

**CITY OF CHICAGO**  
**DEPARTMENT OF REVENUE**  
**EMPLOYER'S EXPENSE TAX RULING**

Employer's Expense Tax     Ruling #1  
Subject: Tips to be Computed as Part of Wages  
Effective date: June 1, 2004

Original effective date: May 4, 1977

Tips received by an employee are to be included in the calculation of wages received by an employee. Tips are considered to be within the purview of the term "wages" as used in section 3-20-020(H), defining the term "full-time employee."