



## Illinois Department of Revenue

101 West Jefferson Street  
Springfield, Illinois 62702

### MEMORANDUM

**To:** The Honorable John Cullerton  
Senate President

The Honorable Michael J. Madigan  
Speaker of the House

The Honorable Christine Radogno  
Senate Republican Leader

The Honorable Jim Durkin  
House Republican Leader

**From:** Brian Hamer  
Department of Revenue Director

**Date:** September 29, 2014

**RE:** Unified Economic Development Budget

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Pursuant to the Corporate Accountability for Tax Expenditures Act, the Department of Revenue is submitting the annual Unified Economic Development Budget, as found in 20 ILCS 715/10 for Fiscal Year 2012.

Tax incentive amounts reported in the Unified Economic Development Budget are totals from tax returns for tax years ending during Fiscal Year 2012. Reports prior to Fiscal year 2011 were reported on a tax year basis and are not strictly comparable to this year's report.

The tax incentive amounts reported may not be the same as the cost of these incentives to the state during Fiscal Year 2012 for a number of reasons.

(1) Tax credits are earned during one year but may not be used until a subsequent year, or may never be able to be used because the taxpayer does not have sufficient tax liability to deduct the credit.

(2) Subtractions reduce income that is subject to tax rather than tax liability. The amounts reported as subtractions reflect reductions from income prior to apportionment, not reductions in tax liability.

(3) These tax benefits may flow from one entity to another entity and thus may be counted on multiple occasions in this report.

The cost of the Department of Commerce and Economic Opportunity (DCEO) and Department of Transportation (DOT) incentives were provided by DCEO and DOT respectively, and represent actual amounts obligated during Fiscal Year 2014. The loans issued by the Treasurer represent amounts issued under the Agricultural Investment Programs during Fiscal Year 2014.

cc: Secretary of the Senate  
Clerk of the House  
Legislative Research Unit  
DCEO Director Adam Pollet

## FISCAL YEAR 2012 TAX INCENTIVES

### CREDITS EARNED

<i><b>Form IL-1120, Corporation Income and Replacement Tax Return</b></i>	<u><b>Taxpayers</b></u>	<u><b>Amounts</b></u>
TECH-PREP Youth Vocational Credit	0	0
Film Production Services Credit	18	38,911,734
Jobs Tax Credit	*	*
Enterprise Zone Investment Credit	467	20,342,833
River Edge Redevelopment Investment Credit	5	29,983
High Impact Business Investment Credit	*	*
EDGE Credit	109	111,802,150
Research and Development Expense Credit	390	58,913,661
River Edge Redevelopment Zone Credit	*	*
River Edge Historic Preservation Credit	0	0
Angel Investment Credit	*	*

<i><b>Form IL-1041, Fiduciary Income and Replacement Tax Return</b></i>	<u><b>Taxpayers</b></u>	<u><b>Amounts</b></u>
TECH-PREP Youth Vocational Credit	0	0
Film Production Services Credit	*	*
Jobs Tax Credit	*	*
Enterprise Zone Investment Credit	82	111,300
River Edge Redevelopment Investment Credit	10	3,217
High Impact Business Investment Credit	24	3,581
EDGE Credit	41	436,005
Research and Development Expense Credit	226	568,323
River Edge Redevelopment Zone Credit	*	*
River Edge Historic Preservation Credit	0	0
Angel Investment Credit	22	114,893

<i><b>Form IL-990-T, Exempt Organization Income and Replacement Tax Return</b></i>	<u><b>Taxpayers</b></u>	<u><b>Amounts</b></u>
Film Production Services Tax Credit	0	0
Jobs Tax Credit	0	0
Enterprise Zone / River Edge Redevelopment Zone Investment Credit	0	0
River Edge Redevelopment Investment Credit	0	0
High Impact Business Investment Credit	0	0
EDGE Tax Credit	0	0
Research and Development Credit	*	*
River Edge Redevelopment Zone Remediation Credit	0	0
River Edge Historic Preservation Credit	0	0
Angel Investment Credit	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.***

**Form IL-1040, Individual Income Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Programs Credit	7	2,337
Film Production Services Tax Credit	20	2,652,715
Jobs Tax Credit	4	8,122
High Impact Business Investment Credit	69	629,949
Enterprise Zone Investment Credit	1,174	848,746
River Edge Redevelopment Zone Investment Credit	29	163,041
EDGE Tax Credit	452	9,884,052
Research and Development Credit	1,691	9,374,405
River Edge Redevelopment Zone Remediation Credit	6	9,349
River Edge Historic Preservation Credit	0	0
Angel Investment Credit	183	3,566,102
<b>Total Credits Excluded from Above to Protect Taxpayer Privacy</b>	<b>13</b>	<b>107,625</b>

**Note: Not all credits are used in the year they are earned and may never be used if the taxpayer does not have sufficient tax liability.**

**SUBTRACTIONS****Form IL-1120, Corporation Income and Replacement Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
Enterprise Zone / River Edge Redevelopment Zone Dividend Subtraction	11	7,032
High Impact Business Dividend Subtraction	13	28,339,058
Enterprise Zone / River Edge Redevelopment Zone Interest Subtraction	58	25,897,224
High Impact Business Interest Subtraction	0	0
Contribution Subtraction	10	13,551

**Form IL-1041, Fiduciary Income and Replacement Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
Enterprise Zone / River Edge Redevelopment Zone Dividend Subtraction	192	5,420,042
High Impact Business Dividend Subtraction	1,413	3,140,982

**Form IL-1040, Individual Income Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
Enterprise Zone/River Edge Dividend Subtraction	5,796	72,412,063
High Impact Business Dividend Subtraction	10,159	73,069,837

**Form IL-1065, Partnership Replacement Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
Enterprise Zone / River Edge Redevelopment Zone Dividend Subtraction	32	7,561,445
High Impact Business Dividend Subtraction	90	2,110,380

**Form IL-1120-ST, Small Business Corporation Replacement Tax Return**

	<u>Taxpayers</u>	<u>Amounts</u>
Enterprise Zone / River Edge Redevelopment Zone Dividend Subtraction	21	4,482,032
High Impact Business Dividend Subtraction	19	409,489
Enterprise Zone / River Edge Redevelopment Zone Interest Subtraction	37	12,525,012
High Impact Business Interest Subtraction	*	*
Contribution Subtraction	9	18,960

**Note: The figures in the Amounts column for SUBTRACTIONS reflect reductions from income prior to apportionment, not reductions in tax liability.**

**APPROPRIATED SPENDING\*\*\***

**Department of Commerce and Economic Opportunity**

**Program Type**

Business Development Public Infrastructure Grants	925,000
Illinois ETIP/IP Incentive Grants	775,584
Large Business Development Grants	1,500,000

**Department of Transportation**

**Program Type**

Economic Development Infrastructure Program	10,326,000
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**LOANS\*\*\***

**Illinois Treasurer**

**Program Type**

Agriculture Investment Annual	61,692,620
Agriculture Investment Long-Term	735,155

\*\*\* This data is supplied by the individual agencies.