



**Illinois**  
**Department of Commerce**  
**& Economic Opportunity**

JB Pritzker, Governor



**Enterprise Zone,  
High Impact Business  
and River Edge Redevelopment Zone Programs**

**ANNUAL REPORT 2019**

Illinois Department of Commerce and Economic Development

**JB Pritzker, Governor**

**2019 Annual Report**  
**Enterprise Zone, High Impact Business and River Edge Redevelopment Zone**

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## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

September 9, 2020

Dear Governor Pritzker and Members of the General Assembly:

The enclosed information fulfills the statutory directive that the Department of Commerce and Economic Opportunity (“DCEO” or the “Department”) report annually to the Governor and the Illinois General Assembly an evaluation of the effectiveness of the Illinois Enterprise Zone (“EZ”), River Edge Redevelopment Zone (“RERZ”), and High Impact Business (“HIB”) tax incentive programs. This report provides the most up-to-date and accurate information available to DCEO and the Illinois Department of Revenue (“IDOR”) through calendar year ended December 31, 2019 and thus provides a comprehensive evaluation of the EZ, RERZ and HIB programs.

The programs are designed to stimulate business and industrial growth, retention in depressed areas and neighborhood revitalization in such areas at the local level through state and local tax incentives, regulatory relief and improved government services. Pursuant to previous changes to the Illinois Enterprise Zone Act, this annual program report will include data collected by IDOR.

These programs are an important factor in a business' decision to locate or expand in Illinois. This report demonstrates that the programs continue to be an essential component of the State's arsenal to stimulate investment and job creation. The Department continues to work with the IDOR and various stakeholders to improve the reporting procedures for the programs to improve the quality of the metrics demonstrating the efficacy of these programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Erin B. Guthrie".

Erin B. Guthrie  
Director

## **ENTERPRISE ZONE PROGRAM**

### **Overview**

The Illinois Enterprise Zone Act, 20 ILCS 655/1, *et seq.* (the "Act"), was signed into law on December 7, 1982. The purpose of the Act is to stimulate economic growth and neighborhood revitalization at the local level. This is accomplished through state and local tax incentives, regulatory relief, and improved government services. In accordance with the Act, the Department is authorized to designate Enterprise Zones upon approval by the Enterprise Zone Board. Pursuant to the most recent amendments to the Act, applicants must satisfy certain statutory criteria as part of the application process. DCEO reviews the applications based on the scoring system set forth in the Act, and then submits its recommendations to the Enterprise Zone Board to review and either approve or deny such applications. The Department certifies zones based on the review and approval of the Enterprise Zone Board.

### **Program Activity**

During 2019, the Enterprise Zone Board convened under the Act to review and approve or deny applicants for Enterprise Zone designation from an applicant pool of fourteen (14) applications received prior to the December 31, 2018 deadline. The Enterprise Zone Board ultimately approved all applications which included American Bottoms, Carbondale/ Murphysboro/Jackson County, Coles County, Franklin County, Hamilton/ Wayne County, Jacksonville Regional, Monroe/Randolph County, Montgomery County, Northwest Illinois, Robinson/ Crawford County, Salem/Marion County, Western Hoffman Estates, West Regional and Zion Benton for new designations to become effective on January 1, 2020, for an initial period of fifteen (15) years, with the possibility of a ten (10) year extension if determined and approved by the Enterprise Zone Board.

As detailed on pages 4-11 of the Illinois Department of Revenue (IDOR) companion report, the Enterprise Zone Program resulted in a total capital investment of \$657,106,000, the creation of 4,570 jobs, the retention of 37,945 existing positions and \$120,463,000 in total state expenditures during the period of January 1, 2019 through December 31, 2019.

## **BENEFITS OF THE ENTERPRISE ZONE PROGRAM**

### **State Incentives**

The Illinois Enterprise Zone program offers numerous state incentives to encourage companies to locate or expand in Enterprise Zones. Currently, the following incentives are available:

#### **Enterprise Zone Investment Tax Credit**

The Investment Tax Credit provides for a 0.5% credit against the state income tax for investments made in "qualified property" that are placed in service in an Enterprise Zone. The credit shall be 0.5% of the basis for such property. The specific terms and conditions governing this tax credit are regulated by the Illinois Department of Revenue. Qualified property is statutorily defined in Section 201(f) and (h) of the Illinois Income Tax Act.

#### **Enterprise Zone Building Materials Exemption (BME)**

A 6.25 % state sales tax exemption is permitted on building materials to be incorporated into real estate located within an Enterprise Zone established by a county or municipality under the Act. Receipts for materials used for remodeling, rehabilitation or new construction may be deducted from such sales when calculating the tax imposed. For purposes of this exemption, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the Illinois Department of Revenue.

#### **Enterprise Zone Utility Tax Exemption**

A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge, as well as the telecommunication excise tax, is available to businesses located within an Enterprise Zone.

Eligibility for this exemption is contingent upon one of the following:

- the business making a minimum eligible investment of \$5 million in an Enterprise Zone, which results in the creation of a minimum of 200 full-time equivalent jobs in Illinois; or
- the business making a minimum eligible investment of \$20 million in an Enterprise Zone, which results in the retention of a minimum of 1,000 full-time jobs in Illinois.

The majority of the jobs created or retained must be located in the Enterprise Zone in which the investment occurs. A business must submit an application to and be certified by the Department in order to receive an initial five-year exemption, not to exceed the termination date of the Enterprise Zone. At the expiration of this initial five-year period, certified businesses may apply to the Department for renewals of the exemption for additional five-year periods, not to exceed the termination date of the Enterprise Zone. Eligibility for renewal of the exemption is contingent upon the business maintaining the requisite number of full-time equivalent jobs in Illinois with the majority of the jobs being located within the Enterprise Zone in which the investment was made.

#### **Enterprise Zone Manufacturing Machinery and Equipment/Pollution Control Facilities (MM&E) Sales Tax Exemption**

A 6.25% state sales tax exemption is available on purchases of:

All tangible personal property used or consumed in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, or in the process of graphic arts production;

Repair and replacement parts for machinery and equipment used in the manufacturing or assembling of tangible personal property, or in the process of graphic arts production for wholesale or retail sale or lease; and

Equipment, manufacturing or graphic arts fuels, material, and supplies for the maintenance, repair, or operation of such manufacturing or assembling or graphic arts machinery or equipment.

Eligibility for this exemption is contingent upon one of the following:

- the business making a minimum eligible investment of \$5 million in an Enterprise Zone that results in the creation of a minimum of 200 full-time equivalent jobs in Illinois, or
- the business making a minimum eligible investment of \$40 million in an Enterprise Zone that results in the retention of a minimum of 2,000 full-time jobs in Illinois; or
- the business making a minimum eligible investment of \$40 million that results in the retention of at least 90% of the jobs in place on the date on which the exemption is granted for the duration of the exemption.

The majority of the jobs created or retained must be located in the Enterprise Zone in which the investment occurs. A business must submit an application to and be certified by the Department in order to receive an initial five-year exemption, not to exceed the termination date of the Enterprise Zone. At the expiration of this initial five-year period, certified businesses may apply to the Department for renewals of the exemption for additional five-year periods, not to exceed the termination date of the Enterprise Zone. Eligibility for renewal of the exemption is contingent upon the business maintaining the requisite number of full-time equivalent jobs in Illinois with the majority of the jobs being located within the Enterprise Zone in which the investment was made.

### **Local Incentives**

In addition to state incentives, each zone offers local incentives to enhance business development projects. The incentives offered are determined by the local governments and authorized through local ordinance. The following list is not inclusive, but serves as an example of the most common local Enterprise Zone incentives offered:

- Abatement of property taxes on new improvements;
- Homesteading and Shop-steadying programs;
- Waiver of business licensing and permit fees;
- Streamlined building code and zoning requirements; and
- Special local financing programs and other resources.

## Population of Enterprise Zones

Enterprise Zones (1)(2)	Population		Increase/ Decrease	
	2018	2019	Individuals	%
Alexander/Pulaski County	71,057	70,770	(287)	(.40)
Altamont	34,181	34,008	(173)	(.50)
American Bottoms (SWIDA) (3)	525,386	522,652	(2,734)	(.52)
Beardstown	19,182	18,915	(267)	(1.39)
Bedford Park	5,171,960	5,150,233	(21,727)	(.42)
Belleville	261,360	259,686	(1,674)	(.64)
Belvidere/Boone County	337,110	336,116	(1,052)	(.31)
Bensenville	5,171,960	5,150,233	(21,727)	(.42)
Benton/Franklin County	38,695	38,469	(226)	(.58)
Bloomington – Normal	185,622	184,478	(1,144)	(.61)
Bureau/Putnam County	38,695	38,367	(328)	(.85)
Cal-Sag	5,171,960	5,150,233	(21,727)	(.42)
Calumet Region	5,171,960	5,150,233	(21,727)	(.42)
Canton/ Fulton County	34,830	43,340	(90)	(.26)
Carmi/ White County/Edwards County	20,005	19,932	(73)	(.36)
Champaign/Champaign County	209,918	209,687	(231)	(.11)
Chicago I	5,171,960	5,150,233	(21,727)	(.42)
Chicago II	5,171,960	5,150,233	(21,727)	(.42)
Chicago III	5,171,960	5,150,233	(21,727)	(.42)
Chicago IV	5,171,960	5,150,233	(21,727)	(.42)
Chicago V	5,171,960	5,150,233	(21,727)	(.42)
Chicago VI	5,171,960	5,150,233	(21,727)	(.42)
Cicero	5,171,960	5,150,233	(21,727)	(.42)
Clark	15,600	15,441	(159)	(.02)
Clinton County	37,697	37,562	(135)	(.36)
Coles County	50,829	50,621	(208)	(.41)
Danville/Vermilion County	76,702	75,725	(44)	(.06)
Decatur/Macon County	413,877	411,376	(2,501)	(.60)
Dekalb County	104,349	104,897	548	.53)
Des Plaines River Valley	691,149	690,743	(406)	(.06)
Diamond	996,948	995,976	(972)	(.09)
Douglas County	405,281	403,539	(1,742)	(.43)
Edgar County/ Paris	319,580	318,049	(1,531)	(.48)
Effingham/Effingham County	34,181	34,008	(173)	(.51)
Fairfield/Wayne County	16,326	16,215	(111)	(.68)
Fairmont City/Caseyville/Brooklyn/St. Clair County	525,386	522,652	(2,734)	(.52)
Fairview Heights	261,360	259,686	(1,674)	(.64)
Flora/Clay County	13,266	13,181	(82)	(.62)
Franklin Park	5,171,960	5,150,233	(21,727)	(.42)
Freeport/Stephenson County	44,797	44,498	(299)	(.67)
Galesburg	117,351	116,320	(1,031)	(.88)
Gateway Commerce Center (SWIDA) (3)	264,026	262,966	(1,060)	(.40)
Greater Centralia	126,785	126,338	(447)	(.35)
Greenville/Bond County	368,419	366,704	(1,715)	(.47)
Harvard/Woodstock	308,251	307,774	(477)	(.15)
Hodgkins/McCook	5,171,960	5,150,233	(21,727)	(.42)

Hoffman Estates	5,171,960	5,150,233	(21,727)	(.42)
Jackson County	57,289	56,750	(539)	(.94)
Jacksonville/Morgan County	38,954	38,609	(345)	(.89)
Jersey-Greene Intermodal	610,393	607,059	(3,334)	(.55)
Jo-Carroll (1)	35,645	35,540	(105)	(.29)
Joliet Arsenal (4)	691,149	690,743	(403)	(.06)
Kankakee County	137,437	136,996	(461)	(.34)
Kankakee River Valley	109,953	109,862	(91)	(.08)
Kewanee/Henry County	241,668	240,491	(1177)	(.49)
Lawrenceville/Lawrence County	15,813	15,678	(135)	(.85)
Lee/Ogle	85,077	84,739	(340)	(.40)
Lincoln and 394 Corridor	5,863,109	5,840,976	(22,133)	(.38)
Lincoln/Logan County	133,416	132,627	(789)	(.59)
Loves Park/Machesney Park	337,110	336,116	(994)	(.29)
Macomb/Bushnell/McDonough County	89,512	88,498	(1014)	(1.13)
Macoupin County	45,318	44,926	(392)	(.86)
Madison County Discovery	579,720	576,640	(3080)	(.53)
Massac County	14,023	13,772	(251)	(1.79)
McLeansboro/Hamilton County	8148	8,116	(32)	(.39)
Monmouth/Warren County	73,667	73,189	(478)	(.65)
Montgomery County	730,562	726,687	(3875)	(.53)
Mt. Carmel/Wabash County	79,362	78,858	(504)	(.64)
Mt. Vernon/Waltonville	138,258	137,689	(569)	(.41)
Nashville/ Washington County	409,289	406,940	(2349)	(.57)
Northern Tazewell	351,597	349,441	(2156)	(.61)
Olney/Richland/Newton/Jasper	15,695	15,513	(182)	(1.16)
Ottawa Area	195,846	195,371	(475)	(.24)
Peoria Rural	453,306	450,260	(3046)	(.67)
Peoria Urban	655,700	651,459	(4241)	(.65)
Perry County	117,128	116,135	(993)	(.85)
Quad Cities	262,794	261,404	(1390)	(.53)
Quad Cities Regional Economic Development Authority (QCREZ) (5)	142,621	141,879	(742)	(.52)
Quincy/Adams County/Brown County	469,628	466,598	(3030)	(.65)
Rantoul	209,918	209,689	(229)	(.11)
Riverbend	525,386	522,652	(2734)	(.52)
Robinson/Crawford County	34,643	34,345	(298)	(.86)
Rockford EZ1	387,891	386,759	(1132)	(.29)
Rockford I-90	387,891	386,759	(1132)	(.29)
Salem/ Marion County	37,381	37,205	(176)	(.47)
Saline	23,789	23,491	(298)	(1.25)
Southern Tazewell	351,597	349,441	(2156)	(.61)
Springfield/Sangamon County	195,639	194,672	(967)	(.49)
St. Clair County MidAmerica (SWIDA) (3)	261,360	259,686	(1674)	(.64)
Streator Area	144,873	144,317	(556)	(.38)
SW Madison County	525,386	522,652	((2734)	(.52)
Taylorville/Christian County	228,292	226,976	(1316)	(.57)
Upper Illinois River Valley Development Authority (UIRVDA) (7)	769,596	770,062	466	.06)
Urbana/Champaign County	209,918	209,689	(229)	(.11)
Vandalia/Fayette County	21,368	21,336	(32)	(.15)
Waukegan-North Chicago	5,871,547	5,846,768	(24,779)	(.42)



Western Illinois Economic Development Authority (WIEDA) (6)	265,781	263,677	(2104)	(.79)
Whiteside/Carroll	242,012	240,923	(1089)	(.45)
Will County/Cook County	5,863,109	5,840,976	(22,133)	(.38)
Williamson County	66,982	66,597	(385)	(.57)
State of Illinois (All Counties)	12,778,828	12,671,821	(107,007)	(0.84)

\*The annual Statistical Data presented in this table represents the calculated estimated population of the county and or counties of the listed Enterprise Zone's local Labor market, based on data obtained from the U.S. Census Bureau.

(1) The Enterprise Zones listed represent those zones which were in effect during the period of January 1, 2019 – through December 31, 2019.

(2) The totals and percentages were calculated using the statistical data of the county and or counties in which the Enterprise Zone boundaries were located. Actual zone boundaries may vary from the established boundaries of the applicable county or counties.

(3) Certified under the auspices of the Southwestern Illinois Development Authority Act (SWIDA).

(4) Certified as a qualified closed military base.

(5) Certified under the auspices of the Quad Cities Regional Economic Development Authority (QREDA).

(6) Certified under the auspices of the Western Illinois Economic Development Authority Act (WIEDA)

(7) Certified under the auspices of the Upper Illinois River Valley Development Authority Act (UIRVDA).



Hoffman Estates	59,238	62,205	2,967	5.0
Jackson County	35,634	37,284	1,650	4.6
Jacksonville/Morgan County	39,429	42,039	2,610	6.6
Jersey-Greene Intermodal	46,903	42,417	4,486	9.5
Jo-Carroll (1)	46,903	45,730	1,173	2.5
Joliet Arsenal (4)	50,638	52,953	2,315	4.5
Kankakee County	39,862	42,274	2,412	6.0
Kankakee River Valley	39,862	42,274	2,412	6.0
Kewanee	44,544	43,115	1,429	3.2
Lawrenceville/Lawrence County	28,574	29,911	1,337	4.7
Lee/Ogle	40,333	44,271	3,938	9.7
Lincoln and 394 Corridor	59,238	62,205	2,967	5.0
Lincoln/Logan County	41,882	43,276	1,394	3.3
Loves Park/Machesney Park	41,682	45,589	3,907	9.4
Macomb/Bushnell/McDonough County	37,161	38,692	1531	4.1
Macoupin County	38,639	41,607	2,968	7.7
Madison County Discovery	44,768	44,464	(304)	(0.7)
Massac County	36,835	38,360	1,525	4.1
McLeansboro/Hamilton County	42,710	43,346	636	1.5
Monmouth/Warren County	39,006	40,898	1,892	4.8
Montgomery County	34,961	37,717	2,756	7.8
Mt. Carmel/Wabash County	42,812	41,189	(1,623)	3.8
Mt. Vernon/Waltonville	37,438	40,901	3,463	9.2
Nashville/ Washington County	46,795	44,244	(2,551)	5.4
Northern Tazewell	44,855	47,862	3007	6.7
Olney/Richland/Newton/Jasper	40,424	42,555	2,131	5.2
Ottawa Area	42,582	44,632	2050	4.81
Peoria Rural	48,263	45,521	(2,742)	(5.7)
Peoria Urban	48,263	45,169	3,094	6.4
Perry County	35,117	37,669	2,552	7.2
Quad Cities	44,155	44,734	579	1.3
Quad Cities Regional Economic Development Authority (QCREZ) (5)	44,155	44,802	647	1.4
Quincy/Adams County/Brown County	44,373	42,043	(2,330)	5.3
Rantoul	43,584	45,328	1,744	4.0
Riverbend	44,768	45,975	1,207	2.7
Robinson/Crawford County	44,969	48,332	3,363	7.5
Rockford EZ1	41,682	45,978	4,296	10.3
Rockford I-90	41,682	45,978	4,296	10.3
Salem/ Marion County	39,935	43,059	3,124	7.8
Saline	38,690	39,687	997	2.6
Southern Tazewell	44,855	47,862	3007	6.7
Springfield/Sangamon County	46,325	48,891	2,566	5.5
St. Clair County MidAmerica (SWIDA) (3)	42,923	45,061	2138	4.9
Streator Area	41,727	44,703	2,976	7.1
SW Madison County	44,768	45,975	1,207	2.7
Taylorville/Christian County	39,756	41,724	1,968	4.9
Upper Illinois River Valley Development Authority (UIRVDA) (7)	42,582	44,632	2050	4.8
Urbana/Champaign County	43,584	45,328	1,744	4.0
Vandalia/Fayette County	33,229	35,456	2,227	6.7
Waukegan-North Chicago	66,588	70,382	3794	5.7

Western Illinois Economic Development Authority (WIEDA) (6)	39,896	41,893	1,997	5.0
Whiteside/Carroll	42,827	43,647	820	1.9
Will County/Cook County	54,747	57,579	2832	5.2
Williamson County	42,787	44,509	1,722	4.0
State of Illinois	53,943	56,839	2,896	5.4

\*The annual Statistical Data presented in this table represents the calculated estimated per capita income of the county/counties of the listed Enterprise Zone's local Labor market, based on data obtained from the U.S. Department of Commerce, Bureau of Economic Analysis.

(1) The Enterprise Zones listed represent those zones which were in effect during the period of January 1, 2019 – through December 31, 2019.

(2) The estimated totals and percentages were calculated using the statistical data of the county and or counties in which the Enterprise Zone boundaries were located. Actual zone boundaries may vary from the established boundaries of the applicable county or counties.

(3) Certified under the auspices of the Southwestern Illinois Development Authority Act (SWIDA).

(4) Certified as a qualified closed military base.

(5) Certified under the auspices of the Quad Cities Regional Economic Development Authority (QREDA).

(6) Certified under the auspices of the Western Illinois Economic Development Authority Act (WIEDA)

(7) Certified under the auspices of the Upper Illinois River Valley Development Authority Act (UIRVDA).



Hoffman Estates	4.0%	4.8%	0.8%
Jackson County	4.6%	3.9%	(0.7%)
Jacksonville/Morgan County	4.4%	4.6%	0.2%
Jersey-Greene Intermodal	4.8%	4.8%	0
Jo-Carroll (1)	4.4%	4.1%	(0.3%)
Joliet Arsenal (4)	4.0%	4.1%	0.1%
Kankakee County	5.4%	4.9%	(0.5%)
Kankakee River Valley	5.4%	5.6%	0.2%
Kewanee/Henry County	5.0%	5.3%	0.3%
Lawrenceville/Lawrence County	5.9%	5.1%	(0.8%)
Lee/Ogle	4.7%	4.4%	(0.3%)
Lincoln and 394 Corridor	4.0%	4.3%	0.3%
Lincoln/Logan County	4.7%	5.2%	0.5%
Loves Park/Machesney Park	5.7%	6.3%	0.6%
Macomb/Bushnell/McDonough County	5.1%	3.8%	(1.3%)
Macoupin County	4.9%	4.2%	(0.7%)
Madison County Discovery	4.5%	4.6%	0.1%
Massac County	7.0%	5.8%	(1.2%)
McLeansboro/Hamilton County	4.4%	3.9%	(0.5%)
Monmouth/Warren County	4.2%	4.6%	0.4%
Montgomery County	5.9%	4.8%	(1.1%)
Mt. Carmel/Wabash County	4.5%	4.4%	(0.1%)
Mt. Vernon/Waltonville	5.3%	4.8%	(0.5%)
Nashville/ Washington County	3.0%	4.2%	(0.8%)
Northern Tazewell	4.9%	5.0%	0.1%
Olney/Richland/Newton/Jasper	4.8%	4.5%	(0.3%)
Ottawa Area	5.8%	4.8%	(1.0%)
Peoria Rural	5.5%	5.1%	(0.4%)
Peoria Urban	5.5%	5.0%	(0.5%)
Perry County	6.0%	4.8%	(1.2%)
Quad Cities	5.2%	5.1%	(0.1%)
Quad Cities Regional Economic Development Authority (QCREZ) (5)	5.2%	5.9%	0.7%
Quincy/Adams County/Brown County	3.3%	4.4%	1.1%
Rantoul	4.4%	4.0%	(0.4%)
Riverbend	4.5%	5.2%	0.7%
Robinson/Crawford County	5.4%	4.7%	0.7%
Rockford EZ1	5.7%	5.8%	0.1%
Rockford I-90	5.7%	5.8%	0.1%
Salem/ Marion County	4.9%	4.8%	(0.1%)
Saline	6.5%	5.5%	(1.0%)
Southern Tazewell	4.9%	5.0%	0.1%
Springfield/Sangamon County	4.3%	4.8%	0.5%
St. Clair County MidAmerica (SWIDA) (3)	5.0%	4.3%	0.7%
Streator Area	5.1%	5.0%	(0.1%)
SW Madison County	4.5%	5.2%	0.7%
Taylorville/Christian County	5.3%	4.8%	(0.5%)
Upper Illinois River Valley Development Authority (UIRVDA) (7)	4.6%	4.6%	0
Urbana/Champaign County	4.4%	4.0%	(0.4%)
Vandalia/Fayette County	5.3%	4.6%	(0.7%)
Waukegan-North Chicago	4.5%	4.5%	0

Western Illinois Economic Development Authority (WIEDA) (6)	5.1%	4.4%	(0.7%)
Whiteside/Carroll	4.6%	4.8%	0.2%
Will County/Cook County	4.0%	4.5%	0.5%
Williamson County	5.1%	4.5%	(0.6%)
State of Illinois	4.3%	4.0%	(0.3%)

\*The annual Statistical Data presented in this table represents the calculated estimated unemployed individuals residing within the county and or counties of the Enterprise Zone's local Labor market area based upon data obtained from the Illinois Department of Employment Security.

(1) The Enterprise Zones listed represent those zones which were in effect during the period of January 1, 2019 – through December 31, 2019.

(2) The totals and percentages were calculated using the statistical data of the county and or counties in which the Enterprise Zones boundaries were located. Actual zone boundaries may vary from the established boundaries of the applicable county or counties.

(3) Certified under the auspices of the Southwestern Illinois Development Authority Act (SWIDA).

(4) Certified as a qualified closed military base.

(5) Certified under the auspices of the Quad Cities Regional Economic Development Authority (QREDA).

(6) Certified under the auspices of the Western Illinois Economic Development Authority Act (WIEDA)

(7) Certified under the auspices of the Upper Illinois River Valley Development Authority Act (UIRVDA).

## **HIGH IMPACT BUSINESS PROGRAM**

### **Overview**

The High Impact Business Program, 20 ILCS 655/5.5, is designed to encourage large scale economic development activities, by providing tax incentives to companies that:

- are not located within an Enterprise Zone; and
  - intends to make a minimum eligible investment of \$12 million that will be placed in service in qualified property in Illinois and intends to create 500 full-time equivalent jobs at a designated location in Illinois; or
  - intends to make a minimum eligible investment of \$30 million that will be placed in service in qualified property in Illinois and intends to retain 1,500 full-time equivalent jobs at a designated location in Illinois; or
  - intends to establish a new electric generating facility at a designated location in Illinois; or
  - intends to establish a new gasification facility at a designated location in Illinois; or
  - intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production at an existing coal mine at a designated location in Illinois; or
  - intends to construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois; or
  - intends to establish a new wind power facility at a designated location in Illinois; or
  - intends to establish a qualifying fertilizer plant at a designated location in Illinois.

### **Program Activity**

As detailed on page 11 of the IDOR companion report, the High Impact Business Program resulted in total capital investments of \$945,784,000, a total of 12,778 retained jobs, a loss of 1,744 jobs and \$43,965,000 in total state expenditures during the period of January 1, 2019 through December 31, 2019.



## **BENEFITS OF THE HIGH IMPACT BUSINESS PROGRAM**

### **State Incentives**

The Illinois High Impact Business Program offers numerous state incentives to encourage companies to locate or expand their large-scale operations. Currently, the following incentives are available:

#### **High Impact Business Investment Tax Credit**

The Investment Tax Credit provides for a 0.5% credit against the state income tax for investments made in "qualified property" that are placed in service at a designated location in Illinois. The credit shall be 0.5% of the basis for such property. The specific terms and conditions governing this tax credit are regulated by the Illinois Department of Revenue. Qualified property is statutorily defined in Section 20 I (f) and (h) of the Illinois Income Tax Act.

#### **High Impact Business Building Materials Exemption (BME)**

A 6.25% state sales tax exemption is permitted on building materials to be incorporated into real estate located at a designated location in Illinois. Receipts for materials used for remodeling, rehabilitation or new construction may be deducted from such sales when calculating the tax imposed. For purposes of this exemption, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the Illinois Department of Revenue.

#### **High Impact Business Utility Tax Exemption**

A 6.25% state sales tax exemption is available on purchases of gas and electricity as well as an exemption from the Illinois Commerce Commission's administrative charge. In addition, High Impact Businesses which are located within a Foreign Trade Zone or Sub-Zone are also exempt from the telecommunication excise tax.

Eligibility for this exemption is contingent upon one of the following:

- the business making a minimum eligible investment of \$5 million in an Enterprise Zone, which results in the creation of a minimum of 200 full-time equivalent jobs in Illinois; or
- the business making a minimum eligible investment of \$20 million in an Enterprise Zone, which results in the retention of a minimum of 1,000 full-time jobs in Illinois.

The jobs created or retained must be located at a designated location in Illinois. A business must submit an application to and be certified by the Department in order to receive an initial five-year exemption, not to exceed the termination date of the High Impact Business designation. At the expiration of this initial five-year period, certified businesses may apply to the Department for renewals of the exemption for additional five-year periods, not to exceed the termination date of the High Impact Business designation. Eligibility for renewal of the exemption is contingent upon the business maintaining the requisite number of full-time equivalent jobs at a designated location in Illinois.

#### **High Impact Business Manufacturing Machinery and Equipment/Pollution Control Facilities Sales Tax Exemption (MM&E)**

A 6.25% state sales tax exemption is available on purchases of:

- All tangible personal property used or consumed in the process of manufacturing or assembling

tangible personal property for wholesale or retail sale or lease, or in the process of graphic arts production; and

- Repair and replacement parts for machinery and equipment used in the manufacturing or assembling of tangible personal property, or in the process of graphic arts production for wholesale or retail sale or lease; and
- Equipment, manufacturing or graphic arts fuels, material, and supplies for the maintenance, repair, or operation of such manufacturing or assembling or graphic arts machinery or equipment.

## **Eligibility**

Eligibility for this exemption is contingent upon one of the following:

- the business making a minimum eligible investment of \$5 million that results in the creation of a minimum of 200 full-time equivalent jobs in Illinois, or
- the business making a minimum eligible investment of \$40 million that results in the retention of a minimum of 2,000 full-time jobs in Illinois; or
- the business making a minimum eligible investment of \$40 million that results in the retention of at least 90% of the jobs in place on the date on which the exemption is granted for the duration of the exemption.

The jobs created or retained must be located at a designated location in Illinois. A business must submit an application to and be certified by the Department in order to receive an initial five-year exemption, not to exceed the termination date of the High Impact Business designation. At the expiration of this initial five-year period, certified businesses may apply to the Department for renewals of the exemption for additional five-year periods, not to exceed the termination date of the High Impact Business designation. Eligibility for renewal of the exemption is contingent upon the business maintaining the requisite number of full-time equivalent jobs at a designated location in Illinois.

## **RIVER EDGE REDEVELOPMENT ZONE PROGRAM**

### **Overview**

The River Edge Redevelopment Zone Act, 65 ILCS 115 /10-1, et seq., is designed to help revitalize riverfront areas by providing local developers and businesses with the critical tools to revive and redevelop blighted, abandoned or contaminated properties that will stimulate investment opportunities and create Illinois jobs. The River Edge Redevelopment Initiative includes the designation of redevelopment zones that are eligible to receive tax credits and exemptions and grant funding to support environmental remediation and redevelopment efforts that will lead to economic revitalization in these areas. This initiative combines resources across state agencies and is administered primarily by the Department and the Illinois Environmental Protection Agency ("IEPA"). The Department has designated River Edge Redevelopment Zones in the cities of Aurora, East St. Louis, Elgin, Peoria and Rockford.

### ***Aurora Zone***

The City of Aurora's River Edge Redevelopment Zone, which began on March 21, 2007 and will continue until December 31, 2037, consists of former industrial land lining its east and west riverfronts of the Fox River.

### ***East St. Louis Zone***

The City of East St. Louis' River Edge Redevelopment Zone encompasses a majority of the city with adjacent territory to the Mississippi River for a total of just under 12 square miles. Its zone began December 31, 2007 and will continue until December 31, 2037.

### ***Elgin Zone***

The City of Elgin's River Edge Redevelopment Zone provides a critical tool to further the redevelopment of the City's downtown and create new economic opportunities along the Fox River. This zone began on December 16, 2009 and expires on December 31, 2039.

### ***Peoria Zone***

The City of Peoria applied for and received a River Edge Redevelopment Zone designation on December 1, 2013 which continues until December 31, 2043. The zone, known as the Warehouse District, is approximately one-half square mile in the downtown area.

### ***Rockford Zone***

In Rockford, the River Edge Redevelopment Zone will allow for multiple redevelopment projects using abandoned industrial and commercial sites along the Rock River. Rockford River Edge Redevelopment Zone began August 10, 2007 and continues until December 31, 2037.

### **Program Activity**

As detailed on page 10 of the IDOR companion report, the River Edge Redevelopment Zone Program resulted in total tax expenditures of \$1,046,000 and 126 total employment of jobs, 120 jobs retained, 8 lost jobs and \$365,000 in Capital Investment during the period of January 1, 2019 through December 31, 2019.

## **BENEFITS OF THE RIVER EDGE REDEVELOPMENT ZONE PROGRAM**

### **State Incentives**

The RERZ Program offers numerous state incentives to encourage companies to locate or expand in zones. Currently, the following incentives are available:

#### **River Edge Redevelopment Zone Interest Income Tax Credit**

The River Edge Redevelopment Zone Interest Income Tax Credit allows financial corporations to deduct an amount equal to the interest received for a loan for development in the zone from their corporate state income tax. Loans must be secured by property located within the zone.

#### **River Edge Redevelopment Building Materials Exemption (BME)**

A 6.25% state sales tax exemption is permitted on building materials to be incorporated into real estate located within a certified River Edge Redevelopment Zone. Receipts for materials used for remodeling, rehabilitation or new construction may be deducted from such sales when calculating the tax imposed. For purposes of this exemption, "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the Illinois Department of Revenue.

#### **Environmental Remediation Tax Credit**

The Environmental Remediation Tax Credit allows for a credit against state income taxes for some non-reimbursed eligible costs for remediation work done on a River Edge Redevelopment Zone site resulting in a "No Further Remediation Letter" being issued. This requires a review by the Illinois Environmental Protection Agency (IEPA). The credit is 0.25 for each dollar spent for non-reimbursed remediation expenses.

#### **Historic Tax Credit**

The Illinois Historic Preservation Tax Credit Program provides a state income-tax credit equal to 25% of a project's qualified expenditures to owners of certified historic structures located within a River Edge Redevelopment Zone who undertake certified rehabilitations during the taxable year. The incentive is administered by the Illinois Department of Commerce and Economic Opportunity, in consultation with the Illinois State Historic Preservation Office (IL SHPO), a division within the Illinois Department of Natural Resources.

### **Local Incentives**

In addition to state incentives, each zone may offer property tax abatement to enhance business development projects. The terms and conditions of the property tax abatements are determined by the local government and authorized through local ordinance.

**ENTERPRISE ZONE,  
RIVER EDGE REDEVELOPMENT ZONE,  
AND HIGH IMPACT BUSINESS TAX  
INCENTIVES**

**CALENDAR YEAR 2019**

**Submitted by**

**Illinois Department of Revenue  
Under section 8.1(d) of the Illinois Enterprise Zone Act 20 ILCS  
655/8.1(d) (2012)**

**July 31, 2020**

**Illinois Department of Revenue's  
Report on Enterprise Zone, River Edge Redevelopment Zone and High Impact  
Business Tax Incentives**

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July 31, 2020

Erin Guthrie, Director  
Illinois Department of Commerce and  
Economic Opportunity  
James R. Thompson Center  
100 W. Randolph Street, Suite 3-400  
Chicago, IL 60601 Dear

Director Guthrie:

In accordance with section 8.1(d) of the Illinois Enterprise Zone Act, *20 ILCS 655/8.1(d)*, I am enclosing the Illinois Department of Revenue's (IDOR) 2020 Report on Enterprise Zone, River Edge Redevelopment Zone (RERZ) and High Impact Business Tax Incentives. The report details the tax incentives, job creation and capital investment data for calendar year 2019, disclosed to IDOR by those receiving the tax incentives, along with additional reports submitted by purchasers of building materials for eligible projects and by utility service providers.

## Methodology

The data in this report was gathered from several sources statutorily required to provide information to IDOR.

Section 8.1(a) of the Illinois Enterprise Zone Act requires businesses that "receive[d] tax incentives due to [their] location within an Enterprise Zone," and entities designated as High Impact Businesses by the Department of Commerce and Economic Opportunity, to detail the tax incentives they received in 2019 and provide certain job creation and capital investment data. *20 ILCS 655/8.1(a)*. Five hundred forty-five businesses located in an Enterprise Zone, and fifteen High Impact Businesses, filed reports. Each report disclosed "the total Enterprise Zone or High Impact Business tax benefits received by the business broken down by incentive category and enterprise zone."<sup>1</sup> *Id.* Each report also disclosed "job creation, retention and capital investment numbers within the zone." *20 ILCS 655/8.1(c)*.

<sup>1</sup> The incentive categories include: sales tax, see 35 ILCS 120/5k, 5(l) (2012), 35 ILCS 120/1(e), 1(j) (2012); utility tax, 35 ILCS 173/5-50 (2012), 220 ILCS 5/9-222, 9-222.1 (2012); income tax, 35 ILCS 5/201(f) (2012), and property tax, 35 ILCS 200/18-170 (2012).

Section 10-10.2(a) and 10-10.2(c) of the River Edge Redevelopment Zone Act, *65 ILCS 115/10-10.2(a), 10-10.2(c)*, requires identical reports from those businesses receiving tax incentives because of their location in a RERZ. Nine businesses filed RERZ reports.

Section 8.1(a-5) of the Illinois Enterprise Zone Act requires any “contractor or other entity that has been issued an Enterprise Zone Building Materials Exemption Certificate” to report the total value of tax- exempt building materials purchased using the certificate. Section 10-10.2(a-5) of the River Edge Redevelopment Zone Act requires identical reports from contractors issued an RERZ exemption certificate. The statutory amendment requiring reporting from holders of building materials exemption certificates took effect in 2013. This report reflects exempt building material purchases which were separately reported by the purchasers under section 8.1(a-5). The Department received 2,361 reports last year.

Businesses located in an Enterprise Zone, and High Impact Businesses, are exempt from the Illinois Gas Revenue Tax, Electricity Excise Tax, and the Telecommunications Excise Tax. *220 ILCS 5/9-222, 5/9-222.1A*. Section 8.1(b) of the Illinois Enterprise Zone Act requires providers of utility services to “itemize the amount of the deduction taken under [each utility tax] act due to the location of a business in an Enterprise Zone or its designation as a High Impact Business.” *20 ILCS 655/8.1(b)*. Section 10-10.2(b) of the River Edge Redevelopment Zone Act requires utility providers to report the same data for businesses located in any of the State’s five RERZs. *65 ILCS 115/10-10.2(b)*. IDOR received fourteen reports from providers of utility services.

In summary, the data in this report was derived from the mandatory business reports submitted under section 8.1(a) and 8.1(a-5) of the Enterprise Zone Act and 10-10.2(a) and 10.2(a-5) of the River Edge Redevelopment Zone Act. IDOR staff checked this data against other available sources of information, including reports submitted by utilities and purchasers of building materials for eligible projects. Reports were submitted electronically February through June of 2020. Data was requested for the 2019 calendar year.

## **Limitations**

This 2020 report is the eighth provided under the 2012 amendments to the Enterprise Zone Act. Some of the data submitted to IDOR – such as the identity of those purchasing building materials, the value of tax-exempt building materials, the value of property tax abatements in Enterprise Zones, and the value of the Gas Use Tax exemptions – was not available previously from any source. Some of the self-reported data could not be reliably confirmed through independent investigation. Consequently, IDOR could not confirm the completeness or accuracy of all the tax expenditures reported.

IDOR expects compliance levels and verification procedures to improve going forward as more businesses and administrators learn of the reporting requirements, create internal compliance procedures, and seek to avoid penalties for noncompliance. *20 ILCS 655/8.1(a); 65 ILCS 115/10-10.2(a)*. Similarly, the State’s ability to secure accurate data will improve because of comparisons to historic reporting, the development of new procedures to improve the quality of submissions, and the State’s ability to verify those submissions.



## Summary of Data

This report details the costs to the State of the tax incentives provided to High Impact Businesses and businesses located in Enterprise Zones and River Edge Redevelopment Zones. It also includes property tax abatement data reported by recipients of such abatements that are located either in an Enterprise Zone or are a High Impact Business. This report does not calculate the value of exemptions from local sales tax or the local portion of State sales tax because local costs vary based on factors specific to each local taxing jurisdiction.

In 2019, the total Enterprise Zone, High Impact Business, and River Edge Redevelopment Zone tax incentives resulted in the State foregoing approximately \$165 million in tax revenue. The two largest components of these tax expenditures were the expanded manufacturing machinery and equipment exemption (\$29.8 million), and the sales tax exemption on building materials (\$74.5 million), accounting for approximately 63 percent of the total State tax expenditures.

In the aggregate, businesses receiving tax incentives reported a net job gain of 2,818 while investing approximately \$1.6 billion in 2019. However, one year or several year's data does not tell the story of success or failure of any individual Enterprise Zone. Zones have a 15-year life and should not be evaluated based on a one-year snapshot of activity.

The value of all exemptions, broken down by exemption category and by Enterprise Zone is included on the table contained in this report. Investment and jobs data reported to IDOR also is provided in the attached tables, broken down by Enterprise Zone. Exemption and job creation data for High Impact Businesses are reported in the aggregate to comply with the requirements of section 8.1(d) of the Illinois Enterprise Zone Act. The report also includes charts breaking down the total tax expenditures by category and by geographic region.

## Conclusion

The submission of this report fulfills IDOR's duty under section 8.1(d) of the Illinois Enterprise Zone Act, *20 ILCS 655/8.1(d) (2012)*. Reporting on 2020 tax incentives, job creation and investment will begin in January 2021. A report will be produced and provided to DCEO no later than August 1, 2021.

Sincerely,

DAVID HARRIS, Acting Director  
Illinois Department of Revenue

# Enterprise Zone Incentive Reporting 2019 - Tax Expenditures (all \$ in thousands)

Zone Name <sup>1</sup>	-----Sales Tax-----				-----Utility Taxes-----			Income	Total State Tax Expenditures <sup>4</sup>	Net Property Tax <sup>5</sup>
	Building Materials	M&E Manufacturing	Pollution Control	Other Sales Tax <sup>2</sup>	Telecom	Natural Gas <sup>3</sup>	Electricity	-----Tax----- Investment Credit		
<b>Total</b>	<b>37,822</b>	<b>20,920</b>	<b>2,030</b>	<b>150</b>	<b>1,204</b>	<b>11,519</b>	<b>17,050</b>	<b>29,768</b>	<b>120,463</b>	<b>10,310</b>
Alexander/Pulaski County	0	0	0	0	0	0	0	*	*	0
Altamont	55	0	0	0	0	0	0	*	*	0
American Bottoms	179	*	0	0	0	0	0	*	181	0
Bartonville/Belleuve/Peoria County	0	*	*	0	0	*	*	0	1,209	0
Beardstown	0	0	0	0	0	0	0	0	0	0
Bedford Park	170	0	0	0	0	0	0	121	291	0
Belleville	44	0	0	0	0	0	0	103	147	0
Belvidere/Boone County	217	*	0	0	*	*	*	12	386	*
Bensenville	95	0	0	0	0	0	0	*	*	0
Benton/Franklin County	14	0	0	0	0	0	0	*	*	0
Bloomington-Normal	523	*	0	0	0	0	0	*	531	0
Bureau/Putnam Area	94	*	0	0	*	*	*	*	1,451	*
Cairo/Alexander County	0	0	0	0	0	0	0	*	*	0
Cal-Sag	241	*	0	0	0	0	0	171	*	*
Calumet Region	18	0	0	0	0	*	*	34	570	0
Canton/Fulton County	*	0	0	0	0	0	0	*	32	0
Carmi/White County/Edwards County	*	0	0	0	0	0	0	*	13	0
Champaign/Champaign County	478	*	0	0	*	*	*	261	1,060	0
Chicago Heights	0	*	*	*	*	*	*	*	268	0
Chicago I	720	0	0	0	0	*	*	331	1,078	0
Chicago II	1,044	*	0	0	*	*	*	4,782	6,140	0
Chicago III	645	*	0	0	0	*	*	99	3,277	0
Chicago IV	10,352	72	0	13	*	*	*	3,401	13,893	*
Chicago V	573	*	0	0	*	*	*	492	1,179	0
Chicago VI	260	*	0	0	0	0	0	187	*	0
Cicero	202	0	0	0	0	0	0	247	449	0
Clark County	228	0	0	0	0	0	0	3	231	0
Clinton County	126	0	0	0	0	0	0	*	*	0
Coles County	13	0	0	0	0	0	0	8	22	0
Danville/Vermilion County	168	0	0	0	0	0	0	16	184	0
Decatur/Macon County	163	*	*	0	*	*	*	559	7,705	*
DeKalb County	428	*	0	0	0	0	0	12	*	0
Des Plaines River Valley	901	*	*	0	*	*	*	933	5,969	0
Diamond	0	0	0	0	0	0	0	0	0	0
Douglas County	*	0	0	0	0	0	0	*	30	0
East Peoria	0	*	0	*	*	*	*	*	4,061	0
East St. Louis Area	0	0	0	0	0	0	0	*	*	0
Edgar County/Paris	26	*	0	0	0	0	0	*	31	0
Effingham/Effingham County	217	0	0	0	*	0	0	166	*	*
Elgin	0	0	0	0	0	0	0	*	*	0
Fairfield/Wayne County	14	0	0	0	0	0	0	*	*	0
Fairmont City/Caseyville/Brooklyn/St. Clair County	131	0	0	0	0	0	0	*	*	0
Fairview Heights	0	0	0	0	0	0	0	1	1	0

# Enterprise Zone Incentive Reporting 2019 - Tax Expenditures (all \$ in thousands)

Zone Name <sup>1</sup>	-----Sales Tax-----				-----Utility Taxes-----			Income	Total State Tax Expenditures <sup>4</sup>	Net Property Tax <sup>5</sup>
	Building Materials	M&E Manufacturing	Pollution Control	Other Sales Tax <sup>2</sup>	Telecom	Natural Gas <sup>3</sup>	Electricity	Investment Credit Tax		
Flora/Clay County	34	*	0	*	0	0	0	*	40	0
Ford Heights/Sauk Village	171	*	0	*	0	0	*	*	660	0
Franklin Park	843	*	0	0	0	0	0	127	*	0
Freeport/Stephenson County	291	*	0	0	*	*	*	55	784	*
Galesburg	52	*	0	0	0	0	0	37	*	*
Gateway Commerce Center	1,685	*	0	0	0	0	0	*	1,867	*
Greater Centralia Area	52	0	0	0	0	0	0	*	*	0
Greenville-Bond County	*	0	0	0	0	0	0	*	10	*
Harvard/Woodstock	135	0	0	0	0	*	*	3,810	4,157	0
Harvey/Phoenix/Hazel Crest	0	0	0	0	0	0	0	*	*	0
Hodgkins/McCook	261	*	0	0	0	*	0	49	314	0
Hoffman Estates	0	0	0	0	0	0	0	0	0	0
Illinois Valley	0	0	0	0	0	0	0	4	4	0
Jackson County	292	*	0	0	*	*	*	95	389	*
Jacksonville/Morgan County	*	*	0	0	0	*	*	*	315	0
Jersey-Greene Intermodal	71	0	0	*	0	0	0	0	*	0
Jo-Carroll	0	0	0	0	0	0	0	*	*	0
Joliet Arsenal	3,242	*	*	0	0	0	0	*	3,883	0
Kankakee County	43	0	0	0	0	0	0	9	52	0
Kankakee River Valley	1,037	*	0	0	*	*	*	104	2,316	0
Kewanee	165	0	0	0	0	0	0	*	*	0
Lawrenceville/Lawrence County	*	0	0	0	0	0	0	*	12	*
Lee County/Ogle County	203	*	0	0	0	0	0	152	*	0
Lincoln/Logan Co.	*	0	0	0	0	*	0	10	54	*
Loves Park/Machesney Park	794	*	0	0	0	0	0	291	*	0
Macomb/Bushnell/McDonough County	31	0	0	0	0	0	0	0	31	0
Macoupin County	40	0	0	0	0	0	0	*	*	0
Madison County Discovery	46	0	*	0	0	0	0	2	*	0
Marshall County/Stark County	0	0	0	0	0	0	0	*	*	0
Massac County	64	0	0	0	0	0	0	*	*	0
Maywood	0	0	0	0	0	0	0	*	*	0
McLeansboro/Hamilton County	*	*	0	*	0	0	0	*	20	0
Mendota/Lasalle County	0	*	0	0	0	0	0	*	113	0
Monmouth/Warren County	*	0	0	0	0	0	0	*	5	0
Monroe - Randolph County	0	0	0	0	0	0	0	0	0	0
Montgomery County	60	0	0	0	0	0	0	14	73	0
Morton	0	0	0	0	0	0	0	*	*	0
Mound City/Puaski City/Mounds	0	0	0	0	0	0	0	0	0	0
Mt. Carmel/Wabash County	48	*	0	0	0	0	0	0	*	0
Mt. Vernon/Waltonville	392	*	0	0	0	0	0	21	*	0
Nashville/Washington County	1,226	*	0	0	0	0	0	155	*	*
Northern Tazewell County	149	*	*	0	0	*	*	245	2,190	*
Olney/Richland/Newton/Jasper	37	0	0	0	0	0	0	*	*	0
Ottawa Area	301	75	*	0	*	*	*	209	586	*

# Enterprise Zone Incentive Reporting 2019 - Tax Expenditures (all \$ in thousands)

Zone Name <sup>1</sup>	-----Sales Tax-----				-----Utility Taxes-----			Income Tax-----		Total State Tax Expenditures <sup>4</sup>	Net Property Tax <sup>5</sup>
	Building Materials	M&E Manufacturing	Pollution Control	Other Sales Tax <sup>2</sup>	Telecom	Natural Gas <sup>3</sup>	Electricity	Investment Credit			
Peoria Rural	10	0	0	0	0	0	0	0	0	10	*
Peoria Urban	479	425	*	0	0	*	*	*	319	2,999	*
Perry County	53	*	0	0	0	0	0	0	*	66	*
Quad Cities	1,330	*	0	*	*	*	*	*	367	2,894	0
Quad Cities Regional Economic Development Authority (QCREDA)	220	0	0	0	0	0	0	0	0	220	0
Quincy/Adams/Brown County	329	*	0	0	*	*	*	*	271	1,242	427
Rantoul	144	0	0	0	0	0	0	0	*	*	0
Riverbend	141	*	0	0	0	0	*	*	984	12,289	*
Robinson/Crawford County	62	*	0	0	0	*	*	*	*	3,835	*
Rock Island	0	0	0	0	0	0	0	0	*	*	0
Rockford	254	*	0	*	0	0	0	0	75	356	0
Rockford I-90	0	0	0	0	0	0	0	0	*	*	0
Salem/Marion County	*	0	0	0	0	0	0	0	*	55	0
Saline County	0	0	0	0	0	0	0	0	1	1	0
South Beloit/Rockton/Winnebago County	0	0	0	0	0	0	0	0	*	*	0
Southeastern Illinois Economic Development Authority	0	0	0	0	0	0	0	0	0	0	0
Southern Tazewell County	333	0	*	0	*	*	*	*	23	1,289	*
Springfield/Sangamon County	141	0	0	0	0	0	0	0	16	157	*
St. Clair County MidAmerica	21	*	0	0	0	0	0	0	*	22	0
Streator Area	285	0	0	0	0	0	0	0	8	294	*
Summit/Bedford Park	0	0	0	0	0	0	*	*	44	235	0
SW Madison County	167	*	0	0	*	*	*	*	226	6,024	0
Taylorville/Christian County	240	*	0	0	0	0	0	0	*	395	0
Upper Illinois River Valley Development Authority (UIRVDA)	1,482	0	0	0	0	0	0	0	*	*	0
Urbana/Champaign	349	*	0	0	0	0	0	0	5	*	0
Vandalia/Fayette County	162	*	0	*	0	0	0	0	1	163	*
Washington	0	*	0	0	*	*	*	*	*	436	0
Waukegan-North Chicago	168	0	*	0	0	0	0	0	93	*	0
West Frankfort	0	0	0	0	0	0	0	0	*	*	0
Western Illinois Economic Development Authority (WIEDA)	103	*	0	*	0	0	0	0	0	828	0
Whiteside Carroll	497	*	0	0	*	*	*	*	212	2,895	1,000
Will/Cook County	411	*	0	0	0	0	0	0	19	*	0
Williamson County	134	0	0	0	*	*	*	*	*	137	0
<b>Total</b>	<b>37,822</b>	<b>20,920</b>	<b>2,030</b>	<b>150</b>	<b>1,204</b>	<b>11,519</b>	<b>17,050</b>	<b>29,768</b>	<b>120,463</b>	<b>10,310</b>	

\* Information withheld to protect taxpayer confidentiality as the number of taxpayers is below disclosure thresholds.

<sup>1</sup>The Illinois Enterprise Zone Map, and contact information for the administrator of each zone, can be found on the Illinois Department of Commerce and Economic Opportunity (DCEO) website at: <http://www.illinois.gov/dceo/ExpandRelocate/Incentives/taxassistance/Pages/EnterpriseZone.aspx>

<sup>2</sup>Other Sales Tax Incentives include exemptions for High Impact Service Facilities, High Impact Service Facility Jet Fuel, Aircraft Maintenance Facility Expanded Machinery and Equipment, Graphic Arts Expanded Machinery and Equipment, and Aircraft Maintenance Facility Designated Tangible Personal Property.

<sup>3</sup>The natural gas exemption includes the value of the exemptions from the Natural Gas Revenue Tax and the Natural Gas Use Tax.

<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

<sup>5</sup>Net Property Tax is the property tax abatement received by a business from local governments, net of any payments made in lieu of taxation to local governments.

## Enterprise Zone Incentives Reporting 2019 - Jobs and Investment (all \$ in thousands)

Zone Name <sup>1</sup>	Total State Tax Expenditures <sup>4</sup>	2019 Employment <sup>6</sup>	Jobs Created/Lost	Jobs Retained <sup>7</sup>	Capital Investment <sup>8</sup>
<b>Total</b>	<b>120,463</b>	<b>70,729</b>	<b>4,570</b>	<b>37,945</b>	<b>657,106</b>
Alexander/Pulaski County	*	0	0	0	67
Altamont	*	0	0	0	0
American Bottoms	181	0	0	0	137
Bartonville/Belleve/Peoria County	1,209	0	0	0	0
Beardstown	0	0	0	0	0
Bedford Park	291	24	-1	24	3,014
Belleville	147	14	4	3	919
Belvidere/Boone County	386	30	5	17	2,684
Bensenville	*	8	2	0	11
Benton/Franklin County	*	0	0	0	0
Bloomington-Normal	531	32	2	9	123
Bureau/Putnam Area	1,451	128	17	5	1,650
Cairo/Alexander County	*	0	0	0	43
Cal-Sag	*	142	-21	93	3,535
Calumet Region	570	471	43	388	614
Canton/Fulton County	32	8	1	7	2,360
Carmi/White County/Edwards County	13	15	10	5	885
Champaign/Champaign County	1,060	1,031	-61	262	5,490
Chicago Heights	268	278	6	270	1,312
Chicago I	1,078	649	316	53	15,519
Chicago II	6,140	804	56	147	7,557
Chicago III	3,277	7,390	1,883	4,702	27,644
Chicago IV	13,893	1,870	153	1,544	47,257
Chicago V	1,179	403	-44	375	2,062
Chicago VI	*	109	0	101	2,917
Cicero	449	62	7	36	495
Clark County	231	49	5	6	1
Clinton County	*	10	0	10	148
Coles County	22	132	-14	0	349
Danville/Vermilion County	184	56	2	17	498
Decatur/Macon County	7,705	8,225	-624	8,142	6,906
DeKalb County	*	15	-1	0	17,437
Des Plaines River Valley	5,969	3,395	-211	1,282	7,557
Diamond	0	0	0	0	0
Douglas County	30	620	-64	618	2,786
East Peoria	4,061	66	10	56	4,011
East St. Louis Area	*	0	0	0	334
Edgar County/Paris	31	6	2	4	0
Effingham/Effingham County	*	160	5	154	620
Elgin	*	0	0	0	0
Fairfield/Wayne County	*	0	0	0	0
Fairmont City/Caseyville/Brooklyn/St. Clair County	*	2	0	2	0
Fairview Heights	1	31	4	27	5

## Enterprise Zone Incentives Reporting 2019 - Jobs and Investment (all \$ in thousands)

Zone Name <sup>1</sup>	Total State Tax Expenditures <sup>4</sup>	2019 Employment <sup>6</sup>	Jobs Created/Lost	Jobs Retained <sup>7</sup>	Capital Investment <sup>8</sup>
Flora/Clay County	40	0	0	0	0
Ford Heights/Sauk Village	660	1,151	-236	1,126	5,923
Franklin Park	*	14	-2	0	160
Freeport/Stephenson County	784	810	88	655	17,318
Galesburg	*	53	11	40	2,451
Gateway Commerce Center	1,867	1,596	-292	0	15,287
Greater Centralia Area	*	224	-13	229	2,049
Greenville-Bond County	10	0	0	0	0
Harvard/Woodstock	4,157	26	-5	11	637
Harvey/Phoenix/Hazel Crest	*	10	10	0	0
Hodgkins/McCook	314	0	0	0	11
Hoffman Estates	0	10	0	10	45
Illinois Valley	4	88	-2	29	126
Jackson County	389	173	76	75	1,580
Jacksonville/Morgan County	315	1,324	138	1,000	28
Jersey-Greene Intermodal	*	20	2	18	0
Jo-Carroll	*	0	0	0	0
Joliet Arsenal	3,883	2,321	828	0	228
Kankakee County	52	0	0	0	90
Kankakee River Valley	2,316	556	21	510	114,932
Kewanee	*	65	-2	59	7,789
Lawrenceville/Lawrence County	12	0	0	0	0
Lee County/Ogle County	*	18	-2	18	0
Lincoln/Logan Co.	54	35	-6	10	0
Loves Park/Machesney Park	*	47	2	36	64
Macomb/Bushnell/McDonough County	31	0	0	0	0
Macoupin County	*	109	2	29	4
Madison County Discovery	*	27	-1	17	34
Marshall County/Stark County	*	0	0	0	0
Massac County	*	0	0	0	0
Maywood	*	0	0	0	0
McLeansboro/Hamilton County	20	4	0	4	0
Mendota/Lasalle County	113	5	0	0	0
Monmouth/Warren County	5	8	1	0	277
Monroe - Randolph County	0	0	0	0	0
Montgomery County	73	19	-2	19	5,540
Morton	*	65	7	58	19
Mound City/Pulaski City/Mounds	0	0	0	0	0
Mt. Carmel/Wabash County	*	0	0	0	0
Mt. Vernon/Waltonville	*	55	7	46	41
Nashville/Washington County	*	2,344	370	11	23,016
Northern Tazewell County	2,190	3,094	-440	3,086	25,433
Olney/Richland/Newton/Jasper	*	0	0	0	0

## Enterprise Zone Incentives Reporting 2019 - Jobs and Investment (all \$ in thousands)

Zone Name <sup>1</sup>	Total State Tax Expenditures <sup>4</sup>	2019 Employment <sup>6</sup>	Jobs Created/Lost	Jobs Retained <sup>7</sup>	Capital Investment <sup>8</sup>
Ottawa Area	586	562	6	366	14,682
Peoria Rural	10	11	0	11	0
Peoria Urban	2,999	4,782	-271	4,411	1,755
Perry County	66	7	0	7	190
Quad Cities	2,894	6,613	-322	9	61,704
Quad Cities Regional Economic Development Authority (QCREDA)	220	0	0	0	0
Quincy/Adams/Brown County	1,242	2,409	18	640	1,289
Rantoul	*	61	-4	20	155
Riverbend	12,289	1,449	54	1,314	17,323
Robinson/Crawford County	3,835	1,742	232	140	17,636
Rock Island	*	0	0	0	0
Rockford	356	32	-2	17	798
Rockford I-90	*	0	0	0	32
Salem/Marion County	55	0	0	0	211
Saline County	1	41	6	35	64
South Beloit/Rockton/Winnebago County	*	0	0	0	0
Southeastern Illinois Economic Development Authority	0	0	0	0	0
Southern Tazewell County	1,289	1,712	878	824	9,445
Springfield/Sangamon County	157	404	-28	317	106
St. Clair County MidAmerica	22	4	0	4	0
Streator Area	294	824	115	709	18,252
Summit/Bedford Park	235	517	12	200	0
SW Madison County	6,024	1,844	77	1,767	96,976
Taylorville/Christian County	395	0	0	0	24
Upper Illinois River Valley Development Authority (UIRVDA)	*	488	100	54	10
Urbana/Champaign	*	216	-5	3	204
Vandalia/Fayette County	163	263	-48	270	190
Washington	436	1,472	50	963	32
Waukegan-North Chicago	*	80	3	64	0
West Frankfort	*	19	0	19	72
Western Illinois Economic Development Authority (WIEDA)	828	47	17	30	14,000
Whiteside Carroll	2,895	1,723	111	188	6,862
Will/Cook County	*	2,785	1,502	12	5,067
Williamson County	137	116	17	96	0
<b>Total</b>	<b>120,463</b>	<b>70,729</b>	<b>4,570</b>	<b>37,945</b>	<b>657,106</b>

\* Information withheld to protect taxpayer confidentiality as the number of taxpayers is below disclosure thresholds.

<sup>1</sup>The Illinois Enterprise Zone Map, and contact information for the administrator of each zone, can be found on the Illinois Department of Commerce and Economic Opportunity (DCEO) website at: <http://www.illinois.gov/dceo/ExpandRelocate/Incentives/taxassistance/Pages/EnterpriseZone.aspx>

<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

<sup>6</sup>2019 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

<sup>7</sup>A "retained job" is a "job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat." 20 ILCS 655/3(j) (2012).

<sup>8</sup>Businesses were required to report new capital investment put into service during calendar year 2019.

## River Edge Redevelopment Zone Reporting 2019 - Tax Expenditures (all \$ in thousands)

### --Sales Tax--

### -----Income Tax-----

Zone Name	Building Materials	Investment Credit	Other Income Tax <sup>9</sup>	Total State Tax Expenditures <sup>4</sup>	Net Property Tax <sup>5</sup>
Aurora	27	*	*	*	0
East St. Louis	0	0	0	0	0
Elgin	0	0	0	0	0
Peoria	85	*	*	*	0
Rockford	631	0	0	631	0
<b>Total</b>	<b>743</b>	<b>1</b>	<b>302</b>	<b>1,046</b>	<b>0</b>

\* Information withheld to protect taxpayer confidentiality as the number of taxpayers is below disclosure thresholds.

<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

<sup>5</sup>Net Property Tax is the property tax abatement received by a business from local governments, net of any payments made in lieu of taxation to local governments.

<sup>9</sup>Includes the River Edge Environmental Remediation Credit, the River Edge Historic Preservation Credit, the Job Tax Credit, the Dividend Deduction, Interest Deduction, and Contribution Deduction.

## River Edge Redevelopment Zone Reporting 2019 - Jobs and Investment (all \$ in thousands)

Zone Name	Total State Tax Expenditures <sup>4</sup>	2019 Employment <sup>6</sup>	Jobs Created/ Lost	Jobs Retained <sup>7</sup>	Capital Investment <sup>8</sup>
Aurora	79	7	(4)	3	15
East St. Louis	0	0	0	0	0
Elgin	0	0	0	0	0
Peoria	336	2	2	0	350
Rockford	631	117	(6)	117	0
<b>Total</b>	<b>1,046</b>	<b>126</b>	<b>(8)</b>	<b>120</b>	<b>365</b>

<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

<sup>6</sup>2019 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

<sup>7</sup>A "retained job" is a "job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat." 20 ILCS 655/3(j) (2012).

<sup>8</sup>Businesses were required to report new capital investment put into service during calendar year 2019.



## High Impact Business Incentive Reporting 2019 - Tax Expenditures (all \$ in thousands)

	Sales Tax		Utility Taxes			Income Tax		Total State Tax Expenditures <sup>4</sup>
	Building Materials	Expanded Manufacturing M&E	Expanded Graphic Arts M&E	Telecom	Natural Gas <sup>3</sup>	Electricity	Investment Credit	
<b>High Impact Businesses</b>	35,907	4,829	0	*	476	1,539	*	<b>43,965</b>

\* Information withheld to protect taxpayer confidentiality as the number of taxpayers is below disclosure thresholds.

<sup>3</sup>The natural gas exemption includes the value of the exemptions from the Natural Gas Revenue Tax and the Natural Gas Use Tax.

<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

## High Impact Business Reporting 2019 - Jobs and Investment (all \$ in thousands)

	Total State Tax Expenditures <sup>4</sup>	2019 Employment <sup>6</sup>	Jobs Created/Lost	Jobs Retained <sup>7</sup>	Capital Investment <sup>8</sup>
<b>High Impact Businesses</b>	<b>43,965</b>	22,993	(1,744)	12,778	945,784

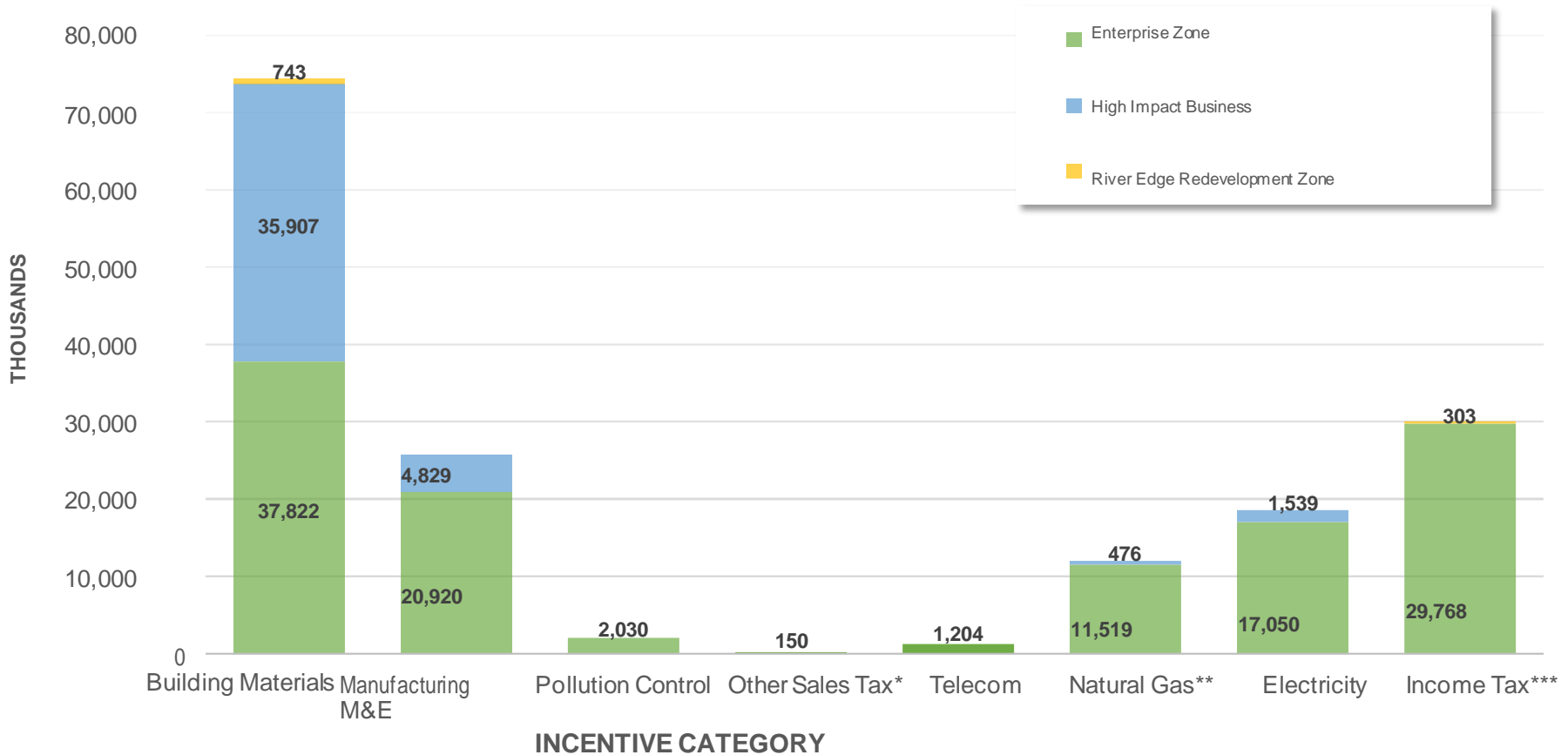
<sup>4</sup>Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

<sup>6</sup>2019 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

<sup>7</sup>A "retained job" is a "job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat." 20 ILCS 655/3(j) (2012).

<sup>8</sup>Businesses were required to report new capital investment put into service during calendar year 2019.

# 2019 Tax Expenditure Totals by Incentive Category



\* Other Sales Tax Incentives include exemptions for High Impact Service Facilities, High Impact Service Facility Jet Fuel, Aircraft Maintenance Facility Expanded Machinery and Equipment, Graphic Arts Expanded Machinery and Equipment, and Aircraft Maintenance Facility Designated Tangible Personal Property.

\*\* Natural Gas Exemption includes the value of the exemptions from the Natural Gas Revenue Tax and the Natural Gas Use Tax.

\*\*\* Includes the Enterprise Zone Investment Credit, River Edge Redevelopment Zone Investment Credit, River Edge Environmental Remediation Credit, the River Edge Historic Preservation Credit, the Job Tax Credit, the Dividend Deduction, Interest Deduction, Contribution Deduction, and High Impact Business Investment Credit.

# 2019 Enterprise Zone Tax Expenditures by Geographic Region

