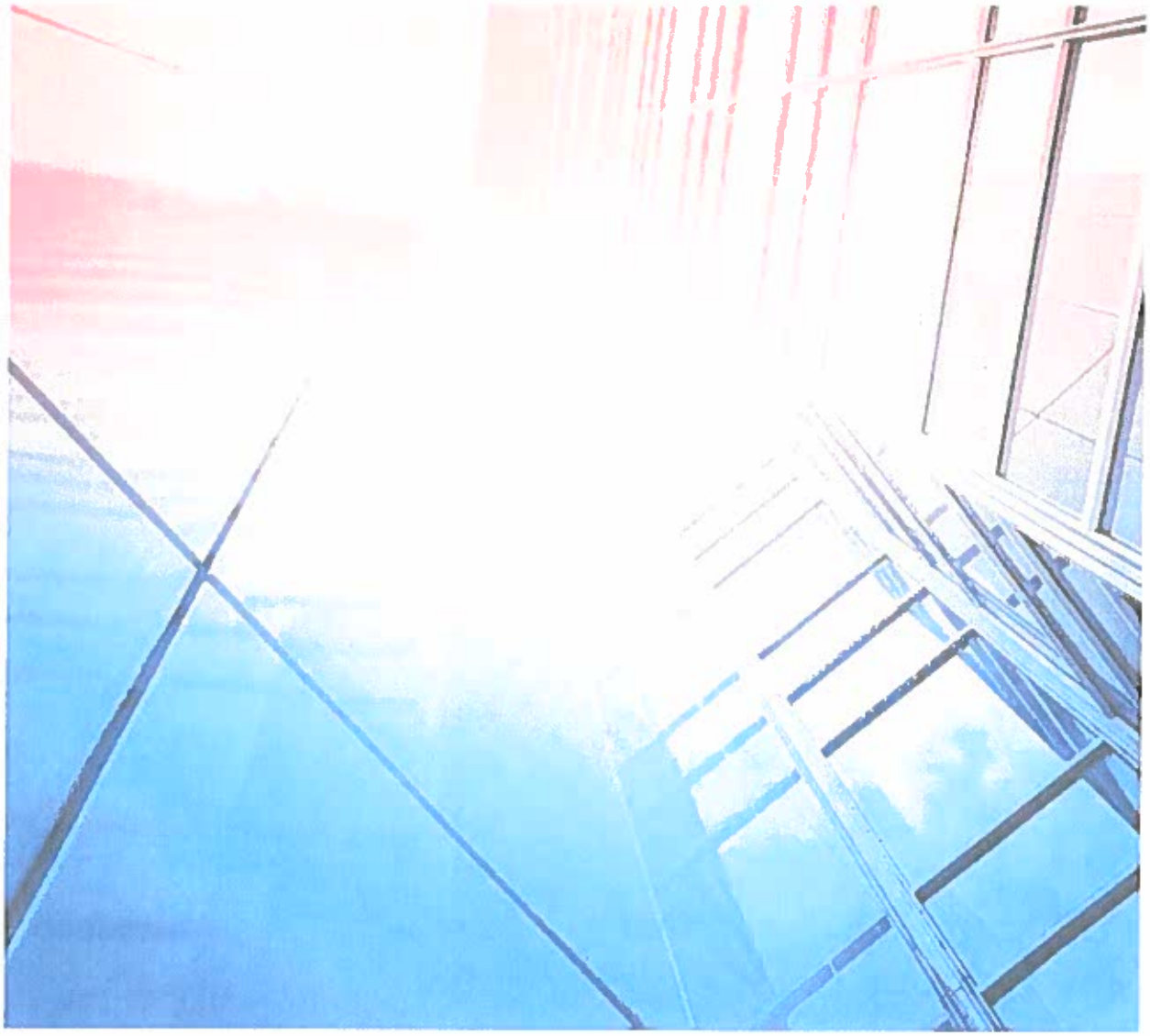

Enterprise Zone, High Impact Business and River Edge Redevelopment Zone Programs

ANNUAL REPORT 2018

Illinois Department of Commerce and Economic Development

J.B. Pritzker, Governor

2018 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 26, 2019

Dear Members of the General Assembly:

The enclosed information fulfills the statutory directive that the Department of Commerce and Economic Opportunity ("DCEO") report annually to the members of 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 incentives. This report provides the most up-to-date and accurate information available to DCEO and the Illinois Department of Revenue (IDOR) 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 recent changes to the Illinois Enterprise Zone Act, this is the fifth annual program report to include data collected by IDOR.

These programs are an important factor of 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 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. Additionally, the Department, in its evaluation of the program with IDOR, continues to explore and consider whether legislative or rule changes are needed to the program.

Sincerely,

Erin B. Guthrie
Acting Director

ENTERPRISE ZONE PROGRAM

Overview

The Illinois Enterprise Zone Act, 20 JLCS 655 1, et seq. (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 ("DCEO" or the "Department") is authorized to designate Enterprise Zones. 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 2018, the Enterprise Zone Board convened under the Act to review and approve or deny applicants for Enterprise Zone designation from an applicant pool of four (4) applications received prior to the December 31, 2017 deadline. The Enterprise Zone Board ultimately approved Carmi/ White County/ Edwards County, Kewanee/ Henry County, Quad Cities and Vandalia/ Fayette County for new designation to become effective on January 1, 2019, for an initial period of 15 years, with the possibility of a 10-year extension.

DCEO received fourteen (14) applications for Enterprise Zone designation prior to the December 31, 2018 deadline. If approved, new designations would be effective on January 1, 2020 for an initial period of 15 years with the possibility of a 10-year extension.

As detailed on pages 7-9 of the Illinois Department of Revenue (IDOR) companion report, the Enterprise Zone Program resulted in a total capital investment of $1,119,766,000, the creation of 5,479 jobs, the retention of 41,110 existing positions and $121,262,000 in total state expenditures during the period of January 1, 2018 through December 31, 2018.

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 of200 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 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;
- 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-steading programs;
- Waiver of business licensing and permit fees;
- Streamlined building code and zoning requirements; and
- Special local financing programs and other resources.

POPULATION OF ILLINOIS ENTERPRISE ZONES

Enterprise Zone *(1)(2)*	Population 2017	2018	Increase/ Decrease Individuals	Percentages
Alexander/Pulaski County	11,824	11,523	-301	-2.5%
Altamont	34,132	34,208	76	0.1%
American Bottoms *(3)*	262,479	261,059	-420	-0.1%
Beardstown	12,505	12,260	-245	-0.1%
Bedford Park	5,211,263	5,180,493	-30,770	-0.5%
Belleville	262,479	261,059	-1420	-0.5%
Belvidere Boone County	53,513	53,577	64	0.1%
Bensenville	6,141,391	6,117,082	-24,309	-0.4%
Benton/Franklin County	39,041	38,701	-340	-1.0%
Bloomington-Normal	172,290	172,828	538	0.3%
Bureau Putnam Area	38,970	38,733	-237	-0.6%
Cal Sag	5,211,263	5,180,493	-30,770	-0.5%
Calumet Region	5,211,263	5,180,493	-30,770	-0.5%
Canton/Fulton County	35,110	34,844	-266	-0.7%
Carmi/White County	13,938	13,665	-273	-1.9%
Champaign/Champaign County	209,399	209,983	584	0.3%
Chicago I	5,211,263	5,180,493	-30,770	-0.5%
Chicago II	5,211,263	5,180,493	-30,770	-0.5%
Chicago III	5,211,263	5,180,493	-30,770	-0.5%
Chicago IV	5,211,263	5,180,493	-30,770	-0.5%
Chicago V	5,211,263	5,180,493	-30,770	-0.5%
Chicago VI	5,211,263	5,180,493	-30,770	-0.5%
Cicero	5,211,263	5,180,493	-30,770	-0.5%
Clark County	15,767	15,596	-171	-1.0%
Clinton County	37,614	37,639	25	0.1%
Coles County	51,348	50,885	-463	-0.9%
Danville/Vermillion County	77,909	76,806	-1103	-1.4%
Decatur Macon County	105,801	104,712	-1089	-1.0%
DeKalb County	104,733	104,143	-590	-0.5%
Des Plaines River Valley	691,017	692,310	1293	0.2%
Diamond	743,247	743,282	35	0.1%
Douglas	19,639	19,479	-160	-0.1%
Edgar County Paris	17,328	17,360	32	0.1%
Effingham/Effingham County	34,132	34,208	-76	-0.1%
Fairfield/Wayne County	16,495	16,332	-163	-0.1%
Fairmont City Caseyville/Brooklyn/St. Clair County	262,479	261,059	-1420	-0.5%
Fairview Heights	262,479	261,059	-1420	-0.5%

Flora/Clay County	13,269	13,253	-16	-0.1%
Franklin Park	5,211,263	5,180,493	-30,770	-0.5%
Freeport/Stephenson County	45,054	44,753	-301	-0.7%
Galesburg	50,638	50,112	-526	-1.0%
Gateway Commerce Center *(3)*	265,471	264,461	-1010	-0.4%
Greater Centralia	127,725	127,074	-851	-0.5%
Greenville/Bond County	16,948	16,630	-318	-1.8%
Harvard/Woodstock	309,122	308,570	-552	-0.2%
Hodgkins/McCook	5,204,502	5,180,493	-24,009	-0.4%
Hoffman Estates	5,204,502	5,180,493	-24,009	-0.4%
Jackson County	58,284	57,419	-865	-1.5%
Jacksonville/Morgan County	33,798	33,976	178	0.5%
Jersey- Greene Intermodal	300,540	299,352	-1188	-0.4%
Jo-Carroll *(4)*	36,112	35,678	-434	-1.2%
Joliet Arsenal *(4)*	691,017	692,310	1293	0.2%
Kankakee County	109,605	110,024	419	0.4%
Kankakee River Valley	109,605	110,024	419	0.4%
Kewanee	49,328	49,090	-238	-0.5%
Lawrenceville/Lawrence County	16,168	15,765	-403	-2.4%
Lee Ogle	85,543	85,146	-397	-0.5%
Lincoln & 394 Corridor	5,895,519	5,872,803	-22,716	-0.4%
Lincoln/Logan County	29,245	28,925	-320	-1.0%
Loves Park/Machesney Park	284740	284,081	-659	-0.2%
Macomb/Bushnell/McDonough County	30,823	29,955	-868	-2.8%
Macoupin County	45,446	45,313	-133	-0.3%
Madison County Discovery	265,428	264461	-967	-0.4%
Massac County	14,344	14,080	-264	-1.8%
Maywood	5,211,263	5,180,493	-30,770	-0.6%
McLeansboro/Hamilton County	8,194	8163	-31	-0.4%
Monmouth/Warren County	17,167	17,032	-135	-0.8%
Montgomery County	28,790	28,601	-189	-0.6%
Mt. Carmel/Wabash County	11,489	11,549	60	0.5%
Mt. Vernon/Waltonville	38,179	37,820	-359	-0.9%
Nashville/Washington County	14,030	13,995	-35	-0.2%
Northern Tazewell County	172,090	170,791	-1299	-0.7%
Olney/Richland/Newton/Jasper	25,388	25,374	-14	-0.1%
Ottawa Area	109,681	109,430	-251	-0.2%
Peoria Rural	182,578	180,621	-1957	-1.0%
Peoria Urban	182,578	180,621	-1957	-1.0%
Perry County	21,285	21,174	-111	-0.5%
Quad Cities Regional Economic Development Authority (5)	144,293	143,477	-816	-0.5%
Quincy/Adams County/Brown County	72,705	72,247	-458	-0.6%
Rantoul	209,399	209,983	-584	-0.3%
Riverbend	265,428	264,461	-967	-0.4%

Robinson/Crawford County	18,955	18,807	-148	-0.8%
Rockford EZ 1	284,740	284,081	-659	-0.2%
Rockford I-90	335,841	284,081	-659	-0.2%
Salem/Marion County	37,902	37620	-282	-0.7%
Saline County	24,102	23,906	-196	-0.8%
Southern Tazewell County	133,526	132,328	-1198	-0.9%
Springfield/Sangamon County	196,452	195,348	-1104	-0.6%
St. Clair County MidAmerica *(3)*	262,479	261,059	-1420	-0.5%
Streator Area	145,796	145,191	-605	-0.4%
SW Madison County	527,897	525,520	-2377	-0.4%
Taylorville Christian County	33,102	32,661	-441	-1.3%
Upper Illinois River Valley Development Authority *(7)*	906,428	908,677	2249	0.2%
Urbana/Champaign County	209,399	209,983	584	1.0%
Vandalia/Fayette County	21,784	21,416	-368	-0.1%
Waukegan-North Chicago	703,006	700,832	-2174	-0.3%
West Frankfort	39,041	38,701	-340	-0.8%
Western Illinois Economic Development Authority *(6)*	20,650	20,537	-113	-0.5%
Whiteside County/Carroll County	70,428	69,938	-490	-0.7%
Will County/Cook County	5,896,519	5,872,803	-23716	-0.4%
Williamson County	67,328	67,056	-272	-0.4%
State of Illinois (All Counties)	**12,786,196**	**12,741,080**	**-45,116**	**-0.3%**

***The statistical data presented in this table represents the calculated population of the county/counties of the listed Enterprise Zone's local labor market, based on data obtained from the US Census Bureau.**

(1) The Enterprise Zones listed represent those zones which were in effect during the period of January 1, 2018 through December 31, 2018.
(2) The totals and percentages were calculated using the statistical data of the county/counties in which the Enterprise Zone were located. Actual zone boundaries may vary from the established boundaries of the applicable county/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).

PER CAPITA INCOME OF ILLINOIS ENTERPRISE ZONES

Enterprise Zone (1) (2)	Per Capita Income		Increase/ Decrease	
	2017	2018	Amount	Percentage
Alexander/Pulaski County	32,158	33,018	860	2.7%
Altamont	44,946	47,738	2792	6.2%
American Bottoms *(3)*	41,626	42,923	1297	3.1%
Beardstown	39,047	39,779	732	1.9%
Bedford Park	57,285	59,238	1953	3.4%
Belleville	41,626	42,923	1297	3.1%
Belvidere Boone County	44,014	44,908	894	2.0 %
Bensenville	57,285	59,238	1953	3.4%
Benton/Franklin County	35,031	36,093	1062	3.0%
Bloomington-Normal	47,042	47,578	536	1.1%
Bureau Putnam Area	40,522	41,781	1259	3.1%
Cal Sag	57,285	59,238	1953	3.4%
Calumet Region	57,285	59,238	1953	3.4%
Canton/Fulton County	35,133	35,542	409	1.2%
Carmi/White County	43,007	45,742	2735	6.4%
Champaign/Champaign County	43,232	43,584	352	0.8%
Chicago I	57,285	59,238	1953	3.4%
Chicago II	57,285	59,238	1953	3.4%
Chicago III	57,285	59,238	1953	3.4%
Chicago IV	57,285	59,238	1953	3.4%
Chicago V	57,285	59,238	1953	3.4%
Chicago VI	57,285	59,238	1953	3.4%

Cicero	57,285	59,238	1953	3.4%
Clark County	38,332	39,888	1556	4.1%
Clinton County	43,821	44,533	712	1.6%
Coles County	37,302	38,902	1600	4.3%
Danville/ Vermilion County	36,577	37,387	810	2.2%
Decatur/Macon County	45,230	45,701	471	1.0%
DeKalb County	38,091	38,827	736	1.9%
Des Plaines River Valley	48,834	50,638	1804	3.7%
Diamond	48,834	50,638	1804	2.9%
Douglas County	45,781	47,450	1669	3.6%
Edgar County/Paris	38,714	40,477	1763	4.6%
Effingham/Effingham County	44,946	47,738	2792	6.2%
Fairfield/Wayne County	38,608	38,059	-549	-1.4%
Fairmont City Caseyville Brooklyn/St. Clair County	41,626	42,923	1297	3.1%
Fairview Heights	41,626	42,923	1297	3.1%
Flora/Clay County	35,844	37,030	1186	3.3%
Franklin Park	57,285	59,238	1953	3.4%
Freeport/Stephenson County	41,101	41,144	43	0.1%
Galesburg	37,898	37,983	85	0.2%
Gateway Commerce Center *(3)*	43,096	44,768	1672	3.8%
Greater Centralia	43,821	44,533	712	1.6%
Greenville/Smithboro	33,694	34,664	970	2.8%
Harvard/Woodstock	51,497	53,562	2065	4.0%
Hodgkins/McCook	57,285	59,238	1953	3.4%
Hoffman Estates	57,285	59,238	1953	3.4%

Jackson County	34,380	35,634	1254	3.6%
Jacksonville/Morgan County	38,333	39,429	1096	2.8%
Jo-Carroll *(4)*	46,028	46,903	875	1.9%
Joliet Arsenal *(4)*	48,834	50,638	1804	3.7%
Kankakee County	38,802	39,862	1060	2.7%
Kankakee River Valley	38,802	39,862	1060	2.7%
Kewanee	43,325	44,544	1219	2.8%
Lawrenceville/Lawrence County	28,232	28,574	342	1.2%
Lee/Ogle	39,138	40,333	1195	3.0%
Lincoln & 394 Corridor	57,285	59,238	1953	3.4%
Lincoln/Logan County	35799	35,702	-97	-0.3%
Loves Park/Machesney Park	40,113	41,682	1569	3.9%
Macomb /Bushnell/McDonough County	36,193	36,563	370	1.0%
Macoupin County	37,858	38,639	781	2.1%
Madison County Discovery	43,096	44,768	1672	3.8%
Massac County	36,825	36,835	10	0.0%
Maywood	57285	59238	1953	3.4%
McLeansboro/Hamilton County	40,477	42,710	2233	5.5%
Monmouth/Warren County	38,051	39,006	955	2.5%
Montgomery County	34,041	35,107	1066	3.1%
Mt. Carmel/Wabash County	41,167	42,812	1645	4.0%
Mt. Vernon/Waltonville	36,295	37,438	1143	3.1%
Nashville/Washington County	44,385	46,795	2410	5.4%
Northern Tazewell County	44,824	45,096	272	0.6%
Olney/Richland/Newton/Jasper	39,435	40,424	989	2.5%
Ottawa Area	41,254	42,582	1328	3.2%
Peoria Rural	47,592	48,263	671	1.4%
Peoria Urban	47,592	48,263	671	1.4%
Perry County	34,752	35,117	365	1.0%

Quad Cities (5)	41,811	44,155	2344	5.6%
Quincy/Adams County/Brown County	42,886	44,373	1487	3.5%
Rantoul	43,232	43,584	352	0.8%
Riverbend	43,096	44,768	1672	3.9%
Robinson/Crawford County	44,489	44,838	349	0.8%
Rockford EZ 1	40,113	41,682	1569	3.9%
Rockford 1-90	40,113	41,682	1569	3.9%
Salem/Marion County	38,535	39,935	1400	3.6%
Saline County	36,878	38,690	1812	4.7%
Southern Tazewell County	44,824	45,096	272	0.6%
Springfield/Sangamon County	45,184	46,325	1141	2.5%
St. Clair County MidAmerica *(3)*	41,626	42,923	1297	3.1%
Streator Area	43,047	41,727	1320	3.0%
SW Madison County	43,096	44,768	1672	3.9%
Taylorville/Christian County	38,341	39,651	1310	3.4%
Upper Illinois River Valley Development Authority *(7)*	41,254	42,582	1328	3.2%
Urbana/Champaign County	43,232	43,584	352	0.8%
Vandalia/ Fayette County	32,373	33,229	826	2.6%
Waukegan-North Chicago	73,102	76,227	3125	4.3%
West Frankfort	35,031	36,093	1062	3.0%
Western Illinois Economic Development Authority *(6)*	39,881	39,896	15	0.0%
Whiteside County/Carroll County	43,168	42,827	-341	-0.7%
Will County/Cook County	48,834	50,638	1804	3.7%
Williamson County	41,530	42,787	1257	3.0%
State of Illinois	**52,473**	**54,206**	**1733**	**3.3%**

*The Statistical data presented in this table represents the calculated median per capita income of the county/counties of the Enterprise Zone's based upon data ained 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, 2018 through December 31, 2018.

(2) The totals and percentages were calculated using the statistical data of the county/ counties in which the Enterprise Zone boundaries were located. Actual zo boundaries may vary from the established boundaries of the applicable county/ counties.
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(7) Certified under the auspices of the Upper Illinois River Valley Development Authority (UIRVDA).

UNEMPLOYMENT OF ILLINOIS ENTERPRISE ZONES

Enterprise Zone *(1)(2)*	Unemployment Rate		Increase/ Decrease
	2017	2018	
Alexander Pulaski County	7.9%	8.0%	0.1%
Altamont	3.7%	3.7%	0.0%
American Bottoms (3)	4.9%	5.0%	0.1%
Beardstown	4.5%	4.5%	0.0%
Bedford Park	5.2%	4.0%	-1.2%
Belleville	4.9%	5.0%	0.1%
Belvidere Boone County	6.6%	5.8%	-0.8%
Bensenville	5.1%	3.5%	-1.6%
Benton/Franklin County	6.4%	6.1%	-0.3%
Bloomington-Normal	4.1%	4.2%	0.1%
Bureau Putnam Area	4.8%	5.1%	0.3%
Cal Sag	5.2%	5.2%	-0.8%
Calumet Region	5.2%	4.0%	-1.2%
Canton/Fulton County	6.3%	6.2%	-0.1%
Carmi/White County	4.8%	4.3%	-0.5%
Champaign/Champaign County	4.2%	4.4%	0.2%
Chicago I	5.2%	4.0%	-1.2%
Chicago II	5.2%	4.0%	-1.2%
Chicago III	5.2%	4.0%	-1.2%
Chicago IV	5.2%	4.0%	-1.2%
Chicago V	5.2%	4.0%	-1.2%
Chicago VI	5.2%	4.0%	-1.2%
Cicero	5.2%	4.0%	-1.2%
Clark County	4.8%	5.2%	0.4%
Clinton County	3.5%	3.6%	0.1%
Coles County	4.6%	4.8%	0.2%
Danville/Vermillion County	6.3%	6.2%	-0.1%
Decatur/Macon County	5.5%	5.6%	0.1%
DeKalb County	4.5%	4.4%	-0.1%
Des Plaines River Valley	5.2%	4.0%	-1.2%
Diamond	5.2%	4.3%	-0.9%
Edgar County Paris	4.8%	4.7%	-0.1%
Effingham/Effingham County	3.7%	3.7%	0.0%
Fairfield/Wayne County	6.1%	5.6%	-0.5%
Fairmont City Caseyville/Brooklyn/St. Clair County	4.9%	5.0%	0.1%
Fairview Heights	4.9%	5.0%	0.1%
Flora/Clay County	5.2%	5.3%	0.1%
Franklin Park	5.2%	4.0%	-1.2%
Freeport/Stephenson County	4.6%	4.8%	0.2%
Galesburg	5.1%	5.3%	0.2%
Gateway Commerce Center (3)	4.6%	4.5%	-0.1%
Greater Centralia	4.4%	4.2%	-0.2%
Greenville/Smithboro	4.3%	4.4%	0.1%

Harvard/Woodstock	4.5%	3.5%	-1.0%
Hodgkins /McCook	5.2%	4.0%	-1.2%
Hoffman Estates	5.2%	4.0%	-1.2%
Jackson County	4.4%	4.6%	0.2%
Jacksonville/Morgan County	4.3%	4.4%	0.1%
Jo-Carroll (4)	4.4%	4.4%	0.0%
Joliet Arsenal (4)	5.1%	4.0%	-1.1%
Kankakee County	5.2%	5.4%	0.2%
Kankakee River Valley	5.2%	5.4%	0.2%
Kewanee	5.0%	5.0%	0.0%
Lawrenceville/Lawrence County	6.0%	5.9%	-0.1%
Lee/Ogle	4.7%	4.7%	0.0%
Lincoln & 394 Corridor	5.2%	4.0%	-1.2%
Lincoln/Logan County	4.5%	4.7%	0.2%
Loves Park/Machesney Park	6.4%	5.7%	-0.7%
Macomb /Bushnell/McDonough County	4.9%	5.1%	0.2%
Macoupin County	4.8%	4.9%	0.1%
Madison County Discovery	4.6%	4.5%	-0.1%
Massac County	6.3%	7.0%	0.7%
Maywood	5.2%	4.0%	-1.2%
McLeansboro/Hamilton County	4.4%	4.4%	0.0%
Monmouth/Warren County	4.1%	4.2%	0.1%
Montgomery County	5.6%	5.9%	0.3%
Mt. Carmel/Wabash County	4.9%	4.5%	-0.4%
Mt. Vernon/Waltonville	5.4%	5.3%	-0.1%
Nashville/Washington County	2.9%	3.0%	0.1%
Northern Tazewell County	5.3%	4.9%	-0.4%
Olney/Richland/Newton/Jasper	4.7%	4.8%	0.1%
Ottawa Area	5.7%	5.8%	0.1%
Peoria Rural	5.8%	5.5%	-0.3%
Peoria Urban	5.8%	5.5%	-0.3%
Perry County	5.9%	6.0%	0.1%
Quad Cities (5)	5.0%	5.2%	0.2%
Quincy/Adams County/Brown County	3.7%	3.3%	-0.4%
Rantoul	4.2%	4.4%	0.2%
Riverbend	4.6%	4.5%	-0.1%
Robinson/Crawford County	5.2%	5.4%	0.2%
Rockford EZ 1	6.1%	5.7%	-0.4%
Rockford 1-90	6.1%	5.7%	-0.4%
Salem/Marion County	5.1%	4.9%	-0.2%
Saline County	6.4%	6.5%	0.1%
Southern Tazewell County	5.3%	4.9%	-0.4%
Springfield/Sangamon County	4.2%	4.3%	0.1%
St. Clair County MidAmerica f3J	4.9%	5.0%	0.1%
Streator Area	5.3%	5.1%	-0.2%
SW Madison County	4.6%	4.5%	-0.1%
Taylorville/Christian County	5.2%	5.3%	0.1%
Upper Illinois River Valley Development Authority 17)	4.6%	4.6%	0.0%
Urbana/Champaign County	4.2%	4.4%	0.2%
Vandalia/Fayette County	5.4%	5.3%	-0.1%
Waukegan-North Chicago	5.2%	4.5%	-0.7%
West Frankfort	6.4%	6.1%	-0.3%
Western Illinois Economic Development Authority f6J	5.6%	5.1%	-0.5%
Whiteside County/Carroll County	4.7%	4.6%	-0.1%
Will County /Cook County	5.2%	4.0%	-1.2%

Williamson County	5.1%	5.1%	0.0%
State of Illinois	**5.0%**	**4.3%**	**-0.7%**

- *The statistical data presented in this table represents the calculated percentage of 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, 2018 through December 31, 2018.*
  - (2) *The totals and percentages were calculated using the statistical data of the county/counties in which the Enterprise Zone's boundaries were located. Actual boundaries may vary from the established boundaries of the applicable county/ 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 tire auspices of the Quad Cities Regional Economic Development Authority (QREDA).*
  - (6) *Certified under tire 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 a total capital investment of $561,963,000, a total of 6,493 retained jobs and $30,191,000 in total state expenditures during the period of January 1, 2018 through December 31, 2018.

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 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 88 total employment of jobs and $792,000 in Capital Investment during the period of January 1, 2018 through December 31, 2018.

BENEFITS OF THE RIVER EDGE REDEVELOPMENT ZONE PROGRAM

State Incentives

The Illinois River Edge Redevelopment Zone 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.

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JB Pritzker
Governor

David Harris
Director

STATE OF ILLINOIS
DEPARTMENT OF REVENUE

July 31, 2019

Erin Guthrie, Acting 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) 2019 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 2018, 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 2018 and provide certain job creation and capital investment data. *20 ILCS 655/8.1(a)*. Four hundred and ninety-four businesses located in an Enterprise Zone, and eleven 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)*.

[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 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. Eight 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 1,747 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 nineteen 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 2019. Data was requested for the 2018 calendar year.

Limitations

This 2019 report is the seventh 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 2018, the total Enterprise Zone, High Impact Business, and River Edge Redevelopment Zone tax incentives resulted in the State foregoing approximately $152 million in tax revenue. The two largest components of these tax expenditures were the expanded manufacturing machinery and equipment exemption ($38.6 million), and the sales tax exemption on building materials ($40.4 million), accounting for approximately 52 percent of the total State tax expenditures.

In the aggregate, businesses receiving tax incentives reported a net job gain of 5,448 while investing approximately $1.76 billion in 2018. 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 2019 tax incentives, job creation and investment will begin in January 2020. A report will be produced and provided to DCEO no later than August 1, 2020.

Sincerely,

DAVID HARRIS, Acting Director
Illinois Department of Revenue

Enterprise Zone Incentive Reporting 2018 - Tax Expenditures (all $ in thousands)

Zone Name[1]	Sales Tax: Building Materials	Sales Tax: M&E Manufacturing	Sales Tax: Pollution Control	Sales Tax: Other Sales Tax[2]	Utility Taxes: Telecom	Utility Taxes: Natural Gas[3]	Utility Taxes: Electricity	Income Tax: Investment Credit	Total State Tax Expenditures[4]	Net Property Tax[5]
Total	32,831	19,145	3,152	147	1,930	13,669	18,321	32,067	121,262	11,273
Alexander/Pulaski County	0	0	0	0	0	0	0	*	*	0
Altamont	15	0	0	0	0	0	0	*	*	0
American Bottoms	82	*	0	0	0	0	0	0	*	0
Bartonville/Bellevue/Peoria County	0	*	*	0	0	*	*	0	1,358	0
Beardstown	0	0	0	0	0	0	0	0	0	0
Bedford Park	239	*	0	0	0	0	0	67	*	0
Belleville	87	0	0	0	0	0	0	6	92	0
Belvidere/Boone County	108	*	0	0	*	*	*	283	527	0
Bensenville	150	0	0	0	0	0	0	6	156	0
Benton/Franklin County	22	0	0	0	0	0	0	*	*	0
Bloomington-Normal	87	0	0	0	0	*	0	*	650	0
Bureau/Putnam Area	99	0	0	0	*	*	*	52	1,649	*
Cairo/Alexander County	0	0	0	0	0	0	0	0	0	0
Cal-Sag	488	*	0	0	0	0	0	62	*	0
Calumet Region	20	*	0	*	0	*	*	34	521	0
Canton/Fulton County	*	0	0	0	0	0	0	*	685	0
Carmi/White County/Edwards County	*	0	0	0	0	0	0	*	114	0
Greater Centralia Area	*	0	0	0	0	0	0	23	*	0
Champaign/Champaign County	398	0	0	0	*	*	*	178	887	*
Chicago Heights	0	*	*	0	*	*	*	34	253	0
Chicago I	967	*	0	*	0	0	*	678	1,691	*
Chicago II	483	*	0	0	0	*	*	889	1,528	0
Chicago III	281	*	0	0	0	*	*	184	2,345	0
Chicago IV	9,887	59	0	*	*	0	0	2,924	13,003	*
Chicago V	167	0	0	0	*	*	*	176	463	0
Chicago VI	154	*	0	0	0	0	0	114	*	0
Cicero	309	0	0	0	0	0	0	38	347	0
Clark County	149	0	0	0	0	0	0	8	156	0
Clinton County	79	0	0	0	0	0	0	*	*	0
Coles County	*	0	0	0	0	*	0	14	30	0
Danville/Vermilion County	107	0	0	0	0	0	0	148	254	0
Decatur/Macon County	197	*	*	*	*	*	*	9,233	18,380	0
DeKalb County	501	*	0	0	*	0	0	4	506	0
Des Plaines River Valley	*	*	*	0	*	*	*	1,576	6,268	0
Diamond	0	0	0	0	0	0	0	0	0	0
Douglas County	0	0	0	0	0	0	0	0	0	0
East Peoria	0	0	0	0	0	0	0	*	*	0
East St. Louis Area	0	0	0	0	0	0	0	0	0	0
Edgar County/Paris	211	0	0	0	0	0	0	*	*	0
Effingham/Effingham County	226	*	0	0	0	*	*	106	349	965
Elgin	0	0	0	0	0	0	0	*	*	0
Fairfield/Wayne County	59	0	0	0	0	0	0	15	74	0

Enterprise Zone Incentive Reporting 2018 - Tax Expenditures (all $ in thousands)

Zone Name[1]	Sales Tax: Building Materials	Sales Tax: M&E Manufacturing	Sales Tax: Pollution Control	Sales Tax: Other Sales Tax[2]	Utility Taxes: Telecom	Utility Taxes: Natural Gas[3]	Utility Taxes: Electricity	Income Tax: Investment Credit	Total State Tax Expenditures[4]	Net Property Tax[5]
Fairmont City/Caseyville/ Brooklyn/St. Clair County	*	0	0	0	0	0	0	111	*	0
Fairview Heights	0	0	0	0	0	0	0	*	*	0
Flora/Clay County	37	0	0	0	0	*	*	12	62	0
Ford Heights/Sauk Village	59	*	0	0	0	*	*	*	564	0
Franklin Park	3,050	0	0	*	0	0	0	9	*	0
Freeport/Stephenson County	135	*	0	0	*	*	*	208	811	*
Galesburg	84	*	0	0	0	0	0	8	*	*
Gateway Commerce Center	1,442	0	0	0	0	0	0	*	*	*
Greenville-Bond County	*	0	0	0	0	0	0	*	2	0
Harvard/Woodstock	15	0	0	0	0	0	0	27	41	0
Harvey/Phoenix/Hazel Crest	0	0	0	0	0	0	0	5	5	0
Hodgkins/McCook	195	0	0	0	0	0	0	183	378	0
Hoffman Estates	0	0	0	0	0	0	0	0	0	0
Illinois Valley	0	0	0	0	0	0	0	1	1	0
Jackson County	109	*	0	0	*	*	*	2,025	2,142	*
Jacksonville/Morgan County	*	*	0	0	0	*	*	*	1,869	0
Jersey-Greene Intermodal	*	0	0	*	0	0	0	0	67	0
Jo-Carroll	0	0	0	0	0	0	0	*	*	0
Joliet Arsenal	872	*	*	0	0	0	0	1,321	2,739	0
Kankakee County	28	0	0	0	0	0	0	*	*	0
Kankakee River Valley	162	*	0	0	*	*	*	610	2,456	0
Kewanee	14	0	0	0	0	0	0	1	14	0
Lawrenceville/Lawrence County	45	0	0	0	0	0	0	*	*	*
Lee County/Ogle County	771	*	0	0	*	*	*	102	1,325	*
Lincoln/Logan Co.	*	*	0	0	0	*	0	5	83	*
Loves Park/Machesney Park	228	*	0	0	0	0	0	11	*	0
Macomb/Bushnell/McDonough County	74	0	0	0	0	0	0	0	74	0
Macoupin County	11	0	0	0	0	0	0	*	*	0
Madison County Discovery	257	0	0	0	0	0	0	23	279	0
Marshall County/Stark County	0	0	0	0	0	0	0	0	0	0
Massac County	*	0	0	0	0	0	0	*	38	0
Maywood	0	0	0	0	0	0	0	*	*	0
McLeansboro/Hamilton County	*	0	0	0	0	0	0	*	3	0
Mendota/Lasalle County	0	0	0	0	0	0	0	5	5	0
Monmouth/Warren County	46	*	0	0	0	0	0	*	70	0
Montgomery County	60	0	0	*	0	0	0	1	*	0
Morton	0	0	0	0	0	0	0	*	*	0
Mound City/Pulaski City/Mounds	0	0	0	0	0	0	0	0	0	0
Mt. Carmel/Wabash County	80	0	0	0	0	0	0	*	*	0
Mt. Vernon/Waltonville	187	0	0	0	0	0	0	5	192	0
Nashville/Washington County	1,535	*	0	*	0	0	0	178	1,714	*
Northern Tazewell County	240	*	*	*	0	*	*	86	2,192	0
Olney/Richland/Newton/Jasper	52	0	0	0	0	0	0	8	60	0

Enterprise Zone Incentive Reporting 2018 - Tax Expenditures (all $ in thousands)

Zone Name[1]	Sales Tax: Building Materials	Sales Tax: M&E Manufacturing	Sales Tax: Pollution Control	Sales Tax: Other Sales Tax[2]	Utility Taxes: Telecom	Utility Taxes: Natural Gas[3]	Utility Taxes: Electricity	Income Tax: Investment Credit	Total State Tax Expenditures[4]	Net Property Tax[5]
Ottawa Area	128	*	0	0	0	0	0	592	*	0
Peoria Urban	182	*	*	0	*	*	*	657	4,567	*
Peoria Rural	13	*	0	0	0	0	0	*	14	0
Perry County	47	*	0	0	0	0	0	*	50	0
Quad Cities	229	0	0	0	0	0	0	19	248	0
Quad Cities Regional Economic Development Authority (QCREDA)	222	*	0	0	*	*	*	*	1,395	0
Quincy/Adams/Brown County	1,555	*	0	0	*	*	*	590	2,919	745
Rantoul	121	0	0	0	0	0	0	1	122	0
Riverbend	355	*	0	0	0	*	*	1,023	12,275	*
Robinson/Crawford County	50	*	0	0	*	*	*	559	4,501	*
Rock Island	0	0	0	0	0	0	0	*	*	0
Rockford	112	*	0	0	0	0	0	160	*	0
Rockford I-90	*	0	0	0	0	0	0	*	1	0
Salem/Marion County	114	0	0	0	0	0	0	*	*	0
Saline County	*	0	0	0	0	0	0	102	*	0
South Beloit/Rockton/Winnebago County	0	0	0	0	0	0	0	0	0	0
Southern Tazewell County	228	0	*	0	*	*	*	7	1,684	*
Springfield/Sangamon County	251	0	0	0	0	0	0	12	263	63
St. Clair County MidAmerica	40	0	0	0	0	0	0	*	*	0
Streator Area	*	0	0	0	0	0	0	1	*	*
Summit/Bedford Park	0	0	0	0	0	*	*	1,535	1,723	0
SW Madison County	95	*	0	0	*	*	*	155	6,804	0
Taylorville/Christian County	*	*	*	0	0	0	0	*	667	0
Upper Illinois River Valley Development Authority (UIRVDA)	850	0	0	0	0	0	0	0	850	0
Urbana/Champaign	207	0	0	0	0	0	0	7	214	0
Vandalia/Fayette County	703	0	0	0	0	*	0	11	*	0
Washington	0	*	0	0	*	0	*	*	734	0
Waukegan-North Chicago	549	0	*	0	0	0	0	128	*	0
West Frankfort	109	0	0	0	0	0	0	*	*	0
Western Illinois Economic Development Authority (WIEDA)	*	*	0	0	0	0	0	0	22	*
Whiteside Carroll	319	*	0	*	*	*	*	111	2,250	516
Will/Cook County	541	0	0	*	0	0	0	1,233	*	0
Williamson County	35	0	0	0	0	0	0	14	49	118
Total	32,831	19,145	3,152	147	1,930	13,669	18,321	32,067	121,262	11,273

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold.

[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 of any payments made in lieu of taxation to local governments.

Enterprise Zone Incentives Reporting 2018 - Jobs and Investment (all $ in thousands)

Zone Name[1]	Total State Tax Expenditures[2]	2018 Employment[3]	Jobs Created/Lost	Jobs Retained[4]	Capital Investment[5]
Total	**121,262**	**70,364**	**5,479**	**41,110**	**1,199,766**
Alexander/Pulaski County	*	0	0	0	0
Altamont	*	7	1	6	700
American Bottoms	*	0	0	0	0
Bartonville/Bellevue/Peoria County	1,358	0	0	0	0
Beardstown	0	0	0	0	0
Bedford Park	*	34	4	23	3,922
Belleville	92	112	0	103	27
Belvidere/Boone County	527	863	(123)	853	35,393
Bensenville	156	6	(2)	0	346
Benton/Franklin County	*	15	4	11	0
Bloomington-Normal	650	35	(1)	14	1,949
Bureau/Putnam Area	1,649	569	277	194	8,568
Cairo/Alexander County	0	0	0	0	0
Cal-Sag	*	136	(2)	71	7,183
Calumet Region	521	496	19	452	8,880
Canton/Fulton County	685	49	1	48	1,968
Carmi/White County/Edwards County	114	0	0	0	80
Greater Centralia Area	*	220	3	217	2,300
Champaign/Champaign County	887	981	(133)	204	7,635
Chicago Heights	253	272	(19)	272	952
Chicago I	1,691	536	204	269	10,772
Chicago II	1,528	383	33	64	17,840
Chicago III	2,345	5,196	507	4,461	193,494
Chicago IV	13,003	430	82	270	16,924
Chicago V	463	492	62	389	2,644
Chicago VI	*	125	33	92	301
Cicero	347	55	2	36	3,020
Clark County	156	51	6	7	873
Clinton County	*	16	1	9	127
Coles County	30	371	(45)	0	1,144
Danville/Vermilion County	254	54	1	14	28,595
Decatur/Macon County	16,380	9,213	774	8,200	9,332
DeKalb County	506	62	18	28	285
Des Plaines River Valley	6,268	1,576	(256)	1,564	4,066
Diamond	0	0	0	0	0
Douglas County	0	0	0	0	0
East Peoria	*	56	0	56	0
East St. Louis Area	0	0	0	0	0
Edgar County/Paris	*	0	0	0	439
Effingham/Effingham County	349	1,313	10	825	2,082
Elgin	*	0	0	0	0
Fairfield/Wayne County	74	17	(2)	19	479

Enterprise Zone Incentives Reporting 2018 - Jobs and Investment (all $ in thousands)

Zone Name[1]	Total State Tax Expenditures[2]	2018 Employment[3]	Jobs Created/Lost	Jobs Retained[4]	Capital Investment[5]
Fairmont City/Caseyville/Brooklyn/ St.Clair County	*	4	0	4	0
Fairview Heights	*	123	(1)	121	446
Flora/Clay County	62	136	(10)	136	1,695
Ford Heights/Sauk Village	564	1,387	86	1,301	86,034
Franklin Park	*	16	7	0	1,656
Freeport/Stephenson County	811	716	8	645	21,504
Galesburg	*	41	7	31	1,020
Gateway Commerce Center	*	1,873	959	0	38,353
Greenville-Bond County	2	0	0	0	0
Harvard/Woodstock	41	29	3	11	37
Harvey/Phoenix/Hazel Crest	5	0	0	0	0
Hodgkins/McCook	378	0	0	0	16,974
Hoffman Estates	0	5	5	0	7
Illinois Valley	1	93	10	78	0
Jackson County	2,142	90	2	66	4,163
Jacksonville/Morgan County	1,869	1,183	92	1,000	5,652
Jersey-Greene Intermodal	67	0	0	0	0
Jo-Carroll	*	0	0	0	0
Joliet Arsenal	2,739	1,493	(156)	0	139
Kankakee County	*	0	0	0	7
Kankakee River Valley	2,456	2,636	398	2,215	64,393
Kewanee	14	67	5	60	677
Lawrenceville/Lawrence County	*	0	0	0	497
Lee County/Ogle County	1,325	62	(31)	17	6,399
Lincoln/Logan Co.	83	70	0	54	2,304
Loves Park/Machesney Park	*	154	17	128	7,523
Macomb/Bushnell/McDonough County	74	0	0	0	0
Macoupin County	*	0	0	0	0
Madison County Discovery	279	37	18	11	10
Marshall County/Stark County	0	0	0	0	0
Massac County	38	0	0	0	183
Maywood	*	0	0	0	1
McLeansboro/Hamilton County	3	0	0	0	0
Mendota/Lasalle County	5	5	0	0	0
Monmouth/Warren County	70	7	1	0	8
Montgomery County	*	16	3	13	0
Morton	*	321	63	232	5,685
Mound City/Pulaski City/Mounds	0	0	0	0	0
Mt. Carmel/Wabash County	*	0	0	0	0
Mt. Vernon/Waltonville	192	48	0	48	4,589
Nashville/Washington County	1,714	2,012	427	44	49,354
Northern Tazewell County	2,192	3,525	394	3,121	91,731

Enterprise Zone Incentives Reporting 2018 - Jobs and Investment (all $ in thousands)

Zone Name[1]	Total State Tax Expenditures[2]	2018 Employment[3]	Jobs Created/Lost	Jobs Retained[4]	Capital Investment[5]
Olney/Richland/Newton/Jasper	60	2	0	2	303
Ottawa Area	*	398	(6)	216	2,798
Peoria Urban	4,567	8,961	(265)	7,643	4,307
Peoria Rural	14	0	0	0	0
Perry County	50	0	0	0	21
Quad Cities	248	103	(24)	85	3,008
Quad Cities Regional Economic Development Authority (QCREDA)	1,395	6,904	262	0	0
Quincy/Adams/Brown County	2,919	2,311	153	620	10,864
Rantoul	122	45	(23)	0	67
Riverbend	12,275	1,797	(96)	1,785	10,432
Robinson/Crawford County	4,501	1,515	(80)	140	1,527
Rock Island	*	13	2	11	0
Rockford	*	113	13	17	28,655
Rockford I-90	1	0	0	0	112
Salem/Marion County	*	0	0	0	0
Saline County	*	8	0	8	0
South Beloit/Rockton/Winnebago County	0	0	0	0	0
Southern Tazewell County	1,684	829	(840)	823	1,856
Springfield/Sangamon County	263	96	7	9	2,384
St. Clair County MidAmerica	*	0	0	0	0
Streator Area	*	64	0	64	1,214
Summit/Bedford Park	1,723	496	(87)	200	8,904
SW Madison County	6,804	2,710	856	946	31,712
Taylorville/Christian County	667	0	0	0	0
Upper Illinois River Valley Development Authority (UIRVDA)	850	438	433	5	42,012
Urbana/Champaign	214	98	(26)	0	1,278
Vandalia/Fayette County	*	301	25	7	291
Washington	734	85	8	52	14
Waukegan-North Chicago	*	168	90	64	20,706
West Frankfort	*	19	0	19	15
Western Illinois Economic Development Authority (WIEDA)	22	1	(1)	2	0
Whiteside Carroll	2,250	1,640	52	198	68
Will/Cook County	*	1,271	1,259	0	243,735
Williamson County	49	88	1	87	99
TOTAL	**121,262**	**70,364**	**5,479**	**41,110**	**1,119,766**

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

[3] 2018 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

[4] 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).

[5] Businesses were required to report new capital investment put into service during calendar year 2018.

River Edge Redevelopment Zone Reporting 2018 - Tax Expenditures (all $ in thousands)

Zone Name	--Sales Tax-- Building Materials	----------Income Tax---------- Investment Credit	Other Income Tax[1]	Total State Tax Expenditures[2]	Net Property Tax[3]
Aurora	11	0	0	11	0
East St. Louis	*	0	0	*	0
Elgin	0	0	0	0	0
Peoria	50	0	0	50	0
Rockford	251	0	0	251	0
Total	*	0	0	*	0

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold.

[1] 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

[2] Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

[3] 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.

River Edge Redevelopment Zone Reporting 2018 - Jobs and Investment (all $ in thousands)

Zone Name	Total State Tax Expenditures[1]	2018 Employment[2]	Jobs Created/Lost	Jobs Retained[3]	Capital Investment[4]
Aurora	11	8	8	0	0
East St. Louis	*	0	0	0	0
Elgin	0	0	0	0	0
Peoria	50	45	45	0	471
Rockford	251	35	0	35	321
Total	*	88	53	35	792

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold.

[1] Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

[2] 2018 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours.

[3] 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).

[4] Businesses were required to report new capital investment put into service during calendar year 2018.

High Impact Business Incentive Reporting 2018 - 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[2]	Electricity	Investment Credit	Total State Tax Expenditures[1]
High Impact Businesses	7,286	19,441	0	*	*	*	*	30,191

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold

[1] Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state

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

High Impact Business Reporting 2018 - Jobs and Investment (all $ in thousands)

	Total State Tax Expenditures[1]	2018 Employment[2]	Jobs Created/Lost	Jobs Retained[3]	Capital Investment[4]
High Impact Businesses	30,191	13,771	(84)	6 493	561,963

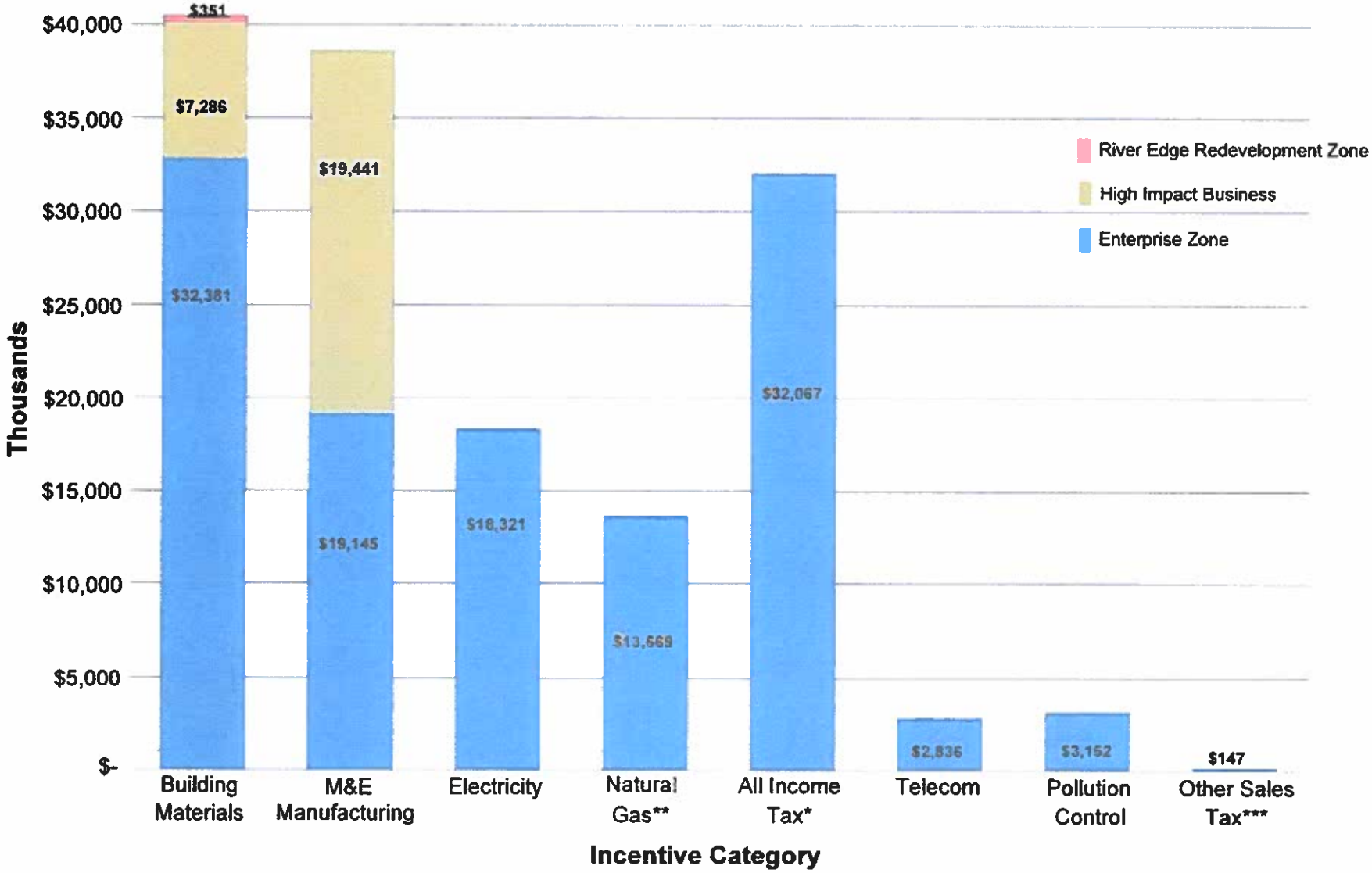
[1] Total State Tax Expenditures quantify the reduction in tax revenue that would otherwise accrue to the state.

[2] 2018 employment was calculated by taking all hours worked by all persons during the year and dividing by 1,820 hours

[3] 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).

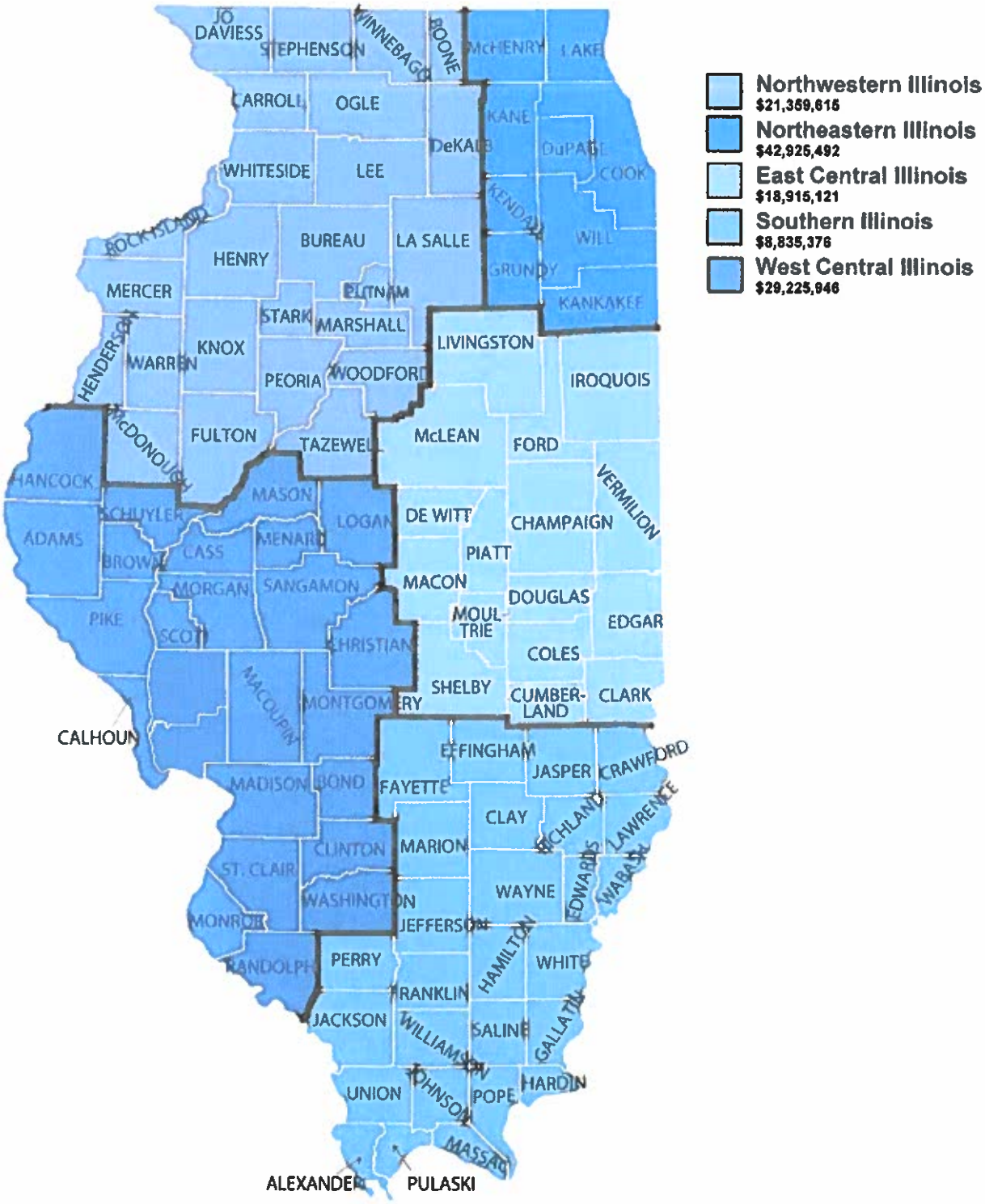
[4] Businesses were required to report new capital investment put into service during calendar year 2018

2018 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, Graphic Arts Expanded Machinery and Equipment, and Aircraft Maintenance Facility Designated Tangible Personal Property

2018 Enterprise Zone Tax Expenditures by Geographic Region