

## Resources

### City of Chicago Proposes Corporate Tax Disclosure Ordinance

January 29, 2013

Certain companies that do business with the City of Chicago would be required to disclose taxes paid by the company under a newly proposed ordinance. Introduced by Alderman Ed Burke, Chairman of the City Council's Finance Committee in December 2012, the ordinance is intended to promote the full and accurate disclosure of the tax payments of "corporations" seeking "City action." A "corporation" is any entity (a) subject to the tax imposed on corporations pursuant to Section 201 of the Illinois Income Tax Act or Section 11 of the Internal Revenue Code; and, (b) is publicly traded on any U.S. or foreign stock exchange. The ordinance also applies to entities where 50% or more of the voting stock of the company is directly or indirectly owned by a publicly traded corporation. "City action" means any action requiring an ordinance, or ordinance amendment, city council approval, or other city agency or department approval, with respect to the sale or purchase of real estate, real property tax reclassifications, leases, and contracts.

If the ordinance becomes law, corporations seeking City action will have broad disclosure obligations. The ordinance requires a company to disclose, among other tax information, taxable and net income, base income, operating loss deductions, tax credits and net corporate income tax. A company must also disclose the amount of real property taxes more recently paid for properties owned or leased within the City of Chicago. As of the date of this alert, the ordinance has not yet been scheduled for a hearing before the Finance Committee.

Dykema has extensive experience advising clients on Illinois legislative matters at both the state and local level. If you are interested in additional information, please contact the author of this alert, **Andrew Scott**, in our Chicago office at 312-627-8325.

---

*As part of our service to you, we regularly compile short reports on new and interesting developments and the issues the developments raise. Please recognize that these reports do not constitute legal advice and that we do not attempt to cover all such developments. Rules of certain state supreme courts may consider this advertising and require us to advise you of such designation. Your comments are always welcome. © 2013 Dykema Gossett PLLC.*

### Practice Areas

#### Government Policy & Practice

As part of our service to you, we regularly compile short reports on new and interesting developments and the issues the developments raise. Please recognize that these reports do not constitute legal advice and that we do not attempt to cover all such developments. Rules of certain state supreme courts may consider this advertising and require us to advise you of such designation. Your comments are always welcome. © 2019 Dykema Gossett PLLC.