

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Enterprise Zone Act is amended by  
5 changing Sections 3, 4, 4.1, 5.1, 5.2, 5.3, 5.4, and 8.1 as  
6 follows:

7 (20 ILCS 655/3) (from Ch. 67 1/2, par. 603)

8 Sec. 3. Definitions. As used in this Act, the following  
9 words shall have the meanings ascribed to them, unless the  
10 context otherwise requires:

11 (a) "Department" means the Department of Commerce and  
12 Economic Opportunity.

13 (b) "Enterprise Zone" means an area of the State certified  
14 by the Department as an Enterprise Zone pursuant to this Act.

15 (c) "Depressed Area" means an area in which pervasive  
16 poverty, unemployment and economic distress exist.

17 (d) "Designated Zone Organization" means an association or  
18 entity: (1) the members of which are substantially all  
19 residents of the Enterprise Zone; (2) the board of directors of  
20 which is elected by the members of the organization; (3) which  
21 satisfies the criteria set forth in Section 501(c) (3) or  
22 501(c) (4) of the Internal Revenue Code; and (4) which exists  
23 primarily for the purpose of performing within such area or

1 zone for the benefit of the residents and businesses thereof  
2 any of the functions set forth in Section 8 of this Act.

3 (e) "Agency" means each officer, board, commission and  
4 agency created by the Constitution, in the executive branch of  
5 State government, other than the State Board of Elections; each  
6 officer, department, board, commission, agency, institution,  
7 authority, university, body politic and corporate of the State;  
8 and each administrative unit or corporate outgrowth of the  
9 State government which is created by or pursuant to statute,  
10 other than units of local government and their officers, school  
11 districts and boards of election commissioners; each  
12 administrative unit or corporate outgrowth of the above and as  
13 may be created by executive order of the Governor. No entity  
14 shall be considered an "agency" for the purposes of this Act  
15 unless authorized by law to make rules or regulations.

16 (f) "Rule" means each agency statement of general  
17 applicability that implements, applies, interprets or  
18 prescribes law or policy, but does not include (i) statements  
19 concerning only the internal management of an agency and not  
20 affecting private rights or procedures available to persons or  
21 entities outside the agency, (ii) intra-agency memoranda, or  
22 (iii) the prescription of standardized forms.

23 (g) "Board" means the Enterprise Zone Board created in  
24 Section 5.2.1.

25 (h) "Local labor market area" means an economically  
26 integrated area within which individuals can reside and find

1 employment within a reasonable distance or can readily change  
2 jobs without changing their place of residence.

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

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

22 (Source: P.A. 97-905, eff. 8-7-12; 98-463, eff. 8-16-13.)

23 (20 ILCS 655/4) (from Ch. 67 1/2, par. 604)

24 Sec. 4. Qualifications for Enterprise Zones.

25 (1) An area is qualified to become an enterprise zone

1     which:

2             (a) is a contiguous area, provided that a zone area may  
3     exclude wholly surrounded territory within its boundaries;

4             (b) comprises a minimum of one-half square mile and not  
5     more than 12 square miles, or 15 square miles if the zone  
6     is located within the jurisdiction of 4 or more counties or  
7     municipalities, in total area, exclusive of lakes and  
8     waterways; however, in such cases where the enterprise zone  
9     is a joint effort of three or more units of government, or  
10    two or more units of government if situated in a township  
11    which is divided by a municipality of 1,000,000 or more  
12    inhabitants, and where the certification has been in effect  
13    at least one year, the total area shall comprise a minimum  
14    of one-half square mile and not more than thirteen square  
15    miles in total area exclusive of lakes and waterways;

16            (c) (blank);

17            (d) (blank);

18            (e) is (1) entirely within a municipality or (2)  
19    entirely within the unincorporated areas of a county,  
20    except where reasonable need is established for such zone  
21    to cover portions of more than one municipality or county  
22    or (3) both comprises (i) all or part of a municipality and  
23    (ii) an unincorporated area of a county; and

24            (f) meets 3 or more of the following criteria:

25                (1) all or part of the local labor market area has  
26    had an annual average unemployment rate of at least

1 120% of the State's annual average unemployment rate  
2 for the most recent calendar year or the most recent  
3 fiscal year as reported by the Department of Employment  
4 Security;

5 (2) designation will result in the development of  
6 substantial employment opportunities by creating or  
7 retaining a minimum aggregate of 1,000 full-time  
8 equivalent jobs due to an aggregate investment of  
9 \$100,000,000 or more, and will help alleviate the  
10 effects of poverty and unemployment within the local  
11 labor market area;

12 (3) at least one of the following applies to the  
13 local labor market area: (A) all or part of the local  
14 labor market area has a poverty rate of at least 20%  
15 according to the latest federal decennial census, the  
16 most recent American Community Survey released by the  
17 U.S. Census Bureau, or other appropriate data source  
18 produced by the U.S. Census Bureau; (B) 50% or more of  
19 children in the local labor market area are eligible to  
20 participate in the federal free lunch or reduced-price  
21 meals program according to reported statistics from  
22 the State Board of Education; or (C) 20% or more  
23 households in the local labor market area receive food  
24 stamps or assistance under the Supplemental Nutrition  
25 Assistance Program ("SNAP") according to the latest  
26 federal decennial census or other data from the U.S.

1           Census Bureau;

2           (4) an abandoned coal mine or a brownfield (as  
3           defined in Section 58.2 of the Environmental  
4           Protection Act) is located in the proposed zone area,  
5           or all or a portion of the proposed zone was declared a  
6           federal disaster area in the 3 years preceding the date  
7           of application;

8           (5) the local labor market area contains a presence  
9           of large employers that have downsized over the years,  
10          the labor market area has experienced plant closures in  
11          the 5 years prior to the date of application affecting  
12          more than 50 workers, or the local labor market area  
13          has experienced State or federal facility closures in  
14          the 5 years prior to the date of application affecting  
15          more than 50 workers;

16          (6) based on data from Multiple Listing Service  
17          information or other suitable sources, the local labor  
18          market area contains a high floor vacancy rate of  
19          industrial or commercial properties, vacant or  
20          demolished commercial and industrial structures are  
21          prevalent in the local labor market area, or industrial  
22          structures in the local labor market area are not used  
23          because of age, deterioration, relocation of the  
24          former occupants, or cessation of operation;

25          (7) the applicant demonstrates a substantial plan  
26          for using the designation to improve the State and

1 local government tax base, including income, sales,  
2 and property taxes, including a plan for disposal of  
3 publicly-owned real property by the methods described  
4 in Section 10 of this Act;

5 (8) significant public infrastructure is present  
6 in the local labor market area in addition to a plan  
7 for infrastructure development and improvement;

8 (9) high schools or community colleges located  
9 within the local labor market area are engaged in ACT  
10 Work Keys, Manufacturing Skills Standard  
11 Certification, or other industry-based credentials  
12 that prepare students for careers; or

13 (10) (blank). ~~the change in equalized assessed~~  
14 ~~valuation of industrial and/or commercial properties~~  
15 ~~in the 5 years prior to the date of application is~~  
16 ~~equal to or less than 50% of the State average change~~  
17 ~~in equalized assessed valuation for industrial and/or~~  
18 ~~commercial properties, as applicable, for the same~~  
19 ~~period of time.~~

20 As provided in Section 10-5.3 of the River Edge  
21 Redevelopment Zone Act, upon the expiration of the term of each  
22 River Edge Redevelopment Zone in existence on the effective  
23 date of this amendatory Act of the 97th General Assembly, that  
24 River Edge Redevelopment Zone will become available for its  
25 previous designee or a new applicant to compete for designation  
26 as an enterprise zone. No preference for designation will be

1 given to the previous designee of the zone.

2 (2) Any criteria established by the Department or by law  
3 which utilize the rate of unemployment for a particular area  
4 shall provide that all persons who are not presently employed  
5 and have exhausted all unemployment benefits shall be  
6 considered unemployed, whether or not such persons are actively  
7 seeking employment.

8 (Source: P.A. 97-905, eff. 8-7-12.)

9 (20 ILCS 655/4.1)

10 Sec. 4.1. Department recommendations.

11 (a) For all applications that qualify under Section 4 of  
12 this Act, the Department shall issue recommendations by  
13 assigning a score to each applicant. The scores will be  
14 determined by the Department, based on the extent to which an  
15 applicant meets the criteria points under subsection (f) of  
16 Section 4 of this Act. Scores will be determined using the  
17 following scoring system:

18 (1) Up to 50 points for the extent to which the  
19 applicant meets or exceeds the criteria in item (1) of  
20 subsection (f) of Section 4 of this Act, with points  
21 awarded according to the severity of the unemployment.

22 (2) Up to 50 points for the extent to which the  
23 applicant meets or exceeds the criteria in item (2) of  
24 subsection (f) of Section 4 of this Act, with points  
25 awarded in accordance with the number of jobs created and

1 the aggregate amount of investment promised. The  
2 Department may award partial points on a pro rata basis  
3 under this paragraph (2) if the applicant demonstrates  
4 specific job creation and investment below the thresholds  
5 set forth in paragraph (2) of subsection (f) of Section 4.

6 (3) Up to 40 points for the extent to which the  
7 applicant meets or exceeds the criteria in item (3) of  
8 subsection (f) of Section 4 of this Act, with points  
9 awarded in accordance with the severity of the unemployment  
10 rate according to the latest federal decennial census.

11 (4) Up to 30 points for the extent to which the  
12 applicant meets or exceeds the criteria in item (4) of  
13 subsection (f) of Section 4 of this Act, with points  
14 awarded in accordance with the severity of the  
15 environmental impact of the abandoned coal mine,  
16 brownfield, or federal disaster area.

17 (5) Up to 50 points for the extent to which the  
18 applicant meets or exceeds the criteria in item (5) of  
19 subsection (f) of Section 4 of this Act, with points  
20 awarded in accordance with the severity of the applicable  
21 facility closures or downsizing.

22 (6) Up to 40 points for the extent to which the  
23 applicant meets or exceeds the criteria in item (6) of  
24 subsection (f) of Section 4 of this Act, with points  
25 awarded in accordance with the severity and extent of the  
26 high floor vacancy or deterioration.

1           (7) Up to 30 points for the extent to which the  
2 applicant meets or exceeds the criteria in item (7) of  
3 subsection (f) of Section 4 of this Act, with points  
4 awarded in accordance with the extent to which the  
5 application addresses a plan to improve the State and local  
6 government tax base, including a plan for disposal of  
7 publicly-owned real property.

8           (8) Up to 50 points for the extent to which the  
9 applicant meets or exceeds the criteria in item (8) of  
10 subsection (f) of Section 4 of this Act, with points  
11 awarded in accordance with the existence of significant  
12 public infrastructure.

13           (9) Up to 40 points for the extent to which the  
14 applicant meets or exceeds the criteria in item (9) of  
15 subsection (f) of Section 4 of this Act, with points  
16 awarded in accordance with the extent to which educational  
17 programs exist for career preparation.

18           (10) (Blank). ~~Up to 40 points for the extent to which~~  
19 ~~the applicant meets or exceeds the criteria in item (10) of~~  
20 ~~subsection (f) of Section 4 of this Act, with points~~  
21 ~~awarded according to the severity of the change in~~  
22 ~~equalized assessed valuation.~~

23           (11) In awarding points under paragraphs (1) through  
24 (9), the Department may adjust the scoring for applicants  
25 that are located entirely within a county with a population  
26 of less than 300,000 if the Department finds that the

1       designation will help to alleviate the effects of poverty  
2       and unemployment within the proposed Enterprise Zone.

3       (b) After assigning a score for each of the individual  
4 criteria using the point system as described in subsection (a),  
5 the Department shall then take the sum of the scores for each  
6 applicant and assign a final score. The Department shall then  
7 submit this information to the Board, as required in subsection  
8 (c) of Section 5.2, as its recommendation.

9       (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

10       (20 ILCS 655/5.1) (from Ch. 67 1/2, par. 606)

11       Sec. 5.1. Application to Department.

12       (a) A county or municipality which has adopted an ordinance  
13 designating an area as an enterprise zone shall make written  
14 application to the Department to have such proposed enterprise  
15 zone certified by the Department as an Enterprise Zone. The  
16 application shall include:

17           (i) a certified copy of the ordinance designating the  
18 proposed zone;

19           (ii) a map of the proposed enterprise zone, showing  
20 existing streets and highways;

21           (iii) an analysis, and any appropriate supporting  
22 documents and statistics, demonstrating that the proposed  
23 zone area is qualified in accordance with Section 4;

24           (iv) a statement detailing any tax, grant, and other  
25 financial incentives or benefits, and any programs, to be

1 provided by the municipality or county to business  
2 enterprises within the zone, other than those provided in  
3 the designating ordinance, which are not to be provided  
4 throughout the municipality or county;

5 (v) a statement setting forth the economic development  
6 and planning objectives for the zone;

7 (vi) a statement describing the functions, programs,  
8 and services to be performed by designated zone  
9 organizations within the zone;

10 (vii) an estimate of the economic impact of the zone,  
11 considering all of the tax incentives, financial benefits  
12 and programs contemplated, upon the revenues of the  
13 municipality or county;

14 (viii) a transcript of all public hearings on the zone;

15 (ix) in the case of a joint application, a statement  
16 detailing the need for a zone covering portions of more  
17 than one municipality or county and a description of the  
18 agreement between joint applicants; and

19 (x) such additional information as the Department by  
20 regulation may require.

21 (b) The Department may provide for provisional  
22 certification of substantially complete applications pending  
23 the receipt of any of the items identified in subsection (a) of  
24 this Section or any additional information requested by the  
25 Department.

26 (Source: P.A. 82-1019.)

1 (20 ILCS 655/5.2) (from Ch. 67 1/2, par. 607)

2 Sec. 5.2. Department Review of Enterprise Zone  
3 Applications.

4 (a) All applications which are to be considered and acted  
5 upon by the Department during a calendar year must be received  
6 by the Department no later than December 31 of the preceding  
7 calendar year.

8 Any application received after December 31 of any calendar  
9 year shall be held by the Department for consideration and  
10 action during the following calendar year.

11 Each enterprise zone application shall include a specific  
12 definition of the applicant's local labor market area.

13 (a-5) The Department shall, no later than July 31, 2013,  
14 develop an application process for an enterprise zone  
15 application. The Department has emergency rulemaking authority  
16 for the purpose of application development only until 12 months  
17 after the effective date of this amendatory Act of the 97th  
18 General Assembly.

19 (b) Upon receipt of an application from a county or  
20 municipality the Department shall review the application to  
21 determine whether the designated area qualifies as an  
22 enterprise zone under Section 4 of this Act.

23 (c) No later than June 30, the Department shall notify all  
24 applicant municipalities and counties of the Department's  
25 determination of the qualification of their respective

1 designated enterprise zone areas, and shall send qualifying  
2 applications, including the applicant's scores for each of the  
3 items set forth in items (1) through (10) of subsection (a) of  
4 Section 4.1 and the applicant's final score under that Section,  
5 to the Board for the Board's consideration, along with  
6 supporting documentation of the basis for the Department's  
7 decision.

8 (d) If any such designated area is found to be qualified to  
9 be an enterprise zone by the Department under subsection (c) of  
10 this Section, the Department shall, no later than July 15, send  
11 a letter of notification to each member of the General Assembly  
12 whose legislative district or representative district contains  
13 all or part of the designated area and publish a notice in at  
14 least one newspaper of general circulation within the proposed  
15 zone area to notify the general public of the application and  
16 their opportunity to comment. Such notice shall include a  
17 description of the area and a brief summary of the application  
18 and shall indicate locations where the applicant has provided  
19 copies of the application for public inspection. The notice  
20 shall also indicate appropriate procedures for the filing of  
21 written comments from zone residents, business, civic and other  
22 organizations and property owners to the Department. The  
23 Department and the Board may consider written comments  
24 submitted pursuant to this Section or any other information  
25 regarding a pending enterprise zone application submitted  
26 after the deadline for enterprise zone application and received

1 prior to the Board's decision on all pending applications.

2 (e) (Blank).

3 (f) (Blank).

4 (g) (Blank).

5 (h) (Blank).

6 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

7 (20 ILCS 655/5.3) (from Ch. 67 1/2, par. 608)

8 Sec. 5.3. Certification of Enterprise Zones; effective  
9 date.

10 (a) Certification of Board-approved designated Enterprise  
11 Zones shall be made by the Department by certification of the  
12 designating ordinance. The Department shall promptly issue a  
13 certificate for each Enterprise Zone upon approval by the  
14 Board. The certificate shall be signed by the Director of the  
15 Department, shall make specific reference to the designating  
16 ordinance, which shall be attached thereto, and shall be filed  
17 in the office of the Secretary of State. A certified copy of  
18 the Enterprise Zone Certificate, or a duplicate original  
19 thereof, shall be recorded in the office of recorder of deeds  
20 of the county in which the Enterprise Zone lies.

21 (b) An Enterprise Zone certified prior to January 1, 2016  
22 or on or after January 1, 2017 shall be effective on January 1  
23 of the first calendar year after Department certification. An  
24 Enterprise Zone certified on or after January 1, 2016 and on or  
25 before December 31, 2016 shall be effective on the date of the

1 Department's certification. The Department shall transmit a  
2 copy of the certification to the Department of Revenue, and to  
3 the designating municipality or county.

4 Upon certification of an Enterprise Zone, the terms and  
5 provisions of the designating ordinance shall be in effect, and  
6 may not be amended or repealed except in accordance with  
7 Section 5.4.

8 (c) With the exception of Enterprise Zones scheduled to  
9 expire before December 31, 2018, an Enterprise Zone designated  
10 before the effective date of this amendatory Act of the 97th  
11 General Assembly shall be in effect for 30 calendar years, or  
12 for a lesser number of years specified in the certified  
13 designating ordinance. Notwithstanding the foregoing, any  
14 Enterprise Zone in existence on the effective date of this  
15 amendatory Act of the 98th General Assembly that has a term of  
16 20 calendar years may be extended for an additional 10 calendar  
17 years upon amendment of the designating ordinance by the  
18 designating municipality or county and submission of the  
19 ordinance to the Department. The amended ordinance must be  
20 properly recorded in the Office of Recorder of Deeds of each  
21 county in which the Enterprise Zone lies. Each Enterprise Zone  
22 in existence on the effective date of this amendatory Act of  
23 the 97th General Assembly that is scheduled to expire before  
24 July 1, 2016 may have its termination date extended until July  
25 1, 2016 upon amendment of the designating ordinance by the  
26 designating municipality or county extending the termination

1 date to July 1, 2016 and submission of the ordinance to the  
2 Department. The amended ordinance must be properly recorded in  
3 the Office of Recorder of Deeds of each county in which the  
4 Enterprise Zone lies. An Enterprise Zone designated on or after  
5 the effective date of this amendatory Act of the 97th General  
6 Assembly shall be in effect for a term of 15 calendar years, or  
7 for a lesser number of years specified in the certified  
8 designating ordinance. An enterprise zone designated on or  
9 after the effective date of this amendatory Act of the 97th  
10 General Assembly shall be subject to review by the Board after  
11 13 years for an additional 10-year designation beginning on the  
12 expiration date of the enterprise zone. During the review  
13 process, the Board shall consider the costs incurred by the  
14 State and units of local government as a result of tax benefits  
15 received by the enterprise zone as well as whether the Zone has  
16 substantially implemented the plans and achieved the goals set  
17 forth in its original application, including satisfaction of  
18 the investment and job creation or retention information  
19 provided by the Applicant with respect to paragraph (f) of  
20 subsection (1) of Section 4 of the Act. Enterprise Zones shall  
21 terminate at midnight of December 31 of the final calendar year  
22 of the certified term, except as provided in Section 5.4.

23 (d) Except for Enterprise Zones authorized under  
24 subsection (f), Zones that become available for designation  
25 pursuant to Section 10-5.3 of the River Edge Redevelopment Zone  
26 Act, or those designated pursuant to another statutory

1 authority providing for the creation of Enterprise Zones, no ~~no~~  
2 more than a total of 97 ~~42~~ Enterprise Zones may be certified by  
3 the Department and in existence in any calendar year ~~1984, no~~  
4 ~~more than 12 Enterprise Zones may be certified by the~~  
5 ~~Department in calendar year 1985, no more than 13 Enterprise~~  
6 ~~Zones may be certified by the Department in calendar year 1986,~~  
7 ~~no more than 15 Enterprise Zones may be certified by the~~  
8 ~~Department in calendar year 1987, and no more than 20~~  
9 ~~Enterprise Zones may be certified by the Department in calendar~~  
10 ~~year 1990. In other calendar years, no more than 13 Enterprise~~  
11 ~~Zones may be certified by the Department. The Department may~~  
12 ~~also designate up to 8 additional Enterprise Zones outside the~~  
13 ~~regular application cycle if warranted by the extreme economic~~  
14 ~~circumstances as determined by the Department. The Department~~  
15 ~~may also designate one additional Enterprise Zone outside the~~  
16 ~~regular application cycle if an aircraft manufacturer agrees to~~  
17 ~~locate an aircraft manufacturing facility in the proposed~~  
18 ~~Enterprise Zone. Notwithstanding any other provision of this~~  
19 ~~Act, no more than 89 Enterprise Zones may be certified by the~~  
20 ~~Department for the 10 calendar years commencing with 1983. The~~  
21 ~~7 additional Enterprise Zones authorized by Public Act 86-15~~  
22 ~~shall not lie within municipalities or unincorporated areas of~~  
23 ~~counties that abut or are contiguous to Enterprise Zones~~  
24 ~~certified pursuant to this Section prior to June 30, 1989. The~~  
25 ~~7 additional Enterprise Zones (excluding the additional~~  
26 ~~Enterprise Zone which may be designated outside the regular~~

1 ~~application cycle) authorized by Public Act 86-1030 shall not~~  
2 ~~lie within municipalities or unincorporated areas of counties~~  
3 ~~that abut or are contiguous to Enterprise Zones certified~~  
4 ~~pursuant to this Section prior to February 28, 1990. Beginning~~  
5 ~~in calendar year 2004 and until December 31, 2008, one~~  
6 ~~additional enterprise zone may be certified by the Department.~~  
7 In any calendar year, the Department may not certify more than  
8 3 Zones located within the same municipality. ~~The Department~~  
9 ~~may certify Enterprise Zones in each of the 10 calendar years~~  
10 ~~commencing with 1983.~~ The Department may not certify more than  
11 a total of 18 Enterprise Zones located within the same county  
12 (whether within municipalities or within unincorporated  
13 territory) ~~for the 10 calendar years commencing with 1983.~~  
14 ~~Thereafter, the Department may not certify any additional~~  
15 ~~Enterprise Zones, but may amend and rescind certifications of~~  
16 ~~existing Enterprise Zones in accordance with Section 5.4.~~  
17 Beginning in calendar year 2019 and for any year in which there  
18 are at least 4 Zones available for designation, at least 25% of  
19 Zones available for designation in a given calendar year must  
20 be awarded to Zones located in counties with populations of  
21 less than 300,000 unless there are no applicants from such  
22 locations for that calendar year.

23 (e) Notwithstanding any other provision of law, if (i) the  
24 county board of any county in which a current military base is  
25 located, in part or in whole, or in which a military base that  
26 has been closed within 20 years of the effective date of this

1 amendatory Act of 1998 is located, in part or in whole, adopts  
2 a designating ordinance in accordance with Section 5 of this  
3 Act to designate the military base in that county as an  
4 enterprise zone and (ii) the property otherwise meets the  
5 qualifications for an enterprise zone as prescribed in Section  
6 4 of this Act, then the Department may certify the designating  
7 ordinance or ordinances, as the case may be.

8 (f) Applications for Enterprise Zones that are scheduled to  
9 expire in 2016, including Enterprise Zones that have been  
10 extended until 2016 by this amendatory Act of the 97th General  
11 Assembly, shall be submitted to the Department no later than  
12 December 31, 2014. At that time, the Zone becomes available for  
13 either the previously designated area or a different area to  
14 compete for designation. No preference for designation as a  
15 Zone will be given to the previously designated area.

16 For Enterprise Zones that are scheduled to expire on or  
17 after January 1, 2017 and prior to January 1, 2022, an  
18 application process shall begin 2 years prior to the year in  
19 which the Zone expires. At that time, the Zone becomes  
20 available for either the previously designated area or a  
21 different area to compete for designation. For Enterprise Zones  
22 that are scheduled to expire on or after January 1, 2022, an  
23 application process shall begin 5 years prior to the year in  
24 which the Zone expires. At that time, the Zone becomes  
25 available for either the previously designated area or a  
26 different area to compete for designation. No preference for

1 designation as a Zone will be given to the previously  
2 designated area.

3 Each Enterprise Zone that reapplies for certification but  
4 does not receive a new certification shall expire on its  
5 scheduled termination date.

6 (Source: P.A. 98-109, eff. 7-25-13; 99-615, eff. 7-22-16.)

7 (20 ILCS 655/5.4) (from Ch. 67 1/2, par. 609)

8 Sec. 5.4. Amendment and Decertification of Enterprise  
9 Zones.

10 (a) The terms of a certified enterprise zone designating  
11 ordinance may be amended to

12 (i) alter the boundaries of the Enterprise Zone, or

13 (ii) expand, limit or repeal tax incentives or benefits  
14 provided in the ordinance, or

15 (iii) alter the termination date of the zone, or

16 (iv) make technical corrections in the enterprise zone  
17 designating ordinance; but such amendment shall not be  
18 effective unless the Department issues an amended  
19 certificate for the Enterprise Zone, approving the amended  
20 designating ordinance. Upon the adoption of any ordinance  
21 amending or repealing the terms of a certified enterprise  
22 zone designating ordinance, the municipality or county  
23 shall promptly file with the Department an application for  
24 approval thereof, containing substantially the same  
25 information as required for an application under Section

1           5.1 insofar as material to the proposed changes. The  
2           municipality or county must hold a public hearing on the  
3           proposed changes as specified in Section 5 and, if the  
4           amendment is to effectuate the limitation of tax abatements  
5           under Section 5.4.1, then the public notice of the hearing  
6           shall state that property that is in both the enterprise  
7           zone and a redevelopment project area may not receive tax  
8           abatements unless within 60 days after the adoption of the  
9           amendment to the designating ordinance the municipality  
10          has determined that eligibility for tax abatements has been  
11          established,

12                 (v) include an area within another municipality or  
13                 county as part of the designated enterprise zone provided  
14                 the requirements of Section 4 are complied with, or

15                 (vi) effectuate the limitation of tax abatements under  
16                 Section 5.4.1.

17           (b) The Department shall approve or disapprove a proposed  
18           amendment to a certified enterprise zone within 90 days of its  
19           receipt of the application from the municipality or county. The  
20           Department may not approve changes in a Zone which are not in  
21           conformity with this Act, as now or hereafter amended, or with  
22           other applicable laws. If the Department issues an amended  
23           certificate for an Enterprise Zone, the amended certificate,  
24           together with the amended zone designating ordinance, shall be  
25           filed, recorded and transmitted as provided in Section 5.3.

26           (c) An Enterprise Zone may be decertified by joint action

1 of the Department and the designating county or municipality in  
2 accordance with this Section. The designating county or  
3 municipality shall conduct at least one public hearing within  
4 the zone prior to its adoption of an ordinance of  
5 de-designation. The mayor of the designating municipality or  
6 the chairman of the county board of the designating county  
7 shall execute a joint decertification agreement with the  
8 Department. A decertification of an Enterprise Zone shall not  
9 become effective until at least 6 months after the execution of  
10 the decertification agreement, which shall be filed in the  
11 office of the Secretary of State.

12 (d) An Enterprise Zone may be decertified for cause by the  
13 Department in accordance with this Section. Prior to  
14 decertification: (1) the Department shall notify the chief  
15 elected official of the designating county or municipality in  
16 writing of the specific deficiencies which provide cause for  
17 decertification; (2) the Department shall place the  
18 designating county or municipality on probationary status for  
19 at least 6 months during which time corrective action may be  
20 achieved in the enterprise zone by the designating county or  
21 municipality; and, (3) the Department shall conduct at least  
22 one public hearing within the zone. If such corrective action  
23 is not achieved during the probationary period, the Department  
24 shall issue an amended certificate signed by the Director of  
25 the Department decertifying the enterprise zone, which  
26 certificate shall be filed in the office of the Secretary of

1 State. A certified copy of the amended enterprise zone  
2 certificate, or a duplicate original thereof, shall be recorded  
3 in the office of recorder of the county in which the enterprise  
4 zone lies, and shall be provided to the chief elected official  
5 of the designating county or municipality. Decertification of  
6 an Enterprise Zone shall not become effective until 60 days  
7 after the date of filing.

8 (d-1) The Department shall provisionally decertify any  
9 Enterprise Zone that fails to report any capital investment,  
10 job creation or retention, or State tax expenditures for 3  
11 consecutive calendar years. Prior to provisional  
12 decertification: (1) the Department shall notify the chief  
13 elected official of the designating county or municipality in  
14 writing of the specific deficiencies which provide cause for  
15 decertification; (2) the Department shall place the  
16 designating county or municipality on probationary status for  
17 at least 6 months during which time corrective action may be  
18 achieved in the Enterprise Zone by the designating county or  
19 municipality; and (3) the Department shall conduct at least one  
20 public hearing within the Zone. If such corrective action is  
21 not achieved during the probationary period, the Department  
22 shall issue an amended certificate signed by the Director of  
23 the Department provisionally decertifying the Enterprise Zone  
24 as of the scheduled termination date of the then-current  
25 designation. In the event that the provisionally-decertified  
26 Zone was approved and designated after the 97th General

1 Assembly and has been in existence for less than 15 years, such  
2 Zone shall not be eligible for an additional 10-year  
3 designation after the expiration date of the original Zone set  
4 forth in subsection (c) of Section 5.3. Further, if such  
5 corrective action is not achieved during the probationary  
6 period provided for in this Section, following such  
7 probationary period the Zone becomes available for a different  
8 area to compete for designation.

9 (e) In the event of a decertification, provisional  
10 decertification, or an amendment reducing the length of the  
11 term or the area of an Enterprise Zone or the adoption of an  
12 ordinance reducing or eliminating tax benefits in an Enterprise  
13 Zone, all benefits previously extended within the Zone pursuant  
14 to this Act or pursuant to any other Illinois law providing  
15 benefits specifically to or within Enterprise Zones shall  
16 remain in effect for the original stated term of the Enterprise  
17 Zone, with respect to business enterprises within the Zone on  
18 the effective date of such decertification, provisional  
19 decertification, or amendment, and with respect to individuals  
20 participating in urban homestead programs under this Act.

21 (f) Except as otherwise provided in Section 5.4.1, with  
22 respect to business enterprises (or expansions thereof) which  
23 are proposed or under development within a Zone at the time of  
24 a decertification or an amendment reducing the length of the  
25 term of the Zone, or excluding from the Zone area the site of  
26 the proposed enterprise, or an ordinance reducing or

1 eliminating tax benefits in a Zone, such business enterprise  
2 shall be entitled to the benefits previously applicable within  
3 the Zone for the original stated term of the Zone, if the  
4 business enterprise establishes:

5 (i) that the proposed business enterprise or expansion  
6 has been committed to be located within the Zone;

7 (ii) that substantial and binding financial  
8 obligations have been made towards the development of such  
9 enterprise; and

10 (iii) that such commitments have been made in  
11 reasonable reliance on the benefits and programs which were  
12 to have been applicable to the enterprise by reason of the  
13 Zone, including in the case of a reduction in term of a  
14 zone, the original length of the term.

15 In declaratory judgment actions under this paragraph, the  
16 Department and the designating municipality or county shall be  
17 necessary parties defendant.

18 (Source: P.A. 90-258, eff. 7-30-97.)

19 (20 ILCS 655/8.1)

20 Sec. 8.1. Accounting.

21 (a) Any business receiving tax incentives due to its  
22 location within an Enterprise Zone or its designation as a High  
23 Impact Business must annually report to the Department of  
24 Revenue information reasonably required by the Department of  
25 Revenue to enable the Department to verify and calculate the

1 total Enterprise Zone or High Impact Business tax benefits for  
2 property taxes and taxes imposed by the State that are received  
3 by the business, broken down by incentive category and  
4 enterprise zone, if applicable. Reports will be due no later  
5 than May 31 of each year and shall cover the previous calendar  
6 year. The first report will be for the 2012 calendar year and  
7 will be due no later than May 31, 2013. Failure to report data  
8 may result in ineligibility to receive incentives. To the  
9 extent that a business receiving tax incentives has obtained an  
10 Enterprise Zone Building Materials Exemption Certificate or a  
11 High Impact Business Building Materials Exemption Certificate,  
12 that business is required to report those building materials  
13 exemption benefits only under subsection (a-5) of this Section.  
14 No additional reporting for those building materials exemption  
15 benefits is required under this subsection (a). In addition, if  
16 the Department determines that 80% or more of the businesses  
17 receiving tax incentives because of their location within a  
18 particular Enterprise Zone failed to submit the information  
19 required under this subsection (a) to the Department in any  
20 calendar year, then the Enterprise Zone may be decertified by  
21 the Department. The Department, in consultation with the  
22 Department of Revenue, is authorized to adopt rules governing  
23 ineligibility to receive exemptions, including the length of  
24 ineligibility. Factors to be considered in determining whether  
25 a business is ineligible shall include, but are not limited to,  
26 prior compliance with the reporting requirements, cooperation

1 in discontinuing and correcting violations, the extent of the  
2 violation, and whether the violation was willful or  
3 inadvertent.

4 (a-5) Each contractor or other entity that has been issued  
5 an Enterprise Zone Building Materials Exemption Certificate  
6 under Section 5k of the Retailers' Occupation Tax Act or a High  
7 Impact Business Building Materials Exemption Certificate under  
8 Section 5l of the Retailers' Occupation Tax Act shall annually  
9 report to the Department of Revenue the total value of the  
10 Enterprise Zone or High Impact Business building materials  
11 exemption from State taxes. Reports shall contain information  
12 reasonably required by the Department of Revenue to enable it  
13 to verify and calculate the total tax benefits for taxes  
14 imposed by the State, and shall be broken down by Enterprise  
15 Zone. Reports are due no later than May 31 of each year and  
16 shall cover the previous calendar year. The first report will  
17 be for the 2013 calendar year and will be due no later than May  
18 31, 2014. Failure to report data may result in revocation of  
19 the Enterprise Zone Building Materials Exemption Certificate  
20 or High Impact Business Building Materials Exemption  
21 Certificate issued to the contractor or other entity.

22 The Department of Revenue is authorized to adopt rules  
23 governing revocation determinations, including the length of  
24 revocation. Factors to be considered in revocations shall  
25 include, but are not limited to, prior compliance with the  
26 reporting requirements, cooperation in discontinuing and

1 correcting violations, and whether the certificate was used  
2 unlawfully during the preceding year.

3 (b) Each person required to file a return under the Gas  
4 Revenue Tax Act, the Gas Use Tax Act, the Electricity Excise  
5 Tax Act, or the Telecommunications Excise Tax Act shall file,  
6 on or before May 31 of each year, a report with the Department  
7 of Revenue, in the manner and form required by the Department  
8 of Revenue, containing information reasonably required by the  
9 Department of Revenue to enable the Department of Revenue to  
10 calculate the amount of the deduction for taxes imposed by the  
11 State that is taken under each Act, respectively, due to the  
12 location of a business in an Enterprise Zone or its designation  
13 as a High Impact Business. The report shall be itemized by  
14 business and the business location address.

15 (c) Employers shall report their job creation, retention,  
16 and capital investment numbers within the zone annually to the  
17 Department of Revenue no later than May 31 of each calendar  
18 year. High Impact Businesses shall report their job creation,  
19 retention, and capital investment numbers to the Department of  
20 Revenue no later than May 31 of each year. With respect to job  
21 creation or retention, employers and High Impact Businesses  
22 shall use best efforts to submit diversity information related  
23 to the gender and ethnicity of such employees.

24 (d) The Department of Revenue will aggregate and collect  
25 the tax, job, and capital investment data by Enterprise Zone  
26 and High Impact Business and report this information, formatted

1 to exclude company-specific proprietary information, to the  
2 Department and the Board by August 1, 2013, and by August 1 of  
3 every calendar year thereafter. The Department will include  
4 this information in their required reports under Section 6 of  
5 this Act. The Board shall consider this information during the  
6 reviews required under subsection (d-5) of Section 5.4 of this  
7 Act and subsection (c) of Section 5.3 of this Act.

8 (e) The Department of Revenue, in its discretion, may  
9 require that the reports filed under this Section be submitted  
10 electronically.

11 (f) The Department of Revenue shall have the authority to  
12 adopt rules as are reasonable and necessary to implement the  
13 provisions of this Section.

14 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.