

Illinois Update - Cook County sales tax rate increase

July 20, 2015

Within its authority as a home-rule jurisdiction, the Board of Commissioners (Board) of Cook County recently voted to increase the Cook County sales tax rate by 1 percent effective January 1, 2016, thus reinstating the increased rate established in 2008 that was later repealed. As enacted, the tax increase does not have an expiration date.¹ While the Board maintains that the increase is necessary to restore fiscal health to the County's pension system,² the effect is that Chicago will have—as of January 1, 2016—one of the highest sales tax rates in the United States. Factoring in the Cook County increase, the current Chicago sales tax rate of 9.25 percent will rise to 10.25 percent, broken down as follows:

- State tax 6.25 percent
- Cook County 1.75 percent
- City 1.25 percent
- Regional Transportation Authority 1 percent

Contacts

If you have questions regarding the Cook County sales tax rate increase or other Illinois state and local sales tax matters, please contact any of the following Deloitte Tax LLP professionals.

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¹ Board of Commissioners of Cook County, Finance Committee, *Public Hearing and Committee Meeting Notice and Agenda* (Jul. 15, 2015), available at: <https://cook-county.legistar.com/View.ashx?M=A&ID=414547&GUID=FED77828-6901-4A85-89E5-9ADBCDD88381>.

² *Id.*