



## Illinois Department of Revenue

101 West Jefferson Street  
Springfield, Illinois 62702

### MEMORANDUM

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

The Honorable Michael J. Madigan  
Speaker of the House

The Honorable William E. Brady  
Senate Republican Leader

The Honorable Jim Durkin  
House Republican Leader

**From:** David Harris, Acting Director  
Department of Revenue

**Date:** September 30, 2019

**RE:** Unified Economic Development Budget

---

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

Public Act 100-0721 revised the reporting requirements for tax incentives under 20 ILCS 715/10. These changes allow the Department of Revenue more time to collect and process tax returns before publishing this report, which will result in a more accurate and complete accounting of uncollected or diverted state tax revenues. Therefore, UEDBs published under these new requirements are not strictly comparable to reports published prior to 2018. Tax incentive amounts reported in this year's UEDB are derived from tax returns for tax year 2016, while state development assistance amounts pertain to fiscal year 2019.

The following information is provided to aid in the interpretation of this revised report:

- 1) To the extent possible, tax credit amounts reflect actual reductions in state tax revenues.
- 2) Subtractions reduce income that is subject to tax rather than tax liability. The amounts reported reflect Illinois-apportioned reductions in income, not reductions in tax liability. Subtractions are presented in this manner because pass-through entities have no direct income tax liability.
- 3) The appropriated spending costs for 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 2019. The loans issued by the Treasurer represent amounts issued under the Agricultural Investment Programs during fiscal year 2019.

# Tax Incentives and State Development Assistance

## Tax Incentives for Tax Year 2016

### CREDITS APPLIED AGAINST INCOME TAX LIABILITY

<i>Form IL-1120, Corporation Income and Replacement Tax Return</i>	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	*	*
Film Production Services Credit	18	43,623,755
Enterprise Zone Investment Credit	281	9,345,540
River Edge Redevelopment Investment Credit	*	*
High Impact Business Investment Credit	*	*
EDGE Credit	109	78,039,588
Research and Development Expense Credit	257	34,469,352
River Edge Redevelopment Zone Remediation Credit	0	0
Angel Investment Credit	*	*
River Edge Historic Preservation Credit	*	*

<i>Form IL-1041, Fiduciary Income and Replacement Tax Return</i>	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	0	0
Film Production Services Credit	*	*
Enterprise Zone Investment Credit	114	131,769
River Edge Redevelopment Investment Credit	18	5,408
High Impact Business Investment Credit	*	*
EDGE Credit	161	4,255,084
Research and Development Expense Credit	86	234,603
River Edge Redevelopment Zone Remediation Credit	*	*
Angel Investment Credit	184	77,422
River Edge Historic Preservation Credit	*	*

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

<b><i>Form IL-1040, Individual Income Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
TECH-PREP Youth Vocational Credit	*	*
Film Production Services Credit	129	1,651,883
High Impact Business Investment Credit	14	9,699
Enterprise Zone Investment Credit	1,348	1,360,042
River Edge Redevelopment Zone Investment Credit	*	*
EDGE Tax Credit <sup>1</sup>	912	18,497,405
Research and Development Expense Credit	475	9,931,882
River Edge Redevelopment Zone Remediation Credit	29	1,379,816
Angel Investment Credit	601	6,566,111
River Edge Historic Preservation Credit	21	1,707,196
	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
<b><i>Total Credits Excluded from Above to Protect Taxpayer Privacy</i></b>	63	8,910,863

***\* 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" include amounts from form IL-941 applied against withholding liability.***

## SUBTRACTIONS<sup>2</sup>

<b><i>Form IL-1120, Corporation Income and Replacement Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
River Edge Redevelopment Zone Dividend Subtraction	0	0
River Edge Redevelopment Zone Interest Subtraction	0	0
High Impact Business Dividend Subtraction	21	2,142,562
High Impact Business Interest Subtraction	*	*
Contribution Subtraction	12	19,322
<b><i>Form IL-1041, Fiduciary Income and Replacement Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
River Edge Redevelopment Zone Dividend Subtraction	0	0
High Impact Business Dividend Subtraction	1,778	7,600,018
<b><i>Form IL-1040, Individual Income Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
River Edge Redevelopment Zone Dividend Subtraction	2,715	22,697,208
High Impact Business Dividend Subtraction	21,389	161,915,591
<b><i>Form IL-1065, Partnership Replacement Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
River Edge Redevelopment Zone Dividend Subtraction	0	0
High Impact Business Dividend Subtraction	182	1,799,992
<b><i>Form IL-1120-ST, Small Business Corporation Replacement Tax Return</i></b>	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
River Edge Redevelopment Zone Dividend Subtraction	*	*
River Edge Redevelopment Zone Interest Subtraction	0	0
Contribution Subtraction	10	5,563
High Impact Business Dividend Subtraction	38	368,793
High Impact Business Interest Subtraction	0	0
	<b><u>Taxpayers</u></b>	<b><u>Amounts</u></b>
<b><i>Total Subtractions Excluded from Above to Protect Taxpayer Privacy</i></b>	6	7,734

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

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

# State Development Assistance for Fiscal Year 2019

## APPROPRIATED SPENDING<sup>3</sup>

	<u>Amounts</u>
<b><u>Department of Commerce and Economic Opportunity</u></b>	
<b>Program Type</b>	
Business Development Public Infrastructure Grants	0
Illinois ETIP/IP Incentive Grants	4,432,600
Large Business Development Grants	0
<b><u>Department of Transportation</u></b>	
<b>Program Type</b>	
Economic Development Program	6,970,984

## LOANS<sup>4</sup>

<b><u>Illinois Treasurer</u></b>	
<b>Program Type</b>	
Annual Agriculture Investment Program	202,588,000
Long Term Agriculture Investment Program	5,592,890

<sup>3</sup> This information is provided by the respective agencies and represents actual amounts obligated during fiscal year 2019

<sup>4</sup> This information is provided by the Office of the Treasurer and represents amounts issued under the Agricultural Investment Programs during fiscal year 2019