



KANKAKEE COUNTY BOARD

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Jim Nichelson, Chief Legislative Liaison
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Comments regarding Sales Tax Sourcing Regulations

Kankakee County lies south of Cook County and the two are separated by Will County. Both Cook and Will are also included in the area served and taxed by the RTA. The public meeting held today (December 12, 2013) was for the purpose of considering the many and varied options for sales tax sourcing in light of the Supreme Court's decision in the Hartney Oil case. It is the goal of the RTA to insure that this department creates rules that would insure greater tax income to the RTA. The goal of Kankakee County is to insure no significant change in the amount of taxes currently paid by retailers and then received by the county from the department.

The court found that the application of the rules at the time of the filing of the lawsuit could no longer stand. The court also found it was not the job of the courts to determine the best formula for sales tax sourcing. That authority is found in the legislature, and the legislature has allowed the department to assist in the creation of such rules. There is no suggestion in the decision of the court that the sales tax agreements at issue are illegal. There is no suggestion that the court in any way recommended that the new rules thwart such agreements in the future. It is presumed that the court recognized the importance of consistency in application of the rules and that the retailers know in advance what the tax rate is to be collected so that they may appropriately serve their customers.

Kankakee County encourages the department to allow this matter to proceed to the Joint Committee on Administrative Rules to ensure full public discussion. It is our hope that the new rules will give clear direction to the retailers and continue to allow for the sales tax agreements that bring nearly 60 million dollars to the state of Illinois.

A handwritten signature in black ink, appearing to read "Michael Bossert", with a long horizontal line extending to the right.

Michael Bossert
Chairman, Kankakee County Board