

NON-HOME RULE SALES TAX REFERENDUM & PROPOSED PROPERTY TAX REBATE PROGRAM

Frequently Asked Questions

- 1. What is a referendum?**

A referendum is a question proposed to voters that has been referred to them for a direct decision.
- 2. What is a Non-Home Rule Sales Tax Referendum?**

It is a ballot measure to determine if citizens of a municipality will approve a 1% local sales tax for expenditures specifically outlined in the proposed question.
- 3. What would the funds collected be used for?**

If citizens approve the 1% sales tax, the funds collected would be used to offer 100% property tax rebates to single-family owner-occupied homeowners on the municipal portion of their tax bill.
- 4. Does a Non-Home Rule Sales Tax apply to all purchases?**

No. The Non-Home Rule Sales Tax is **not** charged on titled goods such as cars and trailers, nor does it apply to most groceries and medicines.
- 5. What are some examples of what the 1% sales tax would apply to?**

General merchandise such as clothing, grooming/hygiene products, electronics, appliances, housewares/home décor, restaurant sales, alcohol sales, soft drinks and candy.
- 6. Who pays sales tax?**

Both citizens and non-citizens who purchase goods within the Village of Bourbonnais.
- 7. How much do I pay the Village of Bourbonnais in property taxes?**

Currently, the village receives an average of \$300 annually from a homeowner with a property valued at \$200,000.

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- 8. If the referendum passes, how do I apply for my 100% property tax rebate on the municipal portion of my tax bill?**
- If citizens vote to approve the 1% sales tax, rebate applications would be available from the Village of Bourbonnais with included guidelines for submission.
- 9. If the referendum passes, when would I receive my property tax rebate?**
- If citizens vote to approve the 1% sales tax, single-family owner-occupied homeowners would receive their first rebate in 2024.
- 10. If the referendum passes, how many property tax rebates would citizens be offered?**
- The Village Board passed a resolution of intent on 10.17.22 stating the property tax rebate program would continue for at least ten years.
- 11. If the referendum passes, when will the 1% sales tax go into effect?**
- If the citizens vote to approve the 1% sales tax, the new tax would go into effect in 2023.
- 12. What is the current sales tax rate in Bourbonnais, and what would it be if this measure passes?**
- The current sales tax rate on general merchandise in Bourbonnais is 6.25% and in three business districts, it is 7.25%.
- If the referendum passes, the tax would increase by 1% from 6.25% to 7.25%. The rate would remain unchanged on goods such as cars, trailers and most groceries and medicines.
- 13. How would the proposed new sales tax compare to the sales tax rate in nearby communities? Does this put Bourbonnais businesses at an unfair disadvantage?**
- Current local sales tax rates in nearby communities are outlined in the chart on the next page. The Village of Bradley has a sales tax rate of 7.25%, which includes the Non-Home Rule Sales Tax (1% village-wide).
- The City of Kankakee has a sales tax rate of 8.25%, which includes the Home Rule Sales Tax (2% city-wide).



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If the referendum passes, it would place Bourbonnais' sales tax at 7.25%, which is equivalent to the Village of Bradley.

	Kankakee	Bradley	Bourbonnais	
State Sales Tax	6.25%	6.25%	6.25%	
Home Rule/Non-Home Rules Sales Tax (Village-wide)	2.00%	1.00%	1.00%	<i>CURRENTLY BEING PROPOSED</i>
MINIMUM Sales Tax You Pay in this Jurisdiction (on non-food or titled items)	8.25%	7.25%	7.25%	
Business district tax (location specific within village)	0.00%	1.00%	1.00%	
MAXIMUM Sales Tax You Pay in this Jurisdiction (on non-food or titled items)	8.25%	8.25%	8.25%	

14. Are there additional nearby communities who have implemented a Non-Home Rule Sales Tax?

Beecher Herscher
 Bradley Lemont
 Crest Hill Lockport
 Crete Mokena
 Dwight Ottawa
 Flossmoor Richton Park
 Frankfort Streator

15. What does Non-Home Rule mean, and why is Bourbonnais not a Home Rule community?

Municipalities in Illinois become Home Rule when they reach a population of 25,000, per the Illinois Constitution, or if they hold a Referendum to obtain Home Rule authority. The Village of Bourbonnais' current population per the U.S. Census Bureau is 18,164.

A Non-Home Rule municipality can only authorize those powers which are expressly granted by the State of Illinois. Home rule municipalities in Illinois have the right to pass laws to govern themselves within the boundaries of both the State and Federal constitutions.



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- 16. Does voting YES make Bourbonnais a Home Rule community?**
No. Voting YES on this referendum only grants the authority to collect a 1% Non-Home Rule Sales Tax.
- 17. Does voting YES allow the Village to increase the sales tax further in the future?**
No. Voting YES only allows the Village the authority to collect a 1% Non-Home Rule Sales Tax.
- 18. When will the referendum appear on the election ballot?**
The referendum will be placed on the **November 8, 2022**, ballot for the General Election of Kankakee County. More information can be found here: <https://www.kankakeecountyclerk.gov/>
- 19. What will the referendum question look like on the ballot?**
“Shall the corporate authorities of the Village of Bourbonnais, be authorized to levy a **Non-Home Rule Municipal Retailer’s Occupation Tax**, **Non-Home Rule Municipal Service Occupation Tax** and **Non-Home Rule Municipal Use Tax** (commonly referred to as “Municipal Sales Taxes”) each at a rate of 1% in accordance with and subject to provisions of Sections 8-11-1.3, 8-11-1.4 and 8-11-1.5 of the Municipal Code (65 ILCS 5/8-11-1.3, 65 ILCS 5/8-11-1.4 and 65 ILCS 5/8-11-1.5) for expenditures on municipal operations, expenditures on public infrastructure, or property tax relief?”

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20. The ballot question is confusing. Can you explain?

The portion of the question in **green** applies to the purchase of goods such as clothing, tools, etc.

The portion of the question in **blue** applies to the purchase of goods associated with a service such as an oil filter for an oil change. Services are not taxed. These two taxes are mutually exclusive meaning both will never be applied to one item.

The portion of the question in **red** indicates corporate authorities of a non-home rule municipality may impose a tax upon all persons engaged in the business of selling tangible personal property at retail in their jurisdiction. This tax is commonly referred to as “**non-home rule municipal sales tax.**” The non-home rule municipal sales tax is imposed by the municipality in the form of the “**Non-Home Rule Municipal Retailers’ Occupation Tax**” and “**Non-Home Rule Municipal Service Occupation Tax.**”

21. Why is there ballot language included referencing “municipal operations” and “public infrastructure”?

Following citizen property tax rebate disbursement, any additional monies collected would be applied to support municipal operations and public infrastructure.

22. I still have referendum questions; who can I contact?

Citizens may contact Village of Bourbonnais Administration Monday–Friday 8am–4:30pm
815-937-3570 600 Main St. NW
bourbonnais@villageofbourbonnais.com