Illinois Department of Revenue
1500 South Ninth Street
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY85-4

TO: All Hotel/Motel Operators

SUBJECT: Public Act 83-1129 (SB-1893)

Effective July 3, 1984 Public Act 83-1129 (SB-1893) amended the Hotel
Operator's Occupation Tax Act by changing the tax rate to 5% of 94%
(formerly 5% of 95%) of the gross rental receipts from renting, leasing
or letting hotel/motel facilities, excluding, however, from gross
rental receipts, the proceeds of renting, leasing or letting to
permanent residents.

ADDITIONAL STATE TAX

Effective August 1, 1984, there is imposed an additional hotel
occupation tax of 1% of 94% of the gross rental receipts from renting,
leasing or letting hotel/motel facilities, excluding, however, from
gross rental receipts the proceeds of renting, leasing or letting to
permanent residents. The proceeds from this tax will be deposited into
the Tourism Fund.

COOK COUNTY HOTEL/MOTEL OPERATORS

The World's Fair tax - which was effective from January 1 to July 1,
1984 - has not been re-imposed by the World's Fair Board of Authority.
However, the Board does have the power to re-impose the tax - at the
rate of 1% of 94% of gross receipts.

If the Board does not re-impose the World's Fair tax by August 1, you
as Cook County hotel/motel operators will be subject to the additional
state tax described above. If and when the Board does re-impose the
World's Fair tax, you will be subject to the World's Fair tax INSTEAD
OF the additional state tax.

RETURNS

The hotel operators tax return (Form RMH-A) that you will receive for
the reporting of your July, 1984 liability will reflect the 5% of 94%
tax rate. The tax return for liability periods subsequent to July, 1984
will be revised to accommodate the reporting of the 1% additional tax,
whether it is World's Fair tax or state tax.

Should you have any questions regarding this, please feel free to
contact the Department at 217-785-2626.

                        J. Thomas Johnson
                        Director of Revenue

Issued: July 1984

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