**Section 522.100 Noncompliance**

a) If the Department determines that a tax credit certificate for credits under the Act is not in compliance with the requirements of the certification or any provisions of this Part or the Act, the Director shall provide notice to the employer of the alleged noncompliance, and allow the employer a hearing under Article 10 of the Illinois Administrative Procedure Act [5 ILCS 100/10]. The notice shall include the reason for noncompliance and the date and location of a hearing to be held (see 56 Ill. Adm. Code 2605 (Administrative Hearing Rules)). If, after notice and any hearing, the Director determines that a noncompliance event exists and determines that the certification shall be revoked, the Director shall issue to the Illinois Department of Revenue notice to that effect, stating the employer name, noncompliance date and the employer credits subject to recapture by the Illinois Department of Revenue. Alleged noncompliance shall include, but is not limited to, the following:

1) a demonstration that the employer failed materially to comply with the terms and conditions of the certification; or

2) a determination upon investigation that the employer provided false or misleading information to the Department.

b) If the Department's determination of noncompliance is confirmed after any hearing described in Section 522.100(a) or remains uncontested, the Department will notify the employer in writing, that its credit certification is revoked, and any credits issued to the employer prior to the revocation are subject to recapture by the Illinois Department of Revenue. The Department shall refer the revocation to the Department of Revenue and request proceedings be initiated to recover wrongfully issued credits.