



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**MAYOR LIGHTFOOT ANNOUNCES A PROJECTED \$25 MILLION IN NEW REVENUES
FOR 2020 THROUGH IMPROVED ACCOUNTS RECEIVABLE PROCESS**

*New Accounts Receivable Effort Could Generate Up to \$25 Million in Unaccounted
Payments, Tax Remittances from Vendors*

CHICAGO—Mayor Lori E. Lightfoot today announced that the City will begin a new effort to significantly boost tax and fees collection enforcement with vendors doing business with the City. The effort, which will prioritize overdue fees and tax remittances to maximize returns, is anticipated to yield up to \$25 million in uncollected taxes and licensing fees next year.

"With Chicago facing an \$838 million budget deficit, my administration has worked tirelessly to close this historic gap starting by maximizing savings and efficiencies within City government before turning to taxpayers to raise additional revenues," said Mayor Lightfoot. "After taking numerous steps to streamline costs for next year, we are announcing enhanced revenue collection methods that will ensure all vendors who benefit from doing business with the City are paying their fair share. These and other reforms will help our City start to meet our obligations for 2020, while also laying the groundwork to restore Chicago's long-term financial stability."

After performing an accounts receivable tracking and monitoring assessment to help prioritize its collection efforts, the City will implement a new monitoring process to pursue outstanding tax and fee remittance from vendors engaged in contracts with the City. The City will move away from old processes to a new system that will ensure frequent and comprehensive debt checks to expedite payments by City vendors, and to help more companies stay in compliance.

The new accounts receivable processes are subject to City Council approval, as part of a proposed code amendment authorizing the Office of the Comptroller to enter into data sharing agreements with the state and other governmental entities supporting more comprehensive tax collection processes.

In recent weeks the City's budget team has made significant progress toward maximizing savings and efficiencies for next year's budget, with efforts taken to reduce spending by asking departments to return to core functions while preserving critical



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neighborhood services. The City's 2020 Budget will be presented by Mayor Lightfoot during the annual budget address, scheduled on October 23.

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