

**Agenda**  
**Village of Homer Glen**  
**SPECIAL VILLAGE BOARD MEETING**  
Sunday, October 31, 2021– 12:00p.m. Village Board Room  
14240 W. 151<sup>st</sup> Street, Homer Glen

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- A. Call to Order
  
- B. Pledge of Allegiance to the Flag
  
- C. Roll Call – Establish a Quorum
  
- D. Public Comment (3 Minute limit. Please sign in prior to start of meeting.)
  
- E. Consider for Approval Ordinance 21-044, an Ordinance Establishing a tax on the Amusement of Playing a Video Gaming Terminal.
  
- F. Adjournment

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***DISABLED:*** Any individual requiring special accommodations as specified by the Americans with Disabilities Act is requested to notify the Village Manager at (708) 301-0632 at least 24 hours in advance of the meeting date.



## AGENDA SUPPLEMENT SHEET

**Agenda Item Number:** E  
**Village Board Meeting Date:** October 31, 2021  
**Committee Meeting Date:** None.

**Item Title:** Consider for Approval Ordinance 21-044, an Ordinance Establishing a Tax on the Amusement of Playing a Video Game Terminal.

**Motion for Consideration:** Is there a motion to approve ordinance 21-044, an Ordinance establishing a tax on the amusement of playing a Video game terminal?

**Staff Contact:** Interim Village Manager Matt Walsh, Finance Director John Sawyers

**Background Information:** In recent years, several Illinois municipalities have implemented a “push tax” on Video Gaming users. The tax is charged at \$.01 per play of a video slot machine. This tax is in addition to the revenues already received through the video gaming tax distribution.

On October 28, 2021 Illinois passed HB 3136, a Gaming Omnibus bill. One of the amendments to the bill allowed for Home Rule municipalities to implement the push tax prior to November 1, 2021. The deadline previously was June 1, 2021. To implement the tax, the Village needed to hold a special meeting prior to the deadline. To follow the Open Meetings Act requirement that an agenda must be posted 48 hours prior to a meeting, an agenda was posted on Friday, October 29 to allow for a meeting on October 31. The state legislature forced municipalities to act in a short timeframe.

The push tax will be an additional revenue for the Village of Homer Glen. It is difficult to project revenues for this tax, because operators do not track or share the amount of plays, or pushes. Attachment 1 includes known data on the amount played. On a recent average, there is \$7,112,216.38 played per month at the Village’s 70 terminals. Using an estimate that \$2.00 is gambled each play, the push tax would bring in \$35,561.08 per month. Annualized, this is a \$426,732.98 revenue. **Please note that there is likely a wide variance in the number of plays and this is simply an estimate using the assumptions listed in attachment 1.**

There have been questions regarding the enforcement and ability to collect the data from terminals.

**Budget Implications:** Video Gaming tax revenue currently is a general fund revenue. The general fund pays for village operations, including public works.

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**THE VILLAGE OF HOMER GLEN  
WILL COUNTY, ILLINOIS**

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**ORDINANCE  
NUMBER 21-044**

**AN ORDINANCE ESTABLISHING A TAX UPON  
THE AMUSEMENT OF PLAYING A VIDEO GAMING TERMINAL**

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**GEORGE YUKICH, Village President  
CHRISTINA NEITZKE-TROIKE, Village Clerk**

**JENNIFER CONSOLINO  
DAN FIALKO  
NICOLE LA HA  
RUBEN PAZMINO  
BETH RODGERS  
ROSE REYNDERS**

**TRUSTEES**

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**ORDINANCE NO. 21-044**

**AN ORDINANCE ESTABLISHING A TAX UPON  
THE AMUSEMENT OF PLAYING A VIDEO GAMING TERMINAL**

**WHEREAS**, the Village of Homer Glen is a home rule unit of municipal government pursuant to Illinois State law and may exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the Illinois Video Gaming Act (“VGA”), 230 ILCS 40/1 *et seq.*, regulates the operation, licensing, and administration of video gaming; and

**WHEREAS**, the Village of Homer Glen (“Village”) in accordance with the VGA regulates video gaming activity within the Village; and

**WHEREAS**, pursuant to the Article VII, Section 6(a) and Section 6(i) of Ill. Const. of 1970 in conjunction with 65 ILCS 5/11-42-5 of the Illinois Municipal Code, the Village is authorized to impose a tax upon amusements; and

**WHEREAS**, the Village now desires to impose a tax upon the amusement of playing a video gaming terminal within the Village (hereinafter “Push Tax”); and

**WHEREAS**, said Push Tax will be imposed at a rate of \$0.01 per play; and

**WHEREAS**, the Village’s Push Tax will provide much needed revenue to promote the general health, safety, and welfare of the Village and its residents, and provide adequate funds to offset the adverse effects of gambling within the Village; and

**WHEREAS**, the Village President and Board of Trustees of the Village of Homer Glen, hereby believe that is in the best interest of the Village and its residents to impose said Push Tax; and

**NOW, THEREFORE, BE IT ORDAINED** by the Village President and Board of Trustees of the Village of Homer Glen, Will County, Illinois, by and through its home rule powers, as follows:

**SECTION 1:** The foregoing recitals shall be and are hereby incorporated as findings of facts as if said recitals were fully set forth herein.

**SECTION 2:** Chapter 180 Taxation, of the Homer Glen Village Code, is hereby amended by adding Article III, which shall be entitled, “TAX ON THE AMUSEMENT OF PLAYING A VIDEO GAMING TERMINAL (“PUSH TAX”).”

**SECTION 3: APPLICABILITY OF PROVISIONS.** The provisions of this ordinance shall apply to the amusement of playing a video gaming terminal within the Village (hereinafter the “Push Tax”).

**SECTION 4. DEFINITIONS**

- A. Amusement: The playing of any video gaming terminals as defined herein.
- B. Terminal Operator: Any individual, partnership, corporation, or limited liability company that is licensed under the Video Gaming Act, 230 ILCS 40/1 *et seq.*, and that owns, services, and maintains Video Gaming Terminals for placement in licenses establishment, licensed truck stop establishments, licensed large truck stop establishments, licensed fraternal establishments, or licensed veterans establishments.
- C. Person: Any natural individual that participates in an amusement.
- D. Play: Each individual push of the Video Gaming Terminal which initiates the simulation provided by the Video Gaming Terminal. Play shall not include the push of individual wager amounts, selection of types of games on the Video Gaming Terminal or entry of any information or printing of winning receipts.
- E. Video Gaming Terminal: Any electronic video game machine that, upon insertion of cash, electronic cards or vouchers, or any combination thereof, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, as authorized by the Illinois Gaming Board utilizing a video display and microprocessors in which the player may receive free games or credits

that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

**SECTION 5. PUSH TAX.** An amusement tax is imposed upon any person who participates in the Play of a Video Gaming Terminal that takes place within the jurisdictional boundaries of the Village of Homer Glen. The rate of tax shall be equal to one cent (\$0.01) per Play on a Video Gaming Terminal.

The terminal Operator of a Video Gaming Terminal may separately itemize and charge each Person who Plays a Video Gaming Terminal.

**SECTION 6. TAX ADDITIONAL.** The tax imposed in this Ordinance is in addition to all other taxes imposed by the State of Illinois or any municipal corporation or political subdivision thereof.

**SECTION 7. REGISTRATION.** Every Terminal Operator of a Video Gaming Terminal(s) located in the Village of Homer Glen shall apply for registration as a tax collector with the Village no later than thirty (30) days after commencing such business or thirty (30) days after the effective date of this Ordinance imposing the Push Tax, whichever occurs later. The application shall be submitted to the Village on the forms provided by the Village and contain such information as reasonably required by the Village to impose, collect, and audit all amounts related to the Push Tax.

**SECTION 8. COLLECTION, PAYMENT, AND ACCOUNTING.** It shall be the joint and several duty of every Terminal Operator of a Video Gaming Terminal(s) to secure from each Person participating in the Play of a Video Gaming Terminal the Push Tax imposed by this Ordinance. For purposes of this Ordinance, it shall be presumed that the amount of the Push Tax imposed on each Person, unless the taxpayer or tax collector provides otherwise with books, records, or other documentary evidence, has been collected from the Person by the Terminal

Operator. Push Tax payments accompanied by tax returns prescribed by the Village shall be remitted to the Village on or before the 20<sup>th</sup> day of the month following the month in which payment for the Push Tax is made.

Every terminal Operator of a Video Gaming Terminal who is required to collect the Push Tax by this Ordinance shall be considered a tax collector for the Village. All Push Tax amount collected shall be held by the Terminal Operator as trustee for and on behalf of the Village. The failure of the Operator to collect the tax shall not excuse or release the Person from the obligation to pay the tax. The ultimate incidence of the Push Tax shall remain on the Person and shall never be shifted to the Terminal Operator.

Notwithstanding any other provision of this Ordinance, in order to permit sound fiscal planning and budgeting by the Village, no Person shall be entitled to a refund of, or credit for, the Push Tax imposed by this Ordinance unless the Person files a claim for a refund or credit within one (1) year after the date on which the Push Tax was paid or remitted to the Village.

The Terminal Operator of any Video Gaming Terminal(s) shall be subject to audit, inspection, and record keeping provisions of this Code. It shall be unlawful for any Terminal Operator and/or Person to prevent, hinder, or interfere with the Village's officials, employees, and/or agents designated to discharge their respective duties in the performance and enforcement of the Terminal(s) to keep accurate and complete books and records to which the Village's officials, employees, and/or agents will at all times have full access.

**SECTION 9. RULES AND REGULATIONS: AUTHORIZED.** The Village is authorized to adopt, promulgate, and enforce any additional rules and regulations pertaining to the interpretation, collection, administration, and enforcement of this Ordinance.

**SECTION 10. APPLICATION OF VILLAGE CODE.** Any citation issued under this Ordinance may be in addition to any other citations issued by the Village under any and all applicable sections of the Village Code.

**SECTION 11. VIOLATIONS; PENALTIES.** It shall be a violation of this Ordinance for a Terminal Operator to fail to file a report within the time prescribed in this Ordinance.

A Terminal Operator who falsely reports or fails to report the amount of Push Tax due required by this Ordinance shall be in violation of Ordinance and is subject to suspension and/or revocation of their Terminal Operator License. All payments not remitted when due shall be paid together with a penalty assessment on the unpaid balance at a rate of 1.5% per month.

Suspension Or Revocation of License: The Village President/Local Liquor Commissioner or his or her designee shall have the power to suspend for not more than thirty (30) days or revoke any video gaming license issued under the provisions of the Homer Glen Village Code for cause, or if he/she determines that a Terminal Operator shall have violated any of the provisions of this Ordinance, any of the statutes of the State or any other valid ordinance or resolution enacted by the President and Board of Trustees of the Village. However, no such license shall be revoked or suspended except after the holding of a public hearing by the Village President/Local Liquor Commissioner or his or her designee. Ten (10) days' notice of the hearing shall be given to the Terminal Operator. Alternatively, Terminal Operator shall have the opportunity to engage in a prehearing conference and agree to negotiated penalties rather than proceed to a hearing.

Fine Imposed: In addition, any Terminal Operator violating the provisions of this Ordinance shall be subject to a fine of \$500.00 for the first offense, and \$750.00 for the second offense, and \$1,000.00 for a third offense and subject to revocation of any license to operate a Video Gaming Terminal for the third offense. It shall be deemed a violation of this Ordinance for



any Owner to knowingly furnish false or inaccurate information to the Village. Each day a violation continues shall constitute a separate violation. It shall be deemed a violation of this Ordinance for any Person to knowingly furnish false or inaccurate information to the Village.

**SECTION 12. SEIZURE FOR UNLAWFUL USE.** If the Village determines that the Village shall have a reasonable basis for believing any Owner is using a Video Gaming Terminal in an illegal manner contrary to the provisions of this Ordinance or any other federal, state, or municipal law and/or regulation, said Video Gaming Terminal may be seized by the Village, followed by an administrative hearing with notice to the Owner within seven (7) days of seizure to determine the appropriateness of the seizure, and held until such time as the Owner of such Video Gaming Terminal pays any delinquent Push Tax amount, reimburses the Village for actual cartage costs incurred in the seizure and pays the Village \$20.00 for each day the Video Gaming Terminal has been in storage.

**SECTION 13. ENFORCEMENT.** Proceedings to enforce violations of this chapter may be initiated and conducted in accordance with and pursuant to the administrative adjudication provisions of Chapter 1, Article III, Penalties and Enforcement, or by any other means provided by law for enforcement of code violations.

**SECTION 14. SEVERABILITY.** If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

**SECTION 15. REPEALER.** All ordinances, resolutions, motions, or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict.

**SECTION 16. EFFECTIVE DATE.** This Ordinance shall be in full force and effect on October 31, 2021, immediately upon its passage due to the urgency of this matter as found by the Village Board pursuant to 65 ILCS 5/1-2-4 and as otherwise provided by law.

**SECTION 17. ORDINANCE NUMBER.** This Ordinance shall be numbered as Ordinance No. 21-044.

*[Remainder of Page Intentionally Left Blank]*

**ADOPTED** the 31<sup>st</sup> day of October 2021.

AYES:

NAYS:

ABSENT:

**APPROVED** this 31<sup>st</sup> day of October 2021.

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George Yukich  
Village President

ATTESTED AND FILED IN MY OFFICE:

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Christina Neitzke-Troike  
Village Clerk

**Village of Homer Glen**

**Push Tab Tax Illustration: 10/29/2021**

**Assumption: Average patron "push" of \$2.00**

**Assumption: Push tab tax of \$.01 per push**

**Currently the gaming software does not track pushes, which would require the gaming facility to track, collect & remit this tax.**

Gaming Month	Amount Played
Jun-21	\$ 6,939,062.87
Jul-21	\$ 7,367,075.99
Aug-21	\$ 7,107,172.19
Sep-21	\$ 7,035,554.45

Average Played Per Month	\$ 7,112,216.38
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Projected Monthly Push Tax	\$ 35,561.08
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Annualized Push Tax	\$ 426,732.98
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