



ORDINANCE NO. 1779-17

AN ORDINANCE AUTHORIZING THE EXECUTION OF A RECIPROCAL AGREEMENT
ON EXCHANGE OF INFORMATION BETWEEN THE VILLAGE OF HAWTHORN
WOODS AND THE ILLINOIS DEPARTMENT OF REVENUE

BE IT ORDAINED by the Mayor and Board of Trustees of the Village of Hawthorn Woods, Illinois, that the Mayor and Village Clerk be, and the same are, are hereby authorized to execute a certain Agreement with the Illinois Department of Revenue in substantially the form attached hereto as Exhibit "A", and, by this reference, made a part hereof.

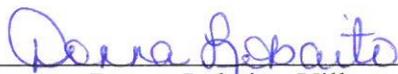
The foregoing Ordinance was adopted by a roll call vote as follows:

AYES: Kaiser, Bosik, Pires, Dimaggio

NAYS: 0

ABSENT AND NOT VOTING: Corrigan, David

APPROVED: 
Joseph Mancino, Mayor

ATTEST: 
Donna Lobaito, Village Clerk

ADOPTED: July 24, 2017

APPROVED: July 24, 2017

September 1, 2016 and after

**RECIPROCAL AGREEMENT ON EXCHANGE OF INFORMATION
BETWEEN THE [TOWN][CITY][VILLAGE][COUNTY]
OF HAWTHORN WOODS
AND THE
ILLINOIS DEPARTMENT OF REVENUE**

The Illinois Department of Revenue (the "Department"), in accordance with the statutes of the State of Illinois, agrees to share under the terms of this Reciprocal Agreement on Exchange of Information (the "Reciprocal Agreement") with the [Town][City][Village][County] of HAWTHORN WOODS (the ["Municipality"] ["County"]) financial information obtained pursuant to the Illinois Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act (the "Tax Acts"). For purposes of this Reciprocal Agreement, "financial information" means the following information for each retailer or serviceman in the [Municipality][County]: (1) the business name; (2) the business address; (3) the standard classification number assigned to the business; (4) net revenue distributed to the requesting [municipality][county] that is directly related to the requesting [municipality's][county's] local share of the proceeds under the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act distributed from the Local Government Tax Fund, and, if applicable, any locally imposed retailers' occupation tax or service occupation tax; and (5) a listing of all businesses within the requesting [municipality][county] by account identification number and address.

It is further agreed that all information exchanged will be used only for the official purposes of the State and of the [Municipality][County] and shall be kept confidential in accordance with the Tax Acts. Each party agrees to take appropriate steps to protect from unauthorized disclosure the tax information obtained pursuant to this Reciprocal Agreement and to destroy it when no longer needed by shredding or other appropriate means.

The [Municipality][County] agrees to follow the procedures to protect the confidentiality of information provided in "Minimum Standards Required to Safeguard Information Given as a Result of a Reciprocal Agreement on the Exchange of Information," which is incorporated into this Reciprocal Agreement as Attachment A. Both parties understand and agree that the Department will not provide any information under this Reciprocal Agreement to the [Municipality][County] unless and until the [Municipality][County] signs Attachment A.

It is agreed that only the chief executive officer of the [Municipality][County] will initiate a Reciprocal Agreement with the Department. Information provided to the [Municipality][County] under this Reciprocal Agreement may be shared with or viewed by only persons who are directly involved in the financial operations of the [Municipality][County], including [Municipal][County] employees, and persons, such as attorneys or accountants, retained by the [Municipality][County]. The information provided shall not, however, be shared with or viewed by any person who is compensated by the [Municipality][County] for services rendered on a contingent basis or any other similar method that may impair that person's independence or the perception of that person's independence. The chief executive officer shall provide the Department with a list of names and official titles of persons designated by him or her as persons exclusively authorized to request, view, or receive financial information on his or her behalf. The list shall be on [Municipal][County] letterhead and shall be signed by the chief executive officer. The information provided by the Department shall not be viewed by or shared with anyone who

September 1, 2016 and after

is not on the list. Each person designated to request, view, or receive financial information must acknowledge to the Department that he or she received and reviewed this Reciprocal Agreement and understands the legal and contractual obligation to maintain the confidentiality of this information by signing and returning Attachment B, which attachment shall be incorporated into this Reciprocal Agreement. The Department agrees to provide the [Municipality][County] with a written list showing the names and official titles of Department employees designated by it to request, view, or receive financial information from the [Municipality][County]. Both parties agree to furnish additions to and deletions from the lists as they occur. It is agreed that no information provided under this Reciprocal Agreement will be provided by telephone or pursuant to a telephone request.

Both parties understand and agree that the Department will not provide any information under this Reciprocal Agreement to the [Municipality][County] unless and until the [Municipality][County] provides:

- a signed copy of this Reciprocal Agreement;
- a signed copy of Attachment A;
- a list of names and official titles of persons exclusively authorized to request, view, or receive financial information on [Municipal][County] letterhead, signed by the chief executive officer; and
- a completed and signed Attachment B for each person designated by the chief executive officer of the [Municipality][County] as authorized to request, view, or receive financial information.

It is further agreed that either party for administrative reasons may refuse to share information.

This Reciprocal Agreement may be canceled by either party at any time and will be canceled in the event of any unauthorized use or disclosure (verbally, in writing, or by any other means) of confidential financial information obtained pursuant to this Reciprocal Agreement or failure to abide by the procedures set forth by the Department for safeguarding the confidentiality of such confidential financial information.

Illinois Department of Revenue

HAWTHORN WOODS
[Municipality][County]

Constance Beard
Director by Silvio Crook

[Signature]
Chief Executive of the [Municipality][County]

8/10/17
Date

[Signature]
Clerk of the [Municipality][County]

July 24, 2017
Date

RECEIVED

AUG 10 2017

Local Tax
Administration
Division

ATTACHMENT A

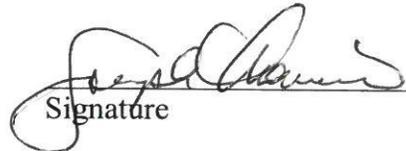
MINIMUM STANDARDS REQUIRED TO SAFEGUARD INFORMATION GIVEN AS A RESULT OF A RECIPROCAL AGREEMENT ON THE EXCHANGE OF INFORMATION

1. All requests for information under the Reciprocal Agreement on the Exchange of Information (the “Reciprocal Agreement”) will be in writing, on letterhead of the [Municipality][County] and addressed to the Local Tax Allocation Division at the Illinois Department of Revenue (the “Department”).
2. Information received under the Reciprocal Agreement will be kept in a locked storage facility, e.g., locked file cabinet, closet, or desk that is only accessible by persons authorized under the Reciprocal Agreement to receive information. Any information stored in an electronic format shall be password protected and restricted to only those persons authorized under the Reciprocal Agreement to receive information.
3. Any [Municipality][County] that receives information under the Reciprocal Agreement will promptly notify the Department when a person who has been authorized to receive information under the Reciprocal Agreement, leaves employment of the [Municipality][County] or otherwise is no longer authorized by statute or by the [Municipality][County] to receive the information.
4. Any [Municipality][County] that receives information under the Reciprocal Agreement will report to the Department any possible or suspected breach of confidentiality of the information as soon as possible, but no later than the close of business on the business day following the date of discovery.
5. The proper method for destruction of information that is no longer needed is shredding or destruction of the CDs.
6. Any [Municipality][County] that receives information under the Reciprocal Agreement will not share the information with or allow the information to be viewed by any person who is compensated by the Municipality or County for services rendered on a contingent basis or any other similar method that may impair that person's independence or the perception of that person's independence.

7. Any person who divulges confidential information in any manner, except in accordance with a proper judicial order or as otherwise provided by law, is guilty of a Class B misdemeanor with a fine not to exceed \$7,500.00 per disclosure. Confidential information includes any information collected by the Department from any return or investigation other than name and address of the taxpayer. Disclosure of confidential information to [Municipal][County] Employees, contractors, or vendors who are not explicitly authorized to view such information under the Reciprocal Agreement constitutes unauthorized disclosure.

8. Information received under the Reciprocal Agreement is exempt from disclosure under section 7(1)(a) of the Freedom of Information Act (FOIA). Section 11 of the Retailer's Occupation Tax Act (ROTA) specifically prohibits disclosure of this information. To ensure uniform responses among recipients of confidential tax information, a [Municipality][County] that receives a FOIA request for information received under the Reciprocal Agreement shall (a) deny the request pursuant to section 7(1)(a) of FOIA; (b) notify the Department of Revenue of the request; and (c) keep the Department apprised of any proceedings instituted to compel the release of information under FOIA.

The [Town][City][Village][County] of HAWTHORN WOODS agrees to abide by the aforementioned standards in safeguarding the information that it receives pursuant to the Reciprocal Agreement, which it has entered into with the Illinois Department of Revenue.



Signature

Mayor

Title

July 24, 2017

Date



2 LAGOON DRIVE - HAWTHORN WOODS, ILLINOIS 60047 (847) 438-5500

Authorized Personnel List

As described in the Reciprocal Agreement on Exchange of Information, the authorized municipal personnel who will be viewing the confidential data are as follows:

Pamela Newton, Chief Operating Officer
Donna Lobaito, Chief Administrative Officer
Kristin Kazenas, Chief Financial Officer
Michael Cassata, Community Development Director

A handwritten signature in black ink, appearing to read "Joseph C. Mancino", is written over a horizontal line.

Joseph C. Mancino
Mayor

ATTACHMENT B

Acknowledgment of Restrictions on Use and Disclosure of Confidential Financial Information

I, Pamela O. Newton, am currently employed as [a][an] Chief Operating Officer with [the [Town][City][Village][County] of HAWTHORN WOODS (the ["Municipality"] ["County"])] [name of non-government entity]. I am authorized under the Reciprocal Agreement on Exchange of Information between [name of Municipality][name of County] and the Illinois Department of Revenue to request, view, or receive confidential financial information on behalf of the [Municipality][County]. I have received and reviewed the Reciprocal Agreement on the Exchange of Information and I understand its terms.

By my signature below I acknowledge that the unauthorized use or disclosure of confidential financial information obtained under the Reciprocal Agreement is prohibited by law. I further acknowledge that any person who divulges confidential financial information in any manner, except pursuant to a court order or as otherwise authorized by law, is guilty of a Class B misdemeanor and subject to a fine of up to \$7,500 per disclosure. I understand that disclosing confidential financial information to persons who are not explicitly authorized under the Reciprocal Agreement constitutes unauthorized use and disclosure.

Employer: (Please print) Village of Hawthorn Woods

Position/Title: (Please print) Chief operating officer

Pamela O. Newton
[Signature]

7/26/17
[Date]

ATTACHMENT B

Acknowledgment of Restrictions on Use and Disclosure of Confidential Financial Information

I, Donna Lobaito, am currently employed as [a][an] Chief Administrative Officer with [the [Town][City][Village][County] of HAWTHORN WOODS (the ["Municipality"] ["County"])] [name of non-government entity]. I am authorized under the Reciprocal Agreement on Exchange of Information between [name of Municipality][name of County] and the Illinois Department of Revenue to request, view, or receive confidential financial information on behalf of the [Municipality][County]. I have received and reviewed the Reciprocal Agreement on the Exchange of Information and I understand its terms.

By my signature below I acknowledge that the unauthorized use or disclosure of confidential financial information obtained under the Reciprocal Agreement is prohibited by law. I further acknowledge that any person who divulges confidential financial information in any manner, except pursuant to a court order or as otherwise authorized by law, is guilty of a Class B misdemeanor and subject to a fine of up to \$7,500 per disclosure. I understand that disclosing confidential financial information to persons who are not explicitly authorized under the Reciprocal Agreement constitutes unauthorized use and disclosure.

Employer: (Please print) Village of Hawthorn Woods
Position/Title: (Please print) Chief Administrative Officer Village Clerk

Donna Lobaito
[Signature]

July 26, 2017
[Date]

ATTACHMENT B

Acknowledgment of Restrictions on Use and Disclosure of Confidential Financial Information

I, Kristin N. Kazenas, am currently employed as [a][an] Chief Financial Officer with [the [Town][City][Village][County] of HAWTHORN WOODS (the ["Municipality"]["County"])[name of non-government entity]. I am authorized under the Reciprocal Agreement on Exchange of Information between [name of Municipality][name of County] and the Illinois Department of Revenue to request, view, or receive confidential financial information on behalf of the [Municipality][County]. I have received and reviewed the Reciprocal Agreement on the Exchange of Information and I understand its terms.

By my signature below I acknowledge that the unauthorized use or disclosure of confidential financial information obtained under the Reciprocal Agreement is prohibited by law. I further acknowledge that any person who divulges confidential financial information in any manner, except pursuant to a court order or as otherwise authorized by law, is guilty of a Class B misdemeanor and subject to a fine of up to \$7,500 per disclosure. I understand that disclosing confidential financial information to persons who are not explicitly authorized under the Reciprocal Agreement constitutes unauthorized use and disclosure.

Employer: (Please print) Village of Hawthorn Woods
Position/Title: (Please print) Chief Financial Officer

Kristin N. Kazenas
[Signature]

7/26/17
[Date]

ATTACHMENT B

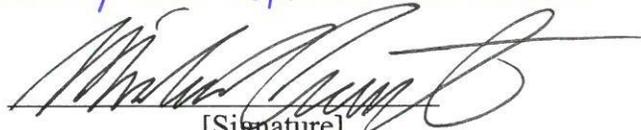
Acknowledgment of Restrictions on Use and Disclosure of Confidential Financial Information

I, Michael Cassata, am currently employed as [a][an] Director of Community Dev. with [the [Town][City][Village][County] of HAWTHORN WOODS (the ["Municipality"]["County"])] [name of non-government entity]. I am authorized under the Reciprocal Agreement on Exchange of Information between [name of Municipality][name of County] and the Illinois Department of Revenue to request, view, or receive confidential financial information on behalf of the [Municipality][County]. I have received and reviewed the Reciprocal Agreement on the Exchange of Information and I understand its terms.

By my signature below I acknowledge that the unauthorized use or disclosure of confidential financial information obtained under the Reciprocal Agreement is prohibited by law. I further acknowledge that any person who divulges confidential financial information in any manner, except pursuant to a court order or as otherwise authorized by law, is guilty of a Class B misdemeanor and subject to a fine of up to \$7,500 per disclosure. I understand that disclosing confidential financial information to persons who are not explicitly authorized under the Reciprocal Agreement constitutes unauthorized use and disclosure.

Employer: (Please print) Village of Hawthorn Woods

Position/Title: (Please print) Community Development Director


[Signature]

July 24, 2017
[Date]

Acknowledgement of Reciprocal Agreement



VILLAGE OF HAWTHORN WOODS
ATTN: KRISTIN KAZENAS, CHIEF FINANCIAL OFFICER
2 LAGOON DR
HAWTHORN WOODS IL 60047-9061

August 11, 2017



Letter ID: L1935252560

Account ID: 00289-29856

Dear Local Official:

Enclosed is a fully executed copy of the Reciprocal Agreement on the Exchange of Information between the Illinois Department of Revenue and your municipality.

To ensure that all individuals are aware of the obligations for safeguarding the confidentiality of the information, please forward a copy of the agreement to the individuals listed on your authorized list. As a reminder, a breach of the confidentiality provisions in this agreement is subject to criminal punishment as stated in 35 ILCS 120/11.

All requests for confidential information on retail businesses doing business within your taxing jurisdiction, as well as notification of changes to the authorized list, must be submitted on your municipal letterhead. All confidential requests must indicate the information is being requested under your reciprocal agreement and be signed by an authorized person. Requests can be sent to the address listed below.

Following are annual requirements that must be submitted to allow your municipality to receive or to continue to receive confidential information under your reciprocal agreement:

- A list of persons authorized to request, view, or receive confidential information must be recertified annually by the chief executive officer by January 31. You must include titles for each authorized person. Changes to the authorized list during the year must be made by the chief executive officer*.
 "Chief executive officer" means the mayor of a city, the village board president of a village, the mayor or president of an incorporated town, the county executive of a county that has adopted the county executive form of government, the president of the board of commissioners of Cook County, or the chairperson of the county board or board of county commissioners of any other county.
- Requests for tri-annual remittance reports must be made annually by an authorized person. Reports will be sent during the following time periods:
 - in June, for the January - April collection periods,
 - in October, for the May - August collection periods, and
 - in the following February for the September - December collection periods.

If you need additional information, please contact us at the address or telephone number listed below.

**LOCAL TAX ALLOCATION DIVISION MC 3-500
ILLINOIS DEPARTMENT OF REVENUE
101 WEST JEFFERSON
SPRINGFIELD IL 62702**

**217 785-6518
217 524-0526 fax**

rev.localtax@illinois.gov

*Attachment B, Acknowledgement of Restrictions on Use and Disclosure of Confidential Financial Information, must be signed and submitted for each new person added to the authorized list.