



CITY OF DECATUR ILLINOIS

#1 GARY K. ANDERSON PLAZA

DECATUR, ILLINOIS 62523-1196

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Council approves video gaming changes, chooses property tax levy amount

Decatur, IL – Highlights from the November 20, 2023, Decatur City Council meeting include changes to the liquor code that affect video gaming, and a preliminary agreement on the property tax levy to be paid in 2024.

Video Gaming changes

On Monday night the Decatur City Council approved numerous amendments to the alcoholic liquor code that are intended to regulate video gaming. The topic has been studied and worked on for nearly a year. In the meantime, a moratorium on issuing any new video gaming licenses has been in effect since the start of 2023. A summary of changes:

- Definition of a “restaurant” has been strengthened so entities (such as convenience stores/gas stations) cannot request a liquor license just to add video gaming
- Establishments with video gaming must obtain an annual V license for a \$100 fee. These V licenses will be capped
- An existing liquor license holder must be in business for at least one year before requesting a V license
- V license holders must obtain at least 40% of their total business revenue from non-gaming sources. This also applies to Class G and Class I licenses, but does NOT apply to Class C (clubs) or Class P (parlors)
- The license fee for Class P (parlors) increases to \$10,000 per year
- Language added to Class C requirements to further limit what can be designated as a “club”

New fees and new revenue threshold requirements will not go into effect until July 1, 2024. The City plans to postpone auditing of these new requirements to give businesses additional time to comply with the new regulations.

Property Tax Levy

A Decatur property owner with a property value of \$100,000 in 2023 could pay about \$48 more to the City of Decatur in property taxes in 2024. Council agreed they would set the property tax mill rate at an estimated 1.50478 per \$100 of EAV. This rate is less than the 1.61902 per \$100 EAV rate levied in 2023. However, partly because property values increased at a higher rate than last year, taxpayers will likely see a slight increase in what they owe the City.

Despite the estimate that Equalized Assessed Value (EAV) would go up an average of 10-12 percent in Decatur, Council members said they wanted to act with restraint and limit the increase in property taxes to three percent. With the City facing increases in costs due to inflation, a small increase was necessary. A seven percent increase was proposed in the preliminary budget. However, a majority of Council said they would not support the higher levy, so City staff has made cuts from nearly every department in order to balance the budget.

Property owners should be reminded that the City of Decatur accounts for about 15 percent of their total property tax bill. How much their overall bill may increase will depend on what the other taxing bodies set their levy at.

Monday night's action does NOT set the property tax levy. The City is required to make notice of a proposed tax levy at least 20 days prior to its adoption. A vote on the levy should occur at the December 20, 2023 meeting.

In other business

In other business...Council approved an amendment allowing Decatur Public Transit Service on Sundays to be permanent. For about a year Sunday service was piloted. Transit staff reported solid ridership on Sunday during the pilot and recommended it become a permanent service day.

More information about these topics can be found in the City Council Agenda packet, downloadable/viewable here: www.decaturlil.gov/mayor-and-council/council-meetings/

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