
Village of Kirkland

2024 Village of Kirkland Sales Tax Referendum

Informational Packet



AT A GLANCE: 2024 Village of Kirkland Sales Tax Referendum

- **What – 1% retail sales tax increase**
 - Gasoline and most fuels (not aviation fuel), Home supplies, Clothing, Cosmetics, Tools, Meals/beverages consumed at restaurants
- **Who – Visitors and residents purchasing affected item**
 - Kirkland Lions Club 4th of July Festival, Kirkland Fall Festival, Christmas in Kirkland, Bike Rides / Motorcycle Runs / Etc.
- **Where – Manufacturers and retail within Kirkland**
 - Also applicable to goods manufactured, produced and sold out of Kirkland from GIC Components, Shape Master, Hines Lumber and Euclid
- **When – VOTE – November 5th; implement January 1st, 2025**
- **Why – Streets improvements**
 - Streets in both Country Meadows and Kirkwood approaching 20 years of age and other Village streets being over 25+ years of age. The average surface life for a street is 15-20 years, putting most of the Village's streets at significant risk.

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- **Where did the money come from for the roads we fixed last year?**
 - The funding for Phase 1 Road Project was from our current sales tax base.
 - The Village obtained a 15-year loan which is paid back using sales we currently collect.
 - The current loan is nearly exact to the current sales tax income.
- **How long did it take the Village to "save" that money**
 - The Village saved for the past 4-5 years , plus the current sales tax we currently collect.
- **What do other towns do for road repair money?**
 - Other municipalities utilize the same tax sources along with loans.

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- **Are there other ways to get money?**
 - Infrastructure funding is small for a village of our size. We receive approximately \$65,000 annually for MFT funding.
 - At least 50% of MFT is used for road salt purchased through the county.
 - Remaining MFT is used for road maintenance (surface sealing, crack filling, striping etc)
- **If this referendum doesn't pass, what are the options?**
 - If the referendum doesn't pass, we will NOT be able to begin Phase 2 of our streets project.
 - Property taxes *could* be increased
 - The Village does NOT want to increase property taxes as we are already among the highest rates in Illinois.
 - Our loan term ends in over 10 years.

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2024 Village of Kirkland Sales Tax Referendum Information

The Village of Kirkland will be bringing forth a Referendum question that states the following:

SHALL THE CORPORATE AUTHORITIES OF THE VILLAGE OF KIRKLAND BE AUTHORIZED TO LEVY A NON-HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX AND NON-HOME RULE MUNICIPAL SERVICE OCCUPATION TAX (WHICH TOGETHER ARE COMMONLY REFERRED TO AS "MUNICIPAL SALES TAX") AT A RATE OF 1% OF ELIGIBLE SALES FOR EXPEDITURES ON MUNICIPAL OPERATIONS, EXPENDITURES ON PUBLIC INFRASTRUCTURE, OR PROPERTY TAX RELIEF?

- This Referendum Question will be on the November 5th General Primary Election Ballot.
- This referendum, as stated above, is to increase the Village of Kirkland Sales Tax by 1%.

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2024 Village of Kirkland Sales Tax Referendum Information

The referendum, if successful, would generally implement a 1% additional tax on most items sold at retail in the Village of Kirkland, such as:

- Gasoline and most fuels (not aviation fuel)
- Home supplies
- Clothing
- Cosmetics
- Tools
- Meals/beverages consumed at restaurants

The referendum also includes a 1% service tax, which would generally apply to businesses providing services to the community, such as:

- Auto repair and service
- Home renovation and repair
- Computer repair and service

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The referendum, if successful, would have the following EXECPTIONS which would not implement a 1% additional tax on these items sold at retail in the Village of Kirkland, such as:

- Prescription and most non-prescription medication, medical appliances, and medical supplies (i.e. diabetic syringes and needles)
- Most food items that are not consumed on-premises (NOTE: soft drinks and alcoholic beverages are subject to the tax)
- Vehicles and other items titled and registered through an agency of the State of Illinois

More information on the Retailers Occupation Tax and Service Occupation Tax can be found on Illinois.gov website.

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This Sales Tax increase will be captured from not only those living in Kirkland, but anyone who visits during activities such as:

- Kirkland Lions Club 4th of July Festival
- Kirkland Fall Festival
- Christmas in Kirkland Festivities
- Hiawatha Sporting Events, Concerts, Shows & Rec League Baseball, Softball and Football
- Bike Rides, Motorcycle Runs Etc.

The Sales Tax increase is also applicable to goods manufactured, produced and sold out of Kirkland from GIC Components, Shape Master, Hines Lumber and Euclid and Dollar General.

***** THE SALES TAX INCREASE WOULD NOT BE IN EFFECT UNTIL MAY 1st, 2025 *****

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This Sales Tax increase is necessary in order to fund much needed Kirkland Street Replacement projects.

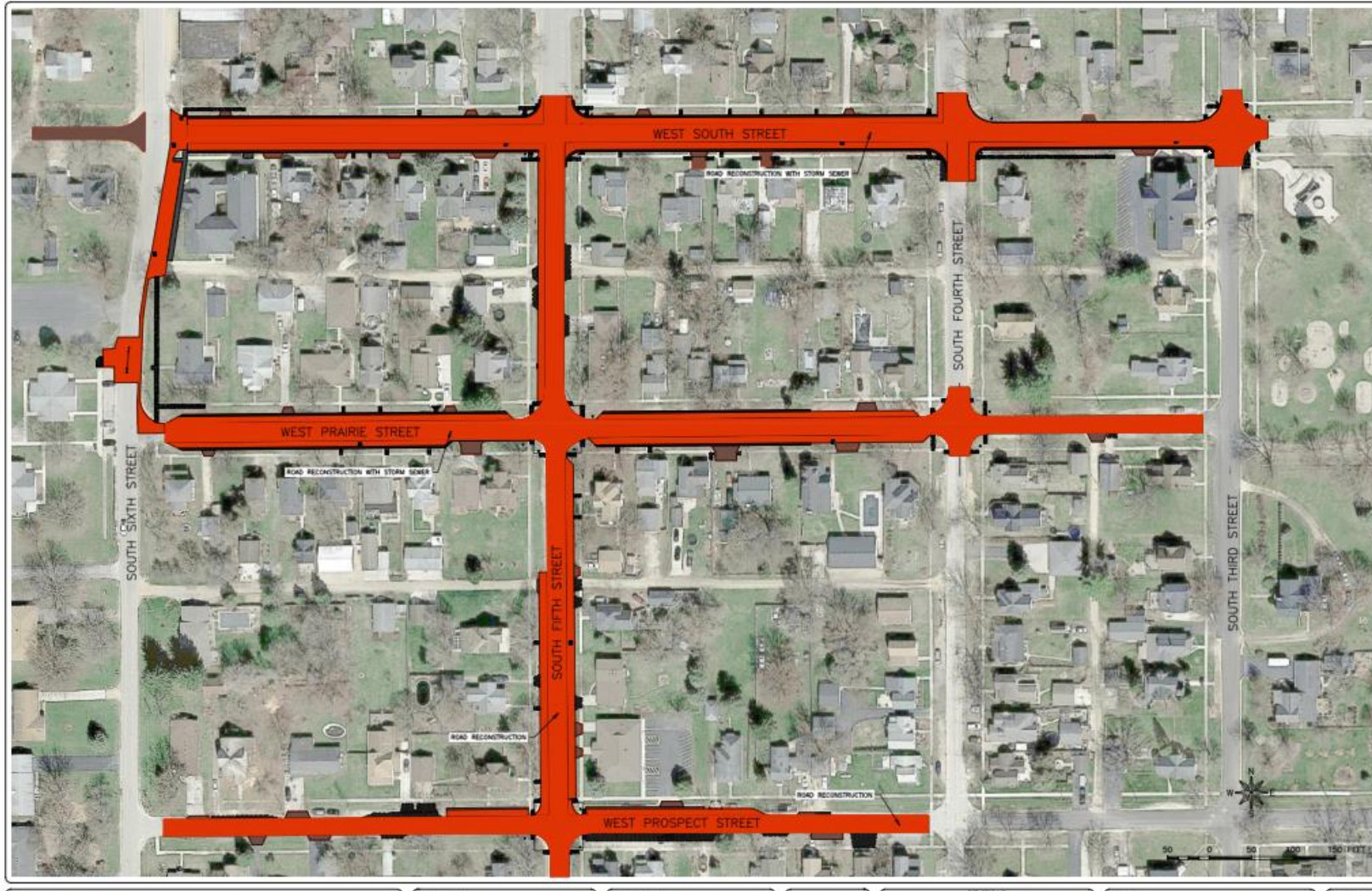
- Streets in both Country Meadows and Kirkwood approaching 20 years of age and other Village streets being over 25+ years of age.
- The average surface life for a street is 15-20 years, putting most of the Village's streets at significant risk. Streets within the Village of Kirkland are deteriorating quickly.
- Increase "wear and tear" on aged streets causes Base damage, which increases the cost of replacement when the time comes.
- **100% of the increased Sales Tax Revenue from this referendum, if successful, will be for Street Project work.**
- Phase 1 (2022 Kirkland Street Project) is complete, which includes significant Stormwater Drainage Work, Base Replacement, Curb Replacement and Street Replacement
- Phase 2 (2024 Kirkland Street Project) is intended to be addressed in 2025 if the referendum is successful, but will be dependent on current costs for work

(Following slides show PHASE 1 [ORANGE] AND PHASE 2 [GREEN])

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2024 Village of Kirkland Sales Tax Referendum Information



Phase 1 Roadway Project

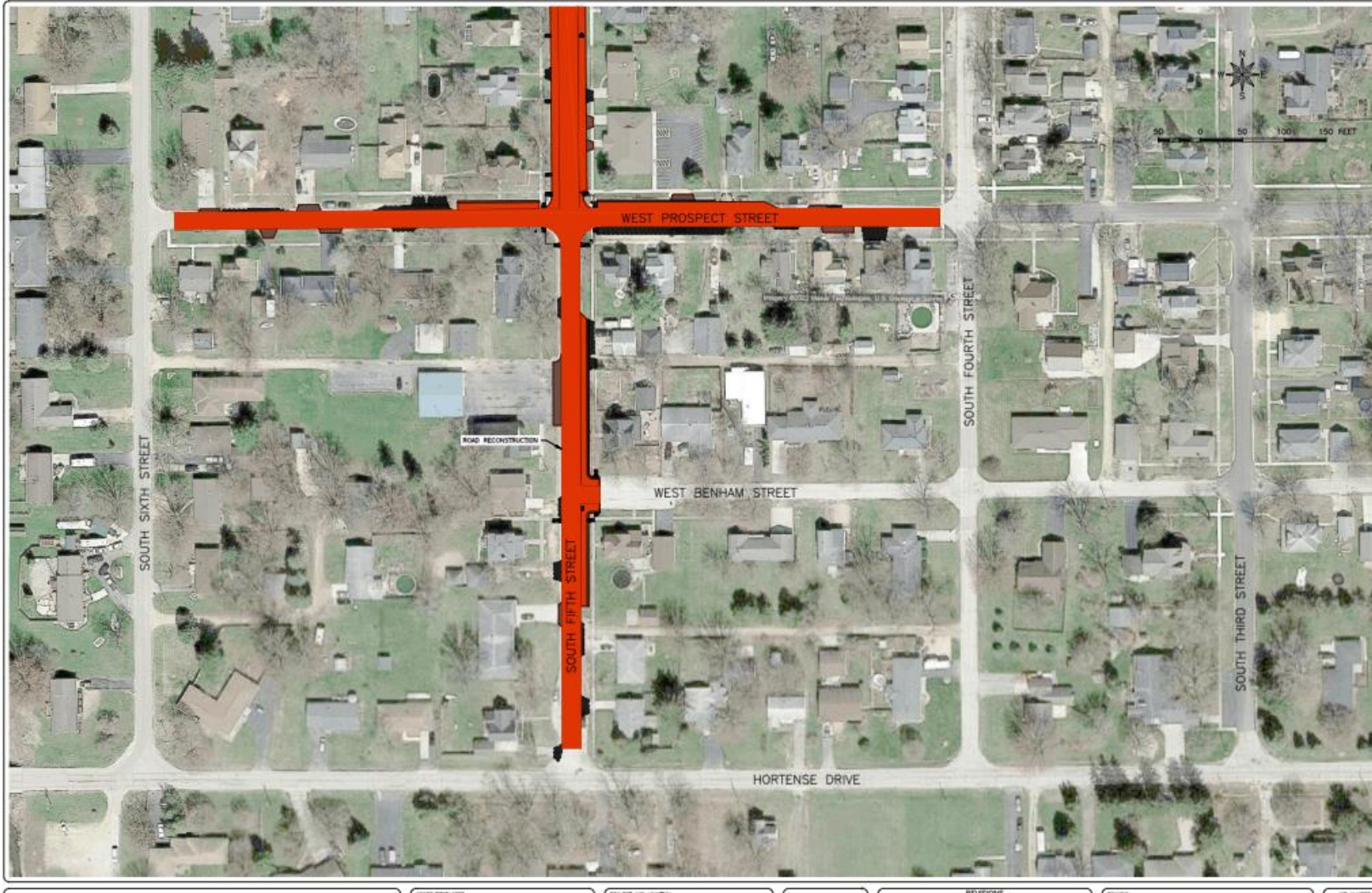
Completed Summer 2022

- Project Costs covered by current Sales Tax Structure to repay loan

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Phase 1 Roadway Project

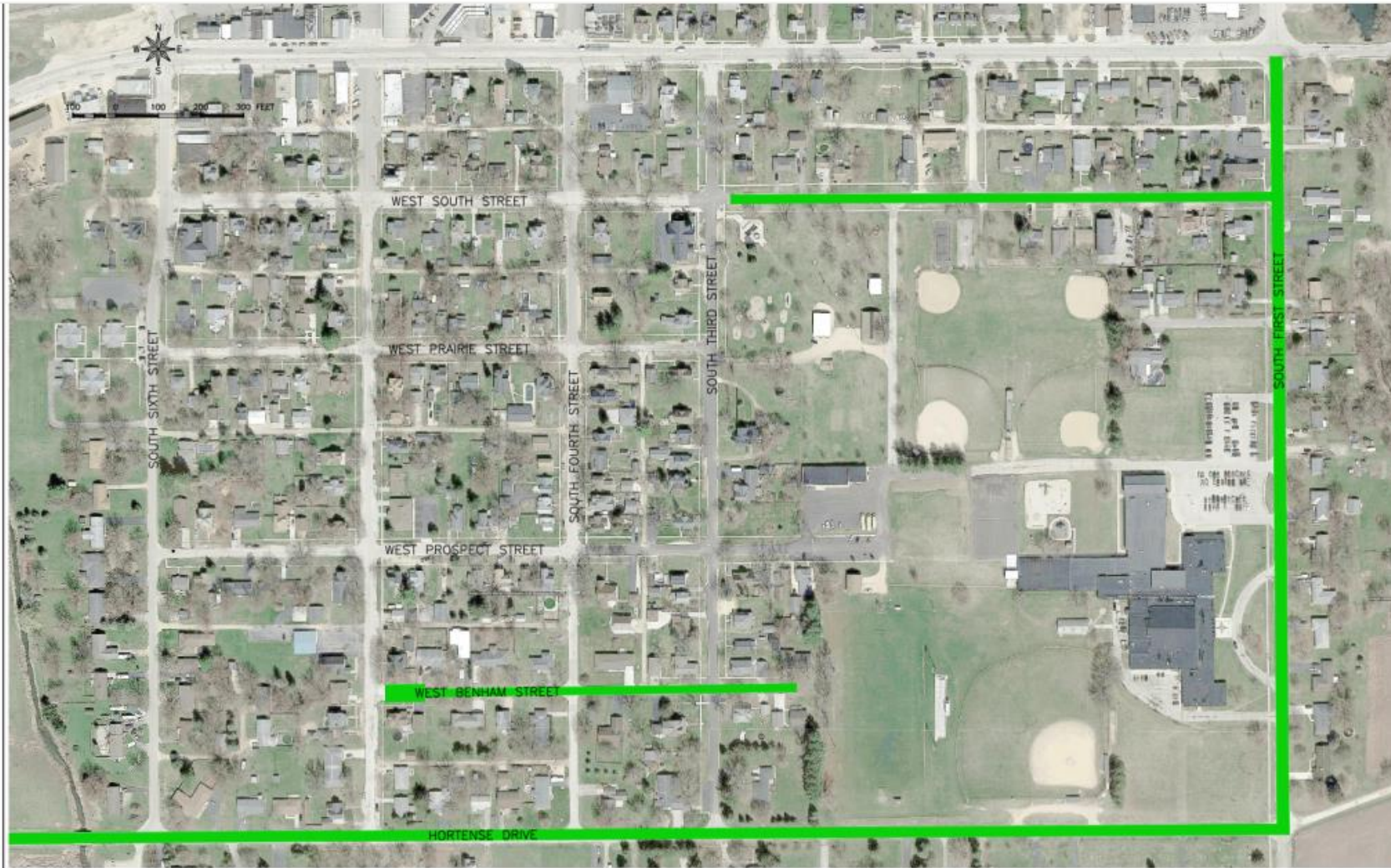
Completed Summer 2022

- Project Costs covered by current Sales Tax Structure to repay loan

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2024 Village of Kirkland Sales Tax Referendum Information



Phase 2 Roadway Project

*To Be Completed in 2025
(pending current costs)*

Project Costs would be covered
by increased Sales Tax of 1% if
Referendum Passes to repay loan

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Phase 2 Roadway Project

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