



Sen. Steve Stadelman

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1 AMENDMENT TO HOUSE BILL 1769

2 AMENDMENT NO. _____. Amend House Bill 1769 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Reimagining Electric Vehicles in Illinois Act.

6 Section 5. Purpose. It is the intent of the General
7 Assembly that Illinois should lead the nation in the
8 production of electric vehicles. The General Assembly finds
9 that, through investments in electric vehicle manufacturing,
10 Illinois will be on the forefront of emerging technologies
11 that are currently transforming the auto manufacturing
12 industry. This Act will reduce carbon emissions, create good
13 paying jobs, and generate long-term economic investment in the
14 Illinois business economy. Illinois must aggressively adopt
15 new business development investment tools so that Illinois is
16 more competitive in site location decision-making for

1 manufacturing facilities directly related to the electric
2 vehicle industry. Illinois' long-term development benefits
3 from rational, strategic use of State resources in support of
4 development and growth in the electric vehicle industry.

5 The General Assembly finds that workers are essential to
6 the prosperity of our State's economy and play a critical role
7 in Illinois becoming leader in manufacturing. The General
8 Assembly further finds that, for the prosperity of our State,
9 workers in this industry must be afforded high quality jobs
10 that honor the dignity of work. Therefore, the General
11 Assembly finds that it is in the best interest of Illinois to
12 protect the work conditions, worker safety, and worker rights
13 in the manufacturing industry and further finds that employer
14 workplace policies shall be interpreted broadly to protect
15 employees.

16 Section 10. Definitions. As used in this Act:

17 "Agreement" means the agreement between a taxpayer and the
18 Department under the provisions of Section 45 of this Act.

19 "Applicant" means a taxpayer that (i) operates a business
20 in Illinois or is planning to locate a business within the
21 State of Illinois and (ii) is engaged in interstate or
22 intrastate commerce for the purpose of manufacturing electric
23 vehicles, electric vehicle component parts, or electric
24 vehicle power supply equipment. "Applicant" does not include a
25 taxpayer who closes or substantially reduces by more than 50%

1 operations at one location in the State and relocates
2 substantially the same operation to another location in the
3 State. This does not prohibit a Taxpayer from expanding its
4 operations at another location in the State. This also does
5 not prohibit a Taxpayer from moving its operations from one
6 location in the State to another location in the State for the
7 purpose of expanding the operation, provided that the
8 Department determines that expansion cannot reasonably be
9 accommodated within the municipality or county in which the
10 business is located, or, in the case of a business located in
11 an incorporated area of the county, within the county in which
12 the business is located, after conferring with the chief
13 elected official of the municipality or county and taking into
14 consideration any evidence offered by the municipality or
15 county regarding the ability to accommodate expansion within
16 the municipality or county.

17 "Capital improvements" means the purchase, renovation,
18 rehabilitation, or construction of permanent tangible land,
19 buildings, structures, equipment, and furnishings in an
20 approved project sited in Illinois and expenditures for goods
21 or services that are normally capitalized, including
22 organizational costs and research and development costs
23 incurred in Illinois. For land, buildings, structures, and
24 equipment that are leased, the lease must equal or exceed the
25 term of the agreement, and the cost of the property shall be
26 determined from the present value, using the corporate

1 interest rate prevailing at the time of the application, of
2 the lease payments.

3 "Credit" means either a "REV Illinois Credit" or a "REV
4 Construction Jobs Credit" agreed to between the Department and
5 applicant under this Act.

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

8 "Director" means the Director of Commerce and Economic
9 Opportunity.

10 "Electric vehicle" means a vehicle that is exclusively
11 powered by and refueled by electricity, must be plugged in to
12 charge or utilize a pre-charged battery, and is permitted to
13 operate on public roadways. "Electric vehicle" does not
14 include electric motorcycles or hybrid electric vehicles and
15 extended-range electric vehicles that are also equipped with
16 conventional fueled propulsion or auxiliary engines.

17 "Electric vehicle manufacturer" means a new or existing
18 manufacturer that is focused on reequipping, expanding, or
19 establishing a manufacturing facility in Illinois that
20 produces electric vehicles as defined in this Section.

21 "Electric vehicle component parts manufacturer" means a
22 new or existing manufacturer that is focused on reequipping,
23 expanding, or establishing a manufacturing facility in
24 Illinois that produces key components that directly support
25 the electric functions of electric vehicles, as defined by
26 this Section.

1 "Electric vehicle power supply equipment" means the
2 equipment used specifically for the purpose of delivering
3 electricity to an electric vehicle.

4 "Electric vehicle power supply manufacturer" means a new
5 or existing manufacturer that is focused on reequipping,
6 expanding, or establishing a manufacturing facility in
7 Illinois that produces electric vehicle power supply equipment
8 used for the purpose of delivering electricity to an electric
9 vehicle.

10 "Energy Transition Area" means a county with less than
11 100,000 people or a municipality that contains one or more of
12 the following:

13 (1) a fossil fuel plant that was retired from service
14 or has significant reduced service within 6 years before
15 the time of the application or will be retired or have
16 service significantly reduced within 6 years following the
17 time of the application; or

18 (2) a coal mine that was closed or had operations
19 significantly reduced within 6 years before the time of
20 the application or is anticipated to be closed or have
21 operations significantly reduced within 6 years following
22 the time of the application.

23 "Full-time employee" means an individual who is employed
24 for consideration for at least 35 hours each week or who
25 renders any other standard of service generally accepted by
26 industry custom or practice as full-time employment. An

1 individual for whom a W-2 is issued by a Professional Employer
2 Organization (PEO) is a full-time employee if employed in the
3 service of the applicant for consideration for at least 35
4 hours each week.

5 "Incremental income tax" means the total amount withheld
6 during the taxable year from the compensation of new employees
7 and, if applicable, retained employees under Article 7 of the
8 Illinois Income Tax Act arising from employment at a project
9 that is the subject of an agreement.

10 "Institution of higher education" or "institution" means
11 any accredited public or private university, college,
12 community college, business, technical, or vocational school,
13 or other accredited educational institution offering degrees
14 and instruction beyond the secondary school level.

15 "Minority person" means a minority person as defined in
16 the Business Enterprise for Minorities, Women, and Persons
17 with Disabilities Act.

18 "New employee" means a newly-hired full-time employee
19 employed to work at the project site and whose work is directly
20 related to the project.

21 "Noncompliance date" means, in the case of a taxpayer that
22 is not complying with the requirements of the agreement or the
23 provisions of this Act, the day following the last date upon
24 which the taxpayer was in compliance with the requirements of
25 the agreement and the provisions of this Act, as determined by
26 the Director, pursuant to Section 70.

1 "Pass-through entity" means an entity that is exempt from
2 the tax under subsection (b) or (c) of Section 205 of the
3 Illinois Income Tax Act.

4 "Placed in service" means the state or condition of
5 readiness, availability for a specifically assigned function,
6 and the facility is constructed and ready to conduct its
7 facility operations to manufacture goods.

8 "Professional employer organization" (PEO) means an
9 employee leasing company, as defined in Section 206.1 of the
10 Illinois Unemployment Insurance Act.

11 "Program" means the Reimagining Electric Vehicles in
12 Illinois Program (the REV Illinois Program) established in
13 this Act.

14 "Project" or "REV Illinois Project" means a for-profit
15 economic development activity for the manufacture of electric
16 vehicles, electric vehicle component parts, or electric
17 vehicle power supply equipment which is designated by the
18 Department as a REV Illinois Project and is the subject of an
19 agreement.

20 "Recycling facility" means a location at which the
21 taxpayer disposes of batteries and other component parts in
22 manufacturing of electric vehicles, electric vehicle component
23 parts, or electric vehicle power supply equipment.

24 "Related member" means a person that, with respect to the
25 taxpayer during any portion of the taxable year, is any one of
26 the following:

1 (1) An individual stockholder, if the stockholder and
2 the members of the stockholder's family (as defined in
3 Section 318 of the Internal Revenue Code) own directly,
4 indirectly, beneficially, or constructively, in the
5 aggregate, at least 50% of the value of the taxpayer's
6 outstanding stock.

7 (2) A partnership, estate, trust and any partner or
8 beneficiary, if the partnership, estate, or trust, and its
9 partners or beneficiaries own directly, indirectly,
10 beneficially, or constructively, in the aggregate, at
11 least 50% of the profits, capital, stock, or value of the
12 taxpayer.

13 (3) A corporation, and any party related to the
14 corporation in a manner that would require an attribution
15 of stock from the corporation under the attribution rules
16 of Section 318 of the Internal Revenue Code, if the
17 Taxpayer owns directly, indirectly, beneficially, or
18 constructively at least 50% of the value of the
19 corporation's outstanding stock.

20 (4) A corporation and any party related to that
21 corporation in a manner that would require an attribution
22 of stock from the corporation to the party or from the
23 party to the corporation under the attribution rules of
24 Section 318 of the Internal Revenue Code, if the
25 corporation and all such related parties own in the
26 aggregate at least 50% of the profits, capital, stock, or

1 value of the taxpayer.

2 (5) A person to or from whom there is an attribution of
3 stock ownership in accordance with Section 1563(e) of the
4 Internal Revenue Code, except, for purposes of determining
5 whether a person is a related member under this paragraph,
6 20% shall be substituted for 5% wherever 5% appears in
7 Section 1563(e) of the Internal Revenue Code.

8 "Retained employee" means a full-time employee employed by
9 the taxpayer prior to the term of the Agreement who continues
10 to be employed during the term of the agreement whose job
11 duties are directly and substantially related to the project.
12 For purposes of this definition, "directly and substantially
13 related to the project" means at least two-thirds of the
14 employee's job duties must be directly related to the project
15 and the employee must devote at least two-thirds of his or her
16 time to the project. The term "retained employee" does not
17 include any individual who has a direct or an indirect
18 ownership interest of at least 5% in the profits, equity,
19 capital, or value of the taxpayer or a child, grandchild,
20 parent, or spouse, other than a spouse who is legally
21 separated from the individual, of any individual who has a
22 direct or indirect ownership of at least 5% in the profits,
23 equity, capital, or value of the taxpayer.

24 "REV Illinois credit" means a credit agreed to between the
25 Department and the applicant under this Act that is based on
26 the incremental income tax attributable to new employees and,

1 if applicable, retained employees, and on training costs for
2 such employees at the applicant's project.

3 "REV construction jobs credit" means a credit agreed to
4 between the Department and the applicant under this Act that
5 is based on the incremental income tax attributable to
6 construction wages paid in connection with construction of the
7 project facilities.

8 "Statewide baseline" means the total number of full-time
9 employees of the applicant and any related member employed by
10 such entities at the time of application for incentives under
11 this Act.

12 "Taxpayer" means an individual, corporation, partnership,
13 or other entity that has a legal obligation to pay Illinois
14 income taxes and file an Illinois income tax return.

15 "Training costs" means costs incurred to upgrade the
16 technological skills of full-time employees in Illinois and
17 includes: curriculum development; training materials
18 (including scrap product costs); trainee domestic travel
19 expenses; instructor costs (including wages, fringe benefits,
20 tuition and domestic travel expenses); rent, purchase or lease
21 of training equipment; and other usual and customary training
22 costs. "Training costs" do not include costs associated with
23 travel outside the United States (unless the Taxpayer receives
24 prior written approval for the travel by the Director based on
25 a showing of substantial need or other proof the training is
26 not reasonably available within the United States), wages and

1 fringe benefits of employees during periods of training, or
2 administrative cost related to Full-Time Employees of the
3 Taxpayer.

4 "Underserved area" means any geographic areas as defined
5 in Section 5-5 of the Economic Development for a Growing
6 Economy Tax Credit Act.

7 Section 15. Powers of the Department. The Department, in
8 addition to those powers granted under the Civil
9 Administrative Code of Illinois, is granted and shall have all
10 the powers necessary or convenient to administer the program
11 under this Act and to carry out and effectuate the purposes and
12 provisions of this Act, including, but not limited to, the
13 power and authority to:

14 (1) adopt rules deemed necessary and appropriate for
15 the administration of the REV Illinois Program, the
16 designation of REV Illinois Projects, and the awarding of
17 credits;

18 (2) establish forms for applications, notifications,
19 contracts, or any other agreements and accept applications
20 at any time during the year;

21 (3) assist taxpayers pursuant to the provisions of
22 this Act and cooperate with taxpayers that are parties to
23 agreements under this Act to promote, foster, and support
24 economic development, capital investment, and job creation
25 or retention within the State;

1 (4) enter into agreements and memoranda of
2 understanding for participation of, and engage in
3 cooperation with, agencies of the federal government,
4 units of local government, universities, research
5 foundations or institutions, regional economic development
6 corporations, or other organizations to implement the
7 requirements and purposes of this Act;

8 (5) gather information and conduct inquiries, in the
9 manner and by the methods it deems desirable, including
10 without limitation, gathering information with respect to
11 applicants for the purpose of making any designations or
12 certifications necessary or desirable or to gather
13 information to assist the Department with any
14 recommendation or guidance in the furtherance of the
15 purposes of this Act;

16 (6) establish, negotiate and effectuate agreements and
17 any term, agreement, or other document with any person,
18 necessary or appropriate to accomplish the purposes of
19 this Act; and to consent, subject to the provisions of any
20 agreement with another party, to the modification or
21 restructuring of any agreement to which the Department is
22 a party;

23 (7) fix, determine, charge, and collect any premiums,
24 fees, charges, costs, and expenses from applicants,
25 including, without limitation, any application fees,
26 commitment fees, program fees, financing charges, or

1 publication fees as deemed appropriate to pay expenses
2 necessary or incident to the administration, staffing, or
3 operation in connection with the Department's activities
4 under this Act, or for preparation, implementation, and
5 enforcement of the terms of the agreement, or for
6 consultation, advisory and legal fees, and other costs;
7 however, all fees and expenses incident thereto shall be
8 the responsibility of the applicant;

9 (8) provide for sufficient personnel to permit
10 administration, staffing, operation, and related support
11 required to adequately discharge its duties and
12 responsibilities described in this Act from funds made
13 available through charges to applicants or from funds as
14 may be appropriated by the General Assembly for the
15 administration of this Act;

16 (9) require applicants, upon written request, to issue
17 any necessary authorization to the appropriate federal,
18 State, or local authority for the release of information
19 concerning a project being considered under the provisions
20 of this Act, with the information requested to include,
21 but not be limited to, financial reports, returns, or
22 records relating to the taxpayer or its project;

23 (10) require that a taxpayer shall at all times keep
24 proper books of record and account in accordance with
25 generally accepted accounting principles consistently
26 applied, with the books, records, or papers related to the

1 agreement in the custody or control of the taxpayer open
2 for reasonable Department inspection and audits, and
3 including, without limitation, the making of copies of the
4 books, records, or papers, and the inspection or appraisal
5 of any of the taxpayer or project assets;

6 (11) take whatever actions are necessary or
7 appropriate to protect the State's interest in the event
8 of bankruptcy, default, foreclosure, or noncompliance with
9 the terms and conditions of financial assistance or
10 participation required under this Act, including the power
11 to sell, dispose, lease, or rent, upon terms and
12 conditions determined by the Director to be appropriate,
13 real or personal property that the Department may receive
14 as a result of these actions.

15 Section 20. REV Illinois Program; project applications.

16 (a) The Reimagining Electric Vehicles in Illinois (REV
17 Illinois) Program is hereby established and shall be
18 administered by the Department. The Program will provide
19 financial incentives to eligible manufacturers of electric
20 vehicles, electric vehicle component parts, and electric
21 vehicle power supply equipment.

22 (b) Any taxpayer planning a project to be located in
23 Illinois may request consideration for designation of its
24 project as a REV Illinois Project, by formal written letter of
25 request or by formal application to the Department, in which

1 the applicant states its intent to make at least a specified
2 level of investment and intends to hire a specified number of
3 full-time employees at a designated location in Illinois. As
4 circumstances require, the Department shall require a formal
5 application from an applicant and a formal letter of request
6 for assistance.

7 (c) In order to qualify for credits under the REV Illinois
8 Program, an Applicant must:

9 (1) for an electric vehicle manufacturer:

10 (A) make an investment of at least \$1,500,000,000
11 in capital improvements at the project site;

12 (B) to be placed in service within the State
13 within a 60-month period after approval of the
14 application; and

15 (C) create at least 500 new full-time employee
16 jobs; or

17 (2) for an electric vehicle component parts
18 manufacturer:

19 (A) make an investment of at least \$300,000,000 in
20 capital improvements at the project site;

21 (B) manufacture one or more parts that are
22 primarily used for electric vehicle manufacturing;

23 (C) to be placed in service within the State
24 within a 60-month period after approval of the
25 application; and

26 (D) create at least 150 new full-time employee

1 jobs; or

2 (3) for an electric vehicle manufacturer, electric
3 vehicle power supply equipment Manufacturer, or electric
4 vehicle component part manufacturer that does not qualify
5 under paragraph (2) above:

6 (A) make an investment of at least \$20,000,000 in
7 capital improvements at the project site;

8 (B) for electric vehicle component part
9 manufacturers, manufacture one or more parts that are
10 primarily used for electric vehicle manufacturing;

11 (C) to be placed in service within the State
12 within a 48-month period after approval of the
13 application; and

14 (D) create at least 50 new full-time employee
15 jobs; or

16 (4) for an electric vehicle manufacturer or electric
17 vehicle component parts manufacturer with existing
18 operations within Illinois that intends to convert or
19 expand, in whole or in part, the existing facility from
20 traditional manufacturing to electric vehicle
21 manufacturing, electric vehicle component parts
22 manufacturing, or electric vehicle power supply equipment
23 manufacturing:

24 (A) make an investment of at least \$100,000,000 in
25 capital improvements at the project site;

26 (B) to be placed in service within the State

1 within a 60-month period after approval of the
2 application; and

3 (C) create the lesser of 75 new full-time employee
4 jobs or new full-time employee jobs equivalent to 10%
5 of the Statewide baseline applicable to the taxpayer
6 and any related member at the time of application.

7 (d) For any applicant creating the full-time employee jobs
8 noted in subsection (c), those jobs must have a total
9 compensation equal to or greater than 120% of the average wage
10 paid to full-time employees in the county where the project is
11 located, as determined by the U.S. Bureau of Labor Statistics.

12 (e) For any applicant, within 24 months after being placed
13 in service, it must certify to the Department that it is carbon
14 neutral or has attained certification under one of more of the
15 following green building standards:

16 (1) BREEAM for New Construction or BREEAM In-Use;

17 (2) ENERGY STAR;

18 (3) Envision;

19 (4) ISO 50001 - energy management;

20 (5) LEED for Building Design and Construction or LEED
21 for Building Operations and Maintenance;

22 (6) Green Globes for New Construction or Green Globes
23 for Existing Buildings; or

24 (7) UL 3223.

25 (f) Each applicant must outline its hiring plan and
26 commitment to recruit and hire full-time employee positions at

1 the project site. The hiring plan may include a partnership
2 with an institution of higher education to provide
3 internships, including, but not limited to, internships
4 supported by the Clean Jobs Workforce Network Program, or
5 full-time permanent employment for students at the project
6 site. Additionally, the applicant may create or utilize
7 participants from apprenticeship programs that are approved by
8 and registered with the United States Department of Labor's
9 Bureau of Apprenticeship and Training. The Applicant may apply
10 for apprenticeship education expense credits in accordance
11 with the provisions set forth in 14 Ill. Admin. Code 522. Each
12 applicant is required to report annually, on or before April
13 15, on the diversity of its workforce in accordance with
14 Section 50 of this Act. For existing facilities of applicants
15 under paragraph (3) of subsection (b) above, if the taxpayer
16 expects a reduction in force due to its transition to
17 manufacturing electric vehicle, electric vehicle component
18 parts, or electric vehicle power supply equipment, the plan
19 submitted under this Section must outline the taxpayer's plan
20 to assist with retraining its workforce aligned with the
21 taxpayer's adoption of new technologies and anticipated
22 efforts to retrain employees through employment opportunities
23 within the taxpayer's workforce.

24 (g) Each applicant must demonstrate a contractual or other
25 relationship with a recycling facility, or demonstrate its own
26 recycling capabilities, at the time of application and report

1 annually a continuing contractual or other relationship with a
2 recycling facility and the percentage of batteries used in
3 electric vehicles recycled throughout the term of the
4 agreement.

5 (h) A taxpayer may not enter into more than one agreement
6 under this Act with respect to a single address or location for
7 the same period of time. Also, a taxpayer may not enter into an
8 agreement under this Act with respect to a single address or
9 location for the same period of time for which the taxpayer
10 currently holds an active agreement under the Economic
11 Development for a Growing Economy Tax Credit Act. This
12 provision does not preclude the applicant from entering into
13 an additional agreement after the expiration or voluntary
14 termination of an earlier agreement under this Act or under
15 the Economic Development for a Growing Economy Tax Credit Act
16 to the extent that the taxpayer's application otherwise
17 satisfies the terms and conditions of this Act and is approved
18 by the Department. An applicant with an existing agreement
19 under the Economic Development for a Growing Economy Tax
20 Credit Act may submit an application for an agreement under
21 this Act after it terminates any existing agreement under the
22 Economic Development for a Growing Economy Tax Credit Act with
23 respect to the same address or location.

24 Section 25. Review of application. The Department shall
25 determine which projects will benefit the State. In making its

1 recommendation that an applicant's application for credit
2 should or should not be accepted, which shall occur within a
3 reasonable time frame as determined by the nature of the
4 application, the Department shall determine that all the
5 following conditions exist:

6 (1) the applicant intends to make the required
7 investment in the State and intends to hire the required
8 number of full-time employees;

9 (2) the applicant's project is economically sound and
10 will benefit the people of the State by increasing
11 opportunities for employment and strengthen the economy of
12 the State;

13 (3) awarding the credit will result in an overall
14 positive fiscal impact to the State, as certified by the
15 Department using the best available data; and

16 (4) the credit is not prohibited under this Act.

17 Section 30. Tax credit awards.

18 (a) Subject to the conditions set forth in this Act, a
19 taxpayer is entitled to a credit against the tax imposed
20 pursuant to subsections (a) and (b) of Section 201 of the
21 Illinois Income Tax Act for a taxable year beginning on or
22 after January 1, 2025 if the taxpayer is awarded a credit by
23 the Department in accordance with an agreement under this Act.
24 The Department has authority to award credits under this Act
25 on and after January 1, 2022.

1 (b) REV Illinois Credits. A taxpayer may receive a tax
2 credit against the tax imposed under subsections (a) and (b)
3 of Section 201 of the Illinois Income Tax Act, not to exceed
4 the sum of (i) 75% of the incremental income tax attributable
5 to new employees at the applicant's project and (ii) 10% of the
6 training costs of the new employees. If the project is located
7 in an underserved area or an energy transition area, then the
8 amount of the credit may not exceed the sum of (i) 100% of the
9 incremental income tax attributable to new employees at the
10 applicant's project; and (ii) 10% of the training costs of the
11 new employees. The percentage of training costs includable in
12 the calculation may be increased by an additional 15% for
13 training costs associated with new employees that are recent
14 (2 years or less) graduates, certificate holders, or
15 credential recipients from an institution of higher education
16 in Illinois, or, if the training is provided by an institution
17 of higher education in Illinois or an apprenticeship and
18 training program located in Illinois and approved by and
19 registered with the United States Department of Labor's Bureau
20 of Apprenticeship and Training. The percentage of training
21 costs includable in the calculation shall not exceed a total
22 of 25%. If an applicant agrees to hire the required number of
23 new employees, then the maximum amount of the credit for that
24 applicant may be increased by an amount not to exceed 25% of
25 the incremental income tax attributable to retained employees
26 at the applicant's project; provided that, in order to receive

1 the increase for retained employees, the applicant must, if
2 applicable, meet or exceed the statewide baseline. If the
3 Project is in an underserved area or an energy transition
4 area, the maximum amount of the credit attributable to
5 retained employees for the applicant may be increased to an
6 amount not to exceed 50% of the incremental income tax
7 attributable to retained employees at the applicant's project;
8 provided that, in order to receive the increase for retained
9 employees, the applicant must meet or exceed the statewide
10 baseline. REV Illinois Credits awarded may include credit
11 earned for incremental income tax withheld and training costs
12 incurred by the taxpayer in any taxable year beginning on or
13 after January 1, 2022. Credits so earned and certified by the
14 Department may be applied against the tax imposed by
15 subsections (a) and (b) of Section 201 of the Illinois Income
16 Tax Act for taxable years beginning on or after January 1,
17 2025.

18 (c) REV Construction Jobs Credit. For construction wages
19 associated with a project that qualified for a REV Illinois
20 Credit under subsection (b), the taxpayer may receive a tax
21 credit against the tax imposed under subsections (a) and (b)
22 of Section 201 of the Illinois Income Tax Act in an amount
23 equal to 50% of the incremental income tax attributable to
24 construction wages paid in connection with construction of the
25 project facilities, as a jobs credit for workers hired to
26 construct the project.

1 The REV Construction Jobs Credit may not exceed 75% of the
2 amount of the incremental income tax attributable to
3 construction wages paid in connection with construction of the
4 project facilities if the project is in an underserved area or
5 an energy transition area.

6 (d) The Department shall certify to the Department of
7 Revenue: (1)the identity of Taxpayers that are eligible for
8 the REV Illinois Credit and REV Construction Jobs Credit;
9 (2)the amount of the REV Illinois Credits and REV Construction
10 Jobs Credits awarded in each calendar year; and (3) the amount
11 of the REV Illinois Credit and REV Construction Jobs Credit
12 claimed in each calendar year. REV Illinois Credits awarded
13 may include credit earned for Incremental Income Tax withheld
14 and Training Costs incurred by the Taxpayer in any taxable
15 year beginning on or after January 1, 2022. Credits so earned
16 and certified by the Department may be applied against the tax
17 imposed by section 201(a) and (b) of the Illinois Income Tax
18 Act for taxable years beginning on or after January 1, 2025.

19 (e) Applicants seeking certification for a tax credits
20 related to the construction of the project facilities in the
21 State shall require the contractor to enter into a project
22 labor agreement approved by the Department of Labor.

23 (f) Any applicant issued a certificate for a tax credit or
24 tax exemption under this Act must annually report to the
25 Department the total project tax benefits received. Reports
26 are due no later than May 31 of each year and shall cover the

1 previous calendar year. The first report is for the 2022
2 calendar year and is due no later than May 31, 2023.

3 (g) Nothing in this Act shall prohibit an award of credit
4 to an applicant that uses a PEO if all other award criteria are
5 satisfied.

6 (h) With respect to any portion of a REV Illinois Credit
7 that is based on the incremental income tax attributable to
8 new employees or retained employees, in lieu of the Credit
9 allowed under this Act against the taxes imposed pursuant to
10 subsections (a) and (b) of Section 201 of the Illinois Income
11 Tax Act, a taxpayer that otherwise meets the criteria set
12 forth in this Section, the taxpayer may elect to claim the
13 credit, on or after January 1, 2025, against its obligation to
14 pay over withholding under Section 704A of the Illinois Income
15 Tax Act. The election shall be made in the manner prescribed by
16 the Department of Revenue and once made shall be irrevocable.

17 (i) A pass-through entity that has been awarded a credit
18 under this Act, its shareholders, or its partners may treat
19 some or all the credit awarded pursuant to this Act as a tax
20 payment for purposes of the Illinois Income Tax Act. The term
21 "tax payment" means a payment as described in Article 6 or
22 Article 8 of the Illinois Income Tax Act or a composite payment
23 made by a pass-through entity on behalf of any of its
24 shareholders or partners to satisfy such shareholders' or
25 partners' taxes imposed pursuant to subsections (a) and (b) of
26 Section 201 of the Illinois Income Tax Act. In no event shall

1 the amount of the award credited pursuant to this Act exceed
2 the Illinois income tax liability of the pass-through entity
3 or its shareholders or partners for the taxable year.

4 Section 35. Relocation of jobs in Illinois. A taxpayer is
5 not entitled to claim a credit provided by this Act with
6 respect to any jobs that the Taxpayer relocates from one site
7 in Illinois to another site in Illinois. Any full-time
8 employee relocated to Illinois in connection with a qualifying
9 project is deemed to be a new employee for purposes of this
10 Act. Determinations under this Section shall be made by the
11 Department.

12 Section 40. Amount and duration of the credits; limitation
13 to amount of costs of specified items. The Department shall
14 determine the amount and duration of the REV Illinois Credit
15 awarded under this Act, subject to the limitations set forth
16 in this Act. For a project that qualified under paragraph (1),
17 (2), or (4) of subsection (c) of Section 20, the duration of
18 the credit may not exceed 15 taxable years. For project that
19 qualified under paragraph (3) of subsection (c) of Section 20,
20 the duration of the credit may not exceed 10 taxable years. The
21 credit may be stated as a percentage of the incremental income
22 tax and training costs attributable to the applicant's project
23 and may include a fixed dollar limitation.

24 Nothing in this Section shall prevent the Department, in

1 consultation with the Department of Revenue, from adopting
2 rules to extend the sunset of any earned, existing, and unused
3 tax credit or credits a taxpayer may be in possession of, as
4 provided for in Section 605-1055 of the Department of Commerce
5 and Economic Opportunity Law of the Civil Administrative Code
6 of Illinois, notwithstanding the carry-forward provisions
7 pursuant to paragraph (4) of Section 211 of the Illinois
8 Income Tax Act.

9 Section 45. Contents of agreements with applicants.

10 (a) The Department shall enter into an agreement with an
11 applicant that is awarded a credit under this Act. The
12 agreement shall include all of the following:

13 (1) A detailed description of the project that is the
14 subject of the agreement, including the location and
15 amount of the investment and jobs created or retained.

16 (2) The duration of the credit, the first taxable year
17 for which the credit may be awarded, and the first taxable
18 year in which the credit may be used by the taxpayer.

19 (3) The credit amount that will be allowed for each
20 taxable year.

21 (4) For a project qualified under paragraphs (1), (2),
22 or (4) of subsection (c) of Section 20, a requirement that
23 the taxpayer shall maintain operations at the project
24 location a minimum number of years not to exceed 15. For
25 project qualified under paragraph (3) of subsection (c) of

1 Section 20, a requirement that the taxpayer shall maintain
2 operations at the project location a minimum number of
3 years not to exceed 10.

4 (5) A specific method for determining the number of
5 new employees and if applicable, retained employees,
6 employed during a taxable year.

7 (6) A requirement that the taxpayer shall annually
8 report to the Department the number of new employees, the
9 incremental income tax withheld in connection with the new
10 employees, and any other information the Department deems
11 necessary and appropriate to perform its duties under this
12 Act.

13 (7) A requirement that the Director is authorized to
14 verify with the appropriate State agencies the amounts
15 reported under paragraph (6), and after doing so shall
16 issue a certificate to the taxpayer stating that the
17 amounts have been verified.

18 (8) A requirement that the taxpayer shall provide
19 written notification to the Director not more than 30 days
20 after the taxpayer makes or receives a proposal that would
21 transfer the taxpayer's State tax liability obligations to
22 a successor taxpayer.

23 (9) A detailed description of the number of new
24 employees to be hired, and the occupation and payroll of
25 full-time jobs to be created or retained because of the
26 project.

1 (10) The minimum investment the taxpayer will make in
2 capital improvements, the time period for placing the
3 property in service, and the designated location in
4 Illinois for the investment.

5 (11) A requirement that the taxpayer shall provide
6 written notification to the Director and the Director's
7 designee not more than 30 days after the taxpayer
8 determines that the minimum job creation or retention,
9 employment payroll, or investment no longer is or will be
10 achieved or maintained as set forth in the terms and
11 conditions of the agreement. Additionally, the
12 notification should outline to the Department the number
13 of layoffs, date of the layoffs, and detail taxpayer's
14 efforts to provide career and training counseling for the
15 impacted workers with industry-related certifications and
16 trainings.

17 (12) A provision that, if the total number of new
18 employees falls below a specified level, the allowance of
19 credit shall be suspended until the number of new
20 employees equals or exceeds the agreement amount.

21 (13) If applicable, a provision that specifies the
22 statewide baseline at the time of application for retained
23 employees. Additionally, the agreement must have a
24 provision addressing if the total number retained
25 employees falls below the statewide baseline, the
26 allowance of the credit shall be suspended until the

1 number of retained employees equals or exceeds the
2 agreement amount.

3 (14) A detailed description of the items for which the
4 costs incurred by the Taxpayer will be included in the
5 limitation on the Credit provided in Section 40.

6 (15) A provision stating that if the taxpayer fails to
7 meet either the investment or job creation and retention
8 requirements specified in the agreement during the entire
9 5-year period beginning on the first day of the first
10 taxable year in which the agreement is executed and ending
11 on the last day of the fifth taxable year after the
12 agreement is executed, then the agreement is automatically
13 terminated on the last day of the fifth taxable year after
14 the agreement is executed, and the taxpayer is not
15 entitled to the award of any credits for any of that 5-year
16 period.

17 (16) A provision stating that if the taxpayer ceases
18 principal operations with the intent to permanently shut
19 down the project in the State during the term of the
20 Agreement, then the entire credit amount awarded to the
21 taxpayer prior to the date the taxpayer ceases principal
22 operations shall be returned to the Department and shall
23 be reallocated to the local workforce investment area in
24 which the project was located.

25 (17) A provision stating that the Taxpayer must
26 provide the reports outlined in Sections 50 and 55 on or

1 before April 15 each year.

2 (18) A provision requiring the taxpayer to report
3 annually its contractual obligations or otherwise with a
4 recycling facility for its operations.

5 (19) Any other performance conditions or contract
6 provisions the Department determines are necessary or
7 appropriate.

8 (b) The Department shall post on its website the terms of
9 each agreement entered into under this Act. Such information
10 shall be posted within 10 days after entering into the
11 agreement and must include the following:

12 (1) the name of the taxpayer;

13 (2) the location of the project;

14 (3) the estimated value of the credit;

15 (4) the number of new employee jobs and, if
16 applicable, number of retained employee jobs at the
17 project; and

18 (5) whether or not the project is in an underserved
19 area or energy transition area.

20 Section 50. Diversity report on the taxpayer's workforce,
21 board of directors, and vendors.

22 (a) Each taxpayer with an agreement for a REV Illinois
23 project under this Act shall, starting on April 15, 2025, and
24 every year thereafter prior to April 15, for which the
25 Taxpayer has an Agreement under this Act, submit to the

1 Department an annual report detailing the diversity of the
2 taxpayer's own workforce, including full-time and part-time
3 employees, contractors, and board of directors' membership.
4 Any taxpayer seeking to claim a credit under this Act that
5 fails to timely submit the required report shall not receive a
6 credit for that taxable year unless and until such report is
7 finalized and submitted to the Department. The report should
8 also address the Taxpayer's best efforts to meet or exceed the
9 recruitment and hiring plan outlined in the application
10 referenced in Section 20. Those reports shall be submitted in
11 the form and manner required by the Department.

12 (b) Vendor diversity and annual report. If the taxpayer
13 tracks the diversity of the vendors that it utilizes, the
14 Taxpayer shall report, no later than April 15 of each taxable
15 year for which the taxpayer claims a credit under this Act, the
16 following information to the Department:

17 (1) a point of contact for potential vendors to
18 register with the taxpayer's REV Illinois Project;

19 (2) certifications that the taxpayer accepts or
20 recognizes for minority and women-owned businesses as
21 entities;

22 (3) the taxpayers goals to contract with diverse
23 vendors, if any, for the next fiscal year for the entire
24 budget of the Taxpayer's REV Illinois Project;

25 (4) for the last fiscal year, the actual contractual
26 spending for the entire budget of the REV Illinois Project

1 and the actual spending for minority-owned businesses and
2 women-owned businesses, expressed as a percentage of the
3 total budget for actual spending for the REV Illinois
4 project;

5 (5) A narrative explaining the results of the report
6 and the taxpayer's plan to address the voluntary goals for
7 the next fiscal year; and

8 (6) A copy of the taxpayer's submission of vendor
9 diversity information to the federal government, including
10 but not limited to vendor diversity goals and actual
11 contractual spending for minority-and women-owned
12 businesses, if the Taxpayer is a federal contractor and is
13 required by the federal government to submit such
14 information.

15 Section 55. Sexual harassment policy report. Each taxpayer
16 claiming a credit under this Act shall, prior to April 15 of
17 each taxable year for which the taxpayer claims a credit under
18 this Act, submit to the Department a report detailing that
19 taxpayer's sexual harassment policy, which contains, at a
20 minimum, the following information: (i) the illegality of
21 sexual harassment; (ii) the definition of sexual harassment
22 under State law; (iii) a description of sexual harassment,
23 utilizing examples; (iv) the vendor's internal complaint
24 process, including penalties; (v) the legal recourse and
25 investigative and complaint processes available through the

1 Department; (vi) directions on how to contact the Department;
2 and (vii) protection against retaliation as provided by
3 Section 6-101 of the Illinois Human Rights Act. A copy of the
4 policy shall be provided to the Department upon request. The
5 reports required under this Section shall be submitted in a
6 form and manner determined by the Department.

7 Section 60. Certificate of verification; submission to the
8 Department of Revenue.

9 (a) A taxpayer claiming a credit under this Act shall
10 submit to the Department of Revenue a copy of the Director's
11 certificate of verification under this Act for the taxable
12 year. However, failure to submit a copy of the certificate
13 with the taxpayer's tax return shall not invalidate a claim
14 for a credit.

15 (b) For a taxpayer to be eligible for a certificate of
16 verification, the taxpayer shall provide proof as required by
17 the Department, prior to the end of each calendar year,
18 including, but not limited to, attestation by the taxpayer
19 that:

20 (1) The project has achieved the level of new employee
21 jobs specified in the agreement.

22 (2) The project has achieved the level of annual
23 payroll in Illinois specified in its agreement.

24 (3) The project has achieved the level of capital
25 improvements in Illinois specified in its agreement.

1 (4) The project has achieved and maintained carbon
2 neutrality or one of the certifications specified in this
3 Act.

4 Section 65. Certified payroll.

5 (a) Each contractor and subcontractor that is engaged in
6 construction work on project facilities for a taxpayer who
7 seeks to apply for a REV Construction Jobs credit shall:

8 (1) make and keep, for a period of 5 years from the
9 date of the last payment made on a contract or subcontract
10 for construction of facilities for a REV Illinois Project
11 pursuant to an agreement, records of all laborers and
12 other workers employed by the contractor or subcontractor
13 on the project; the records shall include:

14 (A) the worker's name;

15 (B) the worker's address;

16 (C) the worker's telephone number, if available;

17 (D) the worker's social security number;

18 (E) the worker's classification or
19 classifications;

20 (F) the worker's gross and net wages paid in each
21 pay period;

22 (G) the worker's number of hours worked in each
23 day;

24 (H) the worker's starting and ending times of work
25 each day;

1 (I) the worker's hourly wage rate; and
2 (J) the worker's hourly overtime wage rate; and
3 (2) no later than the 15th day of each calendar month,
4 provide a certified payroll for the immediately preceding
5 month to the taxpayer in charge of the project; within 5
6 business days after receiving the certified payroll, the
7 Taxpayer shall file the certified payroll with the
8 Department of Labor and the Department; a certified
9 payroll must be filed for only those calendar months
10 during which construction on the REV Illinois Project
11 facilities has occurred; the certified payroll shall
12 consist of a complete copy of the records identified in
13 paragraph (1), but may exclude the starting and ending
14 times of work each day; the certified payroll shall be
15 accompanied by a statement signed by the contractor or
16 subcontractor or an officer, employee, or agent of the
17 contractor or subcontractor which avers that:

18 (A) he or she has examined the certified payroll
19 records required to be submitted by the Act and such
20 records are true and accurate; and

21 (B) the contractor or subcontractor is aware that
22 filing a certified payroll that he or she knows to be
23 false is a Class A misdemeanor.

24 A general contractor is not prohibited from relying on a
25 certified payroll of a lower-tier subcontractor, provided the
26 general contractor does not knowingly rely upon a

1 subcontractor's false certification.

2 (b) Any contractor or subcontractor subject to this
3 Section, and any officer, employee, or agent of such
4 contractor or subcontractor whose duty as an officer,
5 employee, or agent it is to file a certified payroll under this
6 Section, who willfully fails to file such a certified payroll,
7 on or before the date such certified payroll is required to be
8 filed and any person who willfully files a false certified
9 payroll as to any material fact is in violation of this Act and
10 guilty of a Class A misdemeanor.

11 (c) The taxpayer in charge of the project shall keep the
12 records submitted in accordance with this Section for a period
13 of 5 years from the date of the last payment for work on a
14 contract or subcontract for the project.

15 (d) The records submitted in accordance with this Section
16 shall be considered public records, except an employee's
17 address, telephone number, and social security number, which
18 shall be redacted. The records shall be made publicly
19 available in accordance with the Freedom of Information Act.
20 The Department of Labor shall accept any reasonable
21 submissions by the contractor or subcontractor that meet the
22 requirements of this subsection and shall share the
23 information with the Department to comply with the awarding of
24 the REV Construction Jobs Credit. A contractor, subcontractor,
25 or public body may retain records required under this Section
26 in paper or electronic format.

1 (e) Upon 7 business days' notice, the contractor and each
2 subcontractor shall make available for inspection and copying
3 at a location within this State during reasonable hours, the
4 records identified in paragraph (1) of this subsection to the
5 Taxpayer in charge of the Project, its officers and agents,
6 the Director of the Department of Labor and his/her deputies
7 and agents, and to federal, State, or local law enforcement
8 agencies and prosecutors.

9 Section 70. Noncompliance; notice; assessment. If the
10 Director determines that a taxpayer who has received a credit
11 under this Act is not complying with the requirements of the
12 agreement or all of the provisions of this Act, the Director
13 shall provide notice to the taxpayer of the alleged
14 noncompliance and allow the taxpayer a hearing under the
15 provisions of the Illinois Administrative Procedure Act. If,
16 after such notice and any hearing, the Director determines
17 that a noncompliance exists, the Director shall issue to the
18 Department of Revenue notice to that effect, stating the
19 noncompliance date. If, during the term of an agreement, the
20 taxpayer ceases operations at a project location that is the
21 subject of that agreement with the intent to terminate
22 operations in the State, the Department and the Department of
23 Revenue shall recapture from the taxpayer the entire credit
24 amount awarded under that agreement prior to the date the
25 taxpayer ceases operations. The Department shall, subject to

1 appropriation, reallocate the recaptured amounts within 6
2 months to the local workforce investment area in which the
3 project was located for purposes of workforce development,
4 expanded opportunities for unemployed persons, and expanded
5 opportunities for women and minority persons in the workforce.
6 The taxpayer will be ineligible for future funding under other
7 State tax credit or exemption programs for a 36-month period.
8 Noncompliance of the agreement with result in a default of
9 other agreements for State tax credits and exemption programs
10 for the project.

11 Section 75. Annual report.

12 (a) On or before July 1 each year, the Department shall
13 submit a report on the tax credit program under this Act to the
14 Governor and the General Assembly. The report shall include
15 information on the number of agreements that were entered into
16 under this Act during the preceding calendar year, a
17 description of the project that is the subject of each
18 agreement, an update on the status of projects under
19 agreements entered into before the preceding calendar year,
20 and the sum of the credits awarded under this Act. A copy of
21 the report shall be delivered to the Governor and to each
22 member of the General Assembly.

23 (b) The report must include, for each agreement:

24 (1) the original estimates of the value of the credit
25 and the number of new employee jobs to be created and, if

- 1 applicable, the number of retained employee jobs;
- 2 (2) any relevant modifications to existing agreements;
- 3 (3) a statement of the progress made by each taxpayer
- 4 in meeting the terms of the original agreement;
- 5 (4) a statement of wages paid to new employees and, if
- 6 applicable, retained employees in the State; and
- 7 (5) a copy of the original agreement or link to the
- 8 agreement on the Department's website.

9 Section 80. Evaluation of tax credit program. The

10 Department shall evaluate the tax credit program every three

11 years and issue a report. The evaluation shall include an

12 assessment of the effectiveness of the program in creating new

13 jobs in Illinois and of the revenue impact of the program and

14 may include a review of the practices and experiences of other

15 states with similar programs. The Director shall submit a

16 report on the evaluation to the Governor and the General

17 Assembly three years after the Effective Date of the Act and

18 every three years thereafter.

19 Section 85. Sunset of new agreements. The Department shall

20 not enter into any new Agreements under the provisions of this

21 Act after December 31, 2027.

22 Section 90. Prioritization of project review with the

23 Department of Transportation. A project that would directly

1 assist in the feasibility of locating an electric vehicle
2 manufacturing facility, component parts manufacturing
3 facility, or electric vehicle power supply manufacturing
4 facility may be prioritized by the Secretary of Transportation
5 if: (i) such project is included in the Highway Improvement
6 Program; and (ii) the company will operate the facility that
7 was approved to receive a REV Construction Jobs credit or a REV
8 Illinois credit. Under no circumstances should a project be
9 prioritized if it would compromise the delivery of a project
10 to remediate an immediate threat to safety.

11 Section 95. Utility tax exemptions for REV Illinois
12 Project sites. The Department may certify a taxpayer with a
13 REV Illinois credit for a Project that meets the
14 qualifications under Section paragraphs (1), (2), and (4) of
15 subsection (c) of Section 20, subject to an agreement under
16 this Act for an exemption from the tax imposed at the project
17 site by Section 2-4 of the Electricity Excise Tax Law. To
18 receive such certification, the taxpayer must be registered to
19 self-assess that tax. The taxpayer is also exempt from any
20 additional charges added to the taxpayer's utility bills at
21 the project site as a pass-on of State utility taxes under
22 Section 9-222 of the Public Utilities Act. The taxpayer must
23 meet any other the criteria for certification set by the
24 Department.

25 The Department shall determine the period during which the

1 exemption from the Electricity Excise Tax Law and the charges
2 imposed under Section 9-222 of the Public Utilities Act are in
3 effect, which shall not exceed 10 years from the date of the
4 taxpayer's initial receipt of certification from the
5 Department under this Section.

6 The Department is authorized to adopt rules to carry out
7 the provisions of this Section, including procedures to apply
8 for the exemptions; to define the amounts and types of
9 eligible investments that an applicant must make in order to
10 receive electricity excise tax exemptions or exemptions from
11 the additional charges imposed under Section 9-222 and the
12 Public Utilities Act; to approve such electricity excise tax
13 exemptions for applicants whose investments are not yet placed
14 in service; and to require that an applicant granted an
15 electricity excise tax exemption or an exemption from
16 additional charges under Section 9-222 of the Public Utilities
17 Act repay the exempted amount if the Applicant fails to comply
18 with the terms and conditions of the agreement.

19 Upon certification by the Department under this Section,
20 the Department shall notify the Department of Revenue of the
21 certification. The Department of Revenue shall notify the
22 public utilities of the exempt status of any taxpayer
23 certified for exemption under this Act from the electricity
24 excise tax or pass-on charges. The exemption status shall take
25 effect within 3 months after certification of the taxpayer and
26 notice to the Department of Revenue by the Department.

1 Section 100. Investment tax credits for REV Illinois
2 Projects. Subject to the conditions set forth in this Act, a
3 Taxpayer is entitled to an investment tax credit toward taxes
4 imposed pursuant to subsections (a) and (b) of Section 201 of
5 the Illinois Income Tax Act for a taxable year in which the
6 Taxpayer, in accordance with an Agreement under this Act for
7 that taxable year, invests in qualified property which is
8 placed in service at the site of a REV Illinois Project. The
9 Department has authority to certify the amount of such
10 investment tax credits to the Department of Revenue. The
11 credit shall be 0.5% of the basis for such property and shall
12 be determined in accordance with Section 237 of the Illinois
13 Income Tax Act. The credit shall be available only in the
14 taxable year in which the property is placed in service and
15 shall not be allowed to the extent that it would reduce a
16 taxpayer's liability for the tax imposed by subsections (a)
17 and (b) of Section 201 of the Illinois Income Tax Act to below
18 zero. Unused credit may be carried forward in accordance with
19 Section 237 of the Illinois Income Tax Act for use in future
20 taxable years. Any taxpayer qualifying for the REV Illinois
21 Investment Tax Credit shall not be eligible for either the
22 investment tax credits in Section 201(e), (f), or (h) of this
23 Act.

24 Section 105. Building materials exemptions for REV

1 Illinois Project sites.

2 (a) The Department may certify a Taxpayer with a REV
3 Illinois Project that meets the qualifications under
4 paragraphs (1), (2), or (4) of subsection (c) of Section 20,
5 subject to an agreement under this Act, for an exemption from
6 any State or local use tax or retailers' occupation tax on
7 building materials for the construction of its project
8 facilities. The taxpayer must meet any criteria for
9 certification set by the Department under this Act.

10 The Department shall determine the period during which the
11 exemption from State and local use tax and retailers'
12 occupation tax are in effect, but in no event shall exceed 5
13 years in accordance with Section 5m of the Retailers'
14 Occupation Tax Act.

15 The Department is authorized to promulgate rules and
16 regulations to carry out the provisions of this Section,
17 including procedures to apply for the exemption; to define the
18 amounts and types of eligible investments that an applicant
19 must make in order to receive tax exemption; to approve such
20 tax exemption for an applicant whose investments are not yet
21 placed in service; and to require that an applicant granted
22 exemption repay the exempted amount if the applicant fails to
23 comply with the terms and conditions of the agreement with the
24 Department.

25 Upon certification by the Department under this Section,
26 the Department shall notify the Department of Revenue of the

1 certification. The exemption status shall take effect within 3
2 months after certification of the taxpayer and notice to the
3 Department of Revenue by the Department.

4 Section 900. The Illinois Procurement Code is amended by
5 adding Section 45-100 as follows:

6 (30 ILCS 500/45-100 new)

7 Sec. 45-100. Electric vehicles. For purposes of this
8 Section, "electric vehicle" means a vehicle that is
9 exclusively powered by and refueled by electricity, must be
10 plugged in to charge or utilize a pre-charged battery, and is
11 permitted to operate on public roadways. "Electric vehicle"
12 does not include electric motorcycles or hybrid electric
13 vehicles and extended-range electric vehicles that are also
14 equipped with conventional fueled propulsion or auxiliary
15 engines. For purposes of this section, "Manufactured in
16 Illinois" means, in the case of electric vehicles, that
17 design, final assembly, processing, packaging, testing, or
18 other process that adds value, quality, or reliability occurs
19 in Illinois.

20 In awarding contracts requiring the procurement of
21 electric vehicles, preference shall be given to an otherwise
22 qualified bidder or offeror who will fulfill the contract
23 through the use of electric vehicles manufactured in Illinois.
24 Specifications for contracts for electric vehicles shall

1 include a price preference of at least 20% for electric
2 vehicles manufactured in Illinois.

3 Section 905. The Illinois Income Tax Act is amended by
4 changing Section 704A and by adding Sections 236 and 237 as
5 follows:

6 (35 ILCS 5/236 new)

7 Sec. 236. Reimagining Electric Vehicles in Illinois Tax
8 credits.

9 (a) For tax years beginning on or after January 1, 2025, a
10 taxpayer who has entered into an agreement under the
11 Reimagining Electric Vehicles in Illinois Act is entitled to a
12 credit against the taxes imposed under subsections (a) and (b)
13 of Section 201 of this Act in an amount to be determined in the
14 Agreement. The taxpayer may elect to claim the credit, on or
15 after January 1, 2025, against its obligation to pay over
16 withholding under Section 704A of this Act as provided in
17 paragraph (6) of subsection (b). If the taxpayer is a
18 partnership or Subchapter S corporation, the credit shall be
19 allowed to the partners or shareholders in accordance with the
20 determination of income and distributive share of income under
21 Sections 702 and 704 of this Act and subchapter S of the
22 Internal Revenue Code. The Department, in cooperation with the
23 Department of Commerce and Economic Opportunity, shall adopt
24 rules to enforce and administer the provisions of this

1 Section. This Section is exempt from the provisions of Section
2 250 of this Act.

3 (b) The credit is subject to the conditions set forth in
4 the agreement and the following limitations:

5 (1) The tax credit may be in the form of either or both
6 the REV Illinois Credit or the REV Construction Jobs
7 Credit (as defined in the Reimagining Electric Vehicles in
8 Illinois Act) and shall not exceed the percentage of
9 incremental income tax and percentage of training costs
10 permitted in that Act and in the agreement with respect to
11 the project.

12 (2) The amount of the credit allowed during a tax year
13 plus the sum of all amounts allowed in prior tax years
14 shall not exceed the maximum amount of credit established
15 in the agreement.

16 (3) The amount of the credit shall be determined on an
17 annual basis. Except as applied in a carryover year
18 pursuant to paragraph (4), the credit may not be applied
19 against any State income tax liability in more than 15
20 taxable years.

21 (4) The credit may not exceed the amount of taxes
22 imposed pursuant to subsections (a) and (b) of Section 201
23 of this Act. Any credit that is unused in the year the
24 credit is computed may be carried forward and applied to
25 the tax liability of the 5 taxable years following the
26 excess credit year. The credit shall be applied to the

1 earliest year for which there is a tax liability. If there
2 are credits from more than one tax year that are available
3 to offset a liability, the earlier credit shall be applied
4 first.

5 (5) No credit shall be allowed with respect to any
6 agreement for any taxable year ending after the
7 noncompliance date. Upon receiving notification by the
8 Department of Commerce and Economic Opportunity of the
9 noncompliance of a taxpayer with an agreement, the
10 Department shall notify the taxpayer that no credit is
11 allowed with respect to that agreement for any taxable
12 year ending after the noncompliance date, as stated in
13 such notification. If any credit has been allowed with
14 respect to an agreement for a taxable year ending after
15 the noncompliance date for that agreement, any refund paid
16 to the taxpayer for that taxable year shall, to the extent
17 of that credit allowed, be an erroneous refund within the
18 meaning of Section 912 of this Act.

19 If, during any taxable year, a taxpayer ceases
20 operations at a project location that is the subject of
21 that agreement with the intent to terminate operations in
22 the State, the tax imposed under subsections (a) and (b)
23 of Section 201 of this Act for such taxable year shall be
24 increased by the amount of any credit allowed under the
25 Agreement for that Project location prior to the date the
26 Taxpayer ceases operations.

1 (6) Instead of claiming the credit against the taxes
2 imposed under subsections (a) and (b) of Section 201 of
3 this Act, with respect to the portion of a REV Illinois
4 Credit that is calculated based on the Incremental Income
5 Tax attributable to new employees and retained employees,
6 the taxpayer may elect, in accordance with the Reimagining
7 Electric Vehicles in Illinois Act, to claim the credit, on
8 or after January 1, 2025, against its obligation to pay
9 over withholding under Section 704A of the Illinois Income
10 Tax Act. Any credit for which a Taxpayer makes such an
11 election shall not be claimed against the taxes imposed
12 under subsections (a) and (b) of Section 201 of this Act.

13 (35 ILCS 5/237 new)

14 Sec. 237. REV Illinois Investment Tax credits.

15 (a) For tax years beginning on or after the effective date
16 of this amendatory Act of the 102nd General Assembly, a
17 taxpayer shall be allowed a credit against the tax imposed by
18 subsections (a) and (b) of Section 201 for investment in
19 qualified property which is placed in service at the site of a
20 REV Illinois Project subject to an agreement between the
21 taxpayer and the Department of Commerce and Economic
22 Opportunity pursuant to the Reimagining Electric Vehicles in
23 Illinois Act. For partners, shareholders of Subchapter S
24 corporations, and owners of limited liability companies, if
25 the liability company is treated as a partnership for purposes

1 of federal and State income taxation, there shall be allowed a
2 credit under this Section to be determined in accordance with
3 the determination of income and distributive share of income
4 under Sections 702 and 704 and Subchapter S of the Internal
5 Revenue Code. The credit shall be 0.5% of the basis for such
6 property. The credit shall be available only in the taxable
7 year in which the property is placed in service and shall not
8 be allowed to the extent that it would reduce a taxpayer's
9 liability for the tax imposed by subsections (a) and (b) of
10 Section 201 to below zero. The credit shall be allowed for the
11 tax year in which the property is placed in service, or, if the
12 amount of the credit exceeds the tax liability for that year,
13 whether it exceeds the original liability or the liability as
14 later amended, such excess may be carried forward and applied
15 to the tax liability of the 5 taxable years following the
16 excess credit year. The credit shall be applied to the
17 earliest year for which there is a liability. If there is
18 credit from more than one tax year that is available to offset
19 a liability, the credit accruing first in time shall be
20 applied first.

21 (b) The term qualified property means property which:

22 (1) is tangible, whether new or used, including
23 buildings and structural components of buildings;

24 (2) is depreciable pursuant to Section 167 of the
25 Internal Revenue Code, except that "3-year property" as
26 defined in Section 168(c)(2)(A) of that Code is not

1 eligible for the credit provided by this Section;

2 (3) is acquired by purchase as defined in Section
3 179(d) of the Internal Revenue Code;

4 (4) is used at the site of the REV Illinois Project by
5 the taxpayer; and

6 (5) has not been previously used in Illinois in such a
7 manner and by such a person as would qualify for the credit
8 provided by this Section.

9 (c) The basis of qualified property shall be the basis
10 used to compute the depreciation deduction for federal income
11 tax purposes.

12 (d) If the basis of the property for federal income tax
13 depreciation purposes is increased after it has been placed in
14 service at the site of the REV Illinois Project by the
15 taxpayer, the amount of such increase shall be deemed property
16 placed in service on the date of such increase in basis.

17 (e) The term "placed in service" shall have the same
18 meaning as under Section 46 of the Internal Revenue Code.

19 (f) If during any taxable year, any property ceases to be
20 qualified property in the hands of the taxpayer within 48
21 months after being placed in service, or the situs of any
22 qualified property is moved from the REV Illinois Project site
23 within 48 months after being placed in service, the tax
24 imposed under subsections (a) and (b) of Section 201 for such
25 taxable year shall be increased. Such increase shall be
26 determined by (i) recomputing the investment credit which

1 would have been allowed for the year in which credit for such
2 property was originally allowed by eliminating such property
3 from such computation, and (ii) subtracting such recomputed
4 credit from the amount of credit previously allowed. For the
5 purposes of this subsection (f), a reduction of the basis of
6 qualified property resulting from a redetermination of the
7 purchase price shall be deemed a disposition of qualified
8 property to the extent of such reduction.

9 (35 ILCS 5/704A)

10 Sec. 704A. Employer's return and payment of tax withheld.

11 (a) In general, every employer who deducts and withholds
12 or is required to deduct and withhold tax under this Act on or
13 after January 1, 2008 shall make those payments and returns as
14 provided in this Section.

15 (b) Returns. Every employer shall, in the form and manner
16 required by the Department, make returns with respect to taxes
17 withheld or required to be withheld under this Article 7 for
18 each quarter beginning on or after January 1, 2008, on or
19 before the last day of the first month following the close of
20 that quarter.

21 (c) Payments. With respect to amounts withheld or required
22 to be withheld on or after January 1, 2008:

23 (1) Semi-weekly payments. For each calendar year, each
24 employer who withheld or was required to withhold more
25 than \$12,000 during the one-year period ending on June 30

1 of the immediately preceding calendar year, payment must
2 be made:

3 (A) on or before each Friday of the calendar year,
4 for taxes withheld or required to be withheld on the
5 immediately preceding Saturday, Sunday, Monday, or
6 Tuesday;

7 (B) on or before each Wednesday of the calendar
8 year, for taxes withheld or required to be withheld on
9 the immediately preceding Wednesday, Thursday, or
10 Friday.

11 Beginning with calendar year 2011, payments made under
12 this paragraph (1) of subsection (c) must be made by
13 electronic funds transfer.

14 (2) Semi-weekly payments. Any employer who withholds
15 or is required to withhold more than \$12,000 in any
16 quarter of a calendar year is required to make payments on
17 the dates set forth under item (1) of this subsection (c)
18 for each remaining quarter of that calendar year and for
19 the subsequent calendar year.

20 (3) Monthly payments. Each employer, other than an
21 employer described in items (1) or (2) of this subsection,
22 shall pay to the Department, on or before the 15th day of
23 each month the taxes withheld or required to be withheld
24 during the immediately preceding month.

25 (4) Payments with returns. Each employer shall pay to
26 the Department, on or before the due date for each return

1 required to be filed under this Section, any tax withheld
2 or required to be withheld during the period for which the
3 return is due and not previously paid to the Department.

4 (d) Regulatory authority. The Department may, by rule:

5 (1) Permit employers, in lieu of the requirements of
6 subsections (b) and (c), to file annual returns due on or
7 before January 31 of the year for taxes withheld or
8 required to be withheld during the previous calendar year
9 and, if the aggregate amounts required to be withheld by
10 the employer under this Article 7 (other than amounts
11 required to be withheld under Section 709.5) do not exceed
12 \$1,000 for the previous calendar year, to pay the taxes
13 required to be shown on each such return no later than the
14 due date for such return.

15 (2) Provide that any payment required to be made under
16 subsection (c)(1) or (c)(2) is deemed to be timely to the
17 extent paid by electronic funds transfer on or before the
18 due date for deposit of federal income taxes withheld
19 from, or federal employment taxes due with respect to, the
20 wages from which the Illinois taxes were withheld.

21 (3) Designate one or more depositories to which
22 payment of taxes required to be withheld under this
23 Article 7 must be paid by some or all employers.

24 (4) Increase the threshold dollar amounts at which
25 employers are required to make semi-weekly payments under
26 subsection (c)(1) or (c)(2).

1 (e) Annual return and payment. Every employer who deducts
2 and withholds or is required to deduct and withhold tax from a
3 person engaged in domestic service employment, as that term is
4 defined in Section 3510 of the Internal Revenue Code, may
5 comply with the requirements of this Section with respect to
6 such employees by filing an annual return and paying the taxes
7 required to be deducted and withheld on or before the 15th day
8 of the fourth month following the close of the employer's
9 taxable year. The Department may allow the employer's return
10 to be submitted with the employer's individual income tax
11 return or to be submitted with a return due from the employer
12 under Section 1400.2 of the Unemployment Insurance Act.

13 (f) Magnetic media and electronic filing. With respect to
14 taxes withheld in calendar years prior to 2017, any W-2 Form
15 that, under the Internal Revenue Code and regulations
16 promulgated thereunder, is required to be submitted to the
17 Internal Revenue Service on magnetic media or electronically
18 must also be submitted to the Department on magnetic media or
19 electronically for Illinois purposes, if required by the
20 Department.

21 With respect to taxes withheld in 2017 and subsequent
22 calendar years, the Department may, by rule, require that any
23 return (including any amended return) under this Section and
24 any W-2 Form that is required to be submitted to the Department
25 must be submitted on magnetic media or electronically.

26 The due date for submitting W-2 Forms shall be as

1 prescribed by the Department by rule.

2 (g) For amounts deducted or withheld after December 31,
3 2009, a taxpayer who makes an election under subsection (f) of
4 Section 5-15 of the Economic Development for a Growing Economy
5 Tax Credit Act for a taxable year shall be allowed a credit
6 against payments due under this Section for amounts withheld
7 during the first calendar year beginning after the end of that
8 taxable year equal to the amount of the credit for the
9 incremental income tax attributable to full-time employees of
10 the taxpayer awarded to the taxpayer by the Department of
11 Commerce and Economic Opportunity under the Economic
12 Development for a Growing Economy Tax Credit Act for the
13 taxable year and credits not previously claimed and allowed to
14 be carried forward under Section 211(4) of this Act as
15 provided in subsection (f) of Section 5-15 of the Economic
16 Development for a Growing Economy Tax Credit Act. The credit
17 or credits may not reduce the taxpayer's obligation for any
18 payment due under this Section to less than zero. If the amount
19 of the credit or credits exceeds the total payments due under
20 this Section with respect to amounts withheld during the
21 calendar year, the excess may be carried forward and applied
22 against the taxpayer's liability under this Section in the
23 succeeding calendar years as allowed to be carried forward
24 under paragraph (4) of Section 211 of this Act. The credit or
25 credits shall be applied to the earliest year for which there
26 is a tax liability. If there are credits from more than one

1 taxable year that are available to offset a liability, the
2 earlier credit shall be applied first. Each employer who
3 deducts and withholds or is required to deduct and withhold
4 tax under this Act and who retains income tax withholdings
5 under subsection (f) of Section 5-15 of the Economic
6 Development for a Growing Economy Tax Credit Act must make a
7 return with respect to such taxes and retained amounts in the
8 form and manner that the Department, by rule, requires and pay
9 to the Department or to a depository designated by the
10 Department those withheld taxes not retained by the taxpayer.
11 For purposes of this subsection (g), the term taxpayer shall
12 include taxpayer and members of the taxpayer's unitary
13 business group as defined under paragraph (27) of subsection
14 (a) of Section 1501 of this Act. This Section is exempt from
15 the provisions of Section 250 of this Act. No credit awarded
16 under the Economic Development for a Growing Economy Tax
17 Credit Act for agreements entered into on or after January 1,
18 2015 may be credited against payments due under this Section.

19 (g-1) For amounts deducted or withheld after December 31,
20 2024, a taxpayer who makes an election under the Reimagining
21 Electric Vehicles in Illinois Act shall be allowed a credit
22 against payments due under this Section for amounts withheld
23 during the first quarterly reporting period beginning after
24 the certificate is issued equal to the portion of the REV
25 Illinois Credit attributable to the incremental income tax
26 attributable to new employees and retained employees as

1 certified by the Department of Commerce and Economic
2 Opportunity pursuant to an agreement with the taxpayer under
3 the Reimagining Electric Vehicles in Illinois Act for the
4 taxable year. The credit or credits may not reduce the
5 taxpayer's obligation for any payment due under this Section
6 to less than zero. If the amount of the credit or credits
7 exceeds the total payments due under this Section with respect
8 to amounts withheld during the quarterly reporting period, the
9 excess may be carried forward and applied against the
10 taxpayer's liability under this Section in the succeeding
11 quarterly reporting period as allowed to be carried forward
12 under paragraph (4) of Section 211 of this Act. The credit or
13 credits shall be applied to the earliest quarterly reporting
14 period for which there is a tax liability. If there are credits
15 from more than one quarterly reporting period that are
16 available to offset a liability, the earlier credit shall be
17 applied first. Each employer who deducts and withholds or is
18 required to deduct and withhold tax under this Act and who
19 retains income tax withholdings this subsection must make a
20 return with respect to such taxes and retained amounts in the
21 form and manner that the Department, by rule, requires and pay
22 to the Department or to a depository designated by the
23 Department those withheld taxes not retained by the taxpayer.
24 For purposes of this subsection (g-1), the term taxpayer shall
25 include taxpayer and members of the taxpayer's unitary
26 business group as defined under paragraph (27) of subsection

1 (a) of Section 1501 of this Act. This Section is exempt from
2 the provisions of Section 250 of this Act.

3 (h) An employer may claim a credit against payments due
4 under this Section for amounts withheld during the first
5 calendar year ending after the date on which a tax credit
6 certificate was issued under Section 35 of the Small Business
7 Job Creation Tax Credit Act. The credit shall be equal to the
8 amount shown on the certificate, but may not reduce the
9 taxpayer's obligation for any payment due under this Section
10 to less than zero. If the amount of the credit exceeds the
11 total payments due under this Section with respect to amounts
12 withheld during the calendar year, the excess may be carried
13 forward and applied against the taxpayer's liability under
14 this Section in the 5 succeeding calendar years. The credit
15 shall be applied to the earliest year for which there is a tax
16 liability. If there are credits from more than one calendar
17 year that are available to offset a liability, the earlier
18 credit shall be applied first. This Section is exempt from the
19 provisions of Section 250 of this Act.

20 (i) Each employer with 50 or fewer full-time equivalent
21 employees during the reporting period may claim a credit
22 against the payments due under this Section for each qualified
23 employee in an amount equal to the maximum credit allowable.
24 The credit may be taken against payments due for reporting
25 periods that begin on or after January 1, 2020, and end on or
26 before December 31, 2027. An employer may not claim a credit

1 for an employee who has worked fewer than 90 consecutive days
2 immediately preceding the reporting period; however, such
3 credits may accrue during that 90-day period and be claimed
4 against payments under this Section for future reporting
5 periods after the employee has worked for the employer at
6 least 90 consecutive days. In no event may the credit exceed
7 the employer's liability for the reporting period. Each
8 employer who deducts and withholds or is required to deduct
9 and withhold tax under this Act and who retains income tax
10 withholdings under this subsection must make a return with
11 respect to such taxes and retained amounts in the form and
12 manner that the Department, by rule, requires and pay to the
13 Department or to a depository designated by the Department
14 those withheld taxes not retained by the employer.

15 For each reporting period, the employer may not claim a
16 credit or credits for more employees than the number of
17 employees making less than the minimum or reduced wage for the
18 current calendar year during the last reporting period of the
19 preceding calendar year. Notwithstanding any other provision
20 of this subsection, an employer shall not be eligible for
21 credits for a reporting period unless the average wage paid by
22 the employer per employee for all employees making less than
23 \$55,000 during the reporting period is greater than the
24 average wage paid by the employer per employee for all
25 employees making less than \$55,000 during the same reporting
26 period of the prior calendar year.

1 For purposes of this subsection (i):

2 "Compensation paid in Illinois" has the meaning ascribed
3 to that term under Section 304(a)(2)(B) of this Act.

4 "Employer" and "employee" have the meaning ascribed to
5 those terms in the Minimum Wage Law, except that "employee"
6 also includes employees who work for an employer with fewer
7 than 4 employees. Employers that operate more than one
8 establishment pursuant to a franchise agreement or that
9 constitute members of a unitary business group shall aggregate
10 their employees for purposes of determining eligibility for
11 the credit.

12 "Full-time equivalent employees" means the ratio of the
13 number of paid hours during the reporting period and the
14 number of working hours in that period.

15 "Maximum credit" means the percentage listed below of the
16 difference between the amount of compensation paid in Illinois
17 to employees who are paid not more than the required minimum
18 wage reduced by the amount of compensation paid in Illinois to
19 employees who were paid less than the current required minimum
20 wage during the reporting period prior to each increase in the
21 required minimum wage on January 1. If an employer pays an
22 employee more than the required minimum wage and that employee
23 previously earned less than the required minimum wage, the
24 employer may include the portion that does not exceed the
25 required minimum wage as compensation paid in Illinois to
26 employees who are paid not more than the required minimum

1 wage.

2 (1) 25% for reporting periods beginning on or after
3 January 1, 2020 and ending on or before December 31, 2020;

4 (2) 21% for reporting periods beginning on or after
5 January 1, 2021 and ending on or before December 31, 2021;

6 (3) 17% for reporting periods beginning on or after
7 January 1, 2022 and ending on or before December 31, 2022;

8 (4) 13% for reporting periods beginning on or after
9 January 1, 2023 and ending on or before December 31, 2023;

10 (5) 9% for reporting periods beginning on or after
11 January 1, 2024 and ending on or before December 31, 2024;

12 (6) 5% for reporting periods beginning on or after
13 January 1, 2025 and ending on or before December 31, 2025.

14 The amount computed under this subsection may continue to
15 be claimed for reporting periods beginning on or after January
16 1, 2026 and:

17 (A) ending on or before December 31, 2026 for
18 employers with more than 5 employees; or

19 (B) ending on or before December 31, 2027 for
20 employers with no more than 5 employees.

21 "Qualified employee" means an employee who is paid not
22 more than the required minimum wage and has an average wage
23 paid per hour by the employer during the reporting period
24 equal to or greater than his or her average wage paid per hour
25 by the employer during each reporting period for the
26 immediately preceding 12 months. A new qualified employee is

1 deemed to have earned the required minimum wage in the
2 preceding reporting period.

3 "Reporting period" means the quarter for which a return is
4 required to be filed under subsection (b) of this Section.

5 (Source: P.A. 100-303, eff. 8-24-17; 100-511, eff. 9-18-17;
6 100-863, eff. 8-14-18; 101-1, eff. 2-19-19.)

7 Section 910. The Retailers' Occupation Tax Act is amended
8 by adding Section 5m as follows:

9 (35 ILCS 120/5m new)

10 Sec. 5m. Building materials exemption; electric vehicle
11 manufacturer, electric vehicle component parts manufacturer,
12 and electric vehicle power supply manufacturer. Each retailer
13 who makes a sale of building materials that will be
14 incorporated into real estate in an electric vehicle
15 manufacturing facility, an electric vehicle component parts
16 manufacturing facility, or an electric vehicle power supply
17 manufacturing facility REV Illinois Project which meets the
18 qualifications under paragraphs (1), (2), or (4) of subsection
19 (c) of Section 20 of the Reimagining Electric Vehicles in
20 Illinois Act for which a certificate of exemption has been
21 issued by the Department of Commerce and Economic Opportunity
22 under the Reimagining Electric Vehicles in Illinois Act, may
23 deduct receipts from such sales when calculating any State or
24 local use and occupation taxes. No retailer who is eligible

1 for the deduction or credit under Section 5k of this Act
2 related to enterprise zones or Section 5l of this Act related
3 to High Impact Businesses for a given sale shall be eligible
4 for the deduction or credit authorized under this Section for
5 that same sale.

6 In addition to any other requirements to document the
7 exemption allowed under this Section, the retailer must obtain
8 from the purchaser's REV Illinois Building Materials Exemption
9 certificate number issued by the Department. A construction
10 contractor or other entity shall not make tax-free purchases
11 unless it has an active REV Illinois Building Materials
12 Exemption Certificate issued by the Department at the time of
13 purchase.

14 Upon request from the electric vehicle manufacturer,
15 electric vehicle component parts manufacturer, or electric
16 vehicle power supply manufacturer certified by the Department
17 of Commerce and Economic Opportunity under REV Illinois Act,
18 the Department shall issue a REV Illinois Building Materials
19 Exemption Certificate for each construction contractor or
20 other entity identified by the certified electric vehicle
21 manufacturer, electric vehicle component parts manufacturer,
22 or electric vehicle power supply manufacturer. The Department
23 shall make the REV Illinois Building Materials Exemption
24 Certificates available to each construction contractor or
25 other entity and the certified electric vehicle manufacturer,
26 electric vehicle component parts manufacturer, or electric

1 vehicle power supply manufacturer. The request for REV
2 Illinois Building Materials Exemption Certificates from the
3 certified electric vehicle manufacturer, electric vehicle
4 component parts manufacturer, or electric vehicle power supply
5 manufacturer to the Department must include the following
6 information:

7 (1) the name and address of the construction
8 contractor or other entity;

9 (2) the name and location or address of the building
10 project site;

11 (3) the estimated amount of the exemption for each
12 construction contractor or other entity for which a
13 request for a REV Illinois Building Materials Exemption
14 Certificate is made, based on a stated estimated average
15 tax rate and the percentage of the contract that consists
16 of materials;

17 (4) the period of time over which supplies for the
18 project are expected to be purchased; and

19 (5) other reasonable information as the Department may
20 require, including but not limited to FEIN numbers, to
21 determine if the contractor or other entity, or any
22 partner, or a corporate officer, and in the case of a
23 limited liability company, any manager or member, of the
24 construction contractor or other entity, is or has been
25 the owner, a partner, a corporate officer, and in the case
26 of a limited liability company, a manager or member, of a

1 person that is in default for moneys due to the Department
2 under this Act or any other tax or fee Act administered by
3 the Department.

4 The Department shall issue the REV Illinois Building
5 Materials Exemption Certificates within 3 business days after
6 receipt of request from the certified electric vehicle
7 manufacturer, electric vehicle component parts manufacturer,
8 or electric vehicle power supply manufacturer. This
9 requirement does not apply in circumstances where the
10 Department, for reasonable cause, is unable to issue the
11 Exemption Certificate within 3 business days. The Department
12 may refuse to issue a REV Illinois Building Materials
13 Exemption Certificate if the owner, any partner, or a
14 corporate officer, and in the case of a limited liability
15 company, any manager or member, of the construction contractor
16 or other entity is or has been the owner, a partner, a
17 corporate officer, and in the case of a limited liability
18 company, a manager or member, of a person that is in default
19 for moneys due to the Department under this Act or any other
20 tax or fee Act administered by the Department.

21 The REV Illinois Building Materials Exemption Certificate
22 shall contain language stating that if the construction
23 contractor or other entity who is issued the Exemption
24 Certificate makes a tax-exempt purchase, as described in this
25 Section, that is not eligible for exemption under this Section
26 or allows another person to make a tax-exempt purchase, as

1 described in this Section, that is not eligible for exemption
2 under this Section, then, in addition to any tax or other
3 penalty imposed, the construction contractor or other entity
4 is subject to a penalty equal to the tax that would have been
5 paid by the retailer under this Act as well as any applicable
6 local retailers' occupation tax on the purchase that is not
7 eligible for the exemption.

8 The Department, in its discretion, may require that the
9 request for REV Illinois Building Materials Exemption
10 Certificates be submitted electronically. The Department may,
11 in its discretion, issue the Exemption Certificates
12 electronically. The REV Illinois Building Materials Exemption
13 Certificate number shall be designed in such a way that the
14 Department can identify from the unique number on the
15 Exemption Certificate issued to a given construction
16 contractor or other entity, the name of the designated
17 electric vehicle manufacturing, electric vehicle component
18 parts manufacturing, or electric vehicle power supply
19 manufacturing site and the construction contractor or other
20 entity to whom the Exemption Certificate is issued. The REV
21 Illinois Building Materials Exemption Certificate shall
22 contain an expiration date, which shall be no more than 5 years
23 after the date of issuance. At the request of the designated
24 certified electric vehicle manufacturer, electric vehicle
25 component parts manufacturer, or electric vehicle power supply
26 manufacturer, the Department may renew a REV Illinois Building

1 Materials Exemption Certificate. After the Department issues
2 Exemption Certificates for a given designated electric vehicle
3 manufacturing, electric vehicle component parts manufacturing,
4 or electric vehicle power supply manufacturing site, the
5 certified electric vehicle manufacturer, electric vehicle
6 component parts manufacturer, or electric vehicle power supply
7 manufacturer may notify the Department of additional
8 construction contractors or other entities eligible for a REV
9 Illinois Building Materials Exemption Certificate. Upon
10 notification by the certified electric vehicle manufacturer,
11 electric vehicle component parts manufacturer, or electric
12 vehicle power supply manufacturer and subject to the other
13 provisions of this Section, the Department shall issue a REV
14 Illinois Building Materials Exemption Certificate to each
15 additional construction contractor or other entity identified
16 by the certified electric vehicle manufacturer, electric
17 vehicle component parts manufacturer, or electric vehicle
18 power supply manufacturer. A certified electric vehicle
19 manufacturer, electric vehicle component parts manufacturer,
20 or electric vehicle power supply manufacturer may notify the
21 Department to rescind a REV Illinois Building Materials
22 Exemption Certificate previously issued by the Department but
23 that has not yet expired. Upon notification by the certified
24 electric vehicle manufacturer, electric vehicle component
25 parts manufacturer, or electric vehicle power supply
26 manufacturer and subject to the other provisions of this

1 Section, the Department shall issue the rescission of the REV
2 Illinois Building Materials Exemption Certificate to the
3 construction contractor or other entity identified by the
4 certified electric vehicle manufacturer, electric vehicle
5 component parts manufacturer, or electric vehicle power supply
6 manufacturer and provide a copy to the certified electric
7 vehicle manufacturer, electric vehicle component parts
8 manufacturer, or electric vehicle power supply manufacturer.

9 If the Department of Revenue determines that a
10 construction contractor or other entity that was issued an
11 Exemption Certificate under this Section made a tax-exempt
12 purchase, as described in this Section, that was not eligible
13 for exemption under this Section or allowed another person to
14 make a tax-exempt purchase, as described in this Section, that
15 was not eligible for exemption under this Section, then, in
16 addition to any tax or other penalty imposed, the construction
17 contractor or other entity is subject to a penalty equal to the
18 tax that would have been paid by the retailer under this Act as
19 well as any applicable local retailers' occupation tax on the
20 purchase that was not eligible for the exemption.

21 This Section is exempt from the provisions of Section
22 2-70.

23 Section 915. The Property Tax Code is amended by adding
24 Section 18-184.15 as follows:

1 (35 ILCS 200/18-184.15 new)

2 Sec. 18-184.15. REV Illinois project facilities for
3 electric vehicles, electric vehicle component parts, or
4 electric vehicle power supply equipment; abatement. Any taxing
5 district, upon a majority vote of its governing body, may,
6 after determination of the assessed value as set forth in this
7 Code, order the clerk of the appropriate municipality or
8 county to abate any portion of real property taxes otherwise
9 levied or extended by the taxing district on a REV Illinois
10 Project facility owned by an electric vehicle manufacturer,
11 electric vehicle component parts manufacturer, or an electric
12 vehicle power supply manufacturer that is subject to an
13 agreement with the Department of Commerce and Economic
14 Opportunity under Section 45 of the Reimagining Electric
15 Vehicles in Illinois Act, during the period of time such
16 agreement is in effect as specified by the Department of
17 Commerce and Economic Opportunity.

18 Section 920. The Telecommunications Excise Tax Act is
19 amended by changing Section 2 as follows:

20 (35 ILCS 630/2) (from Ch. 120, par. 2002)

21 Sec. 2. As used in this Article, unless the context
22 clearly requires otherwise:

23 (a) "Gross charge" means the amount paid for the act or
24 privilege of originating or receiving telecommunications in

1 this State and for all services and equipment provided in
2 connection therewith by a retailer, valued in money whether
3 paid in money or otherwise, including cash, credits, services
4 and property of every kind or nature, and shall be determined
5 without any deduction on account of the cost of such
6 telecommunications, the cost of materials used, labor or
7 service costs or any other expense whatsoever. In case credit
8 is extended, the amount thereof shall be included only as and
9 when paid. "Gross charges" for private line service shall
10 include charges imposed at each channel termination point
11 within this State, charges for the channel mileage between
12 each channel termination point within this State, and charges
13 for that portion of the interstate inter-office channel
14 provided within Illinois. Charges for that portion of the
15 interstate inter-office channel provided in Illinois shall be
16 determined by the retailer as follows: (i) for interstate
17 inter-office channels having 2 channel termination points,
18 only one of which is in Illinois, 50% of the total charge
19 imposed; or (ii) for interstate inter-office channels having
20 more than 2 channel termination points, one or more of which
21 are in Illinois, an amount equal to the total charge
22 multiplied by a fraction, the numerator of which is the number
23 of channel termination points within Illinois and the
24 denominator of which is the total number of channel
25 termination points. Prior to January 1, 2004, any method
26 consistent with this paragraph or other method that reasonably

1 apportions the total charges for interstate inter-office
2 channels among the states in which channel terminations points
3 are located shall be accepted as a reasonable method to
4 determine the charges for that portion of the interstate
5 inter-office channel provided within Illinois for that period.
6 However, "gross charges" shall not include any of the
7 following:

8 (1) Any amounts added to a purchaser's bill because of
9 a charge made pursuant to (i) the tax imposed by this
10 Article; (ii) charges added to customers' bills pursuant
11 to the provisions of Sections 9-221 or 9-222 of the Public
12 Utilities Act, as amended, or any similar charges added to
13 customers' bills by retailers who are not subject to rate
14 regulation by the Illinois Commerce Commission for the
15 purpose of recovering any of the tax liabilities or other
16 amounts specified in such provisions of such Act; (iii)
17 the tax imposed by Section 4251 of the Internal Revenue
18 Code; (iv) 911 surcharges; or (v) the tax imposed by the
19 Simplified Municipal Telecommunications Tax Act.

20 (2) Charges for a sent collect telecommunication
21 received outside of the State.

22 (3) Charges for leased time on equipment or charges
23 for the storage of data or information for subsequent
24 retrieval or the processing of data or information
25 intended to change its form or content. Such equipment
26 includes, but is not limited to, the use of calculators,

1 computers, data processing equipment, tabulating equipment
2 or accounting equipment and also includes the usage of
3 computers under a time-sharing agreement.

4 (4) Charges for customer equipment, including such
5 equipment that is leased or rented by the customer from
6 any source, wherein such charges are disaggregated and
7 separately identified from other charges.

8 (5) Charges to business enterprises certified under
9 Section 9-222.1 of the Public Utilities Act, as amended,
10 or to electric vehicle manufacturers, electric vehicle
11 component parts manufacturers, or electric vehicle power
12 supply manufacturers at REV Illinois Project sites for
13 which a certificate of exemption has been issued by the
14 Department of Commerce and Economic Opportunity under
15 Section 95 of the Reimagining Electric Vehicles in
16 Illinois Act, to the extent of such exemption and during
17 the period of time specified by the Department of Commerce
18 and Economic Opportunity.

19 (6) Charges for telecommunications and all services
20 and equipment provided in connection therewith between a
21 parent corporation and its wholly owned subsidiaries or
22 between wholly owned subsidiaries when the tax imposed
23 under this Article has already been paid to a retailer and
24 only to the extent that the charges between the parent
25 corporation and wholly owned subsidiaries or between
26 wholly owned subsidiaries represent expense allocation

1 between the corporations and not the generation of profit
2 for the corporation rendering such service.

3 (7) Bad debts. Bad debt means any portion of a debt
4 that is related to a sale at retail for which gross charges
5 are not otherwise deductible or excludable that has become
6 worthless or uncollectable, as determined under applicable
7 federal income tax standards. If the portion of the debt
8 deemed to be bad is subsequently paid, the retailer shall
9 report and pay the tax on that portion during the
10 reporting period in which the payment is made.

11 (8) Charges paid by inserting coins in coin-operated
12 telecommunication devices.

13 (9) Amounts paid by telecommunications retailers under
14 the Telecommunications Municipal Infrastructure
15 Maintenance Fee Act.

16 (10) Charges for nontaxable services or
17 telecommunications if (i) those charges are aggregated
18 with other charges for telecommunications that are
19 taxable, (ii) those charges are not separately stated on
20 the customer bill or invoice, and (iii) the retailer can
21 reasonably identify the nontaxable charges on the
22 retailer's books and records kept in the regular course of
23 business. If the nontaxable charges cannot reasonably be
24 identified, the gross charge from the sale of both taxable
25 and nontaxable services or telecommunications billed on a
26 combined basis shall be attributed to the taxable services

1 or telecommunications. The burden of proving nontaxable
2 charges shall be on the retailer of the
3 telecommunications.

4 (b) "Amount paid" means the amount charged to the
5 taxpayer's service address in this State regardless of where
6 such amount is billed or paid.

7 (c) "Telecommunications", in addition to the meaning
8 ordinarily and popularly ascribed to it, includes, without
9 limitation, messages or information transmitted through use of
10 local, toll and wide area telephone service; private line
11 services; channel services; telegraph services;
12 teletypewriter; computer exchange services; cellular mobile
13 telecommunications service; specialized mobile radio;
14 stationary two way radio; paging service; or any other form of
15 mobile and portable one-way or two-way communications; or any
16 other transmission of messages or information by electronic or
17 similar means, between or among points by wire, cable,
18 fiber-optics, laser, microwave, radio, satellite or similar
19 facilities. As used in this Act, "private line" means a
20 dedicated non-traffic sensitive service for a single customer,
21 that entitles the customer to exclusive or priority use of a
22 communications channel or group of channels, from one or more
23 specified locations to one or more other specified locations.
24 The definition of "telecommunications" shall not include value
25 added services in which computer processing applications are
26 used to act on the form, content, code and protocol of the

1 information for purposes other than transmission.
2 "Telecommunications" shall not include purchases of
3 telecommunications by a telecommunications service provider
4 for use as a component part of the service provided by him to
5 the ultimate retail consumer who originates or terminates the
6 taxable end-to-end communications. Carrier access charges,
7 right of access charges, charges for use of inter-company
8 facilities, and all telecommunications resold in the
9 subsequent provision of, used as a component of, or integrated
10 into end-to-end telecommunications service shall be
11 non-taxable as sales for resale.

12 (d) "Interstate telecommunications" means all
13 telecommunications that either originate or terminate outside
14 this State.

15 (e) "Intrastate telecommunications" means all
16 telecommunications that originate and terminate within this
17 State.

18 (f) "Department" means the Department of Revenue of the
19 State of Illinois.

20 (g) "Director" means the Director of Revenue for the
21 Department of Revenue of the State of Illinois.

22 (h) "Taxpayer" means a person who individually or through
23 his agents, employees or permittees engages in the act or
24 privilege of originating or receiving telecommunications in
25 this State and who incurs a tax liability under this Article.

26 (i) "Person" means any natural individual, firm, trust,

1 estate, partnership, association, joint stock company, joint
2 venture, corporation, limited liability company, or a
3 receiver, trustee, guardian or other representative appointed
4 by order of any court, the Federal and State governments,
5 including State universities created by statute or any city,
6 town, county or other political subdivision of this State.

7 (j) "Purchase at retail" means the acquisition,
8 consumption or use of telecommunication through a sale at
9 retail.

10 (k) "Sale at retail" means the transmitting, supplying or
11 furnishing of telecommunications and all services and
12 equipment provided in connection therewith for a consideration
13 to persons other than the Federal and State governments, and
14 State universities created by statute and other than between a
15 parent corporation and its wholly owned subsidiaries or
16 between wholly owned subsidiaries for their use or consumption
17 and not for resale.

18 (l) "Retailer" means and includes every person engaged in
19 the business of making sales at retail as defined in this
20 Article. The Department may, in its discretion, upon
21 application, authorize the collection of the tax hereby
22 imposed by any retailer not maintaining a place of business
23 within this State, who, to the satisfaction of the Department,
24 furnishes adequate security to insure collection and payment
25 of the tax. Such retailer shall be issued, without charge, a
26 permit to collect such tax. When so authorized, it shall be the

1 duty of such retailer to collect the tax upon all of the gross
2 charges for telecommunications in this State in the same
3 manner and subject to the same requirements as a retailer
4 maintaining a place of business within this State. The permit
5 may be revoked by the Department at its discretion.

6 (m) "Retailer maintaining a place of business in this
7 State", or any like term, means and includes any retailer
8 having or maintaining within this State, directly or by a
9 subsidiary, an office, distribution facilities, transmission
10 facilities, sales office, warehouse or other place of
11 business, or any agent or other representative operating
12 within this State under the authority of the retailer or its
13 subsidiary, irrespective of whether such place of business or
14 agent or other representative is located here permanently or
15 temporarily, or whether such retailer or subsidiary is
16 licensed to do business in this State.

17 (n) "Service address" means the location of
18 telecommunications equipment from which the telecommunications
19 services are originated or at which telecommunications
20 services are received by a taxpayer. In the event this may not
21 be a defined location, as in the case of mobile phones, paging
22 systems, maritime systems, service address means the
23 customer's place of primary use as defined in the Mobile
24 Telecommunications Sourcing Conformity Act. For air-to-ground
25 systems and the like, service address shall mean the location
26 of a taxpayer's primary use of the telecommunications

1 equipment as defined by telephone number, authorization code,
2 or location in Illinois where bills are sent.

3 (o) "Prepaid telephone calling arrangements" mean the
4 right to exclusively purchase telephone or telecommunications
5 services that must be paid for in advance and enable the
6 origination of one or more intrastate, interstate, or
7 international telephone calls or other telecommunications
8 using an access number, an authorization code, or both,
9 whether manually or electronically dialed, for which payment
10 to a retailer must be made in advance, provided that, unless
11 recharged, no further service is provided once that prepaid
12 amount of service has been consumed. Prepaid telephone calling
13 arrangements include the recharge of a prepaid calling
14 arrangement. For purposes of this subsection, "recharge" means
15 the purchase of additional prepaid telephone or
16 telecommunications services whether or not the purchaser
17 acquires a different access number or authorization code.
18 "Prepaid telephone calling arrangement" does not include an
19 arrangement whereby a customer purchases a payment card and
20 pursuant to which the service provider reflects the amount of
21 such purchase as a credit on an invoice issued to that customer
22 under an existing subscription plan.

23 (Source: P.A. 93-286, 1-1-04; 94-793, eff. 5-19-06.)

24 Section 925. The Electricity Excise Tax Law is amended by
25 changing Section 2-4 as follows:

1 (35 ILCS 640/2-4)

2 Sec. 2-4. Tax imposed.

3 (a) Except as provided in subsection (b), a tax is imposed
4 on the privilege of using in this State electricity purchased
5 for use or consumption and not for resale, other than by
6 municipal corporations owning and operating a local
7 transportation system for public service, at the following
8 rates per kilowatt-hour delivered to the purchaser:

9 (i) For the first 2000 kilowatt-hours used or consumed
10 in a month: 0.330 cents per kilowatt-hour;

11 (ii) For the next 48,000 kilowatt-hours used or
12 consumed in a month: 0.319 cents per kilowatt-hour;

13 (iii) For the next 50,000 kilowatt-hours used or
14 consumed in a month: 0.303 cents per kilowatt-hour;

15 (iv) For the next 400,000 kilowatt-hours used or
16 consumed in a month: 0.297 cents per kilowatt-hour;

17 (v) For the next 500,000 kilowatt-hours used or
18 consumed in a month: 0.286 cents per kilowatt-hour;

19 (vi) For the next 2,000,000 kilowatt-hours used or
20 consumed in a month: 0.270 cents per kilowatt-hour;

21 (vii) For the next 2,000,000 kilowatt-hours used or
22 consumed in a month: 0.254 cents per kilowatt-hour;

23 (viii) For the next 5,000,000 kilowatt-hours used or
24 consumed in a month: 0.233 cents per kilowatt-hour;

25 (ix) For the next 10,000,000 kilowatt-hours used or

1 consumed in a month: 0.207 cents per kilowatt-hour;

2 (x) For all electricity in excess of 20,000,000
3 kilowatt-hours used or consumed in a month: 0.202 cents
4 per kilowatt-hour.

5 Provided, that in lieu of the foregoing rates, the tax is
6 imposed on a self-assessing purchaser at the rate of 5.1% of
7 the self-assessing purchaser's purchase price for all
8 electricity distributed, supplied, furnished, sold,
9 transmitted and delivered to the self-assessing purchaser in a
10 month.

11 (b) A tax is imposed on the privilege of using in this
12 State electricity purchased from a municipal system or
13 electric cooperative, as defined in Article XVII of the Public
14 Utilities Act, which has not made an election as permitted by
15 either Section 17-200 or Section 17-300 of such Act, at the
16 lesser of 0.32 cents per kilowatt hour of all electricity
17 distributed, supplied, furnished, sold, transmitted, and
18 delivered by such municipal system or electric cooperative to
19 the purchaser or 5% of each such purchaser's purchase price
20 for all electricity distributed, supplied, furnished, sold,
21 transmitted, and delivered by such municipal system or
22 electric cooperative to the purchaser, whichever is the lower
23 rate as applied to each purchaser in each billing period.

24 (c) The tax imposed by this Section 2-4 is not imposed with
25 respect to any use of electricity by business enterprises
26 certified under Section 9-222.1 or 9-222.1A of the Public

1 Utilities Act, as amended, to the extent of such exemption and
2 during the time specified by the Department of Commerce and
3 Economic Opportunity; or with respect to any transaction in
4 interstate commerce, or otherwise, to the extent to which such
5 transaction may not, under the Constitution and statutes of
6 the United States, be made the subject of taxation by this
7 State.

8 (d) The tax imposed by this Section 2-4 is not imposed with
9 respect to any use of electricity at a REV Illinois Project
10 site that has received a certification for tax exemption from
11 the Department of Commerce and Economic Opportunity pursuant
12 to Section 95 of the Reimagining Electric Vehicles in Illinois
13 Act, to the extent of such exemption, which shall be no more
14 than 10 years.

15 (Source: P.A. 94-793, eff. 5-19-06.)

16 Section 930. The Public Utilities Act is amended by
17 changing Section 9-222 as follows:

18 (220 ILCS 5/9-222) (from Ch. 111 2/3, par. 9-222)

19 Sec. 9-222. Whenever a tax is imposed upon a public
20 utility engaged in the business of distributing, supplying,
21 furnishing, or selling gas for use or consumption pursuant to
22 Section 2 of the Gas Revenue Tax Act, or whenever a tax is
23 required to be collected by a delivering supplier pursuant to
24 Section 2-7 of the Electricity Excise Tax Act, or whenever a

1 tax is imposed upon a public utility pursuant to Section 2-202
2 of this Act, such utility may charge its customers, other than
3 customers who are high impact businesses under Section 5.5 of
4 the Illinois Enterprise Zone Act, electric vehicle
5 manufacturers, electric vehicle component parts manufacturers,
6 or electric vehicle power supply equipment manufacturers at
7 REV Illinois Project sites as certified under Section 95 of
8 the Reimagining Electric Vehicles in Illinois Act, or
9 certified business enterprises under Section 9-222.1 of this
10 Act, to the extent of such exemption and during the period in
11 which such exemption is in effect, in addition to any rate
12 authorized by this Act, an additional charge equal to the
13 total amount of such taxes. The exemption of this Section
14 relating to high impact businesses shall be subject to the
15 provisions of subsections (a), (b), and (b-5) of Section 5.5
16 of the Illinois Enterprise Zone Act. This requirement shall
17 not apply to taxes on invested capital imposed pursuant to the
18 Messages Tax Act, the Gas Revenue Tax Act and the Public
19 Utilities Revenue Act. Such utility shall file with the
20 Commission a supplemental schedule which shall specify such
21 additional charge and which shall become effective upon filing
22 without further notice. Such additional charge shall be shown
23 separately on the utility bill to each customer. The
24 Commission shall have the power to investigate whether or not
25 such supplemental schedule correctly specifies such additional
26 charge, but shall have no power to suspend such supplemental

1 schedule. If the Commission finds, after a hearing, that such
2 supplemental schedule does not correctly specify such
3 additional charge, it shall by order require a refund to the
4 appropriate customers of the excess, if any, with interest, in
5 such manner as it shall deem just and reasonable, and in and by
6 such order shall require the utility to file an amended
7 supplemental schedule corresponding to the finding and order
8 of the Commission. Except with respect to taxes imposed on
9 invested capital, such tax liabilities shall be recovered from
10 customers solely by means of the additional charges authorized
11 by this Section.

12 (Source: P.A. 91-914, eff. 7-7-00; 92-12, eff. 7-1-01.)

13 Section 935. The Environmental Protection Act is amended
14 by adding Section 52.10 as follows:

15 (415 ILCS 5/52.10 new)

16 Sec. 52.10. Electric Vehicle Permitting Task Force.

17 (a) The Electric Vehicle Permitting Task Force is hereby
18 created within the Environmental Protection Agency.

19 (b) The Task Force shall consist of the following members,
20 which shall represent the diversity of the people of Illinois:

21 (1) The Director of the Environmental Protection
22 Agency or his or her designee;

23 (2) The Director of Natural Resources or his or her
24 designee;

1 (3) The Secretary of Transportation or their designee;

2 (4) 8 members appointed by the Governor as follows:

3 (A) one member of a statewide organization
4 representing manufacturers;

5 (B) one member of a statewide organization
6 representing business interests;

7 (C) one member representing an environmental
8 justice organization;

9 (D) one member representing a statewide
10 environmental advocacy organization;

11 (E) one member representing the electric vehicle
12 industry;

13 (F) one member representing the waste management
14 industry;

15 (G) one member of a statewide organization
16 representing agricultural interests; and

17 (H) one member representing a labor organization.

18 (c) The duties and responsibilities of the Task Force
19 include the following:

20 (1) identify existing and potential challenges faced
21 by the electric vehicle industry with respect to the
22 process for obtaining necessary permits from the
23 Environmental Protection Agency, the Department of Natural
24 Resources, and the Department of Transportation, and
25 potential solutions;

26 (2) conduct an assessment of State permitting fees,

1 including those necessary for electric vehicle investment
2 in Illinois, and the revenue generated by those fees;

3 (3) assess the permitting needs of the electric
4 vehicle industry, including electric vehicle
5 manufacturers, electric vehicle power supply equipment
6 manufacturers, and electric vehicle component parts
7 manufacturers;

8 (4) recommend changes to expedite permitting processes
9 to support the rapid growth of the electric vehicle
10 industry in Illinois, including support for electric
11 vehicle businesses locating or relocating in Illinois;

12 (5) analyze anticipated staffing needs across State
13 agencies to support expedited permitting efforts;

14 (6) recommend adjustments to the fee structure for
15 state permits, including those permits necessary for
16 electric vehicle investment in Illinois. that will support
17 increased staffing at state agencies;

18 (7) Consider the impact of State and local permitting
19 issues on electric vehicle charging station deployments,
20 and make recommendations on best practices to streamline
21 permitting related to electric vehicle charging stations;
22 and

23 (8) recommend legislative and regulatory actions that
24 are necessary to support changes to permitting processes.

25 (d) The Task Force shall not consider or recommend changes
26 to environmental permitting standards outside of the scope of

1 the duties and responsibilities outlined in subsection (c).

2 (e) Appointments for the Task Force shall be made no later
3 than December 15, 2021. The Task Force shall issue a final
4 report based upon its findings and recommendations and submit
5 the report to the Governor and the General Assembly no later
6 than March 1, 2022.

7 (f) Members of the Task Force shall serve without
8 compensation. The Environmental Protection Agency shall
9 provide administrative support to the Task Force.

10 (g) The Task Force shall be dissolved upon the filing of
11 its report.

12 (h) This Section is repealed on December 31, 2022.

13 Section 940. The Motor Vehicle Franchise Act is amended by
14 changing Section 6 as follows:

15 (815 ILCS 710/6) (from Ch. 121 1/2, par. 756)

16 (Text of Section before amendment by P.A. 102-232)

17 Sec. 6. Warranty agreements; claims; approval; payment;
18 written disapproval.

19 (a) Every manufacturer, distributor, wholesaler,
20 distributor branch or division, factory branch or division, or
21 wholesale branch or division shall properly fulfill any
22 warranty agreement and adequately and fairly compensate each
23 of its motor vehicle dealers for labor and parts.

24 (b) In no event shall such compensation fail to include

1 reasonable compensation for diagnostic work, as well as repair
2 service, labor, and parts. Time allowances for the diagnosis
3 and performance of warranty work and service shall be
4 reasonable and adequate for the work to be performed. In the
5 determination of what constitutes reasonable compensation
6 under this Section, the principal factor to be given
7 consideration shall be the prevailing wage rates being paid by
8 the dealer in the relevant market area in which the motor
9 vehicle dealer is doing business, and in no event shall such
10 compensation of a motor vehicle dealer for warranty service be
11 less than the rates charged by such dealer for like service to
12 retail customers for nonwarranty service and repairs. The
13 franchiser shall reimburse the franchisee for any parts
14 provided in satisfaction of a warranty at the prevailing
15 retail price charged by that dealer for the same parts when not
16 provided in satisfaction of a warranty; provided that such
17 motor vehicle franchisee's prevailing retail price is not
18 unreasonable when compared with that of the holders of motor
19 vehicle franchises from the same motor vehicle franchiser for
20 identical merchandise in the geographic area in which the
21 motor vehicle franchisee is engaged in business. All claims,
22 either original or resubmitted, made by motor vehicle dealers
23 hereunder and under Section 5 for such labor and parts shall be
24 either approved or disapproved within 30 days following their
25 submission. All approved claims shall be paid within 30 days
26 following their approval. The motor vehicle dealer who submits

1 a claim which is disapproved shall be notified in writing of
2 the disapproval within the same period, and each such notice
3 shall state the specific grounds upon which the disapproval is
4 based. The motor vehicle dealer shall be permitted to correct
5 and resubmit such disapproved claims within 30 days of receipt
6 of disapproval. Any claims not specifically disapproved in
7 writing within 30 days from their submission shall be deemed
8 approved and payment shall follow within 30 days. The
9 manufacturer or franchiser shall have the right to require
10 reasonable documentation for claims and to audit such claims
11 within a one year period from the date the claim was paid or
12 credit issued by the manufacturer or franchiser, and to charge
13 back any false or unsubstantiated claims. The audit and charge
14 back provisions of this Section also apply to all other
15 incentive and reimbursement programs for a period of one year
16 after the date the claim was paid or credit issued by the
17 manufacturer or franchiser. However, the manufacturer retains
18 the right to charge back any fraudulent claim if the
19 manufacturer establishes in a court of competent jurisdiction
20 in this State that the claim is fraudulent.

21 (c) The motor vehicle franchiser shall not, by agreement,
22 by restrictions upon reimbursement, or otherwise, restrict the
23 nature and extent of services to be rendered or parts to be
24 provided so that such restriction prevents the motor vehicle
25 franchisee from satisfying the warranty by rendering services
26 in a good and workmanlike manner and providing parts which are

1 required in accordance with generally accepted standards. Any
2 such restriction shall constitute a prohibited practice.

3 (d) For the purposes of this Section, the "prevailing
4 retail price charged by that dealer for the same parts" means
5 the price paid by the motor vehicle franchisee for parts,
6 including all shipping and other charges, multiplied by the
7 sum of 1.0 and the franchisee's average percentage markup over
8 the price paid by the motor vehicle franchisee for parts
9 purchased by the motor vehicle franchisee from the motor
10 vehicle franchiser and sold at retail. The motor vehicle
11 franchisee may establish average percentage markup under this
12 Section by submitting to the motor vehicle franchiser 100
13 sequential customer paid service repair orders or 90 days of
14 customer paid service repair orders, whichever is less,
15 covering repairs made no more than 180 days before the
16 submission, and declaring what the average percentage markup
17 is. The average percentage markup so declared shall go into
18 effect 30 days following the declaration, subject to audit of
19 the submitted repair orders by the motor vehicle franchiser
20 and adjustment of the average percentage markup based on that
21 audit. Any audit must be conducted within 30 days following
22 the declaration. Only retail sales not involving warranty
23 repairs, parts covered by subsection (e) of this Section, or
24 parts supplied for routine vehicle maintenance, shall be
25 considered in calculating average percentage markup. No motor
26 vehicle franchiser shall require a motor vehicle franchisee to

1 establish average percentage markup by a methodology, or by
2 requiring information, that is unduly burdensome or time
3 consuming to provide, including, but not limited to, part by
4 part or transaction by transaction calculations. A motor
5 vehicle franchisee shall not request a change in the average
6 percentage markup more than twice in one calendar year.

7 (e) If a motor vehicle franchiser supplies a part or parts
8 for use in a repair rendered under a warranty other than by
9 sale of that part or parts to the motor vehicle franchisee, the
10 motor vehicle franchisee shall be entitled to compensation
11 equivalent to the motor vehicle franchisee's average
12 percentage markup on the part or parts, as if the part or parts
13 had been sold to the motor vehicle franchisee by the motor
14 vehicle franchiser. The requirements of this subsection (e)
15 shall not apply to entire engine assemblies and entire
16 transmission assemblies. In the case of those assemblies, the
17 motor vehicle franchiser shall reimburse the motor vehicle
18 franchisee in the amount of 30% of what the motor vehicle
19 franchisee would have paid the motor vehicle franchiser for
20 the assembly if the assembly had not been supplied by the
21 franchiser other than by the sale of that assembly to the motor
22 vehicle franchisee.

23 (f) The obligations imposed on motor vehicle franchisers
24 by this Section shall apply to any parent, subsidiary,
25 affiliate, or agent of the motor vehicle franchiser, any
26 person under common ownership or control, any employee of the

1 motor vehicle franchiser, and any person holding 1% or more of
2 the shares of any class of securities or other ownership
3 interest in the motor vehicle franchiser, if a warranty or
4 service or repair plan is issued by that person instead of or
5 in addition to one issued by the motor vehicle franchiser.

6 (g) (1) Any motor vehicle franchiser and at least a
7 majority of its Illinois franchisees of the same line make may
8 agree in an express written contract citing this Section upon
9 a uniform warranty reimbursement policy used by contracting
10 franchisees to perform warranty repairs. The policy shall only
11 involve either reimbursement for parts used in warranty
12 repairs or the use of a Uniform Time Standards Manual, or both.
13 Reimbursement for parts under the agreement shall be used
14 instead of the franchisees' "prevailing retail price charged
15 by that dealer for the same parts" as defined in this Section
16 to calculate compensation due from the franchiser for parts
17 used in warranty repairs. This Section does not authorize a
18 franchiser and its Illinois franchisees to establish a uniform
19 hourly labor reimbursement.

20 Each franchiser shall only have one such agreement with
21 each line make. Any such agreement shall:

22 (A) Establish a uniform parts reimbursement rate. The
23 uniform parts reimbursement rate shall be greater than the
24 franchiser's nationally established parts reimbursement
25 rate in effect at the time the first such agreement
26 becomes effective; however, any subsequent agreement shall

1 result in a uniform reimbursement rate that is greater or
2 equal to the rate set forth in the immediately prior
3 agreement.

4 (B) Apply to all warranty repair orders written during
5 the period that the agreement is effective.

6 (C) Be available, during the period it is effective,
7 to any motor vehicle franchisee of the same line make at
8 any time and on the same terms.

9 (D) Be for a term not to exceed 3 years so long as any
10 party to the agreement may terminate the agreement upon
11 the annual anniversary of the agreement and with 30 days'
12 prior written notice; however, the agreement shall remain
13 in effect for the term of the agreement regardless of the
14 number of dealers of the same line make that may terminate
15 the agreement.

16 (2) A franchiser that enters into an agreement with its
17 franchisees pursuant to paragraph (1) of this subsection (g)
18 may seek to recover its costs from only those franchisees that
19 are receiving their "prevailing retail price charged by that
20 dealer" under subsections (a) through (f) of this Section,
21 subject to the following requirements:

22 (A) "costs" means the difference between the uniform
23 reimbursement rate set forth in an agreement entered into
24 pursuant to paragraph (1) of this subsection (g) and the
25 "prevailing retail price charged by that dealer" received
26 by those franchisees of the same line make. "Costs" do not

1 include the following: legal fees or expenses;
2 administrative expenses; a profit mark-up; or any other
3 item;

4 (B) the costs shall be recovered only by increasing
5 the invoice price on new vehicles received by those
6 franchisees; and

7 (C) price increases imposed for the purpose of
8 recovering costs imposed by this Section may vary from
9 time to time and from model to model, but shall apply
10 uniformly to all franchisees of the same line make in the
11 State of Illinois that have requested reimbursement for
12 warranty repairs at their "prevailing retail price charged
13 by that dealer", except that a franchiser may make an
14 exception for vehicles that are titled in the name of a
15 consumer in another state.

16 (3) If a franchiser contracts with its Illinois dealers
17 pursuant to paragraph (1) of this subsection (g), the
18 franchiser shall certify under oath to the Motor Vehicle
19 Review Board that a majority of the franchisees of that line
20 make did agree to such an agreement and file a sample copy of
21 the agreement. On an annual basis, each franchiser shall
22 certify under oath to the Motor Vehicle Review Board that the
23 reimbursement costs it recovers under paragraph (2) of this
24 subsection (g) do not exceed the amounts authorized by
25 paragraph (2) of this subsection (g). The franchiser shall
26 maintain for a period of 3 years a file that contains the

1 information upon which its certification is based.

2 (3.1) A franchiser subject to subdivision (g)(2) of this
3 Section, upon request of a dealer subject to that subdivision,
4 shall disclose to the dealer, in writing or in person if
5 requested by the dealer, the method by which the franchiser
6 calculated the amount of the costs to be reimbursed by the
7 dealer. The franchiser shall also provide aggregate data
8 showing (i) the total costs the franchiser incurred and (ii)
9 the total number of new vehicles invoiced to each dealer that
10 received the "prevailing retail price charged by that dealer"
11 during the relevant period of time. In responding to a
12 dealer's request under this subdivision (g)(3.1), a franchiser
13 may not disclose any confidential or competitive information
14 regarding any other dealer. Any dealer who receives
15 information from a franchiser under this subdivision (g)(3.1)
16 may not disclose that information to any third party unless
17 the disclosure occurs in the course of a lawful proceeding
18 before, or upon the order of, the Motor Vehicle Review Board or
19 a court of competent jurisdiction.

20 (4) If a franchiser and its franchisees do not enter into
21 an agreement pursuant to paragraph (1) of this subsection (g),
22 and for any matter that is not the subject of an agreement,
23 this subsection (g) shall have no effect whatsoever.

24 (5) For purposes of this subsection (g), a Uniform Time
25 Standard Manual is a document created by a franchiser that
26 establishes the time allowances for the diagnosis and

1 performance of warranty work and service. The allowances shall
2 be reasonable and adequate for the work and service to be
3 performed. Each franchiser shall have a reasonable and fair
4 process that allows a franchisee to request a modification or
5 adjustment of a standard or standards included in such a
6 manual.

7 (6) A franchiser may not take any adverse action against a
8 franchisee for not having executed an agreement contemplated
9 by this subsection (g) or for receiving the "prevailing retail
10 price charged by that dealer". Nothing in this subsection
11 shall be construed to prevent a franchiser from making a
12 determination of a franchisee's "prevailing retail price
13 charged by that dealer", as provided by this Section.

14 (Source: P.A. 96-11, eff. 5-22-09.)

15 (Text of Section after amendment by P.A. 102-232)

16 Sec. 6. Warranty agreements; claims; approval; payment;
17 written disapproval.

18 (a) Every manufacturer, distributor, wholesaler,
19 distributor branch or division, factory branch or division, or
20 wholesale branch or division shall properly fulfill any
21 warranty agreement and adequately and fairly compensate each
22 of its motor vehicle dealers for labor and parts.

23 (b) Adequate and fair compensation requires the
24 manufacturer to pay each dealer no less than the amount the
25 retail customer pays for the same services with regard to rate

1 and time.

2 Any time guide previously agreed to by the manufacturer
3 and the dealer for extended warranty repairs may be used in
4 lieu of actual time expended. In the event that a time guide
5 has not been agreed to for warranty repairs, or said time guide
6 does not define time for an applicable warranty repair, the
7 manufacturer's time guide shall be used, multiplied by 1.5.

8 In no event shall such compensation fail to include full
9 compensation for diagnostic work, as well as repair service,
10 labor, and parts. Time allowances for the diagnosis and
11 performance of warranty work and service shall be no less than
12 charged to retail customers for the same work to be performed.

13 No warranty or factory compensated repairs shall be
14 excluded from this requirement, including recalls or other
15 voluntary stop-sell repairs required by the manufacturer. If a
16 manufacturer is required to issue a recall, the dealer will be
17 compensated for labor time as above stated.

18 Furthermore, manufacturers shall pay the dealer the same
19 effective labor rate (using the 100 sequential repair orders
20 chosen and submitted by the dealer less simple maintenance
21 repair orders) that the dealer receives for customer-pay
22 repairs. This requirement includes vehicle diagnostic times
23 for all warranty repairs. Additionally, if a technician is
24 required to communicate with a Technical Assistance
25 Center/Engineering/or some external manufacturer source in
26 order to provide a warranty repair, the manufacturer shall pay

1 for the time from start of communications (including hold
2 time) until the communication is complete.

3 The dealer may submit a request to the manufacturer for
4 warranty labor rate increases a maximum of once per calendar
5 year.

6 A claim made by a franchised motor vehicle dealer for
7 compensation under this Section shall be either approved or
8 disapproved within 30 days after the claim is submitted to the
9 manufacturer in the manner and on the forms the manufacturer
10 reasonably prescribes. An approved claim shall be paid within
11 30 days after its approval. If a claim is not specifically
12 disapproved in writing or by electronic transmission within 30
13 days after the date on which the manufacturer receives it, the
14 claim shall be considered to be approved and payment shall
15 follow within 30 days.

16 In no event shall compensation to a motor vehicle dealer
17 for labor times and labor rates be less than the rates charged
18 by such dealer for like service to retail customers for
19 nonwarranty service and repairs. Additionally, the
20 manufacturer shall reimburse the dealer for any parts provided
21 in satisfaction of a warranty at the prevailing retail price
22 charged by that dealer for the same parts when not provided in
23 satisfaction of a warranty; provided that such dealer's
24 prevailing retail price is not unreasonable when compared with
25 that of the holders of motor vehicle franchises from the same
26 manufacturer for identical parts in the geographic area in

1 which the dealer is engaged in business. ~~Additionally, the~~
2 ~~manufacturer shall reimburse the dealer for any parts provided~~
3 ~~in satisfaction of a warranty at the prevailing retail price~~
4 ~~charged by that dealer for the same parts when sold to a retail~~
5 ~~customer.~~

6 There shall be no reduction in payments due to
7 preestablished market norms or market averages. Manufacturers
8 are prohibited from establishing restrictions or limitations
9 of customer repair frequency due to failure rate indexes or
10 national failure averages.

11 ~~No debit reduction or charge back of any item on a warranty~~
12 ~~repair order may be made absent a finding of fraud or illegal~~
13 ~~actions by the dealer.~~

14 A warranty claim timely made shall not be deemed invalid
15 solely because unavailable parts cause additional use and
16 mileage on the vehicle.

17 If a manufacturer imposes a recall or stop sale on any new
18 vehicle in a dealer's inventory that prevents the sale of the
19 vehicle, the manufacturer shall compensate the dealer for any
20 interest and storage until the vehicle is repaired and made
21 ready for sale.

22 Manufacturers are not permitted to impose any form of cost
23 recovery fees or surcharges against a franchised auto
24 dealership for payments made in accordance with this Section.

25 All claims, either original or resubmitted, made by motor
26 vehicle dealers hereunder and under Section 5 for such labor

1 and parts shall be either approved or disapproved within 30
2 days following their submission. All approved claims shall be
3 paid within 30 days following their approval. The motor
4 vehicle dealer who submits a claim which is disapproved shall
5 be notified in writing of the disapproval within the same
6 period, and each such notice shall state the specific grounds
7 upon which the disapproval is based. The motor vehicle dealer
8 shall be permitted to correct and resubmit such disapproved
9 claims within 30 days of receipt of disapproval. Any claims
10 not specifically disapproved in writing within 30 days from
11 their submission shall be deemed approved and payment shall
12 follow within 30 days. The manufacturer or franchiser shall
13 have the right to require reasonable documentation for claims
14 and to audit such claims within a one year period from the date
15 the claim was paid or credit issued by the manufacturer or
16 franchiser, and to charge back any false or unsubstantiated
17 claims. The audit and charge back provisions of this Section
18 also apply to all other incentive and reimbursement programs
19 for a period of one year after the date the claim was paid or
20 credit issued by the manufacturer or franchiser. However, the
21 manufacturer retains the right to charge back any fraudulent
22 claim if the manufacturer establishes in a court of competent
23 jurisdiction in this State that the claim is fraudulent.

24 (c) The motor vehicle franchiser shall not, by agreement,
25 by restrictions upon reimbursement, or otherwise, restrict the
26 nature and extent of services to be rendered or parts to be

1 provided so that such restriction prevents the motor vehicle
2 franchisee from satisfying the warranty by rendering services
3 in a good and workmanlike manner and providing parts which are
4 required in accordance with generally accepted standards. Any
5 such restriction shall constitute a prohibited practice.

6 (d) For the purposes of this Section, the "prevailing
7 retail price charged by that dealer for the same parts" means
8 the price paid by the motor vehicle franchisee for parts,
9 including all shipping and other charges, multiplied by the
10 sum of 1.0 and the franchisee's average percentage markup over
11 the price paid by the motor vehicle franchisee for parts
12 purchased by the motor vehicle franchisee from the motor
13 vehicle franchiser and sold at retail. The motor vehicle
14 franchisee may establish average percentage markup under this
15 Section by submitting to the motor vehicle franchiser 100
16 sequential customer paid service repair orders or 90 days of
17 customer paid service repair orders, whichever is less,
18 covering repairs made no more than 180 days before the
19 submission, and declaring what the average percentage markup
20 is. The average percentage markup so declared shall go into
21 effect 30 days following the declaration, subject to audit of
22 the submitted repair orders by the motor vehicle franchiser
23 and adjustment of the average percentage markup based on that
24 audit. Any audit must be conducted within 30 days following
25 the declaration. Only retail sales not involving warranty
26 repairs, parts covered by subsection (e) of this Section, or

1 parts supplied for routine vehicle maintenance, shall be
2 considered in calculating average percentage markup. No motor
3 vehicle franchiser shall require a motor vehicle franchisee to
4 establish average percentage markup by a methodology, or by
5 requiring information, that is unduly burdensome or time
6 consuming to provide, including, but not limited to, part by
7 part or transaction by transaction calculations. A motor
8 vehicle franchisee shall not request a change in the average
9 percentage markup more than twice in one calendar year.

10 (e) If a motor vehicle franchiser supplies a part or parts
11 for use in a repair rendered under a warranty other than by
12 sale of that part or parts to the motor vehicle franchisee, the
13 motor vehicle franchisee shall be entitled to compensation
14 equivalent to the motor vehicle franchisee's average
15 percentage markup on the part or parts, as if the part or parts
16 had been sold to the motor vehicle franchisee by the motor
17 vehicle franchiser. The requirements of this subsection (e)
18 shall not apply to entire engine assemblies, propulsion engine
19 assemblies, and entire transmission assemblies. In the case of
20 those assemblies, the motor vehicle franchiser shall reimburse
21 the motor vehicle franchisee in the amount of 30% of what the
22 motor vehicle franchisee would have paid the motor vehicle
23 franchiser for the assembly if the assembly had not been
24 supplied by the franchiser other than by the sale of that
25 assembly to the motor vehicle franchisee.

26 (f) The obligations imposed on motor vehicle franchisers

1 by this Section shall apply to any parent, subsidiary,
2 affiliate, or agent of the motor vehicle franchiser, any
3 person under common ownership or control, any employee of the
4 motor vehicle franchiser, and any person holding 1% or more of
5 the shares of any class of securities or other ownership
6 interest in the motor vehicle franchiser, if a warranty or
7 service or repair plan is issued by that person instead of or
8 in addition to one issued by the motor vehicle franchiser.

9 (g) (Blank).

10 (Source: P.A. 102-232, eff. 1-1-22.)

11 Section 995. No acceleration or delay. Where this Act
12 makes changes in a statute that is represented in this Act by
13 text that is not yet or no longer in effect (for example, a
14 Section represented by multiple versions), the use of that
15 text does not accelerate or delay the taking effect of (i) the
16 changes made by this Act or (ii) provisions derived from any
17 other Public Act.

18 Section 999. Effective date. This Act takes effect upon
19 becoming law."