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*Inspector General*

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### **OIG Releases Audit of BACP's Business Compliance and Enforcement Division**

The City of Chicago Office of Inspector General (OIG) has completed an audit of the Department of Business Affairs and Consumer Protection's (BACP) Business Compliance and Enforcement (BCE) division.

BACP inspects businesses for code violations, expired food, expired baby formula, and unstamped (or untaxed) cigarettes, among other items. The sale of unstamped cigarettes is a particularly challenging problem for Chicago, which has the nation's highest cumulative cigarette tax. The tax, currently \$7.17 per pack, includes levies at the city, county, state, and federal levels.

OIG evaluated how BACP confiscates and stores contraband from businesses that violate City code. "We found that BACP effectively handled, tracked, and stored contraband from misplacement, theft, and/or fraud," said Inspector General Joseph Ferguson, "The audit leaves open for future examination an assessment of whether the City operates with a mix of enforcement resources and penalty structures sufficient to effectively curb the black market—rather than merely having created a high tax jurisdiction coupled with high tax evasion on the part of vendors."

The full audit can be found online at the OIG website: [www.ChicagoInspectorGeneral.org](http://www.ChicagoInspectorGeneral.org)

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