



ORDINANCE AMENDING SECTION 467-39 OF THE CITY CODE INCREASING THE RATE OF TAXATION FROM 5% TO 7% OF RENTS COLLECTED.

WHEREAS, the City of Crystal Lake (the “City”) is a home rule unit pursuant to Article VII, Section 6 of the Illinois Constitution, and as a home rule unit may exercise any power and perform any function pertaining to its government affairs; and

WHEREAS, pursuant to its home rule authority, the City adopted Article VIII of Chapter 467 of the Code of Ordinances of the City of Crystal Lake (the “City Code”) creating a tax upon transient occupancy in hotels or motels; and

WHEREAS, Section 467-39 of the City Code imposes a tax of upon the privilege of occupancy in any hotel in the amount of 5% of the rent charged (the “Tax”); and

WHEREAS, pursuant to “Hotel/Motel Tax Funding Guidelines” adopted by the Mayor and City Council, the funds collected by the Tax are “invested back into the community through designated projects and events that will enhance visitor appeal and encourage overnight stays”; and

WHEREAS, awarding of funds collected by virtue of the Tax has positively impacted tourism within the City and encouraged overnight stays at hotels and motels within the City; and

WHEREAS, the Mayor and City Council have found and determined that providing additional funding through the increase of the Tax from 5% to 7% of rents collected would provide additional support for projects and events in the City which would, in turn, further enhance visitor appeal and increase overnight stays.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE THAT:

SECTION ONE. Recitals. The foregoing recitals are incorporated as though fully set forth herein.

SECTION TWO. Amendment to Section 467-39. Tax Impose; payment of tax. Section

467-39 of the City Code is hereby amended as follows:

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of ~~5%~~ 7% of the rent charged by the operator. Said tax constitutes a debt owed by the transient to the City which is extinguished only by payment to the operator or to the City. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the Director of Finance may require that such tax shall be paid directly to the Director of Finance.

SECTION FIVE. Effective Date. This Ordinance shall be in full force and effect as of November 1, 2023 and after its passage, approval, and publication in pamphlet form in the manner provided by law.

DATED this 5th day of September, 2023

APPROVED:


Haig Halebian, MAYOR

ATTEST:

Nick Kachiroubas by Nick Hammock, Deputy City Clerk
Nick Kachiroubas, CITY CLERK

PASSED: September 5, 2023

APPROVED: September 5, 2023

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.