Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF BUSINESS DEVELOPMENT
JB Pritzker, Governor

# Quantum Enterprise Zone
# 2024 Annual Report

# Contents

# 1. Introduction

20 ILCS 605/605-1115 authorizes the creation of Quantum Computing Campuses which will provide a broad range of incentives including Building and Materials Tax Exemption (BMEC) and Utility Tax Exemption for tenants located within the campus. The campus will be a contiguous area located in the State of Illinois that is designated by the Department as a quantum computing campus in order to support the demand for quantum computing research, development, and implementation for practical use. A quantum computing campus will include educational intuitions, nonprofit research and development organizations, and for-profit organizations.

Tenants located at a campus will have direct and supporting roles in quantum computing activities. Eligible tenants include quantum computer operators and research facilities, data centers, manufacturers and assemblers of quantum computers and component parts, cryogenic or refrigeration facilities, and other facilities determined by industry and academic leaders to be fundamental to the research and development of quantum computing for practical solutions.

Quantum computing includes the research, development, and use of computing methods that generate and manipulate quantum bits in a controlled quantum state. This includes the use of photons, semiconductors, superconductors, trapped ions, and other industry and academically regarded methods for simulating quantum bits.

# 2. Eligibility Requirements

The quantum computing campus will meet the following criteria:

1. The campus must comprise a minimum of one-half square mile and not more than four square miles.
2. The campus must contain tenants that demonstrate a substantial plan for using the designation to encourage participation by organizations owned by minorities, women, and persons with disabilities, as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and the hiring of minorities, women, and persons with disabilities.
3. Upon being placed in service, within 60 months after designation or incorporation into a campus, the owners of property located in a campus shall certify to the Department that the property is carbon neutral or has attained certification under one or more of the following green building standards: (a) BREEAM for New Construction or BREEAM, In-Use; (b) ENERGY STAR; (c) Envision; (d) ISO 50001-energy management; (e) LEED for Building Design and Construction, or LEED for Operations and Maintenance; (f) Green Globes for New Construction, or Green Globes for Existing Buildings; (g) UL 3223; or (h) an equivalent program approved by the Department.

To establish the quantum computing campus, an entity must apply to the Department. Once established, tenants located in the campus seeking benefits will enter into a memorandum of understanding with the Department that, among other things, details the amount of capital investment and the number of new jobs that the tenant will contribute to the state. The Department will then issue a designation certificate, certifying that the tenant is eligible to receive a Building and Materials Tax Exemption (BMEC) and Utility Tax Exemption through the Illinois Department of Revenue.

## 3. Competitor State Incentive Programs

| State | Legislation | Structure | Requirements | Benefit | Sunset |
|---|---|---|---|---|---|
| Colorado | HB 24-1325<br><br>39-22-567. Tax credit for investments in fixed capital assets for a shared quantum facility | Tax Credit | Creation of shared quantum facility and receipt of a federal grant | Credit in amount of qualified investment | 2033 |
| Colorado | HB 24-1325<br><br>39-22-568. Quantum business loan loss reserve income tax credit | Tax Credit | Eligible loans made to qualified borrowers | | 2050 |
| New Mexico | SB 211: Quantum facility infrastructure income tax credit (2025) | Tax Credit | $3M Facility Infrastructure Investments | 30% of qualified expenditures not to exceed $50M | 2036 |
| New Mexico | SB 212: Quantum testing and evaluation gross receipts tax credit (2025) | Tax Credit | National Laboratory that receives federal funds to provide quantum testing and evaluation services | 1:1 federal match not to exceed $15M CY | 2035 |
| South Dakota | SB 45: A bill to establish a | Budget Appropriation | N/A | $3M Grant | 2029 |

| | | | | | |
|---|---|---|---|---|---|
| | Center for Quantum Information Science and Technology | | | | |

## 4. Program Summary

Sec. 605-1115 (e) requires the Department to report annually on (1) the names of each tenant located within the quantum computing campus; (2) the location of each quantum computing campus; (3) the estimated value of the credits to be issued to quantum computing campus tenants; (4) the number of new jobs and, if applicable, retained jobs pledged at each quantum computing campus; and (5) whether or not the quantum computing campus is located in an underserved area, an energy transition zone, or an opportunity zone.

As of December 31, 2024, no quantum computing campuses have been established and thus, no information is currently available responsive to section (e) of the Act.