**Section 520.900 Definitions**

The following definitions are applicable to Subpart I.

"Act" means Sections 9-221, 9-222 and 9-222.1 of the Public Utilities Act [220 ILCS 5/9-221, 9-222 and 9-222.1].

"Department" means the Department of Commerce and Economic Opportunity.

"Eligible investment" means:

Investments in qualified property that are placed in service in an Enterprise Zone or by a designated High Impact Business in Illinois. Qualified properties are statutorily defined in Section 201(f) and (h) of the Illinois Income Tax Act [35 ILCS 5/201(f) and (h)]; or

Noncapital/nonroutine investments, and associated service costs (direct labor or contractual fees), placed in service in an Enterprise Zone and made for the improvement or renovation of qualified properties. These activities are undertaken for the purpose of improving productive capacity, efficiency, product quality, or competitive position. The investments cannot be repetitious, commonplace, or associated with regular maintenance expenditures, and would include, for example, rebuilt cast house furnaces, rebuilt soaking furnaces, a rebuilt hot line control system, a restructured plant layout, and installed equipment to rebuild a logeman baler. Noncapital/nonroutine investments are those that do not qualify for the investment tax credit pursuant to Section 201(f) of the Illinois Income Tax Act.

Businesses utilizing this definition must provide detailed information regarding the purpose, scope, justification, and benefits of these noncapital/nonroutine investments, including defined project start and completion target dates, and a level of expenditures of at least $40,000.

"Foreign Trade Zone" or "Foreign Trade Sub-Zone" means a geographic area designated by the federal government under the Foreign Trade Zone Act of 1934, as amended (19 USCA 81(a)) or rules promulgated under that Act (15 CFR 400 (1986)).

*"Full-time equivalent job" means a job in which the new employee works for the recipient or for a corporation under contract to the recipient at a rate of at least 35 hours per week. A recipient who employs labor or services at a specific site or facility under contract with another may declare one full-time, permanent job for every 1,820 man hours worked per year under that contract. Vacations, paid holidays, and sick time are included in this computation. Overtime is not considered a part of regular hours.* [20 ILCS 655/3(i)]

*"Full-time retained job" means any employee defined as having a full-time or full-time equivalent job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which shall be specified in the application for development assistance. A recipient who employs labor or services at a specific site or facility under contract with another may declare one retained employee per year for every 1,750 man hours worked per year under that contract, even if different individuals perform on-site labor or services.* [20 ILCS 655/3(j)]

"High Impact Business" means a business that designated as a High Impact Business by the Department pursuant to the provisions of Section 5.5 of the Illinois Enterprise Zone Act [20 ILCS 655/5.5] and 14 Ill. Adm. Code 520.600.

"Job creation" means at least 200 full-time equivalent employees have been hired over the number of full-time equivalent employees that were employed by the applicant as of January 1, 1986, or the date the Enterprise Zone was certified, whichever is later. Job titles being filled or refilled as a result of strikes or layoffs or replacement workers to replace company locked out employees cannot be counted as job creation. A majority of the "jobs created" must be made in the Enterprise Zone in which the eligible investment is made.

"Job retention" means that at least 1,000 full-time employees will remain employed in Illinois as a direct result of the eligible investment, and that the employees would have lost their jobs had the investment not been made. A majority of the "jobs retained" must be in the Enterprise Zone in which the eligible investment was made.

"Minimum investment" means the amount of eligible investment that must be made to qualify for the exemption. Under the job creation criteria, the minimum eligible investment that must be made in an Enterprise Zone is $5 million. Under the job retention criteria the minimum eligible investment that must be made in an Enterprise Zone is $20 million.

"New employee" means a full-time equivalent job that represents a net increase in the number of the recipient's employees statewide."New employee" includes an employee who previously filled a new employee position with the recipient who was rehired or called back from a layoff that occurs during or following the base years. The term "new employee" does not include any of the following:

An employee of the recipient who performs a job that was previously performed by another employee in this State, if that job existed in this State for at least 6 months before hiring the employee;

Any individual who has a direct or indirect ownership interest of at least 5% in the profits, capital or value of any member of the recipient;

A child, grandchild, parent or spouse, other than a spouse who is legally separated from the individual, of any individual who has a direct or indirect ownership interest of at least 5% in the profits, capital or value of any member of the recipient;

Employee positions being filled or refilled as a result of strikes or layoffs or replacement workers to replace recipient company locked out employees.

"Placed in service" means the state or condition of readiness and availability for a specifically assigned function.

(Source: Amended at 38 Ill. Reg. 457, effective December 20, 2013)