



ENTERPRISE ZONE OVERVIEW

The Illinois Enterprise Zone Program is designed to stimulate economic growth and neighborhood revitalization in economically challenged areas through state and local tax incentives, regulatory relief and improved governmental services. Businesses located or expanding in an Illinois enterprise zone may be eligible for various state and local tax incentives.

STATE BENEFITS

Benefits Available to ALL within the EZ

- *Investment Tax Credit* provides a 0.5% credit against the state income tax for investments in qualified property (simple attachment to annual tax return).
- *Building Materials Sales Tax Exemption* provides a 6.25% exemption for qualified sale of building materials including those for remodeling, rehabilitation or new construction. Purchaser obtains an exemption document from IDOR which is presented at the time of materials purchase.

Performance Based Benefits Based on Job Creation & Employment

- *Manufacturing Machinery & Equipment Sales Tax Exemption (5 year certificate, renewable)*
 - 6.25% exemption against purchases of CONSUMABLE items used in the manufacturing process (i.e. abrasives, lubricants, fuel, etc.).
 - Eligible companies must:
 - Invest at least \$5 million in an Illinois Enterprise Zone, and create at least 200 full-time equivalent jobs in Illinois, of which a majority must be created in an Illinois Enterprise Zone, or
 - Invest at least \$40 million in an Illinois Enterprise Zone, and retain at least 2,000 full-time jobs in Illinois, of which a majority must be retained in an Illinois Enterprise Zone or
 - Investment at least \$40 million in an Illinois Enterprise Zone, and retain 90 percent of the jobs in Illinois, of which a majority must be created in an Illinois Enterprise Zone on date of certification.
- *Utility Tax Exemption (5 year certificate, renewable)*
 - 5.1% exemption against electrical, natural gas and telecommunications taxes.
 - Eligible companies must:
 - Invest at least \$5 million in an Illinois Enterprise Zone and create at least 200 full-time equivalent jobs in Illinois, of which a majority must be created in an Illinois Enterprise Zone, or
 - Invest at least \$175 million in an Illinois Enterprise Zone and create at least 150 full-time equivalent jobs in Illinois, of which a majority must be created in an Illinois Enterprise Zone or
 - Invest at least \$20 million in an Illinois Enterprise Zone and commit to retain at least 1,000 full-time jobs in Illinois, of which a majority must be retained in an Illinois Enterprise Zone on the date of certification.

LOCAL BENEFITS

In addition to state incentives, each zone may offer local incentives to enhance business development activities. Each zone has a designated local zone administrator responsible for compliance and is available to answer questions. Contact your local zone administrator for additional information.

- Varies depending upon zone.
- Examples may include:
 - Property tax abatements
 - Sales tax abatements
 - Building permit fee waivers
 - Utility tax exemptions

Additional information regarding Illinois Enterprise Zones is available by clicking on the links below:

Enterprise Zone Listing	Illinois Enterprise Zone Map
Enterprise Zone Administrators and Contacts	Interactive Illinois Enterprise Zone Map