



Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF BUSINESS DEVELOPMENT
Bruce Rauner, Governor



River Edge Redevelopment Zone
and High Impact Business
Tax Incentives

calendar year 2014 | **ANNUAL REPORT**



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Enterprise Zone, River Edge Redevelopment Zone and High Impact Business Tax Incentives Calendar Year 2014 Annual Report

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Illinois Department of Commerce & Economic Opportunity

Bruce Rauner, Governor

March 2, 2016

Dear Members of the General Assembly:

The enclosed information fulfills the statutory directive that the Department of Commerce and Economic Opportunity report annually to the members of the Illinois General Assembly regarding the status of the Illinois Enterprise Zone program. While the report was scheduled to be provided to the General Assembly on October 1, 2015; we delayed providing a final report as necessary information relevant to the report was only recently available; hence, the attached provides for a more accurate and comprehensive overview of the Enterprise Zone program than would have been available on the deadline date requirement.

The purpose of the Enterprise Zone Program is to stimulate business and industrial growth and 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 recent changes to the Illinois Enterprise Zone Act, this is the third annual program report to include data collected by the Illinois Department of Revenue.

Although other factors are involved, enterprise zone designation is an important determinant of a business' decision to locate or expand in Illinois. We believe this report demonstrates that the Enterprise Zone program is among the State's most successful investment and job creation tools. In addition, the Department is reinstituting quarterly reporting mechanisms for Enterprise Zone administrators in order to capture more fulsome metrics demonstrating the value of the Enterprise Zone Program

Sincerely,

A handwritten signature in black ink, reading "James M. Schultz".

James M. Schultz
Director



Before turning to the Enterprise Zone reporting for calendar year 2014, the below table includes updated information from the Department of Revenue for calendar year 2013. Pursuant to Section 8.1 of the Illinois Enterprise Zone Act, 20 ILCS 655/1, et seq. (the “Act”), recipients of tax incentives under the Act must provide the Department of Revenue an accounting of certain information with respect to certain tax expenditures, job creation and retention, and investment by May 31 of each year for the preceding calendar year. Section 8.1 of the Act, however, provides minimal and inconsistent enforcement tools resulting in under-and late-reporting. The following table was provided to the Department of Commerce and Economic Opportunity by the Department of Revenue on December 14, 2015 and provides supplemental data with respect to calendar year 2013, supplementing the material previously submitted to the General Assembly.

Updates to the Calendar Year 2013 Enterprise Zone Report

The amounts shown in the following tables are in addition to the amounts shown in the original published report. There were 40 late filers for calendar year 2013.

Table 1 – Tax Expenditures [all \$ in thousands]	Sales Tax				Utility Taxes			Income Tax	Total State Tax Expenditures	Net Property Tax
	Building Materials	M & E Manufacturing	Pollution Control	Other Sales Tax	Telecom	Natural Gas	Electricity	Investment Credit		
Grand Total	\$0	\$4,100	\$0	\$1	\$14	\$89	\$317	\$1,274	\$5,794	\$377

Table 1 – Jobs and Investment [all \$ in thousands]	Total State Tax Expenditures	2013 Employment	Jobs Created/Lost	Jobs Retained	Capital Investment
Grand Total	\$5,794	2074	46	1632	\$416,923



A N N U A L R E P O R T

The Illinois Enterprise Zone Act (the “Act”) was signed into law 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 of Commerce and Economic Opportunity (the “Department”) was authorized to designate 88 enterprise zones statewide from 1983 to 1991 and 1 additional enterprise zone in 2006. The Department certifies zones, based on the review and approval of the Enterprise Zone Board. During 2015, the Enterprise Zone Board convened for the first time under the amended Act in order to review and approve or deny applicants for enterprise zone designation for the zones available within the 89 zones authorized under the Act. Eight (8) additional enterprise zones were previously certified under the auspices of the Quad Cities Regional Economic Development Authority Act, the Southwestern Illinois Economic Development Authority Act, the Upper Illinois River Valley Development Authority Act, the Western Illinois Economic Development Authority Act, and under the auspices of 20 ILCS 655/5.3(e), relating to closed military bases.

The following report identifies the guidelines, accomplishments and statistical information of the Illinois Enterprise Zone program, including information reported to the Department of Revenue by businesses located within existing enterprise zones.



Enterprise Zone Benefits

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:

Tax Exemptions

Sales Tax Exemption — A six-and-one-quarter percent (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 administrator of the enterprise zone in which the building project is located. To document the exemption allowed, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator of the enterprise zone into which the building materials will be incorporated.

Enterprise Zone Machinery and Equipment/ Pollution Control Facilities Sales Tax Exemption — A six-and-one-quarter percent (6.25%) state sales tax exemption is available on purchases of tangible personal property to be used or consumed in the manufacturing or assembly process or in the operation of a pollution control facility within an enterprise zone. Eligibility for this exemption is contingent upon one of the following scenarios: (a) a business making a \$5 million minimum investment that causes the creation of not less than 200 full-time equivalent jobs in Illinois, (b) a minimum investment of \$40 million that causes the retention of not less than 2,000 full-time jobs in Illinois, or (c) a minimum investment of \$40 million that causes 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 make application to and be certified by the Department in order to receive this exemption. The Department also has the authority to determine the length of the exemption. This exemption shall not be allowed beyond the term of the certified enterprise zone..

The exemption is applicable to the following:

- Hand tools used to maintain, repair or operate machinery and equipment;
- Abrasives, acids, polishing compounds or lubricants used or consumed in the manufacturing or assembly process;
- Coolants, adhesives, solvents or cleaning compounds used to maintain, repair or operate machinery and equipment;

- Manufacturing fuels;
- Protective clothing and safety equipment; and
- Fuels, chemicals and catalysts used in the operation of pollution control facilities.

Enterprise Zone Utility Tax Exemption — A state utility tax exemption on gas, electricity and the Illinois Commerce Commission’s administrative charge and telecommunication excise tax is available to businesses located in enterprise zones. Eligibility for this exemption is contingent upon one of the following scenarios: (a) a business making a \$5 million minimum investment that causes the creation of not less than 200 full-time equivalent jobs in Illinois, (b) a minimum investment of \$175 million that causes the creation of not less than 150 new full-time equivalent jobs in Illinois, or (c) a minimum investment of \$20 million that causes the retention of not less than 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 make application to and be certified by the Department in order to receive the state utility tax exemption. The Department also has the authority to determine the term of the exemption. Local units of government may further exempt their public utility taxes on gas, electricity and water for eligible businesses.

TAX CREDITS

Enterprise Zone Investment Tax Credit — A state investment tax credit of one-half percent (0.5%) is allowed a taxpayer who invests in Qualified Property in a zone. Qualified Property includes machinery, equipment and buildings. The credit may be carried forward for up to five (5) years. This credit is in addition to the regular one-half percent (0.5%) investment tax credit which is available throughout the State as well as a one-half percent (0.5%) credit for businesses that increase their employment in Illinois by one percent (1.0%) over the preceding year.

LOCAL INCENTIVES

Local governments may provide a variety of local incentives to further encourage economic growth and investment in enterprise zones. The incentives offered are determined by the local governments. 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 Shopsteading programs;
- Waiver of business licensing and permit fees;
- Streamlined building code and zoning requirements; and
- Special local financing programs and other resources.



STATE OF ILLINOIS
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101 WEST JEFFERSON STREET
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CONSTANCE BEARD
Director

Springfield Office: 217 785-7570
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BRUCE RAUNER
Governor

August 1, 2015

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

Dear Director Schultz:

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) 2015 Report on Enterprise Zone, River Edge Redevelopment Zone (RERZ) and High Impact Business Tax Incentives. The report details the tax incentive, job creation and capital investment data for the calendar year 2014 disclosed to IDOR by those receiving the tax incentives, with additional reports submitted by purchasers of building materials for eligible projects, and utility service providers.

Procedures

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, required businesses that "receiv[ed] tax incentives due to [their] location within an Enterprise Zone," and businesses designated High Impact Businesses by the Department of Commerce and Economic Opportunity to detail the tax incentives they received in 2014, and the their job creation and investment data. 20 ILCS 655/8.1(a) (2012). Eight hundred and eighty six businesses located in an Enterprise Zone, and nine 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."¹ Id. Each report also disclosed "job creation, retention and capital investment numbers within the zone." 20 ILCS 655/8.1(c) (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) (2012), required identical reports from those businesses receiving tax incentives because of their location in a RERZ. Six businesses filed RERZ reports.

¹ 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 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 July 1, 2013. This report reflects the first full year where exempt building material purchases were separately reported by the purchasers under section 8.1(a-5). The Department received reports from 1,359 holders of building material exemption certificates.

Businesses located in an Enterprise Zone or RERZ, 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 required providers of utility services to “itemize[e] 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 required utility providers to report the same data for businesses located in any of the State’s four RERZs. 65 ILCS 115/10-10.2(b). IDOR received thirty-one 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. Staff also confirmed some property tax abatement data through consultation with county clerks, and conducted follow-up interviews with business representatives to confirm and substantiate data submissions. Reports were submitted electronically in February through May of 2015. Data was requested for the prior calendar year, January 1, 2014- December 31, 2014.

Limitations

This 2015 report is the third provided under the 2012 amendments to the Enterprise Zone Act. Some of the data submitted to IDOR – such as the identity of those purchasing, and the value of, tax-exempt building materials, the value of property tax abatements in Enterprise Zones, and the value of the Gas Use Tax exemption – 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 of the tax expenditures reported.

IDOR expects compliance levels and verification procedures to improve going forward as more businesses and administrators (a) learn of the reporting requirements; (b) create internal compliance procedures; and (c) seek to avoid penalties for noncompliance. See 20 ILCS 655/8.1(a); 65 ILCS 115/10-10.2(a). Proposed rules setting forth penalties for noncompliance with the reporting requirements were published in the Illinois Register on July 10, 2015, and currently are available for public comment. 39 Ill. Reg. 9126. 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 data on property tax abatement reported by recipients of such abatements that are located in Enterprise Zones and High Impact Businesses. 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 Enterprise Zone and local taxing jurisdiction.

In 2014, Enterprise Zone, High Impact Business, and River Edge Redevelopment Zone tax incentives resulted in the State foregoing approximately \$111.5 million in tax revenue. The largest two components of these tax expenditures were (a) the exemption from sales tax on the purchase of production related tangible

personal property (expanded machinery and equipment), and (b) the sales tax exemption on building materials, accounting for approximately 45.6% of the total State tax expenditures. The value of the building materials exemption in lost sales tax to the State was approximately \$27.5 million, while the reported value of lost sales tax for the expanded machinery and equipment exemption was \$23.3 million.

In the aggregate, businesses receiving tax incentives reported creating 313 jobs and investing approximately \$1.9 billion in 2014.

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 2015 tax incentives, job creation and investment will begin in January 2016. A report will be produced and provided to DCEO no later than August 1, 2016.

Sincerely,

A handwritten signature in black ink that reads "Connie Beard". The signature is written in a cursive, flowing style.

Connie Beard
Director, Illinois Department of Revenue



Enterprise Zone Incentive Reporting 2014 - Tax Expenditures *(all \$ in thousands)*

Zone Name ¹	Sales Tax				Utility Taxes			Income Tax	Total State Expenditures ⁵	Net Property Tax ⁶
	Building Materials	M & E Manufacturing	Pollution Control	Other Sales Tax ²	Telecom	Natural Gas ³	Electricity	Investment Credit		
Altamont	1	0	0	0	0	0	0	8	10	117
American Bottoms	110	0	0	0	0	41	0	39	190	0
Bartonville/Bellevue/Peoria County	124	743	0	0	0	180	1,430	174	2,651	33
Beardstown	0	122	0	0	0	156	428	0	706	6
Belleville	77	3	0	0	6	21	66	12	185	0
Belvidere/Boone County	97	34	0	0	0	0	0	10	142	343
Benton/Franklin County	20	0	0	0	29	97	193	56	395	1,080
Bloomington/Normal/McLean County	283	53	0	0	0	0	0	2	339	0
Bureau/Putnam County	33	0	0	0	0	945	12	14	1,004	1,059
Cairo/Alexander County	0	0	0	0	0	0	0	0	0	0
Cal-Sag	104	1	0	0	0	0	0	23	128	0
Calumet Region	0	0	0	0	0	236	574	18	828	0
Canton/Fulton County	8	11	0	0	0	0	0	0	19	1
Carmi/White County	831	32	0	0	0	0	0	0	863	5
Centralia Area	37	3	100	0	0	0	0	39	179	120
Champaign/Champaign County	262	266	0	0	24	18	625	423	1,617	211
Chicago Heights	12	485	6	0	6	79	327	18	933	0
Chicago I	183	0	0	0	8	56	45	605	897	0
Chicago II	561	32	0	0	21	114	341	222	1,291	0
Chicago III	685	1,108	0	0	14	30	382	314	2,533	0
Chicago IV	2,625	1	0	0	35	44	31	471	3,207	0
Chicago V	6	0	0	0	0	0	0	316	322	0
Chicago VI	338	6	0	0	0	0	0	151	495	0
Cicero	7	0	0	0	0	0	0	74	80	0
Clark County	64	0	0	0	0	0	0	19	83	8
Coles County	5	0	0	0	4	94	162	100	365	101
Danville/Tilton/Vermilion County	39	0	0	0	0	0	0	111	150	0
Decatur/Macon County	487	4,686	0	0	713	280	3,406	2,028	11,601	183
Des Plaines River Valley	40	738	29	0	0	243	129	969	2,150	0
East Peoria	197	970	30	0	0	295	643	1,273	3,406	53
East St. Louis Area	0	0	0	0	0	0	0	7	7	0
Effingham/Effingham County	155	1	0	0	2	4	5	13	180	1,449
Elgin	0	0	0	0	0	0	0	4	4	0
Fairfield/Wayne County	31	1	0	0	0	0	0	0	32	0
Flora/Clay County	27	7	151	0	2	23	11	5	226	76
Ford Heights/Sauk Village	0	0	0	0	0	0	0	2	2	0
Freeport/Stephenson County	111	0	0	0	0	2,856	0	157	3,124	3,690
Galesburg	35	0	0	0	0	0	0	36	71	72
Gateway Commerce Center	342	0	0	0	0	0	0	104	446	3,361
Greenville/Smithboro	13	0	0	0	0	0	0	1	15	0
Harvey/Phoenix/Hazel Crest	6	0	0	0	0	0	0	24	30	0
Hoffman Estates	0	0	0	0	1,353	2	112	1	1,468	0
Illinois Valley	220	39	1,183	0	0	123	211	33	1,809	328
Jackson County	69	0	0	0	0	0	0	7	76	141
Jacksonville/Morgan County	6	0	0	0	0	26	281	939	1,251	31
Jo-Carroll	0	0	0	0	0	0	0	1	1	47
Joliet Arsenal	1,139	35	3	0	0	0	0	421	1,599	0
Kankakee County (Manteno)	81	85	18	0	0	0	0	2	186	0
Kankakee River Valley	154	0	0	0	0	0	0	111	265	3
Kewanee	276	0	0	10	0	0	0	38	324	0
Lawrenceville/Lawrence County	9	0	0	0	0	0	0	81	90	0
Lee County/Ogle County	419	950	0	0	2	35	45	51	1,501	1,327
Lincoln/Elkhart/Logan Co.	108	0	0	0	0	22	0	23	153	98



Enterprise Zone Incentive Reporting 2014 - Tax Expenditures *(all \$ in thousands)*

Zone Name ¹	Sales Tax				Utility Taxes			Income Tax	Total State Expenditures ⁵	Net Property Tax ⁶
	Building Materials	M & E Manufacturing	Pollution Control	Other Sales Tax ²	Telecom	Natural Gas ³	Electricity	Investment Credit		
Macomb/McDonough County	67	0	0	0	0	0	0	35	102	725
Macoupin County	0	0	0	0	0	0	0	1	1	0
Marshall County/Stark County	23	0	0	0	0	0	0	0	24	0
Massac County	199	5	0	0	0	0	0	25	229	28
Maywood	0	0	0	0	0	0	0	6	6	0
McCook/Hodgkins	389	0	0	0	0	0	0	273	662	0
McLeansboro/Hamilton County	93	1,500	74	0	0	0	0	0	1,667	144
Mendota/Lasalle County	40	0	0	0	0	10	0	3	53	0
MidAmerica St. Clair County	18	0	0	0	0	0	0	0	18	0
Monmouth	261	486	0	0	5	141	135	3	1,031	164
Montgomery County	58	0	0	0	0	0	0	10	68	54
Morton	231	0	0	0	0	0	98	59	388	0
Mound City/Pulaski City/Mounds	4	0	0	0	0	0	0	0	4	0
Mt. Carmel	0	0	0	0	0	0	0	0	0	0
Mt. Vernon/Jefferson County	396	1	0	0	0	2	52	191	643	22
Nashville/Washington County	1,352	76	29	0	6	155	263	44	1,923	0
Olney/Newton/Jasper County/Richland County	387	31	0	0	0	0	0	19	436	0
Ottawa/Lasalle County/Grundy Co.	137	0	0	0	6	15	1	51	211	0
Pekin/Tazewell County	520	0	0	0	0	6	0	780	1,306	244
Peoria	420	61	605	0	855	353	535	363	3,192	375
Perry	51	0	0	0	0	0	0	88	139	1
Quad Cities	825	298	0	0	343	111	404	433	2,415	0
Quincy/Adams County/Brown County	143	281	0	0	9	54	329	629	1,445	1,327
Rantoul	34	0	0	0	0	0	0	1	36	0
Riverbend	315	3,261	0	0	50	5,963	3,041	1,395	14,025	214
Robinson/Crawford County	104	1,351	0	0	7	1,804	1,612	364	5,243	442
Rock Island	129	0	0	0	0	0	0	2	130	0
Rockford	6	0	0	0	0	0	81	28	115	0
Salem/Marion County	72	0	0	0	14	45	23	1	155	73
Saline County	262	0	0	0	0	0	0	10	271	42
South Beloit/Rockton/Winnebag County	0	0	0	0	0	0	0	0	0	0
Springfield	20	5	0	0	0	0	0	55	80	0
Streator Area	10	0	0	0	0	0	0	11	22	977
Summit/Bedford Park	237	0	0	0	2	11	195	1,009	1,452	0
SW Madison County	98	2,744	0	0	51	3,055	432	349	6,728	150
Taylorville/Christian County	222	222	24	0	0	0	0	2	469	0
Urbana	44	0	0	0	2	2	90	20	158	8
Vandalia/Fayette County/Brownstown	65	0	0	0	0	7	0	12	84	0
Washington	27	0	19	0	0	0	0	153	199	56
Waukegan/North Chicago	842	0	0	0	0	0	0	12	853	0
West Frankfort	1	0	0	0	0	0	0	1	2	0
Western Illinois Economic Development Authority	0	0	0	0	0	0	0	0	0	0
Whiteside County/Carroll County	172	1,026	52	0	9	196	829	276	2,560	725
Williamson County	80	0	0	0	0	0	0	4	84	149
Total	18,789	21,758	2,324	10	3,577	17,949	17,579	16,270	98,256	19,862

1 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>.

2 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.

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

4 Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

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



Enterprise Zone Incentive Reporting 2014 - Jobs and Investment *(all \$ in thousands)*

Zone Name ¹	Total State Tax Expenditures ⁴	2014 Employment ⁶	Jobs Created/Lost	Jobs Retained ⁷	Capital Investment ⁸
Altamont	10	9	0	9	0
American Bottoms	190	164	(16)	43	34
Bartonville/Bellevue/Peoria County	2,651	836	75	799	3,303
Beardstown	706	2,071	(44)	0	5,431
Belleville	185	119	0	13	170
Belvidere/Boone County	142	310	(7)	27	200
Benton/Franklin County	395	432	139	1	3,847
Bloomington/Normal/McLean County	339	1,483	(44)	1,174	20,725
Bureau/Putnam County	1,004	1,018	(15)	10	2,607
Cairo/Alexander County	0	0	0	0	0
Cal-Sag	128	203	10	188	385
Calumet Region	828	799	11	416	3,992
Canton/Fulton County	19	0	0	0	0
Carmi/White County	863	324	8	324	8,295
Centralia Area	179	376	158	331	2,923
Champaign/Champaign County	1,617	2,543	(11)	1,450	84,371
Chicago Heights	933	1,652	228	1,647	33,508
Chicago I	897	631	138	481	8,760
Chicago II	1,291	650	110	108	9,768
Chicago III	2,533	4,735	97	4,473	38,652
Chicago IV	3,207	1,519	(198)	910	11,321
Chicago V	322	783	(20)	147	1,567
Chicago VI	495	738	2	108	3,608
Cicero	80	486	(13)	128	2,326
Clark County	83	160	(8)	5	1,902
Coles County	365	2,238	95	496	6,453
Danville/Tilton/Vermilion County	150	488	13	468	9,342
Decatur/Macon County	11,601	7,885	(77)	7,211	86,395
Des Plaines River Valley	2,150	1,393	(133)	1,053	61,656
East Peoria	3,406	4,196	(401)	3,297	255,819
East St. Louis Area	7	23	0	23	52
Effingham/Effingham County	180	1,363	27	699	3,692
Elgin	4	0	0	0	0
Fairfield/Wayne County	32	141	(7)	0	47
Flora/Clay County	226	265	(21)	135	907
Ford Heights/Sauk Village	2	0	0	0	0
Freeport/Stephenson County	3,124	362	(22)	37	247,400
Galesburg	71	211	6	53	4,797
Gateway Commerce Center	446	435	61	172	21,201
Greenville/Smithboro	15	6	2	4	0
Harvey/Phoenix/Hazel Crest	30	57	5	35	532
Hoffman Estates	1,468	5,513	(27)	4,428	0
Illinois Valley	1,809	885	36	285	18,529
Jackson County	76	614	3	106	356
Jacksonville/Morgan County	1,251	1,176	(145)	30	12,796
Jo-Carroll	1	15	3	3	300
Joliet Arsenal	1,599	1,379	(1,009)	0	86,595
Kankakee County (Manteno)	186	0	0	0	0
Kankakee River Valley	265	1,306	19	149	5,493
Kewanee	324	309	(4)	82	13,564
Lawrenceville/Lawrence County	90	136	(9)	1	42
Lee County/Ogle County	1,501	2,059	456	906	86,043
Lincoln/Elkhart/Logan Co.	153	520	7	48	2,024



Enterprise Zone Incentive Reporting 2014 - Jobs and Investment (cont.) (all \$ in thousands)

Zone Name ¹	Total State Tax Expenditures ⁴	2014 Employment ⁶	Jobs Created/Lost	Jobs Retained ⁷	Capital Investment ⁸
Macomb/McDonough County	102	40	(2)	36	100
Macoupin County	1	0	0	0	0
Marshall County/Stark County	24	0	0	0	0
Massac County	229	28	3	28	406
Maywood	6	18	1	17	25
McCook/Hodgkins	662	757	(36)	0	33,492
McLeansboro/Hamilton County	1,667	270	60	210	114,000
Mendota/Lasalle County	53	126	3	0	544
MidAmerica St. Clair County	18	0	0	0	0
Monmouth	1,031	1,603	(28)	1,603	3,204
Montgomery County	68	466	(14)	16	12,556
Morton	388	2,354	70	2,202	7,484
Mound City/Pulaski City/Mounds	4	0	0	0	0
Mt. Carmel	0	0	0	0	0
Mt. Vernon/Jefferson County	643	1,809	202	1,241	11,955
Nashville/Washington County	1,923	2,721	54	17	58,193
Olney/Newton/Jasper County/Richland County	436	784	(2)	0	3,310
Ottawa/Lasalle County/Grundy Co.	211	1,010	3	264	13,864
Pekin/Tazewell County	1,306	59	1	54	304
Peoria	3,192	7,686	371	5,898	48,392
Perry	139	172	(6)	3	622
Quad Cities	2,415	7,624	(516)	7,378	83,907
Quincy/Adams County/Brown County	1,445	2,415	(15)	906	10,307
Rantoul	36	72	1	14	49
Riverbend	14,025	2,433	(88)	862	115,667
Robinson/Crawford County	5,243	2,354	412	186	39,518
Rock Island	130	0	0	0	0
Rockford	115	243	222	18	3
Salem/Marion County	155	384	0	384	1,821
Saline County	271	333	(6)	56	1,282
South Beloit/Rockton/Winnebago County	0	0	0	0	0
Springfield	80	109	(2)	0	5,945
Streator Area	22	247	9	82	1,560
Summit/Bedford Park	1,452	1,295	(49)	404	15,857
SW Madison County	6,728	4,058	109	2,705	70,787
Taylorville/Christian County	469	162	5	157	880
Urbana	158	379	(21)	43	1,720
Vandalia/Fayette County/Brownstown	84	317	(14)	5	1,267
Washington	199	438	2	88	3,392
Waukegan/North Chicago	853	99	9	27	77
West Frankfort	2	42	18	22	8
Western Illinois Economic Development Authority	0	0	0	0	0
Whiteside County/Carroll County	2,560	2,489	38	396	17,540
Williamson County	84	179	10	83	236
Total	98,256	100,591	282	57,918	1,852,005

1 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>.

4 Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

6 2014 employment was calculated by taking all hours worked by all persons during the year and divided by 1,820 hours.

7 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)

8 Businesses were required to report new capital investment put into service during calendar year 2014. Follow-up discussions and analysis revealed continued misunderstanding of this requirement with many businesses reporting capital investment over longer periods.



Illinois Department of Revenue

Director's Office
101 W. Jefferson, MC 6-500
Springfield, IL 62702

MEMORANDUM

TO: Jim Schultz, Director
Department of Commerce and Economic Opportunity

FROM: Constance Beard, Director 

DATE: December 14, 2015

REGARDING: Enterprise Zone Supplemental Data

The attached data is intended to act as a supplement to the Enterprise Zone Report submitted by the Department of Revenue to the Department of Commerce and Economic Opportunity in August 2015.

The following supplement starts with compiling data on job creation and retention and capital investment from the published enterprise zone reports over the last three years. Figures stated preliminary in this supplement as are those found in the published report. Final numbers for 2013 and 2014 include additional information from documents received by the Department of Revenue after close of the reporting period through October 1st. No additional 2012 information is available because the website was shut down at the end of the reporting period.

The inclusion of entities reporting after the filing deadline does not significantly change the jobs created/retained or capital investment results.

Please contact Hans Zigmund in the Department of Revenue Research Office at Hans.Zigmund@Illinois.gov with any questions regarding this supplemental report.



Updates to Enterprise Zone Incentive Reporting 2014 - Tax Expenditures *(all \$ in thousands)*

The amounts shown in the following tables are in addition to the original amounts provided above. There were 43 late filers as of 9/28/15.

Zone Name	Sales Tax				Utility Taxes			Income Tax	Total State Expenditures	Net Property Tax
	Building Materials	M & E Manufacturing	Pollution Control	Other Sales Tax	Telecom	Natural Gas	Electricity	Investment Credit		
Altamont	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$63	\$9
Belleville	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$2	\$0
Cal-Sag	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33	\$33	\$0
Calumet Region	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$6	\$0
Centralia Area	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$27	\$11
Champaign/Champaign County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chicago Heights	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
Chicago III	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chicago IV	\$0	\$398	\$0	\$0	\$75	\$40	\$125	\$1	\$639	\$0
Des Plaines River Valley	\$0	\$0	\$0	\$0	\$14	\$5	\$99	\$0	\$118	\$0
East Peoria	\$0	\$0	\$0	\$0	\$3	\$4	\$27	\$1	\$35	\$0
Effingham/Effingham County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$155
Galesburg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Jackson County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Jacksonville/Morgan County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Jo-Carroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kankakee River Valley	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Lee County/Ogle County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Lincoln/Elkhart/Logan Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45
Macomb/McDonough County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$242	\$72
Mt. Carmel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ottawa/Lasalle County/Grundy Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Peoria	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Quincy/Adams County/Brown County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$3	\$0
Springfield	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Whiteside County/Carroll County	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$0
Williamson County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0
Grand Total	\$0	\$400	\$0	\$0	\$92	\$49	\$251	\$386	\$1,178	\$293



Updates to Enterprise Zone Incentive Reporting 2014 – Jobs and Investments *(all \$ in thousands)*

The amounts shown in the following tables are in addition to the amounts above. There were 43 late filers as of 9/28/15.

Zone Name	Total State Tax Expenditures	2014 Employment	Jobs Created/Lost	Jobs Retained	Capital Investment
Altamont	10	9	0	9	0
Belleville	\$2	20	-2	20	\$16
Cal-Sag	\$33	0	0	0	\$0
Calumet Region	\$6	0	0	0	\$0
Centralia Area	\$27	0	0	0	\$0
Champaign/Champaign County	\$0	6	0	6	\$69
Chicago Heights	\$1	0	0	0	\$0
Chicago III	\$0	61	3	8	\$19,037
Chicago IV	\$639	1729	-15	1727	\$5,779
Des Plaines River Valley	\$118	1665	267	1000	\$2,540
East Peoria	\$35	702	-36	0	\$563
Effingham/Effingham County	\$0	0	0	0	\$0
Galesburg	\$1	12	0	0	\$104
Jackson County	\$1	14	-1	0	\$242
Jacksonville/Morgan County	\$0	4	1	3	\$0
Jo-Carroll	\$0	0	0	0	\$0
Kankakee River Valley	\$1	14	1	13	\$177
Lee County/Ogle County	\$0	0	0	0	\$0
Lincoln/Elkhart/Logan Co.	\$0	0	0	0	\$0
Macomb/McDonough County	\$242	5	0	5	\$3
Mt. Carmel	\$0	0	0	0	\$0
Ottawa/Lasalle County/Grundy Co.	\$1	12	0	0	\$57
Peoria	\$1	0	-12	0	\$153
Quincy/Adams County/Brown County	\$3	15	-1	0	\$194
Springfield	\$1	0	0	0	\$0
Whiteside County/Carroll County	\$2	8	-1	0	\$128
Williamson County	\$1	8	-1	0	\$221
Grand Total	\$1178	4275	203	2782	\$29,283



Enterprise Zone Statistical Summary

Enterprise Zone	Calendar Year Changes in County Population			Calendar Year Changes in County Per Capita Income			Calendar Year Changes in County Unemployment		
	2013	2014	% Change	2012	2013	% Change	2013	2014	Net Change
Altamont	34,306	34,320	0.04	41,793	42,790	2.39	7.0	5.6	-1.4
American Bottoms (1)	267,065	265,729	-0.50	38,161	39,069	2.38	9.9	7.9	-2.0
Bartonville/Bellevue/Peoria County	188,529	187,319	-0.64	49,007	47,988	-2.08	9.7	7.8	-1.9
Beardstown	13,335	13,156	-1.34	34,499	38,007	10.17	9.0	6.9	-2.1
Belleville	267,065	265,729	-0.50	38,161	39,069	2.38	9.9	7.9	-2.0
Belvidere/Boone County	53,910	53,869	-0.08	37,069	38,040	2.62	10.2	7.9	-2.3
Benton/Franklin County.	39,572	39,411	-0.41	32,350	32,795	1.38	12.0	9.4	-2.6
Bloomington/Normal/Gibson City/McLean Co./ Ford County (22)	188,707	187,749	-0.51	44,569	45,970	3.14	6.7	5.6	-1.1
Bureau/Putnam County (6)	39,909	39,654	-0.64	40,611	44,849	10.44	9.4	7.4	-2.0
Cairo/Alexander County	7,643	7,492	-1.98	28,874	30,144	4.40	12.7	10.5	-2.2
Cal-Sag	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Calumet Region	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Canton /Fulton Co	36,369	36,007	-1.00	35,128	37,080	5.56	10.9	8.6	-2.3
Carmi/White County/Edwards County (19)	21,204	20,991	-1.00	39,225	42,677	8.80	8.1	6.3	-1.8
Centralia Area (7)	129,666	129,299	-0.28	38,716	39,701	2.54	8.4	6.6	-1.8
Champaign/Champaign County	205,761	207,133	0.67	38,442	39,637	3.11	7.6	6.1	-1.5
Chicago Heights	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago I	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago II	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago III	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago IV	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago V	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Chicago VI	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Cicero	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Clark County	16,203	16,180	-0.14	36,702	40,988	11.68	9.4	7.3	-2.1
Coles County	53,641	53,320	-0.60	35,464	37,385	5.42	8.8	6.8	-2.0
Danville/Tilton/Vermilion County	80,418	79,728	-0.86	34,174	35,892	5.03	10.7	8.6	-2.1
Decatur/Macon County	109,435	108,350	-0.99	42,247	43,280	2.45	11.5	8.7	-2.8
Des Plaines River Valley	683,708	685,419	0.25	45,114	45,564	1.00	9.7	7.4	-2.3
East Peoria	136,372	135,707	-0.49	43,831	41,829	-4.57	8.7	6.8	-1.9
East St. Louis Area (Expired 12-31-13)	267,065	265,729	-0.50	38,161	39,069	2.38	9.9	7.9	-2.0
Effingham/Effingham County	34,306	34,320	0.04	41,793	42,790	2.39	7.0	5.6	-1.4
Elgin	524,277	527,306	0.58	39,651	40,145	1.25	8.7	7.0	-1.7
Fairfield/Wayne County	16,616	16,543	-0.44	38,220	39,572	3.54	7.9	6.7	-1.2
Flora/Clay County	13,572	13,520	-0.38	35,708	38,812	8.69	10.0	8.1	-1.9
Ford Heights/Sauk Village	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Freeport/Stephenson County/Jo Daviess County (8)	69,000	68,689	-0.45	40,609	43,028	5.96	8.9	7.1	-1.8
Galesburg	52,235	52,069	-0.32	36,248	38,289	5.63	8.9	7.0	-1.9
Gateway Commerce Center (1) (11)	267,247	266,560	-0.26	39,988	40,776	1.97	8.9	7.1	-1.8
Greenville/Smithboro	17,461	17,269	-1.10	36,013	37,658	4.57	8.6	6.5	-2.1
Harvey/Phoenix/Hazel Crest	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Hoffman Estates	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Illinois Valley	112,039	111,241	-0.71	38,411	40,682	5.91	10.5	8.3	-2.2
Jackson County	59,981	59,677	-0.51	35,456	36,467	2.85	8.1	6.6	-1.5
Jacksonville/Morgan County	35,038	34,929	-0.31	35,549	38,738	8.97	8.0	6.2	-1.8
Jo-Carroll (4) (12)	37,086	36,969	-0.32	41,676	45,578	9.36	7.9	6.3	-1.6
Joliet Arsenal (4) (13)	683,708	685,419	0.25	45,114	45,564	1.00	9.7	7.4	-2.3
Kankakee County	112,193	111,375	-0.73	35,243	36,892	4.68	10.5	8.1	-2.4
Kankakee River Valley	112,193	111,375	-0.73	35,243	36,892	4.68	10.5	8.1	-2.4
Kewanee	49,750	49,635	-0.23	40,473	43,671	7.90	7.8	6.7	-1.1
Lawrenceville/Lawrence County	16,683	16,519	-0.98	31,140	33,818	8.60	9.9	7.6	-2.3
Lee County/Ogle County (16)	87,258	86,820	-0.50	37,903	41,681	9.97	9.3	7.2	-2.1
Lincoln/Logan Co/Sangamon Co./DeWitt Co. (18)	245,381	245,027	-0.14	41,133	42,943	4.40	7.6	6.1	-1.5
Macomb/McDonough County	32,420	31,880	-1.67	34,001	36,698	7.93	8.4	6.9	-1.5
Macoupin County	46,892	46,453	-0.94	37,376	40,303	7.83	9.5	7.4	-2.1
Marshall County/Stark County (2) (21)	18,023	17,827	-1.09	42,620	49,346	15.78	9.2	7.1	-2.1
Massac County	14,980	14,905	-0.50	32,989	33,825	2.54	9.8	8.0	-1.8
Maywood	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2



Enterprise Zone Statistical Summary (cont.)

Enterprise Zone	Calendar Year Changes in County Population			Calendar Year Changes in County Per Capita Income			Calendar Year Changes in County Unemployment		
	2013	2014	% Change	2012	2013	% Change	2013	2014	Net Change
McCook/Hodgkins	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
McLeansboro/Hamilton County	8,329	8,296	-0.40	37,676	41,509	10.18	7.7	5.9	-1.8
Mendota/LaSalle Co./DeKalb Co. (20)	216,841	216,703	-0.06	36,047	37,919	5.19	9.3	7.4	-1.9
Monmouth	17,704	17,874	0.96	36,444	42,597	16.88	7.4	5.9	-1.5
Montgomery County	29,671	29,359	-1.05	33,433	36,474	9.10	11.0	8.8	-2.2
Morton	136,372	135,707	-0.49	43,831	41,829	-4.57	8.7	6.8	-1.9
Mound City/Pulaski County	5,904	5,815	-1.51	35,578	37,658	5.85	12.4	10.4	-2.0
Mt. Carmel/Wabash County	11,624	11,549	-0.65	38,451	40,748	5.97	7.7	6.1	-1.6
Mt. Vernon/Jefferson County	38,721	38,534	-0.48	36,064	36,402	0.94	9.4	7.5	-1.9
Nashville/Washington County	14,404	14,337	-0.47	46,181	47,006	1.79	6.3	4.9	-1.4
Olney/Richland County/Jasper County (14)	25,645	25,684	0.15	36,016	38,869	7.92	8.4	6.6	-1.8
Ottawa/LaSalle County/Grundy County (15)	162,188	161,666	-0.32	38,000	40,150	5.66	10.8	8.3	-2.5
Pekin/Tazewell County	136,372	135,707	-0.49	43,831	41,829	-4.57	8.7	6.8	-1.9
Peoria	188,529	187,319	-0.64	49,007	47,988	-2.08	9.7	7.8	-1.9
Perry County	21,861	21,672	-0.86	28,823	30,306	5.15	11.2	8.6	-2.6
Quad Cities (3)	146,804	146,063	-0.50	40,721	41,171	1.11	8.3	7.1	-1.2
Quincy/Adams County/Brown County (17)	73,903	73,820	-0.11	40,546	42,197	4.07	6.8	5.3	-1.5
Rantoul	205,761	207,133	0.67	38,442	39,637	3.11	7.6	6.1	-1.5
Riverbend	267,247	266,560	-0.26	39,988	40,776	1.97	8.9	7.1	-1.8
Robinson/Crawford County	19,514	19,393	-0.62	39,848	41,773	4.83	8.6	6.6	-2.0
Rockford	290,845	288,542	-0.79	36,717	37,406	1.88	10.5	8.3	-2.2
Rock Island	146,804	146,063	-0.50	40,721	41,171	1.11	8.3	7.1	-1.2
Salem/Marion County	38,646	38,571	-0.19	36,147	37,385	3.42	10.2	7.8	-2.4
Saline County	24,892	24,612	-1.12	36,152	37,132	2.71	10.6	8.1	-2.5
South Beloit/Rockton/Winnebago Co. (Expired 3-1-10)	290,845	288,542	-0.79	36,717	37,406	1.88	10.5	8.3	-2.2
Southwestern Madison County	267,247	266,560	-0.26	39,988	40,776	1.97	8.9	7.1	-1.8
Springfield	199,037	198,997	-0.02	42,172	43,294	2.66	7.4	6.0	-1.4
St. Clair County Mid America (1)	267,065	265,729	-0.50	38,161	39,069	2.38	9.9	7.9	-2.0
Streator Area (9)	150,282	149,144	-0.76	40,016	42,994	7.44	9.9	7.8	-2.1
Summit/Bedford Park	5,246,635	5,246,456	0.00	48,948	49,661	1.46	9.6	7.4	-2.2
Taylorville/Christian County	34,171	33,892	-0.82	38,089	41,740	9.58	9.7	7.6	-2.1
Urbana	205,761	207,133	0.67	38,442	39,637	3.11	7.6	6.1	-1.5
Vandalia/Fayette County	22,037	21,870	-0.76	29,070	31,188	7.29	9.4	7.7	-1.7
Washington	136,372	135,707	-0.49	43,831	41,829	-4.57	8.7	6.8	-1.9
Waukegan/North Chicago	704,000	705,186	0.17	60,414	60,853	0.73	8.1	6.5	-1.6
Western Illinois Economic Dev. Authority (5)(23)	21,376	21,226	-0.70	35,035	40,655	16.04	7.9	6.0	-1.9
West Frankfort	39,572	39,411	-0.41	32,350	32,795	1.38	12.0	9.4	-2.6
Whiteside County/Carroll County (10)	72,142	71,591	-0.76	38,986	42,141	8.09	8.7	7.0	-1.7
Williamson County	67,088	67,008	-0.12	36,891	37,289	1.08	9.1	7.4	-1.7

SOURCE: Population - United States Census Bureau, Population Estimates Program

Per Capita Income -United States Department of Commerce, Bureau of Economic Analysis, Local Area Personal Income, Population, Per Capita Income

Unemployment - Illinois Department of Employment Security, Economic Information and Analysis, Local Area Unemployment Statistics (LAUS)

NOTE: Every year the Census Bureau, the Bureau of Economic Analysis and the Illinois Department of Employment Security prepare statistics. When new statistics are calculated the agencies also revise estimated statistics from prior years. Therefore the numbers in this report from the prior year may not match the prior year numbers from last year's report.

(1) Certified under the auspices of the Southwestern Illinois Economic Development Authority Act. (2) Certified under the auspices of the Upper Illinois River Valley Development Authority Act.

(3) Certified under the auspices of the Quad Cities Regional Economic Development Authority Act. (4) Certified as a closed military base.

(5) Certified under the auspices of the Western Illinois Economic Development Authority Act.

(6) Zone statistics comprised of the counties of Bureau and Putnam.

(7) Zone statistics comprised of the counties of Clinton, Marion, Washington and Jefferson. (8) Zone statistics comprised of the counties of Stephenson and Jo Daviess.

(9) Zone statistics comprised of the counties of LaSalle and Livingston. (10) Zone statistics comprised of the counties of Whiteside and Carroll. (11) Zone statistics comprised of data from Madison County.

(12) Zone statistics comprised of the counties of Carroll and Jo Daviess. (13) Zone statistics comprised of data from Will County.

(14) Zone statistics comprised of the counties of Richland and Jasper. (15) Zone statistics comprised of the counties of LaSalle and Grundy. (16) Zone statistics comprised of the counties of Lee and Ogle.

(17) Zone statistics comprised of the counties of Adams and Brown.

(18) Zone statistics comprised of the counties of Dewitt, Logan and Sangamon. (19) Zone statistics comprised of the counties of White and Edwards.

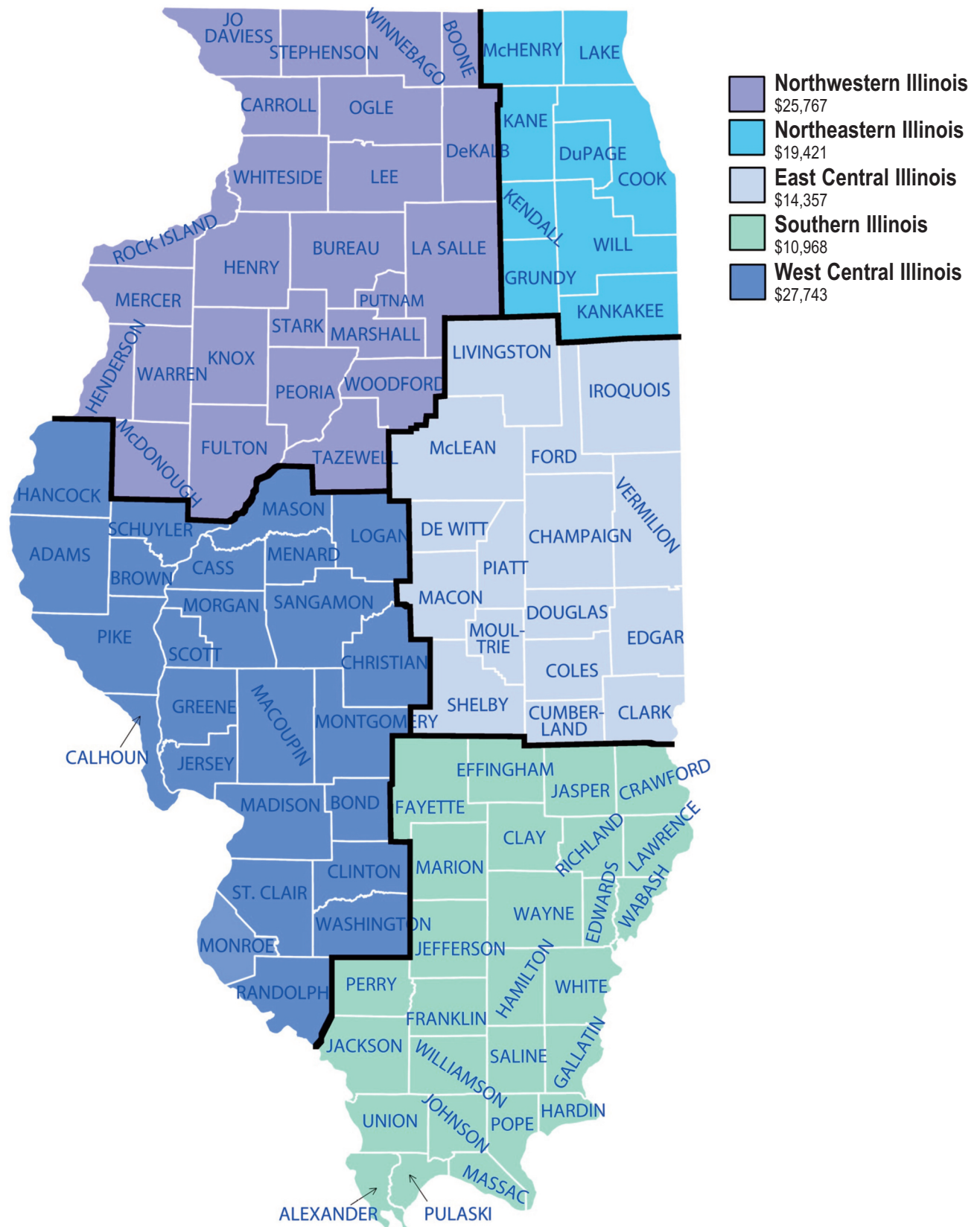
(20) Zone statistics comprised of the counties of DeKalb and LaSalle. (21) Zone statistics comprised of the counties of Marshall and Stark.

(22) Zone statistics comprised of the counties of McLean and Ford.

(23) Zone statistics comprised of the counties of Pike, and Scott.



2014 Enterprise Zone Tax Expenditures by Geographic Region (All \$ in thousands)





River Edge Redevelopment Zone Program

The River Edge Redevelopment Zone Act, 65 ILCS 115/10-1, et seq., is an innovative program 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").

Implementation Status

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 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. This area has important economic development potential, but the costs of redevelopment have made attracting investment difficult. The construction of a regional festival park is the center-piece of the City's economic development master plan.

The City's website states the following in regards to the new River Edge Park: "The 30-acre park was designed in a way that would serve many purposes. From the canoe/kayak launch and natural land-scaping to the VIP Rooftop Deck and 10-acre music venue, this is the new recreation and entertainment destination of the suburbs. Bring your kids and fly a kite. Enjoy a local band in the music pavilion with friends. Spread out a blanket and watch fireworks with the family on the 4th of July. River Edge Park is your backyard away from home."

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 twelve (12) square miles. Its zone began December 31, 2007 and will continue until December 31, 2037. The East St. Louis Riverfront is a distinctive area because of its unparalleled location directly across the river from the Gateway Arch.

The City supports an ongoing development project within the zone located at the proposed future Port of East St. Louis. On August 14, 2014, groundbreaking steps were taken towards the

creation of a 200-acre former industrial site along the Mississippi into a multi-modal facility for the City of East St. Louis and the greater St. Louis area.

Elgin Zone

In the City of Elgin, River Edge 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. In 2014, the City completed the construction of the \$10.5 million Riverside Drive Promenade within the zone. According to the City's website, "constructing Riverside Drive Promenade, along the Fox River, is a critical component of Elgin's master plan to revitalize the riverfront by encouraging more redevelopment, public space and transportation projects. Riverside Drive Promenade involves the complete redevelopment of the Riverside Drive right-of-way and the adjacent parking deck into an urban riverfront plaza connected to Elgin's Festival Park."

Peoria Zone

The City of Peoria applied for and received 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. The City's goals include promoting development of the Old Peoria Distillery and the Peoria Design Center, and protecting buildings that contribute to the character of the Warehouse District.

Rockford Zone

In Rockford, River Edge 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. The City was granted \$8 million for a variety of projects along the riverfront to address blight and spur economic development. The projects include the Outdoor City Market and Indoor City Market, Ingersoll Building renovation, Davis Festival Park improvements, and streetscape improvements.

Effectiveness

The job and investment impact of the program as well as the cost of the tax incentives are described below in the Illinois Department of Revenue's section of the report.

Proposed New Legislation

The Department is currently evaluating potential legislative proposals.



River Edge Redevelopment Zone Reporting 2014 – Tax Expenditures *(all \$ in thousands)*

Zone Name	Sales Tax	Income Tax		Expenditures ⁴	Net Property Tax ⁵
AURORA	0	0	0	0	0
EAST ST. LOUIS	21	0	0	21	27
ELGIN	0	0	0	0	0
PEORIA	0	0	0	0	0
ROCKFORD	282	10	821	1,113	0
Total	303	10	821	1,134	27

4 Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

5 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.

9 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 2014 – Jobs and Investment *(all \$ in thousands)*

Zone Name	Total State Tax Expenditures ⁴	2014 Employment ⁶	Jobs Created/Lost	Jobs Retained ⁷	Capital Investment ⁸
AURORA	0	12	4	0	4
EAST ST. LOUIS	21	36	5	6	33
ELGIN	0	0	0	0	0
PEORIA	0	0	0	0	0
ROCKFORD	1,113	120	0	5	435
Total	1,134	168	9	11	472

4 Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

6 2014 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

7 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).

8 Businesses were required to report new capital investment put into service during calendar year 2014. Follow-up discussions and analysis revealed continued misunderstanding of this requirement with many businesses reporting capital investment over longer periods.



High Impact Business

The High Impact Business (“HIB”) program, 20 ILCS 655/5.5, is designed to encourage large-scale economic development activities, by providing tax incentives (similar to those offered within an enterprise zone) to companies that propose to make a substantial capital investment in operations and will create or retain above average number of jobs. Businesses may qualify for: investment tax credits, a state sales tax exemption on building materials, an exemption from state sales tax on utilities, and a state sales tax exemption on purchases of personal property used or consumed in the manufacturing process. The qualifying project must result in a minimum of \$12 million investment causing the creation of not less than 500 full-time jobs, or a minimum investment of \$30 million causing the retention of not less than 1,500 full-time jobs. The investment must take place at a designated location in Illinois outside of a designated enterprise zone.

The program was expanded to include qualified (a) new electric generating facilities, (b) a new gasification facility, (c) production operations at a new coal mine, re-establish production at a closed coal mine, or expand operations at an existing coal mine that supports the creation of not less than 150 Illinois coal-mining jobs as a “Coal/Energy High Impact Businesses,” or (d) a new or upgraded transmission facility. In 2009, the program was further expanded to include wind energy facilities. The designation as a wind energy HIB is contingent on the

business constructing a new electric generation facility or expanding an existing wind power facility. “New wind power facility” means a newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2009, that generates electricity using wind energy devices. “New wind energy device” means any device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electricity. A wind energy HIB only qualifies for the sales tax exemption on building materials.

A designated High Impact Business located in a foreign trade zone or sub-zone is eligible for additional incentives including, an exemption from the telecommunications excise tax.

More Information

For information on the Illinois Enterprise Zone Program, contact:

Illinois Department of Commerce and Economic Opportunity
Enterprise Zone Program
500 East Monroe, 4th Floor
Springfield, Illinois 62701
217/524-0165; TDD, 800/785-6055

High Impact Business Incentive Reporting 2014 - Tax Expenditures *(all \$ in thousands)*

	Sales Tax			Utility Taxes			Income Tax	
	Building Materials	Expanded Manufacturing M & E	Expanded Graphic Arts M & E	Telecom	Natural Gas ³	Electricity	Investment Credit	Total State Tax Expenditures ⁴
High Impact Businesses	8,427	1,633	201	658	101	1,003	180	12,203

⁴ Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

⁵ 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.

⁹ 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

High Impact Business Reporting 2014 - Jobs and Investment *(all \$ in thousands)*

	Total State Tax Expenditures ⁴	2014 Employment ⁶	Jobs Created/Lost	Jobs Retained ⁷	Capital Investment ⁸
High Impact Businesses	12,203	11,795	22	7,400	45,484

⁴ Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the State.

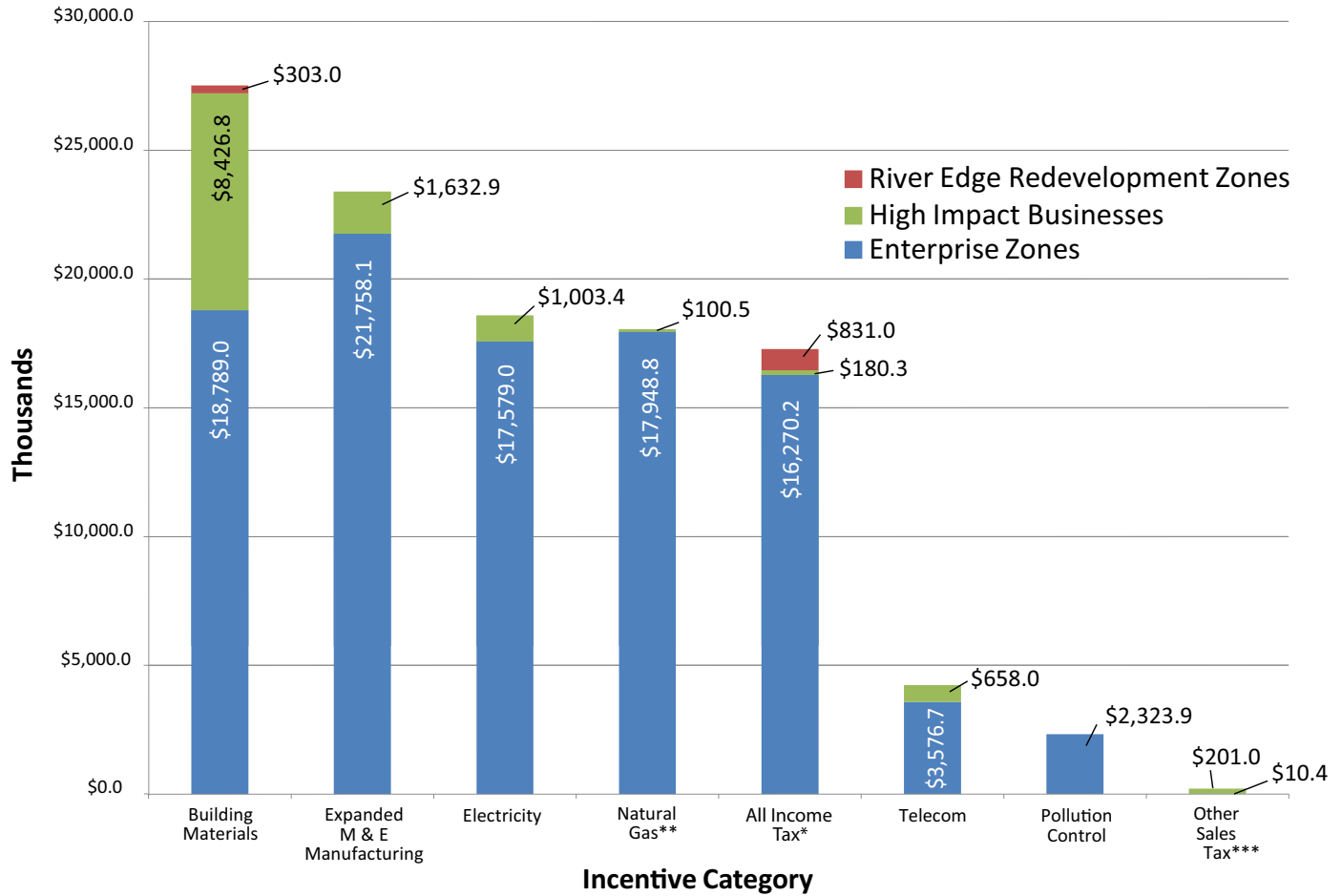
⁶ 2014 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

⁷ 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).

⁸ Businesses were required to report new capital investment put into service during calendar year 2014. Follow-up discussions and analysis revealed continued misunderstanding of this requirement with many businesses reporting capital investment over longer periods.



Tax Expenditure Totals By Incentive Category



* 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.

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

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



Conclusion

The foregoing report provides a summary of the Enterprise Zone Program for calendar year 2014. Additionally, the report provides updates for 2013 as well as a brief introduction to the most recent round of Enterprise Zone designations, the first under the current statutory regime wherein the newly-constituted Enterprise Zone Board review and approves or denies applications for designation as an Enterprise Zone.

The current reporting program provides an annual snapshot of the investments and job creation/retention in designated Enterprise Zones, which in many cases have been in place for decades. This report is only

the third under the current reporting procedures. In addition to being in its infancy, the limited nature of the statutory accounting protocol and lack of effective enforcement results in under-reporting as well as tardy reporting by stakeholders. In addition, programmatic changes in the reporting mechanisms within the Department of Commerce and Economic Opportunity, which are currently under review, results in a less-than-complete picture of the current state of the Enterprise Zone program. In spite of these acknowledged limitations, the below chart from the Department of Revenue provides a summary of the reporting for the three (3) years under the current reporting system:

Three Year Enterprise Zone Summary Table¹

	2012	2013 Preliminary	2013 Final	2014 Preliminary	2014 Final*
Number of reports received	526	636	676	886	929
Jobs Created / Lost	4,671	4,927	4,973	282	485
Jobs Retained	54,401	82,585	84,217	57,918	60,700
Capital Invested	\$3,225,149,000	\$3,595,785,000	\$4,012,708,000	\$1,852,005,000	\$1,881,287,000
Total Dollar Value of Tax Incentives Received	\$103,093,000	\$106,260,000	\$112,055,000	\$98,256,000	\$99,434,000

In 2015, the newly-constituted Enterprise Zone Board convened on several occasions to review and evaluate the 67 applicants for designation as an Enterprise Zone. Following these deliberations and consideration of public comment (written and oral) and the Department of Revenue's reporting in August 2015, the Enterprise Zone Board approved

49 Enterprise Zones to take effect on January 1, 2016. Various members of the Department continue to work with the Department of Revenue, the Illinois Enterprise Zone Association and other stakeholders to refine and develop accurate reporting systems and metrics to demonstrate the effectiveness and importance of Enterprise Zones to the Illinois economy.

¹ The following is data compiled from the published Enterprise Zone reports for the last three (3) years. Preliminary numbers are those found in the published reports. Final numbers include additional information received after the initial report was compiled. Due to technical limitations Enterprise Zone report capture was limited in 2012. As a result no additional information was received after the 2012 report was compiled.



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