

Bond Case Briefs

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Village of Arlington Heights v. City of Rolling Meadows

Supreme Court of Illinois - March 20, 2025 - N.E.3d - 2025 IL 130461 - 2025 WL 865177

Village brought action against neighboring city to recover sales tax revenues generated by business located within village that had been misallocated to city.

The Circuit Court granted city's motion to dismiss for lack of subject-matter jurisdiction.

Village appealed. The Appellate Court reversed. City filed petition for leave to appeal to Supreme Court, which was granted.

The Supreme Court held that circuit court lacked subject-matter jurisdiction over action, overruling *Village of Itasca v. Village of Lisle*, 352 Ill.App.3d 847, 288 Ill.Dec. 35, 817 N.E.2d 160.

Circuit court lacked subject-matter jurisdiction over action brought against neighboring city by village seeking to recover sales tax revenues generated by business located within village that had been misallocated to city; statutory framework provided Department of Revenue (DOR) exclusive jurisdiction to determine sales tax misallocation disputes; overruling *Village of Itasca v. Village of Lisle*, 352 Ill.App.3d 847, 288 Ill.Dec. 35, 817 N.E.2d 160. 20 Ill. Comp. Stat. Ann. 2505/2505-25; 30 Ill. Comp. Stat. Ann. 105/6z-18; 35 Ill. Comp. Stat. Ann. 120/3, 120/4, 120/8.