service, coffee shop, diner, sandwich shop, soda fountain, tavern, bar, cocktail lounge, soft drink parlor, ice cream parlor, tearoom, delicatessen, movie theater, mobile food or beverage or ice cream vehicle, hotel, motel, or club, or any other establishment which sells at retail food which has been prepared for immediate consumption.

C. A "prepared food facility" does not include churches, public or private schools, boarding houses, daycare centers, nursing homes, retirement centers or similar residential care facilities, or programs for the central preparation of meals to be delivered and consumed at private residences of invalids or the elderly, or other facilities of not for profit associations or corporations.

PURCHASE AT RETAIL: To obtain for use or consumption in exchange for consideration, whether in the form of money, credits, barter or any other nature, and not for resale.

RETAILER: A person who sells or offers for sale, for use or consumption and not for resale. (Ord. 3837, 9-15-1987; amd. Ord. 5732, 4-8-2009)

8.902: IMPOSITION OF TAX:

A tax, in addition to any and all other taxes, is hereby imposed upon the purchase of prepared foods and alcoholic liquor at retail at any prepared food facility or alcoholic liquor facility within the village, at the rate set forth in appendix A, division II of this code. The ultimate incidence of and liability for payment shall be borne by the purchaser. (Ord. 5346, 7-15-2003)

8.903: COLLECTION OF TAX BY RETAILER:

The owner and the operator of each prepared food facility and each alcoholic liquor facility within the village shall jointly and severally, have the duty to collect and account for said tax from each purchaser at the time that the consideration for such purchase

is paid.

If the owner or the operator is delivering prepared food through marketplace facilitators, at such an instance or instances, the marketplace facilitators along with the owner and operator, jointly and severally, have the duty to collect and account for said tax from each purchaser at the time that the consideration for such purchase is paid. The owner and operator may not have to pay the tax on the sale of prepared food occurring through the marketplace facilitators if the marketplace facilitator is collecting and remitting the food and beverage tax to the Village of Mount Prospect. (Ord. 3837, 9-15-1987; amd. Ord. 6585, 11-16-2021)

8.904: BOOKS AND RECORDS:

The owner, operator and marketplace facilitators of each prepared food facility and each alcoholic liquor facility within the village shall jointly and severally, have the duty to maintain complete and accurate books, records and accounts, showing the gross receipts for sales of prepared food and alcoholic liquor and the taxes collected each day, which shall be made available to the village for examination and for audit by the village upon reasonable notice and during customary business hours. (Ord. 3837, 9-15-1987; amd. Ord. 6585, 11-16-2021)

8.905: TRANSMITTAL OF TAX COLLECTION:

The owner, operator and marketplace facilitators of each prepared food facility and each alcoholic liquor facility within the village shall jointly and severally, have the duty to cause to be filed a sworn return with the finance director for each such facility and for each such licensed premises located in the village. Said return shall be prepared and submitted on forms prescribed by the village. Said return shall be filed with the village by the filing date and at the same time intervals or frequencies as the retailer's occupation tax return, form RR-1-A., is due to be filed with the Illinois department of revenue. Said return shall also be accompanied by payment to the village of all taxes imposed by this article which are due and owing for the period covered by said return. Said return shall also be accompanied with a copy of the return filed with the Illinois department of revenue for sales within the village of Mount Prospect covering the same reporting period. (Ord. 3837, 9-15-1987; amd. Ord. 6585, 11-16-2021)

8.906: PENALTIES AND INTEREST:

If any tax imposed by this article is not paid when due, or any return is not filed when due, the interest and penalty provisions of sections 8.2009 and 8.2010 of this chapter shall be applied. (Ord. 5156-A, 12-19-2000)

8.907: TRANSMITTAL OF EXCESS TAX COLLECTION:

If any person collects an amount upon a sale not subject to the tax imposed hereby but which amount is purported to be the collection of said tax, or if a person collects an amount upon a sale greater than the amount of the tax so imposed herein and does not for any reason return the same to the purchaser who paid the same before filing the return for the period in which such occurred, said person shall account for and pay over those amounts to the village along with the tax properly collected. (Ord. 3837, 9-15-1987)

8.908: ENFORCEMENT; LICENSE SUSPENSION, REVOCATION:

Payment and collection of said tax and any payment penalty may be enforced by action in any court of competent jurisdiction and failure to collect, account for and pay over said tax and any payment penalty shall be cause for suspension or revocation of any village license issued for such prepared food facility or alcoholic liquor facility applicable to the premises thereof, all in addition to any other penalties in this article. Such suspension and revocation shall take place as follows:

The village manager or his designee shall notify the licensee in writing that if all violations of these provisions are not cured within seventy two (72) hours, that such license shall be suspended for a period of thirty (30) days or until all violations are cured, whichever comes first. If all violations are not cured within the thirty (30) day time period, the license shall be automatically revoked and may be reinstated only upon all violations being cured and upon the applicant proceeding as if a new license were being sought. The licensee shall have seventy two (72) hours from the time of the receipt of the aforesaid notice to appeal this suspension. In the case of a licensee possessing a business license for prepared food only, said appeal shall be to the village manager. In the case of a licensee holding a liquor license, said appeal shall be to the local liquor control commissioner. A hearing shall be had on the appeal within ten (10) days of the filing of the request for appeal. The only issue to be determined by the official hearing the appeal is whether or not violations of these provisions have occurred. If the official hearing the appeal is convinced by a preponderance of the evidence that a violation has occurred, then the suspension and revocation portions of this enforcement section shall be mandatory. No stays may be issued pending an appeal and no extensions of time may be granted as a result on an appeal. (Ord. 3837, 9-15-1987; amd. Ord. 3905, 3-1-1988)

8.909: PENALTY:

Any person found guilty of operating a prepared food facility or an alcoholic liquor facility within the village after being given notice of an order of suspension or revocation, shall pay a mandatory fine set forth in appendix A, division III of this code. (Ord. 5189, 5-15-2001)

8.910: EFFECTIVE DATE:

These provisions shall be in full force and effect as of November 1, 1987. (Ord. 3837, 9-15-1987)

MAYOR

Paul Wm. Hoefert

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Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

Dear Business Owner:

A one percent (1%) municipal food and beverage tax is applied to all prepared foods and alcoholic liquor purchased at retail in the Village of Mount Prospect. A copy of the Article from the Mount Prospect Village Code pertaining to the tax is enclosed.

As a retailer of prepared food and/or liquor, you should immediately begin collecting the municipal food and beverage tax at a rate of one percent (1%) as provided in the ordinance. A return and the tax due for each calendar month must be filed with the Village on or before the 20th of the following month.

Tax remittances should be submitted online using Localgov, a secure file and pay platform. Visit our website at <https://www.mountprospect.org/departments/finance-department/taxes-and-service-fees> for more information to set up your account today at: <https://lata.localgov>.

State law requires all municipalities to establish a Taxpayers' Bill of Rights. A copy of the Article from the Mount Prospect Village Code pertaining to the Bill of Rights is enclosed. The Taxpayers' Bill of Rights establishes the legal amount of interest and penalties that municipalities can impose for the late payment of taxes. This information is provided to inform you of the law provisions which could affect you, as the operator of a business in Mount Prospect.

While we know our business community makes every attempt to comply with established deadlines, if a food and beverage tax return and payment are not remitted on time, the State has established certain rates for interest and penalties. Under the law, the Village is entitled to assess interest of one percent (1%) per month for any taxes that are not paid by the due date. In addition, a 5% penalty for failure to file a tax return and a five percent (5%) penalty for failure to pay the tax itself can also be assessed. The Village intends to impose and collect all interest and penalties provided by the law if the food and beverage taxes are not paid on time.

If you have any questions concerning the food and beverage tax, please contact the Finance Department at 847-392-6000.

Sincerely,

Amit R. Thakkar

Amit R. Thakkar
Director of Finance



VILLAGE OF MOUNT PROSPECT
 50 South Emerson Street
 Mount Prospect, IL 60056
 (847) 392-6000

FOOD AND BEVERAGE TAX RETURN

For Month Ending _____, 20 ____

Legal Business Name _____ DBA _____

Account # _____

Business Address _____ Phone _____

Computation of Tax Liability

		Enter Data Below:
1.	Taxable Receipts (from line 3 of ST-1, or line 4a of ST-2)	
2.	Food & Beverage Tax 1% (Multiply line 1 of this form by .01):	\$ 0.00
3.	Interest: 1% per Month (failure to pay when due) (Multiply line 2 of this form by .01 for each month that payment was delinquent):	
4.	Penalty: 5% Delinquent Return (if return is late) (Multiply line 2 of this form by .05):	
5.	Penalty: 5% Delinquent Tax Payment (if payment is late) (Multiply line 2 of this form by .05):	
6.	Total Due (Total of Lines 2 through 5):	\$ 0.00

Remittance Instructions:

Please remit this form and the amount indicated on **line 6** above. Include a completed copy of the Illinois Department of Revenue Form ST-1 or ST-2 (state sales tax return).

Checks should be made payable to the **VILLAGE OF MOUNT PROSPECT**.

The Village must receive your remittance by the 20th of the month immediately following the month when the taxes were collected. If the 20th of the month falls on a Sunday or holiday when Village Hall is closed, payment must be received by the next business day. A payment sent by mail must be postmarked no later than the 20th of the month. If the 20th of the month falls on a Sunday or national holiday when the U.S. Postal Service is closed, the remittance must be postmarked by the next business day.

If not paid when due, interest of one-percent (1%) per month applies to the tax liability. In addition, a five-percent (5%) penalty for failure to file a return and an additional five-percent (5%) penalty for failure to pay the tax by the due date applies.

Please notify the Finance Department of any change in ownership.

Affirmation

Under penalties provided by law, the undersigned attests that this tax return is true and accurate to the best of his/her knowledge and belief, and that the statements contained herein are taken from the books and records of the business for which this is filed.

Signature of Tax Payer

Name of Business Owner (Print/Type)

Title

IBT #

Email Address

Date

MAYOR

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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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