

CITY OF COLLINSVILLE, ILLINOIS

ORDINANCE NO. _____

**AN ORDINANCE IMPLEMENTING A MUNICIPAL GROCERY RETAILERS'
OCCUPATION TAX AND A MUNICIPAL GROCERY SERVICE OCCUPATION TAX
FOR THE CITY OF COLLINSVILLE, ILLINOIS**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF COLLINSVILLE, ILLINOIS

THIS ____ DAY OF JULY, 2025

**Published in pamphlet form by authority of the City Council of the City of Collinsville,
Madison County, Illinois, this ____ day of July, 2025.**

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WHEREAS, the Illinois Municipal Code, 65 ILCS 5/1-2-1, provides that the corporate authorities of each municipality may pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to municipalities, with such fines or penalties as may be deemed proper;

WHEREAS, the City of Collinsville, Illinois, is a home rule Illinois municipality pursuant to the Constitution of the State of Illinois of 1970, as amended;

WHEREAS, Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) provides that, beginning on January 1, 2026, all Illinois municipalities may impose a tax “upon all persons engaged in the business of selling groceries at retail in the municipality” (the “Municipal Grocery Tax”) (65 ILCS 5/8-11-24);

WHEREAS, the Municipal Grocery Retailers' Occupation Tax may be imposed “at the rate of one-percent (1%) of the gross receipts from these sales” (65 ILCS 5/8-11-24);

WHEREAS, any Municipal Grocery Retailers' Occupation Tax shall be administered, collected and enforced by the Illinois Department of Revenue;

WHEREAS, Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) requires any municipality imposing a Municipal Grocery Retailers' Occupation Tax under Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24) to also impose a Service Occupation Tax at the same rate, “upon all persons engaged, in the municipality, in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries” as “an incident to a sale of service” (the “Municipal Grocery Service Occupation Tax”) (65 ILCS 5/8-11-24);

WHEREAS, any Municipal Grocery Service Occupation Tax shall be administered, collected and enforced by the Illinois Department of Revenue;

WHEREAS, the City Council of the City of Collinsville, Illinois, believes that it is appropriate, necessary and in the best interests of the City of Collinsville and its residents, that the City levy a Municipal Grocery Retailers' Occupation Tax as permitted by Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24);

WHEREAS, the City Council of the City of Collinsville, Illinois, believes that it is appropriate, necessary and in the best interests of the City and its residents, that the City levy a Municipal Grocery Service Occupation Tax as permitted by Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24); and,

NOW, THEREFORE, be it ordained, by the City Council of the City of Collinsville, Illinois, as follows:

Section 1. Incorporation of Recitals. The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.

Section 2. Adoption of Tax. Title 3 (Revenue and Finance) of the Collinsville Municipal Code shall be amended by the addition thereto of Chapter 3.36, to be entitled Grocery Tax and read in its entirety as follows:

“Chapter 3.36
Grocery Tax

Section 3.36.010 - Municipal Grocery Retailers’ Occupation Tax Imposed.

A tax is hereby imposed upon all persons engaged in the business of selling groceries at retail in this municipality at the rate of one-percent (1%) of the gross receipts from such sales made in the course of such business while this Ordinance is in effect. The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24).

Section 3.36.020 - Municipal Grocery Service Occupation Tax.

A tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries as an incident to a sale of service. The rate of this tax shall be the same rate identified in the Section above. The imposition of this tax is in accordance with and subject to the provisions of Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24).

Section 3.36.030 - Illinois Department of Revenue to Administer Both Taxes.

The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department of Revenue of

the State of Illinois. The Illinois Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

Section 3.36.040 - Effective Date.

The taxes imposed pursuant to this Chapter shall take effect for all sales to occur on or after January 1, 2026.”

Section 3. Clerk to file Ordinance with Illinois Department of Revenue. As required under Section 8-11-24 of the Illinois Municipal Code (65 ILCS 5/8-11-24), the Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before October 1, 2025.

Section 4. Repeal of Conflicting Provisions. All ordinances, resolutions and policies or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance.

Section 5. Severability. If any provision of this Ordinance or application thereof to any person or circumstances is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

Section 6. Headings/Captions. The headings/captions identifying the various sections and subsections of this Ordinance are for reference only and do not define, modify, expand or limit any of the terms or provisions of the Ordinance.

Section 7. Publication. The Clerk is directed by the corporate authorities to publish this Ordinance in pamphlet form. This Ordinance shall be in full force and effect after its passage and publication in accordance with 65 ILCS 5/1-2-4.

Passed by the City Council and approved by the Mayor this ____ day of July, 2025.

Ayes: _____

Nays: _____

Absent: _____

Approved: _____

APPROVED: _____
JEFF STEHMAN, MAYOR

ATTEST: _____
KIMBERLY WASSER, CITY CLERK

RECORDED: _____, 2025.