



## 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:** Connie Beard, Director  
Department of Revenue

**Date:** September 29, 2016

**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 2014.

Tax incentive amounts reported in the Unified Economic Development Budget are totals from tax returns for tax years ending during Fiscal Year 2014. 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 2014 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 2016. The loans issued by the Treasurer represent amounts issued under the Agricultural Investment Programs during Fiscal Year 2016.

# FISCAL YEAR 2014 TAX INCENTIVES

## CREDITS EARNED

<i>Form IL-1120, Corporation Income and Replacement Tax Return</i>	<u>Taxpayers</u>	<u>Amounts \$</u>
TECH-PREP Youth Vocational Credit	0	-
Film Production Services Credit	18	27,263,026
Enterprise Zone Investment Credit	400	11,624,712
River Edge Redevelopment Investment Credit	20	591,611
High Impact Business Investment Credit	6	531,721
EDGE Credit	134	140,531,535
Research and Development Expense Credit	521	99,958,609
River Edge Redevelopment Zone Credit	*	*
Angel Investment Credit	*	*
River Edge Historic Preservation Credit	0	-
 <i>Form IL-1041, Fiduciary Income and Replacement Tax Return</i>	 <u>Taxpayers</u>	 <u>Amounts \$</u>
TECH-PREP Youth Vocational Credit	4	59
Film Production Services Credit	0	-
Enterprise Zone Investment Credit	79	92,399
River Edge Redevelopment Investment Credit	18	255,115
High Impact Business Investment Credit	18	8,192
EDGE Credit	136	7,193,688
Research and Development Expense Credit	270	384,941
River Edge Redevelopment Zone Credit	0	-
Angel Investment Credit	56	526,000
River Edge Historic Preservation Credit	0	-
 <i>Form IL-990-T, Exempt Organization Income and Replacement Tax Return</i>	 <u>Taxpayers</u>	 <u>Amounts \$</u>
Film Production Services Credit	0	-
Enterprise Zone Investment Credit	6	29
River Edge Redevelopment Investment Credit	0	-
High Impact Business Investment Credit	0	-
EDGE Credit	0	-
Research and Development Expense Credit	*	*
River Edge Redevelopment Zone Credit	0	-
Angel Investment Credit	0	-
River Edge Historic Preservation Credit	0	-
 <i>Form IL-1040, Individual Income Tax Return</i>	 <u>Taxpayers</u>	 <u>Amounts \$</u>
TECH-PREP Youth Vocational Credit	14	40,658
Film Production Services Credit	56	656,611
High Impact Business Investment Credit	13	272,398
Enterprise Zone Investment Credit	1,311	6,215,513
River Edge Redevelopment Zone Investment Credit	41	248,342
EDGE Tax Credit	557	130,024,350
Research and Development Expense Credit	1,911	43,985,568
River Edge Zone Remediation Credit	4	62,015
Angel Investment Credit	515	61,595,425
River Edge Historic Preservation Credit	0	-

	<u>Taxpayers</u>	<u>Amounts \$</u>
<b>Form IL-941, Withholding Income Tax Return</b>	6	29,211,362
EDGE Credit <sup>1</sup>		
<b>Total Credits Excluded from Above to Protect Taxpayer Privacy</b>	12	7,566,646

## SUBTRACTIONS<sup>2</sup>

	<u>Taxpayers</u>	<u>Amounts \$</u>
<b>Form IL-1120, Corporation Income and Replacement Tax Return</b>		
River Edge Dividend Subtraction	0	-
River Edge Interest Subtraction	0	-
High Impact Business Dividend Subtraction	12	23,622,917
High Impact Business Interest Subtraction	*	*
Contribution Subtraction	10	567,580
<b>Form IL-1041, Fiduciary Income and Replacement Tax Return</b>		
River Edge Dividend Subtraction	*	*
High Impact Business Dividend Subtraction	1,331	4,529,475
<b>Form IL-1040, Individual Income Tax Return</b>		
River Edge Dividend Subtraction	0	-
High Impact Business Dividend Subtraction	14,943	1,358,534,220
<b>Form IL-1065, Partnership Replacement Tax Return</b>		
River Edge Dividend Subtraction	0	-
High Impact Business Dividend Subtraction	101	698,455
<b>Form IL-1120-ST, Small Business Corporation Replacement Tax Return</b>		
River Edge Dividend Subtraction	*	*
River Edge Interest Subtraction	*	*
Contribution Subtraction	5	1,690
High Impact Business Dividend Subtraction	32	268,910
High Impact Business Interest Subtraction	*	*
<b>Total Subtractions Excluded from Above to Protect Taxpayer Privacy</b>	8	234,164

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

<sup>1</sup> EDGE Credit "Amounts" from form IL-941 refer to the amounts awarded for Tax Year 2014, which may differ from amounts awarded for Fiscal Year 2014.

<sup>2</sup> The figures in the "Amounts" column for SUBTRACTIONS reflect reductions in income prior to apportionment, not reductions in tax liability.

# APPROPRIATED SPENDING<sup>3</sup>

Amounts \$

## Department of Commerce and Economic Opportunity

### Program Type

Business Development Public Infrastructure Grants	-
Illinois ETIP/IP Incentive Grants	-
Large Business Development Grants	-

## Department of Transportation

Amounts \$

### Program Type

Economic Development Program	18,822,416
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## LOANS<sup>3</sup>

### Illinois Treasurer

Amounts \$

### Program Type

Agriculture Investment Annual	91,998,300
Agriculture Investment Long-Term	4,277,856

<sup>3</sup> This information is provided by the respective agencies.