



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5435

Introduced 1/31/2022, by Rep. Deanne M. Mazzochi

SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 10 Div. 21 heading new
35 ILCS 200/10-765 new
35 ILCS 200/10-770 new
35 ILCS 200/10-775 new

Amends the Property Tax Code. Provides that municipalities and counties may establish manufacturing zones. Provides that, with respect to property that is owned or controlled by the owner or operator of a manufacturing facility that is located within a manufacturing zone, the assessed valuation of any capital investment in the property made by the owner or operator for the purpose of carrying out a manufacturing process for any taxable year in which the manufacturing zone is in effect shall be \$0. Effective immediately.

LRB102 24729 HLH 33969 b

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by adding
5 Division 21 to Article 10 as follows:

6 (35 ILCS 200/Art. 10 Div. 21 heading new)

7 Division 21. Manufacturing zones

8 (35 ILCS 200/10-765 new)

9 Sec. 10-765. Purpose. The purpose of this Division is to
10 encourage the development of manufacturing employment
11 throughout Illinois, especially within jurisdictions that
12 adopt manufacturing zone ordinances pursuant to this Division.

13 (35 ILCS 200/10-770 new)

14 Sec. 10-770. Establishment of manufacturing zones. For
15 taxable year 2023 and thereafter, the corporate authorities of
16 any municipality or county may adopt an ordinance creating a
17 manufacturing zone. The ordinance shall set forth the
18 boundaries of the manufacturing zone and the duration of the
19 zone. The boundaries of each manufacturing zone and the date
20 it was created shall be posted by the jurisdiction that
21 created it on a map that shall be available to the public at

1 all times. The municipality or county shall send copies of
2 each map to the Department of Revenue. If the manufacturing
3 zone is created by a municipality, the municipality shall
4 transmit copies of each map to the county clerk. Any
5 jurisdiction that possesses one or more manufacturing zones
6 may create a new manufacturing zone with a new date of
7 creation. The boundaries of each existing manufacturing zone
8 shall not be changed.

9 (35 ILCS 200/10-775 new)

10 Sec. 10-775. Assessments in manufacturing zones.
11 Notwithstanding any other provision of law, with respect to
12 property that is owned or controlled by the owner or operator
13 of a manufacturing facility that is located within a
14 manufacturing zone, the assessed valuation of any capital
15 investment in the property made by the owner or operator for
16 the purpose of carrying out a manufacturing process for any
17 taxable year in which the manufacturing zone is in effect
18 shall be \$0. Nothing in the assessment procedures or outcomes
19 for this parcel of property shall affect that portion of the
20 overall market value of the parcel that reflects value that
21 existed prior to the creation of the intensive manufacturing
22 zone.

23 As used in this Section, "manufacturing process" shall be
24 as defined in paragraph (1) of Section 3-50 of the Use Tax Act

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.