**Section 527.85 New Construction EDGE Credit**

a) The Department shall provide an application for eligible applicants interested in applying for a New Construction EDGE credit. The Department will announce on its website funding availability and any relevant information regarding the application. *The amount of funding available shall not exceed the total aggregate amount of credits that can be possibly awarded under the Blue Collar Jobs Act, which shall not exceed $20,000,000 in any fiscal year.* [35 ILCS 10/5-51(e)] The credit may not reduce the taxpayer's liability to less than zero. If the amount of the credit exceeds the tax liability, any excess may be carried forward and applied against the tax liability of the five (5) taxable years following the excess credit year. [35 ILCS 5/211(4)] The application shall consist of the following:

1) *a detailed description of the New Construction EDGE Project that is subject to the New Construction EDGE Agreement, including the location and amount of the investment and jobs created or retained;*

2) *the duration of the New Construction EDGE Credit and the first taxable year for which the Credit may be claimed;*

3) *the New Construction EDGE Credit amount that will be allowed for each taxable year;*

4) *a requirement that the Director is authorized to verify with the appropriate State agencies the amount of the incremental income tax withheld by a Taxpayer, and after doing so, shall issue a certificate to the Taxpayer stating that the amounts have been verified;*

5) *the amount of the capital investment, which may, at no point, be less than $10,000,000, the time period of placing the New Construction EDGE Project in service, and the designated location in Illinois for the investment;*

6) *a requirement that the Taxpayer shall provide written notification to the Director not more than 30 days after the Taxpayer determines that the capital investment of at least $10,000,000 is not or will not be achieved or maintained as set forth in the terms and conditions of the Agreement;*

7) *a detailed provision that the Taxpayer shall be awarded a New Construction EDGE Credit upon the verified completion and occupancy of a New Construction EDGE Project;*

8) *any other performance conditions, including the ability to verify that a New Construction EDGE Project is built and completed, or that contract provisions, as the Department determines, are appropriate.* [35 ILCS 10/5-51(b)]; and

9) a request for any reasonable information pertinent to verify information provided by the taxpayer in compliance with any of the above listed provisions (i.e. documentation to substantiate the value of the investment).

b) *The Department shall post on its website the terms of each New Construction EDGE Agreement entered under the Act. The terms shall be posted within 10 days after entering into the Agreement and must include the following:*

1) *The name of the recipient business;*

2) *The location of the project;*

3) *The estimated value of the Credit; and*

4) *Whether the project is in an underserved area.* [35 ILCS 10/5-51(c)]

c) *Each contractor and subcontractor engaged in, and that are executing, a New Construction EDGE Project for* a taxpayer *for a New Construction EDGE Tax Credit shall complete the following:*

1) *make and keep, for a period of 5 years from the date of the last payment made on or after June 5, 2019,* [20 ILCS 655/5.5(j)(1)] *on a contract or subcontract for a* *New Construction EDGE Project, records for all laborers and other workers employed by the contractor or subcontractor on the project. The records shall include the worker's:*

A) *Name;*

B) *Address;*

C) *Telephone number, if available;*

D) *Social Security Number;*

E) *Classification or classifications;*

F) *Gross and net wages paid in each pay period;*

G) *Number of hours worked each day;*

H) *Starting and ending times of work each day;*

I) *Hourly wage rate; and*

J) *Hourly overtime wage rate* [35 ILCS 10/5-56(a)(1)]; and

2) *no later than the 15th day of each calendar month, provide a certified payroll for the immediately preceding month to the taxpayer in charge of the New Construction EDGE Project.*  *The taxpayer shall file a copy of the certified payroll with the Department of Labor and the Department of Commerce and Economic Opportunity within 5 business day*s *after receiving the* monthly *certified payroll* from all contractors and subcontractors engaged in and executing a New Construction EDGE Project construction jobs project.  *A certified payroll shall be filed for only those calendar months during which construction on a New Construction EDGE Project has occurred. The certified payroll shall consist of a complete copy of the records identified in* subsection (c)(1)*, but may exclude the starting and ending times of work each day. The certified payroll shall be accompanied by a statement signed by the contractor or subcontractor, or an officer, employee, or agent of the contractor or subcontractor,* stating *that:*

A) *the certified payroll records* have been examined and *are true and accurate; and*

B) *the contractor or subcontractor is aware that filing a certified payroll that* is known *to be false is a Class A misdemeanor.*

d) *A general contractor is not prohibited from relying on a certified payroll of a lower-tier subcontractor, if the general contractor does not knowingly rely upon a subcontractor's false certification.* [35 ILCS 10/5-56(a)]

e) *The Taxpayer in charge of the project shall maintain the records described in* subsections (c) through (f) *for a period of 5 years from the date of the last payment for work on a contract or subcontract for the project. The records submitted in accordance with the certified payroll, except an employee's address, telephone number, and Social Security Number, shall be considered public records, and shall be made available in accordance with the Freedom of Information Act* [5 ILCS 140]*. The Department will work in tandem with the Department of Labor to ascertain all reasonable submissions by the contractor that meet the requirements for a certified payroll in compliance with the statutory requirements for a New Construction EDGE Credit. A contractor, subcontractor, or public body may retain records in paper or electronic format.* [35 ILCS 10/5-56(a)]

f) *Upon* written or electronic *notice, each contractor or subcontractor, within 7 business days, shall make all documents required by* subsection (c)(1) *available for inspection and copying, at a location within the State,* during regular business hours, *to the following entities:*

1) *The taxpayer in charge of the New Construction EDGE Project, its officers and agents;*

2) *The Director of the Department of Labor or* the Director's designee*; and*

3) *Federal, State, or local law enforcement agencies and prosecutors.* [35 ILCS 10/5-56(a)]

(Source: Added at 46 Ill. Reg. 1846, effective January 11, 2022)