

AN ORDINANCE AMENDING SECTION 22-1 OF THE URBANA MUNICIPAL CODE

(Home Rule Municipal Retailer's and Service Occupation Tax)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That Section 22-1 of the Urbana Municipal Code is hereby amended to:

(a) To increase the tax rate imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of the government of the State of Illinois, at retail in this city to the rate of one and one-quarter percent (1.25%) of the gross receipts from such sales made in the course of such business (the "Home Rule Municipal Retailers' Occupation Tax"); and

(b) To increase the tax rate imposed upon all persons engaged in this municipality in the business of making sales of the service, to the rate of one and one-quarter percent (1.25%) of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service (the "Home Rule Municipal Service Occupation Tax").

Section 2. This Ordinance shall be effective immediately upon passage and approval and publication in pamphlet form as required by law, provided, however, the tax imposed shall take effect on January 1, 2007. That until the amended rates imposed by this ordinance become effective on January 1, 2007, the rate provided in Section 22-1 existing immediately prior to passage of this ordinance shall remain in full force and effect.

Section 3. That if any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid

provision, or application of such provision is severable, unless otherwise provided by this Ordinance.

Section 4. The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities, and this Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code.

Section 5. That the City Clerk is hereby directed to send a certified copy of this Ordinance to the Illinois Department of Revenue at such date as assures such will be received by that Department prior to October 1, 2006.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a regular meeting of said Council.

PASSED by the City Council this 17th day of July,
2006 .

AYES: Bowersox, Chynoweth, Lewis, Roberts, Smyth, Stevenson
and Mayor Prussing

NAYS:

ABSTAINS:



APPROVED by the Mayor this 25th day of July,

2006 .

Laurel Lunt Prussing
Laurel Lunt Prussing, Mayor