



Sen. Steve Stadelman

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1 AMENDMENT TO HOUSE BILL 5005

2 AMENDMENT NO. _____. Amend House Bill 5005, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

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

8 (20 ILCS 605/605-1115 new)

9 Sec. 605-1115. Quantum computing campuses.

10 (a) As used in this Section:

11 "Data center" means a facility: (1) whose primary services
12 are the storage, management, and processing of digital data;
13 and (2) that is used to house (A) computer and network systems,
14 including associated components such as servers, network
15 equipment and appliances, telecommunications, and data storage
16 systems, (B) systems for monitoring and managing

1 infrastructure performance, (C) Internet-related equipment and
2 services, (D) data communications connections, (E)
3 environmental controls, (F) fire protection systems, and (G)
4 security systems and services.

5 "Full-time equivalent job" means a job in which an
6 employee works for a tenant of the quantum campus at a rate of
7 at least 35 hours per week. Vacations, paid holidays, and sick
8 time are included in this computation. Overtime is not
9 considered a part of regular hours.

10 "Quantum computing campus" or "campus" is a contiguous
11 area located in the State of Illinois that is designated by the
12 Department as a quantum computing campus in order to support
13 the demand for quantum computing research, development, and
14 implementation for practical use. A quantum computing campus
15 may include educational intuitions, nonprofit research and
16 development organizations, and for-profit organizations
17 serving as anchor tenants and joining tenants that, with
18 approval from the Department, may change. Tenants located at
19 the campus shall have direct and supporting roles in quantum
20 computing activities. Eligible tenants include quantum
21 computer operators and research facilities, data centers,
22 manufacturers and assemblers of quantum computers and
23 component parts, cryogenic or refrigeration facilities, and
24 other facilities determined, by industry and academic leaders,
25 to be fundamental to the research and development of quantum
26 computing for practical solutions. Quantum computing shall

1 include the research, development, and use of computing
2 methods that generate and manipulate quantum bits in a
3 controlled quantum state. This includes the use of photons,
4 semiconductors, superconductors, trapped ions, and other
5 industry and academically regarded methods for simulating
6 quantum bits. Additionally, a quantum campus shall meet the
7 following criteria:

8 (1) the campus must comprise a minimum of one-half
9 square mile and not more than 4 square miles;

10 (2) the campus must contain tenants that demonstrate a
11 substantial plan for using the designation to encourage
12 participation by organizations owned by minorities, women,
13 and persons with disabilities, as those terms are defined
14 in the Business Enterprise for Minorities, Women, and
15 Persons with Disabilities Act, and the hiring of
16 minorities, women, and persons with disabilities;

17 (3) upon being placed in service, within 60 months
18 after designation or incorporation into a campus, the
19 owners of property located in a campus shall certify to
20 the Department that the property is carbon neutral or has
21 attained certification under one or more of the following
22 green building standards:

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

24 (B) ENERGY STAR;

25 (C) Envision;

26 (D) ISO 50001-energy management;

1 (E) LEED for Building Design and Construction, or
2 LEED for Operations and Maintenance;

3 (F) Green Globes for New Construction, or Green
4 Globes for Existing Buildings;

5 (G) UL 3223; or

6 (H) an equivalent program approved by the
7 Department.

8 (b) Tenants located in a designated quantum computing
9 campus shall qualify for the following exemptions and credits:

10 (1) the Department may certify a taxpayer for an
11 exemption from any State or local use tax or retailers'
12 occupation tax on building materials that will be
13 incorporated into real estate at a quantum computing
14 campus;

15 (2) an exemption from the charges imposed under
16 Section 9-222 of the Public Utilities Act, Section 5-10 of
17 the Gas Use Tax Law, Section 2-4 of the Electricity Excise
18 Tax Law, Section 2 of the Telecommunications Excise Tax
19 Act, Section 10 of the Telecommunications Infrastructure
20 Maintenance Fee Act, and Section 5-7 of the Simplified
21 Municipal Telecommunications Tax Act; and

22 (3) a credit against the taxes imposed under
23 subsections (a) and (b) of Section 201 of the Illinois
24 Income Tax Act as provided in Section 241 of the Illinois
25 Income Tax Act.

26 (c) Certificates of exemption and credit certificates

1 under this Section shall be issued by the Department. Upon
2 certification by the Department under this Section, the
3 Department shall notify the Department of Revenue of the
4 certification. The exemption status shall take effect within 3
5 months after certification of the taxpayer and notice to the
6 Department of Revenue by the Department.

7 (d) Entities seeking to form a quantum computing campus
8 must apply to the Department in the manner specified by the
9 Department. Entities seeking to join an established campus
10 must apply for an amendment to the existing campus. This
11 application for amendment must be submitted to the Department
12 with support from other campus members.

13 The Department shall determine the duration of
14 certificates of exemption awarded under this Act. The duration
15 of the certificates of exemption may not exceed 20 calendar
16 years and one renewal for an additional 20 years.

17 The Department and any tenant located in a quantum
18 computing campus seeking the benefits under this Section must
19 enter into a memorandum of understanding that, at a minimum,
20 provides:

21 (1) the details for determining the amount of capital
22 investment to be made;

23 (2) the number of new jobs created;

24 (3) the timeline for achieving the capital investment
25 and new job goals;

26 (4) the repayment obligation should those goals not be

1 achieved and any conditions under which repayment by the
2 tenant or tenants claiming the exemption shall be
3 required;

4 (5) the duration of the exemptions; and

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

7 The Department shall, within 10 days after the
8 designation, send a letter of notification to each member of
9 the General Assembly whose legislative district or
10 representative district contains all or part of the designated
11 area.

12 (e) Beginning on July 1, 2025, and each year thereafter,
13 the Department shall annually report to the Governor and the
14 General Assembly on the outcomes and effectiveness of this
15 amendatory Act of the 103rd General Assembly. The report shall
16 include the following:

17 (1) the names of each tenant located within the
18 quantum computing campus;

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

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

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

25 (5) whether or not the quantum computing campus is
26 located in an underserved area, an energy transition zone,

1 or an opportunity zone.

2 (f) Tenants at the quantum computing campus seeking a
3 certificate of exemption related to the construction of
4 required facilities shall require the contractor and all
5 subcontractors to:

6 (1) comply with the requirements of Section 30-22 of
7 the Illinois Procurement Code as those requirements apply
8 to responsible bidders and to present satisfactory
9 evidence of that compliance to the Department; and

10 (2) enter into a project labor agreement submitted to
11 the Department.

12 (g) The Department shall not issue any new certificates of
13 exemption under the provisions of this Section after July 1,
14 2030. This sunset shall not affect any existing certificates
15 of exemption in effect on July 1, 2030.

16 (h) The Department shall adopt rules to implement and
17 administer this Section.

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

20 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

21 Sec. 5.5. High Impact Business.

22 (a) In order to respond to unique opportunities to assist
23 in the encouragement, development, growth, and expansion of
24 the private sector through large scale investment and

1 development projects, the Department is authorized to receive
2 and approve applications for the designation of "High Impact
3 Businesses" in Illinois, for an initial term of 20 years with
4 an option for renewal for a term not to exceed 20 years,
5 subject to the following conditions:

6 (1) such applications may be submitted at any time
7 during the year;

8 (2) such business is not located, at the time of
9 designation, in an enterprise zone designated pursuant to
10 this Act, except for grocery stores, as defined in the
11 Grocery Initiative Act;

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

14 (A) the business intends to make a minimum
15 investment of \$12,000,000 which will be placed in
16 service in qualified property and intends to create
17 500 full-time equivalent jobs at a designated location
18 in Illinois or intends to make a minimum investment of
19 \$30,000,000 which will be placed in service in
20 qualified property and intends to retain 1,500
21 full-time retained jobs at a designated location in
22 Illinois. The terms "placed in service" and "qualified
23 property" have the same meanings as described in
24 subsection (h) of Section 201 of the Illinois Income
25 Tax Act; or

26 (B) the business intends to establish a new

1 electric generating facility at a designated location
2 in Illinois. "New electric generating facility", for
3 purposes of this Section, means a newly constructed
4 electric generation plant or a newly constructed
5 generation capacity expansion at an existing electric
6 generation plant, including the transmission lines and
7 associated equipment that transfers electricity from
8 points of supply to points of delivery, and for which
9 such new foundation construction commenced not sooner
10 than July 1, 2001. Such facility shall be designed to
11 provide baseload electric generation and shall operate
12 on a continuous basis throughout the year; and (i)
13 shall have an aggregate rated generating capacity of
14 at least 1,000 megawatts for all new units at one site
15 if it uses natural gas as its primary fuel and
16 foundation construction of the facility is commenced
17 on or before December 31, 2004, or shall have an
18 aggregate rated generating capacity of at least 400
19 megawatts for all new units at one site if it uses coal
20 or gases derived from coal as its primary fuel and
21 shall support the creation of at least 150 new
22 Illinois coal mining jobs, or (ii) shall be funded
23 through a federal Department of Energy grant before
24 December 31, 2010 and shall support the creation of
25 Illinois coal mining ~~coal mining~~ jobs, or (iii) shall
26 use coal gasification or integrated

1 gasification-combined cycle units that generate
2 electricity or chemicals, or both, and shall support
3 the creation of Illinois coal mining ~~coal mining~~ jobs.
4 The term "placed in service" has the same meaning as
5 described in subsection (h) of Section 201 of the
6 Illinois Income Tax Act; or

7 (B-5) the business intends to establish a new
8 gasification facility at a designated location in
9 Illinois. As used in this Section, "new gasification
10 facility" means a newly constructed coal gasification
11 facility that generates chemical feedstocks or
12 transportation fuels derived from coal (which may
13 include, but are not limited to, methane, methanol,
14 and nitrogen fertilizer), that supports the creation
15 or retention of Illinois coal mining ~~coal mining~~ jobs,
16 and that qualifies for financial assistance from the
17 Department before December 31, 2010. A new
18 gasification facility does not include a pilot project
19 located within Jefferson County or within a county
20 adjacent to Jefferson County for synthetic natural gas
21 from coal; or

22 (C) the business intends to establish production
23 operations at a new coal mine, re-establish production
24 operations at a closed coal mine, or expand production
25 at an existing coal mine at a designated location in
26 Illinois not sooner than July 1, 2001; provided that

1 the production operations result in the creation of
2 150 new Illinois coal mining jobs as described in
3 subdivision (a)(3)(B) of this Section, and further
4 provided that the coal extracted from such mine is
5 utilized as the predominant source for a new electric
6 generating facility. The term "placed in service" has
7 the same meaning as described in subsection (h) of
8 Section 201 of the Illinois Income Tax Act; or

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

25 (E) the business intends to establish a new wind
26 power facility at a designated location in Illinois.

1 For purposes of this Section, "new wind power
2 facility" means a newly constructed electric
3 generation facility, a newly constructed expansion of
4 an existing electric generation facility, or the
5 replacement of an existing electric generation
6 facility, including the demolition and removal of an
7 electric generation facility irrespective of whether
8 it will be replaced, placed in service or replaced on
9 or after July 1, 2009, that generates electricity
10 using wind energy devices, and such facility shall be
11 deemed to include any permanent structures associated
12 with the electric generation facility and all
13 associated transmission lines, substations, and other
14 equipment related to the generation of electricity
15 from wind energy devices. For purposes of this
16 Section, "wind energy device" means any device, with a
17 nameplate capacity of at least 0.5 megawatts, that is
18 used in the process of converting kinetic energy from
19 the wind to generate electricity; or

20 (E-5) the business intends to establish a new
21 utility-scale solar facility at a designated location
22 in Illinois. For purposes of this Section, "new
23 utility-scale solar power facility" means a newly
24 constructed electric generation facility, or a newly
25 constructed expansion of an existing electric
26 generation facility, placed in service on or after

1 July 1, 2021, that (i) generates electricity using
2 photovoltaic cells and (ii) has a nameplate capacity
3 that is greater than 5,000 kilowatts, and such
4 facility shall be deemed to include all associated
5 transmission lines, substations, energy storage
6 facilities, and other equipment related to the
7 generation and storage of electricity from
8 photovoltaic cells; or

9 (F) the business commits to (i) make a minimum
10 investment of \$500,000,000, which will be placed in
11 service in a qualified property, (ii) create 125
12 full-time equivalent jobs at a designated location in
13 Illinois, (iii) establish a fertilizer plant at a
14 designated location in Illinois that complies with the
15 set-back standards as described in Table 1: Initial
16 Isolation and Protective Action Distances in the 2012
17 Emergency Response Guidebook published by the United
18 States Department of Transportation, (iv) pay a
19 prevailing wage for employees at that location who are
20 engaged in construction activities, and (v) secure an
21 appropriate level of general liability insurance to
22 protect against catastrophic failure of the fertilizer
23 plant or any of its constituent systems; in addition,
24 the business must agree to enter into a construction
25 project labor agreement including provisions
26 establishing wages, benefits, and other compensation

1 for employees performing work under the project labor
2 agreement at that location; for the purposes of this
3 Section, "fertilizer plant" means a newly constructed
4 or upgraded plant utilizing gas used in the production
5 of anhydrous ammonia and downstream nitrogen
6 fertilizer products for resale; for the purposes of
7 this Section, "prevailing wage" means the hourly cash
8 wages plus fringe benefits for training and
9 apprenticeship programs approved by the U.S.
10 Department of Labor, Bureau of Apprenticeship and
11 Training, health and welfare, insurance, vacations and
12 pensions paid generally, in the locality in which the
13 work is being performed, to employees engaged in work
14 of a similar character on public works; this paragraph
15 (F) applies only to businesses that submit an
16 application to the Department within 60 days after
17 July 25, 2013 (the effective date of Public Act
18 98-109); or

19 (G) the business intends to establish a new
20 cultured cell material food production facility at a
21 designated location in Illinois. As used in this
22 paragraph (G):

23 "Cultured cell material food production facility"
24 means a facility (i) at which cultured animal cell
25 food is developed using animal cell culture
26 technology, (ii) at which production processes occur

1 that include the establishment of cell lines and cell
2 banks, manufacturing controls, and all components and
3 inputs, and (iii) that complies with all existing
4 registrations, inspections, licensing, and approvals
5 from all applicable and participating State and
6 federal food agencies, including the Department of
7 Agriculture, the Department of Public Health, and the
8 United States Food and Drug Administration, to ensure
9 that all food production is safe and lawful under
10 provisions of the Federal Food, Drug and Cosmetic Act
11 related to the development, production, and storage of
12 cultured animal cell food.

13 "New cultured cell material food production
14 facility" means a newly constructed cultured cell
15 material food production facility that is placed in
16 service on or after June 7, 2023 (the effective date of
17 Public Act 103-9) ~~this amendatory Act of the 103rd~~
18 ~~General Assembly~~ or a newly constructed expansion of
19 an existing cultured cell material food production
20 facility, in a controlled environment, when the
21 improvements are placed in service on or after June 7,
22 2023 (the effective date of Public Act 103-9) ~~this~~
23 ~~amendatory Act of the 103rd General Assembly; or and~~

24 (H) ~~(G)~~ the business is an existing or planned
25 grocery store, as that term is defined in Section 5 of
26 the Grocery Initiative Act, and receives financial

1 support under that Act within the 10 years before
2 submitting its application under this Act; and

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

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

1 set forth in subdivision (a) (3) (A) of this Section.

2 (b-5) Businesses designated as High Impact Businesses
3 pursuant to subdivisions (a) (3) (B), (a) (3) (B-5), (a) (3) (C),
4 (a) (3) (D), ~~and~~ (a) (3) (G), and (a) (3) (H) of this Section shall
5 qualify for the credits and exemptions described in the
6 following Acts: Section 51 of the Retailers' Occupation Tax
7 Act, Section 9-222 and Section 9-222.1A of the Public
8 Utilities Act, and subsection (h) of Section 201 of the
9 Illinois Income Tax Act; however, the credits and exemptions
10 authorized under Section 9-222 and Section 9-222.1A of the
11 Public Utilities Act, and subsection (h) of Section 201 of the
12 Illinois Income Tax Act shall not be authorized until the new
13 electric generating facility, the new gasification facility,
14 the new transmission facility, the new, expanded, or reopened
15 coal mine, ~~or~~ the new cultured cell material food production
16 facility, or the existing or planned grocery store is
17 operational, except that a new electric generating facility
18 whose primary fuel source is natural gas is eligible only for
19 the exemption under Section 51 of the Retailers' Occupation
20 Tax Act.

21 (b-6) Businesses designated as High Impact Businesses
22 pursuant to subdivision (a) (3) (E) or (a) (3) (E-5) of this
23 Section shall qualify for the exemptions described in Section
24 51 of the Retailers' Occupation Tax Act; any business so
25 designated as a High Impact Business being, for purposes of
26 this Section, a "Wind Energy Business".

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

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

15 (d) Except for businesses contemplated under subdivision
16 (a) (3) (E), (a) (3) (E-5), ~~or~~ (a) (3) (G), or (a) (3) (H) of this
17 Section, existing Illinois businesses which apply for
18 designation as a High Impact Business must provide the
19 Department with the prospective plan for which 1,500 full-time
20 retained jobs would be eliminated in the event that the
21 business is not designated.

22 (e) Except for new businesses contemplated under
23 subdivision (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or
24 subdivision (a) (3) (H) of this Section, new proposed facilities
25 which apply for designation as High Impact Business must
26 provide the Department with proof of alternative non-Illinois

1 sites which would receive the proposed investment and job
2 creation in the event that the business is not designated as a
3 High Impact Business.

4 (f) Except for businesses contemplated under subdivision
5 (a) (3) (E), ~~or~~ subdivision (a) (3) (G), or subdivision (a) (3) (H)
6 of this Section, in the event that a business is designated a
7 High Impact Business and it is later determined after
8 reasonable notice and an opportunity for a hearing as provided
9 under the Illinois Administrative Procedure Act, that the
10 business would have placed in service in qualified property
11 the investments and created or retained the requisite number
12 of jobs without the benefits of the High Impact Business
13 designation, the Department shall be required to immediately
14 revoke the designation and notify the Director of the
15 Department of Revenue who shall begin proceedings to recover
16 all wrongfully exempted State taxes with interest. The
17 business shall also be ineligible for all State funded
18 Department programs for a period of 10 years.

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

22 (h) Prior to designating a business, the Department shall
23 provide the members of the General Assembly and Commission on
24 Government Forecasting and Accountability with a report
25 setting forth the terms and conditions of the designation and
26 guarantees that have been received by the Department in

1 relation to the proposed business being designated.

2 (i) High Impact Business construction jobs credit.
3 Beginning on January 1, 2021, a High Impact Business may
4 receive a tax credit against the tax imposed under subsections
5 (a) and (b) of Section 201 of the Illinois Income Tax Act in an
6 amount equal to 50% of the amount of the incremental income tax
7 attributable to High Impact Business construction jobs credit
8 employees employed in the course of completing a High Impact
9 Business construction jobs project. However, the High Impact
10 Business construction jobs credit may equal 75% of the amount
11 of the incremental income tax attributable to High Impact
12 Business construction jobs credit employees if the High Impact
13 Business construction jobs credit project is located in an
14 underserved area.

15 The Department shall certify to the Department of Revenue:
16 (1) the identity of taxpayers that are eligible for the High
17 Impact Business construction jobs credit; and (2) the amount
18 of High Impact Business construction jobs credits that are
19 claimed pursuant to subsection (h-5) of Section 201 of the
20 Illinois Income Tax Act in each taxable year. ~~Any business~~
21 ~~entity that receives a High Impact Business construction jobs~~
22 ~~credit shall maintain a certified payroll pursuant to~~
23 ~~subsection (j) of this Section.~~

24 As used in this subsection (i):

25 "High Impact Business construction jobs credit" means an
26 amount equal to 50% (or 75% if the High Impact Business

1 construction project is located in an underserved area) of the
2 incremental income tax attributable to High Impact Business
3 construction job employees. The total aggregate amount of
4 credits awarded under the Blue Collar Jobs Act (Article 20 of
5 Public Act 101-9) shall not exceed \$20,000,000 in any State
6 fiscal year

7 "High Impact Business construction job employee" means a
8 laborer or worker who is employed by a ~~an Illinois~~ contractor
9 or subcontractor in the actual construction work on the site
10 of a High Impact Business construction job project.

11 "High Impact Business construction jobs project" means
12 building a structure or building or making improvements of any
13 kind to real property, undertaken and commissioned by a
14 business that was designated as a High Impact Business by the
15 Department. The term "High Impact Business construction jobs
16 project" does not include the routine operation, routine
17 repair, or routine maintenance of existing structures,
18 buildings, or real property.

19 "Incremental income tax" means the total amount withheld
20 during the taxable year from the compensation of High Impact
21 Business construction job employees.

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

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

26 (2) 35% or more of the families with children in the

1 area are living below 130% of the poverty line, according
2 to the latest American Community Survey;

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

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

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

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

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

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

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

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

2 ~~(E) the worker's classification or~~
3 ~~classifications;~~

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

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

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

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

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

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

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

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 High Impact~~
16 ~~Business construction jobs project; within 5 business days~~
17 ~~after receiving the certified payroll, the taxpayer shall~~
18 ~~file the certified payroll with the Department of Labor~~
19 ~~and the Department of Commerce and Economic Opportunity; a~~
20 ~~certified payroll must be filed for only those calendar~~
21 ~~months during which construction on a High Impact Business~~
22 ~~construction jobs project has occurred; the certified~~
23 ~~payroll shall consist of a complete copy of the records~~
24 ~~identified in paragraph (1) of this subsection (j), but~~
25 ~~may exclude the starting and ending times of work each~~
26 ~~day; the certified payroll shall be accompanied by a~~

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

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

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

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

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

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

1 ~~a period of 5 years from the date of the last payment for work~~
2 ~~on a contract or subcontract for the High Impact Business~~
3 ~~construction jobs project.~~

4 ~~The records submitted in accordance with this subsection~~
5 ~~shall be considered public records, except an employee's~~
6 ~~address, telephone number, and social security number, and~~
7 ~~made available in accordance with the Freedom of Information~~
8 ~~Act. The Department of Labor shall share the information with~~
9 ~~the Department in order to comply with the awarding of a High~~
10 ~~Impact Business construction jobs credit. A contractor,~~
11 ~~subcontractor, or public body may retain records required~~
12 ~~under this Section in paper or electronic format.~~

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

22 In order to receive credit for construction expenses, the
23 company must provide the Department with evidence that a
24 certified third-party executed an Agreed-Upon Procedure (AUP)
25 verifying the construction expenses or accept the standard
26 construction wage expense estimated by the Department.

1 Upon review of the final project scope, timeline, budget,
2 and AUP, the Department shall issue a tax credit certificate
3 reflecting a percentage of the total construction job wages
4 paid throughout the completion of the project.

5 (k) Upon 7 business days' notice, each taxpayer ~~contractor~~
6 ~~and subcontractor~~ shall make available to each State agency
7 and to federal, State, or local law enforcement agencies and
8 prosecutors for inspection and copying at a location within
9 this State during reasonable hours, the report under
10 subsection (j-5) ~~records identified in this subsection (j) to~~
11 ~~the taxpayer in charge of the High Impact Business~~
12 ~~construction jobs project, its officers and agents, the~~
13 ~~Director of the Department of Labor and his or her deputies and~~
14 ~~agents, and to federal, State, or local law enforcement~~
15 ~~agencies and prosecutors.~~

16 (l) The changes made to this Section by Public Act
17 102-1125 ~~this amendatory Act of the 102nd General Assembly,~~
18 other than the changes in subsection (a), apply to High Impact
19 Businesses ~~high impact businesses~~ that submit applications on
20 or after February 3, 2023 (the effective date of Public Act
21 102-1125) ~~this amendatory Act of the 102nd General Assembly.~~

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

1 (20 ILCS 655/13)

2 Sec. 13. Enterprise Zone construction jobs credit.

3 (a) Beginning on January 1, 2021, a business entity in a
4 certified Enterprise Zone that makes a capital investment of
5 at least \$10,000,000 in an Enterprise Zone construction jobs
6 project may receive an Enterprise Zone construction jobs
7 credit against the tax imposed under subsections (a) and (b)
8 of Section 201 of the Illinois Income Tax Act in an amount
9 equal to 50% of the amount of the incremental income tax
10 attributable to Enterprise Zone construction jobs credit
11 employees employed in the course of completing an Enterprise
12 Zone construction jobs project. However, the Enterprise Zone
13 construction jobs credit may equal 75% of the amount of the
14 incremental income tax attributable to Enterprise Zone
15 construction jobs credit employees if the project is located
16 in an underserved area.

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

1 Within 45 days after receipt of an application, the
2 Department shall give notice to the applicant as to whether
3 the application has been approved or disapproved. If the
4 Department disapproves the application, it shall specify the
5 reasons for this decision and allow 60 days for the applicant
6 to amend and resubmit its application. The Department shall
7 provide assistance upon request to applicants. Resubmitted
8 applications shall receive the Department's approval or
9 disapproval within 30 days after the application is
10 resubmitted. Those resubmitted applications satisfying initial
11 Department objectives shall be approved unless reasonable
12 circumstances warrant disapproval.

13 On an annual basis, the designated zone organization shall
14 furnish a statement to the Department on the programmatic and
15 financial status of any approved project and an audited
16 financial statement of the project.

17 The Department shall certify to the Department of Revenue
18 the identity of taxpayers who are eligible for the credits and
19 the amount of credits that are claimed pursuant to
20 subparagraph (8) of subsection (f) of Section 201 the Illinois
21 Income Tax Act.

22 The Enterprise Zone construction jobs credit project must
23 be undertaken by the business entity in the course of
24 completing a project that complies with the criteria contained
25 in Section 4 of this Act and is undertaken in a certified
26 Enterprise Zone. The Department shall adopt any necessary

1 rules for the implementation of this subsection (b).

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

5 (d) Annually, until construction is completed, a company
6 seeking Enterprise Zone construction job credits shall submit
7 a report that, at a minimum, describes the projected project
8 scope, timeline, and anticipated budget. Once the project has
9 commenced, the annual report shall include actual data for the
10 prior year as well as projections for each additional year
11 through completion of the project. The Department shall issue
12 detailed reporting guidelines prescribing the requirements of
13 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 ~~Each contractor and subcontractor who is engaged in and is~~
24 ~~executing an Enterprise Zone construction jobs credit project~~
25 ~~for a business that is entitled to a credit pursuant to this~~
26 ~~Section shall:~~

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

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

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

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

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

12 ~~(E) the worker's classification or~~
13 ~~classifications;~~

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

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

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

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

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

21 ~~(2) no later than the 15th day of each calendar month,~~
22 ~~provide a certified payroll for the immediately preceding~~
23 ~~month to the taxpayer in charge of the project; within 5~~
24 ~~business days after receiving the certified payroll, the~~
25 ~~taxpayer shall file the certified payroll with the~~
26 ~~Department of Labor and the Department of Commerce and~~

1 ~~Economic Opportunity; a certified payroll must be filed~~
2 ~~for only those calendar months during which construction~~
3 ~~on an Enterprise Zone construction jobs project has~~
4 ~~occurred; the certified payroll shall consist of a~~
5 ~~complete copy of the records identified in paragraph (1)~~
6 ~~of this subsection (d), but may exclude the starting and~~
7 ~~ending times of work each day; the certified payroll shall~~
8 ~~be accompanied by a statement signed by the contractor or~~
9 ~~subcontractor or an officer, employee, or agent of the~~
10 ~~contractor or subcontractor which avers that:~~

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

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

17 ~~A general contractor is not prohibited from relying on a~~
18 ~~certified payroll of a lower tier subcontractor, provided the~~
19 ~~general contractor does not knowingly rely upon a~~
20 ~~subcontractor's false certification.~~

21 ~~Any contractor or subcontractor subject to this~~
22 ~~subsection, and any officer, employee, or agent of such~~
23 ~~contractor or subcontractor whose duty as an officer,~~
24 ~~employee, or agent it is to file a certified payroll under this~~
25 ~~subsection, who willfully fails to file such a certified~~
26 ~~payroll on or before the date such certified payroll is~~

1 ~~required by this paragraph to be filed and any person who~~
2 ~~willfully files a false certified payroll that is false as to~~
3 ~~any material fact is in violation of this Act and guilty of a~~
4 ~~Class A misdemeanor.~~

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

10 ~~The records submitted in accordance with this subsection~~
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 subsection and shall share the information with the~~
17 ~~Department in order to comply with the awarding of Enterprise~~
18 ~~Zone construction jobs credits. A contractor, subcontractor,~~
19 ~~or public body may retain records required under this Section~~
20 ~~in paper or electronic format.~~

21 ~~Upon 7 business days' notice, the taxpayer contractor and~~
22 ~~each subcontractor shall make available to any State agency~~
23 ~~and to federal, State, or local law enforcement agencies and~~
24 ~~prosecutors for inspection and copying at a location within~~
25 ~~this State during reasonable hours, the report under this~~
26 ~~subsection (d) records identified in paragraph (1) of this~~

1 ~~subsection to the taxpayer in charge of the project, its~~
2 ~~officers and agents, the Director of Labor and his or her~~
3 ~~deputies and agents, and to federal, State, or local law~~
4 ~~enforcement agencies and prosecutors.~~

5 (e) As used in this Section:

6 "Enterprise Zone construction jobs credit" means an amount
7 equal to 50% (or 75% if the project is located in an
8 underserved area) of the incremental income tax attributable
9 to Enterprise Zone construction jobs credit employees.

10 "Enterprise Zone construction jobs credit employee" means
11 a laborer or worker who is employed by a ~~an Illinois~~ contractor
12 or subcontractor in the actual construction work on the site
13 of an Enterprise Zone construction jobs credit project.

14 "Enterprise Zone construction jobs credit project" means
15 building a structure or building or making improvements of any
16 kind to real property commissioned and paid for by a business
17 that has applied and been approved for an Enterprise Zone
18 construction jobs credit pursuant to this Section. "Enterprise
19 Zone construction jobs credit project" does not include the
20 routine operation, routine repair, or routine maintenance of
21 existing structures, buildings, or real property.

22 "Incremental income tax" means the total amount withheld
23 during the taxable year from the compensation of Enterprise
24 Zone construction jobs credit employees.

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

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

3 (2) 35% or more of the families with children in the
4 area are living below 130% of the poverty line, according
5 to the latest American Community Survey;

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

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

15 (Source: P.A. 101-9, eff. 6-5-19; 102-108, eff. 1-1-22;
16 102-558, eff. 8-20-21.)

17 Section 15. The Reimagining Energy and Vehicles in
18 Illinois Act is amended by changing Sections 10, 20, 35, 45,
19 65, 95, and 105 as follows:

20 (20 ILCS 686/10)

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

22 "Advanced battery" means a battery that consists of a
23 battery cell that can be integrated into a module, pack, or
24 system to be used in energy storage applications, including a

1 battery used in an electric vehicle or the electric grid.

2 "Advanced battery component" means a component of an
3 advanced battery, including materials, enhancements,
4 enclosures, anodes, cathodes, electrolytes, cells, and other
5 associated technologies that comprise an advanced battery.

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

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

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

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

18 "Battery recycling and reuse manufacturer" means a
19 manufacturer that is primarily engaged in the recovery,
20 retrieval, processing, recycling, or recirculating of battery
21 raw materials for new use in electric vehicle batteries.

22 "Capital improvements" means the purchase, renovation,
23 rehabilitation, or construction of permanent tangible land,
24 buildings, structures, equipment, and furnishings in an
25 approved project sited in Illinois and expenditures for goods
26 or services that are normally capitalized, including

1 organizational costs and research and development costs
2 incurred in Illinois. For land, buildings, structures, and
3 equipment that are leased, the lease must equal or exceed the
4 term of the agreement, and the cost of the property shall be
5 determined from the present value, using the corporate
6 interest rate prevailing at the time of the application, of
7 the lease payments.

8 "Credit" means either a "REV Illinois Credit" or a "REV
9 Construction Jobs Credit" agreed to between the Department and
10 applicant under this Act.

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

13 "Director" means the Director of Commerce and Economic
14 Opportunity.

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

18 "Electric vehicle", except when referencing aircraft with
19 hybrid electric propulsion systems, does not include hybrid
20 electric vehicles, electric bicycles, or extended-range
21 electric vehicles that are also equipped with conventional
22 fueled propulsion or auxiliary engines.

23 "Electric vehicle manufacturer" means a new or existing
24 manufacturer that is primarily focused on reequipping,
25 expanding, or establishing a manufacturing facility in
26 Illinois that produces electric vehicles as defined in this

1 Section.

2 "Electric vehicle component parts manufacturer" means a
3 new or existing manufacturer that is focused on reequipping,
4 expanding, or establishing a manufacturing facility in
5 Illinois that produces parts or accessories used in electric
6 vehicles, as defined by this Section, including advanced
7 battery component parts. The changes to this definition of
8 "electric vehicle component parts manufacturer" apply to
9 agreements under this Act that are entered into on or after the
10 effective date of this amendatory Act of the 102nd General
11 Assembly.

12 "Electric vehicle power supply equipment" means the
13 equipment used specifically for the purpose of delivering
14 electricity to an electric vehicle, including hydrogen fuel
15 cells or solar refueling infrastructure.

16 "Electric vehicle power supply manufacturer" means a new
17 or existing manufacturer that is focused on reequipping,
18 expanding, or establishing a manufacturing facility in
19 Illinois that produces electric vehicle power supply equipment
20 used for the purpose of delivering electricity to an electric
21 vehicle, including hydrogen fuel cell or solar refueling
22 infrastructure.

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

25 "Electric vehicle powertrain technology manufacturer"
26 means a new or existing manufacturer that is focused on

1 reequipping, expanding, or establishing a manufacturing
2 facility in Illinois that develops and validates electric
3 vehicle powertrain technology for use in aerospace propulsion.

4 "Electric vertical takeoff and landing aircraft" or "eVTOL
5 aircraft" means a fully electric aircraft that lands and takes
6 off vertically.

7 "Energy Transition Area" means a county with less than
8 100,000 people or a municipality that contains one or more of
9 the following:

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

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

20 "Full-time employee" means an individual who is employed
21 for consideration for at least 35 hours each week or who
22 renders any other standard of service generally accepted by
23 industry custom or practice as full-time employment. An
24 individual for whom a W-2 is issued by a Professional Employer
25 Organization (PEO) is a full-time employee if employed in the
26 service of the applicant for consideration for at least 35

1 hours each week.

2 "Green steel manufacturer" means an entity that
3 manufactures steel without the use of fossil fuels and with
4 zero net carbon emissions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 value of the taxpayer.

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

8 "Renewable energy" means energy produced using the
9 materials and sources of energy through which renewable energy
10 resources are generated.

11 "Renewable energy manufacturer" means a manufacturer whose
12 primary function is to manufacture or assemble: (i) equipment,
13 systems, or products used to produce renewable or nuclear
14 energy; (ii) products used for energy ~~conservation~~, storage,
15 or grid efficiency purposes; or (iii) component parts for that
16 equipment or those systems or products.

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

19 "Research and development" means work directed toward the
20 innovation, introduction, and improvement of products and
21 processes. "Research and development" includes all levels of
22 research and development that directly result in the potential
23 manufacturing and marketability of renewable energy, electric
24 vehicles, electric vehicle component parts, and electric or
25 hybrid aircraft.

26 "Retained employee" means a full-time employee employed by

1 the taxpayer prior to the term of the Agreement who continues
2 to be employed during the term of the agreement whose job
3 duties are directly related to the project. The term "retained
4 employee" does not include any individual who has a direct or
5 an indirect ownership interest of at least 5% in the profits,
6 equity, capital, or value of the taxpayer or a child,
7 grandchild, parent, or spouse, other than a spouse who is
8 legally separated from the individual, of any individual who
9 has a direct or indirect ownership of at least 5% in the
10 profits, equity, capital, or value of the taxpayer. The
11 changes to this definition of "retained employee" apply to
12 agreements for credits under this Act that are entered into on
13 or after the effective date of this amendatory Act of the 102nd
14 General Assembly.

15 "REV Illinois credit" means a credit agreed to between the
16 Department and the applicant under this Act that is based on
17 the incremental income tax attributable to new employees and,
18 if applicable, retained employees, and on training costs for
19 such employees at the applicant's project.

20 "REV construction jobs credit" means a credit agreed to
21 between the Department and the applicant under this Act that
22 is based on the incremental income tax attributable to
23 construction wages paid in connection with construction of the
24 project facilities.

25 "Statewide baseline" means the total number of full-time
26 employees of the applicant and any related member employed by

1 such entities at the time of application for incentives under
2 this Act.

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

6 "Training costs" means costs incurred to upgrade the
7 technological skills of full-time employees in Illinois and
8 includes: curriculum development; training materials
9 (including scrap product costs); trainee domestic travel
10 expenses; instructor costs (including wages, fringe benefits,
11 tuition and domestic travel expenses); rent, purchase or lease
12 of training equipment; and other usual and customary training
13 costs. "Training costs" do not include costs associated with
14 travel outside the United States (unless the Taxpayer receives
15 prior written approval for the travel by the Director based on
16 a showing of substantial need or other proof the training is
17 not reasonably available within the United States), wages and
18 fringe benefits of employees during periods of training, or
19 administrative cost related to full-time employees of the
20 taxpayer.

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

24 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;
25 102-1112, eff. 12-21-22; 102-1125, eff. 2-3-23.)

1 (20 ILCS 686/20)

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

3 (a) The Reimagining Energy and Vehicles in Illinois (REV
4 Illinois) Program is hereby established and shall be
5 administered by the Department. The Program will provide
6 financial incentives to any one or more of the following: (1)
7 eligible manufacturers of electric vehicles, electric vehicle
8 component parts, and electric vehicle power supply equipment;
9 (2) battery recycling and reuse manufacturers; (3) battery raw
10 materials refining service providers; or (4) renewable energy
11 manufacturers.

12 (b) Any taxpayer planning a project to be located in
13 Illinois may request consideration for designation of its
14 project as a REV Illinois Project, by formal written letter of
15 request or by formal application to the Department, in which
16 the applicant states its intent to make at least a specified
17 level of investment and intends to hire a specified number of
18 full-time employees at a designated location in Illinois. As
19 circumstances require, the Department shall require a formal
20 application from an applicant and a formal letter of request
21 for assistance.

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

24 (1) if the applicant is an electric vehicle
25 manufacturer:

26 (A) make an investment of at least \$1,500,000,000

1 in capital improvements at the project site;

2 (B) to be placed in service within the State
3 within a 60-month period after approval of the
4 application; and

5 (C) create at least 500 new full-time employee
6 jobs; or

7 (2) if the applicant is an electric vehicle component
8 parts manufacturer, ~~or~~ a renewable energy manufacturer, a
9 green steel manufacturer, or an entity engaged in
10 research, development, or manufacturing of eVTOL aircraft
11 or hybrid-electric or fully electric propulsion systems
12 for airliners:

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

15 (B) manufacture one or more parts that are
16 primarily used for electric vehicle, renewable energy,
17 or green steel manufacturing;

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

21 (D) create at least 150 new full-time employee
22 jobs; or

23 (3) if the agreement is entered into before the
24 effective date of this amendatory Act of the 102nd General
25 Assembly and the applicant is an electric vehicle
26 manufacturer, an electric vehicle power supply equipment

1 manufacturer, an electric vehicle component part
2 manufacturer, renewable energy manufacturer, or green
3 steel manufacturer that does not qualify under paragraph
4 (2) above, a battery recycling and reuse manufacturer, or
5 a battery raw materials refining service provider:

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

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

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

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

16 (3.1) if the agreement is entered into on or after the
17 effective date of this amendatory Act of the 102nd General
18 Assembly and the applicant is an electric vehicle
19 manufacturer, an electric vehicle power supply equipment
20 manufacturer, an electric vehicle component part
21 manufacturer, a renewable energy manufacturer, a green
22 steel manufacturer, or an entity engaged in research,
23 development, or manufacturing of eVTOL aircraft or
24 hybrid-electric or fully electric propulsion systems for
25 airliners that does not qualify under paragraph (2) above,
26 ~~a renewable energy manufacturer that does not qualify~~

1 ~~under paragraph (2) above,~~ a battery recycling and reuse
2 manufacturer, or a battery raw materials refining service
3 provider:

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

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

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

12 (D) create the lesser of 50 new full-time employee
13 jobs or new full-time employee jobs equivalent to 10%
14 of the Statewide baseline applicable to the taxpayer
15 and any related member at the time of application; or

16 (4) if the agreement is entered into before the
17 effective date of this amendatory Act of the 102nd General
18 Assembly and the applicant is an electric vehicle
19 manufacturer or electric vehicle component parts
20 manufacturer with existing operations within Illinois that
21 intends to convert or expand, in whole or in part, the
22 existing facility from traditional manufacturing to
23 primarily electric vehicle manufacturing, electric vehicle
24 component parts manufacturing, an ~~or~~ electric vehicle
25 power supply equipment manufacturing, or a green steel
26 manufacturer:

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

3 (B) to be placed in service within the State
4 within a 60-month period after approval of the
5 application; and

6 (C) create the lesser of 75 new full-time employee
7 jobs or new full-time employee jobs equivalent to 10%
8 of the Statewide baseline applicable to the taxpayer
9 and any related member at the time of application;

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

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

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

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

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

7 (5) if the agreement is entered into on or after the
8 effective date of the changes made to this Section by this
9 amendatory Act of the 103rd General Assembly and before
10 June 1, 2024 and the applicant (i) is an electric vehicle
11 manufacturer, an electric vehicle component parts
12 manufacturer, or a renewable energy manufacturer or (ii)
13 has existing operations within Illinois that the applicant
14 intends to convert or expand, in whole or in part, from
15 traditional manufacturing to electric vehicle
16 manufacturing, electric vehicle component parts
17 manufacturing, renewable energy manufacturing, or electric
18 vehicle power supply equipment manufacturing:

19 (A) make an investment of at least \$500,000,000 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) retain at least 800 full-time employee jobs at
25 the project.

26 (d) For agreements entered into prior to April 19, 2022

1 (the effective date of Public Act 102-700), for any applicant
2 creating the full-time employee jobs noted in subsection (c),
3 those jobs must have a total compensation equal to or greater
4 than 120% of the average wage paid to full-time employees in
5 the county where the project is located, as determined by the
6 U.S. Bureau of Labor Statistics. For agreements entered into
7 on or after April 19, 2022 (the effective date of Public Act
8 102-700), for any applicant creating the full-time employee
9 jobs noted in subsection (c), those jobs must have a
10 compensation equal to or greater than 120% of the average wage
11 paid to full-time employees in a similar position within an
12 occupational group in the county where the project is located,
13 as determined by the Department.

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

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

19 (2) ENERGY STAR;

20 (3) Envision;

21 (4) ISO 50001 - energy management;

22 (5) LEED for Building Design and Construction or LEED
23 for Building Operations and Maintenance;

24 (6) Green Globes for New Construction or Green Globes
25 for Existing Buildings; or

26 (7) UL 3223.

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

26 (g) Each applicant must demonstrate a contractual or other

1 relationship with a recycling facility, or demonstrate its own
2 recycling capabilities, at the time of application and report
3 annually a continuing contractual or other relationship with a
4 recycling facility and the percentage of batteries used in
5 electric vehicles recycled throughout the term of the
6 agreement.

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

1 Development for a Growing Economy Tax Credit Act meets the
2 requirements to be designated as a REV Illinois project under
3 this Act, including for actions undertaken prior to the
4 effective date of this Act, the taxpayer that is subject to
5 that existing agreement under the Economic Development for a
6 Growing Economy Tax Credit Act may apply to the Department to
7 amend the agreement to allow the project to become a
8 designated REV Illinois project. Following the amendment, time
9 accrued during which the project was eligible for credits
10 under the existing agreement under the Economic Development
11 for a Growing Economy Tax Credit Act shall count toward the
12 duration of the credit subject to limitations described in
13 Section 40 of this Act.

14 (i) If, at any time following the designation of a project
15 as a REV Illinois Project by the Department and prior to the
16 termination or expiration of an agreement under this Act, the
17 project ceases to qualify as a REV Illinois project because
18 the taxpayer is no longer an electric vehicle manufacturer, an
19 electric vehicle component manufacturer, an electric vehicle
20 power supply equipment manufacturer, a battery recycling and
21 reuse manufacturer, ~~or~~ a battery raw materials refining
22 service provider, or an entity engaged in eVTOL or hybrid
23 electric or fully electric propulsion systems for airliners
24 research, development, or manufacturing, that project may
25 receive tax credit awards as described in Section 5-15 and
26 Section 5-51 of the Economic Development for a Growing Economy

1 Tax Credit Act, as long as the project continues to meet
2 requirements to obtain those credits as described in the
3 Economic Development for a Growing Economy Tax Credit Act and
4 remains compliant with terms contained in the Agreement under
5 this Act not related to their status as an electric vehicle
6 manufacturer, an electric vehicle component manufacturer, an
7 electric vehicle power supply equipment manufacturer, a
8 battery recycling and reuse manufacturer, ~~or~~ a battery raw
9 materials refining service provider, or an entity engaged in
10 eVTOL or hybrid-electric or fully electric propulsion systems
11 for airliners research, development, or manufacturing. Time
12 accrued during which the project was eligible for credits
13 under an agreement under this Act shall count toward the
14 duration of the credit subject to limitations described in
15 Section 5-45 of the Economic Development for a Growing Economy
16 Tax Credit Act.

17 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;
18 102-1112, eff. 12-21-22; 102-1125, eff. 2-3-23; 103-9, eff.
19 6-7-23.)

20 (20 ILCS 686/35)

21 Sec. 35. Relocation of jobs in Illinois. A taxpayer is not
22 entitled to claim a credit provided by this Act with respect to
23 any jobs that the Taxpayer relocates from one site in Illinois
24 to another site in Illinois unless the taxpayer has agreed to
25 hire the minimum number of new employees and the Department

1 has determined that the expansion cannot reasonably be
2 accommodated within the municipality in which the business is
3 located. Any full-time employee relocated to Illinois in
4 connection with a qualifying project is deemed to be a new
5 employee for purposes of this Act. Determinations under this
6 Section shall be made by the Department.

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

8 (20 ILCS 686/45)

9 Sec. 45. Contents of agreements with applicants.

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

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

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

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

21 (4) For a project qualified under paragraphs (1), (2),
22 (4), or (5) of subsection (c) of Section 20, a requirement
23 that the taxpayer shall maintain operations at the project
24 location a minimum number of years not to exceed 15. For a
25 project qualified under paragraph (3) of subsection (c) of

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

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

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

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

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

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

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

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

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

21 (13) If applicable, a provision that specifies the
22 statewide baseline at the time of application for retained
23 employees. The agreement must have a provision addressing
24 if the total number of retained employees falls below the
25 lesser of the statewide baseline or the retention
26 requirements specified in the agreement, the allowance of

1 the credit shall be suspended until the number of retained
2 employees equals or exceeds the agreement amount.

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

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

1 agreement is automatically terminated, and the taxpayer is
2 not entitled to the award of any credits for any of that
3 10-year period.

4 (16) A provision stating that if the taxpayer ceases
5 principal operations with the intent to permanently shut
6 down the project in the State during the term of the
7 Agreement, then the entire credit amount awarded to the
8 taxpayer prior to the date the taxpayer ceases principal
9 operations shall be returned to the Department and shall
10 be reallocated to the local workforce investment area in
11 which the project was located.

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

15 (18) A provision requiring the taxpayer to report
16 annually its contractual obligations or otherwise with a
17 recycling facility for its operations.

18 (19) Any other performance conditions or contract
19 provisions the Department determines are necessary or
20 appropriate.

21 (20) Each taxpayer under paragraph (1) of subsection
22 (c) of Section 20 above shall maintain labor neutrality
23 toward any union organizing campaign for any employees of
24 the taxpayer assigned to work on the premises of the REV
25 Illinois Project Site. This paragraph shall not apply to
26 an electric vehicle manufacturer, electric vehicle

1 component part manufacturer, electric vehicle power supply
2 manufacturer, or renewable energy manufacturer, or any
3 joint venture including an electric vehicle manufacturer,
4 electric vehicle component part manufacturer, electric
5 vehicle power supply manufacturer, ~~or~~ renewable energy
6 manufacturer, or an entity engaged in eVTOL or
7 hybrid-electric or fully electric propulsion systems for
8 airliners research, development, or manufacturing, who is
9 subject to collective bargaining agreement entered into
10 prior to the taxpayer filing an application pursuant to
11 this Act.

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

- 16 (1) the name of the taxpayer;
- 17 (2) the location of the project;
- 18 (3) the estimated value of the credit;
- 19 (4) the number of new employee jobs and, if
20 applicable, number of retained employee jobs at the
21 project; and
- 22 (5) whether or not the project is in an underserved
23 area or energy transition area.

24 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23;
25 103-9, eff. 6-7-23.)

1 (20 ILCS 686/65)

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

3 (a) Each REV program participant ~~contractor~~ and
4 ~~subcontractor~~ that is engaged in construction work ~~on project~~
5 ~~facilities for a taxpayer~~ who seeks to apply for a REV
6 Construction Jobs credit shall annually, until construction is
7 completed, submit a report that, at a minimum, describes the
8 projected project scope, timeline, and anticipated budget.
9 Once the project has commenced, the annual report shall
10 include actual data for the prior year as well as projections
11 for each additional year through completion of the project.
12 The 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 ~~(1) make and keep, for a period of 5 years from the~~
24 ~~date of the last payment made on a contract or subcontract~~
25 ~~for construction of facilities for a REV Illinois Project~~
26 ~~pursuant to an agreement, records of all laborers and~~

1 ~~other workers employed by the contractor or subcontractor~~
2 ~~on the project; the records shall include:~~

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

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

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

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

7 ~~(E) the worker's classification or~~
8 ~~classifications;~~

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

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

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

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

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

17 ~~(2) no later than the 15th day of each calendar month,~~
18 ~~provide a certified payroll for the immediately preceding~~
19 ~~month to the taxpayer in charge of the project; within 5~~
20 ~~business days after receiving the certified payroll, the~~
21 ~~Taxpayer shall file the certified payroll with the~~
22 ~~Department of Labor and the Department; a certified~~
23 ~~payroll must be filed for only those calendar months~~
24 ~~during which construction on the REV Illinois Project~~
25 ~~facilities has occurred; the certified payroll shall~~
26 ~~consist of a complete copy of the records identified in~~

1 ~~paragraph (1), but may exclude the starting and ending~~
2 ~~times of work each day; the certified payroll shall be~~
3 ~~accompanied by a statement signed by the contractor or~~
4 ~~subcontractor or an officer, employee, or agent of the~~
5 ~~contractor or subcontractor which avers that:~~

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

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

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

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

1 ~~the Department in the proceeding.~~

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

6 (d) (Blank). ~~The records submitted in accordance with this~~
7 ~~Section shall be considered public records, except an~~
8 ~~employee's address, telephone number, and social security~~
9 ~~number, which shall be redacted. The records shall be made~~
10 ~~publicly available in accordance with the Freedom of~~
11 ~~Information Act. The contractor or subcontractor shall submit~~
12 ~~reports to the Department of Labor electronically that meet~~
13 ~~the requirements of this subsection and shall share the~~
14 ~~information with the Department to comply with the awarding of~~
15 ~~the REV Construction Jobs Credit. A contractor, subcontractor,~~
16 ~~or public body may retain records required under this Section~~
17 ~~in paper or electronic format.~~

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

1 ~~federal, State, or local law enforcement agencies and~~
2 ~~prosecutors.~~

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

4 (20 ILCS 686/95)

5 Sec. 95. Utility tax exemptions for REV Illinois Project
6 sites. The Department may certify a taxpayer with a REV
7 Illinois credit for a Project that meets the qualifications
8 under Section paragraphs (1), (2), ~~and~~ (4), (4.1), or (5) of
9 subsection (c) of Section 20, subject to an agreement under
10 this Act for an exemption from the tax imposed at the project
11 site by Section 2-4 of the Electricity Excise Tax Law. To
12 receive such certification, the taxpayer must be registered to
13 self-assess that tax. The taxpayer is also exempt from any
14 additional charges added to the taxpayer's utility bills at
15 the project site as a pass-on of State utility taxes under
16 Section 9-222 of the Public Utilities Act. The taxpayer must
17 meet any other ~~the~~ criteria for certification set by the
18 Department.

19 The Department shall determine the period during which the
20 exemption from the Electricity Excise Tax Law and the charges
21 imposed under Section 9-222 of the Public Utilities Act are in
22 effect, which shall not exceed 30 ~~10~~ years from the date of the
23 taxpayer's initial receipt of certification from the
24 Department under this Section.

25 The Department is authorized to adopt rules to carry out

1 the provisions of this Section, including procedures to apply
2 for the exemptions; to define the amounts and types of
3 eligible investments that an applicant must make in order to
4 receive electricity excise tax exemptions or exemptions from
5 the additional charges imposed under Section 9-222 and the
6 Public Utilities Act; to approve such electricity excise tax
7 exemptions for applicants whose investments are not yet placed
8 in service; and to require that an applicant granted an
9 electricity excise tax exemption or an exemption from
10 additional charges under Section 9-222 of the Public Utilities
11 Act repay the exempted amount if the Applicant fails to comply
12 with the terms and conditions of the agreement.

13 Upon certification by the Department under this Section,
14 the Department shall notify the Department of Revenue of the
15 certification. The Department of Revenue shall notify the
16 public utilities of the exempt status of any taxpayer
17 certified for exemption under this Act from the electricity
18 excise tax or pass-on charges. The exemption status shall take
19 effect within 3 months after certification of the taxpayer and
20 notice to the Department of Revenue by the Department.

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

22 (20 ILCS 686/105)

23 Sec. 105. Building materials exemptions for REV Illinois
24 Project sites.

25 (a) The Department may certify a Taxpayer with a REV

1 Illinois Project that meets the qualifications under
2 paragraphs (1), (2), ~~or~~ (4), (4.1), or (5) of subsection (c) of
3 Section 20, subject to an agreement under this Act, for an
4 exemption from any State or local use tax or retailers'
5 occupation tax on building materials for the construction of
6 its project facilities. The taxpayer must meet any criteria
7 for certification set by the Department under this Act.

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

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

23 Upon certification by the Department under this Section,
24 the Department shall notify the Department of Revenue of the
25 certification. The exemption status shall take effect within 3
26 months after certification of the taxpayer and notice to the

1 Department of Revenue by the Department.

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

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

5 (35 ILCS 5/201)

6 Sec. 201. Tax imposed.

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

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

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

21 (2) In the case of an individual, trust or estate, for
22 taxable years beginning prior to July 1, 1989 and ending
23 after June 30, 1989, an amount equal to the sum of (i) 2
24 1/2% of the taxpayer's net income for the period prior to

1 July 1, 1989, as calculated under Section 202.3, and (ii)
2 3% of the taxpayer's net income for the period after June
3 30, 1989, as calculated under Section 202.3.

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

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

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

19 (5.1) In the case of an individual, trust, or estate,
20 for taxable years beginning prior to January 1, 2015, and
21 ending after December 31, 2014, an amount equal to the sum
22 of (i) 5% of the taxpayer's net income for the period prior
23 to January 1, 2015, as calculated under Section 202.5, and
24 (ii) 3.75% of the taxpayer's net income for the period
25 after December 31, 2014, as calculated under Section
26 202.5.

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

5 (5.3) In the case of an individual, trust, or estate,
6 for taxable years beginning prior to July 1, 2017, and
7 ending after June 30, 2017, an amount equal to the sum of
8 (i) 3.75% of the taxpayer's net income for the period
9 prior to July 1, 2017, as calculated under Section 202.5,
10 and (ii) 4.95% of the taxpayer's net income for the period
11 after June 30, 2017, as calculated under Section 202.5.

12 (5.4) In the case of an individual, trust, or estate,
13 for taxable years beginning on or after July 1, 2017, an
14 amount equal to 4.95% of the taxpayer's net income for the
15 taxable year.

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

19 (7) In the case of a corporation, for taxable years
20 beginning prior to July 1, 1989 and ending after June 30,
21 1989, an amount equal to the sum of (i) 4% of the
22 taxpayer's net income for the period prior to July 1,
23 1989, as calculated under Section 202.3, and (ii) 4.8% of
24 the taxpayer's net income for the period after June 30,
25 1989, as calculated under Section 202.3.

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

1 beginning after June 30, 1989, and ending prior to January
2 1, 2011, an amount equal to 4.8% of the taxpayer's net
3 income for the taxable year.

4 (9) In the case of a corporation, for taxable years
5 beginning prior to January 1, 2011, and ending after
6 December 31, 2010, an amount equal to the sum of (i) 4.8%
7 of the taxpayer's net income for the period prior to
8 January 1, 2011, as calculated under Section 202.5, and
9 (ii) 7% of the taxpayer's net income for the period after
10 December 31, 2010, as calculated under Section 202.5.

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

15 (11) In the case of a corporation, for taxable years
16 beginning prior to January 1, 2015, and ending after
17 December 31, 2014, an amount equal to the sum of (i) 7% of
18 the taxpayer's net income for the period prior to January
19 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
20 of the taxpayer's net income for the period after December
21 31, 2014, as calculated under Section 202.5.

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

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

1 beginning prior to July 1, 2017, and ending after June 30,
2 2017, an amount equal to the sum of (i) 5.25% of the
3 taxpayer's net income for the period prior to July 1,
4 2017, as calculated under Section 202.5, and (ii) 7% of
5 the taxpayer's net income for the period after June 30,
6 2017, as calculated under Section 202.5.

7 (14) In the case of a corporation, for taxable years
8 beginning on or after July 1, 2017, an amount equal to 7%
9 of the taxpayer's net income for the taxable year.

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

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

24 (1) the organization gaming license, organization
25 license, or racetrack property is transferred as a result
26 of any of the following:

1 (A) bankruptcy, a receivership, or a debt
2 adjustment initiated by or against the initial
3 licensee or the substantial owners of the initial
4 licensee;

5 (B) cancellation, revocation, or termination of
6 any such license by the Illinois Gaming Board or the
7 Illinois Racing Board;

8 (C) a determination by the Illinois Gaming Board
9 that transfer of the license is in the best interests
10 of Illinois gaming;

11 (D) the death of an owner of the equity interest in
12 a licensee;

13 (E) the acquisition of a controlling interest in
14 the stock or substantially all of the assets of a
15 publicly traded company;

16 (F) a transfer by a parent company to a wholly
17 owned subsidiary; or

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

21 (2) the controlling interest in the organization
22 gaming license, organization license, or racetrack
23 property is transferred in a transaction to lineal
24 descendants in which no gain or loss is recognized or as a
25 result of a transaction in accordance with Section 351 of
26 the Internal Revenue Code in which no gain or loss is

1 recognized; or

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

6 The transfer of an organization gaming license,
7 organization license, or racetrack property by a person other
8 than the initial licensee to receive the organization gaming
9 license is not subject to a surcharge. The Department shall
10 adopt rules necessary to implement and administer this
11 subsection.

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

25 (d) Additional Personal Property Tax Replacement Income
26 Tax Rates. The personal property tax replacement income tax

1 imposed by this subsection and subsection (c) of this Section
2 in the case of a corporation, other than a Subchapter S
3 corporation and except as adjusted by subsection (d-1), shall
4 be an additional amount equal to 2.85% of such taxpayer's net
5 income for the taxable year, except that beginning on January
6 1, 1981, and thereafter, the rate of 2.85% specified in this
7 subsection shall be reduced to 2.5%, and in the case of a
8 partnership, trust or a Subchapter S corporation shall be an
9 additional amount equal to 1.5% of such taxpayer's net income
10 for the taxable year.

11 (d-1) Rate reduction for certain foreign insurers. In the
12 case of a foreign insurer, as defined by Section 35A-5 of the
13 Illinois Insurance Code, whose state or country of domicile
14 imposes on insurers domiciled in Illinois a retaliatory tax
15 (excluding any insurer whose premiums from reinsurance assumed
16 are 50% or more of its total insurance premiums as determined
17 under paragraph (2) of subsection (b) of Section 304, except
18 that for purposes of this determination premiums from
19 reinsurance do not include premiums from inter-affiliate
20 reinsurance arrangements), beginning with taxable years ending
21 on or after December 31, 1999, the sum of the rates of tax
22 imposed by subsections (b) and (d) shall be reduced (but not
23 increased) to the rate at which the total amount of tax imposed
24 under this Act, net of all credits allowed under this Act,
25 shall equal (i) the total amount of tax that would be imposed
26 on the foreign insurer's net income allocable to Illinois for

1 the taxable year by such foreign insurer's state or country of
2 domicile if that net income were subject to all income taxes
3 and taxes measured by net income imposed by such foreign
4 insurer's state or country of domicile, net of all credits
5 allowed or (ii) a rate of zero if no such tax is imposed on
6 such income by the foreign insurer's state of domicile. For
7 the purposes of this subsection (d-1), an inter-affiliate
8 includes a mutual insurer under common management.

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

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

15 (B) the privilege tax imposed by Section 409 of
16 the Illinois Insurance Code, the fire insurance
17 company tax imposed by Section 12 of the Fire
18 Investigation Act, and the fire department taxes
19 imposed under Section 11-10-1 of the Illinois
20 Municipal Code,

21 equals 1.25% for taxable years ending prior to December
22 31, 2003, or 1.75% for taxable years ending on or after
23 December 31, 2003, of the net taxable premiums written for
24 the taxable year, as described by subsection (1) of
25 Section 409 of the Illinois Insurance Code. This paragraph
26 will in no event increase the rates imposed under

1 subsections (b) and (d).

2 (2) Any reduction in the rates of tax imposed by this
3 subsection shall be applied first against the rates
4 imposed by subsection (b) and only after the tax imposed
5 by subsection (a) net of all credits allowed under this
6 Section other than the credit allowed under subsection (i)
7 has been reduced to zero, against the rates imposed by
8 subsection (d).

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

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

14 (1) A taxpayer shall be allowed a credit equal to .5%
15 of the basis of qualified property placed in service
16 during the taxable year, provided such property is placed
17 in service on or after July 1, 1984. There shall be allowed
18 an additional credit equal to .5% of the basis of
19 qualified property placed in service during the taxable
20 year, provided such property is placed in service on or
21 after July 1, 1986, and the taxpayer's base employment
22 within Illinois has increased by 1% or more over the
23 preceding year as determined by the taxpayer's employment
24 records filed with the Illinois Department of Employment
25 Security. Taxpayers who are new to Illinois shall be
26 deemed to have met the 1% growth in base employment for the

1 first year in which they file employment records with the
2 Illinois Department of Employment Security. The provisions
3 added to this Section by Public Act 85-1200 (and restored
4 by Public Act 87-895) shall be construed as declaratory of
5 existing law and not as a new enactment. If, in any year,
6 the increase in base employment within Illinois over the
7 preceding year is less than 1%, the additional credit
8 shall be limited to that percentage times a fraction, the
9 numerator of which is .5% and the denominator of which is
10 1%, but shall not exceed .5%. The investment credit shall
11 not be allowed to the extent that it would reduce a
12 taxpayer's liability in any tax year below zero, nor may
13 any credit for qualified property be allowed for any year
14 other than the year in which the property was placed in
15 service in Illinois. For tax years ending on or after
16 December 31, 1987, and on or before December 31, 1988, the
17 credit shall be allowed for the tax year in which the
18 property is placed in service, or, if the amount of the
19 credit exceeds the tax liability for that year, whether it
20 exceeds the original liability or the liability as later
21 amended, such excess may be carried forward and applied to
22 the tax liability of the 5 taxable years following the
23 excess credit years if the taxpayer (i) makes investments
24 which cause the creation of a minimum of 2,000 full-time
25 equivalent jobs in Illinois, (ii) is located in an
26 enterprise zone established pursuant to the Illinois

1 Enterprise Zone Act and (iii) is certified by the
2 Department of Commerce and Community Affairs (now
3 Department of Commerce and Economic Opportunity) as
4 complying with the requirements specified in clause (i)
5 and (ii) by July 1, 1986. The Department of Commerce and
6 Community Affairs (now Department of Commerce and Economic
7 Opportunity) shall notify the Department of Revenue of all
8 such certifications immediately. For tax years ending
9 after December 31, 1988, the credit shall be allowed for
10 the tax year in which the property is placed in service,
11 or, if the amount of the credit exceeds the tax liability
12 for that year, whether it exceeds the original liability
13 or the liability as later amended, such excess may be
14 carried forward and applied to the tax liability of the 5
15 taxable years following the excess credit years. The
16 credit shall be applied to the earliest year for which
17 there is a liability. If there is credit from more than one
18 tax year that is available to offset a liability, earlier
19 credit shall be applied first.

20 (2) The term "qualified property" means property
21 which:

22 (A) is tangible, whether new or used, including
23 buildings and structural components of buildings and
24 signs that are real property, but not including land
25 or improvements to real property that are not a
26 structural component of a building such as

1 landscaping, sewer lines, local access roads, fencing,
2 parking lots, and other appurtenances;

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

8 (C) is acquired by purchase as defined in Section
9 179(d) of the Internal Revenue Code;

10 (D) is used in Illinois by a taxpayer who is
11 primarily engaged in manufacturing, or in mining coal
12 or fluorite, or in retailing, or was placed in service
13 on or after July 1, 2006 in a River Edge Redevelopment
14 Zone established pursuant to the River Edge
15 Redevelopment Zone Act; and

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

20 (3) For purposes of this subsection (e),
21 "manufacturing" means the material staging and production
22 of tangible personal property by procedures commonly
23 regarded as manufacturing, processing, fabrication, or
24 assembling which changes some existing material into new
25 shapes, new qualities, or new combinations. For purposes
26 of this subsection (e) the term "mining" shall have the

1 same meaning as the term "mining" in Section 613(c) of the
2 Internal Revenue Code. For purposes of this subsection
3 (e), the term "retailing" means the sale of tangible
4 personal property for use or consumption and not for
5 resale, or services rendered in conjunction with the sale
6 of tangible personal property for use or consumption and
7 not for resale. For purposes of this subsection (e),
8 "tangible personal property" has the same meaning as when
9 that term is used in the Retailers' Occupation Tax Act,
10 and, for taxable years ending after December 31, 2008,
11 does not include the generation, transmission, or
12 distribution of electricity.

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

16 (5) If the basis of the property for federal income
17 tax depreciation purposes is increased after it has been
18 placed in service in Illinois by the taxpayer, the amount
19 of such increase shall be deemed property placed in
20 service on the date of such increase in basis.

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

23 (7) If during any taxable year, any property ceases to
24 be qualified property in the hands of the taxpayer within
25 48 months after being placed in service, or the situs of
26 any qualified property is moved outside Illinois within 48

1 months after being placed in service, the Personal
2 Property Tax Replacement Income Tax for such taxable year
3 shall be increased. Such increase shall be determined by
4 (i) recomputing the investment credit which would have
5 been allowed for the year in which credit for such
6 property was originally allowed by eliminating such
7 property from such computation and, (ii) subtracting such
8 recomputed credit from the amount of credit previously
9 allowed. For the purposes of this paragraph (7), a
10 reduction of the basis of qualified property resulting
11 from a redetermination of the purchase price shall be
12 deemed a disposition of qualified property to the extent
13 of such reduction.

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

19 (9) Each taxable year ending before December 31, 2000,
20 a partnership may elect to pass through to its partners
21 the credits to which the partnership is entitled under
22 this subsection (e) for the taxable year. A partner may
23 use the credit allocated to him or her under this
24 paragraph only against the tax imposed in subsections (c)
25 and (d) of this Section. If the partnership makes that
26 election, those credits shall be allocated among the

1 partners in the partnership in accordance with the rules
2 set forth in Section 704(b) of the Internal Revenue Code,
3 and the rules promulgated under that Section, and the
4 allocated amount of the credits shall be allowed to the
5 partners for that taxable year. The partnership shall make
6 this election on its Personal Property Tax Replacement
7 Income Tax return for that taxable year. The election to
8 pass through the credits shall be irrevocable.

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

23 (f) Investment credit; Enterprise Zone; River Edge
24 Redevelopment Zone.

25 (1) A taxpayer shall be allowed a credit against the
26 tax imposed by subsections (a) and (b) of this Section for

1 investment in qualified property which is placed in
2 service in an Enterprise Zone created pursuant to the
3 Illinois Enterprise Zone Act or, for property placed in
4 service on or after July 1, 2006, a River Edge
5 Redevelopment Zone established pursuant to the River Edge
6 Redevelopment Zone Act. For partners, shareholders of
7 Subchapter S corporations, and owners of limited liability
8 companies, if the liability company is treated as a
9 partnership for purposes of federal and State income
10 taxation, for taxable years ending before December 31,
11 2023, there shall be allowed a credit under this
12 subsection (f) to be determined in accordance with the
13 determination of income and distributive share of income
14 under Sections 702 and 704 and Subchapter S of the
15 Internal Revenue Code. For taxable years ending on or
16 after December 31, 2023, for partners and shareholders of
17 Subchapter S corporations, the provisions of Section 251
18 shall apply with respect to the credit under this
19 subsection. The credit shall be .5% of the basis for such
20 property. The credit shall be available only in the
21 taxable year in which the property is placed in service in
22 the Enterprise Zone or River Edge Redevelopment Zone and
23 shall not be allowed to the extent that it would reduce a
24 taxpayer's liability for the tax imposed by subsections
25 (a) and (b) of this Section to below zero. For tax years
26 ending on or after December 31, 1985, the credit shall be

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

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

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

14 (B) is depreciable pursuant to Section 167 of the
15 Internal Revenue Code, except that "3-year property"
16 as defined in Section 168(c)(2)(A) of that Code is not
17 eligible for the credit provided by this subsection
18 (f);

19 (C) is acquired by purchase as defined in Section
20 179(d) of the Internal Revenue Code;

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

23 (E) has not been previously used in Illinois in
24 such a manner and by such a person as would qualify for
25 the credit provided by this subsection (f) or
26 subsection (e).

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

4 (4) If the basis of the property for federal income
5 tax depreciation purposes is increased after it has been
6 placed in service in the Enterprise Zone or River Edge
7 Redevelopment Zone by the taxpayer, the amount of such
8 increase shall be deemed property placed in service on the
9 date of such increase in basis.

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

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

1 from a redetermination of the purchase price shall be
2 deemed a disposition of qualified property to the extent
3 of such reduction.

4 (7) There shall be allowed an additional credit equal
5 to 0.5% of the basis of qualified property placed in
6 service during the taxable year in a River Edge
7 Redevelopment Zone, provided such property is placed in
8 service on or after July 1, 2006, and the taxpayer's base
9 employment within Illinois has increased by 1% or more
10 over the preceding year as determined by the taxpayer's
11 employment records filed with the Illinois Department of
12 Employment Security. Taxpayers who are new to Illinois
13 shall be deemed to have met the 1% growth in base
14 employment for the first year in which they file
15 employment records with the Illinois Department of
16 Employment Security. If, in any year, the increase in base
17 employment within Illinois over the preceding year is less
18 than 1%, the additional credit shall be limited to that
19 percentage times a fraction, the numerator of which is
20 0.5% and the denominator of which is 1%, but shall not
21 exceed 0.5%.

22 (8) For taxable years beginning on or after January 1,
23 2021, there shall be allowed an Enterprise Zone
24 construction jobs credit against the taxes imposed under
25 subsections (a) and (b) of this Section as provided in
26 Section 13 of the Illinois Enterprise Zone Act.

1 The credit or credits may not reduce the taxpayer's
2 liability to less than zero. If the amount of the credit or
3 credits exceeds the taxpayer's liability, the excess may
4 be carried forward and applied against the taxpayer's
5 liability in succeeding calendar years in the same manner
6 provided under paragraph (4) of Section 211 of this Act.
7 The credit or credits shall be applied to the earliest
8 year for which there is a tax liability. If there are
9 credits from more than one taxable year that are available
10 to offset a liability, the earlier credit shall be applied
11 first.

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

25 The total aggregate amount of credits awarded under
26 the Blue Collar Jobs Act (Article 20 of Public Act 101-9)

1 shall not exceed \$20,000,000 in any State fiscal year.

2 This paragraph (8) is exempt from the provisions of
3 Section 250.

4 (g) (Blank).

5 (h) Investment credit; High Impact Business.

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

1 the minimum investment by a designated high impact
2 business authorized under subdivision (a) (3) (A) of Section
3 5.5 of the Illinois Enterprise Zone Act shall be available
4 only in the taxable year in which the property is placed in
5 service and shall not be allowed to the extent that it
6 would reduce a taxpayer's liability for the tax imposed by
7 subsections (a) and (b) of this Section to below zero. For
8 tax years ending on or after December 31, 1987, the credit
9 shall be allowed for the tax year in which the property is
10 placed in service, or, if the amount of the credit exceeds
11 the tax liability for that year, whether it exceeds the
12 original liability or the liability as later amended, such
13 excess may be carried forward and applied to the tax
14 liability of the 5 taxable years following the excess
15 credit year. The credit shall be applied to the earliest
16 year for which there is a liability. If there is credit
17 from more than one tax year that is available to offset a
18 liability, the credit accruing first in time shall be
19 applied first.

20 Changes made in this subdivision (h) (1) by Public Act
21 88-670 restore changes made by Public Act 85-1182 and
22 reflect existing law.

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

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

26 (B) is depreciable pursuant to Section 167 of the

1 Internal Revenue Code, except that "3-year property"
2 as defined in Section 168(c)(2)(A) of that Code is not
3 eligible for the credit provided by this subsection
4 (h);

5 (C) is acquired by purchase as defined in Section
6 179(d) of the Internal Revenue Code; and

7 (D) is not eligible for the Enterprise Zone
8 Investment Credit provided by subsection (f) of this
9 Section.

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

13 (4) If the basis of the property for federal income
14 tax depreciation purposes is increased after it has been
15 placed in service in a federally designated Foreign Trade
16 Zone or Sub-Zone located in Illinois by the taxpayer, the
17 amount of such increase shall be deemed property placed in
18 service on the date of such increase in basis.

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

21 (6) If during any taxable year ending on or before
22 December 31, 1996, any property ceases to be qualified
23 property in the hands of the taxpayer within 48 months
24 after being placed in service, or the situs of any
25 qualified property is moved outside Illinois within 48
26 months after being placed in service, the tax imposed

1 under subsections (a) and (b) of this Section for such
2 taxable year shall be increased. Such increase shall be
3 determined by (i) recomputing the investment credit which
4 would have been allowed for the year in which credit for
5 such property was originally allowed by eliminating such
6 property from such computation, and (ii) subtracting such
7 recomputed credit from the amount of credit previously
8 allowed. For the purposes of this paragraph (6), a
9 reduction of the basis of qualified property resulting
10 from a redetermination of the purchase price shall be
11 deemed a disposition of qualified property to the extent
12 of such reduction.

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

23 (h-5) High Impact Business construction jobs credit. For
24 taxable years beginning on or after January 1, 2021, there
25 shall also be allowed a High Impact Business construction jobs
26 credit against the tax imposed under subsections (a) and (b)

1 of this Section as provided in subsections (i) and (j) of
2 Section 5.5 of the Illinois Enterprise Zone Act.

3 The credit or credits may not reduce the taxpayer's
4 liability to less than zero. If the amount of the credit or
5 credits exceeds the taxpayer's liability, the excess may be
6 carried forward and applied against the taxpayer's liability
7 in succeeding calendar years in the manner provided under
8 paragraph (4) of Section 211 of this Act. The credit or credits
9 shall be applied to the earliest year for which there is a tax
10 liability. If there are credits from more than one taxable
11 year that are available to offset a liability, the earlier
12 credit shall be applied first.

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

25 The total aggregate amount of credits awarded under the
26 Blue Collar Jobs Act (Article 20 of Public Act 101-9) shall not

1 exceed \$20,000,000 in any State fiscal year.

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

4 (i) Credit for Personal Property Tax Replacement Income
5 Tax. For tax years ending prior to December 31, 2003, a credit
6 shall be allowed against the tax imposed by subsections (a)
7 and (b) of this Section for the tax imposed by subsections (c)
8 and (d) of this Section. This credit shall be computed by
9 multiplying the tax imposed by subsections (c) and (d) of this
10 Section by a fraction, the numerator of which is base income
11 allocable to Illinois and the denominator of which is Illinois
12 base income, and further multiplying the product by the tax
13 rate imposed by subsections (a) and (b) of this Section.

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

1 subsection shall be applied first.

2 If, during any taxable year ending on or after December
3 31, 1986, the tax imposed by subsections (c) and (d) of this
4 Section for which a taxpayer has claimed a credit under this
5 subsection (i) is reduced, the amount of credit for such tax
6 shall also be reduced. Such reduction shall be determined by
7 recomputing the credit to take into account the reduced tax
8 imposed by subsections (c) and (d). If any portion of the
9 reduced amount of credit has been carried to a different
10 taxable year, an amended return shall be filed for such
11 taxable year to reduce the amount of credit claimed.

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

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

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

20 (k) Research and development credit. For tax years ending
21 after July 1, 1990 and prior to December 31, 2003, and
22 beginning again for tax years ending on or after December 31,
23 2004, and ending prior to January 1, 2032 ~~January 1, 2027~~, a
24 taxpayer shall be allowed a credit against the tax imposed by
25 subsections (a) and (b) of this Section for increasing
26 research activities in this State. The credit allowed against

1 the tax imposed by subsections (a) and (b) shall be equal to 6
2 1/2% of the qualifying expenditures for increasing research
3 activities in this State. For partners, shareholders of
4 subchapter S corporations, and owners of limited liability
5 companies, if the liability company is treated as a
6 partnership for purposes of federal and State income taxation,
7 for taxable years ending before December 31, 2023, there shall
8 be allowed a credit under this subsection to be determined in
9 accordance with the determination of income and distributive
10 share of income under Sections 702 and 704 and subchapter S of
11 the Internal Revenue Code. For taxable years ending on or
12 after December 31, 2023, for partners and shareholders of
13 Subchapter S corporations, the provisions of Section 251 shall
14 apply with respect to the credit under this subsection.

15 For purposes of this subsection, "qualifying expenditures"
16 means the qualifying expenditures as defined for the federal
17 credit for increasing research activities which would be
18 allowable under Section 41 of the Internal Revenue Code and
19 which are conducted in this State, "qualifying expenditures
20 for increasing research activities in this State" means the
21 excess of qualifying expenditures for the taxable year in
22 which incurred over qualifying expenditures for the base
23 period, "qualifying expenditures for the base period" means
24 the average of the qualifying expenditures for each year in
25 the base period, and "base period" means the 3 taxable years
26 immediately preceding the taxable year for which the

1 determination is being made.

2 Any credit in excess of the tax liability for the taxable
3 year may be carried forward. A taxpayer may elect to have the
4 unused credit shown on its final completed return carried over
5 as a credit against the tax liability for the following 5
6 taxable years or until it has been fully used, whichever
7 occurs first; provided that no credit earned in a tax year
8 ending prior to December 31, 2003 may be carried forward to any
9 year ending on or after December 31, 2003.

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

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

25 It is the intent of the General Assembly that the research
26 and development credit under this subsection (k) shall apply

1 continuously for all tax years ending on or after December 31,
2 2004 and ending prior to January 1, 2032 ~~January 1, 2027~~,
3 including, but not limited to, the period beginning on January
4 1, 2016 and ending on July 6, 2017 (the effective date of
5 Public Act 100-22). All actions taken in reliance on the
6 continuation of the credit under this subsection (k) by any
7 taxpayer are hereby validated.

8 (l) Environmental Remediation Tax Credit.

9 (i) For tax years ending after December 31, 1997 and
10 on or before December 31, 2001, a taxpayer shall be
11 allowed a credit against the tax imposed by subsections
12 (a) and (b) of this Section for certain amounts paid for
13 unreimbursed eligible remediation costs, as specified in
14 this subsection. For purposes of this Section,
15 "unreimbursed eligible remediation costs" means costs
16 approved by the Illinois Environmental Protection Agency
17 ("Agency") under Section 58.14 of the Environmental
18 Protection Act that were paid in performing environmental
19 remediation at a site for which a No Further Remediation
20 Letter was issued by the Agency and recorded under Section
21 58.10 of the Environmental Protection Act. The credit must
22 be claimed for the taxable year in which Agency approval
23 of the eligible remediation costs is granted. The credit
24 is not available to any taxpayer if the taxpayer or any
25 related party caused or contributed to, in any material
26 respect, a release of regulated substances on, in, or

1 under the site that was identified and addressed by the
2 remedial action pursuant to the Site Remediation Program
3 of the Environmental Protection Act. After the Pollution
4 Control Board rules are adopted pursuant to the Illinois
5 Administrative Procedure Act for the administration and
6 enforcement of Section 58.9 of the Environmental
7 Protection Act, determinations as to credit availability
8 for purposes of this Section shall be made consistent with
9 those rules. For purposes of this Section, "taxpayer"
10 includes a person whose tax attributes the taxpayer has
11 succeeded to under Section 381 of the Internal Revenue
12 Code and "related party" includes the persons disallowed a
13 deduction for losses by paragraphs (b), (c), and (f)(1) of
14 Section 267 of the Internal Revenue Code by virtue of
15 being a related taxpayer, as well as any of its partners.
16 The credit allowed against the tax imposed by subsections
17 (a) and (b) shall be equal to 25% of the unreimbursed
18 eligible remediation costs in excess of \$100,000 per site,
19 except that the \$100,000 threshold shall not apply to any
20 site contained in an enterprise zone as determined by the
21 Department of Commerce and Community Affairs (now
22 Department of Commerce and Economic Opportunity). The
23 total credit allowed shall not exceed \$40,000 per year
24 with a maximum total of \$150,000 per site. For partners
25 and shareholders of subchapter S corporations, there shall
26 be allowed a credit under this subsection to be determined

1 in accordance with the determination of income and
2 distributive share of income under Sections 702 and 704
3 and subchapter S of the Internal Revenue Code.

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

1 credit be transferred to any taxpayer if the taxpayer or a
2 related party would not be eligible under the provisions
3 of subsection (i).

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

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

1 For purposes of this subsection:

2 "Qualifying pupils" means individuals who (i) are
3 residents of the State of Illinois, (ii) are under the age of
4 21 at the close of the school year for which a credit is
5 sought, and (iii) during the school year for which a credit is
6 sought were full-time pupils enrolled in a kindergarten
7 through twelfth grade education program at any school, as
8 defined in this subsection.

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

13 "School" means any public or nonpublic elementary or
14 secondary school in Illinois that is in compliance with Title
15 VI of the Civil Rights Act of 1964 and attendance at which
16 satisfies the requirements of Section 26-1 of the School Code,
17 except that nothing shall be construed to require a child to
18 attend any particular public or nonpublic school to qualify
19 for the credit under this Section.

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

23 (n) River Edge Redevelopment Zone site remediation tax
24 credit.

25 (i) For tax years ending on or after December 31,
26 2006, a taxpayer shall be allowed a credit against the tax

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

1 Section 381 of the Internal Revenue Code and "related
2 party" includes the persons disallowed a deduction for
3 losses by paragraphs (b), (c), and (f)(1) of Section 267
4 of the Internal Revenue Code by virtue of being a related
5 taxpayer, as well as any of its partners. The credit
6 allowed against the tax imposed by subsections (a) and (b)
7 shall be equal to 25% of the unreimbursed eligible
8 remediation costs in excess of \$100,000 per site.

9 (ii) A credit allowed under this subsection that is
10 unused in the year the credit is earned may be carried
11 forward to each of the 5 taxable years following the year
12 for which the credit is first earned until it is used. This
13 credit shall be applied first to the earliest year for
14 which there is a liability. If there is a credit under this
15 subsection from more than one tax year that is available
16 to offset a liability, the earliest credit arising under
17 this subsection shall be applied first. A credit allowed
18 under this subsection may be sold to a buyer as part of a
19 sale of all or part of the remediation site for which the
20 credit was granted. The purchaser of a remediation site
21 and the tax credit shall succeed to the unused credit and
22 remaining carry-forward period of the seller. To perfect
23 the transfer, the assignor shall record the transfer in
24 the chain of title for the site and provide written notice
25 to the Director of the Illinois Department of Revenue of
26 the assignor's intent to sell the remediation site and the

1 amount of the tax credit to be transferred as a portion of
2 the sale. In no event may a credit be transferred to any
3 taxpayer if the taxpayer or a related party would not be
4 eligible under the provisions of subsection (i).

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

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

18 (1) the medical cannabis cultivation center
19 registration, medical cannabis dispensary registration, or
20 the property of a registration is transferred as a result
21 of any of the following:

22 (A) bankruptcy, a receivership, or a debt
23 adjustment initiated by or against the initial
24 registration or the substantial owners of the initial
25 registration;

26 (B) cancellation, revocation, or termination of

1 any registration by the Illinois Department of Public
2 Health;

3 (C) a determination by the Illinois Department of
4 Public Health that transfer of the registration is in
5 the best interests of Illinois qualifying patients as
6 defined by the Compassionate Use of Medical Cannabis
7 Program Act;

8 (D) the death of an owner of the equity interest in
9 a registrant;

10 (E) the acquisition of a controlling interest in
11 the stock or substantially all of the assets of a
12 publicly traded company;

13 (F) a transfer by a parent company to a wholly
14 owned subsidiary; or

15 (G) the transfer or sale to or by one person to
16 another person where both persons were initial owners
17 of the registration when the registration was issued;
18 or

19 (2) the cannabis cultivation center registration,
20 medical cannabis dispensary registration, or the
21 controlling interest in a registrant's property is
22 transferred in a transaction to lineal descendants in
23 which no gain or loss is recognized or as a result of a
24 transaction in accordance with Section 351 of the Internal
25 Revenue Code in which no gain or loss is recognized.

26 (p) Pass-through entity tax.

1 Section 204;

2 (ii) the deduction for net losses allowed
3 under Section 207;

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

6 (iv) in the case of a partnership, the
7 modifications under Section 203(d) (2) (H) and
8 Section 203(d) (2) (I).

9 (B) Special rule for tiered partnerships. If a
10 taxpayer making the election under paragraph (1) is a
11 partner of another taxpayer making the election under
12 paragraph (1), net income shall be computed as
13 provided in subparagraph (A), except that the taxpayer
14 shall subtract its distributive share of the net
15 income of the electing partnership (including its
16 distributive share of the net income of the electing
17 partnership derived as a distributive share from
18 electing partnerships in which it is a partner).

19 (4) Credit for entity level tax. Each partner or
20 shareholder of a taxpayer making the election under this
21 Section shall be allowed a credit against the tax imposed
22 under subsections (a) and (b) of Section 201 of this Act
23 for the taxable year of the partnership or Subchapter S
24 corporation for which an election is in effect ending
25 within or with the taxable year of the partner or
26 shareholder in an amount equal to 4.95% times the partner

1 or shareholder's distributive share of the net income of
2 the electing partnership or Subchapter S corporation, but
3 not to exceed the partner's or shareholder's share of the
4 tax imposed under paragraph (1) which is actually paid by
5 the partnership or Subchapter S corporation. If the
6 taxpayer is a partnership or Subchapter S corporation that
7 is itself a partner of a partnership making the election
8 under paragraph (1), the credit under this paragraph shall
9 be allowed to the taxpayer's partners or shareholders (or
10 if the partner is a partnership or Subchapter S
11 corporation then its partners or shareholders) 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. If the
15 amount of the credit allowed under this paragraph exceeds
16 the partner's or shareholder's liability for tax imposed
17 under subsections (a) and (b) of Section 201 of this Act
18 for the taxable year, such excess shall be treated as an
19 overpayment for purposes of Section 909 of this Act.

20 (5) Nonresidents. A nonresident individual who is a
21 partner or shareholder of a partnership or Subchapter S
22 corporation for a taxable year for which an election is in
23 effect under paragraph (1) shall not be required to file
24 an income tax return under this Act for such taxable year
25 if the only source of net income of the individual (or the
26 individual and the individual's spouse in the case of a

1 joint return) is from an entity making the election under
2 paragraph (1) and the credit allowed to the partner or
3 shareholder under paragraph (4) equals or exceeds the
4 individual's liability for the tax imposed under
5 subsections (a) and (b) of Section 201 of this Act for the
6 taxable year.

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

24 (7) Foreign tax. For purposes of the credit allowed
25 under Section 601(b)(3) of this Act, tax paid by a
26 partnership or Subchapter S corporation to another state

1 which, as determined by the Department, is substantially
2 similar to the tax imposed under this subsection, shall be
3 considered tax paid by the partner or shareholder to the
4 extent that the partner's or shareholder's share of the
5 income of the partnership or Subchapter S corporation
6 allocated and apportioned to such other state bears to the
7 total income of the partnership or Subchapter S
8 corporation allocated or apportioned to such other state.

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

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

19 (10) The provisions of this subsection shall apply
20 only with respect to taxable years for which the
21 limitation on individual deductions applies under Section
22 164(b) (6) of the Internal Revenue Code.

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

1 Sec. 241. Credit for quantum computing campuses.

2 (a) A taxpayer who has been awarded a credit by the
3 Department of Commerce and Economic Opportunity under Section
4 605-115 of the Department of Commerce and Economic Opportunity
5 Law of the Civil Administrative Code of Illinois is entitled
6 to a credit against the taxes imposed under subsections (a)
7 and (b) of Section 201 of this Act. The amount of the credit
8 shall be 20% of the wages paid by the taxpayer during the
9 taxable year to a full-time or part-time employee of a
10 construction contractor employed in the construction of an
11 eligible facility located on a quantum computing campus
12 designated under Section 605-115 of the Department of Commerce
13 and Economic Opportunity Law of the Civil Administrative Code
14 of Illinois.

15 (b) In no event shall a credit under this Section reduce
16 the taxpayer's liability to less than zero. 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 tax
20 credit shall be applied to the earliest year for which there is
21 a tax liability. If there are credits for more than one year
22 that are available to offset a liability, the earlier credit
23 shall be applied first.

24 (c) A person claiming the credit allowed under this
25 Section shall attach to its Illinois income tax return for the
26 taxable year for which the credit is allowed a copy of the tax

1 credit certificate issued by the Department of Commerce and
2 Economic Opportunity.

3 (d) Partners and shareholders of Subchapter S corporations
4 are entitled to a credit under this Section as provided in
5 Section 251.

6 (e) As used in this Section, "eligible facility" means a
7 building used primarily to house one or more of the following:
8 a quantum computer operator; a research facility; a data
9 center; a manufacturer and assembler of quantum computers and
10 component parts; a cryogenic or refrigeration facility; or any
11 other facility determined, by industry and academic leaders,
12 to be fundamental to the research and development of quantum
13 computing for practical solutions.

14 (f) This Section is exempt from the provisions of Section
15 250.

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

18 (35 ILCS 5/213)

19 Sec. 213. Film production services credit.

20 (a) For tax years beginning on or after January 1, 2004, a
21 taxpayer who has been awarded a tax credit under the Film
22 Production Services Tax Credit Act or under the Film
23 Production Services Tax Credit Act of 2008 is entitled to a
24 credit against the taxes imposed under subsections (a) and (b)

1 of Section 201 of this Act in an amount determined by the
2 Department of Commerce and Economic Opportunity under those
3 Acts. If the taxpayer is a partnership or Subchapter S
4 corporation, the credit is allowed to the partners or
5 shareholders in accordance with the determination of income
6 and distributive share of income under Sections 702 and 704
7 and Subchapter S of the Internal Revenue Code.

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

1 Economic Opportunity until the total fees owed according to
2 this subsection have been received by the Department of
3 Commerce and Economic Opportunity.

4 (c) A transfer of this credit may be made by the taxpayer
5 earning the credit within one year after the credit is awarded
6 in accordance with rules adopted by the Department of Commerce
7 and Economic Opportunity. Beginning July 1, 2023 and through
8 June 30, 2024, if a credit is transferred under this Section by
9 the taxpayer, then the transferor taxpayer shall pay to the
10 Department of Commerce and Economic Opportunity, upon
11 notification of a transfer, a fee equal to 2.5% of the
12 transferred credit amount eligible for nonresident wages, as
13 described in Section 10 of the Film Production Services Tax
14 Credit Act of 2008, and an additional fee of 0.25% of the total
15 amount of the transferred credit that is not calculated on
16 nonresident wages, which shall be deposited into the Illinois
17 Production Workforce Development Fund.

18 (d) The Department, in cooperation with the Department of
19 Commerce and Economic Opportunity, must prescribe rules to
20 enforce and administer the provisions of this Section. This
21 Section is exempt from the provisions of Section 250 of this
22 Act.

23 (e) The credit may not be carried back. If the amount of
24 the credit exceeds the tax liability for the year, the excess
25 may be carried forward and applied to the tax liability of the
26 5 taxable years following the excess credit year. The credit

1 shall be applied to the earliest year for which there is a tax
2 liability. If there are credits from more than one tax year
3 that are available to offset a liability, the earlier credit
4 shall be applied first. In no event shall a credit under this
5 Section reduce the taxpayer's liability to less than zero.

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

7 Section 25. The Economic Development for a Growing Economy
8 Tax Credit Act is amended by changing Sections 5-5, 5-15,
9 5-20, 5-35, 5-45, and 5-56 as follows:

10 (35 ILCS 10/5-5)

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

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

14 "Applicant" means a Taxpayer that is operating a business
15 located or that the Taxpayer plans to locate within the State
16 of Illinois and that is engaged in interstate or intrastate
17 commerce for the purpose of manufacturing, processing,
18 assembling, warehousing, or distributing products, conducting
19 research and development, providing tourism services, or
20 providing services in interstate commerce, office industries,
21 or agricultural processing, but excluding retail, retail food,
22 health, ~~or~~ professional services, and services delivered to
23 business customer sites. "Applicant" does not include a
24 Taxpayer who closes or substantially reduces an operation at

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

18 "Credit" means the amount agreed to between the Department
19 and Applicant under this Act, but not to exceed the lesser of:
20 (1) the sum of (i) 50% of the Incremental Income Tax
21 attributable to New Employees at the Applicant's project and
22 (ii) 10% of the training costs of New Employees; or (2) 100% of
23 the Incremental Income Tax attributable to New Employees at
24 the Applicant's project. However, if the project is located in
25 an underserved area, then the amount of the Credit may not
26 exceed the lesser of: (1) the sum of (i) 75% of the Incremental

1 Income Tax attributable to New Employees at the Applicant's
2 project and (ii) 10% of the training costs of New Employees; or
3 (2) 100% of the Incremental Income Tax attributable to New
4 Employees at the Applicant's project. If the project is not
5 located in an underserved area and the Applicant agrees to
6 hire the required number of New Employees, then the maximum
7 amount of the Credit for that Applicant may be increased by an
8 amount not to exceed 25% of the Incremental Income Tax
9 attributable to retained employees at the Applicant's project.
10 If the project is located in an underserved area and the
11 Applicant agrees to hire the required number of New Employees,
12 then the maximum amount of the credit for that Applicant may be
13 increased by an amount not to exceed 50% of the Incremental
14 Income Tax attributable to retained employees at the
15 Applicant's project.

16 "Department" means the Department of Commerce and Economic
17 Opportunity.

18 "Director" means the Director of Commerce and Economic
19 Opportunity.

20 "Full-time Employee" means an individual who is employed
21 for consideration for at least 35 hours each week or who
22 renders any other standard of service generally accepted by
23 industry custom or practice as full-time employment. An
24 individual for whom a W-2 is issued by a Professional Employer
25 Organization (PEO) is a full-time employee if employed in the
26 service of the Applicant for consideration for at least 35

1 hours each week or who renders any other standard of service
2 generally accepted by industry custom or practice as full-time
3 employment to Applicant. The employee need not be physically
4 present at the EDGE project location during the entire
5 full-time workweek; however, the agreement shall set forth a
6 minimum number of hours during which the employee is scheduled
7 to be present at the EDGE project location.

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

16 "New Construction EDGE Credit" means an amount agreed to
17 between the Department and the Applicant under this Act as
18 part of a New Construction EDGE Agreement that does not exceed
19 50% of the Incremental Income Tax attributable to New
20 Construction EDGE Employees at the Applicant's project;
21 however, if the New Construction EDGE Project is located in an
22 underserved area, then the amount of the New Construction EDGE
23 Credit may not exceed 75% of the Incremental Income Tax
24 attributable to New Construction EDGE Employees at the
25 Applicant's New Construction EDGE Project.

26 "New Construction EDGE Employee" means a laborer or worker

1 who is employed by a ~~an Illinois~~ contractor or subcontractor
2 in the actual construction work on the site of a New
3 Construction EDGE Project, pursuant to a New Construction EDGE
4 Agreement.

5 "New Construction EDGE Incremental Income Tax" means the
6 total amount withheld during the taxable year from the
7 compensation of New Construction EDGE Employees.

8 "New Construction EDGE Project" means the building of a
9 Taxpayer's structure or building, or making improvements of
10 any kind to real property. "New Construction EDGE Project"
11 does not include the routine operation, routine repair, or
12 routine maintenance of existing structures, buildings, or real
13 property.

14 "New Employee" means:

15 (a) A Full-time Employee first employed by a Taxpayer
16 at ~~in~~ the project, or assigned to the project as their
17 primary work location, that is the subject of an Agreement
18 and who is hired after the Taxpayer enters into the tax
19 credit Agreement.

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

21 (1) an employee of the Taxpayer who performs a job
22 that was previously performed by another employee, if
23 that job existed for at least 6 months before hiring
24 the employee;

25 (2) an employee of the Taxpayer who was previously
26 employed in Illinois by a Related Member of the

1 Taxpayer and whose employment was shifted to the
2 Taxpayer after the Taxpayer entered into the tax
3 credit Agreement; or

4 (3) a child, grandchild, parent, or spouse, other
5 than a spouse who is legally separated from the
6 individual, of any individual who has a direct or an
7 indirect ownership interest of at least 5% in the
8 profits, capital, or value of the Taxpayer.

9 (c) Notwithstanding paragraph (1) of subsection (b),
10 an employee may be considered a New Employee under the
11 Agreement if the employee performs a job that was
12 previously performed by an employee who was:

13 (1) treated under the Agreement as a New Employee;

14 and

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

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

19 (1) the Applicant is in receipt of a letter from
20 the Department stating an intent to enter into a
21 credit Agreement;

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

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

1 "Noncompliance Date" means, in the case of a Taxpayer that
2 is not complying with the requirements of the Agreement or the
3 provisions of this Act, the day following the last date upon
4 which the Taxpayer was in compliance with the requirements of
5 the Agreement and the provisions of this Act, as determined by
6 the Director, pursuant to Section 5-65.

7 "Pass Through Entity" means an entity that is exempt from
8 the tax under subsection (b) or (c) of Section 205 of the
9 Illinois Income Tax Act.

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

13 "Related Member" means a person that, with respect to the
14 Taxpayer during any portion of the taxable year, is any one of
15 the following:

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

22 (2) A partnership, estate, or trust and any partner or
23 beneficiary, if the partnership, estate, or trust, and its
24 partners or beneficiaries own directly, indirectly,
25 beneficially, or constructively, in the aggregate, at
26 least 50% of the profits, capital, stock, or value of the

1 Taxpayer.

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

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

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

24 "Startup taxpayer" means, for Agreements that are executed
25 before the effective date of the changes made to this Section
26 by this amendatory Act of the 103rd General Assembly, a

1 corporation, partnership, or other entity incorporated or
2 organized no more than 5 years before the filing of an
3 application for an Agreement that has never had any Illinois
4 income tax liability, excluding any Illinois income tax
5 liability of a Related Member which shall not be attributed to
6 the startup taxpayer. "Startup taxpayer" means, for Agreements
7 that are executed on or after the effective date of this
8 amendatory Act of the 103rd General Assembly, a corporation,
9 partnership, or other entity that is incorporated or organized
10 no more than 10 years before the filing of an application for
11 an Agreement and that has never had any Illinois income tax
12 liability. For the purpose of determining whether the taxpayer
13 has had any Illinois income tax liability, the Illinois income
14 tax liability of a Related Member shall not be attributed to
15 the startup taxpayer.

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

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

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

22 (2) 75% or more of the children in the area
23 participate in the federal free lunch program according to
24 reported statistics from the State Board of Education;

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

1 Program (SNAP); or

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

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

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

13 (2) 35% or more of the families with children in the
14 area are living below 130% of the poverty line, according
15 to the latest American Community Survey;

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

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

25 (Source: P.A. 102-330, eff. 1-1-22; 102-700, eff. 4-19-22;
26 102-1125, eff. 2-3-23; 103-9, eff. 6-7-23.)

1 (35 ILCS 10/5-15)

2 Sec. 5-15. Tax Credit Awards. Subject to the conditions
3 set forth in this Act, a Taxpayer is entitled to a Credit
4 against or, as described in subsection (g) of this Section, a
5 payment towards taxes imposed pursuant to subsections (a) and
6 (b) of Section 201 of the Illinois Income Tax Act that may be
7 imposed on the Taxpayer for a taxable year beginning on or
8 after January 1, 1999, if the Taxpayer is awarded a Credit by
9 the Department under this Act for that taxable year.

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

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

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

17 (d) The Credit shall not exceed the Incremental Income Tax
18 attributable to the project that is the subject of the
19 Agreement.

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

23 (f) In lieu of the Credit allowed under this Act against
24 the taxes imposed pursuant to subsections (a) and (b) of
25 Section 201 of the Illinois Income Tax Act for any taxable year

1 ending on or after December 31, 2009, for Taxpayers that
2 entered into Agreements prior to January 1, 2015 and otherwise
3 meet the criteria set forth in this subsection (f), the
4 Taxpayer may elect to claim the Credit against its obligation
5 to pay over withholding under Section 704A of the Illinois
6 Income Tax Act.

7 (1) The election under this subsection (f) may be made
8 only by a Taxpayer that (i) is primarily engaged in one of
9 the following business activities: water purification and
10 treatment, motor vehicle metal stamping, automobile
11 manufacturing, automobile and light duty motor vehicle
12 manufacturing, motor vehicle manufacturing, light truck
13 and utility vehicle manufacturing, heavy duty truck
14 manufacturing, motor vehicle body manufacturing, cable
15 television infrastructure design or manufacturing, or
16 wireless telecommunication or computing terminal device
17 design or manufacturing for use on public networks and
18 (ii) meets the following criteria:

19 (A) the Taxpayer (i) had an Illinois net loss or an
20 Illinois net loss deduction under Section 207 of the
21 Illinois Income Tax Act for the taxable year in which
22 the Credit is awarded, (ii) employed a minimum of
23 1,000 full-time employees in this State during the
24 taxable year in which the Credit is awarded, (iii) has
25 an Agreement under this Act on December 14, 2009 (the
26 effective date of Public Act 96-834), and (iv) is in

1 compliance with all provisions of that Agreement;

2 (B) the Taxpayer (i) had an Illinois net loss or an
3 Illinois net loss deduction under Section 207 of the
4 Illinois Income Tax Act for the taxable year in which
5 the Credit is awarded, (ii) employed a minimum of
6 1,000 full-time employees in this State during the
7 taxable year in which the Credit is awarded, and (iii)
8 has applied for an Agreement within 365 days after
9 December 14, 2009 (the effective date of Public Act
10 96-834);

11 (C) the Taxpayer (i) had an Illinois net operating
12 loss carryforward under Section 207 of the Illinois
13 Income Tax Act in a taxable year ending during
14 calendar year 2008, (ii) has applied for an Agreement
15 within 150 days after the effective date of this
16 amendatory Act of the 96th General Assembly, (iii)
17 creates at least 400 new jobs in Illinois, (iv)
18 retains at least 2,000 jobs in Illinois that would
19 have been at risk of relocation out of Illinois over a
20 10-year period, and (v) makes a capital investment of
21 at least \$75,000,000;

22 (D) the Taxpayer (i) had an Illinois net operating
23 loss carryforward under Section 207 of the Illinois
24 Income Tax Act in a taxable year ending during
25 calendar year 2009, (ii) has applied for an Agreement
26 within 150 days after the effective date of this

1 amendatory Act of the 96th General Assembly, (iii)
2 creates at least 150 new jobs, (iv) retains at least
3 1,000 jobs in Illinois that would have been at risk of
4 relocation out of Illinois over a 10-year period, and
5 (v) makes a capital investment of at least
6 \$57,000,000; or

7 (E) the Taxpayer (i) employed at least 2,500
8 full-time employees in the State during the year in
9 which the Credit is awarded, (ii) commits to make at
10 least \$500,000,000 in combined capital improvements
11 and project costs under the Agreement, (iii) applies
12 for an Agreement between January 1, 2011 and June 30,
13 2011, (iv) executes an Agreement for the Credit during
14 calendar year 2011, and (v) was incorporated no more
15 than 5 years before the filing of an application for an
16 Agreement.

17 (1.5) The election under this subsection (f) may also
18 be made by a Taxpayer for any Credit awarded pursuant to an
19 agreement that was executed between January 1, 2011 and
20 June 30, 2011, if the Taxpayer (i) is primarily engaged in
21 the manufacture of inner tubes or tires, or both, from
22 natural and synthetic rubber, (ii) employs a minimum of
23 2,400 full-time employees in Illinois at the time of
24 application, (iii) creates at least 350 full-time jobs and
25 retains at least 250 full-time jobs in Illinois that would
26 have been at risk of being created or retained outside of

1 Illinois, and (iv) makes a capital investment of at least
2 \$200,000,000 at the project location.

3 (1.6) The election under this subsection (f) may also
4 be made by a Taxpayer for any Credit awarded pursuant to an
5 agreement that was executed within 150 days after the
6 effective date of this amendatory Act of the 97th General
7 Assembly, if the Taxpayer (i) is primarily engaged in the
8 operation of a discount department store, (ii) maintains
9 its corporate headquarters in Illinois, (iii) employs a
10 minimum of 4,250 full-time employees at its corporate
11 headquarters in Illinois at the time of application, (iv)
12 retains at least 4,250 full-time jobs in Illinois that
13 would have been at risk of being relocated outside of
14 Illinois, (v) had a minimum of \$40,000,000,000 in total
15 revenue in 2010, and (vi) makes a capital investment of at
16 least \$300,000,000 at the project location.

17 (1.7) Notwithstanding any other provision of law, the
18 election under this subsection (f) may also be made by a
19 Taxpayer for any Credit awarded pursuant to an agreement
20 that was executed or applied for on or after July 1, 2011
21 and on or before March 31, 2012, if the Taxpayer is
22 primarily engaged in the manufacture of original and
23 aftermarket filtration parts and products for automobiles,
24 motor vehicles, light duty motor vehicles, light trucks
25 and utility vehicles, and heavy duty trucks, (ii) employs
26 a minimum of 1,000 full-time employees in Illinois at the

1 time of application, (iii) creates at least 250 full-time
2 jobs in Illinois, (iv) relocates its corporate
3 headquarters to Illinois from another state, and (v) makes
4 a capital investment of at least \$4,000,000 at the project
5 location.

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

23 (1.9) Notwithstanding any other provision of law, the
24 election under this subsection (f) may also be made by an
25 applicant qualified under paragraph (1.7) of subsection
26 (b) of Section 5-20 for any Credit awarded pursuant to an

1 Agreement that was executed on or after the effective date
2 of this amendatory Act of the 103rd General Assembly. Any
3 such election under this paragraph (1.9) shall be
4 effective unless and until such taxpayer has any Illinois
5 income tax liability. This election under this paragraph
6 (1.9) shall automatically terminate when the taxpayer has
7 any Illinois income tax liability at the end of any
8 taxable year during the term of the Agreement. Thereafter,
9 the startup taxpayer may receive a Credit, taking into
10 account any benefits previously enjoyed or received by way
11 of the election under this paragraph (1.9), so long as the
12 startup taxpayer remains in compliance with the terms and
13 conditions of the Agreement.

14 (2) An election under this subsection shall allow the
15 credit to be taken against payments otherwise due under
16 Section 704A of the Illinois Income Tax Act during the
17 first calendar quarter beginning after the end of the
18 taxable quarter in which the credit is awarded under this
19 Act.

20 (3) The election shall be made in the form and manner
21 required by the Illinois Department of Revenue and, once
22 made, shall be irrevocable.

23 (4) If a Taxpayer who meets the requirements of
24 subparagraph (A) of paragraph (1) of this subsection (f)
25 elects to claim the Credit against its withholdings as
26 provided in this subsection (f), then, on and after the

1 date of the election, the terms of the Agreement between
2 the Taxpayer and the Department may not be further amended
3 during the term of the Agreement.

4 (g) A pass-through entity that has been awarded a credit
5 under this Act, its shareholders, or its partners may treat
6 some or all of the credit awarded pursuant to this Act as a tax
7 payment for purposes of the Illinois Income Tax Act. The term
8 "tax payment" means a payment as described in Article 6 or
9 Article 8 of the Illinois Income Tax Act or a composite payment
10 made by a pass-through entity on behalf of any of its
11 shareholders or partners to satisfy such shareholders' or
12 partners' taxes imposed pursuant to subsections (a) and (b) of
13 Section 201 of the Illinois Income Tax Act. In no event shall
14 the amount of the award credited pursuant to this Act exceed
15 the Illinois income tax liability of the pass-through entity
16 or its shareholders or partners for the taxable year.

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

18 (35 ILCS 10/5-20)

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

21 (a) Any Taxpayer proposing a project located or planned to
22 be located in Illinois may request consideration for
23 designation of its project, by formal written letter of
24 request or by formal application to the Department, in which
25 the Applicant states its intent to make at least a specified

1 level of investment and intends to hire or retain a specified
2 number of full-time employees at a designated location in
3 Illinois. As circumstances require, the Department may require
4 a formal application from an Applicant and a formal letter of
5 request for assistance.

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

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

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

25 (1.6) if the Applicant is a startup taxpayer, the
26 employees employed by Related Members shall not be

1 attributed to the Applicant for purposes of determining
2 the capital investment or job creation requirements under
3 this subsection (b);

4 (1.7) if the agreement is entered into on or after the
5 effective date of this amendatory Act of the 103rd General
6 Assembly and the Applicant's project:

7 (A) makes an investment of at least \$50,000,000 in
8 capital improvements at the project site;

9 (B) is placed in service after approval of the
10 application; and

11 (C) creates jobs for at least 100 new full-time
12 employees.

13 (2) (blank);

14 (3) (blank); and

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

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

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

21 (35 ILCS 10/5-35)

22 Sec. 5-35. Relocation of jobs in Illinois. A taxpayer is
23 not entitled to claim the credit provided by this Act with
24 respect to any jobs that the taxpayer relocates from one site
25 in Illinois unless the taxpayer has agreed to hire the minimum

1 number of new employees and the Department has determined that
2 the expansion cannot reasonably be accommodated within the
3 municipality in which the business is located ~~to another site~~
4 ~~in Illinois. A taxpayer with respect to a qualifying project~~
5 ~~certified under the Corporate Headquarters Relocation Act,~~
6 ~~however, is not subject to the requirements of this Section~~
7 ~~but is nevertheless considered an applicant for purposes of~~
8 ~~this Act. Moreover, any full time employee of an eligible~~
9 ~~business relocated to Illinois in connection with that~~
10 ~~qualifying project is deemed to be a new employee for purposes~~
11 ~~of this Act.~~ Determinations under this Section shall be made
12 by the Department.

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

14 (35 ILCS 10/5-45)

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

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

25 (b) Notwithstanding subsection (a), and except as the

1 credit may be applied in a carryover year pursuant to Section
2 211(4) of the Illinois Income Tax Act, the credit may be
3 applied against the State income tax liability in more than 10
4 taxable years but not in more than 15 taxable years for an
5 eligible business that (i) qualifies under this Act and the
6 Corporate Headquarters Relocation Act and has in fact
7 undertaken a qualifying project within the time frame
8 specified by the Department of Commerce and Economic
9 Opportunity under that Act, and (ii) applies against its State
10 income tax liability, during the entire 15-year period, no
11 more than 60% of the maximum credit per year that would
12 otherwise be available under this Act.

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

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

23 (35 ILCS 10/5-56)

24 Sec. 5-56. Annual report. ~~Certified payroll.~~ Annually,
25 until construction is completed, a company seeking New

1 Construction EDGE Credits shall submit a report that, at a
2 minimum, describes the projected project scope, timeline, and
3 anticipated budget. Once the project has commenced, the annual
4 report shall include actual data for the prior year as well as
5 projections for each additional year through completion of the
6 project. The Department shall issue detailed reporting
7 guidelines prescribing the requirements of construction
8 related reports. In order to receive credit for construction
9 expenses, the company must provide the Department with
10 evidence that a certified third-party executed an Agreed-Upon
11 Procedure (AUP) verifying the construction expenses or accept
12 the standard construction wage expense estimated by the
13 Department.

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

18 ~~Each contractor and subcontractor that is engaged in and is~~
19 ~~executing a New Construction EDGE Project for a Taxpayer,~~
20 ~~pursuant to a New Construction EDGE Agreement shall:~~

21 ~~(1) make and keep, for a period of 5 years from the~~
22 ~~date of the last payment made on or after June 5, 2019 (the~~
23 ~~effective date of Public Act 101-9) on a contract or~~
24 ~~subcontract for a New Construction EDGE Project pursuant~~
25 ~~to a New Construction EDGE Agreement, records of all~~
26 ~~laborers and other workers employed by the contractor or~~

1 ~~subcontractor on the project; the records shall include:~~

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

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

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

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

6 ~~(E) the worker's classification or~~
7 ~~classifications;~~

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

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

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

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

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

15 ~~(2) no later than the 15th day of each calendar month,~~
16 ~~provide a certified payroll for the immediately preceding~~
17 ~~month to the taxpayer in charge of the project; within 5~~
18 ~~business days after receiving the certified payroll, the~~
19 ~~taxpayer shall file the certified payroll with the~~
20 ~~Department of Labor and the Department of Commerce and~~
21 ~~Economic Opportunity; a certified payroll must be filed~~
22 ~~for only those calendar months during which construction~~
23 ~~on a New Construction EDGE Project has occurred; the~~
24 ~~certified payroll shall consist of a complete copy of the~~
25 ~~records identified in paragraph (1), but may exclude the~~
26 ~~starting and ending times of work each day; the certified~~

1 ~~payroll shall be accompanied by a statement signed by the~~
2 ~~contractor or subcontractor or an officer, employee, or~~
3 ~~agent of the contractor or subcontractor which avers that:~~

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

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

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

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

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

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

2 ~~The records submitted in accordance with this Section~~
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 Section and shall share the information with the~~
9 ~~Department in order to comply with the awarding of New~~
10 ~~Construction EDGE Credits. A contractor, subcontractor, or~~
11 ~~public body may retain records required under this Section in~~
12 ~~paper or electronic format.~~

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

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

22 Section 27. The Film Production Services Tax Credit Act of
23 2008 is amended by changing Sections 10 and 46 as follows:

24 (35 ILCS 16/10)

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

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

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

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

20 (2) is a talk show produced for local or regional
21 markets;

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

24 (4) is a sports event or activity;

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

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

1 (7) is a production produced by a film production
2 company if records, as required by 18 U.S.C. 2257, are to
3 be maintained by that film production company with respect
4 to any performer portrayed in that single media or
5 multimedia program; or

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

8 "Accredited animated production" means an accredited
9 production in which movement and characters' performances are
10 created using a frame-by-frame technique and a significant
11 number of major characters are animated. Motion capture by
12 itself is not an animation technique.

13 "Accredited production certificate" means a certificate
14 issued by the Department certifying that the production is an
15 accredited production that meets the guidelines of this Act.

16 "Applicant" means a taxpayer that is a film production
17 company that is operating or has operated an accredited
18 production located within the State of Illinois and that (i)
19 owns the copyright in the accredited production throughout the
20 Illinois production period or (ii) has contracted directly
21 with the owner of the copyright in the accredited production
22 or a person acting on behalf of the owner to provide services
23 for the production, where the owner of the copyright is not an
24 eligible production corporation.

25 "Credit" means:

26 (1) for an accredited production approved by the

1 Department on or before January 1, 2005 and commencing
2 before May 1, 2006, the amount equal to 25% of the Illinois
3 labor expenditure approved by the Department. The
4 applicant is deemed to have paid, on its balance due day
5 for the year, an amount equal to 25% of its qualified
6 Illinois labor expenditure for the tax year. For Illinois
7 labor expenditures generated by the employment of
8 residents of geographic areas of high poverty or high
9 unemployment, as determined by the Department, in an
10 accredited production commencing before May 1, 2006 and
11 approved by the Department after January 1, 2005, the
12 applicant shall receive an enhanced credit of 10% in
13 addition to the 25% credit; and

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

17 (i) 20% of the Illinois production spending for
18 the taxable year; plus

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

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

25 (i) 30% of the Illinois production spending for
26 the taxable year; plus

1 (ii) 15% of the Illinois labor expenditures
2 generated by the employment of residents of geographic
3 areas of high poverty or high unemployment, as
4 determined by the Department.

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

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

9 "Illinois labor expenditure" means salary or wages paid to
10 employees of the applicant for services on the accredited
11 production.

12 To qualify as an Illinois labor expenditure, the
13 expenditure must be:

14 (1) Reasonable in the circumstances.

15 (2) Included in the federal income tax basis of the
16 property.

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

19 (4) Incurred for the production stages of the
20 accredited production, from the final script stage to the
21 end of the post-production stage.

22 (5) Limited to the first \$25,000 of wages paid or
23 incurred to each employee of a production commencing
24 before May 1, 2006 and the first \$100,000 of wages paid or
25 incurred to each employee of a production commencing on or
26 after May 1, 2006 and prior to July 1, 2022. For

1 productions commencing on or after July 1, 2022, limited
2 to the first \$500,000 of wages paid or incurred to each
3 eligible nonresident or resident employee of a production
4 company or loan out company that provides in-State
5 services to a production, whether those wages are paid or
6 incurred by the production company, loan out company, or
7 both, subject to withholding payments provided for in
8 Article 7 of the Illinois Income Tax Act. For purposes of
9 calculating Illinois labor expenditures for a television
10 series, the eligible nonresident wage limitations provided
11 under this subparagraph are applied to the entire season.
12 For the purpose of this paragraph (5), an eligible
13 nonresident is a nonresident whose wages qualify as an
14 Illinois labor expenditure under the provisions of
15 paragraph (9) that apply to that production.

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

19 (7) Directly attributable to the accredited
20 production.

21 (8) (Blank).

22 (9) Prior to July 1, 2022, paid to persons resident in
23 Illinois at the time the payments were made. For a
24 production commencing on or after July 1, 2022, paid to
25 persons resident in Illinois and nonresidents at the time
26 the payments were made.

1 For purposes of this subparagraph, if the production
2 is accredited by the Department before the effective date
3 of this amendatory Act of the 102nd General Assembly, only
4 wages paid to nonresidents working in the following
5 positions shall be considered Illinois labor expenditures:
6 Writer, Director, Director of Photography, Production
7 Designer, Costume Designer, Production Accountant, VFX
8 Supervisor, Editor, Composer, and Actor, subject to the
9 limitations set forth under this subparagraph. For an
10 accredited Illinois production spending of \$25,000,000 or
11 less, no more than 2 nonresident actors' wages shall
12 qualify as an Illinois labor expenditure. For an
13 accredited production with Illinois production spending of
14 more than \$25,000,000, no more than 4 nonresident actor's
15 wages shall qualify as Illinois labor expenditures.

16 For purposes of this subparagraph, if the production
17 is accredited by the Department on or after the effective
18 date of this amendatory Act of the 102nd General Assembly,
19 wages paid to nonresidents shall qualify as Illinois labor
20 expenditures only under the following conditions:

21 (A) the nonresident must be employed in a
22 qualified position;

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

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

5 (D) for an accredited production with Illinois
6 production spending of more than \$25,000,000, no more
7 than 4 nonresident actors' wages shall qualify as
8 Illinois labor expenditures.

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

13 (10) Paid for services rendered in Illinois.

14 "Illinois production spending" means the expenses incurred
15 by the applicant for an accredited production, but does not
16 include any monetary prize or the cost of any non-monetary
17 prize awarded pursuant to a production in respect of a game,
18 questionnaire, or contest. "Illinois production spending"
19 includes, ~~including,~~ without limitation, all of the following:

20 (1) expenses to purchase, from vendors within
21 Illinois, tangible personal property that is used in the
22 accredited production;

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

25 (3) for a production commencing before July 1, 2022,
26 the compensation, not to exceed \$100,000 for any one

1 employee, for contractual or salaried employees who are
2 Illinois residents performing services with respect to the
3 accredited production. For a production commencing on or
4 after July 1, 2022, the compensation, not to exceed
5 \$500,000 for any one employee, for contractual or salaried
6 employees who are Illinois residents or nonresident
7 employees, subject to the limitations set forth under
8 Section 10 of this Act.

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

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

22 Rulemaking authority to implement Public Act 95-1006, if
23 any, is conditioned on the rules being adopted in accordance
24 with all provisions of the Illinois Administrative Procedure
25 Act and all rules and procedures of the Joint Committee on
26 Administrative Rules; any purported rule not so adopted, for

1 whatever reason, is unauthorized.

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

4 (35 ILCS 16/46)

5 Sec. 46. Illinois Production Workforce Development Fund.

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

19 (b) Pursuant to Section 213 of the Illinois Income Tax
20 Act, taxpayers who have been awarded a tax credit under this
21 Act shall pay to the Department of Commerce and Economic
22 Opportunity, after determination of the tax credit amount but
23 prior to the issuance of a tax credit certificate, a fee equal
24 to 2.5% of the credit amount awarded to the taxpayer under the
25 Film Production Services Tax Credit Act of 2008 that is

1 attributable to wages paid to nonresidents, as described in
2 Section 10 of the Film Production Services Tax Credit Act of
3 2008, and an additional fee equal to 0.25% of the amount
4 generated by subtracting the credit amount awarded to the
5 taxpayer under the Film Production Services Tax Credit Act of
6 2008 that is attributable to wages paid to nonresidents from
7 the total credit amount awarded to the taxpayer under that
8 Act. All fees collected under this subsection shall be
9 deposited into the Illinois Production Workforce Development
10 Fund. No tax credit certificate shall be issued by the
11 Department of Commerce and Economic Opportunity until the
12 total fees owed according to this subsection have been
13 received by the Department of Commerce and Economic
14 Opportunity. the Fund shall receive deposits in amounts not to
15 exceed 0.25% of the amount of each credit certificate issued
16 that is not calculated on out of state wages and transferred
17 or claimed on an Illinois tax return in the quarter such credit
18 was transferred or claimed. In addition, such amount shall
19 also include 2.5% of the credit amount calculated on wages
20 paid to nonresidents that is transferred or claimed on an
21 Illinois tax return in the quarter such credit was transferred
22 or claimed.

23 (c) At the request of the Department, the State
24 Comptroller and the State Treasurer may advance amounts to the
25 Fund on an annual basis not to exceed \$1,000,000 in any fiscal
26 year. The fund from which the moneys are advanced shall be

1 reimbursed in the same fiscal year for any such advance
2 payments as described in this Section. The method of
3 reimbursement shall be set forth in rules.

4 (d) Of the appropriated funds in a given fiscal year, 50%
5 of the appropriated funds shall be reserved for organizations
6 that meet one of the following criteria. The organization is:

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

18 (e) The Illinois Production Workforce Development Fund
19 shall be administered by the Department. The Department may
20 adopt rules necessary to administer the provisions of this
21 Section.

22 (f) Notwithstanding any other law to the contrary, the
23 Illinois Production Workforce Development Fund is not subject
24 to sweeps, administrative charge-backs, or any other fiscal or
25 budgetary maneuver that would in any way transfer any amounts
26 from the Illinois Production Workforce Development Fund.

1 (g) By June 30 of each fiscal year, the Department must
2 submit to the General Assembly a report that includes the
3 following information: (1) an identification of the
4 organizations and institutions that received funding to
5 administer workforce training programs during the fiscal year;
6 (2) the number of total persons trained and the number of
7 persons trained per workforce training program in the fiscal
8 year; and (3) in the aggregate, per organization, the number
9 of persons identified as a minority person or that reside in an
10 underserved area that received training in the fiscal year.

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

12 Section 30. The Manufacturing Illinois Chips for Real
13 Opportunity (MICRO) Act is amended by changing Sections 110-5,
14 110-10, 110-20, 110-35, 110-65, and 110-95 as follows:

15 (35 ILCS 45/110-5)

16 Sec. 110-5. Purpose. It is the intent of the General
17 Assembly that Illinois should lead the nation in the
18 production of quantum computers and the production of
19 semiconductors and microchips as they become even more
20 prevalent in everyday life. The General Assembly finds that,
21 through investments in quantum computing and semiconductors
22 and microchips, Illinois will be on the forefront of the
23 quantum computing industry and the forefront of reshoring
24 semiconductor and microchip production that fuels modern

1 technologies that are essential to the operation of computers,
2 phones, vehicles and the any electric products product that
3 have become essential to modern life. This Act will create
4 good paying jobs, and generate long-term economic investment
5 in the Illinois business economy, in addition to ensuring a
6 vital product is made in the United States. Illinois must
7 aggressively adopt new business development investment tools
8 so that Illinois can compete with domestic and foreign
9 competitors for quantum computer manufacturing and
10 semiconductor and chip manufacturing.

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

12 (35 ILCS 45/110-10)

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

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

16 "Applicant" means a taxpayer that: (i) operates a business
17 in Illinois as a quantum computer manufacturer, a
18 semiconductor manufacturer, a microchip manufacturer, or a
19 manufacturer of quantum computer, semiconductor, or microchip
20 component parts or a business in Illinois that primarily
21 engages in research and development in the manufacturing of
22 quantum computers, semiconductors, or microchips; or (ii) is
23 planning to locate a business within the State of Illinois as a
24 quantum computer manufacturer, a semiconductor manufacturer, a
25 microchip manufacturer, or a manufacturer of quantum computer,

1 semiconductor, or microchip component parts or a business
2 within the State of Illinois that primarily engages in
3 research and development in the manufacturing of quantum
4 computers, semiconductors, or microchips. For the purposes of
5 this definition, a business primarily engages in research and
6 development in the manufacturing of quantum computers,
7 semiconductors, or microchips if at least 50% of its business
8 activities involve research and development in the
9 manufacturing of quantum computers, semiconductors, or
10 microchips. "Applicant" does not include a taxpayer who closes
11 or substantially reduces by more than 50% operations at one
12 location in the State and relocates substantially the same
13 operation to another location in the State. This does not
14 prohibit a taxpayer from expanding its operations at another
15 location in the State. This also does not prohibit a taxpayer
16 from moving its operations from one location in the State to
17 another location in the State for the purpose of expanding the
18 operation, provided that the Department determines that
19 expansion cannot reasonably be accommodated within the
20 municipality or county in which the business is located, or,
21 in the case of a business located in an incorporated area of
22 the county, within the county in which the business is
23 located, after conferring with the chief elected official of
24 the municipality or county and taking into consideration any
25 evidence offered by the municipality or county regarding the
26 ability to accommodate expansion within the municipality or

1 county.

2 "Capital improvements" means the purchase, renovation,
3 rehabilitation, or construction of permanent tangible land,
4 buildings, structures, equipment, and furnishings in an
5 approved project sited in Illinois and expenditures for goods
6 or services that are normally capitalized, including
7 organizational costs and research and development costs
8 incurred in Illinois. For land, buildings, structures, and
9 equipment that are leased, the lease must equal or exceed the
10 term of the agreement, and the cost of the property shall be
11 determined from the present value, using the corporate
12 interest rate prevailing at the time of the application, of
13 the lease payments.

14 "Credit" or "MICRO credit" means a credit agreed to
15 between the Department and applicant under this Act.

16 "Department" means the Department of Commerce and Economic
17 Opportunity.

18 "Director" means the Director of Commerce and Economic
19 Opportunity.

20 "Energy Transition Area" means a county with less than
21 100,000 people or a municipality that contains one or more of
22 the following:

23 (1) a fossil fuel plant that was retired from service
24 or has significant reduced service within 6 years before
25 the time of the application or will be retired or have
26 service significantly reduced within 6 years following the

1 time of the application; or

2 (2) a coal mine that was closed or had operations
3 significantly reduced within 6 years before the time of
4 the application or is anticipated to be closed or have
5 operations significantly reduced within 6 years following
6 the time of the application.

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

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

20 "Institution of higher education" or "institution" means
21 any accredited public or private university, college,
22 community college, business, technical, or vocational school,
23 or other accredited educational institution offering degrees
24 and instruction beyond the secondary school level.

25 "MICRO construction jobs credit" means a credit agreed to
26 between the Department and the applicant under this Act that

1 is based on the incremental income tax attributable to
2 construction wages paid in connection with construction of the
3 project facilities.

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

9 "Microchip" means a wafer of semiconducting material that
10 is less than 15 millimeters long and less than 5 millimeters
11 wide and is used to make an integrated circuit.

12 "Microchip manufacturer" means a new or existing
13 manufacturer that is focused on reequipping, expanding, or
14 establishing a manufacturing facility in Illinois that
15 produces microchips or ~~key~~ components that directly support
16 the functions of microchips.

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

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

23 "Noncompliance date" means, in the case of a taxpayer that
24 is not complying with the requirements of the agreement or the
25 provisions of this Act, the day following the last date upon
26 which the taxpayer was in compliance with the requirements of

1 the agreement and the provisions of this Act, as determined by
2 the Director.

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

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

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

13 "Program" means the Manufacturing Illinois Chips for Real
14 Opportunity (MICRO) program established in this Act.

15 "Project" means a for-profit economic development activity
16 for the manufacture of quantum computers, semiconductors, or
17 ~~and~~ microchips.

18 "Quantum computer" means a machine that uses the
19 properties of quantum physics to perform computations and
20 store data, as distinct from classical computing machines.

21 "Quantum computer manufacturer" or "manufacturer of
22 quantum computers or quantum computer component parts" means a
23 new or existing manufacturer that is focused on reequipping,
24 expanding, or establishing a facility in Illinois that
25 manufactures a quantum computer, quantum computer prototype
26 devices, or components that support the functions of a quantum

1 computer.

2 "Related member" means a person that, with respect to the
3 taxpayer during any portion of the taxable year, is any one of
4 the following:

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

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

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

24 (4) A corporation and any party related to that
25 corporation in a manner that would require an attribution
26 of stock from the corporation to the party or from the

1 party to the corporation under the attribution rules of
2 Section 318 of the Internal Revenue Code, if the
3 corporation and all such related parties own in the
4 aggregate at least 50% of the profits, capital, stock, or
5 value of the taxpayer.

6 (5) A person to or from whom there is an attribution of
7 stock ownership in accordance with Section 1563(e) of the
8 Internal Revenue Code, except, for purposes of determining
9 whether a person is a related member under this paragraph,
10 20% shall be substituted for 5% wherever 5% appears in
11 Section 1563(e) of the Internal Revenue Code.

12 "Research and development in the manufacturing of quantum
13 computers, semiconductors, or microchips" means work directed
14 toward the innovation, introduction, and improvement of
15 products and processes in the space of quantum computing
16 manufacturing, semiconductor manufacturing, microchip
17 manufacturing, or the manufacturing of semiconductor, quantum
18 computer, or microchip component parts.

19 "Retained employee" means a full-time employee employed by
20 the taxpayer prior to the term of the agreement who continues
21 to be employed during the term of the agreement whose job
22 duties are directly and substantially related to the project.
23 For purposes of this definition, "directly and substantially
24 related to the project" means at least two-thirds of the
25 employee's job duties must be directly related to the project
26 and the employee must devote at least two-thirds of his or her

1 time to the project. The term "retained employee" does not
2 include any individual who has a direct or an indirect
3 ownership interest of at least 5% in the profits, equity,
4 capital, or value of the taxpayer or a child, grandchild,
5 parent, or spouse, other than a spouse who is legally
6 separated from the individual, of any individual who has a
7 direct or indirect ownership of at least 5% in the profits,
8 equity, capital, or value of the taxpayer.

9 "Semiconductor" means any class of crystalline solids
10 intermediate in electrical conductivity between a conductor
11 and an insulator.

12 "Semiconductor manufacturer" means a new or existing
13 manufacturer that is focused on reequipping, expanding, or
14 establishing a manufacturing facility in Illinois that
15 produces semiconductors or ~~key~~ components that directly
16 support the functions of semiconductors. Semiconductor
17 manufacturing also includes the manufacturing of component
18 parts that are required for the development and operation of
19 quantum computers and quantum computing facilities.

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

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

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

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

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

20 (35 ILCS 45/110-20)

21 Sec. 110-20. Manufacturing Illinois Chips for Real
22 Opportunity (MICRO) Program; project applications.

23 (a) The Manufacturing Illinois Chips for Real Opportunity
24 (MICRO) Program is hereby established and shall be
25 administered by the Department. The Program will provide

1 financial incentives to eligible semiconductor manufacturers,
2 ~~and~~ microchip manufacturers, quantum computer manufacturers,
3 and companies that primarily engage in research and
4 development in the manufacturing of quantum computers,
5 semiconductors, or microchips. For the purposes of this
6 Section, a company is primarily engaged in research and
7 development in the manufacturing of quantum computers,
8 semiconductors, or microchips if at least 50% of its business
9 activities involve research and development in the
10 manufacturing of quantum computers, semiconductors, or
11 microchips..

12 (b) Any taxpayer planning a project to be located in
13 Illinois may request consideration for designation of its
14 project as a MICRO project, by formal written letter of
15 request or by formal application to the Department, in which
16 the applicant states its intent to make at least a specified
17 level of investment and intends to hire a specified number of
18 full-time employees at a designated location in Illinois. As
19 circumstances require, the Department shall require a formal
20 application from an applicant and a formal letter of request
21 for assistance.

22 (c) In order to qualify for credits under the program, an
23 applicant must:

24 (1) for a semiconductor manufacturer, ~~a~~ ~~or~~ microchip
25 manufacturer, a quantum computer manufacturer, or a
26 company focusing on research and development in the

1 manufacturing of quantum computers, semiconductors, or
2 microchips:

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

5 (B) to be placed in service within the State
6 within a 60-month period after approval of the
7 application; and

8 (C) create at least 500 new full-time employee
9 jobs; or

10 (2) for a semiconductor or microchip component parts
11 manufacturer:

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

14 (B) manufacture one or more parts that are
15 primarily used for the manufacture of semiconductors
16 or microchips;

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

20 (D) create at least 150 new full-time employee
21 jobs; or

22 (3) for a semiconductor manufacturer, a ~~or~~ microchip
23 manufacturer, a quantum computer manufacturer, a company
24 focusing on research and development in the manufacturing
25 of quantum computers, semiconductors, or microchips, or ~~or~~
26 a semiconductor or microchip component parts manufacturer

1 that does not qualify under paragraph (2) above:

2 (A) make an investment of at least \$2,500,000
3 ~~\$20,000,000~~ in capital improvements at the project
4 site;

5 (B) to be placed in service within the State
6 within a 48-month period after approval of the
7 application; and

8 (C) create at least 50 new full-time employee jobs
9 or new full-time employees equivalent to 10% of the
10 number of full-time employees employed by the
11 applicant world-wide on the date the application is
12 filed with the Department; or

13 (4) for a semiconductor manufacturer, quantum computer
14 manufacturer, ~~or~~ microchip manufacturer, or a
15 semiconductor or microchip component parts manufacturer
16 with existing operations in Illinois that intends to
17 convert or expand, in whole or in part, the existing
18 facility from traditional manufacturing to semiconductor
19 manufacturing, quantum computer manufacturing, or
20 microchip manufacturing or semiconductor, quantum
21 computer, or microchip component parts manufacturing, or a
22 company focusing on research and development in the
23 manufacturing of quantum computers, semiconductors, or
24 microchips:

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

1 (B) to be placed in service within the State
2 within a 60-month period after approval of the
3 application; and

4 (C) create the lesser of 75 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.

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

13 (e) Each applicant must outline its hiring plan and
14 commitment to recruit and hire full-time employee positions at
15 the project site. The hiring plan may include a partnership
16 with an institution of higher education to provide
17 internships, including, but not limited to, internships
18 supported by the Clean Jobs Workforce Network Program, or
19 full-time permanent employment for students at the project
20 site. Additionally, the applicant may create or utilize
21 participants from apprenticeship programs that are approved by
22 and registered with the United States Department of Labor's
23 Bureau of Apprenticeship and Training. The Applicant may apply
24 for apprenticeship education expense credits in accordance
25 with the provisions set forth in 14 Ill. Admin. Code 522. Each
26 applicant is required to report annually, on or before April

1 15, on the diversity of its workforce in accordance with
2 Section 110-50 of this Act. For existing facilities of
3 applicants under paragraph (3) of subsection (b) above, if the
4 taxpayer expects a reduction in force due to its transition to
5 manufacturing semiconductors, microchips, or semiconductor or
6 microchip component parts, the plan submitted under this
7 Section must outline the taxpayer's plan to assist with
8 retraining its workforce aligned with the taxpayer's adoption
9 of new technologies and anticipated efforts to retrain
10 employees through employment opportunities within the
11 taxpayer's workforce.

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

1 Credit Act may submit an application for an agreement under
2 this Act after it terminates any existing agreement under the
3 Economic Development for a Growing Economy Tax Credit Act with
4 respect to the same address or location.

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

6 (35 ILCS 45/110-35)

7 Sec. 110-35. Relocation of jobs in Illinois. A taxpayer is
8 not entitled to claim a credit provided by this Act with
9 respect to any jobs that the taxpayer relocates from one site
10 in Illinois to another site in Illinois unless the taxpayer
11 has agreed to hire the minimum number of new employees and the
12 Department has determined that the expansion cannot reasonably
13 be accommodated within the municipality in which the business
14 is located. Any full-time employee relocated to Illinois in
15 connection with a qualifying project is deemed to be a new
16 employee for purposes of this Act. Determinations under this
17 Section shall be made by the Department.

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

19 (35 ILCS 45/110-65)

20 Sec. 110-65. Certified payroll.

21 (a) Annually, until construction is completed, a company
22 seeking MICRO Construction Job Credits shall submit a report
23 that, at a minimum, describes the projected project scope,
24 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. ~~Each contractor and~~
6 ~~subcontractor that is engaged in construction work on project~~
7 ~~facilities for a taxpayer who seeks to apply for a MICRO~~
8 ~~Construction Jobs Credit shall:~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 ~~subcontractor's false certification.~~

2 (b) In order to receive credit for construction expenses,
3 the company must provide the Department with evidence that a
4 certified third party executed an Agreed-Upon Procedure (AUP)
5 verifying the construction expenses or accept the standard
6 construction wage expense estimated by the Department. Any
7 ~~contractor or subcontractor subject to this Section, and any~~
8 ~~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 as to any~~
14 ~~material fact is in violation of this Act and guilty of a Class~~
15 ~~A misdemeanor and may be enforced by the Illinois Department~~
16 ~~of Labor or the Department. The Attorney General shall~~
17 ~~represented the Illinois Department of Labor or the Department~~
18 ~~in the proceeding.~~

19 (c) Upon review of the final project scope, timeline,
20 budget, and AUP, the Department shall issue a tax credit
21 certificate reflecting a percentage of the total construction
22 job wages paid throughout the completion of the project. The
23 ~~taxpayer in charge of the project shall keep the records~~
24 ~~submitted in accordance with this Section for a period of 5~~
25 ~~years from the date of the last payment for work on a contract~~
26 ~~or subcontract for the project.~~

1 (d) (Blank). ~~The records submitted in accordance with this~~
2 ~~Section shall be considered public records, except an~~
3 ~~employee's address, telephone number, and social security~~
4 ~~number, which shall be redacted. The records shall be made~~
5 ~~publicly available in accordance with the Freedom of~~
6 ~~Information Act. The contractor or subcontractor shall submit~~
7 ~~reports to the Department of Labor electronically that meet~~
8 ~~the requirements of this subsection and shall share the~~
9 ~~information with the Department to comply with the awarding of~~
10 ~~the MICRO Construction Jobs Credit. A contractor,~~
11 ~~subcontractor, or public body may retain records required~~
12 ~~under this Section in paper or electronic format.~~

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

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

1 Sec. 110-95. Utility tax exemptions for MICRO projects.
2 The Department may certify a taxpayer with a credit for a
3 project that meets the qualifications under paragraphs (1),
4 (2), and (4) of subsection (c) of Section 110-20, subject to an
5 agreement under this Act, for an exemption from the tax
6 imposed at the project site by Section 2-4 of the Electricity
7 Excise Tax Law. To receive such certification, the taxpayer
8 must be registered to self-assess that tax. The taxpayer is
9 also exempt from any additional charges added to the
10 taxpayer's utility bills at the project site as a pass-on of
11 State utility taxes under Section 9-222 of the Public
12 Utilities Act. The taxpayer must meet any other ~~the~~ criteria
13 for certification set by the Department.

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

20 The Department is authorized to adopt rules to carry out
21 the provisions of this Section, including procedures to apply
22 for the exemptions; to define the amounts and types of
23 eligible investments that an applicant must make in order to
24 receive electricity excise tax exemptions or exemptions from
25 the additional charges imposed under Section 9-222 and the
26 Public Utilities Act; to approve such electricity excise tax

1 exemptions for applicants whose investments are not yet placed
2 in service; and to require that an applicant granted an
3 electricity excise tax exemption or an exemption from
4 additional charges under Section 9-222 of the Public Utilities
5 Act repay the exempted amount if the applicant fails to comply
6 with the terms and conditions of the agreement.

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

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

16 Section 35. The Use Tax Act is amended by changing Section
17 12 as follows:

18 (35 ILCS 105/12) (from Ch. 120, par. 439.12)

19 Sec. 12. Applicability of Retailers' Occupation Tax Act
20 and Uniform Penalty and Interest Act. All of the provisions of
21 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,
22 2-29, 2-54, 2a, 2b, 2c, 3, 4 (except that the time limitation
23 provisions shall run from the date when the tax is due rather
24 than from the date when gross receipts are received), 5

1 (except that the time limitation provisions on the issuance of
2 notices of tax liability shall run from the date when the tax
3 is due rather than from the date when gross receipts are
4 received and except that in the case of a failure to file a
5 return required by this Act, no notice of tax liability shall
6 be issued on and after each July 1 and January 1 covering tax
7 due with that return during any month or period more than 6
8 years before that July 1 or January 1, respectively), 5a, 5b,
9 5c, 5d, 5e, 5f, 5g, 5h, 5j, 5k, 5l, 5m, 5n, 7, 8, 9, 10, 11 and
10 12 of the Retailers' Occupation Tax Act and Section 3-7 of the
11 Uniform Penalty and Interest Act, which are not inconsistent
12 with this Act, shall apply, as far as practicable, to the
13 subject matter of this Act to the same extent as if such
14 provisions were included herein.

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

16 Section 40. The Service Use Tax Act is amended by changing
17 Section 12 as follows:

18 (35 ILCS 110/12) (from Ch. 120, par. 439.42)

19 Sec. 12. Applicability of Retailers' Occupation Tax Act
20 and Uniform Penalty and Interest Act. All of the provisions of
21 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,
22 2-29, 2-54, 2a, 2b, 2c, 3 (except as to the disposition by the
23 Department of the money collected under this Act), 4 (except
24 that the time limitation provisions shall run from the date

1 when gross receipts are received), 5 (except that the time
2 limitation provisions on the issuance of notices of tax
3 liability shall run from the date when the tax is due rather
4 than from the date when gross receipts are received and except
5 that in the case of a failure to file a return required by this
6 Act, no notice of tax liability shall be issued on and after
7 July 1 and January 1 covering tax due with that return during
8 any month or period more than 6 years before that July 1 or
9 January 1, respectively), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k,
10 5l, 5m, 5n, 6d, 7, 8, 9, 10, 11 and 12 of the Retailers'
11 Occupation Tax Act which are not inconsistent with this Act,
12 and Section 3-7 of the Uniform Penalty and Interest Act, shall
13 apply, as far as practicable, to the subject matter of this Act
14 to the same extent as if such provisions were included herein.
15 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23.)

16 Section 45. The Service Occupation Tax Act is amended by
17 changing Section 12 as follows:

18 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

19 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
20 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12, 2-54, 2a, 2b, 2c, 3
21 (except as to the disposition by the Department of the tax
22 collected under this Act), 4 (except that the time limitation
23 provisions shall run from the date when the tax is due rather
24 than from the date when gross receipts are received), 5

1 (except that the time limitation provisions on the issuance of
2 notices of tax liability shall run from the date when the tax
3 is due rather than from the date when gross receipts are
4 received), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 5m, 5n, 6d,
5 7, 8, 9, 10, 11, and 12 of the "Retailers' Occupation Tax Act"
6 which are not inconsistent with this Act, and Section 3-7 of
7 the Uniform Penalty and Interest Act shall apply, as far as
8 practicable, to the subject matter of this Act to the same
9 extent as if such provisions were included herein.

10 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
11 revised 9-26-23.)

12 Section 50. The Retailers' Occupation Tax Act is amended
13 by adding Section 2-29 as follows:

14 (35 ILCS 120/2-29 new)

15 Sec. 2-29. Quantum computing campus building materials
16 exemption.

17 (a) Each retailer who makes a qualified sale of building
18 materials to be incorporated into real estate at a quantum
19 computing campus certified by the Department of Commerce and
20 Economic Opportunity under Section 605-1115 of the Department
21 of Commerce and Economic Opportunity Law of the Civil
22 Administrative Code of Illinois may deduct receipts from those
23 sales when calculating the tax imposed by this Act. Quantum
24 Computing Campus Building Materials Exemption Certificates

1 shall be issued for an initial period not to exceed 20 years
2 and can be renewed once for a period not to exceed 20 years.

3 (b) No retailer who is eligible for the deduction or
4 credit for a given sale under Section 5k of this Act related to
5 enterprise zones, Section 5l of this Act related to High
6 Impact Businesses, Section 5m of this Act related to REV
7 Illinois projects, or Section 5n of this Act related to MICRO
8 facilities shall be eligible for the deduction or credit
9 authorized under this Section for that same sale.

10 (c) A construction contractor or other entity shall not
11 make tax-free purchases unless it has an active Exemption
12 Certificate issued by the Department at the time of the
13 purchase.

14 (d) A taxpayer that is certified by the Department of
15 Commerce and Economic Opportunity under Section 605-1115 of
16 the Department of Commerce and Economic Opportunity Law of the
17 Civil Administrative Code of Illinois shall submit a request
18 to the Department for an initial or renewal Quantum Computing
19 Campus Materials Exemption Certificate. Upon request from the
20 certified taxpayer, the Department shall issue a Quantum
21 Computing Campus Building Materials Exemption Certificate for
22 each construction contractor or other entity identified by the
23 certified taxpayer. The Department shall make the Quantum
24 Computing Campus Building Materials Exemption Certificates
25 available to each construction contractor or other entity
26 identified by the certified taxpayer and to the certified

1 taxpayer. The request for Quantum Computing Campus Building
2 Materials Exemption Certificates under this Section must
3 include the following information:

4 (1) the name and address of the construction
5 contractor or other entity;

6 (2) the name and location or address of the building
7 project site;

8 (3) the estimated amount of the exemption for each
9 construction contractor or other entity for which a
10 request for a Quantum Computing Campus Building Materials
11 Exemption Certificate is made, based on a stated estimated
12 average tax rate and the percentage of the contract that
13 consists of materials;

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

16 (5) other reasonable information as the Department may
17 require, including, but not limited to, FEIN numbers, to
18 determine if the contractor or other entity, or any
19 partner, or a corporate officer, and in the case of a
20 limited liability company, any manager or member, of the
21 construction contractor or other entity, is or has been
22 the owner, a partner, a corporate officer, and, in the
23 case of a limited liability company, a manager or member,
24 of a person that is in default for moneys due to the
25 Department under this Act or any other tax or fee Act
26 administered by the Department.

1 The Department, in its discretion, may require that the
2 request for Quantum Computing Campus Building Materials
3 Exemption Certificates be submitted electronically. The
4 Department may, in its discretion, issue the Exemption
5 Certificates electronically.

6 (e) To document the exemption allowed under this Section,
7 the retailer must obtain from the purchaser the certification
8 required under this Section, which must contain the Quantum
9 Computing Campus Building Materials Exemption Certificate
10 number issued to the purchaser by the Department. In addition,
11 the retailer must obtain certification from the purchaser that
12 contains:

13 (1) a statement that the building materials are being
14 purchased for incorporation into real estate located in a
15 quantum computing campus;

16 (2) the location or address of the real estate into
17 which the building materials will be incorporated;

18 (3) the name of the quantum computing campus in which
19 that real estate is located;

20 (4) a description of the building materials being
21 purchased;

22 (5) the purchaser's Quantum Computing Campus Building
23 Materials Exemption Certificate number issued by the
24 Department; and

25 (6) the purchaser's signature and date of purchase.

26 (f) The Department shall issue the Quantum Computing

1 Campus Building Materials Exemption Certificates within 3
2 business days after receipt of the request from the certified
3 taxpayer. This requirement does not apply in circumstances
4 where the Department, for reasonable cause, is unable to issue
5 the Exemption Certificate within 3 business days. The
6 Department may refuse to issue a Quantum Computing Campus
7 Building Materials Exemption Certificate if the owner, any
8 partner, or a corporate officer, and in the case of a limited
9 liability company, any manager or member, of the construction
10 contractor or other entity is or has been the owner, a partner,
11 a corporate officer, and, in the case of a limited liability
12 company, a manager or member, of a person that is in default
13 for moneys due to the Department under this Act or any other
14 tax or fee Act administered by the Department.

15 (g) The Quantum Computing Campus Building Materials
16 Exemption Certificate shall contain:

17 (1) a unique identifying number that shall be designed
18 in such a way that the Department can identify from the
19 unique number on the Exemption Certificate issued to a
20 given construction contractor or other entity, the name of
21 the quantum computing campus and the construction
22 contractor or other entity to whom the Exemption
23 Certificate is issued;

24 (2) the name of the construction contractor or entity
25 to whom the Exemption Certificate is issued;

26 (3) issuance, effective, and expiration dates; and

1 (4) language stating that if the construction
2 contractor or other entity who is issued the Exemption
3 Certificate makes a tax-exempt purchase, as described in
4 this Section, that is not eligible for exemption under
5 this Section or allows another person to make a tax-exempt
6 purchase, as described in this Section, that is not
7 eligible for exemption under this Section, then, in
8 addition to any tax or other penalty imposed, the
9 construction contractor or other entity is subject to a
10 penalty equal to the tax that would have been paid by the
11 retailer under this Act as well as any applicable local
12 retailers' occupation tax on the purchase that is not
13 eligible for the exemption.

14 (h) After the Department issues Exemption Certificates for
15 a given quantum computing campus, the certified taxpayer may
16 notify the Department of additional construction contractors
17 or other entities that are eligible for a Quantum Computing
18 Campus Building Materials Exemption Certificate. Upon
19 receiving such a notification and subject to the other
20 provisions of this Section, the Department shall issue a
21 Quantum Computing Campus Building Materials Exemption
22 Certificate to each additional construction contractor or
23 other entity so identified.

24 (i) A certified taxpayer may ask the Department to rescind
25 a Quantum Computing Campus Building Materials Exemption
26 Certificate previously issued by the Department to a

1 construction contractor or other entity working at that
2 certified quantum computing campus if that Quantum Computing
3 Campus Building Materials Exemption Certificate has not yet
4 expired. Upon receiving such a request and subject to the
5 other provisions of this Section, the Department shall issue
6 the rescission of the Quantum Computing Campus Building
7 Materials Exemption Certificate to the construction contractor
8 or other entity identified by the certified taxpayer and
9 provide a copy of the rescission to the construction
10 contractor or other entity and to the certified taxpayer.

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

23 (k) Each contractor or other entity that has been issued a
24 Quantum Computing Campus Building Materials Exemption
25 Certificate under this Section shall annually report to the
26 Department the total value of the quantum computing campus

1 building materials exemption from State taxes. Reports shall
2 contain information reasonably required by the Department to
3 enable it to verify and calculate the total tax benefits for
4 taxes imposed by the State and shall be broken down by quantum
5 computing campus site. Reports are due no later than May 31 of
6 each year and shall cover the previous calendar year. Failure
7 to report data may result in revocation of the Quantum
8 Computing Campus Building Materials Exemption Certificate
9 issued to the contractor or other entity. The Department is
10 authorized to adopt rules governing revocation determinations,
11 including the length of revocation. Factors to be considered
12 in revocations shall include, but are not limited to, prior
13 compliance with the reporting requirements, cooperation in
14 discontinuing and correcting violations, and whether the
15 certificate was used unlawfully during the preceding year. The
16 Department, in its discretion, may require that the reports
17 filed under this Section be submitted electronically.

18 (1) As used in this Section:

19 "Certified taxpayer" means a person certified by the
20 Department of Commerce and Economic Opportunity under Section
21 605-1115 of the Department of Commerce and Economic
22 Opportunity Law of the Civil Administrative Code of Illinois.

23 "Qualified sale" means a sale of building materials that
24 will be incorporated into real estate as part of a building
25 project for which a Quantum Computing Campus Building
26 Materials Exemption Certificate has been issued to the

1 purchaser by the Department.

2 (m) The Department shall have the authority to adopt rules
3 as are reasonable and necessary to implement the provisions of
4 this Section.

5 (n) This Section is exempt from the provisions of Section
6 2-70.

7 (o) This exemption also applies to the Use Tax Act, the
8 Service Use Tax Act, and the Service Occupation Tax Act and is
9 incorporated by reference in Section 12 of each of those
10 respective Acts.

11 Section 53. The Gas Use Tax Law is amended by changing
12 Section 5-10 as follows:

13 (35 ILCS 173/5-10)

14 Sec. 5-10. Imposition of tax. Beginning October 1, 2003, a
15 tax is imposed upon the privilege of using in this State gas
16 obtained in a purchase of out-of-state gas at the rate of 2.4
17 cents per therm or 5% of the purchase price for the billing
18 period, whichever is the lower rate. Such tax rate shall be
19 referred to as the "self-assessing purchaser tax rate".
20 Beginning with bills issued by delivering suppliers on and
21 after October 1, 2003, purchasers may elect an alternative tax
22 rate of 2.4 cents per therm to be paid under the provisions of
23 Section 5-15 of this Law to a delivering supplier maintaining
24 a place of business in this State. Such tax rate shall be

1 referred to as the "alternate tax rate". The tax imposed under
2 this Section shall not apply to gas used by business
3 enterprises certified under Section 9-222.1 of the Public
4 Utilities Act or Section 605-1115 of the Department of
5 Commerce and Economic Opportunity Law of the Civil
6 Administrative Code of Illinois, as amended, to the extent of
7 such exemption and during the period of time specified by the
8 Department of Commerce and Economic Opportunity.

9 (Source: P.A. 93-31, eff. 10-1-03; 94-793, eff. 5-19-06.)

10 Section 55. The Property Tax Code is amended by changing
11 Sections 18-184.15 and 18-184.20 as follows:

12 (35 ILCS 200/18-184.15)

13 Sec. 18-184.15. REV Illinois project facilities for
14 electric vehicles, electric vehicle component parts, or
15 electric vehicle power supply equipment; abatement.

16 (a) Any taxing district, upon a majority vote of its
17 governing body, may, after determination of the assessed value
18 as set forth in this Code, order the clerk of the appropriate
19 municipality or county to abate, for a period not to exceed 30
20 consecutive years, any portion of real property taxes
21 otherwise levied or extended by the taxing district on a REV
22 Illinois Project facility ~~owned by an electric vehicle~~
23 ~~manufacturer, electric vehicle component parts manufacturer,~~
24 ~~or an electric vehicle power supply manufacturer~~ that is

1 subject to an agreement with the Department of Commerce and
2 Economic Opportunity under Section 45 of the Reimagining
3 Energy and Vehicles in Illinois Act, during the period of time
4 such agreement is in effect as specified by the Department of
5 Commerce and Economic Opportunity.

6 (b) Two or more taxing districts, upon a majority vote of
7 each of their respective governing bodies, may agree to abate,
8 for a period not to exceed 30 consecutive tax years, a portion
9 of the real property taxes otherwise levied or extended by
10 those taxing districts on a REV Illinois Project facility that
11 is subject to an agreement with the Department of Commerce and
12 Economic Opportunity under Section 45 of the Reimagining
13 Energy and Vehicles in Illinois Act. The agreement entered
14 into by the taxing districts under this subsection (b) shall
15 be filed with the county clerk who shall, for the period the
16 agreement remains in effect, abate the portion of the real
17 estate taxes levied or extended by those taxing districts as
18 directed in the agreement. Any such agreement entered into by
19 2 or more taxing districts before the effective date of this
20 amendatory Act of the 103rd General Assembly that is not
21 inconsistent with the provisions of this subsection (b) is
22 hereby declared valid and enforceable for the effective period
23 of that agreement.

24 (Source: P.A. 102-669, eff. 11-16-21; 102-1125, eff. 2-3-23.)

1 Sec. 18-184.20. MICRO Illinois project facilities. Any
2 taxing district, upon a majority vote of its governing body,
3 may, after determination of the assessed value as set forth in
4 this Code, order the clerk of the appropriate municipality or
5 county to abate, for a period not to exceed 30 consecutive
6 years, any portion of real property taxes otherwise levied or
7 extended by the taxing district on a MICRO Illinois Project
8 facility ~~owned by a semiconductor manufacturer or microchip~~
9 ~~manufacturer or a semiconductor or microchip component parts~~
10 ~~manufacturer~~ that is subject to an agreement with the
11 Department of Commerce and Economic Opportunity under the
12 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,
13 during the period of time such agreement is in effect as
14 specified by the Department of Commerce and Economic
15 Opportunity.

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

17 Section 60. The Telecommunications Excise Tax Act is
18 amended by changing Section 2 as follows:

19 (35 ILCS 630/2) (from Ch. 120, par. 2002)

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

22 (a) "Gross charge" means the amount paid for the act or
23 privilege of originating or receiving telecommunications in
24 this State and for all services and equipment provided in

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

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

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

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

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

1 or accounting equipment and also includes the usage of
2 computers under a time-sharing agreement.

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

7 (5) Charges to business enterprises certified under
8 Section 9-222.1 of the Public Utilities Act, as amended,
9 or under Section 95 of the Reimagining Energy and Vehicles
10 in Illinois Act, to the extent of such exemption and
11 during the period of time specified by the Department of
12 Commerce and Economic Opportunity.

13 (5.1) Charges to business enterprises certified under
14 the Manufacturing Illinois Chips for Real Opportunity
15 (MICRO) Act, to the extent of the exemption and during the
16 period of time specified by the Department of Commerce and
17 Economic Opportunity.

18 (5.2) Charges to entities certified under Section
19 605-1115 of the Department of Commerce and Economic
20 Opportunity Law of the Civil Administrative Code of
21 Illinois to the extent of the exemption and during the
22 period of time specified by the Department of Commerce and
23 Economic Opportunity.

24 (6) Charges for telecommunications and all services
25 and equipment provided in connection therewith between a
26 parent corporation and its wholly owned subsidiaries or

1 between wholly owned subsidiaries when the tax imposed
2 under this Article has already been paid to a retailer and
3 only to the extent that the charges between the parent
4 corporation and wholly owned subsidiaries or between
5 wholly owned subsidiaries represent expense allocation
6 between the corporations and not the generation of profit
7 for the corporation rendering such service.

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

16 (8) Charges paid by inserting coins in coin-operated
17 telecommunication devices.

18 (9) Amounts paid by telecommunications retailers under
19 the Telecommunications Municipal Infrastructure
20 Maintenance Fee Act.

21 (10) Charges for nontaxable services or
22 telecommunications if (i) those charges are aggregated
23 with other charges for telecommunications that are
24 taxable, (ii) those charges are not separately stated on
25 the customer bill or invoice, and (iii) the retailer can
26 reasonably identify the nontaxable charges on the

1 retailer's books and records kept in the regular course of
2 business. If the nontaxable charges cannot reasonably be
3 identified, the gross charge from the sale of both taxable
4 and nontaxable services or telecommunications billed on a
5 combined basis shall be attributed to the taxable services
6 or telecommunications. The burden of proving nontaxable
7 charges shall be on the retailer of the
8 telecommunications.

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

12 (c) "Telecommunications", in addition to the meaning
13 ordinarily and popularly ascribed to it, includes, without
14 limitation, messages or information transmitted through use of
15 local, toll and wide area telephone service; private line
16 services; channel services; telegraph services;
17 teletypewriter; computer exchange services; cellular mobile
18 telecommunications service; specialized mobile radio;
19 stationary two way radio; paging service; or any other form of
20 mobile and portable one-way or two-way communications; or any
21 other transmission of messages or information by electronic or
22 similar means, between or among points by wire, cable,
23 fiber-optics, laser, microwave, radio, satellite or similar
24 facilities. As used in this Act, "private line" means a
25 dedicated non-traffic sensitive service for a single customer,
26 that entitles the customer to exclusive or priority use of a

1 communications channel or group of channels, from one or more
2 specified locations to one or more other specified locations.
3 The definition of "telecommunications" shall not include value
4 added services in which computer processing applications are
5 used to act on the form, content, code and protocol of the
6 information for purposes other than transmission.
7 "Telecommunications" shall not include purchases of
8 telecommunications by a telecommunications service provider
9 for use as a component part of the service provided by him to
10 the ultimate retail consumer who originates or terminates the
11 taxable end-to-end communications. Carrier access charges,
12 right of access charges, charges for use of inter-company
13 facilities, and all telecommunications resold in the
14 subsequent provision of, used as a component of, or integrated
15 into end-to-end telecommunications service shall be
16 non-taxable as sales for resale.

17 (d) "Interstate telecommunications" means all
18 telecommunications that either originate or terminate outside
19 this State.

20 (e) "Intrastate telecommunications" means all
21 telecommunications that originate and terminate within this
22 State.

23 (f) "Department" means the Department of Revenue of the
24 State of Illinois.

25 (g) "Director" means the Director of Revenue for the
26 Department of Revenue of the State of Illinois.

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

5 (i) "Person" means any natural individual, firm, trust,
6 estate, partnership, association, joint stock company, joint
7 venture, corporation, limited liability company, or a
8 receiver, trustee, guardian or other representative appointed
9 by order of any court, the Federal and State governments,
10 including State universities created by statute or any city,
11 town, county or other political subdivision of this State.

12 (j) "Purchase at retail" means the acquisition,
13 consumption or use of telecommunication through a sale at
14 retail.

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

23 (l) "Retailer" means and includes every person engaged in
24 the business of making sales at retail as defined in this
25 Article. The Department may, in its discretion, upon
26 application, authorize the collection of the tax hereby

1 imposed by any retailer not maintaining a place of business
2 within this State, who, to the satisfaction of the Department,
3 furnishes adequate security to insure collection and payment
4 of the tax. Such retailer shall be issued, without charge, a
5 permit to collect such tax. When so authorized, it shall be the
6 duty of such retailer to collect the tax upon all of the gross
7 charges for telecommunications in this State in the same
8 manner and subject to the same requirements as a retailer
9 maintaining a place of business within this State. The permit
10 may be revoked by the Department at its discretion.

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

22 (n) "Service address" means the location of
23 telecommunications equipment from which the telecommunications
24 services are originated or at which telecommunications
25 services are received by a taxpayer. In the event this may not
26 be a defined location, as in the case of mobile phones, paging

1 systems, maritime systems, service address means the
2 customer's place of primary use as defined in the Mobile
3 Telecommunications Sourcing Conformity Act. For air-to-ground
4 systems and the like, service address shall mean the location
5 of a taxpayer's primary use of the telecommunications
6 equipment as defined by telephone number, authorization code,
7 or location in Illinois where bills are sent.

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

1 under an existing subscription plan.

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

4 Section 65. The Telecommunications Infrastructure
5 Maintenance Fee Act is amended by changing Section 10 as
6 follows:

7 (35 ILCS 635/10)

8 Sec. 10. Definitions.

9 (a) "Gross charges" means the amount paid to a
10 telecommunications retailer for the act or privilege of
11 originating or receiving telecommunications in this State and
12 for all services rendered in connection therewith, valued in
13 money whether paid in money or otherwise, including cash,
14 credits, services, and property of every kind or nature, and
15 shall be determined without any deduction on account of the
16 cost of such telecommunications, the cost of the materials
17 used, labor or service costs, or any other expense whatsoever.
18 In case credit is extended, the amount thereof shall be
19 included only as and when paid. "Gross charges" for private
20 line service shall include charges imposed at each channel
21 termination point within this State, charges for the channel
22 mileage between each channel termination point within this
23 State, and charges for that portion of the interstate
24 inter-office channel provided within Illinois. Charges for

1 that portion of the interstate inter-office channel provided
2 in Illinois shall be determined by the retailer as follows:

3 (i) for interstate inter-office channels having 2 channel
4 termination points, only one of which is in Illinois, 50% of
5 the total charge imposed; or (ii) for interstate inter-office
6 channels having more than 2 channel termination points, one or
7 more of which are in Illinois, an amount equal to the total
8 charge multiplied by a fraction, the numerator of which is the
9 number of channel termination points within Illinois and the
10 denominator of which is the total number of channel
11 termination points. Prior to January 1, 2004, any method
12 consistent with this paragraph or other method that reasonably
13 apportions the total charges for interstate inter-office
14 channels among the states in which channel terminations points
15 are located shall be accepted as a reasonable method to
16 determine the charges for that portion of the interstate
17 inter-office channel provided within Illinois for that period.
18 However, "gross charges" shall not include any of the
19 following:

20 (1) Any amounts added to a purchaser's bill because of
21 a charge made under: (i) the fee imposed by this Section,
22 (ii) additional charges added to a purchaser's bill under
23 Section 9-221 or 9-222 of the Public Utilities Act, (iii)
24 the tax imposed by the Telecommunications Excise Tax Act,
25 (iv) 911 surcharges, (v) the tax imposed by Section 4251
26 of the Internal Revenue Code, or (vi) the tax imposed by

1 the Simplified Municipal Telecommunications Tax Act.

2 (2) Charges for a sent collect telecommunication
3 received outside of this State.

4 (3) Charges for leased time on equipment or charges
5 for the storage of data or information or 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
10 equipment, or accounting equipment and also includes the
11 usage of 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 under
17 Section 9-222.1 of the Public Utilities Act to the extent
18 of such exemption and during the period of time specified
19 by the Department of Commerce and Economic Opportunity.

20 (5.1) Charges to business enterprises certified under
21 Section 95 of the Reimagining Energy and Vehicles in
22 Illinois Act, to the extent of the exemption and during
23 the period of time specified by the Department of Commerce
24 and Economic Opportunity.

25 (5.2) Charges to business enterprises certified under
26 Section 110-95 of the Manufacturing Illinois Chips for

1 Real Opportunity (MICRO) Act, to the extent of the
2 exemption and during the period of time specified by the
3 Department of Commerce and Economic Opportunity.

4 (5.3) Charges to entities certified under Section
5 605-1115 of the Department of Commerce and Economic
6 Opportunity Law of the Civil Administrative Code of
7 Illinois to the extent of the exemption and during the
8 period of time specified by the Department of Commerce and
9 Economic Opportunity.

10 (6) Charges for telecommunications and all services
11 and equipment provided in connection therewith between a
12 parent corporation and its wholly owned subsidiaries or
13 between wholly owned subsidiaries, and only to the extent
14 that the charges between the parent corporation and wholly
15 owned subsidiaries or between wholly owned subsidiaries
16 represent expense allocation between the corporations and
17 not the generation of profit other than a regulatory
18 required profit for the corporation rendering such
19 services.

20 (7) Bad debts ("bad debt" means any portion of a debt
21 that is related to a sale at retail for which gross charges
22 are not otherwise deductible or excludable that has become
23 worthless or uncollectible, as determined under applicable
24 federal income tax standards; if the portion of the debt
25 deemed to be bad is subsequently paid, the retailer shall
26 report and pay the tax on that portion during the

1 reporting period in which the payment is made).

2 (8) Charges paid by inserting coins in coin-operated
3 telecommunication devices.

4 (9) Charges for nontaxable services or
5 telecommunications if (i) those charges are aggregated
6 with other charges for telecommunications that are
7 taxable, (ii) those charges are not separately stated on
8 the customer bill or invoice, and (iii) the retailer can
9 reasonably identify the nontaxable charges on the
10 retailer's books and records kept in the regular course of
11 business. If the nontaxable charges cannot reasonably be
12 identified, the gross charge from the sale of both taxable
13 and nontaxable services or telecommunications billed on a
14 combined basis shall be attributed to the taxable services
15 or telecommunications. The burden of proving nontaxable
16 charges shall be on the retailer of the
17 telecommunications.

18 (a-5) "Department" means the Illinois Department of
19 Revenue.

20 (b) "Telecommunications" includes, but is not limited to,
21 messages or information transmitted through use of local,
22 toll, and wide area telephone service, channel services,
23 telegraph services, teletypewriter service, computer exchange
24 services, private line services, specialized mobile radio
25 services, or any other transmission of messages or information
26 by electronic or similar means, between or among points by

1 wire, cable, fiber optics, laser, microwave, radio, satellite,
2 or similar facilities. Unless the context clearly requires
3 otherwise, "telecommunications" shall also include wireless
4 telecommunications as hereinafter defined.
5 "Telecommunications" shall not include value added services in
6 which computer processing applications are used to act on the
7 form, content, code, and protocol of the information for
8 purposes other than transmission. "Telecommunications" shall
9 not include purchase of telecommunications by a
10 telecommunications service provider for use as a component
11 part of the service provided by him or her to the ultimate
12 retail consumer who originates or terminates the end-to-end
13 communications. Retailer access charges, right of access
14 charges, charges for use of intercompany facilities, and all
15 telecommunications resold in the subsequent provision and used
16 as a component of, or integrated into, end-to-end
17 telecommunications service shall not be included in gross
18 charges as sales for resale. "Telecommunications" shall not
19 include the provision of cable services through a cable system
20 as defined in the Cable Communications Act of 1984 (47 U.S.C.
21 Sections 521 and following) as now or hereafter amended or
22 through an open video system as defined in the Rules of the
23 Federal Communications Commission (47 C.D.F. 76.1550 and
24 following) as now or hereafter amended. Beginning January 1,
25 2001, prepaid telephone calling arrangements shall not be
26 considered "telecommunications" subject to the tax imposed

1 under this Act. For purposes of this Section, "prepaid
2 telephone calling arrangements" means that term as defined in
3 Section 2-27 of the Retailers' Occupation Tax Act.

4 (c) "Wireless telecommunications" includes cellular mobile
5 telephone services, personal wireless services as defined in
6 Section 704(C) of the Telecommunications Act of 1996 (Public
7 Law No. 104-104) as now or hereafter amended, including all
8 commercial mobile radio services, and paging services.

9 (d) "Telecommunications retailer" or "retailer" or
10 "carrier" means and includes every person engaged in the
11 business of making sales of telecommunications at retail as
12 defined in this Section. The Department may, in its
13 discretion, upon applications, authorize the collection of the
14 fee hereby imposed by any retailer not maintaining a place of
15 business within this State, who, to the satisfaction of the
16 Department, furnishes adequate security to insure collection
17 and payment of the fee. When so authorized, it shall be the
18 duty of such retailer to pay the fee upon all of the gross
19 charges for telecommunications in the same manner and subject
20 to the same requirements as a retailer maintaining a place of
21 business within this State.

22 (e) "Retailer maintaining a place of business in this
23 State", or any like term, means and includes any retailer
24 having or maintaining within this State, directly or by a
25 subsidiary, an office, distribution facilities, transmission
26 facilities, sales office, warehouse, or other place of

1 business, or any agent or other representative operating
2 within this State under the authority of the retailer or its
3 subsidiary, irrespective of whether such place of business or
4 agent or other representative is located here permanently or
5 temporarily, or whether such retailer or subsidiary is
6 licensed to do business in this State.

7 (f) "Sale of telecommunications at retail" means the
8 transmitting, supplying, or furnishing of telecommunications
9 and all services rendered in connection therewith for a
10 consideration, other than between a parent corporation and its
11 wholly owned subsidiaries or between wholly owned
12 subsidiaries, when the gross charge made by one such
13 corporation to another such corporation is not greater than
14 the gross charge paid to the retailer for their use or
15 consumption and not for sale.

16 (g) "Service address" means the location of
17 telecommunications equipment from which telecommunications
18 services are originated or at which telecommunications
19 services are received. If this is not a defined location, as in
20 the case of wireless telecommunications, paging systems,
21 maritime systems, service address means the customer's place
22 of primary use as defined in the Mobile Telecommunications
23 Sourcing Conformity Act. For air-to-ground systems, and the
24 like, "service address" shall mean the location of the
25 customer's primary use of the telecommunications equipment as
26 defined by the location in Illinois where bills are sent.

1 (Source: P.A. 102-1125, eff. 2-3-23.)

2 Section 70. The Simplified Municipal Telecommunications
3 Tax Act is amended by changing Section 5-7 as follows:

4 (35 ILCS 636/5-7)

5 Sec. 5-7. Definitions. For purposes of the taxes
6 authorized by this Act:

7 "Amount paid" means the amount charged to the taxpayer's
8 service address in such municipality regardless of where such
9 amount is billed or paid.

10 "Department" means the Illinois Department of Revenue.

11 "Gross charge" means the amount paid for the act or
12 privilege of originating or receiving telecommunications in
13 such municipality and for all services and equipment provided
14 in connection therewith by a retailer, valued in money whether
15 paid in money or otherwise, including cash, credits, services
16 and property of every kind or nature, and shall be determined
17 without any deduction on account of the cost of such
18 telecommunications, the cost of the materials used, labor or
19 service costs or any other expense whatsoever. In case credit
20 is extended, the amount thereof shall be included only as and
21 when paid. "Gross charges" for private line service shall
22 include charges imposed at each channel termination point
23 within a municipality that has imposed a tax under this
24 Section and charges for the portion of the inter-office

1 channels provided within that municipality. Charges for that
2 portion of the inter-office channel connecting 2 or more
3 channel termination points, one or more of which is located
4 within the jurisdictional boundary of such municipality, shall
5 be determined by the retailer by multiplying an amount equal
6 to the total charge for the inter-office channel by a
7 fraction, the numerator of which is the number of channel
8 termination points that are located within the jurisdictional
9 boundary of the municipality and the denominator of which is
10 the total number of channel termination points connected by
11 the inter-office channel. Prior to January 1, 2004, any method
12 consistent with this paragraph or other method that reasonably
13 apportions the total charges for inter-office channels among
14 the municipalities in which channel termination points are
15 located shall be accepted as a reasonable method to determine
16 the taxable portion of an inter-office channel provided within
17 a municipality for that period. However, "gross charge" shall
18 not include any of the following:

19 (1) Any amounts added to a purchaser's bill because of
20 a charge made pursuant to: (i) the tax imposed by this Act,
21 (ii) the tax imposed by the Telecommunications Excise Tax
22 Act, (iii) the tax imposed by Section 4251 of the Internal
23 Revenue Code, (iv) 911 surcharges, or (v) charges added to
24 customers' bills pursuant to the provisions of Section
25 9-221 or 9-222 of the Public Utilities Act, as amended, or
26 any similar charges added to customers' bills by retailers

1 who are not subject to rate regulation by the Illinois
2 Commerce Commission for the purpose of recovering any of
3 the tax liabilities or other amounts specified in those
4 provisions of the Public Utilities Act.

5 (2) Charges for a sent collect telecommunication
6 received outside of such municipality.

7 (3) Charges for leased time on equipment or charges
8 for the storage of data or information for subsequent
9 retrieval or the processing of data or information
10 intended to change its form or content. Such equipment
11 includes, but is not limited to, the use of calculators,
12 computers, data processing equipment, tabulating equipment
13 or accounting equipment and also includes the usage of
14 computers under a time-sharing agreement.

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

19 (5) Charges to business enterprises certified as
20 exempt under Section 9-222.1 of the Public Utilities Act
21 to the extent of such exemption and during the period of
22 time specified by the Department of Commerce and Economic
23 Opportunity.

24 (5.1) Charges to business enterprises certified under
25 Section 95 of the Reimagining Energy and Vehicles in
26 Illinois Act, to the extent of the exemption and during

1 the period of time specified by the Department of Commerce
2 and Economic Opportunity.

3 (5.2) Charges to business enterprises certified under
4 Section 110-95 of the Manufacturing Illinois Chips for
5 Real Opportunity (MICRO) Act, to the extent of the
6 exemption and during the period of time specified by the
7 Department of Commerce and Economic Opportunity.

8 (5.3) Charges to entities certified under Section
9 605-1115 of the Department of Commerce and Economic
10 Opportunity Law of the Civil Administrative Code of
11 Illinois to the extent of the exemption and during the
12 period of time specified by the Department of Commerce and
13 Economic Opportunity.

14 (6) Charges for telecommunications and all services
15 and equipment provided in connection therewith between a
16 parent corporation and its wholly owned subsidiaries or
17 between wholly owned subsidiaries when the tax imposed
18 under this Act has already been paid to a retailer and only
19 to the extent that the charges between the parent
20 corporation and wholly owned subsidiaries or between
21 wholly owned subsidiaries represent expense allocation
22 between the corporations and not the generation of profit
23 for the corporation rendering such service.

24 (7) Bad debts ("bad debt" means any portion of a debt
25 that is related to a sale at retail for which gross charges
26 are not otherwise deductible or excludable that has become

1 worthless or uncollectible, as determined under applicable
2 federal income tax standards; if the portion of the debt
3 deemed to be bad is subsequently paid, the retailer shall
4 report and pay the tax on that portion during the
5 reporting period in which the payment is made).

6 (8) Charges paid by inserting coins in coin-operated
7 telecommunication devices.

8 (9) Amounts paid by telecommunications retailers under
9 the Telecommunications Infrastructure Maintenance Fee Act.

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

24 "Interstate telecommunications" means all
25 telecommunications that either originate or terminate outside
26 this State.

1 "Intrastate telecommunications" means all
2 telecommunications that originate and terminate within this
3 State.

4 "Person" means any natural individual, firm, trust,
5 estate, partnership, association, joint stock company, joint
6 venture, corporation, limited liability company, or a
7 receiver, trustee, guardian, or other representative appointed
8 by order of any court, the Federal and State governments,
9 including State universities created by statute, or any city,
10 town, county, or other political subdivision of this State.

11 "Purchase at retail" means the acquisition, consumption or
12 use of telecommunications through a sale at retail.

13 "Retailer" means and includes every person engaged in the
14 business of making sales at retail as defined in this Section.
15 The Department may, in its discretion, upon application,
16 authorize the collection of the tax hereby imposed by any
17 retailer not maintaining a place of business within this
18 State, who, to the satisfaction of the Department, furnishes
19 adequate security to insure collection and payment of the tax.
20 Such retailer shall be issued, without charge, a permit to
21 collect such tax. When so authorized, it shall be the duty of
22 such retailer to collect the tax upon all of the gross charges
23 for telecommunications in this State in the same manner and
24 subject to the same requirements as a retailer maintaining a
25 place of business within this State. The permit may be revoked
26 by the Department at its discretion.

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

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

20 "Service address" means the location of telecommunications
21 equipment from which telecommunications services are
22 originated or at which telecommunications services are
23 received by a taxpayer. In the event this may not be a defined
24 location, as in the case of mobile phones, paging systems, and
25 maritime systems, service address means the customer's place
26 of primary use as defined in the Mobile Telecommunications

1 Sourcing Conformity Act. For air-to-ground systems and the
2 like, "service address" shall mean the location of a
3 taxpayer's primary use of the telecommunications equipment as
4 defined by telephone number, authorization code, or location
5 in Illinois where bills are sent.

6 "Taxpayer" means a person who individually or through his
7 or her agents, employees, or permittees engages in the act or
8 privilege of originating or receiving telecommunications in a
9 municipality and who incurs a tax liability as authorized by
10 this Act.

11 "Telecommunications", in addition to the meaning
12 ordinarily and popularly ascribed to it, includes, without
13 limitation, messages or information transmitted through use of
14 local, toll, and wide area telephone service, private line
15 services, channel services, telegraph services,
16 teletypewriter, computer exchange services, cellular mobile
17 telecommunications service, specialized mobile radio,
18 stationary two-way radio, paging service, or any other form of
19 mobile and portable one-way or two-way communications, or any
20 other transmission of messages or information by electronic or
21 similar means, between or among points by wire, cable, fiber
22 optics, laser, microwave, radio, satellite, or similar
23 facilities. As used in this Act, "private line" means a
24 dedicated non-traffic sensitive service for a single customer,
25 that entitles the customer to exclusive or priority use of a
26 communications channel or group of channels, from one or more

1 specified locations to one or more other specified locations.
2 The definition of "telecommunications" shall not include value
3 added services in which computer processing applications are
4 used to act on the form, content, code, and protocol of the
5 information for purposes other than transmission.
6 "Telecommunications" shall not include purchases of
7 telecommunications by a telecommunications service provider
8 for use as a component part of the service provided by such
9 provider to the ultimate retail consumer who originates or
10 terminates the taxable end-to-end communications. Carrier
11 access charges, right of access charges, charges for use of
12 inter-company facilities, and all telecommunications resold in
13 the subsequent provision of, used as a component of, or
14 integrated into, end-to-end telecommunications service shall
15 be non-taxable as sales for resale. Prepaid telephone calling
16 arrangements shall not be considered "telecommunications"
17 subject to the tax imposed under this Act. For purposes of this
18 Section, "prepaid telephone calling arrangements" means that
19 term as defined in Section 2-27 of the Retailers' Occupation
20 Tax Act.

21 (Source: P.A. 102-1125, eff. 2-3-23.)

22 Section 75. The Electricity Excise Tax Law is amended by
23 changing Section 2-4 as follows:

24 (35 ILCS 640/2-4)

1 Sec. 2-4. Tax imposed.

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

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

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

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

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

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

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

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

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

24 (ix) For the next 10,000,000 kilowatt-hours used or
25 consumed in a month: 0.207 cents per kilowatt-hour;

26 (x) For all electricity in excess of 20,000,000

1 kilowatt-hours used or consumed in a month: 0.202 cents
2 per kilowatt-hour.

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

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

22 (c) The tax imposed by this Section 2-4 is not imposed with
23 respect to any use of electricity by business enterprises
24 certified under Section 9-222.1 or 9-222.1A of the Public
25 Utilities Act, as amended, to the extent of such exemption and
26 during the time specified by the Department of Commerce and

1 Economic Opportunity; or with respect to any transaction in
2 interstate commerce, or otherwise, to the extent to which such
3 transaction may not, under the Constitution and statutes of
4 the United States, be made the subject of taxation by this
5 State.

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

13 (e) The tax imposed by this Section 2-4 is not imposed with
14 respect to any use of electricity at a project site that has
15 received a certification for tax exemption from the Department
16 of Commerce and Economic Opportunity pursuant to the
17 Manufacturing Illinois Chips for Real Opportunity (MICRO) Act,
18 to the extent of such exemption, which shall be no more than 10
19 years.

20 (f) The tax imposed by this Section 2-4 is not imposed with
21 respect to any use of electricity at a quantum computing
22 campus that has received a certification for tax exemption
23 from the Department of Commerce and Economic Opportunity
24 pursuant to Section 605-1115 of the Department of Commerce and
25 Economic Opportunity Law of the Civil Administrative Code of
26 Illinois to the extent of the exemption and during the period

1 of time specified by the Department of Commerce and Economic
2 Opportunity.

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

5 Section 80. The River Edge Redevelopment Zone Act is
6 amended by changing Sections 10-4, 10-5.3, 10-10.3, and
7 10-10.4 as follows:

8 (65 ILCS 115/10-4)

9 Sec. 10-4. Qualifications for River Edge Redevelopment
10 Zones. An area is qualified to become a zone if it:

11 (1) is a contiguous area adjacent to or surrounding a
12 river;

13 (2) comprises a minimum of one half square mile and
14 not more than 12 square miles, exclusive of lakes and
15 waterways;

16 (3) satisfies any additional criteria established by
17 the Department consistent with the purposes of this Act;

18 (4) is entirely within a single municipality; and

19 (5) has at least 100 acres of environmentally
20 challenged land within 1500 yards of the riverfront.

21 Any River Edge Redevelopment Zone may have an overlapping
22 geographic area with an Enterprise Zone. If a taxpayer is
23 located in an area with an overlapping Enterprise Zone and
24 River Edge Redevelopment Zone, the taxpayer must elect, in the

1 form and manner required by the Department, from which program
2 it would like to request benefits.

3 (Source: P.A. 94-1021, eff. 7-12-06; 94-1022, eff. 7-12-06.)

4 (65 ILCS 115/10-5.3)

5 Sec. 10-5.3. Certification of River Edge Redevelopment
6 Zones.

7 (a) Approval of designated River Edge Redevelopment Zones
8 shall be made by the Department by certification of the
9 designating ordinance. The Department shall promptly issue a
10 certificate for each zone upon its approval. The certificate
11 shall be signed by the Director of the Department, shall make
12 specific reference to the designating ordinance, which shall
13 be attached thereto, and shall be filed in the office of the
14 Secretary of State. A certified copy of the River Edge
15 Redevelopment Zone Certificate, or a duplicate original
16 thereof, shall be recorded in the office of the recorder of
17 deeds of the county in which the River Edge Redevelopment Zone
18 lies.

19 (b) A River Edge Redevelopment Zone shall be effective
20 upon its certification. The Department shall transmit a copy
21 of the certification to the Department of Revenue, and to the
22 designating municipality. Upon certification of a River Edge
23 Redevelopment Zone, the terms and provisions of the
24 designating ordinance shall be in effect, and may not be
25 amended or repealed except in accordance with Section 10-5.4.

1 (c) A River Edge Redevelopment Zone shall be in effect for
2 the period stated in the certificate, which shall in no event
3 exceed 30 calendar years. Zones shall terminate at midnight of
4 December 31 of the final calendar year of the certified term,
5 except as provided in Section 10-5.4.

6 (d) In calendar years 2006 and 2007, the Department may
7 certify one pilot River Edge Redevelopment Zone in the City of
8 East St. Louis, one pilot River Edge Redevelopment Zone in the
9 City of Rockford, and one pilot River Edge Redevelopment Zone
10 in the City of Aurora.

11 In calendar year 2009, the Department may certify one
12 pilot River Edge Redevelopment Zone in the City of Elgin.

13 On or after the effective date of this amendatory Act of
14 the 97th General Assembly, the Department may certify one
15 additional pilot River Edge Redevelopment Zone in the City of
16 Peoria.

17 On or after the effective date of this amendatory Act of
18 the 103rd General Assembly, the Department may certify 2
19 additional pilot River Edge Redevelopment Zones, including one
20 in the City of Joliet and one in the City of Kankakee.

21 On or after the effective date of this amendatory Act of
22 the 103rd General Assembly, the Department may certify 7
23 additional pilot River Edge Redevelopment Zones, including one
24 in the City of East Moline, one in the City of Moline, one in
25 the City of Ottawa, one in the City of LaSalle, one in the City
26 of Peru, one in the City of Rock Island, and one in the City of

1 Quincy.

2 After certifying the additional pilot River Edge
3 Redevelopment Zones authorized by the above paragraphs, the
4 Department may not certify any additional River Edge
5 Redevelopment Zones, but it may amend and rescind
6 certifications of existing River Edge Redevelopment Zones in
7 accordance with Section 10-5.4, except that no River Edge
8 Redevelopment Zone may be extended on or after the effective
9 date of this amendatory Act of the 97th General Assembly. Each
10 River Edge Redevelopment Zone in existence on the effective
11 date of this amendatory Act of the 97th General Assembly shall
12 continue until its scheduled termination under this Act,
13 unless the Zone is decertified sooner. At the time of its term
14 expiration each River Edge Redevelopment Zone will become an
15 open enterprise zone, available for the previously designated
16 area or a different area to compete for designation as an
17 enterprise zone. No preference for designation as a Zone will
18 be given to the previously designated area.

19 (e) A municipality in which a River Edge Redevelopment
20 Zone has been certified must submit to the Department, within
21 60 days after the certification, a plan for encouraging the
22 participation by minority persons, women, persons with
23 disabilities, and veterans in the zone. The Department may
24 assist the municipality in developing and implementing the
25 plan. The terms "minority person", "woman", and "person with a
26 disability" have the meanings set forth under Section 2 of the

1 Business Enterprise for Minorities, Women, and Persons with
2 Disabilities Act. "Veteran" means an Illinois resident who is
3 a veteran as defined in subsection (h) of Section 1491 of Title
4 10 of the United States Code.

5 (Source: P.A. 103-9, eff. 6-7-23.)

6 (65 ILCS 115/10-10.3)

7 Sec. 10-10.3. River Edge Construction Jobs Credit.

8 (a) Beginning on January 1, 2021, a business entity may
9 receive a tax credit against the tax imposed under subsections
10 (a) and (b) of Section 201 in an amount equal to 50% (or 75% if
11 the project is located in an underserved area) of the amount of
12 the incremental income tax attributable to River Edge
13 construction jobs employees employed in the course of
14 completing a River Edge construction jobs project. The credit
15 allowed under this Section shall apply only to taxpayers that
16 make a capital investment of at least \$1,000,000 in a
17 qualified rehabilitation plan.

18 (b) A business entity seeking a credit under this Section
19 must submit an application to the Department describing the
20 nature and benefit of the River Edge construction jobs project
21 to the qualified rehabilitation project and the River Edge
22 Redevelopment Zone. The Department may adopt any necessary
23 rules in order to administer the provisions of this Section.

24 (c) Within 45 days after the receipt of an application,
25 the Department shall give notice to the applicant as to

1 whether the application has been approved or disapproved. If
2 the Department disapproves the application, it shall specify
3 the reasons for this decision and allow 60 days for the
4 applicant to amend and resubmit its application. The
5 Department shall provide assistance upon request to
6 applicants. Resubmitted applications shall receive the
7 Department's approval or disapproval within 30 days of
8 resubmission. Those resubmitted applications satisfying
9 initial Department objectives shall be approved unless
10 reasonable circumstances warrant disapproval.

11 (d) On an annual basis, the designated zone organization
12 shall furnish a statement to the Department on the
13 programmatic and financial status of any approved project and
14 an audited financial statement of the project.

15 (e) The Department shall certify to the Department of
16 Revenue the identity of the taxpayers who are eligible for
17 River Edge construction jobs credits and the amounts of River
18 Edge construction jobs credits awarded in each taxable year.

19 (f) (Blank). ~~The Department, in collaboration with the~~
20 ~~Department of Labor, shall require certified payroll~~
21 ~~reporting, pursuant to Section 10-10.4 of this Act, be~~
22 ~~completed in order to verify the wages and any other necessary~~
23 ~~information which the Department may deem necessary to~~
24 ~~ascertain and certify the total number of River Edge~~
25 ~~construction jobs employees and determine the amount of a~~
26 ~~River Edge construction jobs credit.~~

1 (g) The total aggregate amount of credits awarded under
2 the Blue Collar Jobs Act (Article 20 of this amendatory Act of
3 the 101st General Assembly) shall not exceed \$20,000,000 in
4 any State fiscal year.

5 (Source: P.A. 101-9, eff. 6-5-19.)

6 (65 ILCS 115/10-10.4)

7 Sec. 10-10.4. Certified payroll. ~~Any taxpayer seeking Any~~
8 ~~contractor and each subcontractor who is engaged in and is~~
9 ~~executing a River Edge construction job tax credits must jobs~~
10 ~~project for a taxpayer that is entitled to a credit pursuant to~~
11 ~~Section 10-10.3 of this Act shall:~~

12 (1) annually, until construction is completed, submit
13 a report that, at a minimum, describes the projected
14 project scope, timeline, and anticipated budget; once the
15 project has commenced, the annual report shall include
16 actual data for the prior year as well as projections for
17 each additional year through completion of the project;
18 the Department shall issue detailed reporting guidelines
19 prescribing the requirements of construction-related
20 reports; and

21 (2) provide the Department with evidence that a
22 certified third-party executed an Agreed-Upon Procedure
23 (AUP) verifying the construction expenses or accept the
24 standard construction wage expense estimated by the
25 Department; upon review of the final project scope,

1 timeline, budget, and AUP, the Department shall issue a
2 tax credit certificate reflecting a percentage of the
3 total construction job wages paid throughout the
4 completion of the project.

5 ~~(1) make and keep, for a period of 5 years from the~~
6 ~~date of the last payment made on or after June 5, 2019 (the~~
7 ~~effective date of Public Act 101-9) on a contract or~~
8 ~~subcontract for a River Edge Construction Jobs Project in~~
9 ~~a River Edge Redevelopment Zone records of all laborers~~
10 ~~and other workers employed by them on the project; the~~
11 ~~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 each day;~~

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

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

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

25 ~~(2) no later than the 15th day of each calendar month,~~
26 ~~provide a certified payroll for the immediately preceding~~

1 ~~month to the taxpayer in charge of the project; within 5~~
2 ~~business days after receiving the certified payroll, the~~
3 ~~taxpayer shall file the certified payroll with the~~
4 ~~Department of Labor and the Department of Commerce and~~
5 ~~Economic Opportunity; a certified payroll must be filed~~
6 ~~for only those calendar months during which construction~~
7 ~~on a River Edge Construction Jobs Project has occurred;~~
8 ~~the certified payroll shall consist of a complete copy of~~
9 ~~the records identified in paragraph (1), but may exclude~~
10 ~~the starting and ending times of work each day; the~~
11 ~~certified payroll shall be accompanied by a statement~~
12 ~~signed by the contractor or subcontractor or an officer,~~
13 ~~employee, or agent of the contractor or subcontractor~~
14 ~~which avers that:~~

15 ~~(A) he or she has examined the certified payroll~~
16 ~~records required to be submitted and such records are~~
17 ~~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 ~~Any contractor or subcontractor subject to this Section,~~
26 ~~and any officer, employee, or agent of such contractor or~~

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

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

13 ~~The records submitted in accordance with this Section~~
14 ~~shall be considered public records, except an employee's~~
15 ~~address, telephone number, and social security number, and~~
16 ~~made available in accordance with the Freedom of Information~~
17 ~~Act. The Department of Labor shall accept any reasonable~~
18 ~~submissions by the contractor that meet the requirements of~~
19 ~~this Section and shall share the information with the~~
20 ~~Department in order to comply with the awarding of River Edge~~
21 ~~construction jobs credits. A contractor, subcontractor, or~~
22 ~~public body may retain records required under this Section in~~
23 ~~paper or electronic format.~~

24 ~~Upon 7 business days' notice, the taxpayer ~~contractor and~~~~
25 ~~each subcontractor shall make available for inspection and~~
26 ~~copying at a location within this State during reasonable~~

1 hours, the records identified in paragraph (1) of this Section
2 to the taxpayer in charge of the project, its officers and
3 agents, ~~the Director of Labor and his or her deputies and~~
4 ~~agents,~~ and to federal, State, or local law enforcement
5 agencies and prosecutors.

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

7 Section 85. The Public Utilities Act is amended by
8 changing Section 9-222 as follows:

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

10 Sec. 9-222. Whenever a tax is imposed upon a public
11 utility engaged in the business of distributing, supplying,
12 furnishing, or selling gas for use or consumption pursuant to
13 Section 2 of the Gas Revenue Tax Act, or whenever a tax is
14 required to be collected by a delivering supplier pursuant to
15 Section 2-7 of the Electricity Excise Tax Act, or whenever a
16 tax is imposed upon a public utility pursuant to Section 2-202
17 of this Act, such utility may charge its customers, other than
18 customers who are high impact businesses under Section 5.5 of
19 the Illinois Enterprise Zone Act, customers who are certified
20 under Section 95 of the Reimagining Energy and Vehicles in
21 Illinois Act, manufacturers under the Manufacturing Illinois
22 Chips for Real Opportunity (MICRO) Act, customers who are
23 tenants in a quantum computing campus under Section 605-1115
24 of the Department of Commerce and Economic Opportunity Law of

1 the Civil Administrative Code of Illinois, or certified
2 business enterprises under Section 9-222.1 of this Act, to the
3 extent of such exemption and during the period in which such
4 exemption is in effect, in addition to any rate authorized by
5 this Act, an additional charge equal to the total amount of
6 such taxes. The exemption of this Section relating to high
7 impact businesses shall be subject to the provisions of
8 subsections (a), (b), and (b-5) of Section 5.5 of the Illinois
9 Enterprise Zone Act. This requirement shall not apply to taxes
10 on invested capital imposed pursuant to the Messages Tax Act,
11 the Gas Revenue Tax Act and the Public Utilities Revenue Act.
12 Such utility shall file with the Commission a supplemental
13 schedule which shall specify such additional charge and which
14 shall become effective upon filing without further notice.
15 Such additional charge shall be shown separately on the
16 utility bill to each customer. The Commission shall have the
17 power to investigate whether or not such supplemental schedule
18 correctly specifies such additional charge, but shall have no
19 power to suspend such supplemental schedule. If the Commission
20 finds, after a hearing, that such supplemental schedule does
21 not correctly specify such additional charge, it shall by
22 order require a refund to the appropriate customers of the
23 excess, if any, with interest, in such manner as it shall deem
24 just and reasonable, and in and by such order shall require the
25 utility to file an amended supplemental schedule corresponding
26 to the finding and order of the Commission. Except with

1 respect to taxes imposed on invested capital, such tax
2 liabilities shall be recovered from customers solely by means
3 of the additional charges authorized by this Section.

4 (Source: P.A. 102-669, eff. 11-16-21; 102-700, eff. 4-19-22;
5 102-1125, eff. 2-3-23.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law."