



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB0550

Introduced 2/1/2007, by Rep. Jil Tracy

#### SYNOPSIS AS INTRODUCED:

35 ILCS 10/5-16 new

Amends the Economic Development for a Growing Economy Tax Credit Act. Provides that in lieu of an income tax credit, an applicant may opt to receive job creation assistance payments under the Act. Defines "applicant" as any employer located or that plans to locate in Illinois. Provides that job creation assistance payments shall be related to the number of new full-time equivalent jobs created or retained in Illinois, any job-related benefits offered, and the economic impact of the full-time equivalent jobs created or retained. Provides that, for each new full-time equivalent job created or retained, the applicant is eligible to receive job creation assistance payments in amounts to be determined by the Department of Commerce and Economic Opportunity. Provides that agreements for the payments may last up to 10 years and that payments may be made on a quarterly basis. Requires application for the payments on or before December 31, 2009. Requires the Department to report each January 1 to the Governor and the General Assembly on the progress of the incentive payment program. Effective immediately.

LRB095 05204 BDD 25278 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning economic development.

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

4 Section 5. The Economic Development for a Growing Economy  
5 Tax Credit Act is amended by adding Section 5-16 as follows:

6 (35 ILCS 10/5-16 new)

7 Sec. 5-16. Job creation assistance payments.

8 (a) In lieu of an income tax credit as provided under  
9 Section 5-15, an applicant may opt to receive job creation  
10 assistance payments under this Act.

11 (b) For purposes of this Section, "applicant" means any  
12 employer located or that plans to locate in Illinois.

13 (c) Notwithstanding any provision to the contrary under  
14 this Act, an applicant seeking to make an amount of investment  
15 and create or retain a number of full-time equivalent jobs in  
16 Illinois expressly specified by the Department may make  
17 application to the Department and may be eligible to receive  
18 job creation assistance payments. Job creation assistance  
19 payments shall be related to the number of new full-time  
20 equivalent jobs created or retained in Illinois, any job  
21 related benefits offered, including health care, and the  
22 economic impact of the full-time equivalent jobs created or  
23 retained. For each new full-time equivalent job created or

1 retained, the applicant is eligible to receive job creation  
2 assistance payments in amounts to be determined by the  
3 Department in conformance with procedures specified in this  
4 Act. Job creation assistance payments may be equal to the  
5 incremental income tax associated with employees who hold  
6 full-time equivalent jobs created or retained and may be  
7 adjusted to encourage the offering of job related benefits,  
8 including health care. At no time may the value of the job  
9 creation assistance payments over time be more than the value  
10 of the economic impact of the full-time equivalent jobs  
11 created.

12 (d) An agreement to provide job creation assistance  
13 payments under this Section shall be entered into in the same  
14 manner as agreements for income tax credits under this Act, to  
15 the extent possible, and in conformance with the requirements  
16 of this Section and of the Corporate Accountability for Tax  
17 Expenditures Act. Job creation assistance payments under this  
18 Section shall be entered into for a period not to exceed 10  
19 years and may be made in quarterly installments as determined  
20 by the Department. To qualify to enter into an agreement for  
21 job creation assistance payments, an applicant must file an  
22 application with the Department on or before December 31, 2009.

23 (e) The Department shall file annual reports with the  
24 General Assembly and the Governor on or before January 1 each  
25 year concerning job creation assistance agreements entered  
26 into in the previous year and regarding the progress this

1 assistance has made in advancing economic development in  
2 Illinois and its various regions.

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.