

1 AN ACT concerning State government.

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

4 Section 5. The Department of Commerce and Economic  
5 Opportunity Law of the Civil Administrative Code of Illinois  
6 is amended by adding Section 605-1115 as follows:

7 (20 ILCS 605/605-1115 new)

8 Sec. 605-1115. Quantum computing campuses.

9 (a) As used in this Section:

10 "Data center" means a facility: (1) whose primary services  
11 are the storage, management, and processing of digital data;  
12 and (2) that is used to house (A) computer and network systems,  
13 including associated components such as servers, network  
14 equipment and appliances, telecommunications, and data storage  
15 systems, (B) systems for monitoring and managing  
16 infrastructure performance, (C) Internet-related equipment and  
17 services, (D) data communications connections, (E)  
18 environmental controls, (F) fire protection systems, and (G)  
19 security systems and services.

20 "Full-time equivalent job" means a job in which an  
21 employee works for a tenant of the quantum campus at a rate of  
22 at least 35 hours per week. Vacations, paid holidays, and sick  
23 time are included in this computation. Overtime is not

1 considered a part of regular hours.

2 "Quantum computing campus" or "campus" is a contiguous  
3 area located in the State of Illinois that is designated by the  
4 Department as a quantum computing campus in order to support  
5 the demand for quantum computing research, development, and  
6 implementation for practical use. A quantum computing campus  
7 may include educational intuitions, nonprofit research and  
8 development organizations, and for-profit organizations  
9 serving as anchor tenants and joining tenants that, with  
10 approval from the Department, may change. Tenants located at  
11 the campus shall have direct and supporting roles in quantum  
12 computing activities. Eligible tenants include quantum  
13 computer operators and research facilities, data centers,  
14 manufacturers and assemblers of quantum computers and  
15 component parts, cryogenic or refrigeration facilities, and  
16 other facilities determined, by industry and academic leaders,  
17 to be fundamental to the research and development of quantum  
18 computing for practical solutions. Quantum computing shall  
19 include the research, development, and use of computing  
20 methods that generate and manipulate quantum bits in a  
21 controlled quantum state. This includes the use of photons,  
22 semiconductors, superconductors, trapped ions, and other  
23 industry and academically regarded methods for simulating  
24 quantum bits. Additionally, a quantum campus shall meet the  
25 following criteria:

26 (1) the campus must comprise a minimum of one-half

1 square mile and not more than 4 square miles;

2 (2) the campus must contain tenants that demonstrate a  
3 substantial plan for using the designation to encourage  
4 participation by organizations owned by minorities, women,  
5 and persons with disabilities, as those terms are defined  
6 in the Business Enterprise for Minorities, Women, and  
7 Persons with Disabilities Act, and the hiring of  
8 minorities, women, and persons with disabilities;

9 (3) upon being placed in service, within 60 months  
10 after designation or incorporation into a campus, the  
11 owners of property located in a campus shall certify to  
12 the Department that the property is carbon neutral or has  
13 attained certification under one or more of the following  
14 green building standards:

15 (A) BREEAM for New Construction or BREEAM, In-Use;

16 (B) ENERGY STAR;

17 (C) Envision;

18 (D) ISO 50001-energy management;

19 (E) LEED for Building Design and Construction, or  
20 LEED for Operations and Maintenance;

21 (F) Green Globes for New Construction, or Green  
22 Globes for Existing Buildings;

23 (G) UL 3223; or

24 (H) an equivalent program approved by the  
25 Department.

26 (b) Tenants located in a designated quantum computing

1 campus shall qualify for the following exemptions and credits:

2 (1) the Department may certify a taxpayer for an  
3 exemption from any State or local use tax or retailers'  
4 occupation tax on building materials that will be  
5 incorporated into real estate at a quantum computing  
6 campus;

7 (2) an exemption from the charges imposed under  
8 Section 9-222 of the Public Utilities Act, Section 5-10 of  
9 the Gas Use Tax Law, Section 2-4 of the Electricity Excise  
10 Tax Law, Section 2 of the Telecommunications Excise Tax  
11 Act, Section 10 of the Telecommunications Infrastructure  
12 Maintenance Fee Act, and Section 5-7 of the Simplified  
13 Municipal Telecommunications Tax Act; and

14 (3) a credit against the taxes imposed under  
15 subsections (a) and (b) of Section 201 of the Illinois  
16 Income Tax Act as provided in Section 241 of the Illinois  
17 Income Tax Act.

18 (c) Certificates of exemption and credit certificates  
19 under this Section shall be issued by the Department. Upon  
20 certification by the Department under this Section, the  
21 Department shall notify the Department of Revenue of the  
22 certification. The exemption status shall take effect within 3  
23 months after certification of the taxpayer and notice to the  
24 Department of Revenue by the Department.

25 (d) Entities seeking to form a quantum computing campus  
26 must apply to the Department in the manner specified by the

1 Department. Entities seeking to join an established campus  
2 must apply for an amendment to the existing campus. This  
3 application for amendment must be submitted to the Department  
4 with support from other campus members.

5 The Department shall determine the duration of  
6 certificates of exemption awarded under this Act. The duration  
7 of the certificates of exemption may not exceed 20 calendar  
8 years and one renewal for an additional 20 years.

9 The Department and any tenant located in a quantum  
10 computing campus seeking the benefits under this Section must  
11 enter into a memorandum of understanding that, at a minimum,  
12 provides:

13 (1) the details for determining the amount of capital  
14 investment to be made;

15 (2) the number of new jobs created;

16 (3) the timeline for achieving the capital investment  
17 and new job goals;

18 (4) the repayment obligation should those goals not be  
19 achieved and any conditions under which repayment by the  
20 tenant or tenants claiming the exemption shall be  
21 required;

22 (5) the duration of the exemptions; and

23 (6) other provisions as deemed necessary by the  
24 Department.

25 The Department shall, within 10 days after the  
26 designation, send a letter of notification to each member of

1 the General Assembly whose legislative district or  
2 representative district contains all or part of the designated  
3 area.

4 (e) Beginning on July 1, 2025, and each year thereafter,  
5 the Department shall annually report to the Governor and the  
6 General Assembly on the outcomes and effectiveness of this  
7 amendatory Act of the 103rd General Assembly. The report shall  
8 include the following:

9 (1) the names of each tenant located within the  
10 quantum computing campus;

11 (2) the location of each quantum computing campus;

12 (3) the estimated value of the credits to be issued to  
13 quantum computing campus tenants;

14 (4) the number of new jobs and, if applicable,  
15 retained jobs pledged at each quantum computing campus;

16 and

17 (5) whether or not the quantum computing campus is  
18 located in an underserved area, an energy transition zone,  
19 or an opportunity zone.

20 (f) Tenants at the quantum computing campus seeking a  
21 certificate of exemption related to the construction of  
22 required facilities shall require the contractor and all  
23 subcontractors to:

24 (1) comply with the requirements of Section 30-22 of  
25 the Illinois Procurement Code as those requirements apply  
26 to responsible bidders and to present satisfactory

1 evidence of that compliance to the Department; and  
2 (2) enter into a project labor agreement submitted to  
3 the Department.

4 (g) The Department shall not issue any new certificates of  
5 exemption under the provisions of this Section after July 1,  
6 2030. This sunset shall not affect any existing certificates  
7 of exemption in effect on July 1, 2030.

8 (h) The Department shall adopt rules to implement and  
9 administer this Section.

10 Section 10. The Illinois Enterprise Zone Act is amended by  
11 changing Sections 5.5 and 13 as follows:

12 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)  
13 Sec. 5.5. High Impact Business.

14 (a) In order to respond to unique opportunities to assist  
15 in the encouragement, development, growth, and expansion of  
16 the private sector through large scale investment and  
17 development projects, the Department is authorized to receive  
18 and approve applications for the designation of "High Impact  
19 Businesses" in Illinois, for an initial term of 20 years with  
20 an option for renewal for a term not to exceed 20 years,  
21 subject to the following conditions:

22 (1) such applications may be submitted at any time  
23 during the year;

24 (2) such business is not located, at the time of

1 designation, in an enterprise zone designated pursuant to  
2 this Act, except for grocery stores, as defined in the  
3 Grocery Initiative Act;

4 (3) the business intends to do, commits to do, or is  
5 one or more of the following:

6 (A) the business intends to make a minimum  
7 investment of \$12,000,000 which will be placed in  
8 service in qualified property and intends to create  
9 500 full-time equivalent jobs at a designated location  
10 in Illinois or intends to make a minimum investment of  
11 \$30,000,000 which will be placed in service in  
12 qualified property and intends to retain 1,500  
13 full-time retained jobs at a designated location in  
14 Illinois. The terms "placed in service" and "qualified  
15 property" have the same meanings as described in  
16 subsection (h) of Section 201 of the Illinois Income  
17 Tax Act; or

18 (B) the business intends to establish a new  
19 electric generating facility at a designated location  
20 in Illinois. "New electric generating facility", for  
21 purposes of this Section, means a newly constructed  
22 electric generation plant or a newly constructed  
23 generation capacity expansion at an existing electric  
24 generation plant, including the transmission lines and  
25 associated equipment that transfers electricity from  
26 points of supply to points of delivery, and for which

1           such new foundation construction commenced not sooner  
2           than July 1, 2001. Such facility shall be designed to  
3           provide baseload electric generation and shall operate  
4           on a continuous basis throughout the year; and (i)  
5           shall have an aggregate rated generating capacity of  
6           at least 1,000 megawatts for all new units at one site  
7           if it uses natural gas as its primary fuel and  
8           foundation construction of the facility is commenced  
9           on or before December 31, 2004, or shall have an  
10          aggregate rated generating capacity of at least 400  
11          megawatts for all new units at one site if it uses coal  
12          or gases derived from coal as its primary fuel and  
13          shall support the creation of at least 150 new  
14          Illinois coal mining jobs, or (ii) shall be funded  
15          through a federal Department of Energy grant before  
16          December 31, 2010 and shall support the creation of  
17          Illinois coal mining ~~coal mining~~ jobs, or (iii) shall  
18          use coal gasification or integrated  
19          gasification-combined cycle units that generate  
20          electricity or chemicals, or both, and shall support  
21          the creation of Illinois coal mining ~~coal mining~~ jobs.  
22          The term "placed in service" has the same meaning as  
23          described in subsection (h) of Section 201 of the  
24          Illinois Income Tax Act; or

25                 (B-5) the business intends to establish a new  
26          gasification facility at a designated location in

1 Illinois. As used in this Section, "new gasification  
2 facility" means a newly constructed coal gasification  
3 facility that generates chemical feedstocks or  
4 transportation fuels derived from coal (which may  
5 include, but are not limited to, methane, methanol,  
6 and nitrogen fertilizer), that supports the creation  
7 or retention of Illinois coal mining ~~coal mining~~ jobs,  
8 and that qualifies for financial assistance from the  
9 Department before December 31, 2010. A new  
10 gasification facility does not include a pilot project  
11 located within Jefferson County or within a county  
12 adjacent to Jefferson County for synthetic natural gas  
13 from coal; or

14 (C) the business intends to establish production  
15 operations at a new coal mine, re-establish production  
16 operations at a closed coal mine, or expand production  
17 at an existing coal mine at a designated location in  
18 Illinois not sooner than July 1, 2001; provided that  
19 the production operations result in the creation of  
20 150 new Illinois coal mining jobs as described in  
21 subdivision (a)(3)(B) of this Section, and further  
22 provided that the coal extracted from such mine is  
23 utilized as the predominant source for a new electric  
24 generating facility. The term "placed in service" has  
25 the same meaning as described in subsection (h) of  
26 Section 201 of the Illinois Income Tax Act; or

1           (D) the business intends to construct new  
2 transmission facilities or upgrade existing  
3 transmission facilities at designated locations in  
4 Illinois, for which construction commenced not sooner  
5 than July 1, 2001. For the purposes of this Section,  
6 "transmission facilities" means transmission lines  
7 with a voltage rating of 115 kilovolts or above,  
8 including associated equipment, that transfer  
9 electricity from points of supply to points of  
10 delivery and that transmit a majority of the  
11 electricity generated by a new electric generating  
12 facility designated as a High Impact Business in  
13 accordance with this Section. The term "placed in  
14 service" has the same meaning as described in  
15 subsection (h) of Section 201 of the Illinois Income  
16 Tax Act; or

17           (E) the business intends to establish a new wind  
18 power facility at a designated location in Illinois.  
19 For purposes of this Section, "new wind power  
20 facility" means a newly constructed electric  
21 generation facility, a newly constructed expansion of  
22 an existing electric generation facility, or the  
23 replacement of an existing electric generation  
24 facility, including the demolition and removal of an  
25 electric generation facility irrespective of whether  
26 it will be replaced, placed in service or replaced on

1 or after July 1, 2009, that generates electricity  
2 using wind energy devices, and such facility shall be  
3 deemed to include any permanent structures associated  
4 with the electric generation facility and all  
5 associated transmission lines, substations, and other  
6 equipment related to the generation of electricity  
7 from wind energy devices. For purposes of this  
8 Section, "wind energy device" means any device, with a  
9 nameplate capacity of at least 0.5 megawatts, that is  
10 used in the process of converting kinetic energy from  
11 the wind to generate electricity; or

12 (E-5) the business intends to establish a new  
13 utility-scale solar facility at a designated location  
14 in Illinois. For purposes of this Section, "new  
15 utility-scale solar power facility" means a newly  
16 constructed electric generation facility, or a newly  
17 constructed expansion of an existing electric  
18 generation facility, placed in service on or after  
19 July 1, 2021, that (i) generates electricity using  
20 photovoltaic cells and (ii) has a nameplate capacity  
21 that is greater than 5,000 kilowatts, and such  
22 facility shall be deemed to include all associated  
23 transmission lines, substations, energy storage  
24 facilities, and other equipment related to the  
25 generation and storage of electricity from  
26 photovoltaic cells; or

1 (F) the business commits to (i) make a minimum  
2 investment of \$500,000,000, which will be placed in  
3 service in a qualified property, (ii) create 125  
4 full-time equivalent jobs at a designated location in  
5 Illinois, (iii) establish a fertilizer plant at a  
6 designated location in Illinois that complies with the  
7 set-back standards as described in Table 1: Initial  
8 Isolation and Protective Action Distances in the 2012  
9 Emergency Response Guidebook published by the United  
10 States Department of Transportation, (iv) pay a  
11 prevailing wage for employees at that location who are  
12 engaged in construction activities, and (v) secure an  
13 appropriate level of general liability insurance to  
14 protect against catastrophic failure of the fertilizer  
15 plant or any of its constituent systems; in addition,  
16 the business must agree to enter into a construction  
17 project labor agreement including provisions  
18 establishing wages, benefits, and other compensation  
19 for employees performing work under the project labor  
20 agreement at that location; for the purposes of this  
21 Section, "fertilizer plant" means a newly constructed  
22 or upgraded plant utilizing gas used in the production  
23 of anhydrous ammonia and downstream nitrogen  
24 fertilizer products for resale; for the purposes of  
25 this Section, "prevailing wage" means the hourly cash  
26 wages plus fringe benefits for training and

1 apprenticeship programs approved by the U.S.  
2 Department of Labor, Bureau of Apprenticeship and  
3 Training, health and welfare, insurance, vacations and  
4 pensions paid generally, in the locality in which the  
5 work is being performed, to employees engaged in work  
6 of a similar character on public works; this paragraph  
7 (F) applies only to businesses that submit an  
8 application to the Department within 60 days after  
9 July 25, 2013 (the effective date of Public Act  
10 98-109); or

11 (G) the business intends to establish a new  
12 cultured cell material food production facility at a  
13 designated location in Illinois. As used in this  
14 paragraph (G):

15 "Cultured cell material food production facility"  
16 means a facility (i) at which cultured animal cell  
17 food is developed using animal cell culture  
18 technology, (ii) at which production processes occur  
19 that include the establishment of cell lines and cell  
20 banks, manufacturing controls, and all components and  
21 inputs, and (iii) that complies with all existing  
22 registrations, inspections, licensing, and approvals  
23 from all applicable and participating State and  
24 federal food agencies, including the Department of  
25 Agriculture, the Department of Public Health, and the  
26 United States Food and Drug Administration, to ensure

1           that all food production is safe and lawful under  
2           provisions of the Federal Food, Drug and Cosmetic Act  
3           related to the development, production, and storage of  
4           cultured animal cell food.

5           "New cultured cell material food production  
6           facility" means a newly constructed cultured cell  
7           material food production facility that is placed in  
8           service on or after June 7, 2023 (the effective date of  
9           Public Act 103-9) ~~this amendatory Act of the 103rd~~  
10          ~~General Assembly~~ or a newly constructed expansion of  
11          an existing cultured cell material food production  
12          facility, in a controlled environment, when the  
13          improvements are placed in service on or after June 7,  
14          2023 (the effective date of Public Act 103-9) ~~this~~  
15          ~~amendatory Act of the 103rd General Assembly; or and~~

16          (H) ~~(G)~~ the business is an existing or planned  
17          grocery store, as that term is defined in Section 5 of  
18          the Grocery Initiative Act, and receives financial  
19          support under that Act within the 10 years before  
20          submitting its application under this Act; and

21          (4) no later than 90 days after an application is  
22          submitted, the Department shall notify the applicant of  
23          the Department's determination of the qualification of the  
24          proposed High Impact Business under this Section.

25          (b) Businesses designated as High Impact Businesses  
26          pursuant to subdivision (a)(3)(A) of this Section shall

1 qualify for the credits and exemptions described in the  
2 following Acts: Section 9-222 and Section 9-222.1A of the  
3 Public Utilities Act, subsection (h) of Section 201 of the  
4 Illinois Income Tax Act, and Section 1d of the Retailers'  
5 Occupation Tax Act; provided that these credits and exemptions  
6 described in these Acts shall not be authorized until the  
7 minimum investments set forth in subdivision (a) (3) (A) of this  
8 Section have been placed in service in qualified properties  
9 and, in the case of the exemptions described in the Public  
10 Utilities Act and Section 1d of the Retailers' Occupation Tax  
11 Act, the minimum full-time equivalent jobs or full-time  
12 retained jobs set forth in subdivision (a) (3) (A) of this  
13 Section have been created or retained. Businesses designated  
14 as High Impact Businesses under this Section shall also  
15 qualify for the exemption described in Section 51 of the  
16 Retailers' Occupation Tax Act. The credit provided in  
17 subsection (h) of Section 201 of the Illinois Income Tax Act  
18 shall be applicable to investments in qualified property as  
19 set forth in subdivision (a) (3) (A) of this Section.

20 (b-5) Businesses designated as High Impact Businesses  
21 pursuant to subdivisions (a) (3) (B), (a) (3) (B-5), (a) (3) (C),  
22 (a) (3) (D), ~~and~~ (a) (3) (G), and (a) (3) (H) of this Section shall  
23 qualify for the credits and exemptions described in the  
24 following Acts: Section 51 of the Retailers' Occupation Tax  
25 Act, Section 9-222 and Section 9-222.1A of the Public  
26 Utilities Act, and subsection (h) of Section 201 of the

1 Illinois Income Tax Act; however, the credits and exemptions  
2 authorized under Section 9-222 and Section 9-222.1A of the  
3 Public Utilities Act, and subsection (h) of Section 201 of the  
4 Illinois Income Tax Act shall not be authorized until the new  
5 electric generating facility, the new gasification facility,  
6 the new transmission facility, the new, expanded, or reopened  
7 coal mine, ~~or~~ the new cultured cell material food production  
8 facility, or the existing or planned grocery store is  
9 operational, except that a new electric generating facility  
10 whose primary fuel source is natural gas is eligible only for  
11 the exemption under Section 51 of the Retailers' Occupation  
12 Tax Act.

13 (b-6) Businesses designated as High Impact Businesses  
14 pursuant to subdivision (a) (3) (E) or (a) (3) (E-5) of this  
15 Section shall qualify for the exemptions described in Section  
16 51 of the Retailers' Occupation Tax Act; any business so  
17 designated as a High Impact Business being, for purposes of  
18 this Section, a "Wind Energy Business".

19 (b-7) Beginning on January 1, 2021, businesses designated  
20 as High Impact Businesses by the Department shall qualify for  
21 the High Impact Business construction jobs credit under  
22 subsection (h-5) of Section 201 of the Illinois Income Tax Act  
23 if the business meets the criteria set forth in subsection (i)  
24 of this Section. The total aggregate amount of credits awarded  
25 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9)  
26 shall not exceed \$20,000,000 in any State fiscal year.

1 (c) High Impact Businesses located in federally designated  
2 foreign trade zones or sub-zones are also eligible for  
3 additional credits, exemptions and deductions as described in  
4 the following Acts: Section 9-221 and Section 9-222.1 of the  
5 Public Utilities Act; and subsection (g) of Section 201, and  
6 Section 203 of the Illinois Income Tax Act.

7 (d) Except for businesses contemplated under subdivision  
8 (a) (3) (E), (a) (3) (E-5), ~~or~~ (a) (3) (G), or (a) (3) (H) of this  
9 Section, existing Illinois businesses which apply for  
10 designation as a High Impact Business must provide the  
11 Department with the prospective plan for which 1,500 full-time  
12 retained jobs would be eliminated in the event that the  
13 business is not designated.

14 (e) Except for new businesses contemplated under  
15 subdivision (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or  
16 subdivision (a) (3) (H) of this Section, new proposed facilities  
17 which apply for designation as High Impact Business must  
18 provide the Department with proof of alternative non-Illinois  
19 sites which would receive the proposed investment and job  
20 creation in the event that the business is not designated as a  
21 High Impact Business.

22 (f) Except for businesses contemplated under subdivision  
23 (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or subdivision (a) (3) (H)  
24 of this Section, in the event that a business is designated a  
25 High Impact Business and it is later determined after  
26 reasonable notice and an opportunity for a hearing as provided

1 under the Illinois Administrative Procedure Act, that the  
2 business would have placed in service in qualified property  
3 the investments and created or retained the requisite number  
4 of jobs without the benefits of the High Impact Business  
5 designation, the Department shall be required to immediately  
6 revoke the designation and notify the Director of the  
7 Department of Revenue who shall begin proceedings to recover  
8 all wrongfully exempted State taxes with interest. The  
9 business shall also be ineligible for all State funded  
10 Department programs for a period of 10 years.

11 (g) The Department shall revoke a High Impact Business  
12 designation if the participating business fails to comply with  
13 the terms and conditions of the designation.

14 (h) Prior to designating a business, the Department shall  
15 provide the members of the General Assembly and Commission on  
16 Government Forecasting and Accountability with a report  
17 setting forth the terms and conditions of the designation and  
18 guarantees that have been received by the Department in  
19 relation to the proposed business being designated.

20 (i) High Impact Business construction jobs credit.  
21 Beginning on January 1, 2021, a High Impact Business may  
22 receive a tax credit against the tax imposed under subsections  
23 (a) and (b) of Section 201 of the Illinois Income Tax Act in an  
24 amount equal to 50% of the amount of the incremental income tax  
25 attributable to High Impact Business construction jobs credit  
26 employees employed in the course of completing a High Impact

1 Business construction jobs project. However, the High Impact  
2 Business construction jobs credit may equal 75% of the amount  
3 of the incremental income tax attributable to High Impact  
4 Business construction jobs credit employees if the High Impact  
5 Business construction jobs credit project is located in an  
6 underserved area.

7 The Department shall certify to the Department of Revenue:

8 (1) the identity of taxpayers that are eligible for the High  
9 Impact Business construction jobs credit; and (2) the amount  
10 of High Impact Business construction jobs credits that are  
11 claimed pursuant to subsection (h-5) of Section 201 of the  
12 Illinois Income Tax Act in each taxable year. ~~Any business~~  
13 ~~entity that receives a High Impact Business construction jobs~~  
14 ~~credit shall maintain a certified payroll pursuant to~~  
15 ~~subsection (j) of this Section.~~

16 As used in this subsection (i):

17 "High Impact Business construction jobs credit" means an  
18 amount equal to 50% (or 75% if the High Impact Business  
19 construction project is located in an underserved area) of the  
20 incremental income tax attributable to High Impact Business  
21 construction job employees. The total aggregate amount of  
22 credits awarded under the Blue Collar Jobs Act (Article 20 of  
23 Public Act 101-9) shall not exceed \$20,000,000 in any State  
24 fiscal year

25 "High Impact Business construction job employee" means a  
26 laborer or worker who is employed by a ~~an Illinois~~ contractor

1 or subcontractor in the actual construction work on the site  
2 of a High Impact Business construction job project.

3 "High Impact Business construction jobs project" means  
4 building a structure or building or making improvements of any  
5 kind to real property, undertaken and commissioned by a  
6 business that was designated as a High Impact Business by the  
7 Department. The term "High Impact Business construction jobs  
8 project" does not include the routine operation, routine  
9 repair, or routine maintenance of existing structures,  
10 buildings, or real property.

11 "Incremental income tax" means the total amount withheld  
12 during the taxable year from the compensation of High Impact  
13 Business construction job employees.

14 "Underserved area" means a geographic area that meets one  
15 or more of the following conditions:

16 (1) the area has a poverty rate of at least 20%  
17 according to the latest American Community Survey;

18 (2) 35% or more of the families with children in the  
19 area are living below 130% of the poverty line, according  
20 to the latest American Community Survey;

21 (3) at least 20% of the households in the area receive  
22 assistance under the Supplemental Nutrition Assistance  
23 Program (SNAP); or

24 (4) the area has an average unemployment rate, as  
25 determined by the Illinois Department of Employment  
26 Security, that is more than 120% of the national

1 unemployment average, as determined by the U.S. Department  
2 of Labor, for a period of at least 2 consecutive calendar  
3 years preceding the date of the application.

4 (j) (Blank). ~~Each contractor and subcontractor who is~~  
5 ~~engaged in and executing a High Impact Business Construction~~  
6 ~~jobs project, as defined under subsection (i) of this Section,~~  
7 ~~for a business that is entitled to a credit pursuant to~~  
8 ~~subsection (i) of this Section shall:~~

9 ~~(1) make and keep, for a period of 5 years from the~~  
10 ~~date of the last payment made on or after June 5, 2019 (the~~  
11 ~~effective date of Public Act 101-9) on a contract or~~  
12 ~~subcontract for a High Impact Business Construction Jobs~~  
13 ~~Project, records for all laborers and other workers~~  
14 ~~employed by the contractor or subcontractor on the~~  
15 ~~project; the records shall include:~~

16 ~~(A) the worker's name;~~

17 ~~(B) the worker's address;~~

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

19 ~~(D) the worker's social security number;~~

20 ~~(E) the worker's classification or~~  
21 ~~classifications;~~

22 ~~(F) the worker's gross and net wages paid in each~~  
23 ~~pay period;~~

24 ~~(G) the worker's number of hours worked each day;~~

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

1 ~~(I) the worker's hourly wage rate;~~

2 ~~(J) the worker's hourly overtime wage rate;~~

3 ~~(K) the worker's race and ethnicity; and~~

4 ~~(L) the worker's gender;~~

5 ~~(2) no later than the 15th day of each calendar month,~~  
6 ~~provide a certified payroll for the immediately preceding~~  
7 ~~month to the taxpayer in charge of the High Impact~~  
8 ~~Business construction jobs project; within 5 business days~~  
9 ~~after receiving the certified payroll, the taxpayer shall~~  
10 ~~file the certified payroll with the Department of Labor~~  
11 ~~and the Department of Commerce and Economic Opportunity; a~~  
12 ~~certified payroll must be filed for only those calendar~~  
13 ~~months during which construction on a High Impact Business~~  
14 ~~construction jobs project has occurred; the certified~~  
15 ~~payroll shall consist of a complete copy of the records~~  
16 ~~identified in paragraph (1) of this subsection (j), but~~  
17 ~~may exclude the starting and ending times of work each~~  
18 ~~day; the certified payroll shall be accompanied by a~~  
19 ~~statement signed by the contractor or subcontractor or an~~  
20 ~~officer, employee, or agent of the contractor or~~  
21 ~~subcontractor which avers that:~~

22 ~~(A) he or she has examined the certified payroll~~  
23 ~~records required to be submitted by the Act and such~~  
24 ~~records are true and accurate; and~~

25 ~~(B) the contractor or subcontractor is aware that~~  
26 ~~filing a certified payroll that he or she knows to be~~

1           ~~false is a Class A misdemeanor.~~

2           ~~A general contractor is not prohibited from relying on a~~  
3 ~~certified payroll of a lower tier subcontractor, provided the~~  
4 ~~general contractor does not knowingly rely upon a~~  
5 ~~subcontractor's false certification.~~

6           ~~Any contractor or subcontractor subject to this~~  
7 ~~subsection, and any officer, employee, or agent of such~~  
8 ~~contractor or subcontractor whose duty as an officer,~~  
9 ~~employee, or agent it is to file a certified payroll under this~~  
10 ~~subsection, who willfully fails to file such a certified~~  
11 ~~payroll on or before the date such certified payroll is~~  
12 ~~required by this paragraph to be filed and any person who~~  
13 ~~willfully files a false certified payroll that is false as to~~  
14 ~~any material fact is in violation of this Act and guilty of a~~  
15 ~~Class A misdemeanor.~~

16           ~~The taxpayer in charge of the project shall keep the~~  
17 ~~records submitted in accordance with this subsection on or~~  
18 ~~after June 5, 2019 (the effective date of Public Act 101-9) for~~  
19 ~~a period of 5 years from the date of the last payment for work~~  
20 ~~on a contract or subcontract for the High Impact Business~~  
21 ~~construction jobs project.~~

22           ~~The records submitted in accordance with this subsection~~  
23 ~~shall be considered public records, except an employee's~~  
24 ~~address, telephone number, and social security number, and~~  
25 ~~made available in accordance with the Freedom of Information~~  
26 ~~Act. The Department of Labor shall share the information with~~

1 ~~the Department in order to comply with the awarding of a High~~  
2 ~~Impact Business construction jobs credit. A contractor,~~  
3 ~~subcontractor, or public body may retain records required~~  
4 ~~under this Section in paper or electronic format.~~

5 (j-5) Annually, until construction is completed, a company  
6 seeking High Impact Business Construction Job credits shall  
7 submit a report that, at a minimum, describes the projected  
8 project scope, timeline, and anticipated budget. Once the  
9 project has commenced, the annual report shall include actual  
10 data for the prior year as well as projections for each  
11 additional year through completion of the project. The  
12 Department shall issue detailed reporting guidelines  
13 prescribing the requirements of construction-related reports.

14 In order to receive credit for construction expenses, the  
15 company must provide the Department with evidence that a  
16 certified third-party executed an Agreed-Upon Procedure (AUP)  
17 verifying the construction expenses or accept the standard  
18 construction wage expense estimated by the Department.

19 Upon review of the final project scope, timeline, budget,  
20 and AUP, the Department shall issue a tax credit certificate  
21 reflecting a percentage of the total construction job wages  
22 paid throughout the completion of the project.

23 (k) Upon 7 business days' notice, each taxpayer ~~contractor~~  
24 ~~and subcontractor~~ shall make available to each State agency  
25 and to federal, State, or local law enforcement agencies and  
26 prosecutors for inspection and copying at a location within

1 this State during reasonable hours, the report under  
2 subsection (j-5) ~~records identified in this subsection (j) to~~  
3 ~~the taxpayer in charge of the High Impact Business~~  
4 ~~construction jobs project, its officers and agents, the~~  
5 ~~Director of the Department of Labor and his or her deputies and~~  
6 ~~agents, and to federal, State, or local law enforcement~~  
7 ~~agencies and prosecutors.~~

8 (1) The changes made to this Section by Public Act  
9 102-1125 ~~this amendatory Act of the 102nd General Assembly,~~  
10 other than the changes in subsection (a), apply to High Impact  
11 Businesses ~~high impact businesses~~ that submit applications on  
12 or after February 3, 2023 (the effective date of Public Act  
13 102-1125) ~~this amendatory Act of the 102nd General Assembly.~~

14 (Source: P.A. 102-108, eff. 1-1-22; 102-558, eff. 8-20-21;  
15 102-605, eff. 8-27-21; 102-662, eff. 9-15-21; 102-673, eff.  
16 11-30-21; 102-813, eff. 5-13-22; 102-1125, eff. 2-3-23; 103-9,  
17 eff. 6-7-23; 103-561, eff. 1-1-24; revised 3-15-24.)

18 (20 ILCS 655/13)

19 Sec. 13. Enterprise Zone construction jobs credit.

20 (a) Beginning on January 1, 2021, a business entity in a  
21 certified Enterprise Zone that makes a capital investment of  
22 at least \$10,000,000 in an Enterprise Zone construction jobs  
23 project may receive an Enterprise Zone construction jobs  
24 credit against the tax imposed under subsections (a) and (b)  
25 of Section 201 of the Illinois Income Tax Act in an amount

1 equal to 50% of the amount of the incremental income tax  
2 attributable to Enterprise Zone construction jobs credit  
3 employees employed in the course of completing an Enterprise  
4 Zone construction jobs project. However, the Enterprise Zone  
5 construction jobs credit may equal 75% of the amount of the  
6 incremental income tax attributable to Enterprise Zone  
7 construction jobs credit employees if the project is located  
8 in an underserved area.

9 (b) A business entity seeking a credit under this Section  
10 must submit an application to the Department and must receive  
11 approval from the designating municipality or county and the  
12 Department for the Enterprise Zone construction jobs credit  
13 project. The application must describe the nature and benefit  
14 of the project to the certified Enterprise Zone and its  
15 potential contributors. The total aggregate amount of credits  
16 awarded under the Blue Collar Jobs Act (Article 20 of Public  
17 Act 101-9) shall not exceed \$20,000,000 in any State fiscal  
18 year.

19 Within 45 days after receipt of an application, the  
20 Department shall give notice to the applicant as to whether  
21 the application has been approved or disapproved. If the  
22 Department disapproves the application, it shall specify the  
23 reasons for this decision and allow 60 days for the applicant  
24 to amend and resubmit its application. The Department shall  
25 provide assistance upon request to applicants. Resubmitted  
26 applications shall receive the Department's approval or

1 disapproval within 30 days after the application is  
2 resubmitted. Those resubmitted applications satisfying initial  
3 Department objectives shall be approved unless reasonable  
4 circumstances warrant disapproval.

5 On an annual basis, the designated zone organization shall  
6 furnish a statement to the Department on the programmatic and  
7 financial status of any approved project and an audited  
8 financial statement of the project.

9 The Department shall certify to the Department of Revenue  
10 the identity of taxpayers who are eligible for the credits and  
11 the amount of credits that are claimed pursuant to  
12 subparagraph (8) of subsection (f) of Section 201 the Illinois  
13 Income Tax Act.

14 The Enterprise Zone construction jobs credit project must  
15 be undertaken by the business entity in the course of  
16 completing a project that complies with the criteria contained  
17 in Section 4 of this Act and is undertaken in a certified  
18 Enterprise Zone. The Department shall adopt any necessary  
19 rules for the implementation of this subsection (b).

20 (c) (Blank). ~~Any business entity that receives an~~  
21 ~~Enterprise Zone construction jobs credit shall maintain a~~  
22 ~~certified payroll pursuant to subsection (d) of this Section.~~

23 (d) Annually, until construction is completed, a company  
24 seeking Enterprise Zone construction job credits shall submit  
25 a report that, at a minimum, describes the projected project  
26 scope, timeline, and anticipated budget. Once the project has

1 commenced, the annual report shall include actual data for the  
2 prior year as well as projections for each additional year  
3 through completion of the project. The Department shall issue  
4 detailed reporting guidelines prescribing the requirements of  
5 construction-related reports.

6 In order to receive credit for construction expenses, the  
7 company must provide the Department with evidence that a  
8 certified third-party executed an Agreed-Upon Procedure (AUP)  
9 verifying the construction expenses or accept the standard  
10 construction wage expense estimated by the Department.

11 Upon review of the final project scope, timeline, budget,  
12 and AUP, the Department shall issue a tax credit certificate  
13 reflecting a percentage of the total construction job wages  
14 paid throughout the completion of the project.

15 ~~Each contractor and subcontractor who is engaged in and is~~  
16 ~~executing an Enterprise Zone construction jobs credit project~~  
17 ~~for a business that is entitled to a credit pursuant to this~~  
18 ~~Section shall:~~

19 ~~(1) make and keep, for a period of 5 years from the~~  
20 ~~date of the last payment made on or after June 5, 2019 (the~~  
21 ~~effective date of Public Act 101-9) on a contract or~~  
22 ~~subcontract for an Enterprise Zone construction jobs~~  
23 ~~credit project, records for all laborers and other workers~~  
24 ~~employed by them on the project; the records shall~~  
25 ~~include:~~

26 ~~(A) the worker's name;~~

1           ~~(B) the worker's address;~~  
2           ~~(C) the worker's telephone number, if available;~~  
3           ~~(D) the worker's social security number;~~  
4           ~~(E) the worker's classification or~~  
5           ~~classifications;~~  
6           ~~(F) the worker's gross and net wages paid in each~~  
7           ~~pay period;~~  
8           ~~(G) the worker's number of hours worked each day;~~  
9           ~~(H) the worker's starting and ending times of work~~  
10          ~~each day;~~  
11          ~~(I) the worker's hourly wage rate; and~~  
12          ~~(J) the worker's hourly overtime wage rate;~~  
13          ~~(2) no later than the 15th day of each calendar month,~~  
14          ~~provide a certified payroll for the immediately preceding~~  
15          ~~month to the taxpayer in charge of the project; within 5~~  
16          ~~business days after receiving the certified payroll, the~~  
17          ~~taxpayer shall file the certified payroll with the~~  
18          ~~Department of Labor and the Department of Commerce and~~  
19          ~~Economic Opportunity; a certified payroll must be filed~~  
20          ~~for only those calendar months during which construction~~  
21          ~~on an Enterprise Zone construction jobs project has~~  
22          ~~occurred; the certified payroll shall consist of a~~  
23          ~~complete copy of the records identified in paragraph (1)~~  
24          ~~of this subsection (d), but may exclude the starting and~~  
25          ~~ending times of work each day; the certified payroll shall~~  
26          ~~be accompanied by a statement signed by the contractor or~~

1 ~~subcontractor or an officer, employee, or agent of the~~  
2 ~~contractor or subcontractor which avers that:~~

3 ~~(A) he or she has examined the certified payroll~~  
4 ~~records required to be submitted by the Act and such~~  
5 ~~records are true and accurate; and~~

6 ~~(B) the contractor or subcontractor is aware that~~  
7 ~~filing a certified payroll that he or she knows to be~~  
8 ~~false is a Class A misdemeanor.~~

9 ~~A general contractor is not prohibited from relying on a~~  
10 ~~certified payroll of a lower tier subcontractor, provided the~~  
11 ~~general contractor does not knowingly rely upon a~~  
12 ~~subcontractor's false certification.~~

13 ~~Any contractor or subcontractor subject to this~~  
14 ~~subsection, and any officer, employee, or agent of such~~  
15 ~~contractor or subcontractor whose duty as an officer,~~  
16 ~~employee, or agent it is to file a certified payroll under this~~  
17 ~~subsection, who willfully fails to file such a certified~~  
18 ~~payroll on or before the date such certified payroll is~~  
19 ~~required by this paragraph to be filed and any person who~~  
20 ~~willfully files a false certified payroll that is false as to~~  
21 ~~any material fact is in violation of this Act and guilty of a~~  
22 ~~Class A misdemeanor.~~

23 ~~The taxpayer in charge of the project shall keep the~~  
24 ~~records submitted in accordance with this subsection on or~~  
25 ~~after June 5, 2019 (the effective date of Public Act 101-9) for~~  
26 ~~a period of 5 years from the date of the last payment for work~~

1 ~~on a contract or subcontract for the project.~~

2 ~~The records submitted in accordance with this subsection~~  
3 ~~shall be considered public records, except an employee's~~  
4 ~~address, telephone number, and social security number, and~~  
5 ~~made available in accordance with the Freedom of Information~~  
6 ~~Act. The Department of Labor shall accept any reasonable~~  
7 ~~submissions by the contractor that meet the requirements of~~  
8 ~~this subsection and shall share the information with the~~  
9 ~~Department in order to comply with the awarding of Enterprise~~  
10 ~~Zone construction jobs credits. A contractor, subcontractor,~~  
11 ~~or public body may retain records required under this Section~~  
12 ~~in paper or electronic format.~~

13 ~~Upon 7 business days' notice, the taxpayer contractor and~~  
14 ~~each subcontractor shall make available to any State agency~~  
15 ~~and to federal, State, or local law enforcement agencies and~~  
16 ~~prosecutors for inspection and copying at a location within~~  
17 ~~this State during reasonable hours, the report under this~~  
18 ~~subsection (d) records identified in paragraph (1) of this~~  
19 ~~subsection to the taxpayer in charge of the project, its~~  
20 ~~officers and agents, the Director of Labor and his or her~~  
21 ~~deputies and agents, and to federal, State, or local law~~  
22 ~~enforcement agencies and prosecutors.~~

23 (e) As used in this Section:

24 "Enterprise Zone construction jobs credit" means an amount  
25 equal to 50% (or 75% if the project is located in an  
26 underserved area) of the incremental income tax attributable

1 to Enterprise Zone construction jobs credit employees.

2 "Enterprise Zone construction jobs credit employee" means  
3 a laborer or worker who is employed by a ~~an Illinois~~ contractor  
4 or subcontractor in the actual construction work on the site  
5 of an Enterprise Zone construction jobs credit project.

6 "Enterprise Zone construction jobs credit project" means  
7 building a structure or building or making improvements of any  
8 kind to real property commissioned and paid for by a business  
9 that has applied and been approved for an Enterprise Zone  
10 construction jobs credit pursuant to this Section. "Enterprise  
11 Zone construction jobs credit project" does not include the  
12 routine operation, routine repair, or routine maintenance of  
13 existing structures, buildings, or real property.

14 "Incremental income tax" means the total amount withheld  
15 during the taxable year from the compensation of Enterprise  
16 Zone construction jobs credit employees.

17 "Underserved area" means a geographic area that meets one  
18 or more of the following conditions:

19 (1) the area has a poverty rate of at least 20%  
20 according to the latest American Community Survey;

21 (2) 35% or more of the families with children in the  
22 area are living below 130% of the poverty line, according  
23 to the latest American Community Survey;

24 (3) at least 20% of the households in the area receive  
25 assistance under the Supplemental Nutrition Assistance  
26 Program (SNAP); or

1           (4) the area has an average unemployment rate, as  
2           determined by the Illinois Department of Employment  
3           Security, that is more than 120% of the national  
4           unemployment average, as determined by the U.S. Department  
5           of Labor, for a period of at least 2 consecutive calendar  
6           years preceding the date of the application.

7           (Source: P.A. 101-9, eff. 6-5-19; 102-108, eff. 1-1-22;  
8           102-558, eff. 8-20-21.)

9           Section 15. The Reimagining Energy and Vehicles in  
10          Illinois Act is amended by changing Sections 10, 20, 35, 45,  
11          65, 95, and 105 as follows:

12          (20 ILCS 686/10)

13          Sec. 10. Definitions. As used in this Act:

14          "Advanced battery" means a battery that consists of a  
15          battery cell that can be integrated into a module, pack, or  
16          system to be used in energy storage applications, including a  
17          battery used in an electric vehicle or the electric grid.

18          "Advanced battery component" means a component of an  
19          advanced battery, including materials, enhancements,  
20          enclosures, anodes, cathodes, electrolytes, cells, and other  
21          associated technologies that comprise an advanced battery.

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

24          "Applicant" means a taxpayer that (i) operates a business

1 in Illinois or is planning to locate a business within the  
2 State of Illinois and (ii) is engaged in interstate or  
3 intrastate commerce as an electric vehicle manufacturer, an  
4 electric vehicle component parts manufacturer, or an electric  
5 vehicle power supply equipment manufacturer. For applications  
6 for credits under this Act that are submitted on or after the  
7 effective date of this amendatory Act of the 102nd General  
8 Assembly, "applicant" also includes a taxpayer that (i)  
9 operates a business in Illinois or is planning to locate a  
10 business within the State of Illinois and (ii) is engaged in  
11 interstate or intrastate commerce as a renewable energy  
12 manufacturer. "Applicant" does not include a taxpayer who  
13 closes or substantially reduces by more than 50% operations at  
14 one location in the State and relocates substantially the same  
15 operation to another location in the State. This does not  
16 prohibit a Taxpayer from expanding its operations at another  
17 location in the State. This also does not prohibit a Taxpayer  
18 from moving its operations from one location in the State to  
19 another location in the State for the purpose of expanding the  
20 operation, provided that the Department determines that  
21 expansion cannot reasonably be accommodated within the  
22 municipality or county in which the business is located, or,  
23 in the case of a business located in an incorporated area of  
24 the county, within the county in which the business is  
25 located, after conferring with the chief elected official of  
26 the municipality or county and taking into consideration any

1 evidence offered by the municipality or county regarding the  
2 ability to accommodate expansion within the municipality or  
3 county.

4 "Battery raw materials" means the raw and processed form  
5 of a mineral, metal, chemical, or other material used in an  
6 advanced battery component.

7 "Battery raw materials refining service provider" means a  
8 business that operates a facility that filters, sifts, and  
9 treats battery raw materials for use in an advanced battery.

10 "Battery recycling and reuse manufacturer" means a  
11 manufacturer that is primarily engaged in the recovery,  
12 retrieval, processing, recycling, or recirculating of battery  
13 raw materials for new use in electric vehicle batteries.

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

26 "Credit" means either a "REV Illinois Credit" or a "REV

1 Construction Jobs Credit" agreed to between the Department and  
2 applicant under this Act.

3 "Department" means the Department of Commerce and Economic  
4 Opportunity.

5 "Director" means the Director of Commerce and Economic  
6 Opportunity.

7 "Electric vehicle" means a vehicle that is exclusively  
8 powered by and refueled by electricity, including electricity  
9 generated through a hydrogen fuel cells or solar technology.

10 "Electric vehicle", except when referencing aircraft with  
11 hybrid electric propulsion systems, does not include hybrid  
12 electric vehicles, electric bicycles, or extended-range  
13 electric vehicles that are also equipped with conventional  
14 fueled propulsion or auxiliary engines.

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

20 "Electric vehicle component parts manufacturer" means a  
21 new or existing manufacturer that is focused on reequipping,  
22 expanding, or establishing a manufacturing facility in  
23 Illinois that produces parts or accessories used in electric  
24 vehicles, as defined by this Section, including advanced  
25 battery component parts. The changes to this definition of  
26 "electric vehicle component parts manufacturer" apply to

1 agreements under this Act that are entered into on or after the  
2 effective date of this amendatory Act of the 102nd General  
3 Assembly.

4 "Electric vehicle power supply equipment" means the  
5 equipment used specifically for the purpose of delivering  
6 electricity to an electric vehicle, including hydrogen fuel  
7 cells or solar refueling infrastructure.

8 "Electric vehicle power supply manufacturer" means a new  
9 or existing manufacturer that is focused on reequipping,  
10 expanding, or establishing a manufacturing facility in  
11 Illinois that produces electric vehicle power supply equipment  
12 used for the purpose of delivering electricity to an electric  
13 vehicle, including hydrogen fuel cell or solar refueling  
14 infrastructure.

15 "Electric vehicle powertrain technology" means equipment  
16 used to convert electricity for use in aerospace propulsion.

17 "Electric vehicle powertrain technology manufacturer"  
18 means a new or existing manufacturer that is focused on  
19 reequipping, expanding, or establishing a manufacturing  
20 facility in Illinois that develops and validates electric  
21 vehicle powertrain technology for use in aerospace propulsion.

22 "Electric vertical takeoff and landing aircraft" or "eVTOL  
23 aircraft" means a fully electric aircraft that lands and takes  
24 off vertically.

25 "Energy Transition Area" means a county with less than  
26 100,000 people or a municipality that contains one or more of

1 the following:

2 (1) a fossil fuel plant that was retired from service  
3 or has significant reduced service within 6 years before  
4 the time of the application or will be retired or have  
5 service significantly reduced within 6 years following the  
6 time of the application; or

7 (2) a coal mine that was closed or had operations  
8 significantly reduced within 6 years before the time of  
9 the application or is anticipated to be closed or have  
10 operations significantly reduced within 6 years following  
11 the time of the application.

12 "Full-time employee" means an individual who is employed  
13 for consideration for at least 35 hours each week or who  
14 renders any other standard of service generally accepted by  
15 industry custom or practice as full-time employment. An  
16 individual for whom a W-2 is issued by a Professional Employer  
17 Organization (PEO) is a full-time employee if employed in the  
18 service of the applicant for consideration for at least 35  
19 hours each week.

20 "Green steel manufacturer" means an entity that  
21 manufactures steel without the use of fossil fuels and with  
22 zero net carbon emissions.

23 "Incremental income tax" means the total amount withheld  
24 during the taxable year from the compensation of new employees  
25 and, if applicable, retained employees under Article 7 of the  
26 Illinois Income Tax Act arising from employment at a project

1 that is the subject of an agreement.

2 "Institution of higher education" or "institution" means  
3 any accredited public or private university, college,  
4 community college, business, technical, or vocational school,  
5 or other accredited educational institution offering degrees  
6 and instruction beyond the secondary school level.

7 "Minority person" means a minority person as defined in  
8 the Business Enterprise for Minorities, Women, and Persons  
9 with Disabilities Act.

10 "New employee" means a newly-hired full-time employee  
11 employed to work at the project site and whose work is directly  
12 related to the project.

13 "Noncompliance date" means, in the case of a taxpayer that  
14 is not complying with the requirements of the agreement or the  
15 provisions of this Act, the day following the last date upon  
16 which the taxpayer was in compliance with the requirements of  
17 the agreement and the provisions of this Act, as determined by  
18 the Director, pursuant to Section 70.

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

22 "Placed in service" means the state or condition of  
23 readiness, availability for a specifically assigned function,  
24 and the facility is constructed and ready to conduct its  
25 facility operations to manufacture goods.

26 "Professional employer organization" (PEO) means an

1 employee leasing company, as defined in Section 206.1 of the  
2 Illinois Unemployment Insurance Act.

3 "Program" means the Reimagining Energy and Vehicles in  
4 Illinois Program (the REV Illinois Program) established in  
5 this Act.

6 "Project" or "REV Illinois Project" means a for-profit  
7 economic development activity for the manufacture of electric  
8 vehicles, electric vehicle component parts, electric vehicle  
9 power supply equipment, or renewable energy products, which is  
10 designated by the Department as a REV Illinois Project and is  
11 the subject of an agreement.

12 "Recycling facility" means a location at which the  
13 taxpayer disposes of batteries and other component parts in  
14 manufacturing of electric vehicles, electric vehicle component  
15 parts, or electric vehicle power supply equipment.

16 "Related member" means a person that, with respect to the  
17 taxpayer during any portion of the taxable year, is any one of  
18 the following:

19 (1) An individual stockholder, if the stockholder and  
20 the members of the stockholder's family (as defined in  
21 Section 318 of the Internal Revenue Code) own directly,  
22 indirectly, beneficially, or constructively, in the  
23 aggregate, at least 50% of the value of the taxpayer's  
24 outstanding stock.

25 (2) A partnership, estate, trust and any partner or  
26 beneficiary, if the partnership, estate, or trust, and its

1 partners or beneficiaries own directly, indirectly,  
2 beneficially, or constructively, in the aggregate, at  
3 least 50% of the profits, capital, stock, or value of the  
4 taxpayer.

5 (3) A corporation, and any party related to the  
6 corporation in a manner that would require an attribution  
7 of stock from the corporation under the attribution rules  
8 of Section 318 of the Internal Revenue Code, if the  
9 Taxpayer owns directly, indirectly, beneficially, or  
10 constructively at least 50% of the value of the  
11 corporation's outstanding stock.

12 (4) A corporation and any party related to that  
13 corporation in a manner that would require an attribution  
14 of stock from the corporation to the party or from the  
15 party to the corporation under the attribution rules of  
16 Section 318 of the Internal Revenue Code, if the  
17 corporation and all such related parties own in the  
18 aggregate at least 50% of the profits, capital, stock, or  
19 value of the taxpayer.

20 (5) A person to or from whom there is an attribution of  
21 stock ownership in accordance with Section 1563(e) of the  
22 Internal Revenue Code, except, for purposes of determining  
23 whether a person is a related member under this paragraph,  
24 20% shall be substituted for 5% wherever 5% appears in  
25 Section 1563(e) of the Internal Revenue Code.

26 "Renewable energy" means energy produced using the

1 materials and sources of energy through which renewable energy  
2 resources are generated.

3 "Renewable energy manufacturer" means a manufacturer whose  
4 primary function is to manufacture or assemble: (i) equipment,  
5 systems, or products used to produce renewable or nuclear  
6 energy; (ii) products used for energy ~~conservation~~, storage,  
7 or grid efficiency purposes; or (iii) component parts for that  
8 equipment or those systems or products.

9 "Renewable energy resources" has the meaning ascribed to  
10 that term in Section 1-10 of the Illinois Power Agency Act.

11 "Research and development" means work directed toward the  
12 innovation, introduction, and improvement of products and  
13 processes. "Research and development" includes all levels of  
14 research and development that directly result in the potential  
15 manufacturing and marketability of renewable energy, electric  
16 vehicles, electric vehicle component parts, and electric or  
17 hybrid aircraft.

18 "Retained employee" means a full-time employee employed by  
19 the taxpayer prior to the term of the Agreement who continues  
20 to be employed during the term of the agreement whose job  
21 duties are directly related to the project. The term "retained  
22 employee" does not include any individual who has a direct or  
23 an indirect ownership interest of at least 5% in the profits,  
24 equity, capital, or value of the taxpayer or a child,  
25 grandchild, parent, or spouse, other than a spouse who is  
26 legally separated from the individual, of any individual who

1 has a direct or indirect ownership of at least 5% in the  
2 profits, equity, capital, or value of the taxpayer. The  
3 changes to this definition of "retained employee" apply to  
4 agreements for credits under this Act that are entered into on  
5 or after the effective date of this amendatory Act of the 102nd  
6 General Assembly.

7 "REV Illinois credit" means a credit agreed to between the  
8 Department and the applicant under this Act that is based on  
9 the incremental income tax attributable to new employees and,  
10 if applicable, retained employees, and on training costs for  
11 such employees at the applicant's project.

12 "REV construction jobs credit" means a credit agreed to  
13 between the Department and the applicant under this Act that  
14 is based on the incremental income tax attributable to  
15 construction wages paid in connection with construction of the  
16 project facilities.

17 "Statewide baseline" means the total number of full-time  
18 employees of the applicant and any related member employed by  
19 such entities at the time of application for incentives under  
20 this Act.

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

24 "Training costs" means costs incurred to upgrade the  
25 technological skills of full-time employees in Illinois and  
26 includes: curriculum development; training materials

1 (including scrap product costs); trainee domestic travel  
2 expenses; instructor costs (including wages, fringe benefits,  
3 tuition and domestic travel expenses); rent, purchase or lease  
4 of training equipment; and other usual and customary training  
5 costs. "Training costs" do not include costs associated with  
6 travel outside the United States (unless the Taxpayer receives  
7 prior written approval for the travel by the Director based on  
8 a showing of substantial need or other proof the training is  
9 not reasonably available within the United States), wages and  
10 fringe benefits of employees during periods of training, or  
11 administrative cost related to full-time employees of the  
12 taxpayer.

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

16 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
17 102-1112, eff. 12-21-22; 102-1125, eff. 2-3-23.)

18 (20 ILCS 686/20)

19 Sec. 20. REV Illinois Program; project applications.

20 (a) The Reimagining Energy and Vehicles in Illinois (REV  
21 Illinois) Program is hereby established and shall be  
22 administered by the Department. The Program will provide  
23 financial incentives to any one or more of the following: (1)  
24 eligible manufacturers of electric vehicles, electric vehicle  
25 component parts, and electric vehicle power supply equipment;

1 (2) battery recycling and reuse manufacturers; (3) battery raw  
2 materials refining service providers; or (4) renewable energy  
3 manufacturers.

4 (b) Any taxpayer planning a project to be located in  
5 Illinois may request consideration for designation of its  
6 project as a REV Illinois Project, by formal written letter of  
7 request or by formal application to the Department, in which  
8 the applicant states its intent to make at least a specified  
9 level of investment and intends to hire a specified number of  
10 full-time employees at a designated location in Illinois. As  
11 circumstances require, the Department shall require a formal  
12 application from an applicant and a formal letter of request  
13 for assistance.

14 (c) In order to qualify for credits under the REV Illinois  
15 Program, an applicant must:

16 (1) if the applicant is an electric vehicle  
17 manufacturer:

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

20 (B) to be placed in service within the State  
21 within a 60-month period after approval of the  
22 application; and

23 (C) create at least 500 new full-time employee  
24 jobs; or

25 (2) if the applicant is an electric vehicle component  
26 parts manufacturer, ~~or~~ a renewable energy manufacturer, a

1 green steel manufacturer, or an entity engaged in  
2 research, development, or manufacturing of eVTOL aircraft  
3 or hybrid-electric or fully electric propulsion systems  
4 for airliners:

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

7 (B) manufacture one or more parts that are  
8 primarily used for electric vehicle, renewable energy,  
9 or green steel manufacturing;

10 (C) to be placed in service within the State  
11 within a 60-month period after approval of the  
12 application; and

13 (D) create at least 150 new full-time employee  
14 jobs; or

15 (3) if the agreement is entered into before the  
16 effective date of this amendatory Act of the 102nd General  
17 Assembly and the applicant is an electric vehicle  
18 manufacturer, an electric vehicle power supply equipment  
19 manufacturer, an electric vehicle component part  
20 manufacturer, renewable energy manufacturer, or green  
21 steel manufacturer that does not qualify under paragraph  
22 (2) above, a battery recycling and reuse manufacturer, or  
23 a battery raw materials refining service provider:

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

26 (B) for electric vehicle component part

1 manufacturers, manufacture one or more parts that are  
2 primarily used for electric vehicle manufacturing;

3 (C) to be placed in service within the State  
4 within a 48-month period after approval of the  
5 application; and

6 (D) create at least 50 new full-time employee  
7 jobs; or

8 (3.1) if the agreement is entered into on or after the  
9 effective date of this amendatory Act of the 102nd General  
10 Assembly and the applicant is an electric vehicle  
11 manufacturer, an electric vehicle power supply equipment  
12 manufacturer, an electric vehicle component part  
13 manufacturer, a renewable energy manufacturer, a green  
14 steel manufacturer, or an entity engaged in research,  
15 development, or manufacturing of eVTOL aircraft or  
16 hybrid-electric or fully electric propulsion systems for  
17 airliners that does not qualify under paragraph (2) above,  
18 ~~a renewable energy manufacturer that does not qualify~~  
19 ~~under paragraph (2) above,~~ a battery recycling and reuse  
20 manufacturer, or a battery raw materials refining service  
21 provider:

22 (A) make an investment of at least \$2,500,000 in  
23 capital improvements at the project site;

24 (B) in the case of electric vehicle component part  
25 manufacturers, manufacture one or more parts that are  
26 used for electric vehicle manufacturing;

1 (C) to be placed in service within the State  
2 within a 48-month period after approval of the  
3 application; and

4 (D) create the lesser of 50 new full-time employee  
5 jobs or new full-time employee jobs equivalent to 10%  
6 of the Statewide baseline applicable to the taxpayer  
7 and any related member at the time of application; or

8 (4) if the agreement is entered into before the  
9 effective date of this amendatory Act of the 102nd General  
10 Assembly and the applicant is an electric vehicle  
11 manufacturer or electric vehicle component parts  
12 manufacturer with existing operations within Illinois that  
13 intends to convert or expand, in whole or in part, the  
14 existing facility from traditional manufacturing to  
15 primarily electric vehicle manufacturing, electric vehicle  
16 component parts manufacturing, an ~~or~~ electric vehicle  
17 power supply equipment manufacturing, or a green steel  
18 manufacturer:

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

21 (B) to be placed in service within the State  
22 within a 60-month period after approval of the  
23 application; and

24 (C) create the lesser of 75 new full-time employee  
25 jobs or new full-time employee jobs equivalent to 10%  
26 of the Statewide baseline applicable to the taxpayer

1 and any related member at the time of application;

2 (4.1) if the agreement is entered into on or after the  
3 effective date of this amendatory Act of the 102nd General  
4 Assembly and the applicant (i) is an electric vehicle  
5 manufacturer, an electric vehicle component parts  
6 manufacturer, ~~or~~ a renewable energy manufacturer, a green  
7 steel manufacturer, or an entity engaged in research,  
8 development, or manufacturing of eVTOL aircraft or hybrid  
9 electric or fully electric propulsion systems for  
10 airliners and (ii) has existing operations within Illinois  
11 that the applicant intends to convert or expand, in whole  
12 or in part, from traditional manufacturing to electric  
13 vehicle manufacturing, electric vehicle component parts  
14 manufacturing, renewable energy manufacturing, or electric  
15 vehicle power supply equipment manufacturing:

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

18 (B) to be placed in service within the State  
19 within a 60-month period after approval of the  
20 application; and

21 (C) create the lesser of 50 new full-time employee  
22 jobs or new full-time employee jobs equivalent to 10%  
23 of the Statewide baseline applicable to the taxpayer  
24 and any related member at the time of application; or

25 (5) if the agreement is entered into on or after the  
26 effective date of the changes made to this Section by this

1           amendatory Act of the 103rd General Assembly and before  
2           June 1, 2024 and the applicant (i) is an electric vehicle  
3           manufacturer, an electric vehicle component parts  
4           manufacturer, or a renewable energy manufacturer or (ii)  
5           has existing operations within Illinois that the applicant  
6           intends to convert or expand, in whole or in part, from  
7           traditional manufacturing to electric vehicle  
8           manufacturing, electric vehicle component parts  
9           manufacturing, renewable energy manufacturing, or electric  
10          vehicle power supply equipment manufacturing:

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

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

16                   (C) retain at least 800 full-time employee jobs at  
17                   the project.

18           (d) For agreements entered into prior to April 19, 2022  
19           (the effective date of Public Act 102-700), for any applicant  
20           creating the full-time employee jobs noted in subsection (c),  
21           those jobs must have a total compensation equal to or greater  
22           than 120% of the average wage paid to full-time employees in  
23           the county where the project is located, as determined by the  
24           U.S. Bureau of Labor Statistics. For agreements entered into  
25           on or after April 19, 2022 (the effective date of Public Act  
26           102-700), for any applicant creating the full-time employee

1 jobs noted in subsection (c), those jobs must have a  
2 compensation equal to or greater than 120% of the average wage  
3 paid to full-time employees in a similar position within an  
4 occupational group in the county where the project is located,  
5 as determined by the Department.

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

- 10 (1) BREEAM for New Construction or BREEAM In-Use;
- 11 (2) ENERGY STAR;
- 12 (3) Envision;
- 13 (4) ISO 50001 - energy management;
- 14 (5) LEED for Building Design and Construction or LEED  
15 for Building Operations and Maintenance;
- 16 (6) Green Globes for New Construction or Green Globes  
17 for Existing Buildings; or
- 18 (7) UL 3223.

19 (f) Each applicant must outline its hiring plan and  
20 commitment to recruit and hire full-time employee positions at  
21 the project site. The hiring plan may include a partnership  
22 with an institution of higher education to provide  
23 internships, including, but not limited to, internships  
24 supported by the Clean Jobs Workforce Network Program, or  
25 full-time permanent employment for students at the project  
26 site. Additionally, the applicant may create or utilize

1 participants from apprenticeship programs that are approved by  
2 and registered with the United States Department of Labor's  
3 Bureau of Apprenticeship and Training. The applicant may apply  
4 for apprenticeship education expense credits in accordance  
5 with the provisions set forth in 14 Ill. Adm. Code 522. Each  
6 applicant is required to report annually, on or before April  
7 15, on the diversity of its workforce in accordance with  
8 Section 50 of this Act. For existing facilities of applicants  
9 under paragraph (3) of subsection (b) above, if the taxpayer  
10 expects a reduction in force due to its transition to  
11 manufacturing electric vehicle, electric vehicle component  
12 parts, or electric vehicle power supply equipment, the plan  
13 submitted under this Section must outline the taxpayer's plan  
14 to assist with retraining its workforce aligned with the  
15 taxpayer's adoption of new technologies and anticipated  
16 efforts to retrain employees through employment opportunities  
17 within the taxpayer's workforce.

18 (g) Each applicant must demonstrate a contractual or other  
19 relationship with a recycling facility, or demonstrate its own  
20 recycling capabilities, at the time of application and report  
21 annually a continuing contractual or other relationship with a  
22 recycling facility and the percentage of batteries used in  
23 electric vehicles recycled throughout the term of the  
24 agreement.

25 (h) A taxpayer may not enter into more than one agreement  
26 under this Act with respect to a single address or location for

1 the same period of time. Also, a taxpayer may not enter into an  
2 agreement under this Act with respect to a single address or  
3 location for the same period of time for which the taxpayer  
4 currently holds an active agreement under the Economic  
5 Development for a Growing Economy Tax Credit Act. This  
6 provision does not preclude the applicant from entering into  
7 an additional agreement after the expiration or voluntary  
8 termination of an earlier agreement under this Act or under  
9 the Economic Development for a Growing Economy Tax Credit Act  
10 to the extent that the taxpayer's application otherwise  
11 satisfies the terms and conditions of this Act and is approved  
12 by the Department. An applicant with an existing agreement  
13 under the Economic Development for a Growing Economy Tax  
14 Credit Act may submit an application for an agreement under  
15 this Act after it terminates any existing agreement under the  
16 Economic Development for a Growing Economy Tax Credit Act with  
17 respect to the same address or location. If a project that is  
18 subject to an existing agreement under the Economic  
19 Development for a Growing Economy Tax Credit Act meets the  
20 requirements to be designated as a REV Illinois project under  
21 this Act, including for actions undertaken prior to the  
22 effective date of this Act, the taxpayer that is subject to  
23 that existing agreement under the Economic Development for a  
24 Growing Economy Tax Credit Act may apply to the Department to  
25 amend the agreement to allow the project to become a  
26 designated REV Illinois project. Following the amendment, time

1 accrued during which the project was eligible for credits  
2 under the existing agreement under the Economic Development  
3 for a Growing Economy Tax Credit Act shall count toward the  
4 duration of the credit subject to limitations described in  
5 Section 40 of this Act.

6 (i) If, at any time following the designation of a project  
7 as a REV Illinois Project by the Department and prior to the  
8 termination or expiration of an agreement under this Act, the  
9 project ceases to qualify as a REV Illinois project because  
10 the taxpayer is no longer an electric vehicle manufacturer, an  
11 electric vehicle component manufacturer, an electric vehicle  
12 power supply equipment manufacturer, a battery recycling and  
13 reuse manufacturer, ~~or~~ a battery raw materials refining  
14 service provider, or an entity engaged in eVTOL or hybrid  
15 electric or fully electric propulsion systems for airliners  
16 research, development, or manufacturing, that project may  
17 receive tax credit awards as described in Section 5-15 and  
18 Section 5-51 of the Economic Development for a Growing Economy  
19 Tax Credit Act, as long as the project continues to meet  
20 requirements to obtain those credits as described in the  
21 Economic Development for a Growing Economy Tax Credit Act and  
22 remains compliant with terms contained in the Agreement under  
23 this Act not related to their status as an electric vehicle  
24 manufacturer, an electric vehicle component manufacturer, an  
25 electric vehicle power supply equipment manufacturer, a  
26 battery recycling and reuse manufacturer, ~~or~~ a battery raw

1 materials refining service provider, or an entity engaged in  
2 eVTOL or hybrid-electric or fully electric propulsion systems  
3 for airliners research, development, or manufacturing. Time  
4 accrued during which the project was eligible for credits  
5 under an agreement under this Act shall count toward the  
6 duration of the credit subject to limitations described in  
7 Section 5-45 of the Economic Development for a Growing Economy  
8 Tax Credit Act.

9 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
10 102-1112, eff. 12-21-22; 102-1125, eff. 2-3-23; 103-9, eff.  
11 6-7-23.)

12 (20 ILCS 686/35)

13 Sec. 35. Relocation of jobs in Illinois. A taxpayer is not  
14 entitled to claim a credit provided by this Act with respect to  
15 any jobs that the Taxpayer relocates from one site in Illinois  
16 to another site in Illinois unless the taxpayer has agreed to  
17 hire the minimum number of new employees and the Department  
18 has determined that the expansion cannot reasonably be  
19 accommodated within the municipality in which the business is  
20 located. Any full-time employee relocated to Illinois in  
21 connection with a qualifying project is deemed to be a new  
22 employee for purposes of this Act. Determinations under this  
23 Section shall be made by the Department.

24 (Source: P.A. 102-669, eff. 11-16-21.)

1 (20 ILCS 686/45)

2 Sec. 45. Contents of agreements with applicants.

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

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

9 (2) The duration of the credit, the first taxable year  
10 for which the credit may be awarded, and the first taxable  
11 year in which the credit may be used by the taxpayer.

12 (3) The credit amount that will be allowed for each  
13 taxable year.

14 (4) For a project qualified under paragraphs (1), (2),  
15 (4), or (5) of subsection (c) of Section 20, a requirement  
16 that the taxpayer shall maintain operations at the project  
17 location a minimum number of years not to exceed 15. For a  
18 project qualified under paragraph (3) of subsection (c) of  
19 Section 20, a requirement that the taxpayer shall maintain  
20 operations at the project location a minimum number of  
21 years not to exceed 10.

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

25 (6) A requirement that the taxpayer shall annually  
26 report to the Department the number of new employees, the

1 incremental income tax withheld in connection with the new  
2 employees, and any other information the Department deems  
3 necessary and appropriate to perform its duties under this  
4 Act.

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

10 (8) A requirement that the taxpayer shall provide  
11 written notification to the Director not more than 30 days  
12 after the taxpayer makes or receives a proposal that would  
13 transfer the taxpayer's State tax liability obligations to  
14 a successor taxpayer.

15 (9) A detailed description of the number of new  
16 employees to be hired, and the occupation and payroll of  
17 full-time jobs to be created or retained because of the  
18 project.

19 (10) The minimum investment the taxpayer will make in  
20 capital improvements, the time period for placing the  
21 property in service, and the designated location in  
22 Illinois for the investment.

23 (11) A requirement that the taxpayer shall provide  
24 written notification to the Director and the Director's  
25 designee not more than 30 days after the taxpayer  
26 determines that the minimum job creation or retention,

1 employment payroll, or investment no longer is or will be  
2 achieved or maintained as set forth in the terms and  
3 conditions of the agreement. Additionally, the  
4 notification should outline to the Department the number  
5 of layoffs, date of the layoffs, and detail taxpayer's  
6 efforts to provide career and training counseling for the  
7 impacted workers with industry-related certifications and  
8 trainings.

9 (12) If applicable, a provision that, if the total  
10 number of new employees falls below a specified level, the  
11 allowance of credit shall be suspended until the number of  
12 new employees equals or exceeds the agreement amount.

13 (13) If applicable, a provision that specifies the  
14 statewide baseline at the time of application for retained  
15 employees. The agreement must have a provision addressing  
16 if the total number of retained employees falls below the  
17 lesser of the statewide baseline or the retention  
18 requirements specified in the agreement, the allowance of  
19 the credit shall be suspended until the number of retained  
20 employees equals or exceeds the agreement amount.

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

24 (15) If the agreement is entered into before the  
25 effective date of the changes made to this Section by this  
26 amendatory Act of the 103rd General Assembly, a provision

1           stating that if the taxpayer fails to meet either the  
2           investment or job creation and retention requirements  
3           specified in the agreement during the entire 5-year period  
4           beginning on the first day of the first taxable year in  
5           which the agreement is executed and ending on the last day  
6           of the fifth taxable year after the agreement is executed,  
7           then the agreement is automatically terminated on the last  
8           day of the fifth taxable year after the agreement is  
9           executed, and the taxpayer is not entitled to the award of  
10          any credits for any of that 5-year period. If the  
11          agreement is entered into on or after the effective date  
12          of the changes made to this Section by this amendatory Act  
13          of the 103rd General Assembly, a provision stating that if  
14          the taxpayer fails to meet either the investment or job  
15          creation and retention requirements specified in the  
16          agreement during the entire 10-year period beginning on  
17          the effective date of the agreement and ending 10 years  
18          after the effective date of the agreement, then the  
19          agreement is automatically terminated, and the taxpayer is  
20          not entitled to the award of any credits for any of that  
21          10-year period.

22                 (16) A provision stating that if the taxpayer ceases  
23                 principal operations with the intent to permanently shut  
24                 down the project in the State during the term of the  
25                 Agreement, then the entire credit amount awarded to the  
26                 taxpayer prior to the date the taxpayer ceases principal

1 operations shall be returned to the Department and shall  
2 be reallocated to the local workforce investment area in  
3 which the project was located.

4 (17) A provision stating that the Taxpayer must  
5 provide the reports outlined in Sections 50 and 55 on or  
6 before April 15 each year.

7 (18) A provision requiring the taxpayer to report  
8 annually its contractual obligations or otherwise with a  
9 recycling facility for its operations.

10 (19) Any other performance conditions or contract  
11 provisions the Department determines are necessary or  
12 appropriate.

13 (20) Each taxpayer under paragraph (1) of subsection  
14 (c) of Section 20 above shall maintain labor neutrality  
15 toward any union organizing campaign for any employees of  
16 the taxpayer assigned to work on the premises of the REV  
17 Illinois Project Site. This paragraph shall not apply to  
18 an electric vehicle manufacturer, electric vehicle  
19 component part manufacturer, electric vehicle power supply  
20 manufacturer, or renewable energy manufacturer, or any  
21 joint venture including an electric vehicle manufacturer,  
22 electric vehicle component part manufacturer, electric  
23 vehicle power supply manufacturer, ~~or~~ renewable energy  
24 manufacturer, or an entity engaged in eVTOL or  
25 hybrid-electric or fully electric propulsion systems for  
26 airliners research, development, or manufacturing, who is

1 subject to collective bargaining agreement entered into  
2 prior to the taxpayer filing an application pursuant to  
3 this Act.

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

8 (1) the name of the taxpayer;

9 (2) the location of the project;

10 (3) the estimated value of the credit;

11 (4) the number of new employee jobs and, if  
12 applicable, number of retained employee jobs at the  
13 project; and

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

16 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23;  
17 103-9, eff. 6-7-23.)

18 (20 ILCS 686/65)

19 Sec. 65. REV Construction Jobs Credits ~~Certified payroll.~~

20 (a) Each REV program participant ~~contractor~~ and  
21 ~~subcontractor~~ that is engaged in construction work ~~on project~~  
22 ~~facilities for a taxpayer~~ who seeks to apply for a REV  
23 Construction Jobs credit shall annually, until construction is  
24 completed, submit a report that, at a minimum, describes the  
25 projected project scope, timeline, and anticipated budget.

1 Once the project has commenced, the annual report shall  
2 include actual data for the prior year as well as projections  
3 for each additional year through completion of the project.  
4 The Department shall issue detailed reporting guidelines  
5 prescribing the requirements of construction related reports.+

6 In order to receive credit for construction expenses, the  
7 company must provide the Department with evidence that a  
8 certified third-party executed an Agreed-Upon Procedure (AUP)  
9 verifying the construction expenses or accept the standard  
10 construction wage expense estimated by the Department.

11 Upon review of the final project scope, timeline, budget,  
12 and AUP, the Department shall issue a tax credit certificate  
13 reflecting a percentage of the total construction job wages  
14 paid throughout the completion of the project.

15 ~~(1) make and keep, for a period of 5 years from the~~  
16 ~~date of the last payment made on a contract or subcontract~~  
17 ~~for construction of facilities for a REV Illinois Project~~  
18 ~~pursuant to an agreement, records of all laborers and~~  
19 ~~other workers employed by the contractor or subcontractor~~  
20 ~~on the project; the records shall include:~~

21 ~~(A) the worker's name;~~

22 ~~(B) the worker's address;~~

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

24 ~~(D) the worker's social security number;~~

25 ~~(E) the worker's classification or~~  
26 ~~classifications;~~

1 ~~(F) the worker's gross and net wages paid in each~~  
2 ~~pay period;~~

3 ~~(G) the worker's number of hours worked in each~~  
4 ~~day;~~

5 ~~(H) the worker's starting and ending times of work~~  
6 ~~each day;~~

7 ~~(I) the worker's hourly wage rate; and~~

8 ~~(J) the worker's hourly overtime wage rate; and~~

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

24 ~~(A) he or she has examined the certified payroll~~  
25 ~~records required to be submitted by the Act and such~~  
26 ~~records are true and accurate; and~~

1           ~~(B) the contractor or subcontractor is aware that~~  
2           ~~filing a certified payroll that he or she knows to be~~  
3           ~~false is a Class A misdemeanor.~~

4           ~~A general contractor is not prohibited from relying on a~~  
5           ~~certified payroll of a lower tier subcontractor, provided the~~  
6           ~~general contractor does not knowingly rely upon a~~  
7           ~~subcontractor's false certification.~~

8           ~~(b) (Blank). Any contractor or subcontractor subject to~~  
9           ~~this Section, and any officer, employee, or agent of such~~  
10           ~~contractor or subcontractor whose duty as an officer,~~  
11           ~~employee, or agent it is to file a certified payroll under this~~  
12           ~~Section, who willfully fails to file such a certified payroll,~~  
13           ~~on or before the date such certified payroll is required to be~~  
14           ~~filed and any person who willfully files a false certified~~  
15           ~~payroll as to any material fact is in violation of this Act and~~  
16           ~~guilty of a Class A misdemeanor and may be enforced by the~~  
17           ~~Illinois Department of Labor or the Department. The Attorney~~  
18           ~~General shall represented the Illinois Department of Labor or~~  
19           ~~the Department in the proceeding.~~

20           ~~(c) (Blank). The taxpayer in charge of the project shall~~  
21           ~~keep the records submitted in accordance with this Section for~~  
22           ~~a period of 5 years from the date of the last payment for work~~  
23           ~~on a contract or subcontract for the project.~~

24           ~~(d) (Blank). The records submitted in accordance with this~~  
25           ~~Section shall be considered public records, except an~~  
26           ~~employee's address, telephone number, and social security~~

1 ~~number, which shall be redacted. The records shall be made~~  
2 ~~publicly available in accordance with the Freedom of~~  
3 ~~Information Act. The contractor or subcontractor shall submit~~  
4 ~~reports to the Department of Labor electronically that meet~~  
5 ~~the requirements of this subsection and shall share the~~  
6 ~~information with the Department to comply with the awarding of~~  
7 ~~the REV Construction Jobs Credit. A contractor, subcontractor,~~  
8 ~~or public body may retain records required under this Section~~  
9 ~~in paper or electronic format.~~

10 (e) Upon 7 business days' notice, the taxpayer contractor  
11 ~~and each subcontractor~~ shall make available to any State  
12 agency and to federal, State, or local law enforcement  
13 agencies and prosecutors for inspection and copying at a  
14 location within this State during reasonable hours, the report  
15 described in subsection (a) ~~records identified in paragraph~~  
16 ~~(1) of this subsection to the Taxpayer in charge of the~~  
17 ~~Project, its officers and agents, the Director of the~~  
18 ~~Department of Labor and his/her deputies and agents, and to~~  
19 ~~federal, State, or local law enforcement agencies and~~  
20 ~~prosecutors.~~

21 (Source: P.A. 102-669, eff. 11-16-21.)

22 (20 ILCS 686/95)

23 Sec. 95. Utility tax exemptions for REV Illinois Project  
24 sites. The Department may certify a taxpayer with a REV  
25 Illinois credit for a Project that meets the qualifications

1 under Section paragraphs (1), (2), ~~and~~ (4), (4.1), or (5) of  
2 subsection (c) of Section 20, subject to an agreement under  
3 this Act for an exemption from the tax imposed at the project  
4 site by Section 2-4 of the Electricity Excise Tax Law. To  
5 receive such certification, the taxpayer must be registered to  
6 self-assess that tax. The taxpayer is also exempt from any  
7 additional charges added to the taxpayer's utility bills at  
8 the project site as a pass-on of State utility taxes under  
9 Section 9-222 of the Public Utilities Act. The taxpayer must  
10 meet any other ~~the~~ criteria for certification set by the  
11 Department.

12 The Department shall determine the period during which the  
13 exemption from the Electricity Excise Tax Law and the charges  
14 imposed under Section 9-222 of the Public Utilities Act are in  
15 effect, which shall not exceed 30 ~~10~~ years from the date of the  
16 taxpayer's initial receipt of certification from the  
17 Department under this Section.

18 The Department is authorized to adopt rules to carry out  
19 the provisions of this Section, including procedures to apply  
20 for the exemptions; to define the amounts and types of  
21 eligible investments that an applicant must make in order to  
22 receive electricity excise tax exemptions or exemptions from  
23 the additional charges imposed under Section 9-222 and the  
24 Public Utilities Act; to approve such electricity excise tax  
25 exemptions for applicants whose investments are not yet placed  
26 in service; and to require that an applicant granted an

1 electricity excise tax exemption or an exemption from  
2 additional charges under Section 9-222 of the Public Utilities  
3 Act repay the exempted amount if the Applicant fails to comply  
4 with the terms and conditions of the agreement.

5       Upon certification by the Department under this Section,  
6 the Department shall notify the Department of Revenue of the  
7 certification. The Department of Revenue shall notify the  
8 public utilities of the exempt status of any taxpayer  
9 certified for exemption under this Act from the electricity  
10 excise tax or pass-on charges. The exemption status shall take  
11 effect within 3 months after certification of the taxpayer and  
12 notice to the Department of Revenue by the Department.

13 (Source: P.A. 102-669, eff. 11-16-21.)

14       (20 ILCS 686/105)

15       Sec. 105. Building materials exemptions for REV Illinois  
16 Project sites.

17       (a) The Department may certify a Taxpayer with a REV  
18 Illinois Project that meets the qualifications under  
19 paragraphs (1), (2), ~~or~~ (4), (4.1), or (5) of subsection (c) of  
20 Section 20, subject to an agreement under this Act, for an  
21 exemption from any State or local use tax or retailers'  
22 occupation tax on building materials for the construction of  
23 its project facilities. The taxpayer must meet any criteria  
24 for certification set by the Department under this Act.

25       The Department shall determine the period during which the

1 exemption from State and local use tax and retailers'  
2 occupation tax are in effect, but in no event shall exceed 5  
3 years in accordance with Section 5m of the Retailers'  
4 Occupation Tax Act.

5 The Department is authorized to promulgate rules and  
6 regulations to carry out the provisions of this Section,  
7 including procedures to apply for the exemption; to define the  
8 amounts and types of eligible investments that an applicant  
9 must make in order to receive tax exemption; to approve such  
10 tax exemption for an applicant whose investments are not yet  
11 placed in service; and to require that an applicant granted  
12 exemption repay the exempted amount if the applicant fails to  
13 comply with the terms and conditions of the agreement with the  
14 Department.

15 Upon certification by the Department under this Section,  
16 the Department shall notify the Department of Revenue of the  
17 certification. The exemption status shall take effect within 3  
18 months after certification of the taxpayer and notice to the  
19 Department of Revenue by the Department.

20 (Source: P.A. 102-669, eff. 11-16-21.)

21 Section 17. The Energy Transition Act is amended by  
22 changing Sections 5-20 and 5-45 as follows:

23 (20 ILCS 730/5-20)

24 (Section scheduled to be repealed on September 15, 2045)

1           Sec. 5-20. Clean Jobs Workforce Network Program.

2           (a) As used in this Section, "Program" means the Clean  
3 Jobs Workforce Network Program.

4           (b) Subject to appropriation, the Department shall develop  
5 and, through Regional Administrators, administer the Clean  
6 Jobs Workforce Network Program to create a network of 14 ~~13~~  
7 Program delivery Hub Sites with program elements delivered by  
8 community-based organizations and their subcontractors  
9 geographically distributed across the State including at least  
10 one Hub Site located in or near each of the following areas:  
11 Chicago (South Side), Chicago (Southwest and West Sides),  
12 Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign,  
13 Danville, Decatur, Carbondale, East St. Louis, Kankakee, and  
14 Alton.

15           (c) In admitting program participants, for each workforce  
16 Hub Site, the Regional Administrators shall:

17           (1) in each Hub Site where the applicant pool allows:

18           (A) dedicate at least one-third of program  
19 placements to applicants who reside in a geographic  
20 area that is impacted by economic and environmental  
21 challenges, defined as an area that is both (i) an R3  
22 Area, as defined pursuant to Section 10-40 of the  
23 Cannabis Regulation and Tax Act, and (ii) an  
24 environmental justice community, as defined by the  
25 Illinois Power Agency, excluding any racial or ethnic  
26 indicators used by the agency unless and until the

1 constitutional basis for their inclusion in  
2 determining program admissions is established. Among  
3 applicants that satisfy these criteria, preference  
4 shall be given to applicants who face barriers to  
5 employment, such as low educational attainment, prior  
6 involvement with the criminal legal system, and  
7 language barriers; and applicants that are graduates  
8 of or currently enrolled in the foster care system;  
9 and

10 (B) dedicate at least two-thirds of program  
11 placements to applicants that satisfy the criteria in  
12 paragraph (1) or who reside in a geographic area that  
13 is impacted by economic or environmental challenges,  
14 defined as an area that is either (i) an R3 Area, as  
15 defined pursuant to Section 10-40 of the Cannabis  
16 Regulation and Tax Act, or (ii) an environmental  
17 justice community, as defined by the Illinois Power  
18 Agency, excluding any racial or ethnic indicators used  
19 by the agency unless and until the constitutional  
20 basis for their inclusion in determining program  
21 admissions is established. Among applicants that  
22 satisfy these criteria, preference shall be given to  
23 applicants who face barriers to employment, such as  
24 low educational attainment, prior involvement with the  
25 criminal legal system, and language barriers; and  
26 applicants that are graduates of or currently enrolled

1 in the foster care system; and

2 (2) prioritize the remaining program placements for:  
3 applicants who are displaced energy workers as defined in  
4 the Energy Community Reinvestment Act; persons who face  
5 barriers to employment, including low educational  
6 attainment, prior involvement with the criminal legal  
7 system, and language barriers; and applicants who are  
8 graduates of or currently enrolled in the foster care  
9 system, regardless of the applicant's area of residence.

10 The Department and Regional Administrators shall protect  
11 the confidentiality of any personal information provided by  
12 program applicants regarding the applicant's status as a  
13 formerly incarcerated person or foster care recipient;  
14 however, the Department or Regional Administrators may publish  
15 aggregated data on the number of participants that were  
16 formerly incarcerated or foster care recipients so long as  
17 that publication protects the identities of those persons.

18 Any person who applies to the program may elect not to  
19 share with the Department or Regional Administrators whether  
20 he or she is a graduate or currently enrolled in the foster  
21 care system or was formerly convicted.

22 (d) Program elements for each Hub Site shall be provided  
23 by a community-based organization. The Department shall  
24 initially select a community-based organization in each Hub  
25 Site and shall subsequently select a community-based  
26 organization in each Hub Site every 3 years. Community-based

1 organizations delivering program elements outlined in  
2 subsection (e) may provide all elements required or may  
3 subcontract to other entities for provision of portions of  
4 program elements, including, but not limited to,  
5 administrative soft and hard skills for program participants,  
6 delivery of specific training in the core curriculum, or  
7 provision of other support functions for program delivery  
8 compliance.

9 (e) The Clean Jobs Workforce Hubs Network shall:

10 (1) coordinate with Energy Transition Navigators: (i)  
11 to increase participation in the Clean Jobs Workforce  
12 Network Program and clean energy and related sector  
13 workforce and training opportunities; (ii) coordinate  
14 recruitment, communications, and ongoing engagement with  
15 potential employers, including, but not limited to,  
16 activities such as job matchmaking initiatives, hosting  
17 events such as job fairs, and collaborating with other Hub  
18 Sites to identify and implement best practices for  
19 employer engagement; and (iii) leverage community-based  
20 organizations, educational institutions, and  
21 community-based and labor-based training providers to  
22 ensure program-eligible individuals across the State have  
23 dedicated and sustained support to enter and complete the  
24 career pipeline for clean energy and related sector jobs;

25 (2) develop formal partnerships, including formal  
26 sector partnerships between community-based organizations

1 and entities that provide clean energy jobs, including  
2 businesses, nonprofit organizations, and worker-owned  
3 cooperatives, to ensure that Program participants have  
4 priority access to employment training and hiring  
5 opportunities; and

6 (3) implement the Clean Jobs Curriculum to provide,  
7 including, but not limited to, training, certification  
8 preparation, job readiness, and skill development,  
9 including soft skills, math skills, technical skills,  
10 certification test preparation, and other development  
11 needed, to Program participants.

12 (f) Funding for the Program is subject to appropriation  
13 from the Energy Transition Assistance Fund.

14 (g) The Department shall require submission of quarterly  
15 reports, including program performance metrics by each Hub  
16 Site to the Regional Administrator of their Program Delivery  
17 Area. Program performance metrics include, but are not limited  
18 to:

19 (1) demographic data, including racial, gender,  
20 residency in eligible communities, and geographic  
21 distribution data, on Program trainees entering and  
22 graduating the Program;

23 (2) demographic data, including racial, gender,  
24 residency in eligible communities, and geographic  
25 distribution data, on Program trainees who are placed in  
26 employment, including the percentages of trainees by race,

1 gender, and geographic categories in each individual job  
2 type or category and whether employment is union,  
3 nonunion, or nonunion via temporary agency;

4 (3) trainee job acquisition and retention statistics,  
5 including the duration of employment (start and end dates  
6 of hires) by race, gender, and geography;

7 (4) hourly wages, including hourly overtime pay rate,  
8 and benefits of trainees placed into employment by race,  
9 gender, and geography;

10 (5) percentage of jobs by race, gender, and geography  
11 held by Program trainees or graduates that are full-time  
12 equivalent positions, meaning that the position held is  
13 full-time, direct, and permanent based on 2,080 hours  
14 worked per year (paid directly by the employer, whose  
15 activities, schedule, and manner of work the employer  
16 controls, and receives pay and benefits in the same manner  
17 as permanent employees); and

18 (6) qualitative data consisting of open-ended  
19 reporting on pertinent issues, including, but not limited  
20 to, qualitative descriptions accompanying metrics or  
21 identifying key successes and challenges.

22 (h) Within 3 years after the effective date of this Act,  
23 the Department shall select an independent evaluator to review  
24 and prepare a report on the performance of the Program and  
25 Regional Administrators.

26 (Source: P.A. 102-662, eff. 9-15-21.)

1 (20 ILCS 730/5-45)

2 (Section scheduled to be repealed on September 15, 2045)

3 Sec. 5-45. Clean Energy Contractor Incubator Program.

4 (a) As used in this Section, "community-based  
5 organization" means a nonprofit organization, including an  
6 accredited public college or university that:

7 (1) has a history of providing business-related  
8 assistance and knowledge to help entrepreneurs start, run,  
9 and grow their businesses;

10 (2) has knowledge of construction and clean energy  
11 trades;

12 (3) demonstrates relationships with local residents  
13 and other organizations serving the community; and

14 (4) demonstrates the ability to effectively serve  
15 diverse and underrepresented populations.

16 (b) Subject to appropriation, the Department shall  
17 develop, and through the Regional Administrators, administer  
18 the Clean Energy Contractor Incubator Program ("Program") to  
19 create a network of 14 ~~13~~ Program delivery Hub Sites with  
20 program elements delivered by community-based organizations  
21 and their subcontractors geographically distributed across the  
22 State, including at least one Hub Site located in or near each  
23 of the following areas: Chicago (South Side), Chicago  
24 (Southwest and West Sides), Waukegan, Rockford, Aurora,  
25 Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East

1 St. Louis, Kankakee, and Alton.

2 (c) In admitting program participants, for each Contractor  
3 Incubator Hub Site the Regional Administrators shall:

4 (1) in each Hub Site where the applicant pool allows:

5 (A) dedicate at least one-third of program  
6 placements to the owners of clean energy contractor  
7 businesses and nonprofits who reside in a geographic  
8 area that is impacted by economic and environmental  
9 challenges, defined as an area that is both (i) an R3  
10 Area, as defined pursuant to Section 10-40 of the  
11 Cannabis Regulation and Tax Act, and (ii) an  
12 environmental justice community, as defined by the  
13 Illinois Power Agency, excluding any racial or ethnic  
14 indicators used by the agency unless and until the  
15 constitutional basis for their inclusion in  
16 determining program admissions is established. Among  
17 applicants that satisfy these criteria, preference  
18 shall be given to applicants who face barriers to  
19 employment, such as low educational attainment, prior  
20 involvement with the criminal legal system, and  
21 language barriers; and applicants that are graduates  
22 of or currently enrolled in the foster care system;  
23 and

24 (B) dedicate at least two-thirds of program  
25 placements to the owners of clean energy contractor  
26 businesses and nonprofits that satisfy the criteria in

1 paragraph (1) or who reside in eligible communities.  
2 Among applicants who live in eligible communities,  
3 preference shall be given to applicants who face  
4 barriers to employment, such as low educational  
5 attainment, prior involvement with the criminal legal  
6 system, and language barriers; and applicants that are  
7 graduates of or currently enrolled in the foster care  
8 system; and

9 (2) prioritize the remaining program placements for:  
10 applicants who are displaced energy workers as defined in  
11 the Energy Community Reinvestment Act; persons who face  
12 barriers to employment, including low educational  
13 attainment, prior involvement with the criminal legal  
14 system, and language barriers; and applicants who are  
15 graduates of or currently enrolled in the foster care  
16 system, regardless of the applicants' area of residence.

17 Consideration shall also be given to any current or past  
18 participant in the Clean Jobs Workforce Network Program,  
19 Illinois Climate Works Preapprenticeship Program, or Returning  
20 Residents Clean Energy Jobs Training Program.

21 The Department and Regional Administrators shall protect  
22 the confidentiality of any personal information provided by  
23 program applicants regarding the applicant's status as a  
24 formerly incarcerated person or foster care recipient;  
25 however, the Department or Regional Administrators may publish  
26 aggregated data on the number of participants that were

1 formerly incarcerated or foster care recipients so long as  
2 that publication protects the identities of those persons.

3 Any person who applies to the program may elect not to  
4 share with the Department or Regional Administrators whether  
5 he or she is a graduate or currently enrolled in the foster  
6 care system or was formerly convicted.

7 (d) Program elements at each Hub Site shall be provided by  
8 a local community-based organization. The Department shall  
9 initially select a community-based organization in each Hub  
10 Site and shall subsequently select a community-based  
11 organization in each Hub Site every 3 years. Community-based  
12 organizations delivering program elements outlined in  
13 subsection (e) may provide all elements required or may  
14 subcontract to other entities for provision of portions of  
15 program elements, including, but not limited to,  
16 administrative soft and hard skills for program participants,  
17 delivery of specific training in the core curriculum, or  
18 provision of other support functions for program delivery  
19 compliance.

20 (e) The Clean Energy Contractor Incubator Program shall:

21 (1) provide access to low-cost capital for small clean  
22 energy businesses and contractors;

23 (2) provide support for obtaining financial assurance,  
24 including, but not limited to: bonding; back office  
25 services; insurance, permits, training and certifications;  
26 business planning; and low-interest loans;

1           (3) train, mentor, and provide other support needed to  
2 allow participant contractors to: (i) build their  
3 businesses and connect to specific projects, (ii) register  
4 as approved vendors, (iii) engage in approved vendor  
5 subcontracting and qualified installer opportunities, (iv)  
6 develop partnering and networking skills, (v) compete for  
7 capital and other resources, and (vi) execute clean  
8 energy-related project installations and subcontracts;

9           (4) ensure that participant contractors, community  
10 partners, and potential contractor clients are aware of  
11 and engaged in the Program;

12           (5) connect participant contractors with the  
13 Department of Labor for resources, training, and technical  
14 support on prevailing wage compliance;

15           (6) provide recruitment and ongoing engagement with  
16 entities that hire contractors and subcontractors,  
17 programs providing renewable energy resource-related  
18 projects, incentive programs, and approved vendor and  
19 qualified installer opportunities, including, but not  
20 limited to, activities such as matchmaking, events, and  
21 collaborating with other Hub Sites.

22           (f) Funding for the Program and independent evaluations as  
23 described in subsection (h) are subject to appropriation from  
24 the Energy Transition Assistance Fund.

25           (g) The Department shall require submission of quarterly  
26 reports including program performance metrics by each Hub Site

1 to the Regional Administrator of their Program Delivery Area.

2 Program performance metrics include, but are not limited to:

3 (1) demographic data including: race, gender,  
4 geographic location, R3 residency, Environmental Justice  
5 Community residency, foster care system participation, and  
6 justice-involvement for the owners of contractors  
7 applying, accepted into, and graduating from the Program;

8 (2) the number of projects completed by participant  
9 contractors, alone or in partnership, by race, gender,  
10 geographic location, R3 residency, Environmental Justice  
11 Community residency, foster care system participation, and  
12 justice-involvement for the owners of contractors;

13 (3) the number of partnerships with participant  
14 contractors that are expected to result in contracts for  
15 work by the participant contractor, by race, gender,  
16 geographic location, R3 residency, Environmental Justice  
17 Community residency, foster care system participation, and  
18 justice-involvement for the owners of contractors;

19 (4) changes in participant contractors' business  
20 revenue, by race, gender, geographic location, R3  
21 residency, Environmental Justice Community residency,  
22 foster care system participation, and justice-involvement  
23 for the owners of contractors;

24 (5) the number of new hires by participant  
25 contractors, by race, gender, geographic location, R3  
26 residency, Environmental Justice Community residency,

1 foster care system participation, and justice-involvement;  
2 (6) demographic data, including race, gender,  
3 geographic location, R3 residency, Environmental Justice  
4 Community residency, foster care system participation, and  
5 justice-involvement, and average wage data, for new hires  
6 by participant contractors;

7 (7) certifications held by participant contractors,  
8 and number of participants holding each certification,  
9 including, but not limited to, registration under the  
10 Business Enterprise for Minorities, Women, and Persons  
11 with Disabilities Act program and other programs intended  
12 to certify BIPOC entities;

13 (8) the number of Program sessions attended by  
14 participant contractors, aggregated by race; and

15 (9) indicators relevant for assessing the general  
16 financial health of participant contractors.

17 (h) Within 3 years after the effective date of this Act,  
18 the Department shall select an independent evaluator to review  
19 and prepare a report on the performance of the Program and  
20 Regional Administrators. The report shall be posted publicly.

21 (Source: P.A. 102-662, eff. 9-15-21.)

22 Section 20. The Illinois Income Tax Act is amended by  
23 changing Section 201 and by adding Section 241 as follows:

24 (35 ILCS 5/201)

1           Sec. 201. Tax imposed.

2           (a) In general. A tax measured by net income is hereby  
3 imposed on every individual, corporation, trust and estate for  
4 each taxable year ending after July 31, 1969 on the privilege  
5 of earning or receiving income in or as a resident of this  
6 State. Such tax shall be in addition to all other occupation or  
7 privilege taxes imposed by this State or by any municipal  
8 corporation or political subdivision thereof.

9           (b) Rates. The tax imposed by subsection (a) of this  
10 Section shall be determined as follows, except as adjusted by  
11 subsection (d-1):

12           (1) In the case of an individual, trust or estate, for  
13 taxable years ending prior to July 1, 1989, an amount  
14 equal to 2 1/2% of the taxpayer's net income for the  
15 taxable year.

16           (2) In the case of an individual, trust or estate, for  
17 taxable years beginning prior to July 1, 1989 and ending  
18 after June 30, 1989, an amount equal to the sum of (i) 2  
19 1/2% of the taxpayer's net income for the period prior to  
20 July 1, 1989, as calculated under Section 202.3, and (ii)  
21 3% of the taxpayer's net income for the period after June  
22 30, 1989, as calculated under Section 202.3.

23           (3) In the case of an individual, trust or estate, for  
24 taxable years beginning after June 30, 1989, and ending  
25 prior to January 1, 2011, an amount equal to 3% of the  
26 taxpayer's net income for the taxable year.

1           (4) In the case of an individual, trust, or estate,  
2           for taxable years beginning prior to January 1, 2011, and  
3           ending after December 31, 2010, an amount equal to the sum  
4           of (i) 3% of the taxpayer's net income for the period prior  
5           to January 1, 2011, as calculated under Section 202.5, and  
6           (ii) 5% of the taxpayer's net income for the period after  
7           December 31, 2010, as calculated under Section 202.5.

8           (5) In the case of an individual, trust, or estate,  
9           for taxable years beginning on or after January 1, 2011,  
10          and ending prior to January 1, 2015, an amount equal to 5%  
11          of the taxpayer's net income for the taxable year.

12          (5.1) In the case of an individual, trust, or estate,  
13          for taxable years beginning prior to January 1, 2015, and  
14          ending after December 31, 2014, an amount equal to the sum  
15          of (i) 5% of the taxpayer's net income for the period prior  
16          to January 1, 2015, as calculated under Section 202.5, and  
17          (ii) 3.75% of the taxpayer's net income for the period  
18          after December 31, 2014, as calculated under Section  
19          202.5.

20          (5.2) In the case of an individual, trust, or estate,  
21          for taxable years beginning on or after January 1, 2015,  
22          and ending prior to July 1, 2017, an amount equal to 3.75%  
23          of the taxpayer's net income for the taxable year.

24          (5.3) In the case of an individual, trust, or estate,  
25          for taxable years beginning prior to July 1, 2017, and  
26          ending after June 30, 2017, an amount equal to the sum of

1 (i) 3.75% of the taxpayer's net income for the period  
2 prior to July 1, 2017, as calculated under Section 202.5,  
3 and (ii) 4.95% of the taxpayer's net income for the period  
4 after June 30, 2017, as calculated under Section 202.5.

5 (5.4) In the case of an individual, trust, or estate,  
6 for taxable years beginning on or after July 1, 2017, an  
7 amount equal to 4.95% of the taxpayer's net income for the  
8 taxable year.

9 (6) In the case of a corporation, for taxable years  
10 ending prior to July 1, 1989, an amount equal to 4% of the  
11 taxpayer's net income for the taxable year.

12 (7) In the case of a corporation, for taxable years  
13 beginning prior to July 1, 1989 and ending after June 30,  
14 1989, an amount equal to the sum of (i) 4% of the  
15 taxpayer's net income for the period prior to July 1,  
16 1989, as calculated under Section 202.3, and (ii) 4.8% of  
17 the taxpayer's net income for the period after June 30,  
18 1989, as calculated under Section 202.3.

19 (8) In the case of a corporation, for taxable years  
20 beginning after June 30, 1989, and ending prior to January  
21 1, 2011, an amount equal to 4.8% of the taxpayer's net  
22 income for the taxable year.

23 (9) In the case of a corporation, for taxable years  
24 beginning prior to January 1, 2011, and ending after  
25 December 31, 2010, an amount equal to the sum of (i) 4.8%  
26 of the taxpayer's net income for the period prior to

1 January 1, 2011, as calculated under Section 202.5, and  
2 (ii) 7% of the taxpayer's net income for the period after  
3 December 31, 2010, as calculated under Section 202.5.

4 (10) In the case of a corporation, for taxable years  
5 beginning on or after January 1, 2011, and ending prior to  
6 January 1, 2015, an amount equal to 7% of the taxpayer's  
7 net income for the taxable year.

8 (11) In the case of a corporation, for taxable years  
9 beginning prior to January 1, 2015, and ending after  
10 December 31, 2014, an amount equal to the sum of (i) 7% of  
11 the taxpayer's net income for the period prior to January  
12 1, 2015, as calculated under Section 202.5, and (ii) 5.25%  
13 of the taxpayer's net income for the period after December  
14 31, 2014, as calculated under Section 202.5.

15 (12) In the case of a corporation, for taxable years  
16 beginning on or after January 1, 2015, and ending prior to  
17 July 1, 2017, an amount equal to 5.25% of the taxpayer's  
18 net income for the taxable year.

19 (13) In the case of a corporation, for taxable years  
20 beginning prior to July 1, 2017, and ending after June 30,  
21 2017, an amount equal to the sum of (i) 5.25% of the  
22 taxpayer's net income for the period prior to July 1,  
23 2017, as calculated under Section 202.5, and (ii) 7% of  
24 the taxpayer's net income for the period after June 30,  
25 2017, as calculated under Section 202.5.

26 (14) In the case of a corporation, for taxable years

1 beginning on or after July 1, 2017, an amount equal to 7%  
2 of the taxpayer's net income for the taxable year.

3 The rates under this subsection (b) are subject to the  
4 provisions of Section 201.5.

5 (b-5) Surcharge; sale or exchange of assets, properties,  
6 and intangibles of organization gaming licensees. For each of  
7 taxable years 2019 through 2027, a surcharge is imposed on all  
8 taxpayers on income arising from the sale or exchange of  
9 capital assets, depreciable business property, real property  
10 used in the trade or business, and Section 197 intangibles (i)  
11 of an organization licensee under the Illinois Horse Racing  
12 Act of 1975 and (ii) of an organization gaming licensee under  
13 the Illinois Gambling Act. The amount of the surcharge is  
14 equal to the amount of federal income tax liability for the  
15 taxable year attributable to those sales and exchanges. The  
16 surcharge imposed shall not apply if:

17 (1) the organization gaming license, organization  
18 license, or racetrack property is transferred as a result  
19 of any of the following:

20 (A) bankruptcy, a receivership, or a debt  
21 adjustment initiated by or against the initial  
22 licensee or the substantial owners of the initial  
23 licensee;

24 (B) cancellation, revocation, or termination of  
25 any such license by the Illinois Gaming Board or the  
26 Illinois Racing Board;

1           (C) a determination by the Illinois Gaming Board  
2           that transfer of the license is in the best interests  
3           of Illinois gaming;

4           (D) the death of an owner of the equity interest in  
5           a licensee;

6           (E) the acquisition of a controlling interest in  
7           the stock or substantially all of the assets of a  
8           publicly traded company;

9           (F) a transfer by a parent company to a wholly  
10          owned subsidiary; or

11          (G) the transfer or sale to or by one person to  
12          another person where both persons were initial owners  
13          of the license when the license was issued; or

14          (2) the controlling interest in the organization  
15          gaming license, organization license, or racetrack  
16          property is transferred in a transaction to lineal  
17          descendants in which no gain or loss is recognized or as a  
18          result of a transaction in accordance with Section 351 of  
19          the Internal Revenue Code in which no gain or loss is  
20          recognized; or

21          (3) live horse racing was not conducted in 2010 at a  
22          racetrack located within 3 miles of the Mississippi River  
23          under a license issued pursuant to the Illinois Horse  
24          Racing Act of 1975.

25          The transfer of an organization gaming license,  
26          organization license, or racetrack property by a person other

1 than the initial licensee to receive the organization gaming  
2 license is not subject to a surcharge. The Department shall  
3 adopt rules necessary to implement and administer this  
4 subsection.

5 (c) Personal Property Tax Replacement Income Tax.  
6 Beginning on July 1, 1979 and thereafter, in addition to such  
7 income tax, there is also hereby imposed the Personal Property  
8 Tax Replacement Income Tax measured by net income on every  
9 corporation (including Subchapter S corporations), partnership  
10 and trust, for each taxable year ending after June 30, 1979.  
11 Such taxes are imposed on the privilege of earning or  
12 receiving income in or as a resident of this State. The  
13 Personal Property Tax Replacement Income Tax shall be in  
14 addition to the income tax imposed by subsections (a) and (b)  
15 of this Section and in addition to all other occupation or  
16 privilege taxes imposed by this State or by any municipal  
17 corporation or political subdivision thereof.

18 (d) Additional Personal Property Tax Replacement Income  
19 Tax Rates. The personal property tax replacement income tax  
20 imposed by this subsection and subsection (c) of this Section  
21 in the case of a corporation, other than a Subchapter S  
22 corporation and except as adjusted by subsection (d-1), shall  
23 be an additional amount equal to 2.85% of such taxpayer's net  
24 income for the taxable year, except that beginning on January  
25 1, 1981, and thereafter, the rate of 2.85% specified in this  
26 subsection shall be reduced to 2.5%, and in the case of a

1 partnership, trust or a Subchapter S corporation shall be an  
2 additional amount equal to 1.5% of such taxpayer's net income  
3 for the taxable year.

4 (d-1) Rate reduction for certain foreign insurers. In the  
5 case of a foreign insurer, as defined by Section 35A-5 of the  
6 Illinois Insurance Code, whose state or country of domicile  
7 imposes on insurers domiciled in Illinois a retaliatory tax  
8 (excluding any insurer whose premiums from reinsurance assumed  
9 are 50% or more of its total insurance premiums as determined  
10 under paragraph (2) of subsection (b) of Section 304, except  
11 that for purposes of this determination premiums from  
12 reinsurance do not include premiums from inter-affiliate  
13 reinsurance arrangements), beginning with taxable years ending  
14 on or after December 31, 1999, the sum of the rates of tax  
15 imposed by subsections (b) and (d) shall be reduced (but not  
16 increased) to the rate at which the total amount of tax imposed  
17 under this Act, net of all credits allowed under this Act,  
18 shall equal (i) the total amount of tax that would be imposed  
19 on the foreign insurer's net income allocable to Illinois for  
20 the taxable year by such foreign insurer's state or country of  
21 domicile if that net income were subject to all income taxes  
22 and taxes measured by net income imposed by such foreign  
23 insurer's state or country of domicile, net of all credits  
24 allowed or (ii) a rate of zero if no such tax is imposed on  
25 such income by the foreign insurer's state of domicile. For  
26 the purposes of this subsection (d-1), an inter-affiliate

1 includes a mutual insurer under common management.

2 (1) For the purposes of subsection (d-1), in no event  
3 shall the sum of the rates of tax imposed by subsections  
4 (b) and (d) be reduced below the rate at which the sum of:

5 (A) the total amount of tax imposed on such  
6 foreign insurer under this Act for a taxable year, net  
7 of all credits allowed under this Act, plus

8 (B) the privilege tax imposed by Section 409 of  
9 the Illinois Insurance Code, the fire insurance  
10 company tax imposed by Section 12 of the Fire  
11 Investigation Act, and the fire department taxes  
12 imposed under Section 11-10-1 of the Illinois  
13 Municipal Code,

14 equals 1.25% for taxable years ending prior to December  
15 31, 2003, or 1.75% for taxable years ending on or after  
16 December 31, 2003, of the net taxable premiums written for  
17 the taxable year, as described by subsection (1) of  
18 Section 409 of the Illinois Insurance Code. This paragraph  
19 will in no event increase the rates imposed under  
20 subsections (b) and (d).

21 (2) Any reduction in the rates of tax imposed by this  
22 subsection shall be applied first against the rates  
23 imposed by subsection (b) and only after the tax imposed  
24 by subsection (a) net of all credits allowed under this  
25 Section other than the credit allowed under subsection (i)  
26 has been reduced to zero, against the rates imposed by

1 subsection (d).

2 This subsection (d-1) is exempt from the provisions of  
3 Section 250.

4 (e) Investment credit. A taxpayer shall be allowed a  
5 credit against the Personal Property Tax Replacement Income  
6 Tax for investment in qualified property.

7 (1) A taxpayer shall be allowed a credit equal to .5%  
8 of the basis of qualified property placed in service  
9 during the taxable year, provided such property is placed  
10 in service on or after July 1, 1984. There shall be allowed  
11 an additional credit equal to .5% of the basis of  
12 qualified property placed in service during the taxable  
13 year, provided such property is placed in service on or  
14 after July 1, 1986, and the taxpayer's base employment  
15 within Illinois has increased by 1% or more over the  
16 preceding year as determined by the taxpayer's employment  
17 records filed with the Illinois Department of Employment  
18 Security. Taxpayers who are new to Illinois shall be  
19 deemed to have met the 1% growth in base employment for the  
20 first year in which they file employment records with the  
21 Illinois Department of Employment Security. The provisions  
22 added to this Section by Public Act 85-1200 (and restored  
23 by Public Act 87-895) shall be construed as declaratory of  
24 existing law and not as a new enactment. If, in any year,  
25 the increase in base employment within Illinois over the  
26 preceding year is less than 1%, the additional credit

1 shall be limited to that percentage times a fraction, the  
2 numerator of which is .5% and the denominator of which is  
3 1%, but shall not exceed .5%. The investment credit shall  
4 not be allowed to the extent that it would reduce a  
5 taxpayer's liability in any tax year below zero, nor may  
6 any credit for qualified property be allowed for any year  
7 other than the year in which the property was placed in  
8 service in Illinois. For tax years ending on or after  
9 December 31, 1987, and on or before December 31, 1988, the  
10 credit shall be allowed for the tax year in which the  
11 property is placed in service, or, if the amount of the  
12 credit exceeds the tax liability for that year, whether it  
13 exceeds the original liability or the liability as later  
14 amended, such excess may be carried forward and applied to  
15 the tax liability of the 5 taxable years following the  
16 excess credit years if the taxpayer (i) makes investments  
17 which cause the creation of a minimum of 2,000 full-time  
18 equivalent jobs in Illinois, (ii) is located in an  
19 enterprise zone established pursuant to the Illinois  
20 Enterprise Zone Act and (iii) is certified by the  
21 Department of Commerce and Community Affairs (now  
22 Department of Commerce and Economic Opportunity) as  
23 complying with the requirements specified in clause (i)  
24 and (ii) by July 1, 1986. The Department of Commerce and  
25 Community Affairs (now Department of Commerce and Economic  
26 Opportunity) shall notify the Department of Revenue of all

1 such certifications immediately. For tax years ending  
2 after December 31, 1988, the credit shall be allowed for  
3 the tax year in which the property is placed in service,  
4 or, if the amount of the credit exceeds the tax liability  
5 for that year, whether it exceeds the original liability  
6 or the liability as later amended, such excess may be  
7 carried forward and applied to the tax liability of the 5  
8 taxable years following the excess credit years. The  
9 credit shall be applied to the earliest year for which  
10 there is a liability. If there is credit from more than one  
11 tax year that is available to offset a liability, earlier  
12 credit shall be applied first.

13 (2) The term "qualified property" means property  
14 which:

15 (A) is tangible, whether new or used, including  
16 buildings and structural components of buildings and  
17 signs that are real property, but not including land  
18 or improvements to real property that are not a  
19 structural component of a building such as  
20 landscaping, sewer lines, local access roads, fencing,  
21 parking lots, and other appurtenances;

22 (B) is depreciable pursuant to Section 167 of the  
23 Internal Revenue Code, except that "3-year property"  
24 as defined in Section 168(c)(2)(A) of that Code is not  
25 eligible for the credit provided by this subsection  
26 (e);

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

3 (D) is used in Illinois by a taxpayer who is  
4 primarily engaged in manufacturing, or in mining coal  
5 or fluorite, or in retailing, or was placed in service  
6 on or after July 1, 2006 in a River Edge Redevelopment  
7 Zone established pursuant to the River Edge  
8 Redevelopment Zone Act; and

9 (E) has not previously been used in Illinois in  
10 such a manner and by such a person as would qualify for  
11 the credit provided by this subsection (e) or  
12 subsection (f).

13 (3) For purposes of this subsection (e),  
14 "manufacturing" means the material staging and production  
15 of tangible personal property by procedures commonly  
16 regarded as manufacturing, processing, fabrication, or  
17 assembling which changes some existing material into new  
18 shapes, new qualities, or new combinations. For purposes  
19 of this subsection (e) the term "mining" shall have the  
20 same meaning as the term "mining" in Section 613(c) of the  
21 Internal Revenue Code. For purposes of this subsection  
22 (e), the term "retailing" means the sale of tangible  
23 personal property for use or consumption and not for  
24 resale, or services rendered in conjunction with the sale  
25 of tangible personal property for use or consumption and  
26 not for resale. For purposes of this subsection (e),

1 "tangible personal property" has the same meaning as when  
2 that term is used in the Retailers' Occupation Tax Act,  
3 and, for taxable years ending after December 31, 2008,  
4 does not include the generation, transmission, or  
5 distribution of electricity.

6 (4) The basis of qualified property shall be the basis  
7 used to compute the depreciation deduction for federal  
8 income tax purposes.

9 (5) If the basis of the property for federal income  
10 tax depreciation purposes is increased after it has been  
11 placed in service in Illinois by the taxpayer, the amount  
12 of such increase shall be deemed property placed in  
13 service on the date of such increase in basis.

14 (6) The term "placed in service" shall have the same  
15 meaning as under Section 46 of the Internal Revenue Code.

16 (7) If during any taxable year, any property ceases to  
17 be qualified property in the hands of the taxpayer within  
18 48 months after being placed in service, or the situs of  
19 any qualified property is moved outside Illinois within 48  
20 months after being placed in service, the Personal  
21 Property Tax Replacement Income Tax for such taxable year  
22 shall be increased. Such increase shall be determined by  
23 (i) recomputing the investment credit which would have  
24 been allowed for the year in which credit for such  
25 property was originally allowed by eliminating such  
26 property from such computation and, (ii) subtracting such

1 recomputed credit from the amount of credit previously  
2 allowed. For the purposes of this paragraph (7), a  
3 reduction of the basis of qualified property resulting  
4 from a redetermination of the purchase price shall be  
5 deemed a disposition of qualified property to the extent  
6 of such reduction.

7 (8) Unless the investment credit is extended by law,  
8 the basis of qualified property shall not include costs  
9 incurred after December 31, 2018, except for costs  
10 incurred pursuant to a binding contract entered into on or  
11 before December 31, 2018.

12 (9) Each taxable year ending before December 31, 2000,  
13 a partnership may elect to pass through to its partners  
14 the credits to which the partnership is entitled under  
15 this subsection (e) for the taxable year. A partner may  
16 use the credit allocated to him or her under this  
17 paragraph only against the tax imposed in subsections (c)  
18 and (d) of this Section. If the partnership makes that  
19 election, those credits shall be allocated among the  
20 partners in the partnership in accordance with the rules  
21 set forth in Section 704(b) of the Internal Revenue Code,  
22 and the rules promulgated under that Section, and the  
23 allocated amount of the credits shall be allowed to the  
24 partners for that taxable year. The partnership shall make  
25 this election on its Personal Property Tax Replacement  
26 Income Tax return for that taxable year. The election to

1 pass through the credits shall be irrevocable.

2 For taxable years ending on or after December 31,  
3 2000, a partner that qualifies its partnership for a  
4 subtraction under subparagraph (I) of paragraph (2) of  
5 subsection (d) of Section 203 or a shareholder that  
6 qualifies a Subchapter S corporation for a subtraction  
7 under subparagraph (S) of paragraph (2) of subsection (b)  
8 of Section 203 shall be allowed a credit under this  
9 subsection (e) equal to its share of the credit earned  
10 under this subsection (e) during the taxable year by the  
11 partnership or Subchapter S corporation, determined in  
12 accordance with the determination of income and  
13 distributive share of income under Sections 702 and 704  
14 and Subchapter S of the Internal Revenue Code. This  
15 paragraph is exempt from the provisions of Section 250.

16 (f) Investment credit; Enterprise Zone; River Edge  
17 Redevelopment Zone.

18 (1) A taxpayer shall be allowed a credit against the  
19 tax imposed by subsections (a) and (b) of this Section for  
20 investment in qualified property which is placed in  
21 service in an Enterprise Zone created pursuant to the  
22 Illinois Enterprise Zone Act or, for property placed in  
23 service on or after July 1, 2006, a River Edge  
24 Redevelopment Zone established pursuant to the River Edge  
25 Redevelopment Zone Act. For partners, shareholders of  
26 Subchapter S corporations, and owners of limited liability

1 companies, if the liability company is treated as a  
2 partnership for purposes of federal and State income  
3 taxation, for taxable years ending before December 31,  
4 2023, there shall be allowed a credit under this  
5 subsection (f) to be determined in accordance with the  
6 determination of income and distributive share of income  
7 under Sections 702 and 704 and Subchapter S of the  
8 Internal Revenue Code. For taxable years ending on or  
9 after December 31, 2023, for partners and shareholders of  
10 Subchapter S corporations, the provisions of Section 251  
11 shall apply with respect to the credit under this  
12 subsection. The credit shall be .5% of the basis for such  
13 property. The credit shall be available only in the  
14 taxable year in which the property is placed in service in  
15 the Enterprise Zone or River Edge Redevelopment Zone and  
16 shall not be allowed to the extent that it would reduce a  
17 taxpayer's liability for the tax imposed by subsections  
18 (a) and (b) of this Section to below zero. For tax years  
19 ending on or after December 31, 1985, the credit shall be  
20 allowed for the tax year in which the property is placed in  
21 service, or, if the amount of the credit exceeds the tax  
22 liability for that year, whether it exceeds the original  
23 liability or the liability as later amended, such excess  
24 may be carried forward and applied to the tax liability of  
25 the 5 taxable years following the excess credit year. The  
26 credit shall be applied to the earliest year for which

1           there is a liability. If there is credit from more than one  
2 tax year that is available to offset a liability, the  
3 credit accruing first in time shall be applied first.

4           (2) The term qualified property means property which:

5                 (A) is tangible, whether new or used, including  
6 buildings and structural components of buildings;

7                 (B) is depreciable pursuant to Section 167 of the  
8 Internal Revenue Code, except that "3-year property"  
9 as defined in Section 168(c) (2) (A) of that Code is not  
10 eligible for the credit provided by this subsection  
11 (f);

12                 (C) is acquired by purchase as defined in Section  
13 179(d) of the Internal Revenue Code;

14                 (D) is used in the Enterprise Zone or River Edge  
15 Redevelopment Zone by the taxpayer; and

16                 (E) has not been previously used in Illinois in  
17 such a manner and by such a person as would qualify for  
18 the credit provided by this subsection (f) or  
19 subsection (e).

20           (3) The basis of qualified property shall be the basis  
21 used to compute the depreciation deduction for federal  
22 income tax purposes.

23           (4) If the basis of the property for federal income  
24 tax depreciation purposes is increased after it has been  
25 placed in service in the Enterprise Zone or River Edge  
26 Redevelopment Zone by the taxpayer, the amount of such

1 increase shall be deemed property placed in service on the  
2 date of such increase in basis.

3 (5) The term "placed in service" shall have the same  
4 meaning as under Section 46 of the Internal Revenue Code.

5 (6) If during any taxable year, any property ceases to  
6 be qualified property in the hands of the taxpayer within  
7 48 months after being placed in service, or the situs of  
8 any qualified property is moved outside the Enterprise  
9 Zone or River Edge Redevelopment Zone within 48 months  
10 after being placed in service, the tax imposed under  
11 subsections (a) and (b) of this Section for such taxable  
12 year shall be increased. Such increase shall be determined  
13 by (i) recomputing the investment credit which would have  
14 been allowed for the year in which credit for such  
15 property was originally allowed by eliminating such  
16 property from such computation, and (ii) subtracting such  
17 recomputed credit from the amount of credit previously  
18 allowed. For the purposes of this paragraph (6), a  
19 reduction of the basis of qualified property resulting  
20 from a redetermination of the purchase price shall be  
21 deemed a disposition of qualified property to the extent  
22 of such reduction.

23 (7) There shall be allowed an additional credit equal  
24 to 0.5% of the basis of qualified property placed in  
25 service during the taxable year in a River Edge  
26 Redevelopment Zone, provided such property is placed in

1 service on or after July 1, 2006, and the taxpayer's base  
2 employment within Illinois has increased by 1% or more  
3 over the preceding year as determined by the taxpayer's  
4 employment records filed with the Illinois Department of  
5 Employment Security. Taxpayers who are new to Illinois  
6 shall be deemed to have met the 1% growth in base  
7 employment for the first year in which they file  
8 employment records with the Illinois Department of  
9 Employment Security. If, in any year, the increase in base  
10 employment within Illinois over the preceding year is less  
11 than 1%, the additional credit shall be limited to that  
12 percentage times a fraction, the numerator of which is  
13 0.5% and the denominator of which is 1%, but shall not  
14 exceed 0.5%.

15 (8) For taxable years beginning on or after January 1,  
16 2021, there shall be allowed an Enterprise Zone  
17 construction jobs credit against the taxes imposed under  
18 subsections (a) and (b) of this Section as provided in  
19 Section 13 of the Illinois Enterprise Zone Act.

20 The credit or credits may not reduce the taxpayer's  
21 liability to less than zero. If the amount of the credit or  
22 credits exceeds the taxpayer's liability, the excess may  
23 be carried forward and applied against the taxpayer's  
24 liability in succeeding calendar years in the same manner  
25 provided under paragraph (4) of Section 211 of this Act.  
26 The credit or credits shall be applied to the earliest

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

5 For partners, shareholders of Subchapter S  
6 corporations, and owners of limited liability companies,  
7 if the liability company is treated as a partnership for  
8 the purposes of federal and State income taxation, for  
9 taxable years ending before December 31, 2023, there shall  
10 be allowed a credit under this Section to be determined in  
11 accordance with the determination of income and  
12 distributive share of income under Sections 702 and 704  
13 and Subchapter S of the Internal Revenue Code. For taxable  
14 years ending on or after December 31, 2023, for partners  
15 and shareholders of Subchapter S corporations, the  
16 provisions of Section 251 shall apply with respect to the  
17 credit under this subsection.

18 The total aggregate amount of credits awarded under  
19 the Blue Collar Jobs Act (Article 20 of Public Act 101-9)  
20 shall not exceed \$20,000,000 in any State fiscal year.

21 This paragraph (8) is exempt from the provisions of  
22 Section 250.

23 (g) (Blank).

24 (h) Investment credit; High Impact Business.

25 (1) Subject to subsections (b) and (b-5) of Section  
26 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall

1 be allowed a credit against the tax imposed by subsections  
2 (a) and (b) of this Section for investment in qualified  
3 property which is placed in service by a Department of  
4 Commerce and Economic Opportunity designated High Impact  
5 Business. The credit shall be .5% of the basis for such  
6 property. The credit shall not be available (i) until the  
7 minimum investments in qualified property set forth in  
8 subdivision (a)(3)(A) of Section 5.5 of the Illinois  
9 Enterprise Zone Act have been satisfied or (ii) until the  
10 time authorized in subsection (b-5) of the Illinois  
11 Enterprise Zone Act for entities designated as High Impact  
12 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and  
13 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone  
14 Act, and shall not be allowed to the extent that it would  
15 reduce a taxpayer's liability for the tax imposed by  
16 subsections (a) and (b) of this Section to below zero. The  
17 credit applicable to such investments shall be taken in  
18 the taxable year in which such investments have been  
19 completed. The credit for additional investments beyond  
20 the minimum investment by a designated high impact  
21 business authorized under subdivision (a)(3)(A) of Section  
22 5.5 of the Illinois Enterprise Zone Act shall be available  
23 only in the taxable year in which the property is placed in  
24 service and shall not be allowed to the extent that it  
25 would reduce a taxpayer's liability for the tax imposed by  
26 subsections (a) and (b) of this Section to below zero. For

1 tax years ending on or after December 31, 1987, the credit  
2 shall be allowed for the tax year in which the property is  
3 placed in service, or, if the amount of the credit exceeds  
4 the tax liability for that year, whether it exceeds the  
5 original liability or the liability as later amended, such  
6 excess may be carried forward and applied to the tax  
7 liability of the 5 taxable years following the excess  
8 credit year. The credit shall be applied to the earliest  
9 year for which there is a liability. If there is credit  
10 from more than one tax year that is available to offset a  
11 liability, the credit accruing first in time shall be  
12 applied first.

13 Changes made in this subdivision (h) (1) by Public Act  
14 88-670 restore changes made by Public Act 85-1182 and  
15 reflect existing law.

16 (2) The term qualified property means property which:

17 (A) is tangible, whether new or used, including  
18 buildings and structural components of buildings;

19 (B) is depreciable pursuant to Section 167 of the  
20 Internal Revenue Code, except that "3-year property"  
21 as defined in Section 168(c) (2) (A) of that Code is not  
22 eligible for the credit provided by this subsection  
23 (h);

24 (C) is acquired by purchase as defined in Section  
25 179(d) of the Internal Revenue Code; and

26 (D) is not eligible for the Enterprise Zone

1 Investment Credit provided by subsection (f) of this  
2 Section.

3 (3) The basis of qualified property shall be the basis  
4 used to compute the depreciation deduction for federal  
5 income tax purposes.

6 (4) If the basis of the property for federal income  
7 tax depreciation purposes is increased after it has been  
8 placed in service in a federally designated Foreign Trade  
9 Zone or Sub-Zone located in Illinois by the taxpayer, the  
10 amount of such increase shall be deemed property placed in  
11 service on the date of such increase in basis.

12 (5) The term "placed in service" shall have the same  
13 meaning as under Section 46 of the Internal Revenue Code.

14 (6) If during any taxable year ending on or before  
15 December 31, 1996, any property ceases to be qualified  
16 property in the hands of the taxpayer within 48 months  
17 after being placed in service, or the situs of any  
18 qualified property is moved outside Illinois within 48  
19 months after being placed in service, the tax imposed  
20 under subsections (a) and (b) of this Section for such  
21 taxable year shall be increased. Such increase shall be  
22 determined by (i) recomputing the investment credit which  
23 would have been allowed for the year in which credit for  
24 such property was originally allowed by eliminating such  
25 property from such computation, and (ii) subtracting such  
26 recomputed credit from the amount of credit previously

1           allowed. For the purposes of this paragraph (6), a  
2           reduction of the basis of qualified property resulting  
3           from a redetermination of the purchase price shall be  
4           deemed a disposition of qualified property to the extent  
5           of such reduction.

6           (7) Beginning with tax years ending after December 31,  
7           1996, if a taxpayer qualifies for the credit under this  
8           subsection (h) and thereby is granted a tax abatement and  
9           the taxpayer relocates its entire facility in violation of  
10          the explicit terms and length of the contract under  
11          Section 18-183 of the Property Tax Code, the tax imposed  
12          under subsections (a) and (b) of this Section shall be  
13          increased for the taxable year in which the taxpayer  
14          relocated its facility by an amount equal to the amount of  
15          credit received by the taxpayer under this subsection (h).

16          (h-5) High Impact Business construction jobs credit. For  
17          taxable years beginning on or after January 1, 2021, there  
18          shall also be allowed a High Impact Business construction jobs  
19          credit against the tax imposed under subsections (a) and (b)  
20          of this Section as provided in subsections (i) and (j) of  
21          Section 5.5 of the Illinois Enterprise Zone Act.

22          The credit or credits may not reduce the taxpayer's  
23          liability to less than zero. If the amount of the credit or  
24          credits exceeds the taxpayer's liability, the excess may be  
25          carried forward and applied against the taxpayer's liability  
26          in succeeding calendar years in the manner provided under

1 paragraph (4) of Section 211 of this Act. The credit or credits  
2 shall be applied to the earliest year for which there is a tax  
3 liability. If there are credits from more than one taxable  
4 year that are available to offset a liability, the earlier  
5 credit shall be applied first.

6 For partners, shareholders of Subchapter S corporations,  
7 and owners of limited liability companies, for taxable years  
8 ending before December 31, 2023, if the liability company is  
9 treated as a partnership for the purposes of federal and State  
10 income taxation, there shall be allowed a credit under this  
11 Section to be determined in accordance with the determination  
12 of income and distributive share of income under Sections 702  
13 and 704 and Subchapter S of the Internal Revenue Code. For  
14 taxable years ending on or after December 31, 2023, for  
15 partners and shareholders of Subchapter S corporations, the  
16 provisions of Section 251 shall apply with respect to the  
17 credit under this subsection.

18 The total aggregate amount of credits awarded under the  
19 Blue Collar Jobs Act (Article 20 of Public Act 101-9) shall not  
20 exceed \$20,000,000 in any State fiscal year.

21 This subsection (h-5) is exempt from the provisions of  
22 Section 250.

23 (i) Credit for Personal Property Tax Replacement Income  
24 Tax. For tax years ending prior to December 31, 2003, a credit  
25 shall be allowed against the tax imposed by subsections (a)  
26 and (b) of this Section for the tax imposed by subsections (c)

1 and (d) of this Section. This credit shall be computed by  
2 multiplying the tax imposed by subsections (c) and (d) of this  
3 Section by a fraction, the numerator of which is base income  
4 allocable to Illinois and the denominator of which is Illinois  
5 base income, and further multiplying the product by the tax  
6 rate imposed by subsections (a) and (b) of this Section.

7 Any credit earned on or after December 31, 1986 under this  
8 subsection which is unused in the year the credit is computed  
9 because it exceeds the tax liability imposed by subsections  
10 (a) and (b) for that year (whether it exceeds the original  
11 liability or the liability as later amended) may be carried  
12 forward and applied to the tax liability imposed by  
13 subsections (a) and (b) of the 5 taxable years following the  
14 excess credit year, provided that no credit may be carried  
15 forward to any year ending on or after December 31, 2003. This  
16 credit shall be applied first to the earliest year for which  
17 there is a liability. If there is a credit under this  
18 subsection from more than one tax year that is available to  
19 offset a liability the earliest credit arising under this  
20 subsection shall be applied first.

21 If, during any taxable year ending on or after December  
22 31, 1986, the tax imposed by subsections (c) and (d) of this  
23 Section for which a taxpayer has claimed a credit under this  
24 subsection (i) is reduced, the amount of credit for such tax  
25 shall also be reduced. Such reduction shall be determined by  
26 recomputing the credit to take into account the reduced tax

1 imposed by subsections (c) and (d). If any portion of the  
2 reduced amount of credit has been carried to a different  
3 taxable year, an amended return shall be filed for such  
4 taxable year to reduce the amount of credit claimed.

5 (j) Training expense credit. Beginning with tax years  
6 ending on or after December 31, 1986 and prior to December 31,  
7 2003, a taxpayer shall be allowed a credit against the tax  
8 imposed by subsections (a) and (b) under this Section for all  
9 amounts paid or accrued, on behalf of all persons employed by  
10 the taxpayer in Illinois or Illinois residents employed  
11 outside of Illinois by a taxpayer, for educational or  
12 vocational training in semi-technical or technical fields or  
13 semi-skilled or skilled fields, which were deducted from gross  
14 income in the computation of taxable income. The credit  
15 against the tax imposed by subsections (a) and (b) shall be  
16 1.6% of such training expenses. For partners, shareholders of  
17 subchapter S corporations, and owners of limited liability  
18 companies, if the liability company is treated as a  
19 partnership for purposes of federal and State income taxation,  
20 for taxable years ending before December 31, 2023, there shall  
21 be allowed a credit under this subsection (j) to be determined  
22 in accordance with the determination of income and  
23 distributive share of income under Sections 702 and 704 and  
24 subchapter S of the Internal Revenue Code. For taxable years  
25 ending on or after December 31, 2023, for partners and  
26 shareholders of Subchapter S corporations, the provisions of

1 Section 251 shall apply with respect to the credit under this  
2 subsection.

3 Any credit allowed under this subsection which is unused  
4 in the year the credit is earned may be carried forward to each  
5 of the 5 taxable years following the year for which the credit  
6 is first computed until it is used. This credit shall be  
7 applied first to the earliest year for which there is a  
8 liability. If there is a credit under this subsection from  
9 more than one tax year that is available to offset a liability,  
10 the earliest credit arising under this subsection shall be  
11 applied first. No carryforward credit may be claimed in any  
12 tax year ending on or after December 31, 2003.

13 (k) Research and development credit. For tax years ending  
14 after July 1, 1990 and prior to December 31, 2003, and  
15 beginning again for tax years ending on or after December 31,  
16 2004, and ending prior to January 1, 2032 ~~January 1, 2027~~, a  
17 taxpayer shall be allowed a credit against the tax imposed by  
18 subsections (a) and (b) of this Section for increasing  
19 research activities in this State. The credit allowed against  
20 the tax imposed by subsections (a) and (b) shall be equal to 6  
21 1/2% of the qualifying expenditures for increasing research  
22 activities in this State. For partners, shareholders of  
23 subchapter S corporations, and owners of limited liability  
24 companies, if the liability company is treated as a  
25 partnership for purposes of federal and State income taxation,  
26 for taxable years ending before December 31, 2023, there shall

1 be allowed a credit under this subsection to be determined in  
2 accordance with the determination of income and distributive  
3 share of income under Sections 702 and 704 and subchapter S of  
4 the Internal Revenue Code. For taxable years ending on or  
5 after December 31, 2023, for partners and shareholders of  
6 Subchapter S corporations, the provisions of Section 251 shall  
7 apply with respect to the credit under this subsection.

8 For purposes of this subsection, "qualifying expenditures"  
9 means the qualifying expenditures as defined for the federal  
10 credit for increasing research activities which would be  
11 allowable under Section 41 of the Internal Revenue Code and  
12 which are conducted in this State, "qualifying expenditures  
13 for increasing research activities in this State" means the  
14 excess of qualifying expenditures for the taxable year in  
15 which incurred over qualifying expenditures for the base  
16 period, "qualifying expenditures for the base period" means  
17 the average of the qualifying expenditures for each year in  
18 the base period, and "base period" means the 3 taxable years  
19 immediately preceding the taxable year for which the  
20 determination is being made.

21 Any credit in excess of the tax liability for the taxable  
22 year may be carried forward. A taxpayer may elect to have the  
23 unused credit shown on its final completed return carried over  
24 as a credit against the tax liability for the following 5  
25 taxable years or until it has been fully used, whichever  
26 occurs first; provided that no credit earned in a tax year

1 ending prior to December 31, 2003 may be carried forward to any  
2 year ending on or after December 31, 2003.

3 If an unused credit is carried forward to a given year from  
4 2 or more earlier years, that credit arising in the earliest  
5 year will be applied first against the tax liability for the  
6 given year. If a tax liability for the given year still  
7 remains, the credit from the next earliest year will then be  
8 applied, and so on, until all credits have been used or no tax  
9 liability for the given year remains. Any remaining unused  
10 credit or credits then will be carried forward to the next  
11 following year in which a tax liability is incurred, except  
12 that no credit can be carried forward to a year which is more  
13 than 5 years after the year in which the expense for which the  
14 credit is given was incurred.

15 No inference shall be drawn from Public Act 91-644 in  
16 construing this Section for taxable years beginning before  
17 January 1, 1999.

18 It is the intent of the General Assembly that the research  
19 and development credit under this subsection (k) shall apply  
20 continuously for all tax years ending on or after December 31,  
21 2004 and ending prior to January 1, 2032 ~~January 1, 2027~~,  
22 including, but not limited to, the period beginning on January  
23 1, 2016 and ending on July 6, 2017 (the effective date of  
24 Public Act 100-22). All actions taken in reliance on the  
25 continuation of the credit under this subsection (k) by any  
26 taxpayer are hereby validated.

1 (1) Environmental Remediation Tax Credit.

2 (i) For tax years ending after December 31, 1997 and  
3 on or before December 31, 2001, a taxpayer shall be  
4 allowed a credit against the tax imposed by subsections  
5 (a) and (b) of this Section for certain amounts paid for  
6 unreimbursed eligible remediation costs, as specified in  
7 this subsection. For purposes of this Section,  
8 "unreimbursed eligible remediation costs" means costs  
9 approved by the Illinois Environmental Protection Agency  
10 ("Agency") under Section 58.14 of the Environmental  
11 Protection Act that were paid in performing environmental  
12 remediation at a site for which a No Further Remediation  
13 Letter was issued by the Agency and recorded under Section  
14 58.10 of the Environmental Protection Act. The credit must  
15 be claimed for the taxable year in which Agency approval  
16 of the eligible remediation costs is granted. The credit  
17 is not available to any taxpayer if the taxpayer or any  
18 related party caused or contributed to, in any material  
19 respect, a release of regulated substances on, in, or  
20 under the site that was identified and addressed by the  
21 remedial action pursuant to the Site Remediation Program  
22 of the Environmental Protection Act. After the Pollution  
23 Control Board rules are adopted pursuant to the Illinois  
24 Administrative Procedure Act for the administration and  
25 enforcement of Section 58.9 of the Environmental  
26 Protection Act, determinations as to credit availability

1 for purposes of this Section shall be made consistent with  
2 those rules. For purposes of this Section, "taxpayer"  
3 includes a person whose tax attributes the taxpayer has  
4 succeeded to under Section 381 of the Internal Revenue  
5 Code and "related party" includes the persons disallowed a  
6 deduction for losses by paragraphs (b), (c), and (f)(1) of  
7 Section 267 of the Internal Revenue Code by virtue of  
8 being a related taxpayer, as well as any of its partners.  
9 The credit allowed against the tax imposed by subsections  
10 (a) and (b) shall be equal to 25% of the unreimbursed  
11 eligible remediation costs in excess of \$100,000 per site,  
12 except that the \$100,000 threshold shall not apply to any  
13 site contained in an enterprise zone as determined by the  
14 Department of Commerce and Community Affairs (now  
15 Department of Commerce and Economic Opportunity). The  
16 total credit allowed shall not exceed \$40,000 per year  
17 with a maximum total of \$150,000 per site. For partners  
18 and shareholders of subchapter S corporations, there shall  
19 be allowed a credit under this subsection to be determined  
20 in accordance with the determination of income and  
21 distributive share of income under Sections 702 and 704  
22 and subchapter S of the Internal Revenue Code.

23 (ii) A credit allowed under this subsection that is  
24 unused in the year the credit is earned may be carried  
25 forward to each of the 5 taxable years following the year  
26 for which the credit is first earned until it is used. The

1 term "unused credit" does not include any amounts of  
2 unreimbursed eligible remediation costs in excess of the  
3 maximum credit per site authorized under paragraph (i).  
4 This credit shall be applied first to the earliest year  
5 for which there is a liability. If there is a credit under  
6 this subsection from more than one tax year that is  
7 available to offset a liability, the earliest credit  
8 arising under this subsection shall be applied first. A  
9 credit allowed under this subsection may be sold to a  
10 buyer as part of a sale of all or part of the remediation  
11 site for which the credit was granted. The purchaser of a  
12 remediation site and the tax credit shall succeed to the  
13 unused credit and remaining carry-forward period of the  
14 seller. To perfect the transfer, the assignor shall record  
15 the transfer in the chain of title for the site and provide  
16 written notice to the Director of the Illinois Department  
17 of Revenue of the assignor's intent to sell the  
18 remediation site and the amount of the tax credit to be  
19 transferred as a portion of the sale. In no event may a  
20 credit be transferred to any taxpayer if the taxpayer or a  
21 related party would not be eligible under the provisions  
22 of subsection (i).

23 (iii) For purposes of this Section, the term "site"  
24 shall have the same meaning as under Section 58.2 of the  
25 Environmental Protection Act.

26 (m) Education expense credit. Beginning with tax years

1 ending after December 31, 1999, a taxpayer who is the  
2 custodian of one or more qualifying pupils shall be allowed a  
3 credit against the tax imposed by subsections (a) and (b) of  
4 this Section for qualified education expenses incurred on  
5 behalf of the qualifying pupils. The credit shall be equal to  
6 25% of qualified education expenses, but in no event may the  
7 total credit under this subsection claimed by a family that is  
8 the custodian of qualifying pupils exceed (i) \$500 for tax  
9 years ending prior to December 31, 2017, and (ii) \$750 for tax  
10 years ending on or after December 31, 2017. In no event shall a  
11 credit under this subsection reduce the taxpayer's liability  
12 under this Act to less than zero. Notwithstanding any other  
13 provision of law, for taxable years beginning on or after  
14 January 1, 2017, no taxpayer may claim a credit under this  
15 subsection (m) if the taxpayer's adjusted gross income for the  
16 taxable year exceeds (i) \$500,000, in the case of spouses  
17 filing a joint federal tax return or (ii) \$250,000, in the case  
18 of all other taxpayers. This subsection is exempt from the  
19 provisions of Section 250 of this Act.

20 For purposes of this subsection:

21 "Qualifying pupils" means individuals who (i) are  
22 residents of the State of Illinois, (ii) are under the age of  
23 21 at the close of the school year for which a credit is  
24 sought, and (iii) during the school year for which a credit is  
25 sought were full-time pupils enrolled in a kindergarten  
26 through twelfth grade education program at any school, as

1 defined in this subsection.

2 "Qualified education expense" means the amount incurred on  
3 behalf of a qualifying pupil in excess of \$250 for tuition,  
4 book fees, and lab fees at the school in which the pupil is  
5 enrolled during the regular school year.

6 "School" means any public or nonpublic elementary or  
7 secondary school in Illinois that is in compliance with Title  
8 VI of the Civil Rights Act of 1964 and attendance at which  
9 satisfies the requirements of Section 26-1 of the School Code,  
10 except that nothing shall be construed to require a child to  
11 attend any particular public or nonpublic school to qualify  
12 for the credit under this Section.

13 "Custodian" means, with respect to qualifying pupils, an  
14 Illinois resident who is a parent, the parents, a legal  
15 guardian, or the legal guardians of the qualifying pupils.

16 (n) River Edge Redevelopment Zone site remediation tax  
17 credit.

18 (i) For tax years ending on or after December 31,  
19 2006, a taxpayer shall be allowed a credit against the tax  
20 imposed by subsections (a) and (b) of this Section for  
21 certain amounts paid for unreimbursed eligible remediation  
22 costs, as specified in this subsection. For purposes of  
23 this Section, "unreimbursed eligible remediation costs"  
24 means costs approved by the Illinois Environmental  
25 Protection Agency ("Agency") under Section 58.14a of the  
26 Environmental Protection Act that were paid in performing

1 environmental remediation at a site within a River Edge  
2 Redevelopment Zone for which a No Further Remediation  
3 Letter was issued by the Agency and recorded under Section  
4 58.10 of the Environmental Protection Act. The credit must  
5 be claimed for the taxable year in which Agency approval  
6 of the eligible remediation costs is granted. The credit  
7 is not available to any taxpayer if the taxpayer or any  
8 related party caused or contributed to, in any material  
9 respect, a release of regulated substances on, in, or  
10 under the site that was identified and addressed by the  
11 remedial action pursuant to the Site Remediation Program  
12 of the Environmental Protection Act. Determinations as to  
13 credit availability for purposes of this Section shall be  
14 made consistent with rules adopted by the Pollution  
15 Control Board pursuant to the Illinois Administrative  
16 Procedure Act for the administration and enforcement of  
17 Section 58.9 of the Environmental Protection Act. For  
18 purposes of this Section, "taxpayer" includes a person  
19 whose tax attributes the taxpayer has succeeded to under  
20 Section 381 of the Internal Revenue Code and "related  
21 party" includes the persons disallowed a deduction for  
22 losses by paragraphs (b), (c), and (f)(1) of Section 267  
23 of the Internal Revenue Code by virtue of being a related  
24 taxpayer, as well as any of its partners. The credit  
25 allowed against the tax imposed by subsections (a) and (b)  
26 shall be equal to 25% of the unreimbursed eligible

1 remediation costs in excess of \$100,000 per site.

2 (ii) A credit allowed under this subsection that is  
3 unused in the year the credit is earned may be carried  
4 forward to each of the 5 taxable years following the year  
5 for which the credit is first earned until it is used. This  
6 credit shall be applied first to the earliest year for  
7 which there is a liability. If there is a credit under this  
8 subsection from more than one tax year that is available  
9 to offset a liability, the earliest credit arising under  
10 this subsection shall be applied first. A credit allowed  
11 under this subsection may be sold to a buyer as part of a  
12 sale of all or part of the remediation site for which the  
13 credit was granted. The purchaser of a remediation site  
14 and the tax credit shall succeed to the unused credit and  
15 remaining carry-forward period of the seller. To perfect  
16 the transfer, the assignor shall record the transfer in  
17 the chain of title for the site and provide written notice  
18 to the Director of the Illinois Department of Revenue of  
19 the assignor's intent to sell the remediation site and the  
20 amount of the tax credit to be transferred as a portion of  
21 the sale. In no event may a credit be transferred to any  
22 taxpayer if the taxpayer or a related party would not be  
23 eligible under the provisions of subsection (i).

24 (iii) For purposes of this Section, the term "site"  
25 shall have the same meaning as under Section 58.2 of the  
26 Environmental Protection Act.

1           (o) For each of taxable years during the Compassionate Use  
2 of Medical Cannabis Program, a surcharge is imposed on all  
3 taxpayers on income arising from the sale or exchange of  
4 capital assets, depreciable business property, real property  
5 used in the trade or business, and Section 197 intangibles of  
6 an organization registrant under the Compassionate Use of  
7 Medical Cannabis Program Act. The amount of the surcharge is  
8 equal to the amount of federal income tax liability for the  
9 taxable year attributable to those sales and exchanges. The  
10 surcharge imposed does not apply if:

11           (1) the medical cannabis cultivation center  
12 registration, medical cannabis dispensary registration, or  
13 the property of a registration is transferred as a result  
14 of any of the following:

15           (A) bankruptcy, a receivership, or a debt  
16 adjustment initiated by or against the initial  
17 registration or the substantial owners of the initial  
18 registration;

19           (B) cancellation, revocation, or termination of  
20 any registration by the Illinois Department of Public  
21 Health;

22           (C) a determination by the Illinois Department of  
23 Public Health that transfer of the registration is in  
24 the best interests of Illinois qualifying patients as  
25 defined by the Compassionate Use of Medical Cannabis  
26 Program Act;

1 (D) the death of an owner of the equity interest in  
2 a registrant;

3 (E) the acquisition of a controlling interest in  
4 the stock or substantially all of the assets of a  
5 publicly traded company;

6 (F) a transfer by a parent company to a wholly  
7 owned subsidiary; or

8 (G) the transfer or sale to or by one person to  
9 another person where both persons were initial owners  
10 of the registration when the registration was issued;  
11 or

12 (2) the cannabis cultivation center registration,  
13 medical cannabis dispensary registration, or the  
14 controlling interest in a registrant's property is  
15 transferred in a transaction to lineal descendants in  
16 which no gain or loss is recognized or as a result of a  
17 transaction in accordance with Section 351 of the Internal  
18 Revenue Code in which no gain or loss is recognized.

19 (p) Pass-through entity tax.

20 (1) For taxable years ending on or after December 31,  
21 2021 and beginning prior to January 1, 2026, a partnership  
22 (other than a publicly traded partnership under Section  
23 7704 of the Internal Revenue Code) or Subchapter S  
24 corporation may elect to apply the provisions of this  
25 subsection. A separate election shall be made for each  
26 taxable year. Such election shall be made at such time,

1 and in such form and manner as prescribed by the  
2 Department, and, once made, is irrevocable.

3 (2) Entity-level tax. A partnership or Subchapter S  
4 corporation electing to apply the provisions of this  
5 subsection shall be subject to a tax for the privilege of  
6 earning or receiving income in this State in an amount  
7 equal to 4.95% of the taxpayer's net income for the  
8 taxable year.

9 (3) Net income defined.

10 (A) In general. For purposes of paragraph (2), the  
11 term net income has the same meaning as defined in  
12 Section 202 of this Act, except that, for tax years  
13 ending on or after December 31, 2023, a deduction  
14 shall be allowed in computing base income for  
15 distributions to a retired partner to the extent that  
16 the partner's distributions are exempt from tax under  
17 Section 203(a)(2)(F) of this Act. In addition, the  
18 following modifications shall not apply:

19 (i) the standard exemption allowed under  
20 Section 204;

21 (ii) the deduction for net losses allowed  
22 under Section 207;

23 (iii) in the case of an S corporation, the  
24 modification under Section 203(b)(2)(S); and

25 (iv) in the case of a partnership, the  
26 modifications under Section 203(d)(2)(H) and

1 Section 203(d)(2)(I).

2 (B) Special rule for tiered partnerships. If a  
3 taxpayer making the election under paragraph (1) is a  
4 partner of another taxpayer making the election under  
5 paragraph (1), net income shall be computed as  
6 provided in subparagraph (A), except that the taxpayer  
7 shall subtract its distributive share of the net  
8 income of the electing partnership (including its  
9 distributive share of the net income of the electing  
10 partnership derived as a distributive share from  
11 electing partnerships in which it is a partner).

12 (4) Credit for entity level tax. Each partner or  
13 shareholder of a taxpayer making the election under this  
14 Section shall be allowed a credit against the tax imposed  
15 under subsections (a) and (b) of Section 201 of this Act  
16 for the taxable year of the partnership or Subchapter S  
17 corporation for which an election is in effect ending  
18 within or with the taxable year of the partner or  
19 shareholder in an amount equal to 4.95% times the partner  
20 or shareholder's distributive share of the net income of  
21 the electing partnership or Subchapter S corporation, but  
22 not to exceed the partner's or shareholder's share of the  
23 tax imposed under paragraph (1) which is actually paid by  
24 the partnership or Subchapter S corporation. If the  
25 taxpayer is a partnership or Subchapter S corporation that  
26 is itself a partner of a partnership making the election

1 under paragraph (1), the credit under this paragraph shall  
2 be allowed to the taxpayer's partners or shareholders (or  
3 if the partner is a partnership or Subchapter S  
4 corporation then its partners or shareholders) in  
5 accordance with the determination of income and  
6 distributive share of income under Sections 702 and 704  
7 and Subchapter S of the Internal Revenue Code. If the  
8 amount of the credit allowed under this paragraph exceeds  
9 the partner's or shareholder's liability for tax imposed  
10 under subsections (a) and (b) of Section 201 of this Act  
11 for the taxable year, such excess shall be treated as an  
12 overpayment for purposes of Section 909 of this Act.

13 (5) Nonresidents. A nonresident individual who is a  
14 partner or shareholder of a partnership or Subchapter S  
15 corporation for a taxable year for which an election is in  
16 effect under paragraph (1) shall not be required to file  
17 an income tax return under this Act for such taxable year  
18 if the only source of net income of the individual (or the  
19 individual and the individual's spouse in the case of a  
20 joint return) is from an entity making the election under  
21 paragraph (1) and the credit allowed to the partner or  
22 shareholder under paragraph (4) equals or exceeds the  
23 individual's liability for the tax imposed under  
24 subsections (a) and (b) of Section 201 of this Act for the  
25 taxable year.

26 (6) Liability for tax. Except as provided in this

1 paragraph, a partnership or Subchapter S making the  
2 election under paragraph (1) is liable for the  
3 entity-level tax imposed under paragraph (2). If the  
4 electing partnership or corporation fails to pay the full  
5 amount of tax deemed assessed under paragraph (2), the  
6 partners or shareholders shall be liable to pay the tax  
7 assessed (including penalties and interest). Each partner  
8 or shareholder shall be liable for the unpaid assessment  
9 based on the ratio of the partner's or shareholder's share  
10 of the net income of the partnership over the total net  
11 income of the partnership. If the partnership or  
12 Subchapter S corporation fails to pay the tax assessed  
13 (including penalties and interest) and thereafter an  
14 amount of such tax is paid by the partners or  
15 shareholders, such amount shall not be collected from the  
16 partnership or corporation.

17 (7) Foreign tax. For purposes of the credit allowed  
18 under Section 601(b)(3) of this Act, tax paid by a  
19 partnership or Subchapter S corporation to another state  
20 which, as determined by the Department, is substantially  
21 similar to the tax imposed under this subsection, shall be  
22 considered tax paid by the partner or shareholder to the  
23 extent that the partner's or shareholder's share of the  
24 income of the partnership or Subchapter S corporation  
25 allocated and apportioned to such other state bears to the  
26 total income of the partnership or Subchapter S

1 corporation allocated or apportioned to such other state.

2 (8) Suspension of withholding. The provisions of  
3 Section 709.5 of this Act shall not apply to a partnership  
4 or Subchapter S corporation for the taxable year for which  
5 an election under paragraph (1) is in effect.

6 (9) Requirement to pay estimated tax. For each taxable  
7 year for which an election under paragraph (1) is in  
8 effect, a partnership or Subchapter S corporation is  
9 required to pay estimated tax for such taxable year under  
10 Sections 803 and 804 of this Act if the amount payable as  
11 estimated tax can reasonably be expected to exceed \$500.

12 (10) The provisions of this subsection shall apply  
13 only with respect to taxable years for which the  
14 limitation on individual deductions applies under Section  
15 164(b)(6) of the Internal Revenue Code.

16 (Source: P.A. 102-558, eff. 8-20-21; 102-658, eff. 8-27-21;  
17 103-9, eff. 6-7-23; 103-396, eff. 1-1-24; revised 12-12-23.)

18 (35 ILCS 5/241 new)

19 Sec. 241. Credit for quantum computing campuses.

20 (a) A taxpayer who has been awarded a credit by the  
21 Department of Commerce and Economic Opportunity under Section  
22 605-115 of the Department of Commerce and Economic Opportunity  
23 Law of the Civil Administrative Code of Illinois is entitled  
24 to a credit against the taxes imposed under subsections (a)  
25 and (b) of Section 201 of this Act. The amount of the credit

1 shall be 20% of the wages paid by the taxpayer during the  
2 taxable year to a full-time or part-time employee of a  
3 construction contractor employed in the construction of an  
4 eligible facility located on a quantum computing campus  
5 designated under Section 605-115 of the Department of Commerce  
6 and Economic Opportunity Law of the Civil Administrative Code  
7 of Illinois.

8 (b) In no event shall a credit under this Section reduce  
9 the taxpayer's liability to less than zero. If the amount of  
10 the credit exceeds the tax liability for the year, the excess  
11 may be carried forward and applied to the tax liability of the  
12 5 taxable years following the excess credit year. The tax  
13 credit shall be applied to the earliest year for which there is  
14 a tax liability. If there are credits for more than one year  
15 that are available to offset a liability, the earlier credit  
16 shall be applied first.

17 (c) A person claiming the credit allowed under this  
18 Section shall attach to its Illinois income tax return for the  
19 taxable year for which the credit is allowed a copy of the tax  
20 credit certificate issued by the Department of Commerce and  
21 Economic Opportunity.

22 (d) Partners and shareholders of Subchapter S corporations  
23 are entitled to a credit under this Section as provided in  
24 Section 251.

25 (e) As used in this Section, "eligible facility" means a  
26 building used primarily to house one or more of the following:

1 a quantum computer operator; a research facility; a data  
2 center; a manufacturer and assembler of quantum computers and  
3 component parts; a cryogenic or refrigeration facility; or any  
4 other facility determined, by industry and academic leaders,  
5 to be fundamental to the research and development of quantum  
6 computing for practical solutions.

7 (f) This Section is exempt from the provisions of Section  
8 250.

9 Section 23. The Illinois Income Tax Act is amended by  
10 changing Section 213 as follows:

11 (35 ILCS 5/213)

12 Sec. 213. Film production services credit.

13 (a) For tax years beginning on or after January 1, 2004, a  
14 taxpayer who has been awarded a tax credit under the Film  
15 Production Services Tax Credit Act or under the Film  
16 Production Services Tax Credit Act of 2008 is entitled to a  
17 credit against the taxes imposed under subsections (a) and (b)  
18 of Section 201 of this Act in an amount determined by the  
19 Department of Commerce and Economic Opportunity under those  
20 Acts. If the taxpayer is a partnership or Subchapter S  
21 corporation, the credit is allowed to the partners or  
22 shareholders in accordance with the determination of income  
23 and distributive share of income under Sections 702 and 704  
24 and Subchapter S of the Internal Revenue Code.

1       (b) Beginning July 1, 2024, taxpayers who have been  
2 awarded a tax credit under the Film Production Services Tax  
3 Credit Act of 2008 shall pay to the Department of Commerce and  
4 Economic Opportunity, after determination of the tax credit  
5 amount but prior to the issuance of a tax credit certificate  
6 pursuant to Section 35 of the Film Production Services Tax  
7 Credit Act of 2008, a fee equal to 2.5% of the credit amount  
8 awarded to the taxpayer under the Film Production Services Tax  
9 Credit Act of 2008 that is attributable to wages paid to  
10 nonresidents, as described in Section 10 of the Film  
11 Production Services Tax Credit Act of 2008, and an additional  
12 fee equal to 0.25% of the amount generated by subtracting the  
13 credit amount awarded to the taxpayer under the Film  
14 Production Services Tax Credit Act of 2008 that is  
15 attributable to wages paid to nonresidents from the total  
16 credit amount awarded to the taxpayer under that Act. All fees  
17 collected under this subsection shall be deposited into the  
18 Illinois Production Workforce Development Fund. No tax credit  
19 certificate shall be issued by the Department of Commerce and  
20 Economic Opportunity until the total fees owed according to  
21 this subsection have been received by the Department of  
22 Commerce and Economic Opportunity.

23       (c) A transfer of this credit may be made by the taxpayer  
24 earning the credit within one year after the credit is awarded  
25 in accordance with rules adopted by the Department of Commerce  
26 and Economic Opportunity. Beginning July 1, 2023 and through

1 June 30, 2024, if a credit is transferred under this Section by  
2 the taxpayer, then the transferor taxpayer shall pay to the  
3 Department of Commerce and Economic Opportunity, upon  
4 notification of a transfer, a fee equal to 2.5% of the  
5 transferred credit amount eligible for nonresident wages, as  
6 described in Section 10 of the Film Production Services Tax  
7 Credit Act of 2008, and an additional fee of 0.25% of the total  
8 amount of the transferred credit that is not calculated on  
9 nonresident wages, which shall be deposited into the Illinois  
10 Production Workforce Development Fund.

11 (d) The Department, in cooperation with the Department of  
12 Commerce and Economic Opportunity, must prescribe rules to  
13 enforce and administer the provisions of this Section. This  
14 Section is exempt from the provisions of Section 250 of this  
15 Act.

16 (e) The credit may not be carried back. If the amount of  
17 the credit exceeds the tax liability for the year, the excess  
18 may be carried forward and applied to the tax liability of the  
19 5 taxable years following the excess credit year. The credit  
20 shall be applied to the earliest year for which there is a tax  
21 liability. If there are credits from more than one tax year  
22 that are available to offset a liability, the earlier credit  
23 shall be applied first. In no event shall a credit under this  
24 Section reduce the taxpayer's liability to less than zero.

25 (Source: P.A. 102-700, eff. 4-19-22.)

1 Section 25. The Economic Development for a Growing Economy  
2 Tax Credit Act is amended by changing Sections 5-5, 5-15,  
3 5-20, 5-35, 5-45, and 5-56 as follows:

4 (35 ILCS 10/5-5)

5 Sec. 5-5. Definitions. As used in this Act:

6 "Agreement" means the Agreement between a Taxpayer and the  
7 Department under the provisions of Section 5-50 of this Act.

8 "Applicant" means a Taxpayer that is operating a business  
9 located or that the Taxpayer plans to locate within the State  
10 of Illinois and that is engaged in interstate or intrastate  
11 commerce for the purpose of manufacturing, processing,  
12 assembling, warehousing, or distributing products, conducting  
13 research and development, providing tourism services, or  
14 providing services in interstate commerce, office industries,  
15 or agricultural processing, but excluding retail, retail food,  
16 health, ~~or~~ professional services, and services delivered to  
17 business customer sites. "Applicant" does not include a  
18 Taxpayer who closes or substantially reduces an operation at  
19 one location in the State and relocates substantially the same  
20 operation to another location in the State. This does not  
21 prohibit a Taxpayer from expanding its operations at another  
22 location in the State, provided that existing operations of a  
23 similar nature located within the State are not closed or  
24 substantially reduced. This also does not prohibit a Taxpayer  
25 from moving its operations from one location in the State to

1 another location in the State for the purpose of expanding the  
2 operation provided that the Department determines that  
3 expansion cannot reasonably be accommodated within the  
4 municipality in which the business is located, or in the case  
5 of a business located in an incorporated area of the county,  
6 within the county in which the business is located, after  
7 conferring with the chief elected official of the municipality  
8 or county and taking into consideration any evidence offered  
9 by the municipality or county regarding the ability to  
10 accommodate expansion within the municipality or county.

11 "Credit" means the amount agreed to between the Department  
12 and Applicant under this Act, but not to exceed the lesser of:  
13 (1) the sum of (i) 50% of the Incremental Income Tax  
14 attributable to New Employees at the Applicant's project and  
15 (ii) 10% of the training costs of New Employees; or (2) 100% of  
16 the Incremental Income Tax attributable to New Employees at  
17 the Applicant's project. However, if the project is located in  
18 an underserved area, then the amount of the Credit may not  
19 exceed the lesser of: (1) the sum of (i) 75% of the Incremental  
20 Income Tax attributable to New Employees at the Applicant's  
21 project and (ii) 10% of the training costs of New Employees; or  
22 (2) 100% of the Incremental Income Tax attributable to New  
23 Employees at the Applicant's project. If the project is not  
24 located in an underserved area and the Applicant agrees to  
25 hire the required number of New Employees, then the maximum  
26 amount of the Credit for that Applicant may be increased by an

1 amount not to exceed 25% of the Incremental Income Tax  
2 attributable to retained employees at the Applicant's project.  
3 If the project is located in an underserved area and the  
4 Applicant agrees to hire the required number of New Employees,  
5 then the maximum amount of the credit for that Applicant may be  
6 increased by an amount not to exceed 50% of the Incremental  
7 Income Tax attributable to retained employees at the  
8 Applicant's project.

9 "Department" means the Department of Commerce and Economic  
10 Opportunity.

11 "Director" means the Director of Commerce and Economic  
12 Opportunity.

13 "Full-time Employee" means an individual who is employed  
14 for consideration for at least 35 hours each week or who  
15 renders any other standard of service generally accepted by  
16 industry custom or practice as full-time employment. An  
17 individual for whom a W-2 is issued by a Professional Employer  
18 Organization (PEO) is a full-time employee if employed in the  
19 service of the Applicant for consideration for at least 35  
20 hours each week or who renders any other standard of service  
21 generally accepted by industry custom or practice as full-time  
22 employment to Applicant. The employee need not be physically  
23 present at the EDGE project location during the entire  
24 full-time workweek; however, the agreement shall set forth a  
25 minimum number of hours during which the employee is scheduled  
26 to be present at the EDGE project location.

1 "Incremental Income Tax" means the total amount withheld  
2 during the taxable year from the compensation of New Employees  
3 and, if applicable, retained employees under Article 7 of the  
4 Illinois Income Tax Act arising from employment at a project  
5 that is the subject of an Agreement.

6 "New Construction EDGE Agreement" means the Agreement  
7 between a Taxpayer and the Department under the provisions of  
8 Section 5-51 of this Act.

9 "New Construction EDGE Credit" means an amount agreed to  
10 between the Department and the Applicant under this Act as  
11 part of a New Construction EDGE Agreement that does not exceed  
12 50% of the Incremental Income Tax attributable to New  
13 Construction EDGE Employees at the Applicant's project;  
14 however, if the New Construction EDGE Project is located in an  
15 underserved area, then the amount of the New Construction EDGE  
16 Credit may not exceed 75% of the Incremental Income Tax  
17 attributable to New Construction EDGE Employees at the  
18 Applicant's New Construction EDGE Project.

19 "New Construction EDGE Employee" means a laborer or worker  
20 who is employed by a ~~an Illinois~~ contractor or subcontractor  
21 in the actual construction work on the site of a New  
22 Construction EDGE Project, pursuant to a New Construction EDGE  
23 Agreement.

24 "New Construction EDGE Incremental Income Tax" means the  
25 total amount withheld during the taxable year from the  
26 compensation of New Construction EDGE Employees.

1 "New Construction EDGE Project" means the building of a  
2 Taxpayer's structure or building, or making improvements of  
3 any kind to real property. "New Construction EDGE Project"  
4 does not include the routine operation, routine repair, or  
5 routine maintenance of existing structures, buildings, or real  
6 property.

7 "New Employee" means:

8 (a) A Full-time Employee first employed by a Taxpayer  
9 at in the project, or assigned to the project as their  
10 primary work location, that is the subject of an Agreement  
11 and who is hired after the Taxpayer enters into the tax  
12 credit Agreement.

13 (b) The term "New Employee" does not include:

14 (1) an employee of the Taxpayer who performs a job  
15 that was previously performed by another employee, if  
16 that job existed for at least 6 months before hiring  
17 the employee;

18 (2) an employee of the Taxpayer who was previously  
19 employed in Illinois by a Related Member of the  
20 Taxpayer and whose employment was shifted to the  
21 Taxpayer after the Taxpayer entered into the tax  
22 credit Agreement; or

23 (3) a child, grandchild, parent, or spouse, other  
24 than a spouse who is legally separated from the  
25 individual, of any individual who has a direct or an  
26 indirect ownership interest of at least 5% in the

1 profits, capital, or value of the Taxpayer.

2 (c) Notwithstanding paragraph (1) of subsection (b),  
3 an employee may be considered a New Employee under the  
4 Agreement if the employee performs a job that was  
5 previously performed by an employee who was:

6 (1) treated under the Agreement as a New Employee;  
7 and

8 (2) promoted by the Taxpayer to another job.

9 (d) Notwithstanding subsection (a), the Department may  
10 award Credit to an Applicant with respect to an employee  
11 hired prior to the date of the Agreement if:

12 (1) the Applicant is in receipt of a letter from  
13 the Department stating an intent to enter into a  
14 credit Agreement;

15 (2) the letter described in paragraph (1) is  
16 issued by the Department not later than 15 days after  
17 the effective date of this Act; and

18 (3) the employee was hired after the date the  
19 letter described in paragraph (1) was issued.

20 "Noncompliance Date" means, in the case of a Taxpayer that  
21 is not complying with the requirements of the Agreement or the  
22 provisions of this Act, the day following the last date upon  
23 which the Taxpayer was in compliance with the requirements of  
24 the Agreement and the provisions of this Act, as determined by  
25 the Director, pursuant to Section 5-65.

26 "Pass Through Entity" means an entity that is exempt from

1 the tax under subsection (b) or (c) of Section 205 of the  
2 Illinois Income Tax Act.

3 "Professional Employer Organization" (PEO) means an  
4 employee leasing company, as defined in Section 206.1(A)(2) of  
5 the Illinois Unemployment Insurance Act.

6 "Related Member" means a person that, with respect to the  
7 Taxpayer during any portion of the taxable year, is any one of  
8 the following:

9 (1) An individual stockholder, if the stockholder and  
10 the members of the stockholder's family (as defined in  
11 Section 318 of the Internal Revenue Code) own directly,  
12 indirectly, beneficially, or constructively, in the  
13 aggregate, at least 50% of the value of the Taxpayer's  
14 outstanding stock.

15 (2) A partnership, estate, or trust and any partner or  
16 beneficiary, if the partnership, estate, or trust, and its  
17 partners or beneficiaries own directly, indirectly,  
18 beneficially, or constructively, in the aggregate, at  
19 least 50% of the profits, capital, stock, or value of the  
20 Taxpayer.

21 (3) A corporation, and any party related to the  
22 corporation in a manner that would require an attribution  
23 of stock from the corporation to the party or from the  
24 party to the corporation under the attribution rules of  
25 Section 318 of the Internal Revenue Code, if the Taxpayer  
26 owns directly, indirectly, beneficially, or constructively

1 at least 50% of the value of the corporation's outstanding  
2 stock.

3 (4) A corporation and any party related to that  
4 corporation in a manner that would require an attribution  
5 of stock from the corporation to the party or from the  
6 party to the corporation under the attribution rules of  
7 Section 318 of the Internal Revenue Code, if the  
8 corporation and all such related parties own in the  
9 aggregate at least 50% of the profits, capital, stock, or  
10 value of the Taxpayer.

11 (5) A person to or from whom there is attribution of  
12 stock ownership in accordance with Section 1563(e) of the  
13 Internal Revenue Code, except, for purposes of determining  
14 whether a person is a Related Member under this paragraph,  
15 20% shall be substituted for 5% wherever 5% appears in  
16 Section 1563(e) of the Internal Revenue Code.

17 "Startup taxpayer" means, for Agreements that are executed  
18 before the effective date of the changes made to this Section  
19 by this amendatory Act of the 103rd General Assembly, a  
20 corporation, partnership, or other entity incorporated or  
21 organized no more than 5 years before the filing of an  
22 application for an Agreement that has never had any Illinois  
23 income tax liability, excluding any Illinois income tax  
24 liability of a Related Member which shall not be attributed to  
25 the startup taxpayer. "Startup taxpayer" means, for Agreements  
26 that are executed on or after the effective date of this

1 amendatory Act of the 103rd General Assembly, a corporation,  
2 partnership, or other entity that is incorporated or organized  
3 no more than 10 years before the filing of an application for  
4 an Agreement and that has never had any Illinois income tax  
5 liability. For the purpose of determining whether the taxpayer  
6 has had any Illinois income tax liability, the Illinois income  
7 tax liability of a Related Member shall not be attributed to  
8 the startup taxpayer.

9 "Taxpayer" means an individual, corporation, partnership,  
10 or other entity that has any Illinois Income Tax liability.

11 Until July 1, 2022, "underserved area" means a geographic  
12 area that meets one or more of the following conditions:

13 (1) the area has a poverty rate of at least 20%  
14 according to the latest federal decennial census;

15 (2) 75% or more of the children in the area  
16 participate in the federal free lunch program according to  
17 reported statistics from the State Board of Education;

18 (3) at least 20% of the households in the area receive  
19 assistance under the Supplemental Nutrition Assistance  
20 Program (SNAP); or

21 (4) the area has an average unemployment rate, as  
22 determined by the Illinois Department of Employment  
23 Security, that is more than 120% of the national  
24 unemployment average, as determined by the U.S. Department  
25 of Labor, for a period of at least 2 consecutive calendar  
26 years preceding the date of the application.

1           On and after July 1, 2022, "underserved area" means a  
2 geographic area that meets one or more of the following  
3 conditions:

4           (1) the area has a poverty rate of at least 20%  
5 according to the latest American Community Survey;

6           (2) 35% or more of the families with children in the  
7 area are living below 130% of the poverty line, according  
8 to the latest American Community Survey;

9           (3) at least 20% of the households in the area receive  
10 assistance under the Supplemental Nutrition Assistance  
11 Program (SNAP); or

12           (4) the area has an average unemployment rate, as  
13 determined by the Illinois Department of Employment  
14 Security, that is more than 120% of the national  
15 unemployment average, as determined by the U.S. Department  
16 of Labor, for a period of at least 2 consecutive calendar  
17 years preceding the date of the application.

18           (Source: P.A. 102-330, eff. 1-1-22; 102-700, eff. 4-19-22;  
19 102-1125, eff. 2-3-23; 103-9, eff. 6-7-23.)

20           (35 ILCS 10/5-15)

21           Sec. 5-15. Tax Credit Awards. Subject to the conditions  
22 set forth in this Act, a Taxpayer is entitled to a Credit  
23 against or, as described in subsection (g) of this Section, a  
24 payment towards taxes imposed pursuant to subsections (a) and  
25 (b) of Section 201 of the Illinois Income Tax Act that may be

1 imposed on the Taxpayer for a taxable year beginning on or  
2 after January 1, 1999, if the Taxpayer is awarded a Credit by  
3 the Department under this Act for that taxable year.

4 (a) The Department shall make Credit awards under this Act  
5 to foster job creation and retention in Illinois.

6 (b) A person that proposes a project to create new jobs in  
7 Illinois must enter into an Agreement with the Department for  
8 the Credit under this Act.

9 (c) The Credit shall be claimed for the taxable years  
10 specified in the Agreement.

11 (d) The Credit shall not exceed the Incremental Income Tax  
12 attributable to the project that is the subject of the  
13 Agreement.

14 (e) Nothing herein shall prohibit a Tax Credit Award to an  
15 Applicant that uses a PEO if all other award criteria are  
16 satisfied.

17 (f) In lieu of the Credit allowed under this Act against  
18 the taxes imposed pursuant to subsections (a) and (b) of  
19 Section 201 of the Illinois Income Tax Act for any taxable year  
20 ending on or after December 31, 2009, for Taxpayers that  
21 entered into Agreements prior to January 1, 2015 and otherwise  
22 meet the criteria set forth in this subsection (f), the  
23 Taxpayer may elect to claim the Credit against its obligation  
24 to pay over withholding under Section 704A of the Illinois  
25 Income Tax Act.

26 (1) The election under this subsection (f) may be made

1           only by a Taxpayer that (i) is primarily engaged in one of  
2           the following business activities: water purification and  
3           treatment, motor vehicle metal stamping, automobile  
4           manufacturing, automobile and light duty motor vehicle  
5           manufacturing, motor vehicle manufacturing, light truck  
6           and utility vehicle manufacturing, heavy duty truck  
7           manufacturing, motor vehicle body manufacturing, cable  
8           television infrastructure design or manufacturing, or  
9           wireless telecommunication or computing terminal device  
10          design or manufacturing for use on public networks and  
11          (ii) meets the following criteria:

12                   (A) the Taxpayer (i) had an Illinois net loss or an  
13                   Illinois net loss deduction under Section 207 of the  
14                   Illinois Income Tax Act for the taxable year in which  
15                   the Credit is awarded, (ii) employed a minimum of  
16                   1,000 full-time employees in this State during the  
17                   taxable year in which the Credit is awarded, (iii) has  
18                   an Agreement under this Act on December 14, 2009 (the  
19                   effective date of Public Act 96-834), and (iv) is in  
20                   compliance with all provisions of that Agreement;

21                   (B) the Taxpayer (i) had an Illinois net loss or an  
22                   Illinois net loss deduction under Section 207 of the  
23                   Illinois Income Tax Act for the taxable year in which  
24                   the Credit is awarded, (ii) employed a minimum of  
25                   1,000 full-time employees in this State during the  
26                   taxable year in which the Credit is awarded, and (iii)

1 has applied for an Agreement within 365 days after  
2 December 14, 2009 (the effective date of Public Act  
3 96-834);

4 (C) the Taxpayer (i) had an Illinois net operating  
5 loss carryforward under Section 207 of the Illinois  
6 Income Tax Act in a taxable year ending during  
7 calendar year 2008, (ii) has applied for an Agreement  
8 within 150 days after the effective date of this  
9 amendatory Act of the 96th General Assembly, (iii)  
10 creates at least 400 new jobs in Illinois, (iv)  
11 retains at least 2,000 jobs in Illinois that would  
12 have been at risk of relocation out of Illinois over a  
13 10-year period, and (v) makes a capital investment of  
14 at least \$75,000,000;

15 (D) the Taxpayer (i) had an Illinois net operating  
16 loss carryforward under Section 207 of the Illinois  
17 Income Tax Act in a taxable year ending during  
18 calendar year 2009, (ii) has applied for an Agreement  
19 within 150 days after the effective date of this  
20 amendatory Act of the 96th General Assembly, (iii)  
21 creates at least 150 new jobs, (iv) retains at least  
22 1,000 jobs in Illinois that would have been at risk of  
23 relocation out of Illinois over a 10-year period, and  
24 (v) makes a capital investment of at least  
25 \$57,000,000; or

26 (E) the Taxpayer (i) employed at least 2,500

1 full-time employees in the State during the year in  
2 which the Credit is awarded, (ii) commits to make at  
3 least \$500,000,000 in combined capital improvements  
4 and project costs under the Agreement, (iii) applies  
5 for an Agreement between January 1, 2011 and June 30,  
6 2011, (iv) executes an Agreement for the Credit during  
7 calendar year 2011, and (v) was incorporated no more  
8 than 5 years before the filing of an application for an  
9 Agreement.

10 (1.5) The election under this subsection (f) may also  
11 be made by a Taxpayer for any Credit awarded pursuant to an  
12 agreement that was executed between January 1, 2011 and  
13 June 30, 2011, if the Taxpayer (i) is primarily engaged in  
14 the manufacture of inner tubes or tires, or both, from  
15 natural and synthetic rubber, (ii) employs a minimum of  
16 2,400 full-time employees in Illinois at the time of  
17 application, (iii) creates at least 350 full-time jobs and  
18 retains at least 250 full-time jobs in Illinois that would  
19 have been at risk of being created or retained outside of  
20 Illinois, and (iv) makes a capital investment of at least  
21 \$200,000,000 at the project location.

22 (1.6) The election under this subsection (f) may also  
23 be made by a Taxpayer for any Credit awarded pursuant to an  
24 agreement that was executed within 150 days after the  
25 effective date of this amendatory Act of the 97th General  
26 Assembly, if the Taxpayer (i) is primarily engaged in the

1 operation of a discount department store, (ii) maintains  
2 its corporate headquarters in Illinois, (iii) employs a  
3 minimum of 4,250 full-time employees at its corporate  
4 headquarters in Illinois at the time of application, (iv)  
5 retains at least 4,250 full-time jobs in Illinois that  
6 would have been at risk of being relocated outside of  
7 Illinois, (v) had a minimum of \$40,000,000,000 in total  
8 revenue in 2010, and (vi) makes a capital investment of at  
9 least \$300,000,000 at the project location.

10 (1.7) Notwithstanding any other provision of law, the  
11 election under this subsection (f) may also be made by a  
12 Taxpayer for any Credit awarded pursuant to an agreement  
13 that was executed or applied for on or after July 1, 2011  
14 and on or before March 31, 2012, if the Taxpayer is  
15 primarily engaged in the manufacture of original and  
16 aftermarket filtration parts and products for automobiles,  
17 motor vehicles, light duty motor vehicles, light trucks  
18 and utility vehicles, and heavy duty trucks, (ii) employs  
19 a minimum of 1,000 full-time employees in Illinois at the  
20 time of application, (iii) creates at least 250 full-time  
21 jobs in Illinois, (iv) relocates its corporate  
22 headquarters to Illinois from another state, and (v) makes  
23 a capital investment of at least \$4,000,000 at the project  
24 location.

25 (1.8) Notwithstanding any other provision of law, the  
26 election under this subsection (f) may also be made by a

1 startup taxpayer for any Credit awarded pursuant to an  
2 Agreement that was executed on or after the effective date  
3 of this amendatory Act of the 102nd General Assembly. Any  
4 such election under this paragraph (1.8) shall be  
5 effective unless and until such startup taxpayer has any  
6 Illinois income tax liability. This election under this  
7 paragraph (1.8) shall automatically terminate when the  
8 startup taxpayer has any Illinois income tax liability at  
9 the end of any taxable year during the term of the  
10 Agreement. Thereafter, the startup taxpayer may receive a  
11 Credit, taking into account any benefits previously  
12 enjoyed or received by way of the election under this  
13 paragraph (1.8), so long as the startup taxpayer remains  
14 in compliance with the terms and conditions of the  
15 Agreement.

16 (1.9) Notwithstanding any other provision of law, the  
17 election under this subsection (f) may also be made by an  
18 applicant qualified under paragraph (1.7) of subsection  
19 (b) of Section 5-20 for any Credit awarded pursuant to an  
20 Agreement that was executed on or after the effective date  
21 of this amendatory Act of the 103rd General Assembly. Any  
22 such election under this paragraph (1.9) shall be  
23 effective unless and until such taxpayer has any Illinois  
24 income tax liability. This election under this paragraph  
25 (1.9) shall automatically terminate when the taxpayer has  
26 any Illinois income tax liability at the end of any

1 taxable year during the term of the Agreement. Thereafter,  
2 the startup taxpayer may receive a Credit, taking into  
3 account any benefits previously enjoyed or received by way  
4 of the election under this paragraph (1.9), so long as the  
5 startup taxpayer remains in compliance with the terms and  
6 conditions of the Agreement.

7 (2) An election under this subsection shall allow the  
8 credit to be taken against payments otherwise due under  
9 Section 704A of the Illinois Income Tax Act during the  
10 first calendar quarter beginning after the end of the  
11 taxable quarter in which the credit is awarded under this  
12 Act.

13 (3) The election shall be made in the form and manner  
14 required by the Illinois Department of Revenue and, once  
15 made, shall be irrevocable.

16 (4) If a Taxpayer who meets the requirements of  
17 subparagraph (A) of paragraph (1) of this subsection (f)  
18 elects to claim the Credit against its withholdings as  
19 provided in this subsection (f), then, on and after the  
20 date of the election, the terms of the Agreement between  
21 the Taxpayer and the Department may not be further amended  
22 during the term of the Agreement.

23 (g) A pass-through entity that has been awarded a credit  
24 under this Act, its shareholders, or its partners may treat  
25 some or all of the credit awarded pursuant to this Act as a tax  
26 payment for purposes of the Illinois Income Tax Act. The term

1 "tax payment" means a payment as described in Article 6 or  
2 Article 8 of the Illinois Income Tax Act or a composite payment  
3 made by a pass-through entity on behalf of any of its  
4 shareholders or partners to satisfy such shareholders' or  
5 partners' taxes imposed pursuant to subsections (a) and (b) of  
6 Section 201 of the Illinois Income Tax Act. In no event shall  
7 the amount of the award credited pursuant to this Act exceed  
8 the Illinois income tax liability of the pass-through entity  
9 or its shareholders or partners for the taxable year.

10 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23.)

11 (35 ILCS 10/5-20)

12 Sec. 5-20. Application for a project to create and retain  
13 new jobs.

14 (a) Any Taxpayer proposing a project located or planned to  
15 be located in Illinois may request consideration for  
16 designation of its project, by formal written letter of  
17 request or by formal application to the Department, in which  
18 the Applicant states its intent to make at least a specified  
19 level of investment and intends to hire or retain a specified  
20 number of full-time employees at a designated location in  
21 Illinois. As circumstances require, the Department may require  
22 a formal application from an Applicant and a formal letter of  
23 request for assistance.

24 (b) In order to qualify for Credits under this Act, an  
25 Applicant's project must:

1           (1) if the Applicant has more than 100 employees,  
2           involve an investment of at least \$2,500,000 in capital  
3           improvements to be placed in service within the State as a  
4           direct result of the project; if the Applicant has 100 or  
5           fewer employees, then there is no capital investment  
6           requirement;

7           (1.5) if the Applicant has more than 100 employees,  
8           employ a number of new employees in the State equal to the  
9           lesser of (A) 10% of the number of full-time employees  
10          employed by the applicant world-wide on the date the  
11          application is filed with the Department or (B) 50 New  
12          Employees; and, if the Applicant has 100 or fewer  
13          employees, employ a number of new employees in the State  
14          equal to the lesser of (A) 5% of the number of full-time  
15          employees employed by the applicant world-wide on the date  
16          the application is filed with the Department or (B) 50 New  
17          Employees;

18          (1.6) if the Applicant is a startup taxpayer, the  
19          employees employed by Related Members shall not be  
20          attributed to the Applicant for purposes of determining  
21          the capital investment or job creation requirements under  
22          this subsection (b);

23          (1.7) if the agreement is entered into on or after the  
24          effective date of this amendatory Act of the 103rd General  
25          Assembly and the Applicant's project:

26                 (A) makes an investment of at least \$50,000,000 in

1           capital improvements at the project site;  
2           (B) is placed in service after approval of the  
3           application; and  
4           (C) creates jobs for at least 100 new full-time  
5           employees.

6           (2) (blank);

7           (3) (blank); and

8           (4) include an annual sexual harassment policy report  
9           as provided under Section 5-58.

10          (c) After receipt of an application, the Department may  
11          enter into an Agreement with the Applicant if the application  
12          is accepted in accordance with Section 5-25.

13          (Source: P.A. 101-81, eff. 7-12-19; 102-700, eff. 4-19-22.)

14          (35 ILCS 10/5-35)

15          Sec. 5-35. Relocation of jobs in Illinois. A taxpayer is  
16          not entitled to claim the credit provided by this Act with  
17          respect to any jobs that the taxpayer relocates from one site  
18          in Illinois unless the taxpayer has agreed to hire the minimum  
19          number of new employees and the Department has determined that  
20          the expansion cannot reasonably be accommodated within the  
21          municipality in which the business is located ~~to another site~~  
22          ~~in Illinois. A taxpayer with respect to a qualifying project~~  
23          ~~certified under the Corporate Headquarters Relocation Act,~~  
24          ~~however, is not subject to the requirements of this Section~~  
25          ~~but is nevertheless considered an applicant for purposes of~~

1 ~~this Act. Moreover, any full-time employee of an eligible~~  
2 ~~business relocated to Illinois in connection with that~~  
3 ~~qualifying project is deemed to be a new employee for purposes~~  
4 ~~of this Act.~~ Determinations under this Section shall be made  
5 by the Department.

6 (Source: P.A. 91-476, eff. 8-11-99; 92-207, eff. 8-1-01.)

7 (35 ILCS 10/5-45)

8 Sec. 5-45. Amount and duration of the credit.

9 (a) The Department shall determine the amount and duration  
10 of the credit awarded under this Act. The duration of the  
11 credit may not exceed 10 taxable years for projects qualified  
12 under paragraph (1), (1.5), or (1.6) of subsection (b) of  
13 Section 5-20 or 15 taxable years for projects qualified under  
14 paragraph (1.7) of subsection (b) of Section 5-20. The credit  
15 may be stated as a percentage of the Incremental Income Tax  
16 attributable to the applicant's project and may include a  
17 fixed dollar limitation.

18 (b) Notwithstanding subsection (a), and except as the  
19 credit may be applied in a carryover year pursuant to Section  
20 211(4) of the Illinois Income Tax Act, the credit may be  
21 applied against the State income tax liability in more than 10  
22 taxable years but not in more than 15 taxable years for an  
23 eligible business that (i) qualifies under this Act and the  
24 Corporate Headquarters Relocation Act and has in fact  
25 undertaken a qualifying project within the time frame

1 specified by the Department of Commerce and Economic  
2 Opportunity under that Act, and (ii) applies against its State  
3 income tax liability, during the entire 15-year period, no  
4 more than 60% of the maximum credit per year that would  
5 otherwise be available under this Act.

6 (c) Nothing in this Section shall prevent the Department,  
7 in consultation with the Department of Revenue, from adopting  
8 rules to extend the sunset of any earned, existing, and unused  
9 tax credit or credits a taxpayer may be in possession of, as  
10 provided for in Section 605-1070 of the Department of Commerce  
11 and Economic Opportunity Law of the Civil Administrative Code  
12 of Illinois, notwithstanding the carry-forward provisions  
13 pursuant to paragraph (4) of Section 211 of the Illinois  
14 Income Tax Act.

15 (Source: P.A. 102-16, eff. 6-17-21; 102-813, eff. 5-13-22.)

16 (35 ILCS 10/5-56)

17 Sec. 5-56. Annual report. Certified payroll. Annually,  
18 until construction is completed, a company seeking New  
19 Construction EDGE Credits shall submit a report that, at a  
20 minimum, describes the projected project scope, timeline, and  
21 anticipated budget. Once the project has commenced, the annual  
22 report shall include actual data for the prior year as well as  
23 projections for each additional year through completion of the  
24 project. The Department shall issue detailed reporting  
25 guidelines prescribing the requirements of construction

1 related reports. In order to receive credit for construction  
2 expenses, the company must provide the Department with  
3 evidence that a certified third-party executed an Agreed-Upn  
4 Procedure (AUP) verifying the construction expenses or accept  
5 the standard construction wage expense estimated by the  
6 Department.

7 Upon review of the final project scope, timeline, budget,  
8 and AUP, the Department shall issue a tax credit certificate  
9 reflecting a percentage of the total construction job wages  
10 paid throughout the completion of the project.

11 ~~Each contractor and subcontractor that is engaged in and is~~  
12 ~~executing a New Construction EDGE Project for a Taxpayer,~~  
13 ~~pursuant to a New Construction EDGE Agreement shall:~~

14 ~~(1) make and keep, for a period of 5 years from the~~  
15 ~~date of the last payment made on or after June 5, 2019 (the~~  
16 ~~effective date of Public Act 101-9) on a contract or~~  
17 ~~subcontract for a New Construction EDGE Project pursuant~~  
18 ~~to a New Construction EDGE Agreement, records of all~~  
19 ~~laborers and other workers employed by the contractor or~~  
20 ~~subcontractor on the project; the records shall include:~~

21 ~~(A) the worker's name;~~

22 ~~(B) the worker's address;~~

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

24 ~~(D) the worker's social security number;~~

25 ~~(E) the worker's classification or~~

26 ~~classifications;~~

1 ~~(F) the worker's gross and net wages paid in each~~  
2 ~~pay period;~~

3 ~~(G) the worker's number of hours worked each day;~~

4 ~~(H) the worker's starting and ending times of work~~  
5 ~~each day;~~

6 ~~(I) the worker's hourly wage rate; and~~

7 ~~(J) the worker's hourly overtime wage rate; and~~

8 ~~(2) no later than the 15th day of each calendar month,~~  
9 ~~provide a certified payroll for the immediately preceding~~  
10 ~~month to the taxpayer in charge of the project; within 5~~  
11 ~~business days after receiving the certified payroll, the~~  
12 ~~taxpayer shall file the certified payroll with the~~  
13 ~~Department of Labor and the Department of Commerce and~~  
14 ~~Economic Opportunity; a certified payroll must be filed~~  
15 ~~for only those calendar months during which construction~~  
16 ~~on a New Construction EDGE Project has occurred; the~~  
17 ~~certified payroll shall consist of a complete copy of the~~  
18 ~~records identified in paragraph (1), but may exclude the~~  
19 ~~starting and ending times of work each day; the certified~~  
20 ~~payroll shall be accompanied by a statement signed by the~~  
21 ~~contractor or subcontractor or an officer, employee, or~~  
22 ~~agent of the contractor or subcontractor which avers that:~~

23 ~~(A) he or she has examined the certified payroll~~  
24 ~~records required to be submitted by the Act and such~~  
25 ~~records are true and accurate; and~~

26 ~~(B) the contractor or subcontractor is aware that~~

1 ~~filing a certified payroll that he or she knows to be~~  
2 ~~false is a Class A misdemeanor.~~

3 ~~A general contractor is not prohibited from relying on a~~  
4 ~~certified payroll of a lower tier subcontractor, provided the~~  
5 ~~general contractor does not knowingly rely upon a~~  
6 ~~subcontractor's false certification.~~

7 ~~Any contractor or subcontractor subject to this Section,~~  
8 ~~and any officer, employee, or agent of such contractor or~~  
9 ~~subcontractor whose duty as an officer, employee, or agent it~~  
10 ~~is to file a certified payroll under this Section, who~~  
11 ~~willfully fails to file such a certified payroll on or before~~  
12 ~~the date such certified payroll is required to be filed and any~~  
13 ~~person who willfully files a false certified payroll that is~~  
14 ~~false as to any material fact is in violation of this Act and~~  
15 ~~guilty of a Class A misdemeanor.~~

16 ~~The taxpayer in charge of the project shall keep the~~  
17 ~~records submitted in accordance with this Section on or after~~  
18 ~~June 5, 2019 (the effective date of Public Act 101-9) for a~~  
19 ~~period of 5 years from the date of the last payment for work on~~  
20 ~~a contract or subcontract for the project.~~

21 ~~The records submitted in accordance with this Section~~  
22 ~~shall be considered public records, except an employee's~~  
23 ~~address, telephone number, and social security number, and~~  
24 ~~made available in accordance with the Freedom of Information~~  
25 ~~Act. The Department of Labor shall accept any reasonable~~  
26 ~~submissions by the contractor that meet the requirements of~~

1 ~~this Section and shall share the information with the~~  
2 ~~Department in order to comply with the awarding of New~~  
3 ~~Construction EDGE Credits. A contractor, subcontractor, or~~  
4 ~~public body may retain records required under this Section in~~  
5 ~~paper or electronic format.~~

6       Upon 7 business days' notice, the taxpayer ~~contractor and~~  
7 ~~each subcontractor~~ shall make available for inspection and  
8 copying at a location within this State during reasonable  
9 hours, the records identified in paragraph (1) of this Section  
10 to the taxpayer in charge of the project, its officers and  
11 agents, ~~the Director of Labor and his or her deputies and~~  
12 ~~agents,~~ and to federal, State, or local law enforcement  
13 agencies and prosecutors.

14 (Source: P.A. 101-9, eff. 6-5-19; 102-558, eff. 8-20-21.)

15       Section 27. The Film Production Services Tax Credit Act of  
16 2008 is amended by changing Sections 10 and 46 as follows:

17       (35 ILCS 16/10)

18       Sec. 10. Definitions. As used in this Act:

19       "Accredited production" means: (i) for productions  
20 commencing before May 1, 2006, a film, video, or television  
21 production that has been certified by the Department in which  
22 the aggregate Illinois labor expenditures included in the cost  
23 of the production, in the period that ends 12 months after the  
24 time principal filming or taping of the production began,

1 exceed \$100,000 for productions of 30 minutes or longer, or  
2 \$50,000 for productions of less than 30 minutes; and (ii) for  
3 productions commencing on or after May 1, 2006, a film, video,  
4 or television production that has been certified by the  
5 Department in which the Illinois production spending included  
6 in the cost of production in the period that ends 12 months  
7 after the time principal filming or taping of the production  
8 began exceeds \$100,000 for productions of 30 minutes or longer  
9 or exceeds \$50,000 for productions of less than 30 minutes.

10 "Accredited production" does not include a production that:

11 (1) is news, current events, or public programming, or  
12 a program that includes weather or market reports;

13 (2) is a talk show produced for local or regional  
14 markets;

15 (3) (blank); ~~is a production in respect of a game,~~  
16 ~~questionnaire, or contest;~~

17 (4) is a sports event or activity;

18 (5) is a gala presentation or awards show;

19 (6) is a finished production that solicits funds;

20 (7) is a production produced by a film production  
21 company if records, as required by 18 U.S.C. 2257, are to  
22 be maintained by that film production company with respect  
23 to any performer portrayed in that single media or  
24 multimedia program; or

25 (8) is a production produced primarily for industrial,  
26 corporate, or institutional purposes.

1 "Accredited animated production" means an accredited  
2 production in which movement and characters' performances are  
3 created using a frame-by-frame technique and a significant  
4 number of major characters are animated. Motion capture by  
5 itself is not an animation technique.

6 "Accredited production certificate" means a certificate  
7 issued by the Department certifying that the production is an  
8 accredited production that meets the guidelines of this Act.

9 "Applicant" means a taxpayer that is a film production  
10 company that is operating or has operated an accredited  
11 production located within the State of Illinois and that (i)  
12 owns the copyright in the accredited production throughout the  
13 Illinois production period or (ii) has contracted directly  
14 with the owner of the copyright in the accredited production  
15 or a person acting on behalf of the owner to provide services  
16 for the production, where the owner of the copyright is not an  
17 eligible production corporation.

18 "Credit" means:

19 (1) for an accredited production approved by the  
20 Department on or before January 1, 2005 and commencing  
21 before May 1, 2006, the amount equal to 25% of the Illinois  
22 labor expenditure approved by the Department. The  
23 applicant is deemed to have paid, on its balance due day  
24 for the year, an amount equal to 25% of its qualified  
25 Illinois labor expenditure for the tax year. For Illinois  
26 labor expenditures generated by the employment of

1 residents of geographic areas of high poverty or high  
2 unemployment, as determined by the Department, in an  
3 accredited production commencing before May 1, 2006 and  
4 approved by the Department after January 1, 2005, the  
5 applicant shall receive an enhanced credit of 10% in  
6 addition to the 25% credit; and

7 (2) for an accredited production commencing on or  
8 after May 1, 2006 and before January 1, 2009, the amount  
9 equal to:

10 (i) 20% of the Illinois production spending for  
11 the taxable year; plus

12 (ii) 15% of the Illinois labor expenditures  
13 generated by the employment of residents of geographic  
14 areas of high poverty or high unemployment, as  
15 determined by the Department; and

16 (3) for an accredited production commencing on or  
17 after January 1, 2009, the amount equal to:

18 (i) 30% of the Illinois production spending for  
19 the taxable year; plus

20 (ii) 15% of the Illinois labor expenditures  
21 generated by the employment of residents of geographic  
22 areas of high poverty or high unemployment, as  
23 determined by the Department.

24 "Department" means the Department of Commerce and Economic  
25 Opportunity.

26 "Director" means the Director of Commerce and Economic

1 Opportunity.

2 "Illinois labor expenditure" means salary or wages paid to  
3 employees of the applicant for services on the accredited  
4 production.

5 To qualify as an Illinois labor expenditure, the  
6 expenditure must be:

7 (1) Reasonable in the circumstances.

8 (2) Included in the federal income tax basis of the  
9 property.

10 (3) Incurred by the applicant for services on or after  
11 January 1, 2004.

12 (4) Incurred for the production stages of the  
13 accredited production, from the final script stage to the  
14 end of the post-production stage.

15 (5) Limited to the first \$25,000 of wages paid or  
16 incurred to each employee of a production commencing  
17 before May 1, 2006 and the first \$100,000 of wages paid or  
18 incurred to each employee of a production commencing on or  
19 after May 1, 2006 and prior to July 1, 2022. For  
20 productions commencing on or after July 1, 2022, limited  
21 to the first \$500,000 of wages paid or incurred to each  
22 eligible nonresident or resident employee of a production  
23 company or loan out company that provides in-State  
24 services to a production, whether those wages are paid or  
25 incurred by the production company, loan out company, or  
26 both, subject to withholding payments provided for in

1 Article 7 of the Illinois Income Tax Act. For purposes of  
2 calculating Illinois labor expenditures for a television  
3 series, the eligible nonresident wage limitations provided  
4 under this subparagraph are applied to the entire season.  
5 For the purpose of this paragraph (5), an eligible  
6 nonresident is a nonresident whose wages qualify as an  
7 Illinois labor expenditure under the provisions of  
8 paragraph (9) that apply to that production.

9 (6) For a production commencing before May 1, 2006,  
10 exclusive of the salary or wages paid to or incurred for  
11 the 2 highest paid employees of the production.

12 (7) Directly attributable to the accredited  
13 production.

14 (8) (Blank).

15 (9) Prior to July 1, 2022, paid to persons resident in  
16 Illinois at the time the payments were made. For a  
17 production commencing on or after July 1, 2022, paid to  
18 persons resident in Illinois and nonresidents at the time  
19 the payments were made.

20 For purposes of this subparagraph, if the production  
21 is accredited by the Department before the effective date  
22 of this amendatory Act of the 102nd General Assembly, only  
23 wages paid to nonresidents working in the following  
24 positions shall be considered Illinois labor expenditures:  
25 Writer, Director, Director of Photography, Production  
26 Designer, Costume Designer, Production Accountant, VFX

1 Supervisor, Editor, Composer, and Actor, subject to the  
2 limitations set forth under this subparagraph. For an  
3 accredited Illinois production spending of \$25,000,000 or  
4 less, no more than 2 nonresident actors' wages shall  
5 qualify as an Illinois labor expenditure. For an  
6 accredited production with Illinois production spending of  
7 more than \$25,000,000, no more than 4 nonresident actor's  
8 wages shall qualify as Illinois labor expenditures.

9 For purposes of this subparagraph, if the production  
10 is accredited by the Department on or after the effective  
11 date of this amendatory Act of the 102nd General Assembly,  
12 wages paid to nonresidents shall qualify as Illinois labor  
13 expenditures only under the following conditions:

14 (A) the nonresident must be employed in a  
15 qualified position;

16 (B) for each of those accredited productions, the  
17 wages of not more than 9 nonresidents who are employed  
18 in a qualified position other than Actor shall qualify  
19 as Illinois labor expenditures;

20 (C) for an accredited production with Illinois  
21 production spending of \$25,000,000 or less, no more  
22 than 2 nonresident actors' wages shall qualify as  
23 Illinois labor expenditures; and

24 (D) for an accredited production with Illinois  
25 production spending of more than \$25,000,000, no more  
26 than 4 nonresident actors' wages shall qualify as

1 Illinois labor expenditures.

2 As used in this paragraph (9), "qualified position"  
3 means: Writer, Director, Director of Photography,  
4 Production Designer, Costume Designer, Production  
5 Accountant, VFX Supervisor, Editor, Composer, or Actor.

6 (10) Paid for services rendered in Illinois.

7 "Illinois production spending" means the expenses incurred  
8 by the applicant for an accredited production, but does not  
9 include any monetary prize or the cost of any non-monetary  
10 prize awarded pursuant to a production in respect of a game,  
11 questionnaire, or contest. "Illinois production spending"  
12 includes, ~~including,~~ without limitation, all of the following:

13 (1) expenses to purchase, from vendors within  
14 Illinois, tangible personal property that is used in the  
15 accredited production;

16 (2) expenses to acquire services, from vendors in  
17 Illinois, for film production, editing, or processing; and

18 (3) for a production commencing before July 1, 2022,  
19 the compensation, not to exceed \$100,000 for any one  
20 employee, for contractual or salaried employees who are  
21 Illinois residents performing services with respect to the  
22 accredited production. For a production commencing on or  
23 after July 1, 2022, the compensation, not to exceed  
24 \$500,000 for any one employee, for contractual or salaried  
25 employees who are Illinois residents or nonresident  
26 employees, subject to the limitations set forth under

1 Section 10 of this Act.

2 "Loan out company" means a personal service corporation or  
3 other entity that is under contract with the taxpayer to  
4 provide specified individual personnel, such as artists, crew,  
5 actors, producers, or directors for the performance of  
6 services used directly in a production. "Loan out company"  
7 does not include entities contracted with by the taxpayer to  
8 provide goods or ancillary contractor services such as  
9 catering, construction, trailers, equipment, or  
10 transportation.

11 "Qualified production facility" means stage facilities in  
12 the State in which television shows and films are or are  
13 intended to be regularly produced and that contain at least  
14 one sound stage of at least 15,000 square feet.

15 Rulemaking authority to implement Public Act 95-1006, if  
16 any, is conditioned on the rules being adopted in accordance  
17 with all provisions of the Illinois Administrative Procedure  
18 Act and all rules and procedures of the Joint Committee on  
19 Administrative Rules; any purported rule not so adopted, for  
20 whatever reason, is unauthorized.

21 (Source: P.A. 102-558, eff. 8-20-21; 102-700, eff. 4-19-22;  
22 102-1125, eff. 2-3-23.)

23 (35 ILCS 16/46)

24 Sec. 46. Illinois Production Workforce Development Fund.

25 (a) The Illinois Production Workforce Development Fund is

1 created as a special fund in the State Treasury. Beginning  
2 July 1, 2023 ~~July 1, 2022~~, amounts paid to the Department of  
3 Commerce and Economic Opportunity pursuant to Section 213 of  
4 the Illinois Income Tax Act shall be deposited into the Fund.  
5 The Fund shall be used exclusively to provide grants to  
6 community-based organizations, labor organizations, private  
7 and public universities, community colleges, and other  
8 organizations and institutions that may be deemed appropriate  
9 by the Department to administer workforce training programs  
10 that support efforts to recruit, hire, promote, retain,  
11 develop, and train a diverse and inclusive workforce in the  
12 film industry.

13 (b) Pursuant to Section 213 of the Illinois Income Tax  
14 Act, taxpayers who have been awarded a tax credit under this  
15 Act shall pay to the Department of Commerce and Economic  
16 Opportunity, after determination of the tax credit amount but  
17 prior to the issuance of a tax credit certificate, a fee equal  
18 to 2.5% of the credit amount awarded to the taxpayer under the  
19 Film Production Services Tax Credit Act of 2008 that is  
20 attributable to wages paid to nonresidents, as described in  
21 Section 10 of the Film Production Services Tax Credit Act of  
22 2008, and an additional fee equal to 0.25% of the amount  
23 generated by subtracting the credit amount awarded to the  
24 taxpayer under the Film Production Services Tax Credit Act of  
25 2008 that is attributable to wages paid to nonresidents from  
26 the total credit amount awarded to the taxpayer under that

1 Act. All fees collected under this subsection shall be  
2 deposited into the Illinois Production Workforce Development  
3 Fund. No tax credit certificate shall be issued by the  
4 Department of Commerce and Economic Opportunity until the  
5 total fees owed according to this subsection have been  
6 received by the Department of Commerce and Economic  
7 Opportunity. ~~the Fund shall receive deposits in amounts not to~~  
8 ~~exceed 0.25% of the amount of each credit certificate issued~~  
9 ~~that is not calculated on out of state wages and transferred~~  
10 ~~or claimed on an Illinois tax return in the quarter such credit~~  
11 ~~was transferred or claimed. In addition, such amount shall~~  
12 ~~also include 2.5% of the credit amount calculated on wages~~  
13 ~~paid to nonresidents that is transferred or claimed on an~~  
14 ~~Illinois tax return in the quarter such credit was transferred~~  
15 ~~or claimed.~~

16 (c) At the request of the Department, the State  
17 Comptroller and the State Treasurer may advance amounts to the  
18 Fund on an annual basis not to exceed \$1,000,000 in any fiscal  
19 year. The fund from which the moneys are advanced shall be  
20 reimbursed in the same fiscal year for any such advance  
21 payments as described in this Section. The method of  
22 reimbursement shall be set forth in rules.

23 (d) Of the appropriated funds in a given fiscal year, 50%  
24 of the appropriated funds shall be reserved for organizations  
25 that meet one of the following criteria. The organization is:  
26 (1) a minority-owned business, as defined by the Business

1 Enterprise for Minorities, Women, and Persons with  
2 Disabilities Act; (2) located in an underserved area, as  
3 defined by the Economic Development for a Growing Economy Tax  
4 Credit Act; or (3) on an annual basis, training a cohort of  
5 program participants where at least 50% of the program  
6 participants are either a minority person, as defined by the  
7 Business Enterprise for Minorities, Women, and Persons with  
8 Disabilities Act, or reside in an underserved area, as defined  
9 by the Economic Development for a Growing Economy Tax Credit  
10 Act.

11 (e) The Illinois Production Workforce Development Fund  
12 shall be administered by the Department. The Department may  
13 adopt rules necessary to administer the provisions of this  
14 Section.

15 (f) Notwithstanding any other law to the contrary, the  
16 Illinois Production Workforce Development Fund is not subject  
17 to sweeps, administrative charge-backs, or any other fiscal or  
18 budgetary maneuver that would in any way transfer any amounts  
19 from the Illinois Production Workforce Development Fund.

20 (g) By June 30 of each fiscal year, the Department must  
21 submit to the General Assembly a report that includes the  
22 following information: (1) an identification of the  
23 organizations and institutions that received funding to  
24 administer workforce training programs during the fiscal year;  
25 (2) the number of total persons trained and the number of  
26 persons trained per workforce training program in the fiscal

1 year; and (3) in the aggregate, per organization, the number  
2 of persons identified as a minority person or that reside in an  
3 underserved area that received training in the fiscal year.

4 (Source: P.A. 102-700, eff. 4-19-22.)

5 Section 30. The Manufacturing Illinois Chips for Real  
6 Opportunity (MICRO) Act is amended by changing Sections 110-5,  
7 110-10, 110-20, 110-35, 110-65, and 110-95 as follows:

8 (35 ILCS 45/110-5)

9 Sec. 110-5. Purpose. It is the intent of the General  
10 Assembly that Illinois should lead the nation in the  
11 production of quantum computers and the production of  
12 semiconductors and microchips as they become even more  
13 prevalent in everyday life. The General Assembly finds that,  
14 through investments in quantum computing and semiconductors  
15 and microchips, Illinois will be on the forefront of the  
16 quantum computing industry and the forefront of reshoring  
17 semiconductor and microchip production that fuels modern  
18 technologies that are essential to the operation of computers,  
19 phones, vehicles and the any electric products ~~product~~ that  
20 have become essential to modern life. This Act will create  
21 good paying jobs, and generate long-term economic investment  
22 in the Illinois business economy, in addition to ensuring a  
23 vital product is made in the United States. Illinois must  
24 aggressively adopt new business development investment tools

1 so that Illinois can compete with domestic and foreign  
2 competitors for quantum computer manufacturing and  
3 semiconductor and chip manufacturing.

4 (Source: P.A. 102-700, eff. 4-19-22.)

5 (35 ILCS 45/110-10)

6 Sec. 110-10. Definitions. As used in this Act:

7 "Agreement" means the agreement between a taxpayer and the  
8 Department under the provisions of this Act.

9 "Applicant" means a taxpayer that: (i) operates a business  
10 in Illinois as a quantum computer manufacturer, a  
11 semiconductor manufacturer, a microchip manufacturer, or a  
12 manufacturer of quantum computer, semiconductor, or microchip  
13 component parts or a business in Illinois that primarily  
14 engages in research and development in the manufacturing of  
15 quantum computers, semiconductors, or microchips; or (ii) is  
16 planning to locate a business within the State of Illinois as a  
17 quantum computer manufacturer, a semiconductor manufacturer, a  
18 microchip manufacturer, or a manufacturer of quantum computer,  
19 semiconductor, or microchip component parts or a business  
20 within the State of Illinois that primarily engages in  
21 research and development in the manufacturing of quantum  
22 computers, semiconductors, or microchips. For the purposes of  
23 this definition, a business primarily engages in research and  
24 development in the manufacturing of quantum computers,  
25 semiconductors, or microchips if at least 50% of its business

1 activities involve research and development in the  
2 manufacturing of quantum computers, semiconductors, or  
3 microchips. "Applicant" does not include a taxpayer who closes  
4 or substantially reduces by more than 50% operations at one  
5 location in the State and relocates substantially the same  
6 operation to another location in the State. This does not  
7 prohibit a taxpayer from expanding its operations at another  
8 location in the State. This also does not prohibit a taxpayer  
9 from moving its operations from one location in the State to  
10 another location in the State for the purpose of expanding the  
11 operation, provided that the Department determines that  
12 expansion cannot reasonably be accommodated within the  
13 municipality or county in which the business is located, or,  
14 in the case of a business located in an incorporated area of  
15 the county, within the county in which the business is  
16 located, after conferring with the chief elected official of  
17 the municipality or county and taking into consideration any  
18 evidence offered by the municipality or county regarding the  
19 ability to accommodate expansion within the municipality or  
20 county.

21 "Capital improvements" means the purchase, renovation,  
22 rehabilitation, or construction of permanent tangible land,  
23 buildings, structures, equipment, and furnishings in an  
24 approved project sited in Illinois and expenditures for goods  
25 or services that are normally capitalized, including  
26 organizational costs and research and development costs

1 incurred in Illinois. For land, buildings, structures, and  
2 equipment that are leased, the lease must equal or exceed the  
3 term of the agreement, and the cost of the property shall be  
4 determined from the present value, using the corporate  
5 interest rate prevailing at the time of the application, of  
6 the lease payments.

7 "Credit" or "MICRO credit" means a credit agreed to  
8 between the Department and applicant under this Act.

9 "Department" means the Department of Commerce and Economic  
10 Opportunity.

11 "Director" means the Director of Commerce and Economic  
12 Opportunity.

13 "Energy Transition Area" means a county with less than  
14 100,000 people or a municipality that contains one or more of  
15 the following:

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

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

26 "Full-time employee" means an individual who is employed

1 for consideration for at least 35 hours each week or who  
2 renders any other standard of service generally accepted by  
3 industry custom or practice as full-time employment. An  
4 individual for whom a W-2 is issued by a Professional Employer  
5 Organization (PEO) is a full-time employee if employed in the  
6 service of the applicant for consideration for at least 35  
7 hours each week.

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

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

18 "MICRO construction jobs credit" means a credit agreed to  
19 between the Department and the applicant under this Act that  
20 is based on the incremental income tax attributable to  
21 construction wages paid in connection with construction of the  
22 project facilities.

23 "MICRO credit" means a credit agreed to between the  
24 Department and the applicant under this Act that is based on  
25 the incremental income tax attributable to new employees and,  
26 if applicable, retained employees, and on training costs for

1 such employees at the applicant's project.

2 "Microchip" means a wafer of semiconducting material that  
3 is less than 15 millimeters long and less than 5 millimeters  
4 wide and is used to make an integrated circuit.

5 "Microchip manufacturer" means a new or existing  
6 manufacturer that is focused on reequipping, expanding, or  
7 establishing a manufacturing facility in Illinois that  
8 produces microchips or ~~key~~ components that directly support  
9 the functions of microchips.

10 "Minority person" means a minority person as defined in  
11 the Business Enterprise for Minorities, Women, and Persons  
12 with Disabilities Act.

13 "New employee" means a newly-hired full-time employee  
14 employed to work at the project site and whose work is directly  
15 related to the project.

16 "Noncompliance date" means, in the case of a taxpayer that  
17 is not complying with the requirements of the agreement or the  
18 provisions of this Act, the day following the last date upon  
19 which the taxpayer was in compliance with the requirements of  
20 the agreement and the provisions of this Act, as determined by  
21 the Director.

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

25 "Placed in service" means the state or condition of  
26 readiness, availability for a specifically assigned function,

1 and the facility is constructed and ready to conduct its  
2 facility operations to manufacture goods.

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

6 "Program" means the Manufacturing Illinois Chips for Real  
7 Opportunity (MICRO) program established in this Act.

8 "Project" means a for-profit economic development activity  
9 for the manufacture of quantum computers, semiconductors, or  
10 ~~and~~ microchips.

11 "Quantum computer" means a machine that uses the  
12 properties of quantum physics to perform computations and  
13 store data, as distinct from classical computing machines.

14 "Quantum computer manufacturer" or "manufacturer of  
15 quantum computers or quantum computer component parts" means a  
16 new or existing manufacturer that is focused on reequipping,  
17 expanding, or establishing a facility in Illinois that  
18 manufactures a quantum computer, quantum computer prototype  
19 devices, or components that support the functions of a quantum  
20 computer.

21 "Related member" means a person that, with respect to the  
22 taxpayer during any portion of the taxable year, is any one of  
23 the following:

24 (1) An individual stockholder, if the stockholder and  
25 the members of the stockholder's family (as defined in  
26 Section 318 of the Internal Revenue Code) own directly,

1 indirectly, beneficially, or constructively, in the  
2 aggregate, at least 50% of the value of the taxpayer's  
3 outstanding stock.

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

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

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

25 (5) A person to or from whom there is an attribution of  
26 stock ownership in accordance with Section 1563(e) of the

1 Internal Revenue Code, except, for purposes of determining  
2 whether a person is a related member under this paragraph,  
3 20% shall be substituted for 5% wherever 5% appears in  
4 Section 1563(e) of the Internal Revenue Code.

5 "Research and development in the manufacturing of quantum  
6 computers, semiconductors, or microchips" means work directed  
7 toward the innovation, introduction, and improvement of  
8 products and processes in the space of quantum computing  
9 manufacturing, semiconductor manufacturing, microchip  
10 manufacturing, or the manufacturing of semiconductor, quantum  
11 computer, or microchip component parts.

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

1 equity, capital, or value of the taxpayer.

2 "Semiconductor" means any class of crystalline solids  
3 intermediate in electrical conductivity between a conductor  
4 and an insulator.

5 "Semiconductor manufacturer" means a new or existing  
6 manufacturer that is focused on reequipping, expanding, or  
7 establishing a manufacturing facility in Illinois that  
8 produces semiconductors or ~~key~~ components that directly  
9 support the functions of semiconductors. Semiconductor  
10 manufacturing also includes the manufacturing of component  
11 parts that are required for the development and operation of  
12 quantum computers and quantum computing facilities.

13 "Statewide baseline" means the total number of full-time  
14 employees of the applicant and any related member employed by  
15 such entities at the time of application for incentives under  
16 this Act.

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

20 "Training costs" means costs incurred to upgrade the  
21 technological skills of full-time employees in Illinois and  
22 includes: curriculum development; training materials  
23 (including scrap product costs); trainee domestic travel  
24 expenses; instructor costs (including wages, fringe benefits,  
25 tuition and domestic travel expenses); rent, purchase or lease  
26 of training equipment; and other usual and customary training

1 costs. "Training costs" do not include costs associated with  
2 travel outside the United States (unless the taxpayer receives  
3 prior written approval for the travel by the Director based on  
4 a showing of substantial need or other proof the training is  
5 not reasonably available within the United States), wages and  
6 fringe benefits of employees during periods of training, or  
7 administrative cost related to full-time employees of the  
8 taxpayer.

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

12 (Source: P.A. 102-700, eff. 4-19-22.)

13 (35 ILCS 45/110-20)

14 Sec. 110-20. Manufacturing Illinois Chips for Real  
15 Opportunity (MICRO) Program; project applications.

16 (a) The Manufacturing Illinois Chips for Real Opportunity  
17 (MICRO) Program is hereby established and shall be  
18 administered by the Department. The Program will provide  
19 financial incentives to eligible semiconductor manufacturers,  
20 ~~and~~ microchip manufacturers, quantum computer manufacturers,  
21 and companies that primarily engage in research and  
22 development in the manufacturing of quantum computers,  
23 semiconductors, or microchips. For the purposes of this  
24 Section, a company is primarily engaged in research and  
25 development in the manufacturing of quantum computers,

1 semiconductors, or microchips if at least 50% of its business  
2 activities involve research and development in the  
3 manufacturing of quantum computers, semiconductors, or  
4 microchips..

5 (b) Any taxpayer planning a project to be located in  
6 Illinois may request consideration for designation of its  
7 project as a MICRO project, by formal written letter of  
8 request or by formal application to the Department, in which  
9 the applicant states its intent to make at least a specified  
10 level of investment and intends to hire a specified number of  
11 full-time employees at a designated location in Illinois. As  
12 circumstances require, the Department shall require a formal  
13 application from an applicant and a formal letter of request  
14 for assistance.

15 (c) In order to qualify for credits under the program, an  
16 applicant must:

17 (1) for a semiconductor manufacturer, a ~~or~~ microchip  
18 manufacturer, a quantum computer manufacturer, or a  
19 company focusing on research and development in the  
20 manufacturing of quantum computers, semiconductors, or  
21 microchips:

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

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

1 (C) create at least 500 new full-time employee  
2 jobs; or

3 (2) for a semiconductor component parts manufacturer,  
4 a ~~or~~ microchip component parts manufacturer, a quantum  
5 computer component parts manufacturer, or a company  
6 focusing on research and development in the manufacture of  
7 component parts for quantum computers, semiconductors, or  
8 microchips:

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

11 (B) manufacture one or more parts that are  
12 primarily used for the manufacture of semiconductors  
13 or microchips;

14 (C) to be placed in service within the State  
15 within a 60-month period after approval of the  
16 application; and

17 (D) create at least 150 new full-time employee  
18 jobs; or

19 (3) for a semiconductor manufacturer, a ~~or~~ microchip  
20 manufacturer, a quantum computer manufacturer, a company  
21 focusing on research and development in the manufacturing  
22 of quantum computers, semiconductors, or microchips, or ~~or~~  
23 a semiconductor or microchip component parts manufacturer  
24 that does not qualify under paragraph (2) above:

25 (A) make an investment of at least \$2,500,000  
26 ~~\$20,000,000~~ in capital improvements at the project

1 site;

2 (B) to be placed in service within the State  
3 within a 48-month period after approval of the  
4 application; and

5 (C) create at least 50 new full-time employee jobs  
6 or new full-time employees equivalent to 10% of the  
7 number of full-time employees employed by the  
8 applicant world-wide on the date the application is  
9 filed with the Department; or

10 (4) for a semiconductor manufacturer, quantum computer  
11 manufacturer, ~~or~~ microchip manufacturer, or a  
12 semiconductor or microchip component parts manufacturer  
13 with existing operations in Illinois that intends to  
14 convert or expand, in whole or in part, the existing  
15 facility from traditional manufacturing to semiconductor  
16 manufacturing, quantum computer manufacturing, or  
17 microchip manufacturing or semiconductor, quantum  
18 computer, or microchip component parts manufacturing, or a  
19 company focusing on research and development in the  
20 manufacturing of quantum computers, semiconductors, or  
21 microchips:

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

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

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

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

10 (e) Each applicant must outline its hiring plan and  
11 commitment to recruit and hire full-time employee positions at  
12 the project site. The hiring plan may include a partnership  
13 with an institution of higher education to provide  
14 internships, including, but not limited to, internships  
15 supported by the Clean Jobs Workforce Network Program, or  
16 full-time permanent employment for students at the project  
17 site. Additionally, the applicant may create or utilize  
18 participants from apprenticeship programs that are approved by  
19 and registered with the United States Department of Labor's  
20 Bureau of Apprenticeship and Training. The Applicant may apply  
21 for apprenticeship education expense credits in accordance  
22 with the provisions set forth in 14 Ill. Admin. Code 522. Each  
23 applicant is required to report annually, on or before April  
24 15, on the diversity of its workforce in accordance with  
25 Section 110-50 of this Act. For existing facilities of  
26 applicants under paragraph (3) of subsection (b) above, if the

1 taxpayer expects a reduction in force due to its transition to  
2 manufacturing semiconductors, microchips, or semiconductor or  
3 microchip component parts, the plan submitted under this  
4 Section must outline the taxpayer's plan to assist with  
5 retraining its workforce aligned with the taxpayer's adoption  
6 of new technologies and anticipated efforts to retrain  
7 employees through employment opportunities within the  
8 taxpayer's workforce.

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

1 respect to the same address or location.

2 (Source: P.A. 102-700, eff. 4-19-22; 102-1125, eff. 2-3-23.)

3 (35 ILCS 45/110-35)

4 Sec. 110-35. 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 unless the taxpayer  
8 has agreed to hire the minimum number of new employees and the  
9 Department has determined that the expansion cannot reasonably  
10 be accommodated within the municipality in which the business  
11 is located. Any full-time employee relocated to Illinois in  
12 connection with a qualifying project is deemed to be a new  
13 employee for purposes of this Act. Determinations under this  
14 Section shall be made by the Department.

15 (Source: P.A. 102-700, eff. 4-19-22.)

16 (35 ILCS 45/110-65)

17 Sec. 110-65. Certified payroll.

18 (a) Annually, until construction is completed, a company  
19 seeking MICRO Construction Job Credits shall submit a report  
20 that, at a minimum, describes the projected project scope,  
21 timeline, and anticipated budget. Once the project has  
22 commenced, the annual report shall include actual data for the  
23 prior year as well as projections for each additional year  
24 through completion of the project. The Department shall issue

1 detailed reporting guidelines prescribing the requirements of  
2 construction-related reports. ~~Each contractor and~~  
3 ~~subcontractor that is engaged in construction work on project~~  
4 ~~facilities for a taxpayer who seeks to apply for a MICRO~~  
5 ~~Construction Jobs Credit shall:~~

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

12 ~~(A) the worker's name;~~

13 ~~(B) the worker's address;~~

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

15 ~~(D) the worker's social security number;~~

16 ~~(E) the worker's classification or~~  
17 ~~classifications;~~

18 ~~(F) the worker's gross and net wages paid in each~~  
19 ~~pay period;~~

20 ~~(G) the worker's number of hours worked in each~~  
21 ~~day;~~

22 ~~(H) the worker's starting and ending times of work~~  
23 ~~each day;~~

24 ~~(I) the worker's hourly wage rate; and~~

25 ~~(J) the worker's hourly overtime wage rate; and~~

26 ~~(2) no later than the 15th day of each calendar month,~~

1 ~~provide a certified payroll for the immediately preceding~~  
2 ~~month to the taxpayer in charge of the project; within 5~~  
3 ~~business days after receiving the certified payroll, the~~  
4 ~~taxpayer shall file the certified payroll with the~~  
5 ~~Department of Labor and the Department; a certified~~  
6 ~~payroll must be filed for only those calendar months~~  
7 ~~during which construction on the project facilities has~~  
8 ~~occurred; the certified payroll shall consist of a~~  
9 ~~complete copy of the records identified in paragraph (1),~~  
10 ~~but may exclude the starting and ending times of work each~~  
11 ~~day; the certified payroll shall be accompanied by a~~  
12 ~~statement signed by the contractor or subcontractor or an~~  
13 ~~officer, employee, or agent of the contractor or~~  
14 ~~subcontractor which avers that:~~

15 ~~(A) he or she has examined the certified payroll~~  
16 ~~records required to be submitted by the Act and such~~  
17 ~~records are true and accurate; and~~

18 ~~(B) the contractor or subcontractor is aware that~~  
19 ~~filing a certified payroll that he or she knows to be~~  
20 ~~false is a Class A misdemeanor.~~

21 ~~A general contractor is not prohibited from relying on a~~  
22 ~~certified payroll of a lower tier subcontractor, provided the~~  
23 ~~general contractor does not knowingly rely upon a~~  
24 ~~subcontractor's false certification.~~

25 (b) In order to receive credit for construction expenses,  
26 the company must provide the Department with evidence that a

1 certified third party executed an Agreed-Upon Procedure (AUP)  
2 verifying the construction expenses or accept the standard  
3 construction wage expense estimated by the Department. Any  
4 ~~contractor or subcontractor subject to this Section, and any~~  
5 ~~officer, employee, or agent of such contractor or~~  
6 ~~subcontractor whose duty as an officer, employee, or agent it~~  
7 ~~is to file a certified payroll under this Section, who~~  
8 ~~willfully fails to file such a certified payroll, on or before~~  
9 ~~the date such certified payroll is required to be filed and any~~  
10 ~~person who willfully files a false certified payroll as to any~~  
11 ~~material fact is in violation of this Act and guilty of a Class~~  
12 ~~A misdemeanor and may be enforced by the Illinois Department~~  
13 ~~of Labor or the Department. The Attorney General shall~~  
14 ~~represented the Illinois Department of Labor or the Department~~  
15 ~~in the proceeding.~~

16 (c) Upon review of the final project scope, timeline,  
17 budget, and AUP, the Department shall issue a tax credit  
18 certificate reflecting a percentage of the total construction  
19 job wages paid throughout the completion of the project. The  
20 ~~taxpayer in charge of the project shall keep the records~~  
21 ~~submitted in accordance with this Section for a period of 5~~  
22 ~~years from the date of the last payment for work on a contract~~  
23 ~~or subcontract for the project.~~

24 (d) (Blank). ~~The records submitted in accordance with this~~  
25 ~~Section shall be considered public records, except an~~  
26 ~~employee's address, telephone number, and social security~~

1 ~~number, which shall be redacted. The records shall be made~~  
2 ~~publicly available in accordance with the Freedom of~~  
3 ~~Information Act. The contractor or subcontractor shall submit~~  
4 ~~reports to the Department of Labor electronically that meet~~  
5 ~~the requirements of this subsection and shall share the~~  
6 ~~information with the Department to comply with the awarding of~~  
7 ~~the MICRO Construction Jobs Credit. A contractor,~~  
8 ~~subcontractor, or public body may retain records required~~  
9 ~~under this Section in paper or electronic format.~~

10 (e) Upon 7 business days' notice, the taxpayer contractor  
11 ~~and each subcontractor~~ shall make available to each State  
12 agency and to federal, State, or local law enforcement  
13 agencies and prosecutors for inspection and copying at a  
14 location within this State during reasonable hours, the report  
15 described in subsection (a) ~~records identified in paragraph~~  
16 ~~(1) of this subsection to the taxpayer in charge of the~~  
17 ~~Project, its officers and agents, the Director of the~~  
18 ~~Department of Labor and his/her deputies and agents, and to~~  
19 ~~federal, State, or local law enforcement agencies and~~  
20 ~~prosecutors.~~

21 (Source: P.A. 102-700, eff. 4-19-22.)

22 (35 ILCS 45/110-95)

23 Sec. 110-95. Utility tax exemptions for MICRO projects.  
24 The Department may certify a taxpayer with a credit for a  
25 project that meets the qualifications under paragraphs (1),

1 (2), and (4) of subsection (c) of Section 110-20, subject to an  
2 agreement under this Act, for an exemption from the tax  
3 imposed at the project site by Section 2-4 of the Electricity  
4 Excise Tax Law. To receive such certification, the taxpayer  
5 must be registered to self-assess that tax. The taxpayer is  
6 also exempt from any additional charges added to the  
7 taxpayer's utility bills at the project site as a pass-on of  
8 State utility taxes under Section 9-222 of the Public  
9 Utilities Act. The taxpayer must meet any other ~~the~~ criteria  
10 for certification set by the Department.

11 The Department shall determine the period during which the  
12 exemption from the Electricity Excise Tax Law and the charges  
13 imposed under Section 9-222 of the Public Utilities Act are in  
14 effect, which shall not exceed 30 ~~40~~ years from the date of the  
15 taxpayer's initial receipt of certification from the  
16 Department under this Section.

17 The Department is authorized to adopt rules to carry out  
18 the provisions of this Section, including procedures to apply  
19 for the exemptions; to define the amounts and types of  
20 eligible investments that an applicant must make in order to  
21 receive electricity excise tax exemptions or exemptions from  
22 the additional charges imposed under Section 9-222 and the  
23 Public Utilities Act; to approve such electricity excise tax  
24 exemptions for applicants whose investments are not yet placed  
25 in service; and to require that an applicant granted an  
26 electricity excise tax exemption or an exemption from

1 additional charges under Section 9-222 of the Public Utilities  
2 Act repay the exempted amount if the applicant fails to comply  
3 with the terms and conditions of the agreement.

4 Upon certification by the Department under this Section,  
5 the Department shall notify the Department of Revenue of the  
6 certification. The Department of Revenue shall notify the  
7 public utilities of the exempt status of any taxpayer  
8 certified for exemption under this Act from the electricity  
9 excise tax or pass-on charges. The exemption status shall take  
10 effect within 3 months after certification of the taxpayer and  
11 notice to the Department of Revenue by the Department.

12 (Source: P.A. 102-700, eff. 4-19-22.)

13 Section 35. The Use Tax Act is amended by changing Section  
14 12 as follows:

15 (35 ILCS 105/12) (from Ch. 120, par. 439.12)

16 Sec. 12. Applicability of Retailers' Occupation Tax Act  
17 and Uniform Penalty and Interest Act. All of the provisions of  
18 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,  
19 2-29, 2-54, 2a, 2b, 2c, 3, 4 (except that the time limitation  
20 provisions shall run from the date when the tax is due rather  
21 than from the date when gross receipts are received), 5  
22 (except that the time limitation provisions on the issuance of  
23 notices of tax liability shall run from the date when the tax  
24 is due rather than from the date when gross receipts are

1 received and except that in the case of a failure to file a  
2 return required by this Act, no notice of tax liability shall  
3 be issued on and after each July 1 and January 1 covering tax  
4 due with that return during any month or period more than 6  
5 years before that July 1 or January 1, respectively), 5a, 5b,  
6 5c, 5d, 5e, 5f, 5g, 5h, 5j, 5k, 5l, 5m, 5n, 7, 8, 9, 10, 11 and  
7 12 of the Retailers' Occupation Tax Act and Section 3-7 of the  
8 Uniform Penalty and Interest Act, which are not inconsistent  
9 with this Act, shall apply, as far as practicable, to the  
10 subject matter of this Act to the same extent as if such  
11 provisions were included herein.

12 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23.)

13 Section 40. The Service Use Tax Act is amended by changing  
14 Section 12 as follows:

15 (35 ILCS 110/12) (from Ch. 120, par. 439.42)

16 Sec. 12. Applicability of Retailers' Occupation Tax Act  
17 and Uniform Penalty and Interest Act. All of the provisions of  
18 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,  
19 2-29, 2-54, 2a, 2b, 2c, 3 (except as to the disposition by the  
20 Department of the money collected under this Act), 4 (except  
21 that the time limitation provisions shall run from the date  
22 when gross receipts are received), 5 (except that the time  
23 limitation provisions on the issuance of notices of tax  
24 liability shall run from the date when the tax is due rather

1 than from the date when gross receipts are received and except  
2 that in the case of a failure to file a return required by this  
3 Act, no notice of tax liability shall be issued on and after  
4 July 1 and January 1 covering tax due with that return during  
5 any month or period more than 6 years before that July 1 or  
6 January 1, respectively), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k,  
7 5l, 5m, 5n, 6d, 7, 8, 9, 10, 11 and 12 of the Retailers'  
8 Occupation Tax Act which are not inconsistent with this Act,  
9 and Section 3-7 of the Uniform Penalty and Interest Act, shall  
10 apply, as far as practicable, to the subject matter of this Act  
11 to the same extent as if such provisions were included herein.  
12 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23.)

13 Section 45. The Service Occupation Tax Act is amended by  
14 changing Section 12 as follows:

15 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

16 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,  
17 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12, 2-29, 2-54, 2a, 2b, 2c, 3  
18 (except as to the disposition by the Department of the tax  
19 collected under this Act), 4 (except that the time limitation  
20 provisions shall run from the date when the tax is due rather  
21 than from the date when gross receipts are received), 5  
22 (except that the time limitation provisions on the issuance of  
23 notices of tax liability shall run from the date when the tax  
24 is due rather than from the date when gross receipts are

1 received), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 5m, 5n, 6d,  
2 7, 8, 9, 10, 11, and 12 of the "Retailers' Occupation Tax Act"  
3 which are not inconsistent with this Act, and Section 3-7 of  
4 the Uniform Penalty and Interest Act shall apply, as far as  
5 practicable, to the subject matter of this Act to the same  
6 extent as if such provisions were included herein.

7 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;  
8 revised 9-26-23.)

9 Section 50. The Retailers' Occupation Tax Act is amended  
10 by adding Section 2-29 as follows:

11 (35 ILCS 120/2-29 new)

12 Sec. 2-29. Quantum computing campus building materials  
13 exemption.

14 (a) Each retailer who makes a qualified sale of building  
15 materials to be incorporated into real estate at a quantum  
16 computing campus certified by the Department of Commerce and  
17 Economic Opportunity under Section 605-1115 of the Department  
18 of Commerce and Economic Opportunity Law of the Civil  
19 Administrative Code of Illinois may deduct receipts from those  
20 sales when calculating the tax imposed by this Act. Quantum  
21 Computing Campus Building Materials Exemption Certificates  
22 shall be issued for an initial period not to exceed 20 years  
23 and can be renewed once for a period not to exceed 20 years.

24 (b) No retailer who is eligible for the deduction or

1 credit for a given sale under Section 5k of this Act related to  
2 enterprise zones, Section 5l of this Act related to High  
3 Impact Businesses, Section 5m of this Act related to REV  
4 Illinois projects, or Section 5n of this Act related to MICRO  
5 facilities shall be eligible for the deduction or credit  
6 authorized under this Section for that same sale.

7 (c) A construction contractor or other entity shall not  
8 make tax-free purchases unless it has an active Exemption  
9 Certificate issued by the Department at the time of the  
10 purchase.

11 (d) A taxpayer that is certified by the Department of  
12 Commerce and Economic Opportunity under Section 605-1115 of  
13 the Department of Commerce and Economic Opportunity Law of the  
14 Civil Administrative Code of Illinois shall submit a request  
15 to the Department for an initial or renewal Quantum Computing  
16 Campus Materials Exemption Certificate. Upon request from the  
17 certified taxpayer, the Department shall issue a Quantum  
18 Computing Campus Building Materials Exemption Certificate for  
19 each construction contractor or other entity identified by the  
20 certified taxpayer. The Department shall make the Quantum  
21 Computing Campus Building Materials Exemption Certificates  
22 available to each construction contractor or other entity  
23 identified by the certified taxpayer and to the certified  
24 taxpayer. The request for Quantum Computing Campus Building  
25 Materials Exemption Certificates under this Section must  
26 include the following information:

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

3           (2) the name and location or address of the building  
4           project site;

5           (3) the estimated amount of the exemption for each  
6           construction contractor or other entity for which a  
7           request for a Quantum Computing Campus Building Materials  
8           Exemption Certificate is made, based on a stated estimated  
9           average tax rate and the percentage of the contract that  
10           consists of materials;

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

13           (5) other reasonable information as the Department may  
14           require, including, but not limited to, FEIN numbers, to  
15           determine if the contractor or other entity, or any  
16           partner, or a corporate officer, and in the case of a  
17           limited liability company, any manager or member, of the  
18           construction contractor or other entity, is or has been  
19           the owner, a partner, a corporate officer, and, in the  
20           case of a limited liability company, a manager or member,  
21           of a person that is in default for moneys due to the  
22           Department under this Act or any other tax or fee Act  
23           administered by the Department.

24           The Department, in its discretion, may require that the  
25           request for Quantum Computing Campus Building Materials  
26           Exemption Certificates be submitted electronically. The

1 Department may, in its discretion, issue the Exemption  
2 Certificates electronically.

3 (e) To document the exemption allowed under this Section,  
4 the retailer must obtain from the purchaser the certification  
5 required under this Section, which must contain the Quantum  
6 Computing Campus Building Materials Exemption Certificate  
7 number issued to the purchaser by the Department. In addition,  
8 the retailer must obtain certification from the purchaser that  
9 contains:

10 (1) a statement that the building materials are being  
11 purchased for incorporation into real estate located in a  
12 quantum computing campus;

13 (2) the location or address of the real estate into  
14 which the building materials will be incorporated;

15 (3) the name of the quantum computing campus in which  
16 that real estate is located;

17 (4) a description of the building materials being  
18 purchased;

19 (5) the purchaser's Quantum Computing Campus Building  
20 Materials Exemption Certificate number issued by the  
21 Department; and

22 (6) the purchaser's signature and date of purchase.

23 (f) The Department shall issue the Quantum Computing  
24 Campus Building Materials Exemption Certificates within 3  
25 business days after receipt of the request from the certified  
26 taxpayer. This requirement does not apply in circumstances

1 where the Department, for reasonable cause, is unable to issue  
2 the Exemption Certificate within 3 business days. The  
3 Department may refuse to issue a Quantum Computing Campus  
4 Building Materials Exemption Certificate if the owner, any  
5 partner, or a corporate officer, and in the case of a limited  
6 liability company, any manager or member, of the construction  
7 contractor or other entity is or has been the owner, a partner,  
8 a corporate officer, and, in the case of a limited liability  
9 company, a manager or member, of a person that is in default  
10 for moneys due to the Department under this Act or any other  
11 tax or fee Act administered by the Department.

12 (g) The Quantum Computing Campus Building Materials  
13 Exemption Certificate shall contain:

14 (1) a unique identifying number that shall be designed  
15 in such a way that the Department can identify from the  
16 unique number on the Exemption Certificate issued to a  
17 given construction contractor or other entity, the name of  
18 the quantum computing campus and the construction  
19 contractor or other entity to whom the Exemption  
20 Certificate is issued;

21 (2) the name of the construction contractor or entity  
22 to whom the Exemption Certificate is issued;

23 (3) issuance, effective, and expiration dates; and

24 (4) language stating that if the construction  
25 contractor or other entity who is issued the Exemption  
26 Certificate makes a tax-exempt purchase, as described in

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

11 (h) After the Department issues Exemption Certificates for  
12 a given quantum computing campus, the certified taxpayer may  
13 notify the Department of additional construction contractors  
14 or other entities that are eligible for a Quantum Computing  
15 Campus Building Materials Exemption Certificate. Upon  
16 receiving such a notification and subject to the other  
17 provisions of this Section, the Department shall issue a  
18 Quantum Computing Campus Building Materials Exemption  
19 Certificate to each additional construction contractor or  
20 other entity so identified.

21 (i) A certified taxpayer may ask the Department to rescind  
22 a Quantum Computing Campus Building Materials Exemption  
23 Certificate previously issued by the Department to a  
24 construction contractor or other entity working at that  
25 certified quantum computing campus if that Quantum Computing  
26 Campus Building Materials Exemption Certificate has not yet

1 expired. Upon receiving such a request and subject to the  
2 other provisions of this Section, the Department shall issue  
3 the rescission of the Quantum Computing Campus Building  
4 Materials Exemption Certificate to the construction contractor  
5 or other entity identified by the certified taxpayer and  
6 provide a copy of the rescission to the construction  
7 contractor or other entity and to the certified taxpayer.

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

20 (k) Each contractor or other entity that has been issued a  
21 Quantum Computing Campus Building Materials Exemption  
22 Certificate under this Section shall annually report to the  
23 Department the total value of the quantum computing campus  
24 building materials exemption from State taxes. Reports shall  
25 contain information reasonably required by the Department to  
26 enable it to verify and calculate the total tax benefits for

1 taxes imposed by the State and shall be broken down by quantum  
2 computing campus site. Reports are due no later than May 31 of  
3 each year and shall cover the previous calendar year. Failure  
4 to report data may result in revocation of the Quantum  
5 Computing Campus Building Materials Exemption Certificate  
6 issued to the contractor or other entity. The Department is  
7 authorized to adopt rules governing revocation determinations,  
8 including the length of revocation. Factors to be considered  
9 in revocations shall include, but are not limited to, prior  
10 compliance with the reporting requirements, cooperation in  
11 discontinuing and correcting violations, and whether the  
12 certificate was used unlawfully during the preceding year. The  
13 Department, in its discretion, may require that the reports  
14 filed under this Section be submitted electronically.

15 (l) As used in this Section:

16 "Certified taxpayer" means a person certified by the  
17 Department of Commerce and Economic Opportunity under Section  
18 605-1115 of the Department of Commerce and Economic  
19 Opportunity Law of the Civil Administrative Code of Illinois.

20 "Qualified sale" means a sale of building materials that  
21 will be incorporated into real estate as part of a building  
22 project for which a Quantum Computing Campus Building  
23 Materials Exemption Certificate has been issued to the  
24 purchaser by the Department.

25 (m) The Department shall have the authority to adopt rules  
26 as are reasonable and necessary to implement the provisions of

1 this Section.

2 (n) This Section is exempt from the provisions of Section  
3 2-70.

4 (o) This exemption also applies to the Use Tax Act, the  
5 Service Use Tax Act, and the Service Occupation Tax Act and is  
6 incorporated by reference in Section 12 of each of those  
7 respective Acts.

8 Section 53. The Gas Use Tax Law is amended by changing  
9 Section 5-10 as follows:

10 (35 ILCS 173/5-10)

11 Sec. 5-10. Imposition of tax. Beginning October 1, 2003, a  
12 tax is imposed upon the privilege of using in this State gas  
13 obtained in a purchase of out-of-state gas at the rate of 2.4  
14 cents per therm or 5% of the purchase price for the billing  
15 period, whichever is the lower rate. Such tax rate shall be  
16 referred to as the "self-assessing purchaser tax rate".  
17 Beginning with bills issued by delivering suppliers on and  
18 after October 1, 2003, purchasers may elect an alternative tax  
19 rate of 2.4 cents per therm to be paid under the provisions of  
20 Section 5-15 of this Law to a delivering supplier maintaining  
21 a place of business in this State. Such tax rate shall be  
22 referred to as the "alternate tax rate". The tax imposed under  
23 this Section shall not apply to gas used by business  
24 enterprises certified under Section 9-222.1 of the Public

1 Utilities Act or Section 605-1115 of the Department of  
2 Commerce and Economic Opportunity Law of the Civil  
3 Administrative Code of Illinois, as amended, to the extent of  
4 such exemption and during the period of time specified by the  
5 Department of Commerce and Economic Opportunity.

6 (Source: P.A. 93-31, eff. 10-1-03; 94-793, eff. 5-19-06.)

7 Section 55. The Property Tax Code is amended by changing  
8 Sections 18-184.15 and 18-184.20 as follows:

9 (35 ILCS 200/18-184.15)

10 Sec. 18-184.15. REV Illinois project facilities for  
11 electric vehicles, electric vehicle component parts, or  
12 electric vehicle power supply equipment; abatement.

13 (a) Any taxing district, upon a majority vote of its  
14 governing body, may, after determination of the assessed value  
15 as set forth in this Code, order the clerk of the appropriate  
16 municipality or county to abate, for a period not to exceed 30  
17 consecutive years, any portion of real property taxes  
18 otherwise levied or extended by the taxing district on a REV  
19 Illinois Project facility ~~owned by an electric vehicle~~  
20 ~~manufacturer, electric vehicle component parts manufacturer,~~  
21 ~~or an electric vehicle power supply manufacturer~~ that is  
22 subject to an agreement with the Department of Commerce and  
23 Economic Opportunity under Section 45 of the Reimagining  
24 Energy and Vehicles in Illinois Act, during the period of time

1 such agreement is in effect as specified by the Department of  
2 Commerce and Economic Opportunity.

3 (b) Two or more taxing districts, upon a majority vote of  
4 each of their respective governing bodies, may agree to abate,  
5 for a period not to exceed 30 consecutive tax years, a portion  
6 of the real property taxes otherwise levied or extended by  
7 those taxing districts on a REV Illinois Project facility that  
8 is subject to an agreement with the Department of Commerce and  
9 Economic Opportunity under Section 45 of the Reimagining  
10 Energy and Vehicles in Illinois Act. The agreement entered  
11 into by the taxing districts under this subsection (b) shall  
12 be filed with the county clerk who shall, for the period the  
13 agreement remains in effect, abate the portion of the real  
14 estate taxes levied or extended by those taxing districts as  
15 directed in the agreement. Any such agreement entered into by  
16 2 or more taxing districts before the effective date of this  
17 amendatory Act of the 103rd General Assembly that is not  
18 inconsistent with the provisions of this subsection (b) is  
19 hereby declared valid and enforceable for the effective period  
20 of that agreement.

21 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23.)

22 (35 ILCS 200/18-184.20)

23 Sec. 18-184.20. MICRO Illinois project facilities. Any  
24 taxing district, upon a majority vote of its governing body,  
25 may, after determination of the assessed value as set forth in

1 this Code, order the clerk of the appropriate municipality or  
2 county to abate, for a period not to exceed 30 consecutive  
3 years, any portion of real property taxes otherwise levied or  
4 extended by the taxing district on a MICRO Illinois Project  
5 facility ~~owned by a semiconductor manufacturer or microchip~~  
6 ~~manufacturer or a semiconductor or microchip component parts~~  
7 ~~manufacturer~~ that is subject to an agreement with the  
8 Department of Commerce and Economic Opportunity under the  
9 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,  
10 during the period of time such agreement is in effect as  
11 specified by the Department of Commerce and Economic  
12 Opportunity.

13 (Source: P.A. 102-700, eff. 4-19-22.)

14 Section 60. The Telecommunications Excise Tax Act is  
15 amended by changing Section 2 as follows:

16 (35 ILCS 630/2) (from Ch. 120, par. 2002)

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

19 (a) "Gross charge" means the amount paid for the act or  
20 privilege of originating or receiving telecommunications in  
21 this State and for all services and equipment provided in  
22 connection therewith by a retailer, valued in money whether  
23 paid in money or otherwise, including cash, credits, services  
24 and property of every kind or nature, and shall be determined

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

1 inter-office channel provided within Illinois for that period.  
2 However, "gross charges" shall not include any of the  
3 following:

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

16 (2) Charges for a sent collect telecommunication  
17 received outside of the State.

18 (3) Charges for leased time on equipment or charges  
19 for the storage of data or information for subsequent  
20 retrieval or the processing of data or information  
21 intended to change its form or content. Such equipment  
22 includes, but is not limited to, the use of calculators,  
23 computers, data processing equipment, tabulating equipment  
24 or accounting equipment and also includes the usage of  
25 computers under a time-sharing agreement.

26 (4) Charges for customer equipment, including such

1 equipment that is leased or rented by the customer from  
2 any source, wherein such charges are disaggregated and  
3 separately identified from other charges.

4 (5) Charges to business enterprises certified under  
5 Section 9-222.1 of the Public Utilities Act, as amended,  
6 or under Section 95 of the Reimagining Energy and Vehicles  
7 in Illinois Act, to the extent of such exemption and  
8 during the period of time specified by the Department of  
9 Commerce and Economic Opportunity.

10 (5.1) Charges to business enterprises certified under  
11 the Manufacturing Illinois Chips for Real Opportunity  
12 (MICRO) Act, to the extent of the exemption and during the  
13 period of time specified by the Department of Commerce and  
14 Economic Opportunity.

15 (5.2) Charges to entities certified under Section  
16 605-1115 of the Department of Commerce and Economic  
17 Opportunity Law of the Civil Administrative Code of  
18 Illinois to the extent of the exemption and during the  
19 period of time specified by the Department of Commerce and  
20 Economic Opportunity.

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

1 corporation and wholly owned subsidiaries or between  
2 wholly owned subsidiaries represent expense allocation  
3 between the corporations and not the generation of profit  
4 for the corporation rendering such service.

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

13 (8) Charges paid by inserting coins in coin-operated  
14 telecommunication devices.

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

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

1 and nontaxable services or telecommunications billed on a  
2 combined basis shall be attributed to the taxable services  
3 or telecommunications. The burden of proving nontaxable  
4 charges shall be on the retailer of the  
5 telecommunications.

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

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

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

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

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

20 (f) "Department" means the Department of Revenue of the  
21 State of Illinois.

22 (g) "Director" means the Director of Revenue for the  
23 Department of Revenue of the State of Illinois.

24 (h) "Taxpayer" means a person who individually or through  
25 his agents, employees or permittees engages in the act or  
26 privilege of originating or receiving telecommunications in

1 this State and who incurs a tax liability under this Article.

2 (i) "Person" means any natural individual, firm, trust,  
3 estate, partnership, association, joint stock company, joint  
4 venture, corporation, limited liability company, or a  
5 receiver, trustee, guardian or other representative appointed  
6 by order of any court, the Federal and State governments,  
7 including State universities created by statute or any city,  
8 town, county or other political subdivision of this State.

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

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

20 (l) "Retailer" means and includes every person engaged in  
21 the business of making sales at retail as defined in this  
22 Article. The Department may, in its discretion, upon  
23 application, authorize the collection of the tax hereby  
24 imposed by any retailer not maintaining a place of business  
25 within this State, who, to the satisfaction of the Department,  
26 furnishes adequate security to insure collection and payment

1 of the tax. Such retailer shall be issued, without charge, a  
2 permit to collect such tax. When so authorized, it shall be the  
3 duty of such retailer to collect the tax upon all of the gross  
4 charges for telecommunications in this State in the same  
5 manner and subject to the same requirements as a retailer  
6 maintaining a place of business within this State. The permit  
7 may be revoked by the Department at its discretion.

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

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

1 systems and the like, service address shall mean the location  
2 of a taxpayer's primary use of the telecommunications  
3 equipment as defined by telephone number, authorization code,  
4 or location in Illinois where bills are sent.

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

25 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
26 102-1125, eff. 2-3-23.)

1           Section   65.   The   Telecommunications   Infrastructure  
2 Maintenance Fee Act is amended by changing Section 10 as  
3 follows:

4           (35 ILCS 635/10)

5           Sec. 10. Definitions.

6           (a) "Gross charges" means the amount paid to a  
7 telecommunications retailer for the act or privilege of  
8 originating or receiving telecommunications in this State and  
9 for all services rendered in connection therewith, valued in  
10 money whether paid in money or otherwise, including cash,  
11 credits, services, and property of every kind or nature, and  
12 shall be determined without any deduction on account of the  
13 cost of such telecommunications, the cost of the materials  
14 used, labor or service costs, or any other expense whatsoever.  
15 In case credit is extended, the amount thereof shall be  
16 included only as and when paid. "Gross charges" for private  
17 line service shall include charges imposed at each channel  
18 termination point within this State, charges for the channel  
19 mileage between each channel termination point within this  
20 State, and charges for that portion of the interstate  
21 inter-office channel provided within Illinois. Charges for  
22 that portion of the interstate inter-office channel provided  
23 in Illinois shall be determined by the retailer as follows:  
24 (i) for interstate inter-office channels having 2 channel

1 termination points, only one of which is in Illinois, 50% of  
2 the total charge imposed; or (ii) for interstate inter-office  
3 channels having more than 2 channel termination points, one or  
4 more of which are in Illinois, an amount equal to the total  
5 charge multiplied by a fraction, the numerator of which is the  
6 number of channel termination points within Illinois and the  
7 denominator of which is the total number of channel  
8 termination points. Prior to January 1, 2004, any method  
9 consistent with this paragraph or other method that reasonably  
10 apportions the total charges for interstate inter-office  
11 channels among the states in which channel terminations points  
12 are located shall be accepted as a reasonable method to  
13 determine the charges for that portion of the interstate  
14 inter-office channel provided within Illinois for that period.  
15 However, "gross charges" shall not include any of the  
16 following:

17 (1) Any amounts added to a purchaser's bill because of  
18 a charge made under: (i) the fee imposed by this Section,  
19 (ii) additional charges added to a purchaser's bill under  
20 Section 9-221 or 9-222 of the Public Utilities Act, (iii)  
21 the tax imposed by the Telecommunications Excise Tax Act,  
22 (iv) 911 surcharges, (v) the tax imposed by Section 4251  
23 of the Internal Revenue Code, or (vi) the tax imposed by  
24 the Simplified Municipal Telecommunications Tax Act.

25 (2) Charges for a sent collect telecommunication  
26 received outside of this State.

1           (3) Charges for leased time on equipment or charges  
2           for the storage of data or information or subsequent  
3           retrieval or the processing of data or information  
4           intended to change its form or content. Such equipment  
5           includes, but is not limited to, the use of calculators,  
6           computers, data processing equipment, tabulating  
7           equipment, or accounting equipment and also includes the  
8           usage of computers under a time-sharing agreement.

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

13          (5) Charges to business enterprises certified under  
14          Section 9-222.1 of the Public Utilities Act to the extent  
15          of such exemption and during the period of time specified  
16          by the Department of Commerce and Economic Opportunity.

17          (5.1) Charges to business enterprises certified under  
18          Section 95 of the Reimagining Energy and Vehicles in  
19          Illinois Act, to the extent of the exemption and during  
20          the period of time specified by the Department of Commerce  
21          and Economic Opportunity.

22          (5.2) Charges to business enterprises certified under  
23          Section 110-95 of the Manufacturing Illinois Chips for  
24          Real Opportunity (MICRO) Act, to the extent of the  
25          exemption and during the period of time specified by the  
26          Department of Commerce and Economic Opportunity.

1           (5.3) Charges to entities certified under Section  
2           605-1115 of the Department of Commerce and Economic  
3           Opportunity Law of the Civil Administrative Code of  
4           Illinois to the extent of the exemption and during the  
5           period of time specified by the Department of Commerce and  
6           Economic Opportunity.

7           (6) Charges for telecommunications and all services  
8           and equipment provided in connection therewith between a  
9           parent corporation and its wholly owned subsidiaries or  
10          between wholly owned subsidiaries, and only to the extent  
11          that the charges between the parent corporation and wholly  
12          owned subsidiaries or between wholly owned subsidiaries  
13          represent expense allocation between the corporations and  
14          not the generation of profit other than a regulatory  
15          required profit for the corporation rendering such  
16          services.

17          (7) Bad debts ("bad debt" means any portion of a debt  
18          that is related to a sale at retail for which gross charges  
19          are not otherwise deductible or excludable that has become  
20          worthless or uncollectible, as determined under applicable  
21          federal income tax standards; if the portion of the debt  
22          deemed to be bad is subsequently paid, the retailer shall  
23          report and pay the tax on that portion during the  
24          reporting period in which the payment is made).

25          (8) Charges paid by inserting coins in coin-operated  
26          telecommunication devices.

1           (9) Charges for nontaxable services or  
2 telecommunications if (i) those charges are aggregated  
3 with other charges for telecommunications that are  
4 taxable, (ii) those charges are not separately stated on  
5 the customer bill or invoice, and (iii) the retailer can  
6 reasonably identify the nontaxable charges on the  
7 retailer's books and records kept in the regular course of  
8 business. If the nontaxable charges cannot reasonably be  
9 identified, the gross charge from the sale of both taxable  
10 and nontaxable services or telecommunications billed on a  
11 combined basis shall be attributed to the taxable services  
12 or telecommunications. The burden of proving nontaxable  
13 charges shall be on the retailer of the  
14 telecommunications.

15           (a-5) "Department" means the Illinois Department of  
16 Revenue.

17           (b) "Telecommunications" includes, but is not limited to,  
18 messages or information transmitted through use of local,  
19 toll, and wide area telephone service, channel services,  
20 telegraph services, teletypewriter service, computer exchange  
21 services, private line services, specialized mobile radio  
22 services, or any other transmission of messages or information  
23 by electronic or similar means, between or among points by  
24 wire, cable, fiber optics, laser, microwave, radio, satellite,  
25 or similar facilities. Unless the context clearly requires  
26 otherwise, "telecommunications" shall also include wireless

1 telecommunications as hereinafter defined.  
2 "Telecommunications" shall not include value added services in  
3 which computer processing applications are used to act on the  
4 form, content, code, and protocol of the information for  
5 purposes other than transmission. "Telecommunications" shall  
6 not include purchase of telecommunications by a  
7 telecommunications service provider for use as a component  
8 part of the service provided by him or her to the ultimate  
9 retail consumer who originates or terminates the end-to-end  
10 communications. Retailer access charges, right of access  
11 charges, charges for use of intercompany facilities, and all  
12 telecommunications resold in the subsequent provision and used  
13 as a component of, or integrated into, end-to-end  
14 telecommunications service shall not be included in gross  
15 charges as sales for resale. "Telecommunications" shall not  
16 include the provision of cable services through a cable system  
17 as defined in the Cable Communications Act of 1984 (47 U.S.C.  
18 Sections 521 and following) as now or hereafter amended or  
19 through an open video system as defined in the Rules of the  
20 Federal Communications Commission (47 C.D.F. 76.1550 and  
21 following) as now or hereafter amended. Beginning January 1,  
22 2001, prepaid telephone calling arrangements shall not be  
23 considered "telecommunications" subject to the tax imposed  
24 under this Act. For purposes of this Section, "prepaid  
25 telephone calling arrangements" means that term as defined in  
26 Section 2-27 of the Retailers' Occupation Tax Act.

1 (c) "Wireless telecommunications" includes cellular mobile  
2 telephone services, personal wireless services as defined in  
3 Section 704(C) of the Telecommunications Act of 1996 (Public  
4 Law No. 104-104) as now or hereafter amended, including all  
5 commercial mobile radio services, and paging services.

6 (d) "Telecommunications retailer" or "retailer" or  
7 "carrier" means and includes every person engaged in the  
8 business of making sales of telecommunications at retail as  
9 defined in this Section. The Department may, in its  
10 discretion, upon applications, authorize the collection of the  
11 fee hereby imposed by any retailer not maintaining a place of  
12 business within this State, who, to the satisfaction of the  
13 Department, furnishes adequate security to insure collection  
14 and payment of the fee. When so authorized, it shall be the  
15 duty of such retailer to pay the fee upon all of the gross  
16 charges for telecommunications in the same manner and subject  
17 to the same requirements as a retailer maintaining a place of  
18 business within this State.

19 (e) "Retailer maintaining a place of business in this  
20 State", or any like term, means and includes any retailer  
21 having or maintaining within this State, directly or by a  
22 subsidiary, an office, distribution facilities, transmission  
23 facilities, sales office, warehouse, or other place of  
24 business, or any agent or other representative operating  
25 within this State under the authority of the retailer or its  
26 subsidiary, irrespective of whether such place of business or

1 agent or other representative is located here permanently or  
2 temporarily, or whether such retailer or subsidiary is  
3 licensed to do business in this State.

4 (f) "Sale of telecommunications at retail" means the  
5 transmitting, supplying, or furnishing of telecommunications  
6 and all services rendered in connection therewith for a  
7 consideration, other than between a parent corporation and its  
8 wholly owned subsidiaries or between wholly owned  
9 subsidiaries, when the gross charge made by one such  
10 corporation to another such corporation is not greater than  
11 the gross charge paid to the retailer for their use or  
12 consumption and not for sale.

13 (g) "Service address" means the location of  
14 telecommunications equipment from which telecommunications  
15 services are originated or at which telecommunications  
16 services are received. If this is not a defined location, as in  
17 the case of wireless telecommunications, paging systems,  
18 maritime systems, service address means the customer's place  
19 of primary use as defined in the Mobile Telecommunications  
20 Sourcing Conformity Act. For air-to-ground systems, and the  
21 like, "service address" shall mean the location of the  
22 customer's primary use of the telecommunications equipment as  
23 defined by the location in Illinois where bills are sent.

24 (Source: P.A. 102-1125, eff. 2-3-23.)

25 Section 70. The Simplified Municipal Telecommunications

1 Tax Act is amended by changing Section 5-7 as follows:

2 (35 ILCS 636/5-7)

3 Sec. 5-7. Definitions. For purposes of the taxes  
4 authorized by this Act:

5 "Amount paid" means the amount charged to the taxpayer's  
6 service address in such municipality regardless of where such  
7 amount is billed or paid.

8 "Department" means the Illinois Department of Revenue.

9 "Gross charge" means the amount paid for the act or  
10 privilege of originating or receiving telecommunications in  
11 such municipality and for all services and equipment provided  
12 in connection therewith by a retailer, valued in money whether  
13 paid in money or otherwise, including cash, credits, services  
14 and property of every kind or nature, and shall be determined  
15 without any deduction on account of the cost of such  
16 telecommunications, the cost of the materials used, labor or  
17 service costs or any other expense whatsoever. In case credit  
18 is extended, the amount thereof shall be included only as and  
19 when paid. "Gross charges" for private line service shall  
20 include charges imposed at each channel termination point  
21 within a municipality that has imposed a tax under this  
22 Section and charges for the portion of the inter-office  
23 channels provided within that municipality. Charges for that  
24 portion of the inter-office channel connecting 2 or more  
25 channel termination points, one or more of which is located

1 within the jurisdictional boundary of such municipality, shall  
2 be determined by the retailer by multiplying an amount equal  
3 to the total charge for the inter-office channel by a  
4 fraction, the numerator of which is the number of channel  
5 termination points that are located within the jurisdictional  
6 boundary of the municipality and the denominator of which is  
7 the total number of channel termination points connected by  
8 the inter-office channel. Prior to January 1, 2004, any method  
9 consistent with this paragraph or other method that reasonably  
10 apportions the total charges for inter-office channels among  
11 the municipalities in which channel termination points are  
12 located shall be accepted as a reasonable method to determine  
13 the taxable portion of an inter-office channel provided within  
14 a municipality for that period. However, "gross charge" shall  
15 not include any of the following:

16 (1) Any amounts added to a purchaser's bill because of  
17 a charge made pursuant to: (i) the tax imposed by this Act,  
18 (ii) the tax imposed by the Telecommunications Excise Tax  
19 Act, (iii) the tax imposed by Section 4251 of the Internal  
20 Revenue Code, (iv) 911 surcharges, or (v) charges added to  
21 customers' bills pursuant to the provisions of Section  
22 9-221 or 9-222 of the Public Utilities Act, as amended, or  
23 any similar charges added to customers' bills by retailers  
24 who are not subject to rate regulation by the Illinois  
25 Commerce Commission for the purpose of recovering any of  
26 the tax liabilities or other amounts specified in those

1 provisions of the Public Utilities Act.

2 (2) Charges for a sent collect telecommunication  
3 received outside of such municipality.

4 (3) Charges for leased time on equipment or charges  
5 for the storage of data or information for subsequent  
6 retrieval or the processing of data or information  
7 intended to change its form or content. Such equipment  
8 includes, but is not limited to, the use of calculators,  
9 computers, data processing equipment, tabulating equipment  
10 or accounting equipment and also includes the usage of  
11 computers under a time-sharing agreement.

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

16 (5) Charges to business enterprises certified as  
17 exempt under Section 9-222.1 of the Public Utilities Act  
18 to the extent of such exemption and during the period of  
19 time specified by the Department of Commerce and Economic  
20 Opportunity.

21 (5.1) Charges to business enterprises certified under  
22 Section 95 of the Reimagining Energy and Vehicles in  
23 Illinois Act, to the extent of the exemption and during  
24 the period of time specified by the Department of Commerce  
25 and Economic Opportunity.

26 (5.2) Charges to business enterprises certified under

1 Section 110-95 of the Manufacturing Illinois Chips for  
2 Real Opportunity (MICRO) Act, to the extent of the  
3 exemption and during the period of time specified by the  
4 Department of Commerce and Economic Opportunity.

5 (5.3) Charges to entities certified under Section  
6 605-1115 of the Department of Commerce and Economic  
7 Opportunity Law of the Civil Administrative Code of  
8 Illinois to the extent of the exemption and during the  
9 period of time specified by the Department of Commerce and  
10 Economic Opportunity.

11 (6) Charges for telecommunications and all services  
12 and equipment provided in connection therewith between a  
13 parent corporation and its wholly owned subsidiaries or  
14 between wholly owned subsidiaries when the tax imposed  
15 under this Act has already been paid to a retailer and only  
16 to the extent that the charges between the parent  
17 corporation and wholly owned subsidiaries or between  
18 wholly owned subsidiaries represent expense allocation  
19 between the corporations and not the generation of profit  
20 for the corporation rendering such service.

21 (7) Bad debts ("bad debt" means any portion of a debt  
22 that is related to a sale at retail for which gross charges  
23 are not otherwise deductible or excludable that has become  
24 worthless or uncollectible, as determined under applicable  
25 federal income tax standards; if the portion of the debt  
26 deemed to be bad is subsequently paid, the retailer shall

1 report and pay the tax on that portion during the  
2 reporting period in which the payment is made).

3 (8) Charges paid by inserting coins in coin-operated  
4 telecommunication devices.

5 (9) Amounts paid by telecommunications retailers under  
6 the Telecommunications Infrastructure Maintenance Fee Act.

7 (10) Charges for nontaxable services or  
8 telecommunications if (i) those charges are aggregated  
9 with other charges for telecommunications that are  
10 taxable, (ii) those charges are not separately stated on  
11 the customer bill or invoice, and (iii) the retailer can  
12 reasonably identify the nontaxable charges on the  
13 retailer's books and records kept in the regular course of  
14 business. If the nontaxable charges cannot reasonably be  
15 identified, the gross charge from the sale of both taxable  
16 and nontaxable services or telecommunications billed on a  
17 combined basis shall be attributed to the taxable services  
18 or telecommunications. The burden of proving nontaxable  
19 charges shall be on the retailer of the  
20 telecommunications.

21 "Interstate telecommunications" means all  
22 telecommunications that either originate or terminate outside  
23 this State.

24 "Intrastate telecommunications" means all  
25 telecommunications that originate and terminate within this  
26 State.

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

8 "Purchase at retail" means the acquisition, consumption or  
9 use of telecommunications through a sale at retail.

10 "Retailer" means and includes every person engaged in the  
11 business of making sales at retail as defined in this Section.  
12 The Department may, in its discretion, upon application,  
13 authorize the collection of the tax hereby imposed by any  
14 retailer not maintaining a place of business within this  
15 State, who, to the satisfaction of the Department, furnishes  
16 adequate security to insure collection and payment of the tax.  
17 Such retailer shall be issued, without charge, a permit to  
18 collect such tax. When so authorized, it shall be the duty of  
19 such retailer to collect the tax upon all of the gross charges  
20 for telecommunications in this State in the same manner and  
21 subject to the same requirements as a retailer maintaining a  
22 place of business within this State. The permit may be revoked  
23 by the Department at its discretion.

24 "Retailer maintaining a place of business in this State",  
25 or any like term, means and includes any retailer having or  
26 maintaining within this State, directly or by a subsidiary, an

1 office, distribution facilities, transmission facilities,  
2 sales office, warehouse or other place of business, or any  
3 agent or other representative operating within this State  
4 under the authority of the retailer or its subsidiary,  
5 irrespective of whether such place of business or agent or  
6 other representative is located here permanently or  
7 temporarily, or whether such retailer or subsidiary is  
8 licensed to do business in this State.

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

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

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

3 "Taxpayer" means a person who individually or through his  
4 or her agents, employees, or permittees engages in the act or  
5 privilege of originating or receiving telecommunications in a  
6 municipality and who incurs a tax liability as authorized by  
7 this Act.

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

1 used to act on the form, content, code, and protocol of the  
2 information for purposes other than transmission.  
3 "Telecommunications" shall not include purchases of  
4 telecommunications by a telecommunications service provider  
5 for use as a component part of the service provided by such  
6 provider to the ultimate retail consumer who originates or  
7 terminates the taxable end-to-end communications. Carrier  
8 access charges, right of access charges, charges for use of  
9 inter-company facilities, and all telecommunications resold in  
10 the subsequent provision of, used as a component of, or  
11 integrated into, end-to-end telecommunications service shall  
12 be non-taxable as sales for resale. Prepaid telephone calling  
13 arrangements shall not be considered "telecommunications"  
14 subject to the tax imposed under this Act. For purposes of this  
15 Section, "prepaid telephone calling arrangements" means that  
16 term as defined in Section 2-27 of the Retailers' Occupation  
17 Tax Act.

18 (Source: P.A. 102-1125, eff. 2-3-23.)

19 Section 75. The Electricity Excise Tax Law is amended by  
20 changing Section 2-4 as follows:

21 (35 ILCS 640/2-4)

22 Sec. 2-4. Tax imposed.

23 (a) Except as provided in subsection (b), a tax is imposed  
24 on the privilege of using in this State electricity purchased

1 for use or consumption and not for resale, other than by  
2 municipal corporations owning and operating a local  
3 transportation system for public service, at the following  
4 rates per kilowatt-hour delivered to the purchaser:

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

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

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

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

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

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

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

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

21 (ix) For the next 10,000,000 kilowatt-hours used or  
22 consumed in a month: 0.207 cents per kilowatt-hour;

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

26 Provided, that in lieu of the foregoing rates, the tax is

1 imposed on a self-assessing purchaser at the rate of 5.1% of  
2 the self-assessing purchaser's purchase price for all  
3 electricity distributed, supplied, furnished, sold,  
4 transmitted and delivered to the self-assessing purchaser in a  
5 month.

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

19 (c) The tax imposed by this Section 2-4 is not imposed with  
20 respect to any use of electricity by business enterprises  
21 certified under Section 9-222.1 or 9-222.1A of the Public  
22 Utilities Act, as amended, to the extent of such exemption and  
23 during the time specified by the Department of Commerce and  
24 Economic Opportunity; or with respect to any transaction in  
25 interstate commerce, or otherwise, to the extent to which such  
26 transaction may not, under the Constitution and statutes of

1 the United States, be made the subject of taxation by this  
2 State.

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

10 (e) The tax imposed by this Section 2-4 is not imposed with  
11 respect to any use of electricity at a project site that has  
12 received a certification for tax exemption from the Department  
13 of Commerce and Economic Opportunity pursuant to the  
14 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,  
15 to the extent of such exemption, which shall be no more than 10  
16 years.

17 (f) The tax imposed by this Section 2-4 is not imposed with  
18 respect to any use of electricity at a quantum computing  
19 campus that has received a certification for tax exemption  
20 from the Department of Commerce and Economic Opportunity  
21 pursuant to Section 605-1115 of the Department of Commerce and  
22 Economic Opportunity Law of the Civil Administrative Code of  
23 Illinois to the extent of the exemption and during the period  
24 of time specified by the Department of Commerce and Economic  
25 Opportunity.

26 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;

1 102-1125, eff. 2-3-23.)

2 Section 80. The River Edge Redevelopment Zone Act is  
3 amended by changing Sections 10-4, 10-5.3, 10-10.3, and  
4 10-10.4 as follows:

5 (65 ILCS 115/10-4)

6 Sec. 10-4. Qualifications for River Edge Redevelopment  
7 Zones. An area is qualified to become a zone if it:

8 (1) is a contiguous area adjacent to or surrounding a  
9 river;

10 (2) comprises a minimum of one half square mile and  
11 not more than 12 square miles, exclusive of lakes and  
12 waterways;

13 (3) satisfies any additional criteria established by  
14 the Department consistent with the purposes of this Act;

15 (4) is entirely within a single municipality; and

16 (5) has at least 100 acres of environmentally  
17 challenged land within 1500 yards of the riverfront.

18 Any River Edge Redevelopment Zone may have an overlapping  
19 geographic area with an Enterprise Zone. If a taxpayer is  
20 located in an area with an overlapping Enterprise Zone and  
21 River Edge Redevelopment Zone, the taxpayer must elect, in the  
22 form and manner required by the Department, from which program  
23 it would like to request benefits.

24 (Source: P.A. 94-1021, eff. 7-12-06; 94-1022, eff. 7-12-06.)

1 (65 ILCS 115/10-5.3)

2 Sec. 10-5.3. Certification of River Edge Redevelopment  
3 Zones.

4 (a) Approval of designated River Edge Redevelopment Zones  
5 shall be made by the Department by certification of the  
6 designating ordinance. The Department shall promptly issue a  
7 certificate for each zone upon its approval. The certificate  
8 shall be signed by the Director of the Department, shall make  
9 specific reference to the designating ordinance, which shall  
10 be attached thereto, and shall be filed in the office of the  
11 Secretary of State. A certified copy of the River Edge  
12 Redevelopment Zone Certificate, or a duplicate original  
13 thereof, shall be recorded in the office of the recorder of  
14 deeds of the county in which the River Edge Redevelopment Zone  
15 lies.

16 (b) A River Edge Redevelopment Zone shall be effective  
17 upon its certification. The Department shall transmit a copy  
18 of the certification to the Department of Revenue, and to the  
19 designating municipality. Upon certification of a River Edge  
20 Redevelopment Zone, the terms and provisions of the  
21 designating ordinance shall be in effect, and may not be  
22 amended or repealed except in accordance with Section 10-5.4.

23 (c) A River Edge Redevelopment Zone shall be in effect for  
24 the period stated in the certificate, which shall in no event  
25 exceed 30 calendar years. Zones shall terminate at midnight of

1 December 31 of the final calendar year of the certified term,  
2 except as provided in Section 10-5.4.

3 (d) In calendar years 2006 and 2007, the Department may  
4 certify one pilot River Edge Redevelopment Zone in the City of  
5 East St. Louis, one pilot River Edge Redevelopment Zone in the  
6 City of Rockford, and one pilot River Edge Redevelopment Zone  
7 in the City of Aurora.

8 In calendar year 2009, the Department may certify one  
9 pilot River Edge Redevelopment Zone in the City of Elgin.

10 On or after the effective date of this amendatory Act of  
11 the 97th General Assembly, the Department may certify one  
12 additional pilot River Edge Redevelopment Zone in the City of  
13 Peoria.

14 On or after the effective date of this amendatory Act of  
15 the 103rd General Assembly, the Department may certify 2  
16 additional pilot River Edge Redevelopment Zones, including one  
17 in the City of Joliet and one in the City of Kankakee.

18 On or after the effective date of this amendatory Act of  
19 the 103rd General Assembly, the Department may certify 7  
20 additional pilot River Edge Redevelopment Zones, including one  
21 in the City of East Moline, one in the City of Moline, one in  
22 the City of Ottawa, one in the City of LaSalle, one in the City  
23 of Peru, one in the City of Rock Island, and one in the City of  
24 Quincy.

25 After certifying the additional pilot River Edge  
26 Redevelopment Zones authorized by the above paragraphs, the

1 Department may not certify any additional River Edge  
2 Redevelopment Zones, but it may amend and rescind  
3 certifications of existing River Edge Redevelopment Zones in  
4 accordance with Section 10-5.4, except that no River Edge  
5 Redevelopment Zone may be extended on or after the effective  
6 date of this amendatory Act of the 97th General Assembly. Each  
7 River Edge Redevelopment Zone in existence on the effective  
8 date of this amendatory Act of the 97th General Assembly shall  
9 continue until its scheduled termination under this Act,  
10 unless the Zone is decertified sooner. At the time of its term  
11 expiration each River Edge Redevelopment Zone will become an  
12 open enterprise zone, available for the previously designated  
13 area or a different area to compete for designation as an  
14 enterprise zone. No preference for designation as a Zone will  
15 be given to the previously designated area.

16 (e) A municipality in which a River Edge Redevelopment  
17 Zone has been certified must submit to the Department, within  
18 60 days after the certification, a plan for encouraging the  
19 participation by minority persons, women, persons with  
20 disabilities, and veterans in the zone. The Department may  
21 assist the municipality in developing and implementing the  
22 plan. The terms "minority person", "woman", and "person with a  
23 disability" have the meanings set forth under Section 2 of the  
24 Business Enterprise for Minorities, Women, and Persons with  
25 Disabilities Act. "Veteran" means an Illinois resident who is  
26 a veteran as defined in subsection (h) of Section 1491 of Title

1 10 of the United States Code.

2 (Source: P.A. 103-9, eff. 6-7-23.)

3 (65 ILCS 115/10-10.3)

4 Sec. 10-10.3. River Edge Construction Jobs Credit.

5 (a) Beginning on January 1, 2021, a business entity may  
6 receive a tax credit against the tax imposed under subsections  
7 (a) and (b) of Section 201 in an amount equal to 50% (or 75% if  
8 the project is located in an underserved area) of the amount of  
9 the incremental income tax attributable to River Edge  
10 construction jobs employees employed in the course of  
11 completing a River Edge construction jobs project. The credit  
12 allowed under this Section shall apply only to taxpayers that  
13 make a capital investment of at least \$1,000,000 in a  
14 qualified rehabilitation plan.

15 (b) A business entity seeking a credit under this Section  
16 must submit an application to the Department describing the  
17 nature and benefit of the River Edge construction jobs project  
18 to the qualified rehabilitation project and the River Edge  
19 Redevelopment Zone. The Department may adopt any necessary  
20 rules in order to administer the provisions of this Section.

21 (c) Within 45 days after the receipt of an application,  
22 the Department shall give notice to the applicant as to  
23 whether the application has been approved or disapproved. If  
24 the Department disapproves the application, it shall specify  
25 the reasons for this decision and allow 60 days for the

1 applicant to amend and resubmit its application. The  
2 Department shall provide assistance upon request to  
3 applicants. Resubmitted applications shall receive the  
4 Department's approval or disapproval within 30 days of  
5 resubmission. Those resubmitted applications satisfying  
6 initial Department objectives shall be approved unless  
7 reasonable circumstances warrant disapproval.

8 (d) On an annual basis, the designated zone organization  
9 shall furnish a statement to the Department on the  
10 programmatic and financial status of any approved project and  
11 an audited financial statement of the project.

12 (e) The Department shall certify to the Department of  
13 Revenue the identity of the taxpayers who are eligible for  
14 River Edge construction jobs credits and the amounts of River  
15 Edge construction jobs credits awarded in each taxable year.

16 (f) (Blank). ~~The Department, in collaboration with the~~  
17 ~~Department of Labor, shall require certified payroll~~  
18 ~~reporting, pursuant to Section 10 10.4 of this Act, be~~  
19 ~~completed in order to verify the wages and any other necessary~~  
20 ~~information which the Department may deem necessary to~~  
21 ~~ascertain and certify the total number of River Edge~~  
22 ~~construction jobs employees and determine the amount of a~~  
23 ~~River Edge construction jobs credit.~~

24 (g) The total aggregate amount of credits awarded under  
25 the Blue Collar Jobs Act (Article 20 of this amendatory Act of  
26 the 101st General Assembly) shall not exceed \$20,000,000 in

1 any State fiscal year.

2 (Source: P.A. 101-9, eff. 6-5-19.)

3 (65 ILCS 115/10-10.4)

4 Sec. 10-10.4. Certified payroll. Any taxpayer seeking Any  
5 ~~contractor and each subcontractor who is engaged in and is~~  
6 ~~executing a~~ River Edge construction job tax credits must jobs  
7 ~~project for a taxpayer that is entitled to a credit pursuant to~~  
8 ~~Section 10-10.3 of this Act shall:~~

9 (1) annually, until construction is completed, submit  
10 a report that, at a minimum, describes the projected  
11 project scope, timeline, and anticipated budget; once the  
12 project has commenced, the annual report shall include  
13 actual data for the prior year as well as projections for  
14 each additional year through completion of the project;  
15 the Department shall issue detailed reporting guidelines  
16 prescribing the requirements of construction-related  
17 reports; and

18 (2) provide the Department with evidence that a  
19 certified third-party executed an Agreed-Upon Procedure  
20 (AUP) verifying the construction expenses or accept the  
21 standard construction wage expense estimated by the  
22 Department; upon review of the final project scope,  
23 timeline, budget, and AUP, the Department shall issue a  
24 tax credit certificate reflecting a percentage of the  
25 total construction job wages paid throughout the

1 completion of the project.

2 ~~(1) make and keep, for a period of 5 years from the~~  
3 ~~date of the last payment made on or after June 5, 2019 (the~~  
4 ~~effective date of Public Act 101-9) on a contract or~~  
5 ~~subcontract for a River Edge Construction Jobs Project in~~  
6 ~~a River Edge Redevelopment Zone records of all laborers~~  
7 ~~and other workers employed by them on the project; the~~  
8 ~~records shall include:~~

9 ~~(A) the worker's name;~~

10 ~~(B) the worker's address;~~

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

12 ~~(D) the worker's social security number;~~

13 ~~(E) the worker's classification or~~  
14 ~~classifications;~~

15 ~~(F) the worker's gross and net wages paid in each~~  
16 ~~pay period;~~

17 ~~(G) the worker's number of hours worked each day;~~

18 ~~(H) the worker's starting and ending times of work~~  
19 ~~each day;~~

20 ~~(I) the worker's hourly wage rate; and~~

21 ~~(J) the worker's hourly overtime wage rate; and~~

22 ~~(2) no later than the 15th day of each calendar month,~~  
23 ~~provide a certified payroll for the immediately preceding~~  
24 ~~month to the taxpayer in charge of the project; within 5~~  
25 ~~business days after receiving the certified payroll, the~~  
26 ~~taxpayer shall file the certified payroll with the~~

1 ~~Department of Labor and the Department of Commerce and~~  
2 ~~Economic Opportunity; a certified payroll must be filed~~  
3 ~~for only those calendar months during which construction~~  
4 ~~on a River Edge Construction Jobs Project has occurred;~~  
5 ~~the certified payroll shall consist of a complete copy of~~  
6 ~~the records identified in paragraph (1), but may exclude~~  
7 ~~the starting and ending times of work each day; the~~  
8 ~~certified payroll shall be accompanied by a statement~~  
9 ~~signed by the contractor or subcontractor or an officer,~~  
10 ~~employee, or agent of the contractor or subcontractor~~  
11 ~~which avers that:~~

12 ~~(A) he or she has examined the certified payroll~~  
13 ~~records required to be submitted and such records are~~  
14 ~~true and accurate; and~~

15 ~~(B) the contractor or subcontractor is aware that~~  
16 ~~filing a certified payroll that he or she knows to be~~  
17 ~~false is a Class A misdemeanor.~~

18 ~~A general contractor is not prohibited from relying on a~~  
19 ~~certified payroll of a lower tier subcontractor, provided the~~  
20 ~~general contractor does not knowingly rely upon a~~  
21 ~~subcontractor's false certification.~~

22 ~~Any contractor or subcontractor subject to this Section,~~  
23 ~~and any officer, employee, or agent of such contractor or~~  
24 ~~subcontractor whose duty as an officer, employee, or agent it~~  
25 ~~is to file a certified payroll under this Section, who~~  
26 ~~willfully fails to file such a certified payroll on or before~~

1 ~~the date such certified payroll is required to be filed and any~~  
2 ~~person who willfully files a false certified payroll that is~~  
3 ~~false as to any material fact is in violation of this Act and~~  
4 ~~guilty of a Class A misdemeanor.~~

5 ~~The taxpayer in charge of the project shall keep the~~  
6 ~~records submitted in accordance with this Section on or after~~  
7 ~~June 5, 2019 (the effective date of Public Act 101-9) for a~~  
8 ~~period of 5 years from the date of the last payment for work on~~  
9 ~~a contract or subcontract for the project.~~

10 ~~The records submitted in accordance with this Section~~  
11 ~~shall be considered public records, except an employee's~~  
12 ~~address, telephone number, and social security number, and~~  
13 ~~made available in accordance with the Freedom of Information~~  
14 ~~Act. The Department of Labor shall accept any reasonable~~  
15 ~~submissions by the contractor that meet the requirements of~~  
16 ~~this Section and shall share the information with the~~  
17 ~~Department in order to comply with the awarding of River Edge~~  
18 ~~construction jobs credits. A contractor, subcontractor, or~~  
19 ~~public body may retain records required under this Section in~~  
20 ~~paper or electronic format.~~

21 ~~Upon 7 business days' notice, the taxpayer contractor and~~  
22 ~~each subcontractor shall make available for inspection and~~  
23 ~~copying at a location within this State during reasonable~~  
24 ~~hours, the records identified in paragraph (1) of this Section~~  
25 ~~to the taxpayer in charge of the project, its officers and~~  
26 ~~agents, the Director of Labor and his or her deputies and~~

1 ~~agents,~~ and to federal, State, or local law enforcement  
2 agencies and prosecutors.

3 (Source: P.A. 101-9, eff. 6-5-19; 102-558, eff. 8-20-21.)

4 Section 82. The Private Business and Vocational Schools  
5 Act of 2012 is amended by changing Section 30 as follows:

6 (105 ILCS 426/30)

7 Sec. 30. Exemptions. For purposes of this Act, the  
8 following shall not be considered to be a private business and  
9 vocational school:

10 (1) Any institution devoted entirely to the teaching  
11 of religion or theology.

12 (2) Any in-service program of study and subject  
13 offered by an employer, provided that no tuition is  
14 charged and the instruction is offered only to employees  
15 of the employer.

16 (3) Any educational institution that (A) enrolls a  
17 majority of its students in degree programs and has  
18 maintained an accredited status with a regional  
19 accrediting agency that is recognized by the U.S.  
20 Department of Education or (B) enrolls students in one or  
21 more bachelor-level programs, enrolls a majority of its  
22 students in degree programs, and is accredited by a  
23 national or regional accrediting agency that is recognized  
24 by the U.S. Department of Education or that (i) is

1 regulated by the Board under the Private College Act or  
2 the Academic Degree Act or is exempt from such regulation  
3 under either the Private College Act or the Academic  
4 Degree Act solely for the reason that the educational  
5 institution was in operation on the effective date of  
6 either the Private College Act or the Academic Degree Act  
7 or (ii) is regulated by the State Board of Education.

8 (4) Any institution and the franchisees of that  
9 institution that exclusively offer a program of study in  
10 income tax theory or return preparation at a total  
11 contract price of no more than \$400, provided that the  
12 total annual enrollment of the institution for all such  
13 courses of instruction exceeds 500 students and further  
14 provided that the total contract price for all instruction  
15 offered to a student in any one calendar year does not  
16 exceed \$3,000.

17 (5) Any person or organization selling mediated  
18 instruction products through a media, such as tapes,  
19 compact discs, digital video discs, or similar media, so  
20 long as the instruction is not intended to result in the  
21 acquisition of training for a specific employment field,  
22 is not intended to meet a qualification for licensure or  
23 certification in an employment field, or is not intended  
24 to provide credit that can be applied toward a certificate  
25 or degree program.

26 (6) Schools with no physical presence in this State.

1 Schools offering instruction or programs of study, but  
2 that have no physical presence in this State, are not  
3 required to receive Board approval. Such an institution  
4 must not be considered not to have a physical presence in  
5 this State unless it has received a written finding from  
6 the Board that it has no physical presence. In determining  
7 whether an institution has no physical presence, the Board  
8 shall require all of the following:

9 (A) Evidence of authorization to operate in at  
10 least one other state and that the school is in good  
11 standing with that state's authorizing agency.

12 (B) Evidence that the school has a means of  
13 receiving and addressing student complaints in  
14 compliance with any federal or state requirements.

15 (C) Evidence that the institution is providing no  
16 instruction in this State.

17 (D) Evidence that the institution is not providing  
18 core academic support services, including, but not  
19 limited to, admissions, evaluation, assessment,  
20 registration, financial aid, academic scheduling, and  
21 faculty hiring and support in this State.

22 (7) A school or program within a school that  
23 exclusively provides yoga instruction, yoga teacher  
24 training, or both.

25 (8) Organizations that receive funding from the  
26 Department of Commerce and Economic Opportunity for

1 workforce development preparation programs as provided for  
2 in the Energy Transition Act and the Illinois Works Jobs  
3 Program Act in which participants are not charged tuition.  
4 This paragraph does not include public institutions of  
5 higher education or private institutions of higher  
6 education, as defined in the Board of Higher Education  
7 Act, or community colleges, as defined in the Public  
8 Community College Act. For purposes of this paragraph, the  
9 Department of Commerce and Economic Opportunity shall  
10 provide the Board of Higher Education a complete list of  
11 all qualifying organizations under this paragraph on July  
12 1 of each year.

13 (9) Labor organizations, as defined in Section 10 of  
14 the Collective Bargaining Freedom Act, that sponsor a  
15 United States Department of Labor registered  
16 apprenticeship program.

17 (Source: P.A. 102-1046, eff. 6-7-22.)

18 Section 85. The Public Utilities Act is amended by  
19 changing Section 9-222 as follows:

20 (220 ILCS 5/9-222) (from Ch. 111 2/3, par. 9-222)

21 Sec. 9-222. Whenever a tax is imposed upon a public  
22 utility engaged in the business of distributing, supplying,  
23 furnishing, or selling gas for use or consumption pursuant to  
24 Section 2 of the Gas Revenue Tax Act, or whenever a tax is

1 required to be collected by a delivering supplier pursuant to  
2 Section 2-7 of the Electricity Excise Tax Act, or whenever a  
3 tax is imposed upon a public utility pursuant to Section 2-202  
4 of this Act, such utility may charge its customers, other than  
5 customers who are high impact businesses under Section 5.5 of  
6 the Illinois Enterprise Zone Act, customers who are certified  
7 under Section 95 of the Reimagining Energy and Vehicles in  
8 Illinois Act, manufacturers under the Manufacturing Illinois  
9 Chips for Real Opportunity (MICRO) Act, customers who are  
10 tenants in a quantum computing campus under Section 605-1115  
11 of the Department of Commerce and Economic Opportunity Law of  
12 the Civil Administrative Code of Illinois, or certified  
13 business enterprises under Section 9-222.1 of this Act, to the  
14 extent of such exemption and during the period in which such  
15 exemption is in effect, in addition to any rate authorized by  
16 this Act, an additional charge equal to the total amount of  
17 such taxes. The exemption of this Section relating to high  
18 impact businesses shall be subject to the provisions of  
19 subsections (a), (b), and (b-5) of Section 5.5 of the Illinois  
20 Enterprise Zone Act. This requirement shall not apply to taxes  
21 on invested capital imposed pursuant to the Messages Tax Act,  
22 the Gas Revenue Tax Act and the Public Utilities Revenue Act.  
23 Such utility shall file with the Commission a supplemental  
24 schedule which shall specify such additional charge and which  
25 shall become effective upon filing without further notice.  
26 Such additional charge shall be shown separately on the

1 utility bill to each customer. The Commission shall have the  
2 power to investigate whether or not such supplemental schedule  
3 correctly specifies such additional charge, but shall have no  
4 power to suspend such supplemental schedule. If the Commission  
5 finds, after a hearing, that such supplemental schedule does  
6 not correctly specify such additional charge, it shall by  
7 order require a refund to the appropriate customers of the  
8 excess, if any, with interest, in such manner as it shall deem  
9 just and reasonable, and in and by such order shall require the  
10 utility to file an amended supplemental schedule corresponding  
11 to the finding and order of the Commission. Except with  
12 respect to taxes imposed on invested capital, such tax  
13 liabilities shall be recovered from customers solely by means  
14 of the additional charges authorized by this Section.

15 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;  
16 102-1125, eff. 2-3-23.)

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law, except that Section 17 takes effect July 1,  
19 2025.