

**CITY OF CHICAGO
DEPARTMENT OF REVENUE
AMUSEMENT TAX RULING AND
PERSONAL PROPERTY LEASE TRANSACTION TAX RULING**

Amusement Tax Ruling #2 and
Personal Property Lease Transaction Tax Ruling #7
Subject: Boat rides and boat leases
Effective date: June 1, 2004

Formerly Amusement Tax Ruling #2 and
Personal Property Lease Transaction Tax Ruling #11
Original effective date: April 30, 1991

Where boats are leased or chartered or where sightseeing or other boat rides are provided, the boat operator must collect and remit either the personal property lease transaction tax (Chicago Municipal Code chapter 3-32) or the amusement tax (Chicago Municipal Code chapter 4-156), depending on the nature of the transaction.

The amusement tax applies under the following circumstances:

- The boat operator provides a pilot, and the boat will travel on a route that is predetermined by the boat operator and not subject to negotiation with the patron.

The transaction tax applies in either of the following circumstances:

- The boat is leased without a pilot.
- The boat is leased with a pilot and the patron/lessee may determine the route. In this situation, piloting and other service charges will not be subject to the transaction tax if these charges are separately stated. The remaining charge is subject to the transaction tax.

All separately stated service charges must be supported by documentary evidence in order to be non-taxable.