

Sales/Use/Indirect:

Illinois: Court Grants Streaming Entertainment Companies' Motion to Dismiss in Local Provider Fee Case

Case No. 3:21-cv-00561-MAB, S.D. Ill. (9/23/22). In a suit filed by an Illinois municipality against various streaming entertainment companies claiming that they owed local provider fees imposed on certain cable and video service providers under Illinois law (*i.e.*, “Cable and Video Competition Law” (CVCL)), the US District Court for the Southern District of Illinois (Court) granted the companies’ motion to dismiss, holding that the CVCL did not provide the municipality with either an express or implied right of action to bring suit against the companies. The Court noted that while applicable state law “clearly provides an express right of action to the Attorney General by explicitly stating that the Attorney General may institute a lawsuit against holders for violations of the CVCL,” the provision does *not* state that local units of government may do the same. Please contact us with any questions.

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