

# **Bond Case Briefs**

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## **TAX - ILLINOIS**

### **City of Chicago v. City of Kankakee**

**Supreme Court of Illinois - March 21, 2019 - N.E.3d - 2019 IL 122878 - 2019 WL 1292293**

Plaintiff municipalities brought action against defendant municipalities, brokers, and internet retailers, seeking to recover use tax revenue that was purportedly unjustly retained by defendants under an alleged scheme by which they misreported situs of online retail sales.

The Circuit Court entered an order dismissing claims, and plaintiffs appealed. The Appellate Court reversed and remanded. Leave to appeal was granted.

The Supreme Court of Illinois held that Illinois Department of Revenue had exclusive jurisdiction over plaintiff municipalities' claims against defendant municipalities, brokers, and internet retailers to recover use tax revenue that was purportedly unjustly retained by defendants under an alleged scheme by which they misreported situs of online retail sales, since Department was vested with sole authority to audit disputed transactions and to distribute and redistribute tax revenue due to any error.