

# Article XXIII

## MOVIE THEATER TAX

### 8.2301: REGULATIONS:

A. Definitions: For the purposes of this article, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

**GROSS RECEIPTS:** All fees or charges received or collected in the form of admission fees or other charges for admission regardless of whether such fees or charges are characterized as admission fees, membership fees, use charges or service charges, exclusive of any tax imposed by the United States government, the state of Illinois, the village or any other governmental unit, provided, however:

1. Where a fee or charge is comprised of identifiable components, packages or tiers, this tax shall be imposed on any such components, packages or tiers which provide solely for admission to the movie theater; and
2. Where a single fee or charge for admission to any movie theater also entitles the patron to the incidental use of parking, restaurant, bar or refreshment, this tax shall be imposed on such fee or charge.

**MOVIE THEATER:** Means and includes any motion picture showing to which the general public is invited and for which admission is charged.

**OWNER:** Any person having an ownership interest in or conducting the operation of a movie theater.

#### B. Tax Imposed:

1. A tax is hereby imposed upon all persons operating a movie theater within the corporate limits of the village, in an amount as set forth in appendix A, division II of this code. This tax shall be in addition to all other taxes imposed by law.
2. Any person subject to the movie theater tax may separately itemize and charge the tax directly to patrons in addition to any admission fee or other charge. In the event the tax imposed by this article is not shown or collected as a separate charge, then all admission fees and other charges shall be deemed subject to the movie theater tax.

C. Books And Records; Inspection; Contents: The village manager or village finance director or any person designated by either of them as their respective deputy or representative, may enter the premises of any movie theater for inspection, examination, copying and auditing of books and records. This shall include, but not be limited to, the Illinois retailers' occupation tax and Illinois service occupation tax returns filed with the Illinois department of revenue. It shall be unlawful for any person to prevent, hinder or interfere with the village manager or the finance director or their duly designated deputies or representatives in the discharge of their respective duties in the performance of this subsection. It shall be the duty of every owner of a movie theater to keep accurate and complete books and records to which the village shall at all times have full access.

Such records shall include a daily sheet showing the amount of gross receipts received during any calendar day.

D. Transmittal Of Tax Revenue By Owner; Delinquency:

1. The owner or owners of each movie theater shall file tax returns showing the gross receipts received during each calendar month period upon forms prescribed by the finance director. Returns for each calendar month shall be due on or before the twentieth day of the next calendar month (e.g., the return for January shall be due on or before February 20; the return for February shall be due on or before March 20; etc.). Notwithstanding the foregoing, in the event that the owner of the movie theater files Illinois retailers' occupation tax and Illinois service occupation tax returns with the Illinois department of revenue at intervals which are greater than monthly, that owner shall be allowed to file tax returns relative to the tax imposed by this article with the village at the same intervals. At the time of the filing of the tax returns, the owner shall pay to the village all taxes due for the period to which the tax return applies.
2. If, for any reason, any tax due pursuant to this article is not paid when due, penalties and interest shall be imposed in accordance with the provisions of appendix A, division III of this code.
3. Owners filing tax returns pursuant to this subsection shall, at the time of filing such return, pay to the village the amount of the tax imposed by this article, less a commission of one percent (1%) of the amount of the tax, which is allowed to reimburse the owners for the expenses incurred in keeping records, billing, preparing and filing returns, remitting the tax and supplying data to the village upon request. No such commission may be claimed by an owner for taxes not timely remitted to the village.

E. Transmittal Of Excess Tax Collections: If any person collects an amount upon a transaction not subject to this tax, but which amount is purported to be the collection of the tax, or if a person collects an amount upon a transaction greater than the amount of this tax and does not for any reason return the same to the person who paid the same before filing the return for the period in which such occurred, that person shall account for and pay over those amounts to the village along with the tax properly collected.

F. Registration: Every owner maintaining a movie theater shall register with the finance department prior to the admission of any patron.

G. Exemptions: The provisions of this article shall not apply to:

1. Any movie theater sponsored or conducted by, and the proceeds of which inure exclusively and solely to the benefit of, any bona fide religious, charitable, or not for profit person or organization. Provided, however, that such person or organization has received an exemption from the state of Illinois and the United States internal revenue service exempting the person or organization from the payment of state and federal income taxes.
2. The movie theater is operated or conducted by a municipality, park district, school district, or any other unit of local government, whether individually or jointly.

H. Collection: Whenever any person shall fail to pay the tax imposed by this article, the village attorney or village prosecutor shall, upon request of the village manager, bring or cause to be brought an action to enforce the payment of said tax on behalf of the village in any court of competent jurisdiction.

I. Penalties:

1. Any person found guilty of violating, disobeying, omitting, neglecting, or refusing to comply with or unlawfully resisting or opposing the enforcement of any of the provisions of this article shall be punished by a fine as set forth in appendix A, division III of this code.
2. Each day upon which a person shall continue any violation of this article, or permit any such violation to exist after notification thereof, shall constitute a separate and distinct offense.
3. Any person subjected to the penalties provided for by this subsection shall not be discharged or released from the payment of any tax due. (Ord. 5783, 12-15-2009, eff. 5-1-2011; amd. Ord. 6215, 9-15-2015)

**Section 8.2301: REGULATIONS (Movie Theater Tax):**

B.1. An amount equal to \$0.25 per individual admission.

**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](http://www.mountprospect.org)

## Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

Dear Business Owner:

A municipal movie theater tax of .25 per municipal movie theater tax per individual admission fees or other charges for admission received or collected 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 movie theater retailer, you should immediately begin collecting the municipal movie theater tax of .25 per individual admission fees or other charges for admission received or collected as provided in the ordinance. At the time of filing return, pay to the village the amount of the tax imposed, less a commission of one percent (1%) of the amount of the tax, which is allowed to reimburse owners for expenses incurred in keeping records, billing, preparing and filing returns. A return and the tax due for each calendar month must be filed with the Village on or before the 20<sup>th</sup> 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 movie theater 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 movie theater taxes are not paid on time.

If you have any questions concerning the movie theater tax, please contact the Finance Department at 847-392-6000.

Sincerely,

*Amit R. Thakkar*

Amit R. Thakkar  
Director of Finance

**MAYOR**

Paul Wm. Hoefert

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**Village of Mount Prospect**

50 S. Emerson Street, Mount Prospect, Illinois 60056

**Movie Theater Tax Acknowledgment Form**

I hereby acknowledge receipt of the Movie Theater Tax packet including:

- Letter from Director of Finance
- Taxpayer Bill of Rights
- Village Movie Theater Tax Code

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Name of Business

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



**VILLAGE OF MOUNT PROSPECT**

50 South Emerson Street  
Mount Prospect, IL 60056  
(847) 392-6000

**MOVIE THEATER TAX RETURN**

For Month Ending \_\_\_\_\_, 20 \_\_\_\_

Legal Business Name \_\_\_\_\_ DBA \_\_\_\_\_

Business Address \_\_\_\_\_

Phone \_\_\_\_\_

Computation of Tax Liability

1. Total Tickets Sold (#).....		_____
2. Gross Amount of Tax @ \$0.25 .....	\$	_____
3. Less 1% Commission.....	\$	_____
4. Net Tax Due to Village.....	\$	_____
5. Interest (1% per month if late.....	\$	_____
6. Penalty (5%) late return.....	\$	_____
7. Penalty (5%) delinquent tax.....	\$	_____
8. <b>TOTAL DUE</b> .....	\$	_____

Remittance Instructions

Please remit this form and the amount indicated on line 8 above. Checks should be made payable to the VILLAGE OF MOUNT PROSPECT.

The Village must receive your remittance by the 20<sup>th</sup> of the month immediately following the month when the taxes were collected. If the 20<sup>th</sup> 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 20<sup>th</sup> of the month. If the 20<sup>th</sup> 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 the return is filed late, interest of one-percent (1%) per month will be added to the tax liability. Also, you will be liable for a five-percent (5%) penalty for failure to file a return and an additional five-percent (5%) penalty will be assessed for failure to pay the tax by the due date.

Affirmation

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

Signature of Tax Payer \_\_\_\_\_

Name of Business Owner \_\_\_\_\_

Title \_\_\_\_\_

IBT# \_\_\_\_\_

Phone \_\_\_\_\_

Date \_\_\_\_\_

PLEASE NOTIFY THE VILLAGE OF ANY CHANGE IN OWNERSHIP.

**MAYOR**

Paul Wm. Hoefert

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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)