



OFFICE OF THE MAYOR
CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

May 20, 2026

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Corporation Counsel, I transmit herewith an ordinance amending the Municipal Code regarding Social Media Amusement Tax.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,



Mayor

SUBSTITUTE **ORDINANCE**

SECTION 1. Chapter 4-156 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by adding the language underscored, as follows:

4-156-1010 Definitions.

For purposes of this Article VIII, the following words shall have the following meanings:

"Social media Amusement" means engagement with media content delivered through the use of social media for the substantial purpose of entertainment and enjoyment.

(Omitted text is unaffected by this ordinance)

~~"News-gathering organization" means a producer of current news and public interest information that is delivered on an online or mobile platform.~~

"Social media" means websites, applications, products, and internet platforms that allows consumers to view, share, and otherwise engage with images, videos, and audio presented in types and formats including, but not limited to, such as performances, promotions, memes, augmented reality, artificial intelligence, and or live streams. "Social media" does not include any bona fide news website, application, or platform. websites, applications, products, or internet platforms in which substantially all of the content made available to users (excepting incidental interactive user functions such as chat or comments) is individually created or selected for inclusion by those who maintain the website, application, product, or platform.

"Social media business" means a for-profit entity that: (a) provides individuals with access to social media for the activity of social media amusement; and (b) collects, maintains, uses, processes, sells, or shares consumer data, other than consumer contact information, in support of the entity's business activities.

4-156-1040 Rules of Interpretation.

(a) The definition of "social media business" in this article shall not be construed to include:

(Omitted text is unaffected by this ordinance)

~~(4) a streaming service, online video game, or website where the content is not user generated but includes interactive functions that enable chat, comments, reviews, or other interactive functionality that is incidental to, not directly related to or dependent upon providing the content;~~

~~(54)~~ a communication service, including text, audio, or video communication technology, provided by a business to the business's employees and clients for use in the course of business activities and not for public distribution, except that a social media business's media access includes a communication service provided to consumers by a social media business;

(65) an advertising network with the sole function of delivering commercial content;

(76) a telecommunications carrier, as defined in United States Code, title 47, section 153;

(87) a broadband service, as defined in 220 ILCS 5/21-201(c);

~~(9) single purpose community groups for education or public safety;~~

(108) teleconferencing or video-conferencing services that allow reception and transmission of audio and video signals for real-time communication, except that a social media business's media access includes teleconferencing or video-conferencing services provided to consumers by a social media business;

(119) cloud computing services or other non-possessory computer leasing services, which may include cloud storage and shared document collaboration; or

(1210) providing or obtaining technical support for a platform, product, or service.

(Omitted text is unaffected by this ordinance)

~~(d) This article shall not be construed to apply to or affect the rights of any news-gathering organization.~~

(ed) This article shall have no retroactive application prior to January 1, 2026. However, the ongoing retention of previously collected or acquired consumer data on a Chicago consumer beyond the effective date of this article shall be treated as substantially identical to consumer data collected or acquired after the effective date. There is no tax liability attributable for a Chicago consumer for a calendar month if there is no use by that consumer during the month even if there is previously collected data on that consumer.

(Omitted text is unaffected by this ordinance)

SECTION 2. The changes effected by Section 1 of this amendatory ordinance are intended to clarify, rather than to change, existing law, as enacted by Article IX of the 2026 Substitute Revenue Ordinance, bearing City Clerk reference number SO2025-0021719, as passed by the City Council on December 19, 2025, and codified as Article VIII of Chapter 4-156 of the Municipal Code of Chicago.

SECTION 3. This ordinance shall be in full force and effect following due passage and approval, and shall be retroactive to January 1, 2026.



CITY OF CHICAGO

COMMITTEE ON FINANCE

CITY COUNCIL
CITY HALL - ROOM 302
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL
CHAIRMAN

PHONE: 312-744-3380

**June 17, 2026
CHICAGO, ILLINOIS**

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Committee on Finance which was referred a substitute ordinance amending the Municipal Code Chapter 4-156 regarding Social Media Amusement Tax.
(SO2026-0025395)

Having the same under advisement, begs leave to report and recommend that Your Honorable Body **Pass** the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present with two (2) dissenting votes made by Alderman Marty Quinn (13th Ward) and Alderman Scott Waguespack (32nd Ward) on **June 15, 2026**.

(signed)

Pat Dowell, Chairman
Committee on Finance

APPROVED


CORPORATION COUNSEL

DATED: June 23, 2020

APPROVED


MAYOR

DATED: 6.23.20