**Section 520.1630 Application Approval Process**

a) Application Approval Requirements. Applications shall be submitted to the Department, which shall approve or deny the application in writing within 60 days after receipt. The application shall be approved if it meets the requirements of Sections 520.1610 and 520.1620 and the applicant has submitted a spending plan and financial commitments for the proposed eligible investment. The applicant must sign a written agreement with the Department obligating the business to place in service the eligible investment in qualified property within five years after the date of certification. Should the business fail to place in service the eligible investment in qualified property within five years following certification, the business shall be decertified for the tax exemption and required to repay the exempted taxes. Should the business place in service eligible investment subsequent to decertification, the business may reapply to the Department for recertification. However, this reapplication must utilize the procedures set forth in Section 520.1620, and contain the same information as required pursuant to Section 520.1610.

b) Application Denial Requirements. When the Department denies an application, it shall specify in writing the reasons for denial and allow the applicant 15 days from the date of application denial to amend and resubmit the application. Resubmitted applications shall be approved or denied within 30 days after receipt.

c) Certificate of Eligibility for Exemption. Applicants determined eligible by the Department in accordance with Sections 520.1610 and 520.1620 will be issued a Certificate of Eligibility for Exemption.

d) 10-Year Exemption Period. All certified businesses shall receive a 10-year exemption from the tax imposed by Section 2 of the Retailers' Occupation Tax Act on purchases of machinery and equipment used in the operation of a high impact service facility, as provided in Section 1j of the Retailers' Occupation Tax Act, and on purchases of jet fuel and petroleum products sold to and used in the conduct of its business of sorting, handling and redistribution of mail, freight, cargo or other parcels in the operation of a high impact service facility, defined in Section 1j of the Retailers' Occupation Tax Act.

e) Quarterly Reports Required. All certified businesses shall submit quarterly reports describing the progress made toward the creation of 750 or more full-time or full-time equivalent jobs, and the investment of $100 million in qualified property at the High Impact Service Facility.

f) Additional Exemption Periods. At the expiration of this initial 10-year period, certified businesses may apply to the Department for renewals of the exemption for additional 5-year time periods. Any previously certified business that had its exemption expire for the sole reason that it could not seek an additional renewal under the previous version of this Section may apply to the Department for a renewal, and the Department may grant an exemption to the business and make that exemption retroactively effective as of the date of its previous expiration. The Department shall grant an exemption to a certified business for an additional 5-year period provided that, at the time of application for renewal:

1) Minimum Jobs Created. The business has created a minimum of 750 or more full-time or full-time equivalent jobs at a High Impact Service Facility in Illinois.

2) Business is Located in an Enterprise Zone. The business is located in an Enterprise Zone established pursuant to the Illinois Enterprise Zone Act [20 ILCS 655].

3) Business Provides an Audited Financial Statement. The business provides a financial statement, including balance sheets and income statements, audited according to generally accepted auditing standards by a public accountant certified in the State of Illinois as contained in the publication entitled AICPA Professional Standards, American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York NY 10036-8775 (June 2011, no later editions are incorporated). In addition, the certified business chief financial officer shall attest in writing that the certified business is not aware of a condition or occurrence that would result in a bankruptcy or closure.

4) Maximum Period of Exemption. This exemption shall not be allowed beyond the term of the certified Enterprise Zone.

g) Exemptions for Certified Businesses Located in Enterprise Zones Successful in Reapplying for Designation. Certified businesses located in Enterprise Zones that successfully reapplied for designation as an Enterprise Zone to be effective on or after January 1, 2016, and that expired or terminated solely by operation of Section 5.3(c) of the Act, shall continue to be eligible for the renewals of exemptions in accordance with subection (f).  Any Certificate of Exemption issued under this Section shall not, after taking into account the time for which the exemption existed under the prior zone designation, exceed a total of five years. Thereafter, certified businesses located in Enterprise Zones may apply to the Department in accordance with subection (f).

(Source: Amended at 40 Ill. Reg. 10858, effective July 29, 2016)