

# Blue Collar Jobs Act (BCJA) New Construction Jobs Credit Program

August 2025



**Illinois**  
**Department of Commerce**  
& Economic Opportunity  
JB Pritzker, Governor

# Agenda

- Blue Collar Jobs Act Overview
- DCEO Program Prerequisite/Relationships
- Application
- Reporting Requirements
- Certificate Issuance
- Frequently Asked Questions
- Contact Information



# Blue Collar Jobs Act Overview

- The Blue Collar Jobs Act (BCJA) is designed to promote large-scale economic development activities by providing corporate income tax credits to project owners that make substantial capital investments in Illinois.
- BCJA tax credits are based on the amount of withholding taxes from the compensation paid to construction workers employed on site at an eligible project.



# Blue Collar Jobs Act Overview

- To be considered an eligible applicant, the project must be:
  - Located in an Enterprise Zone (EZ), or be within a River Edge Redevelopment Zone (RERZ), or
  - Hold designation as a High Impact Business (HIB) business project, or
  - Have an executed agreement under the Economic Development for a Growing Economy (EDGE) Program.



# Blue Collar Jobs Act Overview

- The BCJA construction tax credit program will provides \$20 million annually in tax credits to qualifying projects that have been approved to receive incentives through one of the four programs.
- Participation in one of these four programs is mandatory to qualify for the tax credits.





# Blue Collar Jobs Act Overview

- Qualifying companies may receive an income tax credit of up to 50% of withholding taxes attributable to wages paid to construction workers employed on the job for qualified projects.
- If the project is located within an underserved area, the company may receive a credit up to 75% of the withholding tax for the attributable construction wages.
- Project owners and/or their designee may be required to pay prevailing wage as determined by the Illinois Department of Labor.



# Blue Collar Jobs Act Overview

- Definition of an eligible project is the building of a taxpayer structure or building or making improvements of any kind to real property, undertaken by a business that has previously applied for and have been approved under the state programs for EZ, EDGE, HIB, or RERZ
- A qualifying project does not include the routine operations, routine maintenance, or routine repair of existing structures, buildings or real property.



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# DCEO Program Prerequisite/Relationships

- To be eligible, a company must be located in an EZ, or located in an RERZ, or hold a HIB designation, or have an existing executed agreement under the EDGE program. Each pre-requisite program may have differing job creation and qualifying capital investment minimums/requirements.



# DCEO Program Prerequisite/Relationships

## BCJA - EZ

- **EZ Construction Credits (20 ILCS 655/)**
- The project must be located in an existing certified Enterprise Zone in compliance with Section 4 of the Enterprise Zone Act and approved by the designated Enterprise Zone administrator.
- The project involves a qualified capital investment of at least \$10,000,000.



# DCEO Program Relationships

## BCJA - RERZ

- **RERZ Construction Credits (65 ILCS 115/)**
- The project must be located in an existing certified River Edge Redevelopment Zone and approved by the designated RERZ administrator.
- The project involves a qualified capital investment of at least \$1,000,000 in a qualified project.



# DCEO Program Relationships

## BCJA - HIB

- **HIB Construction Credits (20 ILCS 655/5.5)**
- The company must be currently designated and holding certification as a High Impact Business.
- The project includes a qualified capital investment of at least \$10,000,000.



# DCEO Program Relationships

## BCJA - EDGE

- **EDGE Construction Credits (35 ILCS 10/)**
- The project has an existing signed executed agreement as part of the EDGE program.
- The project involves a qualified capital investment of at least \$10,000,000.





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# Application

- When a project has been approved and confirmed by the EZ, RERZ, HIB, or EDGE programs, the project owner or company representative may complete the BCJA application found at:
- DCEO's BCJA website or by email @ ceo.bcja@illinois.gov
- For an EZ or RERZ project, a letter to DCEO from the local EZ or RERZ administrator/manager must be included with the application confirming the project is located in the current Enterprise Zone or River Edge Redevelopment Zone and meets the qualifications.



# Application

- Applications received that are complete with all supporting documentation and detailed information will be reviewed and approved or disapproved within 45 days of receipt.
- If there is a disapproval, the Department will notify applicants of additional information necessary to complete the application and the applicant will have 60 days to correct any issues, provide additional information and resubmit a completed application.
- Complete applications that are resubmitted will be approved or disapproved within 30 days.



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# Reporting Requirements

- Annually, until construction is completed, a company seeking Enterprise Zone construction job credits shall submit a report that, at a minimum, describes the projected project scope, timeline, and anticipated budget. Once the project has commenced, the annual report shall include actual data for the prior year as well as projections for each additional year through completion of the project. The Department shall issue detailed reporting guidelines prescribing the requirements of construction-related reports.
- In order to receive credit for construction expenses, the company must provide the Department with evidence that a certified third-party executed an Agreed-Upon Procedure (AUP) verifying the construction expenses or accept the standard construction wage expense estimated by the Department.
- Upon review of the final project scope, timeline, budget, and AUP, the Department shall issue a tax credit certificate reflecting a percentage of the total construction job wages paid throughout the completion of the project.





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# Certificate Issuance

- A project owner (Taxpayer) will certify in the application the understanding of a detailed provision that the taxpayer shall be awarded a New Construction Jobs Tax Credit upon the verified completion of a New Construction Tax Credit project.
- It is a requirement that the Taxpayer shall provide written notification to the Director not more than 30 days after the Taxpayer determines that the required qualified capital investment, or other issues are not or will not be achieved or maintained as set forth in the terms and conditions of the Agreement.



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# BCJA Frequently Asked Questions

- Tax credits will be awarded to the applicant project owner (taxpayer).
- Tax credits will be awarded upon the completion of a project.
- Out-of-state based contractors/subcontractors should be registered to do business in the state of Illinois.
- Construction workers do not have to be Illinois residents.
- Applications should be submitted upon approval of the appropriate prerequisite program manager.
- Projects concluded after January 1, 2021 may apply for the tax credits.



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# Contact Information

We appreciate everyone taking the time to join us today. We look forward to working with you on Blue Collar Jobs Act projects in the future.

For more information, please reach out:  
[CEO.BCJA@Illinois.gov](mailto:CEO.BCJA@Illinois.gov)



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