

June 2, 2017

President Toni Preckwinkle
118 N. Clark Street, Room 537
Chicago, IL 60602

Dear President Preckwinkle:

With a month to go before the July 1 implementation date, I wish to update you on the progress of your *sweetened beverage tax*. Quite frankly, with less than a month to go, it is a mess. This is not the first time we, nor others, have brought this to the attention of the Cook County Department of Revenue since its passage.

Since this was approved by the Cook County Board, we thought it vital to provide you an update, as this unnecessary tax will impact not only your local businesses, but also your individual constituents who will no doubt be surprised by the “sticker-shock” they will encounter just in time for the Fourth of July.

The rules and regulations continue to change, and we expect them to until and through the July 1 implementation date. This is making it challenging in a variety of ways, not only adjusting to these changes up and through the effective date, but impacting the marketing and preparation of businesses large and small.

In addition, based on our legal understanding of the issue at hand, the Chamber would expect the Illinois Department of Revenue to rule that Cook County cannot “tax a tax” in the way that you are attempting to, in order to squeeze even more revenue out of this unnecessary tax. While this will not likely find your sweetened beverage tax to be invalid, it will again cause immediate and chaotic changes to your implementation rules and regulations right before the implementation date- creating even more headaches for businesses, consumers, and Cook County’s own Department of Revenue.

The current piecemeal approach has caused great confusion because of a lack of transparency and a formal rules and regulations process. While the Department of Revenue has been helpful and accessible, it is a disservice to their abilities and bandwidth to have no formal rules and regulations process. In addition, this is why the Chamber has been vocal on opposing attempts to fill in the language of “incomplete ordinances” through such a “process”. We have seen this play out with the paid sick leave and minimum wage ordinances, as well- two other issues who have similar problems with implementation.

On behalf of our members and the broader business community, the Chicagoland Chamber of Commerce is formally requesting that the Cook County Board and President, at minimum, delay the implementation date to January 1, 2018 with no attempt to retroactively collect the tax. *Businesses should not be further punished due to the inability of Cook County to properly and thoughtfully implement a tax they asked for.*



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While we remain strongly opposed to a sweetened beverage tax passed to pay for wages approved by the Board without the revenue to pay for it, we believe that the inability of Cook County to provide timely and uniform guidance to the tens of thousands of businesses in Cook County is unfortunate and they should not suffer because of it. In addition, we are confident that when your constituents feel the real cost of your tax in their pocketbook, many will contact you directly requesting a repeal.

We will be following up with every Cook County Commissioner and the President to lay out our more detailed concerns. Hopefully we can work together in a reasonable manner to address these very real concerns.

Thank you for your attention to and consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Reeve", written over a horizontal line.

Michael L. Reeve, Esq.
Vice-President, Government Relations
Chicagoland Chamber of Commerce