



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2790

Introduced 2/16/2023, by Rep. William "Will" Davis

SYNOPSIS AS INTRODUCED:

New Act

Creates the Economic Development Property Tax Grant Program Act. Provides that the Department of Commerce and Economic Opportunity shall award property tax grants to each business that (i) is an approved applicant under the Invest in Illinois Act, the Economic Development for a Growing Economy Tax Credit Act, the Manufacturing Illinois Chips for Real Opportunity (MICRO) Act, or the Reimagining Electric Vehicles in Illinois Act and (ii) owns property in an underserved area. Sets forth the amount of the grants. Effective immediately.

LRB103 28653 HLH 55034 b

1 AN ACT concerning revenue.

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

4 Section 1. Short title. This Act may be cited as the
5 Economic Development Property Tax Grant Program Act.

6 Section 5. Definitions. As used in this Act:

7 "Base year property taxes" means the amount of property
8 taxes billed for the subject parcels in the year before the
9 year in which real property capital improvements are placed in
10 service.

11 "Current year property taxes" means the amount of property
12 taxes billed for the subject parcels in the year for which the
13 grant is awarded.

14 "Department" means the Department of Commerce and Economic
15 Opportunity.

16 "Qualified property" means property that is owned by a
17 business that is eligible for a grant under this Act and that
18 is located in an underserved area.

19 "Underserved area" has the meaning given to that term in
20 Section 5-5 of the Economic Development for a Growing Economy
21 Tax Credit Act.

22 Section 10. Property tax grants.

1 (a) In addition to any other incentives provided by law,
2 the Department shall award property tax grants to each
3 business that (i) is an approved applicant under the Invest in
4 Illinois Act, the Economic Development for a Growing Economy
5 Tax Credit Act, the Manufacturing Illinois Chips for Real
6 Opportunity (MICRO) Act, or the Reimagining Electric Vehicles
7 in Illinois Act and (ii) is located in an underserved area.
8 Eligible businesses shall receive grants under this Act for
9 qualified property beginning with the first year in which the
10 real property capital improvements that are placed in service
11 by the approved applicant result in an increased real property
12 assessment and increased property taxes over the base year
13 property taxes.

14 (b) For the first 5 years in which the applicant is
15 eligible for a grant under this Section with respect to a
16 specific qualified property, the amount of the grant shall be
17 100% of the difference between the current year property taxes
18 for the property and the base year property taxes for the
19 property. For the sixth through the tenth years in which the
20 applicant is eligible for a grant under this Section with
21 respect to a specific qualified property, the amount of the
22 grant shall be as follows:

23 (1) in year 6, 90% of the difference between the
24 current year property taxes and the base year property
25 taxes;

26 (2) in year 7, 80% of the difference between the

1 current year property taxes and the base year property
2 taxes;

3 (3) in year 8, 70% of the difference between the
4 current year property taxes and the base year property
5 taxes;

6 (4) in year 9, 60% of the difference between the
7 current year property taxes and the base year property
8 taxes; and

9 (5) in year 10, 50% of the difference between the
10 current year property taxes and the base year property
11 taxes.

12 Section 15. Funding. Grants under this Act may be awarded
13 from any source that may be used to make grants under the
14 Invest in Illinois Act.

15 Section 20. Rules. The Department shall adopt rules for
16 the implementation of this Act.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.