

MEMO# 31712

April 12, 2019

For Your Review: ICI Letter on IL Financial Transaction Tax Act

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April 12, 2019 TO: Tax Committee RE: For Your Review: ICI Letter on IL Financial Transaction Tax Act

Attached for your review is a draft comment letter on Illinois' proposed [Financial Transaction Tax Act \(HB0023\)](#). The proposal would impose a tax at rate of \$1 for each financial transaction for which the underlying asset is an agricultural product, a financial instrument contract, or an options contract. It would apply to transactions engaged on the Chicago Stock Exchange, the Chicago Mercantile Exchange, the Chicago Board of Trade, or the Chicago Board Options Exchange. The tax would be paid by the trading facility or by the purchaser involved in the transaction.

The proposal includes an exemption for "securities held in a retirement account or a transaction involving a mutual fund." The draft comment letter requests that the exemption apply to all 1940 Act-registered funds and their portfolio trades.

Please send any comments to the letter by Friday, April 19, 2019.

Katie Sunderland
Assistant General Counsel

[Attachment No. 1](#)

[Attachment No. 2](#)