

ORDINANCE NO. 2026 - 05

AN ORDINANCE IMPLEMENTING A 1% NON-HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX AND A 1% NON-HOME RULE MUNICIPAL SERVICE OCCUPATION TAX FOR THE VILLAGE OF KIRKLAND, ILLINOIS

WHEREAS, the Village of Kirkland, DeKalb County, Illinois ("Village") is a municipal corporation organized and operating under the Illinois Municipal Code, 65 ILCS 5/1-1-1 et seq.; and

WHEREAS, Section 8-11-1.1 of the Illinois Municipal Code (65 ILCS 5/8-11-1.1) empowers non-home rule Illinois municipalities to impose by ordinance or resolution a Municipal Retailers' Occupation Tax as outlined at Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) (the "Non-Home Rule Municipal Retailers' Occupation Tax") and a Municipal Service Occupation Tax as outlined at Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) (the "Non-Home Rule Municipal Service Occupation Tax"); and,

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) and Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) empower the Village to impose the Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal Service Occupation Tax in 1/4% increments up to 1%; and,

WHEREAS, Section 8-11-1.3 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3) authorizing the Non-Home Rule Municipal Retailers' Occupation Tax and Section 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.4) authorizing the Non-Home Rule Service Occupation tax each require that each tax can only be imposed if the tax is imposed at "the same rate" as the other; and,

WHEREAS, any Non-Home Rule Municipal Retailers' Occupation Tax and any Non-Home Rule Municipal Service Occupation Tax imposed by the Village shall be administered, collected and enforced by the Illinois Department of Revenue; and,

WHEREAS, Sections 8-11-1.3 and 8-11-1.4 of the Illinois Municipal Code (65 ILCS 5/8-11-1.3 and 1.4) each provide that the proceeds of the tax may be used for public infrastructure or for property tax relief or both, but provide further that if the tax is approved by an ordinance or resolution adopted on or after August 5, 2024 (the effective date of Public Act 103-781), the corporate authorities of the non-home rule municipality may, until January 1, 2031, use the proceeds of the tax for expenditure on municipal operations, in addition to or in lieu of any expenditure on public infrastructure or for property tax relief; and,

WHEREAS, pursuant to Public Act 103-1055, state law regarding these taxes has now eliminated the requirement that such non-home rule sales taxes be imposed only pursuant to referendum, and instead such authority may be exercised by non-home rule municipalities by ordinance or resolution without the necessity of a referendum; and

WHEREAS, the President and Village Board of the Village believe that it is appropriate, necessary, and in the best interests of the Village and its residents, that the Village continue to levy the Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal

Service Occupation Tax at the 1% percent rate, pursuant to state law authority, without the necessity for additional referenda to further extend this authority, so that the Village can provide property tax relief and invest in public infrastructure, as those terms are defined at Section 8-11-1.2 of the Illinois Municipal Code (65 ILCS 5/8-11-1.2) and may further use the proceeds of the tax for expenditure on municipal operations, in addition to or in lieu of any expenditure on public infrastructure or for property tax relief until January 1, 2031 or longer if authorized by state law.

BE IT ORDAINED by the President and Board of Trustees of the Village of Kirkland, DeKalb County, 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: Non-Home Rule Municipal Retailers' Occupation and Service Tax. A total 1% Non-Home Rule Municipal Retailers' Occupation Tax and a total 1% Non-Home Rule Municipal Service Occupation Tax are hereby imposed by ordinance as authorized by 65 ILCS 5/8-11-1 et. seq. This authority and total tax rate shall replace all previous non-home rule sales tax rates and restrictions, including but not limited to the temporary authority to keep the rate at 1% that had been previously granted by referendum, which authority was set to expire on June 30, 2028.

SECTION 3: Section 33.15, Municipal Retailers' Occupation Tax, and Section 33.16, Municipal Service Occupation Tax, of Municipal Occupation Taxes section of the Village's Municipal Code, shall be replaced with the following text:

§33.15 NON-HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX AND SERVICE OCCUPATION TAX

(A) A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled and registered with an agency of this State's government, at retail in this municipality at the rate of 1% of the gross receipts from such sales made in the course of such business; and a tax is hereby imposed upon all persons engaged in this municipality in the business of making sales of service, at the rate of 1% of the selling price of all tangible personal property transferred by such serviceman, either in the form of tangible personal property or in the form of real estate, as an incident to a sale of service.

(B) This "Non-Home Rule Municipal Retailers' Occupation Tax" and this "Non-Home Rule Municipal Service Occupation Tax" shall not be applicable to items that are exempted from these taxes pursuant to state law, as may be amended, including but not limited to (unless otherwise amended by state law) the sales of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), and prescription and non-prescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

(C) The imposition of these non-home rule taxes shall be implemented-in accordance with and subject to the provisions of Sections 8-11-1.1, 8-11-1.2, 8-11-1.3 and 8-11-1.4 of the Illinois Municipal Code, as may be amended (65 ILCS 5/8-11-1.1, 8-11-1.2, 8-11-1.3 and 8-11-1.4)."

§33.16 USE OF TAX REVENUES.

The Village shall only expend the proceeds generated from this Non-Home Rule Municipal Retailers' Occupation Tax and this Non-Home Rule Service Occupation Tax on:

(i) public infrastructure or for property tax relief or both (as defined by the Illinois Municipal Code at 65 ILCS 5/8-11-1.2, as may be amended); and

(ii) until January 1, 2031, or a later date if authorized by state law, for expenditure on municipal operations.

SECTION 4: Clerk to file Ordinance with Illinois Department of Revenue. The Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before April 1, 2026 so that it can be implemented by July 1, 2026.

SECTION 5: 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. This includes but is not limited to any ordinances implementing previous referenda results and/or restrictions related to any Village Non-Home Rule Municipal Retailers' Occupation Tax and Non-Home Rule Service Occupation Tax.

SECTION 6: 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 7: 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 8: Effective Date.

A. This Ordinance shall be in full force and effect upon its passage, approval, and publication in pamphlet form (which publication is hereby authorized) as provided by law.

B. The taxes imposed by this Ordinance shall take effect on the first day of July 2026 following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before April 1, 2026, or as soon thereafter as reasonably possible.

Passed this 10 day of MAY, 2026, by a roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee John Michener	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Sarah Ziegler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Trustee Daniel Chambers
Trustee Jessica Fruit
Trustee Erik Marshall
Trustee Brian Benes
President Ryan Block

<input checked="" type="checkbox"/>	_____	_____	_____
<input checked="" type="checkbox"/>	_____	_____	_____
<input checked="" type="checkbox"/>	_____	_____	_____
<input checked="" type="checkbox"/>	_____	_____	_____
_____	_____	_____	_____

APPROVED THIS 16 DAY OF MARCH, 2026



Village President Ryan Block

(SEAL)

ATTEST:



Village Clerk Leslie Scidmore

Published: _____



CERTIFICATION


I, LESLIE SCIDMORE, do hereby certify that I am the Clerk of the Village of Kirkland, DeKalb County, Illinois, and that as Clerk, I am the keeper of the records and minutes and proceedings of the President and Board of Trustees of said Village of Kirkland.

I do further certify that at a regular meeting of the President and Board of Trustees of the Village of Kirkland, held on the 16 day of March, 2026, the foregoing Ordinance entitled **AN ORDINANCE IMPLEMENTING A 1% NON-HOME RULE MUNICIPAL RETAILERS' OCCUPATION TAX AND A 1% NON-HOME RULE MUNICIPAL SERVICE OCCUPATION TAX FOR THE VILLAGE OF KIRKLAND, ILLINOIS**, was duly passed by the President and Board of Trustees of the Village of Kirkland.

The pamphlet form of Ordinance No. 2026- 05 including the Ordinance was prepared, and a copy of such Ordinance was available in the Village Hall, commencing on the 16 day of March 2026, and continuing for at least 10 days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the Village Clerk.

I do further certify that the original, of which the attached is a true and correct copy, is entrusted to me as the Clerk of said Village for safekeeping, and that I am the lawful custodian and keeper of the same.

Given under my hand and seal of the Village of Kirkland, this 16 day of March, 2026.


Leslie Scidmore, Village Clerk
Village of Kirkland
DeKalb County, Illinois

(SEAL)

