

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
Recommendations of Boards, Commissions & Committees (Green)
Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: April 9, 2025 (B of T) Date: April 17, 2025

TITLE: Approval of Ordinances Related to Amusement Tax and
Coin Operated Amusement Devices

SUBMITTED BY: Nicole Aranas, Deputy Village Manager

BACKGROUND/POLICY IMPLICATIONS:

Attached please find information regarding proposed ordinances pertaining to coin-operated amusement devices and the application of the local amusement tax to certain categories of liquor licenses.

Please place this item under separate action on the agenda for the April 17, 2025 Board of Trustees meeting.

Review (as necessary):

| | |
|--|---------------------|
| Village Attorney X _____ | Date _____ |
| Finance Director X _____ | Date _____ |
| Village Manager X <u>Scott Niehaus</u> | Date <u>7/10/25</u> |

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: Keith Giagnorio, Village President
Village Board of Trustees

FROM: Nicole Aranas, Deputy Village Manager

DATE: April 9, 2025

SUBJECT: **APPROVAL OF ORDINANCES RELATED TO COIN-OPERATED AMUSEMENT DEVICES AND AMUSEMENT TAX**

Attached, please find two proposed ordinances pertaining to the operation of coin-operated amusement devices and the local amusement tax:

- An Ordinance Amending Section 98.114 of Title IX, Chapter 98, Article X of the Lombard Village Code Relative to Amusement Tax;
- An Ordinance Amending Section 110.21 of Title XI, Chapter 110, Article II of the Lombard Village Code Relative to Coin-Operated Amusement Devices

The proposed ordinances modify the definition of Amusement for purposes of Amusement Tax to expressly exclude those coin-operated devices that must be registered and licensed under the Code and to clarify that businesses holding the "Class MM" license are no longer required to separately license coin-operated amusements.

The current local provisions of the amusement tax provide that "in light of the annual fee already charged in relation to coin-operated amusement devices, the word 'amusement' shall not include the use of coin-operated amusement devices." The revised provision of code specifically clarifies that the definition of 'amusement' under the amusement tax shall not include those devices required to be registered and licensed under the specific section of Code.

The ordinance proposing to amend the coin-operated amusement device provisions of the code provide that the registration requirements for individual coin-operated devices shall not apply to holders of the "Class MM" liquor license. "Class MM" license are those sit-down restaurants with operation of eight or more coin-operated amusement devices having gross food and beverage sales exceeding \$1 million and no video gaming. Following these revisions, this particular class of licenses would no longer be required to register individual devices, but would still be subject to payment of the local amusement tax on the revenues connected to the operation of coin-operated amusement devices. In tandem, these proposed ordinances clarify the application of the coin-operated amusement device and amusement tax provisions of the code as they apply to various classes of liquor licenses.

The proposed amendments collectively clarify the requirements for registration of individual coin-operated amusement devices and the application of the amusement tax to various liquor license categories. Attached please find a copy of the proposed ordinances and please reach out should you have any issues, questions, or concerns.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING SECTION 98.114 OF
TITLE IX, CHAPTER 98, ARTICLE X OF THE LOMBARD
VILLAGE CODE RELATIVE TO AMUSEMENT TAX**

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title IX (General Regulations), Chapter 98 (Taxation), Article X, Section 98.114 (Amusement Tax), Subsection A (Definitions) of the Lombard Village Code, is hereby amended by revising the definition of the word "Amusement," which shall read in its entirety as follows:

"Amusement means and includes both participative and exhibitive entertainment, including, but not by way of limitation, the following activities and sports: any theatrical, dramatic, musical or spectator performance; motion picture show; movie; video; videotape; digital versatile disk (DVD), video or DVD game; video or DVD game system; flower, poultry or animal show; carnival; amusement rides; animal act; circus; rodeo; athletic contest, sport or game, including, but not limited to, archery, shooting galleries and shooting ranges, boxing, wrestling, skating, dancing, swimming, racing or riding animals or vehicles, baseball, basketball, softball, football, tennis, racquetball, handball, golf, hockey, track and field games, soccer, rugby, bowling, billiards and pool games. The word 'amusement' shall not include the use of coin-operated amusement devices required to be registered and licensed pursuant to Article II of Chapter 110 of this Code."

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as provided by law.

Passed on first reading this _____ day of _____, 2025.

First reading waived by action of the Board of Trustees this ____ day of _____, 2025.

Passed on second reading this _____ day of _____, 2025,
pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this _____ day of _____, 2025.

Keith Giagnorio, Village President

ATTEST:

Elizabeth Brezinski, Village Clerk

Published by me in pamphlet form this _____ day of _____, 2025.

Elizabeth Brezinski, Village Clerk

ORDINANCE NO. _____

**AN ORDINANCE AMENDING SECTION 110.21 OF
TITLE XI, CHAPTER 110, ARTICLE II OF THE LOMBARD VILLAGE CODE
RELATIVE TO COIN-OPERATED AMUSEMENT DEVICES**

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title XI (Business Regulations), Chapter 110 (Amusements and Entertainment), Article II (Coin-Operated Amusement Devices), Section 110.21 (License; fees), is hereby amended by adding a new Subsection H, to read in its entirety as follows:

“(H) The provisions of this Article II of Chapter 110 shall not apply to any holder of a Class MM liquor license, in good standing with the Village, issued by the Liquor Commissioner pursuant to the provisions of Article II of Chapter 112 of this Code.”

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as provided by law.

Passed on first reading this _____ day of _____, 2025.

First reading waived by action of the Board of Trustees this ____ day of _____, 2025.

Passed on second reading this _____ day of _____, 2025,
pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this _____ day of _____, 2025.

Keith Giagnorio, Village President

ATTEST:

Elizabeth Brezinski, Village Clerk

Published by me in pamphlet form this _____ day of _____, 2025.

Elizabeth Brezinski, Village Clerk